

IMASPRO CORPORATION BERHAD (Company No. 657527-H)

Quarterly Report on Consolidated Results for the Twelve-Month period ended 30 June 2011

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2011 RM '000	Preceding Year Corresponding Quarter 30.06.2010 RM '000	Current Year To Date 30.06.2011 RM '000	Preceding Year Corresponding Period 30.06.2010 RM '000
Revenue	21,053	17,418	86,403	76,567
Cost of sales	(17,148)	(13,642)	(69,619)	(59,883)
Gross profit	3,905	3,776	16,784	16,684
Other income	566	625	1,493	1,429
Administrative expenses	(1,182)	(1,211)	(6,234)	(5,892)
Selling and distribution expenses	(21)	(12)	(67)	(52)
Other expenses	(596)	(514)	(1,774)	(1,811)
Finance costs	(6)	(13)	(35)	(48)
Profit before taxation	2,666	2,651	10,167	10,310
Income tax expense	(594)	(486)	(2,069)	(2,032)
Profit after taxation	2,072	2,165	8,098	8,278
Other comprehensive income				
Currency translation differences of foreign subsidiary	(12)	(299)	(508)	(437)
Other comprehensive income for the year, net of tax	(12)	(299)	(508)	(437)
Total comprehensive income for the period	2,060	1,866	7,590	7,841
Profit for the period attributable to:				
Owners of the parent	2,072	2,165	8,098	8,278
Total comprehensive income for the period attributable to:				
Owners of the parent	2,060	1,866	7,590	7,841
Earnings per ordinary share (sen)				
- Basic	2.59	2.71	10.12	10.35
- Diluted	NA	NA	NA	NA

Note:

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

NA denotes "Not Applicable"

IMASPRO CORPORATION BERHAD (Company No. 657527-H)

Quarterly Report on Consolidated Results for the Twelve-Month period ended 30 June 2011

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As At 30 June 2011 RM '000	Audited As At 30 June 2010 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	20,093	20,263
Investment properties	150	152
	<u>20,243</u>	<u>20,415</u>
Current assets		
Inventories	17,433	16,169
Trade and other receivables	32,875	29,466
Cash and bank balances	30,267	32,562
Tax recoverable	899	338
	<u>81,474</u>	<u>78,535</u>
TOTAL ASSETS	<u><u>101,717</u></u>	<u><u>98,950</u></u>
EQUITY AND LIABILITIES		
Share capital	40,000	40,000
Reserves	55,966	51,176
Total equity - profit attributable to owners of the parent	<u>95,966</u>	<u>91,176</u>
Non-current liability		
Deferred taxation	985	1,006
Current liabilities		
Trade and other payables	4,746	6,298
Borrowings	-	159
Tax payable	20	311
	<u>4,766</u>	<u>6,768</u>
TOTAL LIABILITIES	<u>5,751</u>	<u>7,774</u>
TOTAL EQUITY AND LIABILITIES	<u><u>101,717</u></u>	<u><u>98,950</u></u>
	-	
Net assets per share (RM)	<u>1.20</u>	<u>1.14</u>

Note:

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to Owners of the Parent →				Total equity RM '000
	Share capital RM '000	Non-Distributable		Distributable	
		Share premium RM '000	Foreign currency translation reserve RM '000	Unappropriated profit RM '000	
<u>12 months ended 30 June 2010</u>					
Balance as at 1 July 2009 (Audited)	40,000	2,857	(16)	43,294	86,135
Total comprehensive income	-	-	(437)	8,278	7,841
Transaction with owners					
Dividends	-	-	-	(2,800)	(2,800)
Balance as at 30 June 2010	<u>40,000</u>	<u>2,857</u>	<u>(453)</u>	<u>48,772</u>	<u>91,176</u>
<u>12 months ended 30 June 2011</u>					
Balance as at 1 July 2010 (Audited)	40,000	2,857	(453)	48,772	91,176
Total comprehensive income	-	-	(508)	8,098	7,590
Transaction with owners					
Dividends	-	-	-	(2,800)	(2,800)
Balance as at 30 June 2011	<u>40,000</u>	<u>2,857</u>	<u>(961)</u>	<u>54,070</u>	<u>95,966</u>

Note:

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

IMASPRO CORPORATION BERHAD (Company No. 657527-H)

Quarterly Report on Consolidated Results for the Twelve-Month period ended 30 June 2011

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 Months Ended 30.6.2011 RM'000	12 Months Ended 30.6.2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	10,166	10,310
Adjustments for:-		
Interest expenses	35	48
Interest income	(662)	(478)
Non-cash items	2,460	1,856
Operating profit before working capital changes	<u>11,999</u>	<u>11,736</u>
Changes in working capital		
Net change in current assets	(5,031)	3,845
Net change in current liabilities	<u>(1,895)</u>	<u>472</u>
Cash generated from operations	5,073	16,053
Taxation paid	(2,941)	(1,433)
Interest paid	(35)	(48)
Interest received	<u>662</u>	<u>478</u>
Net cash generated from operating activities	<u>2,759</u>	<u>15,050</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,683)	(1,559)
Proceeds from disposal of property, plant and equipment	<u>102</u>	<u>20</u>
Net cash used in investing activities	<u>(1,581)</u>	<u>(1,539)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net (repayment)/proceeds of bills payables	(159)	90
Dividends paid	<u>(2,800)</u>	<u>(2,800)</u>
Net cash used in financing activities	<u>(2,959)</u>	<u>(2,710)</u>
Net changes in cash and cash equivalents	(1,781)	10,801
Effect of foreign exchange rate changes	(514)	(462)
Cash and cash equivalents at beginning of financial period	<u>32,562</u>	<u>22,223</u>
Cash and cash equivalents at end of the financial period	<u>30,267</u>	<u>32,562</u>
Cash and cash equivalent at the end of the financial period comprise the following:		
Short term deposits with licensed banks	2,129	4,450
Cash on hand and at banks	<u>4,110</u>	<u>1,736</u>
	6,239	6,186
Short term cash investments	<u>24,028</u>	<u>26,376</u>
Cash and bank balances	<u>30,267</u>	<u>32,562</u>

Note:

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

A. EXPLANATORY NOTES PURSUANT TO FRS 134

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with FRS 134, Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2010. These explanatory notes attached to the interim financial statements 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 2010.

A2. Changes in Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in the preparation of the consolidated interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2010 except for the adoption of the new and revised Financial Reporting Standards (“FRSs”) and IC Interpretations that are relevant to its operations and effective for financial periods beginning on or after 1 July 2010. The adoption of these FRSs does not have material impact on the interim financial statements of the Group except for the following:

i) FRS 101 (Revised): Presentation of Financial Statements

FRS 101 (Revised) has introduced changes in terminology used, format and contents of financial statements. Among others, components of interim financial statements presented now consist of a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and notes to the financial statements. This standard separates owner and non-owner changes in equity. Therefore, the statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity are presented as a single line labeled as total comprehensive income. In addition, the statement of comprehensive income consists of profit or loss for the period and other comprehensive income. All non-owner changes in equity are now presented in the statement of comprehensive income as components in other comprehensive income. Entities can choose to present in one single statement (the statement of comprehensive income) or two link statements (the income statement and statement of comprehensive income).

The adoption of FRS 101 (Revised) has resulted the Group presenting both the income statement and statement of comprehensive income in a single statement. Comparative information has been re-presented so that it is in conformity with this revised FRS. The adoption of this revised FRS does not have any impact on the financial position and results of the Group.

ii) Amendment to FRSs 'Improvement to FRSs (2009) – FRS 7: Leases'

Upon adoption of the Amendment to FRS 117, the classification of a leasehold land as a finance lease or an operating lease is based on the extent of risks and rewards of the lease. The Group has determined that all leasehold lands of the Group are in substance finance leases and has reclassified its leasehold lands from prepaid lease payments to property, plant and equipment. The change in classification has no effect on the results of the Group.

The reclassification has been made retrospectively and the comparative figures have been restated as follows:

Consolidated Statement of Financial Position At 30 June 2010	As previously Stated RM'000	Effect on adoption of FRS 117 RM'000	As restated RM'000
Property, plant and equipment	17,163	3,100	20,263
Prepaid lease payments	3,100	(3,100)	-

iii) FRS 139: Financial Instruments – Recognition and Measurement and Subsequent Amendments

The new standard on FRS 139: Financial Instruments: Recognition and Measurement established principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. As allowed under the transitional provisions, the standard is not applied retrospectively.

i) Financial Assets

The Group's financial assets include short term cash investments, cash, deposits, receivables and prepayments. Other financial assets are classified as loans and receivables and measured at amortised cost using effective interest method.

ii) Financial Liabilities

Financial liabilities include borrowings, trade and other payables, and are stated at amortised cost.

As at the balance sheet date, the Group does not have derivative financial instruments.

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 30 June 2010 was not qualified.

A4. Segmental Information

Business Segment

The Company is principally an investment holding company. The principal businesses of the Group are manufacturing of pesticides and plant micronutrients, distribution and agency of pesticides and other agrochemicals, and trading of pesticides and other agrochemicals which are substantially within a single business segment, and therefore, segmental reporting is deemed not necessary.

Geographical Segment

In determining the geographical segments of the Group, segment revenue is based on the geographical location of customers.

Segmental revenue in geographical segments of the Group for the current quarter and current year to-date as at 30 June 2011 was as follows:

	Current Quarter Ended 30.6.2011 RM'000	Current Year To-Date Ended 30.6.2011 RM'000
Local	11,552	44,849
Export	9,501	41,554
	<u>21,053</u>	<u>86,403</u>

A5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 30 June 2011 except as disclosed in the notes.

A6. Changes in Estimates

There were no changes in estimates that have material effect in the current quarter results.

A7. Comment about Seasonal or Cyclical Factors

The Group operates in the local and overseas agricultural sector which could be influenced by seasonal or cyclical factors.

A8. Dividend Paid

A first and final single tier dividend of 3.5 sen per share, in respect of the financial year ended 30 June 2010 amounting to RM2,800,000 was paid on 25 January 2011.

A9. Carrying Amount of Revalued Assets

There is no revaluation of the property, plant and equipment brought forward from the previous audited annual financial statements as the Group does not adopt a revaluation policy on its property, plant and equipment.

A10. Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current quarter and current financial year to-date under review.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

A12. Discontinued Operations

There was no disposal of subsidiaries by the Group during the current quarter under review.

A13. Capital Commitments

There was no capital commitments entered into and not provided for by the Group during the current quarter under review.

A14. Changes in Contingent Liabilities and Contingent Assets

There were no changes in contingent liabilities or contingent assets since last financial year ended as at 30 June 2010.

A15. Material Subsequent Events

In the opinion of the Directors, no material events have arisen between the end of the reporting period and 25 August 2011 which had affected substantially the results of the Group for the financial quarter ended 30 June 2011.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Performance Review

For the current quarter under review, the Group registered a revenue of RM21.053 million as compared to the preceding year corresponding quarter of RM17.418 million, an increase of 20.9%.

Profit for the period has decreased by 4.3% to RM2.072 million in the current quarter under review from the preceding year corresponding quarter of RM2.165 million.

Despite a higher revenue this quarter, the decrease in profit was due to the lower sales margins achieved for this quarter in comparison with the preceding year corresponding quarter.

B2. Comment on Material Change in Profit Before Taxation

For the current quarter under review, the Group's profit before taxation is RM2.666 million compared to the Group's profit before taxation of RM1.826 million in the immediate preceding quarter. Despite a lower revenue this quarter, this 46% increase in profit before taxation was due to the higher sales margins achieved for this quarter in comparison with the immediate preceding quarter.

B3. Comment on Prospects

The Group will continue to focus on its core activities and barring any unforeseen circumstances, the Group hopes to achieve acceptable performance for the financial year ending 30 June 2012.

IMASPRO CORPORATION BERHAD (Company No. 657527-H)

Quarterly Report for the Forth Quarter and Twelve-Month period ended 30 June 2011

B4. Profit Forecast or Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and forecast profit after tax and minority interest and for the shortfall in profit guarantee are not applicable.

B5. Income Tax Expense

	Current Quarter Ended 30.6.2011 RM'000	Current Year To-Date Ended 30.6.2011 RM'000
Current tax:		
- Malaysian income tax	<u>(594)</u>	<u>(2,069)</u>

The effective tax rate of the Group for the current year to-date is slightly lower than the statutory tax rate of 25% due to sufficient capital allowances, industrial building allowances and reinvestment allowances allowable for offset.

B6. Sales of Unquoted Investments and Properties

There were no sales of unquoted investments and properties during the current quarter under review.

B7. Quoted Securities

There were no quoted securities held as at the end of the financial quarter under review.

B8. Corporate Proposals

There were no corporate proposals announced but not completed as at 25 August 2011.

B9. Borrowings

	As at 30.6.2011 RM'000	As at 30.6.2010 RM'000
RM denominated borrowings		
Short Term Borrowings		
Secured:-		
Bills Payable	<u>-</u>	<u>159</u>

There are no borrowings denominated in foreign currency.

B10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 25 August 2011.

B11. Changes in Material Litigation

There were no material litigations involving the Group as at 25 August 2011.

B12. Dividend

The Board of Directors is recommending a first and final single tier dividend of 3.5 sen per share, in respect of the financial year ended 30 June 2011.

The dividend payable amounting to RM2,800,000 if approved by the shareholders of the Company at the forthcoming Annual General Meeting of the Company will be paid on a date to be announced.

B13. Earnings Per Share

(a) Basic

The computation of basic earnings per share for the current quarter and current year to-date is based on the Group unaudited profit for the period attributable to owners of the parent for the current quarter of RM2.072 million and current year to-date of RM8.098 million divided by the number of ordinary shares in issue during the period of 80,000,000.

(b) Diluted

Not applicable

B14. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 25 August 2011.

IMASPRO CORPORATION BERHAD (Company No. 657527-H)

Quarterly Report for the Forth Quarter and Twelve-Month period ended 30 June 2011

C. DISCLOSURE OF REALISED AND UNREALISED PROFITS OR LOSSES

Total unappropriated profit as at 30 June 2011 and 31 March 2011 is analysed as follows:

	As At End of Current Quarter 30.6.2011 RM'000	As At End of Preceding Quarter 31.3.2011 RM'000
Total unappropriated profit of the Company and its subsidiaries		
- Realised	80,785	77,859
- Unrealised	(1,848)	(994)
	<hr/>	<hr/>
	78,937	76,865
Consolidation adjustments	(24,867)	(24,867)
	<hr/>	<hr/>
Total Group unappropriated profit as per consolidated accounts	<u>54,070</u>	<u>51,998</u>