

IMASPRO CORPORATION BERHAD (Registration No. 200401019024 (657527-H))

Quarterly Report on Consolidated Results for the Three-Months period ended 30 September 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2024 RM '000	Preceding Year Corresponding Quarter 30.09.2023 RM '000 Restated	Current Year To Date 30.09.2024 RM '000	Preceding Year Corresponding Period 30.09.2023 RM '000 Restated
Revenue	11,753	14,408	11,753	14,408
Cost of sales	(8,788)	(9,410)	(8,788)	(9,410)
Gross profit	2,965	4,998	2,965	4,998
Other operating income	686	1,206	686	1,206
Administrative expenses	(2,218)	(2,572)	(2,218)	(2,572)
Distribution cost	(221)	(259)	(221)	(259)
Other operating expenses	(1,006)	(614)	(1,006)	(614)
Finance cost	(33)	(37)	(33)	(37)
Profit before tax	173	2,722	173	2,722
Income tax expense	(65)	(646)	(65)	(646)
Profit for the period	108	2,076	108	2,076
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:				
Continuing operations				
- Foreign currency translation	(53)	2	(53)	2
Items that may not be reclassified subsequently to profit or loss:				
Continuing operations				
- Changes in the fair value of equity investment at fair value through other comprehensive income	623	(277)	623	(277)
Discontinued operations				
- Changes in the fair value of equity investment at fair value through other comprehensive income	-	-	-	-
Total comprehensive income for the period	678	1,801	678	1,801

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME (CONT'D)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2024 RM '000	Preceding Year Corresponding Quarter 30.09.2023 RM '000 Restated	Current Year To Date 30.09.2024 RM '000	Preceding Year Corresponding Period 30.09.2023 RM '000 Restated
Profit for the period attributable to:				
Owners of the Company				
- Continuing operations	108	2,076	108	2,076
Total comprehensive income for the period attributable to:				
Owners of the Company				
- Continuing operations	678	1,801	678	1,801
Earnings per share attributable to owners of the Company:				
Basic (sen)				
- Continuing operations	0.14	2.60	0.14	2.60
- Diluted	NA	NA	NA	NA

Note:

The unaudited condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 30 June 2024 and the accompanying explanatory notes attached to the interim financial statements.

NA denotes "Not Applicable"

IMASPRO CORPORATION BERHAD (Registration No. 200401019024 (657527-H))**Quarterly Report on Consolidated Results for the Three-Months period ended 30 September 2024****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited As At 30.09.2024 RM '000	Audited As At 30.06.2024 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	25,803	25,780
Investment properties	14,320	14,380
Investment	8,284	7,660
	<u>48,407</u>	<u>47,820</u>
Current assets		
Inventories	14,723	16,994
Trade and other receivables	6,879	9,491
Cash and bank balances	57,192	54,713
Tax recoverable	5,602	5,065
	<u>84,396</u>	<u>86,263</u>
TOTAL ASSETS	<u><u>132,803</u></u>	<u><u>134,083</u></u>
EQUITY AND LIABILITIES		
Share capital	42,857	42,857
Reserves	84,719	84,041
Total equity - profit attributable to owners of the Company	<u>127,576</u>	<u>126,898</u>
Non-current liabilities		
Borrowings	1,662	1,740
Deferred tax liabilities	1,260	1,260
	<u>2,922</u>	<u>3,000</u>
Current liabilities		
Trade and other payables	1,969	3,849
Borrowings	320	320
Tax payable	16	16
	<u>2,305</u>	<u>4,185</u>
TOTAL LIABILITIES	<u>5,227</u>	<u>7,185</u>
TOTAL EQUITY AND LIABILITIES	<u><u>132,803</u></u>	<u><u>134,083</u></u>
Net assets per share (RM)	<u>1.59</u>	<u>1.59</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 2024 and the accompanying explanatory notes attached to the interim financial statements.

Quarterly Report on Consolidated Results for the Three-Months period ended 30 September 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to Owners of the Company →				Total equity RM '000
	Share capital RM '000	Fair value reserve RM '000	Foreign currency translation reserve RM '000	Unappropriated profit RM '000	
3 months ended 30 September 2023					
At 1 July 2023 (Audited)	42,857	1,001	2,134	79,070	125,062
Profit for the period	-	-	-	2,076	2,076
Other comprehensive income	-	(277)	2	-	(275)
Total comprehensive income	-	(277)	2	2,076	1,801
At 30 September 2023	42,857	724	2,136	81,146	126,863
3 months ended 30 September 2024					
At 1 July 2024 (Audited)	42,857	514	2,139	81,388	126,898
Profit for the period	-	-	-	108	108
Other comprehensive income	-	623	(53)	-	570
Total comprehensive income	-	623	(53)	108	678
At 30 September 2024	42,857	1,137	2,086	81,496	127,576

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 2024 and the accompanying explanatory notes attached to the interim financial statements.

IMASPRO CORPORATION BERHAD (Registration No. 200401019024 (657527-H))**Quarterly Report on Consolidated Results for the Three-Months period ended 30 September 2024****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	3 Months Ended 30.09.2024 RM '000	3 Months Ended 30.09.2023 RM '000 Restated
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	173	2,722
Adjustments for:-		
Interest expenses	33	37
Interest income	(339)	(308)
Non-cash items	453	118
Operating profit before working capital changes	320	2,569
Changes in working capital		
Net changes in current assets	4,681	1,542
Net changes in current liabilities	(1,879)	(3,594)
Cash generated from operations	3,122	517
Dividend received	110	110
Interest paid	(33)	(37)
Interest received	339	308
Taxes paid	(602)	(667)
Net cash generated from operating activities	2,936	231
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(332)	(282)
Proceed from disposal of property, plant and equipment	7	32
Net cash used in investing activities	(325)	(250)
CASH FLOWS FROM FINANCING ACTIVITY		
Net repayment of borrowing	(78)	(78)
Net cash used in financing activity	(78)	(78)
Net changes in cash and cash equivalents	2,533	(97)
Effect of foreign exchange rate changes	(54)	2
Cash and cash equivalents at beginning of financial period	54,713	54,181
Cash and cash equivalents at end of the financial period	57,192	54,086

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Quarterly Report on Consolidated Results for the Three-Months period ended 30 September 2024

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

	3 Months Ended 30.09.2024 RM '000	3 Months Ended 30.09.2023 RM '000 Restated
Cash and cash equivalents at the end of the financial period comprise the following:		
Short term deposits with licensed banks	2	2
Cash on hand and at banks	25,834	29,692
	<hr/>	<hr/>
	25,836	29,694
Short term cash investments	31,356	24,392
	<hr/>	<hr/>
Cash and bank balances	57,192	54,086
	<hr/> <hr/>	<hr/> <hr/>

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 2024 and the accompanying explanatory notes attached to the interim financial statements.

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*, International Accounting Standard (“IAS”) 34 *Interim Financial Reporting*, provision of the Companies Act 2016 in Malaysia 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 2024. 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 2024.

A2. Accounting Policies

(i) Changes in accounting policies

The accounting policies adopted by the Group and the Company are consistent with those adopted in the previous financial year, except in current financial period, the Group and the Company adopted all the new and revised standards which are effective for financial year beginning on or after 1 July 2024.

Effective for financial year beginning on or after 1 July 2024

Amendments to MFRS 16	Leases (Lease Liability in a Sale and Leaseback)
Amendments to MFRS 101	Presentation of Financial Statements (Non-current Liabilities with Covenants)
Amendments to MFRS 101	Presentation of Financial Statements (Classification of Liabilities as Current or Non-Current)
Amendments to MFRS 107 and MFRS 7	Statement of Cash Flows and Financial Instruments: Disclosures (Supplier Finance Arrangements)

The adoption of the abovementioned standard, Amendments and Interpretation do not have material impact on the financial statements of the Group and the Company.

A2. Accounting Policies – continued

(ii) Standards issued but not yet effective

As at the date of authorisation of these financial statements, the following new and revised standards have been issued by the Malaysian Accounting Standards Board ("MASB"), but are not yet effective and have not been adopted by the Group and the Company.

Effective for financial year beginning on or after 1 July 2025

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)

Effective for financial year beginning on or after 1 July 2026

Amendments to MFRS 9 Amendments to the Classification and Measurement
and MFRS 7 of Financial Instruments

Amendments to MFRSs contained in the document entitled “Annual Improvements to MFRS Accounting Standards – Volume 11”

Effective for financial year beginning on or after 1 July 2027

MFRS 18 Presentation and Disclosure in Financial Statements
MFRS 19 Subsidiaries without Public Accountability: Disclosures

Effective for financial year beginning on or after a date yet to be determined

Amendments to MFRS 10 Consolidated Financial Statements and Investment in
and MFRS 128 Associates and Joint Ventures (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)

The Directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 30 June 2024 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 year ended 30 June 2024 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. Operating Segments

Business Segments

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, other agrochemicals, mosquito coils, disinfectants and household insecticides. The Group's business segments are presented as follows:

	3 Months Ended		3 Months Ended	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
Agrochemicals	11,753	14,408	11,753	14,408
Total	11,753	14,408	11,753	14,408

Geographical Segments

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

- (i) Malaysia
- (ii) Others: these consist of segments which cover China, Indonesia, Lebanon, Singapore, Taiwan, New Zealand and Thailand individually fall below the 10% threshold of a reportable segment

	Malaysia	Others	Elimina-	Total
	RM'000	RM'000	tions	RM'000
			RM'000	RM'000
Current Quarter Ended 30.09.2024				
Segment revenue:				
Sales to external customers	10,578	1,175	-	11,753
Inter-segment sales	24	-	(24)	-
Total	10,602	1,175	(24)	11,753
Profit before tax				173
Income tax expense				(65)
Profit for the period				108

A9. Operating Segments – continued

	Malaysia RM'000	Others RM'000	Elimina- tions RM'000	Total RM'000
Current Year To-Date Ended 30.09.2024				
Segment revenue:				
Sales to external customers	10,578	1,175	-	11,753
Inter-segment sales	24	-	(24)	-
Total	<u>10,602</u>	<u>1,175</u>	<u>(24)</u>	<u>11,753</u>
Profit before tax				173
Income tax expense				<u>(65)</u>
Profit for the year				<u><u>108</u></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 2024.

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 20 November 2024 which had affected substantially the results of the Group for the financial quarter ended 30 September 2024.

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

B1. Performance Review

	3 Months Ended			3 Months Ended		
	30.09.2024	30.09.2023	Variance	30.09.2024	30.09.2023	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
Continuing operations						
Revenue	11,753	14,408	(18.4)	11,753	14,408	(18.4)
Profit before tax	173	2,722		173	2,722	
Income tax expense	(65)	(646)		(65)	(646)	
Profit for the period	108	2,076	(94.8)	108	2,076	(94.8)

For the current quarter under review, the Group registered revenue of RM11.753 million as compared to the preceding year corresponding quarter of RM14.408 million, a decrease of RM2.655 million or 18.4%. This decrease was due to lower demand in the local and export segment as compared to the preceding year corresponding quarter.

For the current quarter under review, the Group's profit for the period was RM0.108 million as compared to the Group's profit for the period of RM2.076 million in the preceding year corresponding quarter, a decrease of RM1.968 million or 94.8%. The decrease was contributed by lower revenue and other operating income generated in current quarter and higher other operating expenses as compared to the preceding year corresponding quarter.

B2. Variation of Results Against Preceding Quarter

	3 Months Ended		Variance
	30.09.2024	30.06.2024	
	RM'000	RM'000	%
Continuing operations			
Revenue	11,753	11,995	(2.0)
Profit before tax	173	1,631	(89.4)

For the current quarter under review, the Group's profit before tax was RM0.173 million as compared to the Group's profit before tax of RM1.631 million in the immediate preceding quarter. This 89.4% decrease was mainly due to lower gross profit generated in current quarter coupled with an increase in overall expenses.

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

	Current Quarter Ended 30.09.2024 RM'000	Current Year To-Date Ended 30.09.2024 RM'000
Current tax:		
- Malaysian income tax	(65)	(65)

The effective tax rate of the Group for the current year to-date is higher than the statutory tax rate of 24% principally due to certain expenses that were not deductible for tax purposes.

B6. Corporate Proposals

There were no corporate proposals announced but not completed as at 20 November 2024.

B7. Borrowings

	As at 30.09.2024 RM'000	As at 30.06.2024 RM'000
RM denominated borrowings		
Short Term Borrowings		
Secured:		
Term Loan	<u>320</u>	<u>320</u>
Long Term Borrowings		
Secured:		
Term Loan	<u>1,662</u>	<u>1,740</u>

There are no borrowings denominated in foreign currency.

B8. Changes in Material Litigation

There were no material litigations involving the Group as at 20 November 2024.

B9. Dividend

No ordinary dividend has been declared for the quarter ended 30 September 2024.

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's unaudited profit for the period attributable to owners of the Company for the current quarter profit and current year to-date profit of RM0.108 million divided by the number of ordinary shares in issue during the period of 80,000,000.

(b) Diluted

The Group has no dilution in its earnings per ordinary share in the current and the preceding financial period as there are no dilutive potential ordinary shares.

B11. Profit Before Tax

	Current Quarter Ended 30.09.2024 RM'000	Current Year To-Date Ended 30.09.2024 RM'000
Profit before tax is stated after (charging)/crediting:		
Dividend income	110	110
Foreign exchange loss – realised	(497)	(497)
Foreign exchange loss – unrealised	(151)	(151)
Gain on disposal of property, plant and equipment	7	7
Interest income	339	339
Rental income	134	134
Reversal of allowance for impairment of trade receivables	9	9
Depreciation and amortisation	(368)	(368)
Impairment loss on trade receivables	(60)	(60)
Interest expenses	(33)	(33)

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

B12. Comparative figures

In the prior financial year, the Directors of the Company had decided to dispose a wholly-owned subsidiary, Mosfly International Sdn. Bhd. (“MISB”) including its investment in a company being Mosfly Vietnam Industries Co., Ltd. (“MVI”) (“collectively known as Mosfly”) as part of the Group’s restructuring strategy. Imaspro had received a letter of intent from an interested buyer but there were delays in the disposal due to the Covid-19 pandemic and re-negotiations with the interested buyer. In view that the letter of intent from an interested buyer in the previous financial year had no developments in the current financial period and there are no firm commitments from other potential purchasers that is considered highly probable to materialise in the next 12 months, the Directors are of the view that the disposal group should no longer be classified as held-for-sale. Hence, the comparative consolidated statement of profit or loss and other comprehensive income have been re-presented to include the results from Mostfly under continuing operations for all periods presented as follows:

	Preceding Year Corresponding Quarter/Period 30.09.2023	
	As restated RM'000	As previously reported RM'000
Revenue	14,408	14,408
Cost of sales	(9,410)	(9,410)
Gross profit	4,998	4,998
Other operating income	1,206	1,155
Distribution cost	(259)	(259)
Administration expenses	(2,572)	(2,499)
Other operating expenses	(614)	(614)
Operating profit	2,759	2,781
Finance cost	(37)	(37)
Profit before tax	2,722	2,744
Income tax expense	(646)	(646)
Profit from continuing operations	2,076	2,098
Profit from discontinued operations	-	(22)
Profit for the period	2,076	2,076

B13. 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 20 November 2024.