

**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 2014. 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 2014.

**A2. Changes in Accounting Policies**

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 2014 except for the adoption of the following MFRSs, Amendments to MFRSs and Interpretations:

		<u>Effective dates</u>
Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities	1 January 2014
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities	1 January 2014
Amendments to MFRS 127	Separate Financial Statements: Investment Entities	1 January 2014
Amendments to MFRS 132	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136	Impairment of Assets: Recoverable Amount Disclosures for Non – Financial Assets	1 January 2014
Amendments to MFRS 139	Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21	Levies	1 January 2014
Amendments to MFRS 119	Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements to IC Interpretations and MFRSs 2010 – 2012 Cycle		
Annual Improvements to IC Interpretations and MFRSs 2011 – 2013 Cycle		

**A2. Changes in Accounting Policies - continued**

The adoption of the above MFRSs, Amendments to MFRSs and 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 2014 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 31 March 2015 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.



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### A9. Operating Segments - continued

	Malaysia RM'000	Indonesia RM'000	Belgium RM'000	Australia RM'000	Bulgaria RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Current Year To-Date Ended 31.03.2015								
Segment revenue								
Sales to external customers	40,012	8,113	1,849	3,722	13,764	14,823	-	82,283
Inter-segment sales	689	-	-	-	-	-	(689)	-
Total	<u>40,701</u>	<u>8,113</u>	<u>1,849</u>	<u>3,722</u>	<u>13,764</u>	<u>14,823</u>	<u>(689)</u>	<u>82,283</u>
Profit before tax								11,233
Income tax expense								(2,415)
Profit for the year								<u>8,818</u>

### 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 2014.

### 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 27 May 2015 which had affected substantially the results of the Group for the financial quarter ended 31 March 2015.

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**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1. Performance Review**

	<b>3 Months Ended</b>			<b>9 Months Ended</b>		
	<b>31.03.2015</b>	<b>31.03.2014</b>	<b>Variance</b>	<b>31.03.2015</b>	<b>31.03.2014</b>	<b>Variance</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	<u>38,139</u>	<u>32,628</u>	(16.9)	<u>82,283</u>	<u>82,252</u>	(0.04)
Profit before tax	5,789	4,044		11,233	10,183	
Income tax expense	<u>(1,246)</u>	<u>(867)</u>		<u>(2,415)</u>	<u>(2,251)</u>	
Profit for the period	<u><u>4,543</u></u>	<u><u>3,177</u></u>	(43.0)	<u><u>8,818</u></u>	<u><u>7,932</u></u>	(11.17)

For the current quarter under review, the Group registered a revenue of RM38.139 million as compared to the preceding year corresponding quarter of RM32.628 million, an increase of 16.9%. For the nine months ended 31 March 2015, total revenue increased from RM82.252 million to RM82.283 million, a marginal increase of RM0.03 million or 0.04%. This is due mainly to higher revenue generated in the local segment for non-glyphosate products.

Profit for the period increased by 43.0% to RM4.543 million in the current quarter under review as compared to the preceding year corresponding quarter of RM3.177 million. For the nine months ended 31 March 2015, profit after tax increased from RM7.932 million to RM8.818 million, an increase of RM0.885 million or 11.17%. The increase in the profit for the period was mainly contributed by the higher revenue generated from higher margin products in the current quarter.

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

	<b>3 Months Ended</b>		
	<b>31.03.2015</b>	<b>31.12.2014</b>	<b>Variance</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	<u>38,139</u>	<u>25,356</u>	50.4
Profit before tax	<u>5,789</u>	<u>3,052</u>	89.7

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For the current quarter under review, the Group's profit before tax was RM5.789 million compared to the Group's profit before tax of RM3.052 million in the immediate preceding quarter. This 89.7% increase in profit before tax in comparison with the immediate preceding quarter was due to the higher revenue generated from higher margin products.

### B3. Prospects

The Group will continue to focus on its core activities and market expansion, cost control to ensure sustainability of its financial performance.

### B4. Profit Forecast or Profit Guarantee

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

### B5. Income Tax Expense

	<b>Current Quarter Ended 31.03.2015 RM'000</b>	<b>Current Year To-Date Ended 31.03.2015 RM'000</b>
Current tax:		
- Malaysian income tax	<u>(1,246)</u>	<u>(2,415)</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 27 May 2015.

### B7. Borrowings

	<b>As at 31.03.2015 RM'000</b>	<b>As at 30.03.2015 RM'000</b>
<b>RM denominated borrowings</b>		
Short Term Borrowings		
Secured:-		
Bills Payable	<u>-</u>	<u>-</u>

There are no borrowings denominated in foreign currency.

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**B8. Changes in Material Litigation**

There were no material litigations involving the Group as at 27 May 2015.

**B9. Dividend**

No ordinary dividend has been declared for the quarter ended 31 March 2015.

**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 of RM4.543 million and current year to-date of RM8.818 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 31.03.2015 RM'000</b>	<b>Current Year To-Date Ended 31.03.2015 RM'000</b>
Profit before tax is stated after (charging)/crediting:		
Rental income	1	4
Interest income	356	781
Foreign exchange gain-realised	16	617
Foreign exchange loss-unrealised	(34)	(21)
Reversal of allowance for impairment of trade receivables	18	354
Interest expenses	(29)	(48)
Depreciation and amortisation	(390)	(1,179)
Impairment loss on trade receivables	(60)	(180)

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 27 May 2015.

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**C. DISCLOSURE OF REALISED AND UNREALISED PROFITS OR LOSSES**

Total unappropriated profit as at 31 March 2015 and 30 June 2014 is analysed as follows:

	<b>As at 31.03.2015 (Unaudited) RM'000</b>	<b>As at 30.06.2014 (Audited) RM'000</b>
Total unappropriated profit of the Company and its subsidiaries		
- Realised	100,191	93,702
- Unrealised	(1,232)	(951)
	<u>98,959</u>	<u>92,751</u>
Consolidation adjustments	(25,531)	(25,341)
Total Group unappropriated profit as per consolidated accounts	<u><u>73,428</u></u>	<u><u>67,410</u></u>