

IMASPRO CORPORATION BERHAD (Company No. 657527-H)

Quarterly Report on Consolidated Results for the Three-Month period ended 30 Sept 2012

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2012 RM '000	Preceding Year Corresponding Quarter 30.09.2011 RM '000	Current Year To Date 30.09.2012 RM '000	Preceding Year Corresponding Period 30.09.2011 RM '000
Revenue	19,431	14,460	19,431	14,460
Cost of sales	(16,170)	(11,921)	(16,170)	(11,921)
<b>Gross profit</b>	<b>3,261</b>	<b>2,539</b>	<b>3,261</b>	<b>2,539</b>
Other income	162	612	162	612
Administrative expenses	(1,679)	(1,452)	(1,679)	(1,452)
Selling and distribution expenses	(39)	(38)	(39)	(38)
Other expenses	(240)	(258)	(240)	(258)
Finance costs	(10)	(19)	(10)	(19)
<b>Profit before tax</b>	<b>1,455</b>	<b>1,384</b>	<b>1,455</b>	<b>1,384</b>
Income tax expense	(325)	(315)	(325)	(315)
<b>Profit after tax</b>	<b>1,130</b>	<b>1,069</b>	<b>1,130</b>	<b>1,069</b>
<b>Other comprehensive (loss)/income</b>				
Foreign currency translation	(106)	613	(106)	613
<b>Total comprehensive income for the period</b>	<b>1,024</b>	<b>1,682</b>	<b>1,024</b>	<b>1,682</b>
<b>Profit for the period attributable to:</b>				
Owners of the parent	1,130	1,069	1,130	1,069
<b>Total comprehensive income for the period attributable to:</b>				
Owners of the parent	1,024	1,682	1,024	1,682
Earnings per ordinary share (sen)				
- Basic	1.41	1.34	1.41	1.34
- 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 2012 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 Three-Month period ended 30 Sept 2012

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As At 30 Sept 2012 RM '000	Audited As At 30 June 2012 RM '000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	19,033	19,418
Investment properties	147	147
	<u>19,180</u>	<u>19,565</u>
<b>Current assets</b>		
Inventories	25,379	23,554
Trade and other receivables	25,543	26,304
Cash and bank balances	31,574	35,609
Tax recoverable	1,202	1,159
	<u>83,698</u>	<u>86,626</u>
<b>TOTAL ASSETS</b>	<u><u>102,878</u></u>	<u><u>106,191</u></u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	40,000	40,000
Reserves	60,048	59,024
<b>Total equity - profit attributable to owners of the parent</b>	<u>100,048</u>	<u>99,024</u>
<b>Non-current liability</b>		
Deferred taxation	1,199	1,199
<b>Current liabilities</b>		
Trade and other payables	1,587	4,660
Borrowings	-	1,276
Tax payable	44	32
	<u>1,631</u>	<u>5,968</u>
<b>TOTAL LIABILITIES</b>	<u>2,830</u>	<u>7,167</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>102,878</u></u>	<u><u>106,191</u></u>
	-	-
Net assets per share (RM)	<u>1.25</u>	<u>1.24</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 2012 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	
<b>3 months ended 30 Sept 2011</b>					
Balance as at 1 July 2011 (Audited)	40,000	2,857	(961)	54,070	95,966
Profit for the period	-	-	-	1,069	1,069
Other comprehensive income	-	-	613	-	613
Total comprehensive income	-	-	613	1,069	1,682
Balance as at 30 September 2011	<u>40,000</u>	<u>2,857</u>	<u>(348)</u>	<u>55,139</u>	<u>97,648</u>
<b>3 months ended 30 Sept 2012</b>					
Balance as at 1 July 2012 (Audited)	40,000	2,857	(198)	56,365	99,024
Profit for the period	-	-	-	1,130	1,130
Other comprehensive loss	-	-	(106)	-	(106)
Total comprehensive (loss)/income	-	-	(106)	1,130	1,024
Balance as at 30 September 2012	<u>40,000</u>	<u>2,857</u>	<u>(304)</u>	<u>57,495</u>	<u>100,048</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 2012 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 Three-Month period ended 30 Sept 2012**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>3 Months Ended 30.9.2012 RM'000</b>	<b>3 Months Ended 30.9.2011 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	1,455	1,384
Adjustments for:-		
Interest expenses	10	19
Interest income	(206)	(188)
Non-cash items	657	36
Operating profit before working capital changes	<u>1,916</u>	<u>1,251</u>
Changes in working capital		
Net change in current assets	(1,141)	4,811
Net change in current liabilities	(3,007)	(350)
Cash generated from operations	<u>(2,232)</u>	<u>5,712</u>
Taxation paid	(356)	(353)
Interest paid	(10)	(19)
Interest received	206	188
Net cash (used in)/generated from operating activities	<u>(2,392)</u>	<u>5,528</u>
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>		
Purchase of property, plant and equipment	(27)	(315)
Proceeds from disposal of property, plant and equipment	-	9
Net cash used in investing activity	<u>(27)</u>	<u>(306)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>		
Net (repayment)/proceeds of bills payables	(1,276)	1,276
Net cash (used in)/generated from financing activity	<u>(1,276)</u>	<u>1,276</u>
Net changes in cash and cash equivalents	(3,695)	6,498
Effect of foreign exchange rate changes	(340)	730
Cash and cash equivalents at beginning of financial period	35,609	30,267
Cash and cash equivalents at end of the financial period	<u>31,574</u>	<u>37,495</u>
<b>Cash and cash equivalent at the end of the financial period comprise the following:</b>		
Short term deposits with licensed banks	1,011	1,277
Cash on hand and at banks	2,932	8,421
	<u>3,943</u>	<u>9,698</u>
Short term cash investments	27,631	27,797
Cash and bank balances	<u>31,574</u>	<u>37,495</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 2012 and the accompanying explanatory notes attached to the interim financial statements.

## IMASPRO CORPORATION BERHAD (Company No. 657527-H)

Quarterly Report for the First Quarter and Three-Month period ended 30 September 2012

---

### A. EXPLANATORY NOTES PURSUANT TO MFRS 134

#### A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 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 2012. The 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 2012.

#### A2. Changes in Accounting Policies

The Group adopted the new IFRS-compliant framework, MFRS with effect from 1 July 2012. In adopting the new framework, the Group has applied MFRS 1, *First-time Adoption of MFRS*. The adoption of MFRS 1 did not result in a significant impact on the financial statements of the Group. In addition, the financial statements comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

The 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 2012 except for the adoption of the following MFRSs, Amendments to MFRSs and IC Interpretations:

		<u>Effective dates</u>
MFRS 124	Related Party Disclosures (revised)	1 January 2012
Amendments to MFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012
Amendments to MFRS 7	Disclosures - Transfers of Financial Assets	1 January 2012
Amendments to MFRS 112	Deferred Tax: Recovery of Underlying Assets	1 January 2012
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012

The adoption of the above MFRSs, Amendments to MFRSs and IC Interpretations did not have any financial impact on the Group.

**A3. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 30 June 2012 was not qualified.

**A4. 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.

**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 September 2012 except as disclosed in the notes.

**A6. Changes in Estimates**

There were no changes in estimates that have material effect in the current quarter and current financial year-to-date results.

**A7. 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.

**A8. Dividend Paid**

No dividend was paid by the Company during the current quarter period under review.

**A9. 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.

IMASPRO CORPORATION BERHAD (Company No. 657527-H)

Quarterly Report for the First Quarter and Three-Month period ended 30 September 2012

A9. Segmental Information - continued

Geographical Segment

In determining the geographical segments of the Group, segment revenue is based on the geographical location of customers and these are:

- (i) Malaysia
- (ii) Belgium
- (iii) Others : These consist of segments which cover mainly Australia, Bulgaria, Indonesia, Russia and Vietnam but which individually fall below the 10% threshold of a reportable segment

	Malaysia RM'000	Belgium RM'000	Others RM'000	Eliminations RM'000	Total RM'000
<b>Current Quarter Ended 30.9.2012</b>					
Segment revenue					
Sales to external customers	11,349	3,926	4,156	-	19,431
Inter-segment sales	796	-	-	(796)	-
<b>Total</b>	<b>12,145</b>	<b>3,926</b>	<b>4,156</b>	<b>(796)</b>	<b>19,431</b>
Profit before tax					1,455
Income tax expense					(325)
Profit after tax					<u>1,130</u>

	Malaysia RM'000	Belgium RM'000	Others RM'000	Eliminations RM'000	Total RM'000
<b>Current Year To-Date Ended 30.9.2012</b>					
Segment revenue					
Sales to external customers	11,349	3,926	4,156	-	19,431
Inter-segment sales	796	-	-	(796)	-
<b>Total</b>	<b>12,145</b>	<b>3,926</b>	<b>4,156</b>	<b>(796)</b>	<b>19,431</b>
Profit before tax					1,455
Income tax expense					(325)
Profit after tax					<u>1,130</u>

**IMASPRO CORPORATION BERHAD (Company No. 657527-H)**

**Quarterly Report for the First Quarter and Three-Month period ended 30 September 2012**

---

**A10. 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.

**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. Changes in Contingent Liabilities and Contingent Assets**

There were no changes in contingent liabilities or contingent assets since 30 June 2012.

**A13. Capital Commitments**

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

**A14. Material Subsequent Events**

In the opinion of the Directors, no material events have arisen between the end of the reporting period and 22 November 2012 which had affected substantially the results of the Group for the financial quarter ended 30 September 2012.



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

**B1. Performance Review**

For the current quarter under review, the Group registered a revenue of RM19.431 million as compared to the preceding year corresponding quarter of RM14.460 million, an increase of 34.4%.

Profit for the period has increased by 5.7% to RM1.130 million in the current quarter under review from the preceding year corresponding quarter of RM1.069 million.

The increase in profit was due to the higher sales achieved for this quarter in comparison with the preceding year corresponding quarter.

For the current quarter under review, the revenue in the Malaysia segment has increased by 25.4% and Overseas segment also increased by 49.4% as compared to the preceding year corresponding quarter. The overall revenue increase was mainly due to the stock-up by customers in anticipation of further increase in raw material prices.

**B2. Variation of Results Against Preceding Quarter**

For the current quarter under review, the Group's profit before tax is RM1.455 million compared to the Group's profit before tax of RM2.260 million in the immediate preceding quarter. This 35.6% decrease in profit before tax was due to lower sales achieved in the current quarter in comparison with the immediate preceding quarter.

**B3. 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 2013.

**B4. Profit Forecast or Profit Guarantee**

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interests and forecast profit after tax and non-controlling interests and for the shortfall in profit guarantee are not applicable.

IMASPRO CORPORATION BERHAD (Company No. 657527-H)

Quarterly Report for the First Quarter and Three-Month period ended 30 September 2012

---

**B5. Income Tax Expense**

	<b>Current Quarter Ended 30.9.2012 RM'000</b>	<b>Current Year To-Date Ended 30.9.2012 RM'000</b>
Current tax:		
- Malaysian income tax	<u>(325)</u>	<u>(325)</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. Corporate Proposals**

There were no corporate proposals announced but not completed as at 22 November 2012.

**B7. Borrowings**

	<b>As at 30.9.2012 RM'000</b>	<b>As at 30.6.2012 RM'000</b>
<b>RM denominated borrowings</b>		
Short Term Borrowings		
Secured:-		
Bills Payable	<u>-</u>	<u>1,276</u>

There are no borrowings denominated in foreign currency.

**B8. Changes in Material Litigation**

There were no material litigations involving the Group as at 22 November 2012.

**B9. 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 2012.

The dividend payable amounting to RM2,800,000 was approved by the shareholders of the Company at the Annual General Meeting of the Company on 22 November 2012 and will be paid on 21 January 2013.

**IMASPRO CORPORATION BERHAD (Company No. 657527-H)**

**Quarterly Report for the First Quarter and Three-Month period ended 30 September 2012**

---

**B10. 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 ordinary equity holders of the parent for the current quarter and current year to-date of RM1.130 million divided by the number of ordinary shares in issue during the period of 80,000,000.

(b) Diluted

Not applicable.

**B11. Profit Before Tax**

	<b>Current Quarter Ended 30.9.2012 RM'000</b>	<b>Current Year To-Date Ended 30.9.2012 RM'000</b>
Profit before tax is stated after (charging)/crediting:		
Rental income	1	1
Interest income	206	206
Foreign exchange loss-unrealised	(247)	(247)
Reversal of allowance for impairment of trade receivables	78	78
Interest expenses	(10)	(10)
Depreciation and amortisation	(412)	(412)
Impairment loss on trade receivables	(60)	(60)

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

**B12. 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 22 November 2012.

IMASPRO CORPORATION BERHAD (Company No. 657527-H)

Quarterly Report for the First Quarter and Three-Month period ended 30 September 2012

---

C. DISCLOSURE OF REALISED AND UNREALISED PROFITS OR LOSSES

Total unappropriated profit as at 30 September 2012 and 30 June 2012 is analysed as follows:

	As at 30.9.2012 (Unaudited) RM'000	As at 30.06.2012 (Audited) RM'000
Total unappropriated profit of the Company and its subsidiaries		
- Realised	81,994	82,976
- Unrealised	994	(1,138)
	<hr/>	<hr/>
	82,988	81,838
Consolidation adjustments	(25,493)	(25,473)
	<hr/>	<hr/>
Total Group unappropriated profit as per consolidated accounts	57,495	56,365
	<hr/>	<hr/>