



IMASPRO CORPORATION BERHAD

(Incorporated in Malaysia)

(657527-H)

ANNUAL REPORT



2012

poised for  
**ACCELERATED**  
global **GROWTH**

# I.CHER

RACUN RUMPAI / 殺草劑

Perawis Aktif : cyhalofop-butyl 20.0% w/w

Rumput Padi Burung

Rumput Ekor Tebu



**Pilihlah I.CHER untuk kawalan rumpai yang luas :**  
**選擇 I.CHER, 以全面控制雜草 :**

- Berkesan mengawal daun tirus :  
Rumput Padi Burung dan Rumput Ekor Tebu  
有效控制窄葉雜草：芒稗草及畔茅
- Masa penyemburan yang luas selewat-lewatnya  
14 hari selepas menabur benih padi  
施噴時期長，即撒佈稻種後，最遲於14天內施噴此藥
- Racun rumpai memilih tidak memberi kesan kecederaan  
(kelecuran) ke atas anak padi  
選擇性殺草劑，不會傷害稻苗



**IMASPRO RESOURCES SDN. BHD. ( 100955-M )**

37, Jalan 5, Kaw. 16, Taman Intan, 41300 Klang, Selangor Darul Ehsan, Malaysia.  
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# CHAIRMAN'S STATEMENT

## Dear Fellow Shareholders

On behalf of the Board of Directors of Imaspro Corporation Berhad ("ICB"), it gives me great pleasure to present the Annual Report for the financial year ended 30 June 2012.

### PERFORMANCE AND OPERATIONAL HIGHLIGHTS

For the financial year ended (FYE) 30 June 2012, ICB recorded a net profit of RM5.1 million on revenue of RM76.5 million compared to RM8.1 million and RM8.4 million respectively of the previous financial year. Our cash and cash equivalent position increased further to RM35.6 million.

We had a very difficult year. Whatever hope and quiet optimism we had for a better FYE 2012 were dashed barely two (2) months into the financial year when, in August, USA lost its top-tier AAA credit rating from Standard & Poor's. This historic downgrade of the world's largest economy sent the global financial markets into a tailspin, pushed the already troubled Eurozone economies deeper into crisis, the hardest hit being the periphery in Southern Europe, and tipped over Greece (and later in 2012, Spain) to seek bailout funds from the European Central Bank. The liquidity crisis caused the banks to cut back substantially on providing credit to business. Closer to home, from late September 2011 and continuing until early December, the Mekong Delta was hit by the worst floods in 11 years. In Vietnam, one of our key export markets, the colossal floods completely destroyed more than 10,000 hectares (equivalent to 100 sq. km.) of rice paddies. The wet winds and tropical storms also brought heavier than usual rain to Malaysia and Indonesia. Planters and farmers in the affected regions were forced to cancel, postpone or re-schedule the planting programmes when the inclement weather made the soil conditions unsuitable for their planned agriculture activities.

In the previous year, FYE 2011, our sales to Eastern Europe (from which our distributors conducted substantial cross-border trades with Greece), Vietnam and Indonesia contributed substantially to our export sales. With our export markets facing such extraneous difficulties, the Group's traditionally more profitable first six (6) months of the year unfolded into an extremely challenging one when, in addition, we could not immediately pass on the global double-digit increase in raw material prices to our beleaguered customers. As a result, our overall export sales for FYE 2012 fell by over 23%. Our local performance was, however, within the lower band of our expectations due to adverse weather conditions mentioned earlier.

As a global agrochemical player, our performance is invariably linked to the economic conditions in the markets we serve. Despite the market turmoil in Eurozone countries, it is with some degree of pride to report that the Group has successfully gained a foothold in the Euro-area heartland. This access to financially stronger markets of European Union (EU) countries is significant in three (3) aspects, namely (i) it partially makes up for our lost sales to Eastern Europe; (ii) it reduces our collection exposure to weaker Eurozone countries; and (iii) it opens up fresh market opportunities for our export. Such a feat would not have been possible without the distinct advantages of our Group's reputation for international quality products, savvy networking and a strong balance sheet.

At the onset of FYE 2012, our Group pre-emptively embarked on a series of risk mitigation exercises to reduce our financial exposure associated with a deepening, unresolved financial crisis in Europe and fallouts from the possible break-up of the Euro currency bloc. These measures included a temporary reduction of credit terms for European exports, encouraging prudence among distributors when dealing with their own customers and also advising them against over-stocking until the current financial crisis eases. These pro-active actions together with the shift in our export markets (with reduced exposure to Eastern Europe) accelerated our collections from export sales and contributed positively to further solidify our already strong cash and financial position.



## CHAIRMAN'S STATEMENT (continued)

Against the backdrop of adverse concatenated events described earlier, the Board considers the Group performance in FYE 2012 to be satisfactory in aggregate and encouraged by the potential of our newly-secured beachhead in the main European markets.

Capital expenditures for the FYE 2012 were insignificant except for minor upgrades of plant, machinery and office equipment to improve workflow and enhance staff productivity.

Our Research and Development ("R&D") activities for FYE 2012 were again focussed on further development of our bio-palm based insecticides for the control of Aedes mosquitoes and higher performance products for the paddy industry. Our latest bio-palm insecticide for the control of Aedes mosquitoes was launched in fourth quarter FYE 2012. This innovative product is uniquely packed with three (3) different types of active ingredients for faster and more effective actions.

This product also has a significantly lower carbon footprint. During the year, we also successfully launched a high loading early post-emergent rice herbicide for rice weeds control. Packed with double strength active ingredient, this product reduces the overall cost of storage and transportation. We are proud to be the first company in Malaysia to register this off patent proprietary product with Pesticide Board Malaysia.

Workplace related accidents in Malaysia have continued to rise in recent years. In promoting workplace safety, we continue to engage our staff through a series of talks and public courses to ensure that they maintain a high level of safety at our factories and office. Regular safety and fire drills were organised to prepare them to cope with fire or any other emergency.

Our Corporate Social Responsibility ("CSR") programme includes the continuing provision of financial assistance to charities, old folks' homes and orphanages. We also extended our assistance to schools in the treatment of termites and for mosquito control using our bio-palm based insecticide.

### PROPOSED DIVIDEND

The Board of Directors has recommended the payment of a single tier dividend of 3.5 sen per share for approval at the forthcoming Annual General Meeting.

### OUTLOOK AND PROSPECTS

We believe the current uncertain global economic outlook will continue to pose extreme challenges to our export growth and profitability throughout the next twelve (12) months, and possibly far beyond that if the central bankers and politicians of the world's largest economies could not agree on a long-term solution to the deepening 5-year Eurozone debt crisis. Locally, Bank Negara Malaysia ("BNM") reported that the country's GDP growth for 2012 is likely to be closer to 5%, and has targeted annual GDP to grow by between 4% and 5% for the next three



Mr Haji Hanani (centre), our regional marketing manager, explaining the applications and efficacies of two (2) of our leading brands for pest and disease control, NASA GLYPHOSATE and ENVO-CYPER, to Utusan Malaysia reporters during MYAGRO 2011, an exhibition organized by PDA Agro Sdn. Bhd. This event is supported by government offices such as MOA, MARDI, FAMA, etc and endorsed by Malaysia External Trade Development Corporation (MATRADE).



We were one of the main sponsors of the 2012 "Get Together" event organized by The Pest Control Association of Malaysia (PCAM). Mr Eugene Chin (left) from our sales and marketing department was one of the guests of honour at the event. He is seen here presenting the lucky draw prize to a winner.

## CHAIRMAN'S STATEMENT (continued)

(3) consecutive years beginning 2012. Such positives augur well for improved buoyancy of our local sales, going forward. Considered in its totality, despite all the global financial noise and local political posturing, I am cautiously confident that our strategic shift in marketing in Europe coupled with the cyclical return of more stable/predictable weather conditions over Asean and BNM GDP forecast growth of 4% to 5% for the local economy would enable our Group to return improved growth and profit in coming FYE 2013.

### CORPORATE GOVERNANCE

The Directors have continued to discharge high standards of duties for the good governance of the Company as reflected on pages 11 to 17.

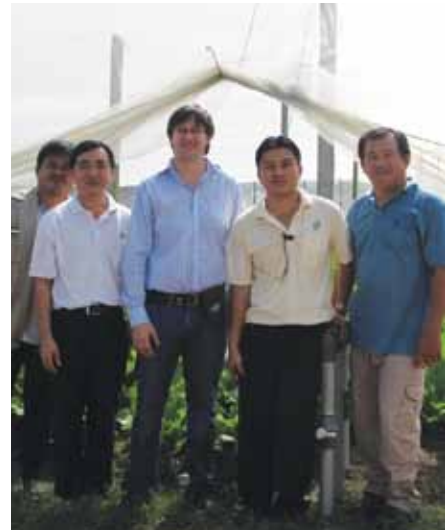
### APPRECIATION AND ACKNOWLEDGEMENT

Once again, I wish to record my appreciation to the Board Members for their insightful thoughts, and I look forward to receiving their continued input and guidance as we enter another new year.

Mr Tong Ah Wah @ Tong Chun Hwi ("Mr Tong Ah Wah"), our Executive Director, resigned from the Board with effect from 22 July 2011. He had discussed his strong desire to pursue his other interests for quite some time and we eventually acquiesced to it. We sincerely thank Mr Tong Ah Wah for his years of dedicated service to ICB.

To our staff and our stakeholders we thank you for your unwavering work commitments and continued support during the past very difficult twelve (12) months. We look forward to working together with you again, all as one, with a clear determination to fulfil our common aspirations.

**MOHD SHAFEK BIN ISA**  
CHAIRMAN



Mr Matthias Tourlousse, Agrosience Business Development Manager of Taminco N.V. Belgium (centre) during a visit to a vegetable farm in Johor, the largest vegetable farming state in Peninsular Malaysia. Accompanying him was Mr K.P. Mah (second from right), a manager in our Sales and Marketing Department.



MD C.H. Tong (fourth from left) sharing a hearty toast with company personnel during his walk-about at our company's annual dinner.

# FINANCIAL HIGHLIGHTS

(FOR THE FINANCIAL YEAR ENDED 30 JUNE)

		2012	2011	2010	2009	2008
<b>Statements of Comprehensive Income</b>						
Revenue	RM'000	76,484	86,403	76,567	83,017	150,679
Profit before taxation	RM'000	6,535	10,166	10,310	8,528	21,689
Profit after taxation	RM'000	5,095	8,097	8,278	6,766	16,322
Profit attributable to owners of the parent	RM'000	5,095	8,097	8,278	6,766	16,322
Gross dividend paid	RM'000	2,800	2,800	2,800	2,800	2,800
<b>Statements of financial position</b>						
Total assets	RM'000	106,191	101,717	98,950	93,292	104,628
Share capital	RM'000	40,000	40,000	40,000	40,000	40,000
Shareholders' equity	RM'000	99,024	95,966	91,176	86,135	82,185
<b>Financial ratios</b>						
Return on equity	%	5.1	8.4	9.1	7.9	19.9
Earnings per share	sen	6.4	10.1	10.3	8.5	20.4
Gross dividend per share	sen	3.5	3.5	3.5	3.5	3.5
Net asset per share	RM	1.24	1.20	1.14	1.08	1.03

# DIRECTORATE & CORPORATE INFORMATION

## BOARD OF DIRECTORS

MOHD SHAFEK BIN ISA  
(Non-Executive Chairman)

TONG CHIN HEN  
(Managing Director)

DR. LEONG WAN LEONG  
(Independent Non-Executive Director)

TAI KEAT CHAI  
(Independent Non-Executive Director)

## SECRETARIES

WONG WAI FOONG (MAICSA 7001358)

WONG PEIR CHYUN (MAICSA 7018710)

## REGISTERED OFFICE

Level 18, The Gardens North Tower  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur

Tel No.: + (603) 2264 8888  
Fax No.: + (603) 2282 2733

## HEAD/MANAGEMENT OFFICE

37, Jalan 5, Kawasan 16  
Taman Intan  
41300 Klang  
Selangor Darul Ehsan

Tel No.: + (603) 3343 1633  
Fax No.: + (603) 3343 1868  
E-mail: [imaspro@imaspro.com](mailto:imaspro@imaspro.com)  
Website: <http://www.imaspro.com>

## REGISTRAR

Tricor Investor Services Sdn. Bhd.  
Level 17, The Gardens North Tower  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur

Tel No.: + (603) 2264 3883  
Fax No.: + (603) 2282 1886

## AUDITORS

HLB Ler Lum (AF 0276)  
Chartered Accountants

## AUDIT COMMITTEE

TAI KEAT CHAI (Chairman)

DR. LEONG WAN LEONG (Member)

MOHD SHAFEK BIN ISA (Member)

## REMUNERATION COMMITTEE

DR. LEONG WAN LEONG (Chairman)

TAI KEAT CHAI (Member)

MOHD SHAFEK BIN ISA (Member)

## NOMINATION COMMITTEE

DR. LEONG WAN LEONG (Chairman)

TAI KEAT CHAI (Member)

MOHD SHAFEK BIN ISA (Member)

## GROUP PRINCIPAL BANKERS

Malayan Banking Berhad

AmlInvestment Bank Berhad

OCBC Bank Berhad

## SOLICITORS

Teh & Lee  
A-3-3 & A-3-4  
Northpoint Offices  
Mid Valley City  
No. 1, Medan Syed Putra Utara  
59200 Kuala Lumpur

## STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad  
(Main Market)  
Stock Name: Imaspro  
Stock Code: 7222



## PROFILE OF DIRECTORS

<b>Name</b>	<b>MOHD SHAFEK BIN ISA</b>
<b>Age</b>	55
<b>Nationality</b>	Malaysian
<b>Qualification</b>	<ul style="list-style-type: none"> <li>• Diploma in Statistics from UiTM</li> <li>• Postgraduate Diploma from the Securities Institute of Australia</li> </ul>
<b>Position on Board</b>	Non-Executive Chairman
<b>Date of Appointment</b>	15 November 2005
<b>Working Experience</b>	<p>He began his career as an Investment Analyst with Malaysian National Reinsurance Berhad, Kuala Lumpur and left as an Investment Manager in 1986. Thereafter, he joined KAB Group as the Corporate Planning Manager. In 1991, he returned to the investment and securities industry when he joined BBMB Securities Sdn. Bhd. as Manager of Institutional Sales. He left BBMB Securities in 1992 to join UMBC Securities Sdn. Bhd. as Manager, dealing before assuming the position of Senior Manager, dealing in MGI Securities Berhad in 1995. He left MGI Securities in 1998 and was based in London as Fund Manager of TRIM Capital Management Ltd. In 2000, he returned to Malaysia and was employed as Head of Islamic Products Unit, a start-up division to participate in the evolving opportunities in Islamic banking, in Melor Permata Capital Management Sdn. Bhd. He left the company in the same year to pursue his personal interest in the investment and securities industry.</p>
<b>Other directorships of public companies</b>	Nil
<b>Family relationship with any director and/or major shareholders of the Company</b>	Nil
<b>Conflict of interest with the Company</b>	Nil
<b>List of convictions for offences within the past ten (10) years other than traffic offences</b>	Nil
<b>Committee</b>	<ul style="list-style-type: none"> <li>• Member of the Audit Committee</li> <li>• Member of the Remuneration Committee</li> <li>• Member of the Nomination Committee</li> </ul>

## PROFILE OF DIRECTORS (continued)

<b>Name</b>	<b>TONG CHIN HEN</b>
<b>Age</b>	56
<b>Nationality</b>	Malaysian
<b>Qualification</b>	<ul style="list-style-type: none"> <li>Member of the Institute of Directors, United Kingdom</li> </ul>
<b>Position on Board</b>	Managing Director
<b>Date of Appointment</b>	15 November 2005
<b>Working Experience</b>	<p>His career started in 1975 when he joined Ancom Sdn. Bhd., which went public in 1990, and was the first agrochemical plant to be established in Malaysia. He left the company in end of 1992 while he was the Executive Commercial Manager. In June 1993, he bought a stake in Imaspro Resources Sdn. Bhd. ("IRSB") and assumed the position of General Manager. He has been solely responsible for the growth of IRSB to be a leading pesticide player in Malaysia over the last nineteen (19) years. His ability to lead a Malaysian agrochemical company to break into and increase its overseas presence amidst growing trade protectionism reflects his market-savvy approach to business and the extent of his networking in the international agrochemical business. He has been a regular participant in the Annual British Crop Protection Conference &amp; Exhibition in the United Kingdom, the largest annual gathering of players in the global agrochemical industry since the 1990s.</p>
<b>Other directorships of public companies</b>	Nil
<b>Family relationship with any director and/or major shareholders of the Company</b>	Nil
<b>Conflict of interest with the Company</b>	Nil
<b>List of convictions for offences within the past ten (10) years other than traffic offences</b>	Nil
<b>Committee</b>	Nil

## PROFILE OF DIRECTORS (continued)

<b>Name</b>	<b>DR. LEONG WAN LEONG</b>
<b>Age</b>	62
<b>Nationality</b>	Malaysian
<b>Qualification</b>	<ul style="list-style-type: none"> <li>• Bachelor of Science Degree in Chemical Engineering, National Cheng Kung University, Taiwan</li> <li>• Master of Science Degree in Process Analysis and Development, University of Aston Birmingham, United Kingdom</li> <li>• Ph.D, University of Malaya</li> </ul>
<b>Position on Board</b>	Independent Non-Executive Director
<b>Date of Appointment</b>	15 November 2005
<b>Working Experience</b>	<p>He joined the University of Malaya in 1977 where he lectured, tutored and conducted research. Between mid 1980s until 1996, he held various positions at the Palm Oil Research Institute of Malaysia ("PORIM"), currently known as Malaysia Palm Oil Board. He is a trained assessor for the implementation and auditing of ISO 9000 Quality System for the palm oil industry and also the main assessing officer for PORIM's Certificate of Competency Schemes for palm oil refineries and palm oil mills. In addition, he is also responsible for organising the Diploma and other certified training programs for palm oil mill engineers, production supervisors and laboratory conductors.</p>
<b>Other directorships of public companies</b>	Nil
<b>Family relationship with any director and/or major shareholders of the Company</b>	Nil
<b>Conflict of interest with the Company</b>	Nil
<b>List of convictions for offences within the past ten (10) years other than traffic offences</b>	Nil
<b>Committee</b>	<ul style="list-style-type: none"> <li>• Chairman of the Remuneration Committee</li> <li>• Chairman of the Nomination Committee</li> <li>• Member of the Audit Committee</li> </ul>

## PROFILE OF DIRECTORS (continued)

<b>Name</b>	<b>TAI KEAT CHAI</b>
<b>Age</b>	58
<b>Nationality</b>	Malaysian
<b>Qualification</b>	<ul style="list-style-type: none"> <li>• Fellow of the Institute of Chartered Accountants in England &amp; Wales</li> <li>• Member of the Malaysian Institute of Accountants</li> </ul>
<b>Position on Board</b>	Independent Non-Executive Director
<b>Date of Appointment</b>	15 November 2005
<b>Working Experience</b>	<p>He began his career with KPMG London as an Audit Senior in 1977 and a year later joined PricewaterhouseCoopers in Kuala Lumpur, as a Qualified Assistant. In 1981, he joined Alliance Merchant Bank Berhad as an Assistant Manager and subsequently promoted to Senior Manager (Corporate Finance). In 1988, he returned to PricewaterhouseCoopers Consulting Sdn. Bhd. as Manager for about a year before joining Berjaya Group Berhad as a General Manager (Investment). Subsequently, in 1990, he ventured into the stockbroking industry and has worked in SJ Securities Sdn. Bhd., A.A. Anthony Securities Sdn. Bhd. and ECM Libra Investment Bank Berhad as General Manager, Director and a dealer's representative respectively.</p>
<b>Other directorships of public companies</b>	<ul style="list-style-type: none"> <li>• Chuan Huat Resources Berhad</li> <li>• Disccomp Berhad</li> <li>• CUSCAPI Berhad</li> <li>• Opensys (M) Berhad</li> <li>• MIDF Amanah Investment Bank Berhad</li> <li>• Silk Holdings Berhad</li> </ul>
<b>Family relationship with any director and/or major shareholders of the Company</b>	Nil
<b>Conflict of interest with the Company</b>	Nil
<b>List of convictions for offences within the past ten (10) years other than traffic offences</b>	Nil
<b>Committee</b>	<ul style="list-style-type: none"> <li>• Chairman of the Audit Committee</li> <li>• Member of the Remuneration Committee</li> <li>• Member of the Nomination Committee</li> </ul>

# CORPORATE GOVERNANCE STATEMENTS

The Board of Directors of Imaspro Corporation Berhad (“the Board”) is committed to ensuring that the highest standards of Corporate Governance are maintained within the Group as expressed in the Principles and Best Practices set out in the Malaysian Code on Corporate Governance (“the Code”). The Code has served as a fundamental guide to the Board in discharging its principal duty to act in the best interests of the Company as well as managing the business and affairs of the Group efficiently.

By promoting integrity and professionalism in the management of the Group’s affairs, the Board aims to enhance business efficacy, transparency, accountability and also to protect and achieve the ultimate objective of realising long-term shareholders’ value, the financial performance of the Group as well as the interests of other stakeholders.

The Board is therefore pleased to share the manner in which the Principles of the Code have been applied in the Group and the extent to which the Group has complied with the Best Practices recommended by the Code during the financial year ended 30 June 2012.

## BOARD OF DIRECTORS

### Board Composition and Balance

The Board currently has four (4) members, comprising one (1) Executive Director and three (3) Non-Executive Directors. Of the three (3) Non-Executive Directors, two (2) are independent and hence fulfill the prescribed requirements for one-third (1/3) of the membership of the Board to be independent members.

The Board is a well-balanced Board with an effective mix of Executive Director and Independent Non-Executive Directors, which is in line with the Code and is of the appropriate size and with the right mix of skills and experience. This balance enables the Board to provide clear and effective leadership to the Group and to bring informed and independent judgement to many aspects of the Group’s strategies and performances so as to ensure that the highest standards of professionalism, conduct, transparency and integrity are maintained by the Group.

The Executive Director who has good knowledge of the business is responsible for implementing the corporate strategies and policies as well as charged with the management of the day-to-day operations of the business.

The Independent Directors play a pivotal role in corporate accountability. None of the Non-Executive Directors participate in the day-to-day management of the Group. The presence of the Independent Non-Executive Directors is essential in providing unbiased and independent opinions, advice and judgements to ensure that the interests, not only of the Group, but also of shareholders, stakeholders, employees, customers, suppliers and other communities in which the Group conducts its business are well represented and taken into account.

The division of responsibilities between the Chairman and Managing Director is clearly defined to ensure that there is a balance of power and authority. The Chairman’s main responsibility is to ensure effective conduct of the Board and that all the Directors, Executive and Non-Executive have unrestricted and timely access to all relevant information necessary for informed decision-making. The Chairman encourages participation and deliberation by Board members to tap the wisdom of all the Board and promoting consensus building as much as possible. The Managing Director has the overall responsibility over the operating units, organisational effectiveness and coordinating the development and implementation of business and corporate strategy as well as the implementation of Board’s policies and decisions.

### Board Responsibilities

The Board is primarily responsible for the Group’s overall Corporate Governance, strategic plans, business performance, succession planning, risk management, as well as reviewing the adequacy and integrity of its internal control and management information systems.

The Board meets regularly to review the Group’s corporate strategies, business operations and financial performance. Matters significant to the Group’s business and finances including approval of the quarterly results and annual report, annual budget, major capital expenditure, major acquisition and disposal of assets are also discussed at these meetings.

# CORPORATE GOVERNANCE STATEMENTS (continued)

## Board Meetings and Supply of Information

The Board meets regularly on a quarterly basis with additional meetings being convened as and when necessary. During the meetings, the Board will deliberate on and consider matters relating to the Group's financial performance, significant investments, corporate development, strategic issues and business plan. The Company Secretary is responsible for ensuring that Board's policies and procedures are complied with and all proceedings of the Board and Board Committees are recorded and draft minutes are circulated to the Directors for confirmation prior to being approved.

During the financial year, there were four (4) Board meetings. Details of the attendance of the Directors at the Board meetings held in the financial year ended 30 June 2012 are as follows:

Name of Director	No. of meetings attended
Mohd Shafek Bin Isa	4/4
Tong Chin Hen	4/4
Dr. Leong Wan Leong	4/4
Tai Keat Chai	4/4

Directors' commitment, resources and time allocated to the Company are evident from the attendance record, where all Directors attended the Board Meetings held during the financial year ended 30 June 2012. Hence, they comply with Paragraph 15.05 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

All the Directors are provided with an agenda and a compilation of Board papers prior to each Board meeting. The Board papers include minutes of the last Board meeting, agenda for the current meeting and reports and documents pertaining to the issues to be discussed at the Board meeting. The Board papers are issued with sufficient time to enable the Directors to obtain a comprehensive understanding of the issues to be deliberated upon to enable them to arrive at an informed decision. The Chairman of the Board chairs the Board meetings while the Managing Director leads the presentation and provides explanations on the Board Reports. Senior Management staff may be invited to attend the Board meetings to explain and clarify the matters being tabled.

The Board is supplied with and assured of full and timely access to all relevant information to discharge its duties effectively. All Directors also have direct access to the advice and the services of the Group's Company Secretary. The Directors are regularly updated and advised by the Company Secretary on new statutory and regulatory requirements and their impact and the implication on the Company and Directors in carrying out their fiduciary duties and responsibilities. In addition, the Board may also seek professional opinion and independent advice from external consultants in the course of fulfilling their responsibilities, if necessary, at the Company's expense.

## Appointment and Re-election of Board Members

The Board appoints its members through a formal process that is consistent with the Company's Articles of Association. The Nomination Committee has been entrusted with the responsibilities for proposing and recommending the right candidates to the Board for appointment. In addition, the Nomination Committee also has the function of assessing the effectiveness of the Board, reviewing the skills, professionalism, integrity and competencies of individual Directors and the composition of the various committees of the Board.

In accordance to the Company's Articles of Association, all Directors who are appointed during the financial year shall hold office only until the next following Annual General Meeting ("AGM") and shall then be eligible for re-election.

The Articles of Association also require that all Directors including the Managing Director, shall retire from office once at least in each three (3) years and one-third (1/3) of the Directors are subject to retirement by rotation and are eligible for re-election at every AGM.

Pursuant to Section 129(2) of the Companies Act, 1965, Directors who are over seventy (70) years of age are required to submit themselves for re-appointment annually. None of the Directors of the Company has attained the age of seventy (70) years for the financial year under review.

# CORPORATE GOVERNANCE STATEMENTS (continued)

## Directors' Training

Apart from attending the Mandatory Accreditation Programme ("MAP") conducted by the Bursatra Sdn. Bhd., an affiliate company of Bursa Securities, all Directors are encouraged to attend training programmes and seminars to further enhance their skills and keep abreast with the latest developments in the market place as well as the new statutory and regulatory requirements.

Conferences, seminar and training programmes attended by Directors during the financial year ended 30 June 2012 are as follows:

Director	Name of conferences, seminar and training programmes	Date
Mohd Shafek Bin Isa	Kuala Lumpur International Venture Capital Symposium 2011	9-12th October 2011
Tong Chin Hen	7th Tricor Tax & Corporate Seminar	19th October 2011
Dr. Leong Wan Leong	7th Tricor Tax & Corporate Seminar	19th October 2011
Tai Keat Chai	7th Tricor Tax & Corporate Seminar	19th October 2011

The Board of Directors were regularly updated and advised by independent professionals on regulatory changes and matters on governance, to enable them to discharge their responsibilities effectively.

## Directors' Remuneration

The remuneration of the Executive Director consists of basic salary and other emoluments. Other benefits customary to the Group are made available as appropriate. Any salary review takes into account market rates and the performance of the individual and the Group. The Non-Executive Directors' remuneration comprises fees that reflect their expected roles and responsibilities, including any additional work and contributions required. In addition, each Director is paid a meeting allowance for each Board and Committee meeting they attended. The Directors' fees are approved annually by the shareholders at the AGM.

Details of remuneration of Directors who served during the financial year ended 30 June 2012 are as follows:

Aggregate Remuneration by Category	Executive Directors RM	Non-Executive Directors RM
Salaries and bonuses	910,000	-
Fees	135,000	90,000
Pension costs – defined contribution plan	154,700	-
Benefits in-kind	23,950	-
Total	1,313,650	90,000

For the financial year ended 30 June 2012, the numbers of Directors whose remuneration fall within the respective bands are as follows:

Range of Remuneration	Number of Directors	
	Executive Directors	Non-Executive Directors
RM50,000 & below	-	3
RM1,200,001 to RM1,300,000	1	-

# CORPORATE GOVERNANCE STATEMENTS (continued)

## Board Committees

The Board delegates certain responsibilities to the respective Committees of the Board which operate with specific terms of references to support and assist the Board in discharging its fiduciary responsibilities. These Committees have the authority to examine particular issues and report to the Board with their proceedings and deliberations. Where Committees have no authority to make decisions on matters reserved for the Board, recommendations would be highlighted to the Board for approval.

The Board Committees for the financial year under review are as follows:

### (a) Audit Committee

The composition, terms of reference, attendance for the meetings and summary of activities of the Audit Committee are set out in the Audit Committee Report on pages 18 to 21 of this Annual Report.

### (b) Nomination Committee

The Nomination Committee has been entrusted with the responsibility of proposing and recommending new nominees to the Board and of assessing Directors on an on-going basis.

The Nomination Committee comprises three (3) members, all of whom are Non-Executive Directors. Of the three (3) Non-Executive Directors, two (2) are independent:

- i) Dr. Leong Wan Leong (Independent Non-Executive Director) - Chairman
- ii) Tai Keat Chai (Independent Non-Executive Director) - Member
- iii) Mohd Shafek Bin Isa (Non-Executive Chairman) - Member

During the financial year ended 30 June 2012, the Committee met once and the meeting was attended by all its members.

The terms of reference of the Nomination Committee are as follows:

- to review, recommend and consider suitable candidates to the Board of the Company and subsidiaries of the Group, including committees of the Board;
- to recommend to the Board the optimum size of the Board, formalise a transparent procedure for proposing new nominees to the Board and Board Committees and ensure that the investment of the minority shareholders are fairly reflected on the Board;
- to review and determine the mix of skills, experience and other qualities, including core competencies of Non-Executive Directors, on an annual basis;
- to assess the Directors on an on-going basis and the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual Director;
- to ensure that there is an orientation and education programme for newly appointed Directors with respect to the business and management of the Group;
- to consider and recommend training or skills upgrade for Directors in furtherance of their duties as appropriate;
- to provide feedback to Directors in respect of their individual performance;
- to provide constructive input to each individual Director as to how he or she may better contribute to the functioning of the Board; and



## CORPORATE GOVERNANCE STATEMENTS (continued)

- to ensure the composition of the Board is in accordance with the Memorandum and Articles of Association and the requirements for Best Practice of Corporate Governance.

All recommendations of the Nomination Committee are subject to the endorsement of the Board.

### (c) Remuneration Committee

The Remuneration Committee is responsible for carrying out annual reviews whereupon recommendations are submitted to the Board on the overall remuneration policy for Directors and Key Senior Management Officers, to ensure that the remuneration policy remains in support of its corporate objectives and shareholder value, and is in tandem with its culture and strategy.

The Remuneration Committee comprises three (3) members, all of whom are Non-Executive Directors. Of the three (3) Non-Executive Directors, two (2) are independent:

- i) Dr. Leong Wan Leong (Independent Non-Executive Director) - Chairman
- ii) Tai Keat Chai (Independent Non-Executive Director) - Member
- iii) Mohd Shafek Bin Isa (Non-Executive Chairman) - Member

Meetings of the Remuneration Committee are held as and when required, and at least once a year. During the financial year ended 30 June 2012, the Committee met twice and the meetings were attended by all its members.

The terms of reference of the Remuneration Committee are as follows:

- to establish and review the terms and conditions of employment and remuneration of Executive Directors and Key Senior Management Officers of the Group to ensure that rewards commensurate with their contributions to the Group's growth and profitability; and supports the Group's objectives and shareholder value and is consistent with the Group's culture and strategy;
- to review annually the performance of the Executive Directors and recommend to the Board specific adjustments in remuneration and/or reward payments if any reflecting their contributions for the year;
- to ensure the level of remuneration for Non-Executive Directors and Independent Directors reflects their experience and level of responsibilities undertaken and contribution to the effective functioning of the Board. Reviews and recommends changes to the Board where necessary; and
- to keep abreast of the terms and conditions of service of the Executive Directors including their total remuneration package for market comparability. Reviews and recommends changes to the Board where necessary.

All recommendations of the Remuneration Committee are subject to the endorsement of the Board.

### INVESTORS RELATIONS AND SHAREHOLDERS COMMUNICATION

The Board acknowledges the importance of maintaining transparency and accountability to all its stakeholders, particularly its shareholders and investors as it ensures that market credibility and investors' confidence are maintained. Through extensive disclosures of appropriate and relevant information, using various channels of communication on a timely basis, the Group aims to effectively provide shareholders and investors with information to fulfill transparency and accountability objectives.

At this juncture, the channel of communication to shareholders, stakeholders and general public for the overall performance and operations of the Group's business activities are press releases, public announcements on quarterly basis, annual report and disclosures to the Bursa Securities.

# CORPORATE GOVERNANCE STATEMENTS (continued)

Meetings with institutional investors, fund managers and analysts from time to time provide an additional avenue for the Board and Management to convey information about Group performance, strategy and other matters affecting shareholders' interests.

The Company's AGM is the principal forum for dialogue with all shareholders and the Board encourages shareholders to attend and participate in the AGM. The notice of meeting and the annual report are sent out to shareholders at least 21 days before the date of the meeting in accordance with the Company's Articles of Association. A presentation is given by the Chairman to explain the Group's strategy, performance and major developments to shareholders during the AGM. Shareholders are encouraged to participate in the Question and Answer session on the proposed resolutions or about the Group's operations in general. Shareholders who are unable to attend are allowed to appoint proxies in accordance with the Company's Articles to attend and vote on their behalf. The Board and Senior Management are present to provide clarification on the shareholders' queries. The external auditors will also present to provide their professional and independent clarification on issues and concerns raised by the shareholders, if necessary.

Besides the key channels of communication through the annual report, general meetings and announcements to Bursa Securities as well as analyst and media briefings, there is also continuous effort to enhance the Group's website at [www.imaspro.com](http://www.imaspro.com) as a channel of communication and information dissemination. Continuous improvement and development of the website will be undertaken by the Group to ensure easy and convenient access.

## ACCOUNTABILITY AND AUDIT

### Financial Reporting

The Board seeks to present a clear, balanced, insightful and timely assessment of the Group's financial position, performance and prospects by ensuring quality financial reporting through the annual audited financial statements and quarterly financial results to its stakeholders, in particular, shareholders, investors and the regulatory authorities.

In presenting the annual financial statements and quarterly announcements of results to the shareholders, the Directors are primarily responsible for ensuring that all applicable accounting and regulatory standards have been complied with. The Board is assisted by the Audit Committee in scrutinising the financial statements and information for disclosure to ensure accuracy, adequacy and completeness.

In addition, the Directors are also responsible for taking reasonable steps to safeguard the assets for the Group and to prevent and detect fraud as well as other irregularities.

A Statement of Directors' Responsibilities in respect of the audited financial statements is presented on page 24 of this Annual Report.

### Internal Control

The Board acknowledges its overall responsibility for maintaining a sound system of internal controls that provides reasonable assessment of effective and efficient operations, internal financial controls and compliance with laws and regulations as well as with internal procedures and guidelines. Such a system is designed to reduce rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement, errors, frauds or losses. The effectiveness of the systems of internal controls of the Group is reviewed periodically by the Audit Committee.

The Statement on Internal Control, which provides an overview of the state of the internal control within the Group, is set out on pages 22 to 23 of this Annual Report.

# CORPORATE GOVERNANCE STATEMENTS (continued)

## **Relationship with Auditors**

The Group's external auditors continue to provide independent assurance to shareholders on the Group's operational control and financial statements. The Board has maintained a close and transparent relationship with the external auditors in seeking professional advice.

The auditors are invited to attend the Audit Committee meetings as and when required apart from the scheduled meetings when the external auditors present the audited financial statements of the Group to the Committee. During such meetings, the auditors highlight and discuss the nature, scope of the audit, internal controls and problems that may require the attention of the Board.

The Audit Committee meets with the external auditors to discuss their audit plan, audit findings and the financial statements. The Audit Committee also meets the external auditors without the presence of the Executive Directors and the Management at least twice a year.

A summary of activities and the role of the Audit Committee in relation to both the internal and external auditors are described in the Audit Committee Report on pages 18 to 21 of this Annual Report.

## **Compliance with the Code**

The Board is satisfied that the Group has maintained a high standard of Corporate Governance and has strived to achieve the highest level of integrity and ethical standard, in all its business dealings, and has complied with the Code throughout the financial year ended 30 June 2012.

This Statement is made in accordance with the resolution of the Board.

# AUDIT COMMITTEE REPORT

The Board of Directors of Imaspro Corporation Berhad ("ICB") is pleased to present the Audit Committee Report for the financial year ended 30 June 2012.

## MEMBERSHIP AND MEETINGS

The Audit Committee presently comprises three (3) members of the Board, of which two (2) are Independent Non-Executive Directors and one (1) is the Non-Executive Chairman. During the financial year under review, the Audit Committee held four (4) meetings.

In addition to the above meetings, the Audit Committee also met with the external auditors in separate private sessions twice during the financial year without the presence of management.

The members of the Committee and the attendance at the meetings during the financial year ended 30 June 2012 are stated below:

Name of Director	Designation	Total Meetings Attended by Directors	Percentage Attendance
Tai Keat Chai	Chairman, Independent Non-Executive Director	4/4	100%
Dr. Leong Wan Leong	Independent Non-Executive Director	4/4	100%
Mohd Shafek Bin Isa	Non-Executive Chairman	4/4	100%

## SUMMARY OF TERMS OF REFERENCE OF THE AUDIT COMMITTEE

### 1. FUNCTIONS OF THE COMMITTEE

The functions and responsibilities are as follows:

- a) Corporate Financial Reporting
  - i. To review and recommend acceptance or otherwise of accounting policies, principles and practices.
  - ii. To review the quarterly results and annual financial statements of the Company and Group before submission to the Board. The review should focus primarily on:
    - any changes in existing or implementation of new accounting policies;
    - major judgement areas, significant and unusual events;
    - significant adjustments resulting from audit;
    - the going concern assumptions;
    - compliance with accounting standards; and
    - compliance with the Main Market Listing Requirements of Bursa Securities and other legal and statutory requirements.
  - iii. To review with management and the external auditors the results of the audit, including any difficulties encountered.

# AUDIT COMMITTEE REPORT (continued)

## b) Enterprise-wide Risk Management

- i. To review the adequacy of and to provide independent assurance to the Board of the effectiveness of risk management functions in the Group.
- ii. To ensure that the principles and requirements of managing risk are consistently adopted throughout the Group.
- iii. To deliberate on the key risk issues highlighted by Group Risk Management Committee in their reports to Audit Committee.

## c) Internal Control

- i. To assess the quality and effectiveness of the systems of internal control and the efficiency of the Group's operations.
- ii. To review the findings on internal control in the Group by internal and external auditors.
- iii. To review and approve the Statement on Internal Control for the Annual Report as required under the Main Market Listing Requirements of Bursa Securities.

## d) Internal Audit

- i. To approve the Corporate Audit Charters of internal audit functions in the Group.
- ii. To ensure that the internal audit functions have appropriate standing in the Group and have the necessary authority and resources to carry out their work. This includes a review of the organisational structure, resources, budgets and qualifications of the internal audit personnel.
- iii. To review internal audit reports and management's response and actions taken in respect of these. Where actions are not taken within an adequate timeframe by management, the Audit Committee will report the matter to the Board.
- iv. To review the adequacy of internal audit plans and the scope of audits, functions, competency and resources of the internal audit functions and that they are carried out without any hindrance.
- v. To be informed of resignations and transfers of senior internal audit staff and provide resigning/transferred staff an opportunity to express their views.
- vi. To direct any special investigation to be carried out by Internal Audit.
- vii. The Company must establish an internal audit function which is independent of the activities it audits.
- viii. The Company must ensure its internal audit function reports directly to the audit committee.

## e) External Audit

- i. To nominate the External Auditors together with such other functions as may be agreed to by the Board and recommend for approval of the Board the external audit fee, and consider any questions of resignation or termination.
- ii. To review external audit reports and management's response and actions taken in respect of these. Where actions are not taken within an adequate timeframe by management, the Audit Committee will report the matter to the Board.
- iii. To review external audit plans and scope of work.

# AUDIT COMMITTEE REPORT (continued)

## f) Corporate Governance

- i. To review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow up (including disciplinary action) of any instances of non-compliance.
- ii. To review the findings of any examinations by regulatory authorities.
- iii. To review any related party transaction and conflict of interest situation that may arise within the Group including any transaction, procedure or course of conduct that raises questions of integrity.
- iv. To review and approve the Statement of Corporate Governance for the Annual Report as required under the Main Market Listing Requirements of Bursa Securities.
- v. To review the investor relations programme and shareholder communications policy for the Company.
- vi. To examine instances and matters that may have compromised the principles of corporate governance and report back to the Board.
- vii. To develop and regularly review ICB's Code of Corporate Governance and Business Ethics.
- viii. Where the Audit Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved, resulting in a breach of the Main Market Listing Requirements of Bursa Securities, the Audit Committee must promptly report such matters to Bursa Securities.

## 2. AUTHORITY OF THE COMMITTEE

The Committee is authorised by the Board in accordance with the procedures to be determined by the Board and at the cost of the Company to:

- a) investigate any activity within its Terms of Reference; or as directed by the Board of Directors;
- b) determine and obtain the resources required to perform its duties, including approving the budget for the external and internal audit functions;
- c) have full and unrestricted access to any information pertaining to the Company or the Group;
- d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;
- e) direct the Internal Audit Function in the group;
- f) approve the appointment of the Head of Internal Audit;
- g) engage independent advisers and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary;
- h) to review the adequacy of the structure and Terms of Reference of the Board Committees, including the Audit Committee; and
- i) to be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the company, whenever deemed necessary.

# AUDIT COMMITTEE REPORT (continued)

## SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

The Audit Committee carried out its duties in accordance with its Terms of Reference during the financial year.

The main activities undertaken by the Audit Committee included the following:

- a) reviewed the interim financial reports relating to the quarterly reporting of the Group to ensure adequacy of disclosure of information essential to a fair and full presentation of the financial affairs of the Group for recommendation to the Board for approval for the release of the said quarterly reporting;
- b) reviewed the audited financial statements before submitting them to the Board, ensuring that the financial statements were prepared in accordance with the applicable approved accounting standards in Malaysia and provisions of the Companies Act, 1965. Any significant issues resulting from the audit of the financial statements by the external auditors were deliberated;
- c) evaluated the performance of the external auditors, reviewed the external auditors' scope of work, audit plan and their audit fees and recommending the appointment of external auditors at the Annual General Meeting;
- d) reviewed with the external auditors the results of the audit, the audit report and the management letter (if any), including management's response;
- e) reviewed the independence and objectivity of the external auditors and the services provided;
- f) discussed the internal audit plan, programmes and resources requirement and skill levels of the internal auditors for the year and assessed the performance of the internal audit function;
- g) reviewed the internal auditor's report, which highlighted the audit issues, recommendations and management's response. Discussed with Management, actions taken to improve the system of internal control based on improvement opportunities identified in the internal audit reports;
- h) reviewed the application of Corporate Governance principles and the extent of the Group's compliance with the Best Practices set out under the Malaysian Code on Corporate Governance for the purpose of preparing the Corporate Governance Statements and Statement on Internal Control pursuant to the Main Market Listing Requirements of Bursa Securities; and
- i) reviewed and discussed Related Party Transaction ("RPT") and Recurrent Related Party Transactions ("RRPT") to ascertain if the transactions are conducted at arm's length and on normal commercial terms, and that the internal control procedures with regards to such transactions are sufficient.

This Statement is made in accordance with the resolution of the Board.

# STATEMENT ON INTERNAL CONTROL

## Introduction

The Board of Directors is pleased to present the Statement on Internal Control which outlines the nature and scope of internal control of the Group for the financial year ended 30 June 2012.

## Board Responsibility

The Board of Directors acknowledges its responsibility to maintain a sound system of internal control and risk management practices within the Group in accordance with the Malaysian Code on Corporate Governance. The Board's responsibility includes the establishment of appropriate control and framework as well as reviewing the adequacy and integrity of the system in managing the Group's business risks. A sound system of internal control is important to safeguard the shareholders' investment and the Group's assets. The system of internal control, due to its inherent limitations, is designed to manage and control risk rather than eliminate the risk of failure to achieve business objectives. Accordingly, the system can only provide reasonable and not absolute assurance against material misstatement or loss or the occurrence of unforeseeable circumstances.

## Risk Management

Risk management is an integral part of the Group business operations and it is subject to periodic review by the Board of Directors. The Group adopted a structured risk management framework with discussions involving different levels of management to identify and address risks faced by the Group. Based on the assessment of the internal control systems of the Group, the Board of Directors is of the view that there is an on-going process for identifying, evaluating, monitoring and managing the significant risks affecting the achievement of its business objectives in their daily activities throughout the financial year and up to the date of approval of the Annual Report.

## Key Elements of Internal Control

Key features of the process established within the Group which can contribute to a sound system of internal control are as follows:

- within the Group, there are organizational structures in place for each operating unit with clearly defined responsibilities and levels of authority. Management of each operating unit has clear responsibility for identifying risks affecting their unit and the overall Group's business as a whole. They are also charged with instituting adequate procedures and internal controls to mitigate and monitor such risks on an ongoing basis;
- operating policies and procedures that serve as general management guide for daily operation. These policies and procedures are reviewed on a regular basis to reflect changing risks or to resolve any operational deficiencies. It is also to promote efficiency and accountability for the Group;
- as part of the performance monitoring process, management information in the form of forecasts and quarterly management accounts and reports are provided to the Board for review and approval;
- the Audit Committee reviews the quarterly and annual financial statements and results announcements and recommends to the Board for approval;
- regular meetings are held to discuss on the overall Group and operating subsidiaries' operational matters and to resolve key operational, financial, human resource and other related issues;
- regular risk based internal audit reviews are carried out to monitor compliance with operational and financial procedures and to review and assess the risk the Group's operations are exposed to. Periodic review reports are presented to the Audit Committee;



## STATEMENT ON INTERNAL CONTROL (continued)

- adequate insurance provision and security measures on major assets of the Group are provided to ensure that it sufficiently safeguards against any mishap that will result in material losses to the Group; and
- training and development programmes are established to ensure that staff is constantly kept up-to-date with the technological changing environment in order to be competent in the industry in line with achieving the Group's business objectives.

The Board confirms that the Group's system of internal control was generally satisfactory throughout the financial year and up to the date of approval of the Annual Report. There were no major internal control weaknesses that require disclosure in the Annual Report and corrective actions have been taken on control exceptions identified. The Board continues to take measures to strengthen the control environment.

### **Internal Audit Function**

The Group in its efforts to provide adequate and effective internal control system had appointed an independent consulting firm to undertake its internal audit function. The independent consulting firm acts as internal auditor and reports directly to the Audit Committee.

Internal audit plans are reviewed and approved by the Audit Committee. During the financial year, the internal auditor reviewed critical business processes, identified risks and internal control gaps, assessed the effectiveness and adequacy of the existing state of internal control of the major subsidiaries and recommended possible improvements to the internal control process. This is to provide reasonable assurance that such system continue to operate satisfactorily and effectively within the Group.

In addition, the internal auditors followed up on the implementation of recommendations from previous cycles of internal audit and updated the Audit Committee on the status of Management-agreed action plan. For the financial year ended 30 June 2012, the total costs incurred for the outsourced internal audit function is RM30,276 inclusive of reimbursable expenses and service tax.

### **Review of the Statement by External Auditors**

The External Auditors have reviewed this Statement on Internal Control and reported to the Board that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the Group's internal control system.

This Statement is made in accordance with the resolution of the Board.

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required by the Companies Act, 1965 ("the Act") to ensure that the financial statements prepared for each financial year give a true and fair view of the financial position of the Group and the Company as at the end of the financial year and of the financial performance and cash flows of the Group and the Company for the financial year then ended.

The Directors are responsible for ensuring that the Group and the Company keep proper accounting records to enable the Group and the Company to disclose, with reasonable accuracy the financial position of the Group and of the Company which enable them to ensure that the financial statements comply with the Act, Financial Reporting Standards and also the Main Market Listing Requirements of Bursa Securities. In addition, the Directors are also responsible for the assets of the Group and of the Company and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing the financial statements for the year ended 30 June 2012, the Directors have:

- a) adopted suitable accounting policies and then applied them consistently;
- b) made judgement and estimates that are reasonable and prudent;
- c) ensure applicable accounting standards have been applied, subject to any material departures disclosed and explained in the financial statements; and
- d) prepared the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

This Statement is made in accordance with a resolution of the Board of Director.

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# DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2012.

## PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are set out in Note 6 to the financial statements. There were no significant changes in the nature of these activities during the financial year.

## RESULTS

	<b>Group RM</b>	<b>Company RM</b>
Profit after tax	5,094,846	2,967,897
Profit attributable to:		
Owners of the parent	5,094,846	2,967,897
Non controlling interests	-	-
	<u>5,094,846</u>	<u>2,967,897</u>

There were no material transfers to or from reserves and provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

## DIVIDENDS

The amount of dividend paid by the Company since 30 June 2011 was as follows:

In respect of the financial year ended 30 June 2011:

	<b>RM</b>
A first and final single tier dividend of 3.5 sen per share paid on 18 January 2012	<u>2,800,000</u>

At the forthcoming Annual General Meeting, a first and final single tier dividend of 3.5 sen per share in respect of the financial year ended 30 June 2012 amounting to RM2,800,000 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 30 June 2013.

# DIRECTORS' REPORT (continued)

## DIRECTORS

The names of the Directors of the Company in office since the date of last report and at the date of this report are:

Mohd Shafek Bin Isa  
Tong Chin Hen  
Dr. Leong Wan Leong  
Tai Keat Chai

## DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit, (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company as shown in the notes to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, except for as disclosed in the notes to the financial statements.

## DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the interests of Directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares of RM0.50 each in the Company			
	At 1.7.2011	Acquired	Disposed	At 30.6.2012
<b>Shareholdings in the name of the Director:</b>				
Mohd Shafek Bin Isa	150,000	-	-	150,000
Tong Chin Hen	150,000	-	-	150,000
Dr. Leong Wan Leong	50,000	-	-	50,000
Tai Keat Chai	50,000	-	-	50,000
<b>Shareholdings in which the Director is deemed to have an interest:</b>				
Mohd Shafek Bin Isa	19,118,704	-	-	19,118,704 *
Tong Chin Hen	33,947,064	-	-	33,947,064 **

Notes:

\* Deemed interest by virtue of interest in Sunbina Dunia Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965

\*\* Deemed interest by virtue of interest in Swiss Revenue Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965

# DIRECTORS' REPORT (continued)

## ISSUE OF SHARES

There were no changes in the issued and paid-up share capital of the Company during the financial year ended 30 June 2012.

## OTHER STATUTORY INFORMATION

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
- (i) the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
  - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets and liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the Directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations when they fall due; and
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

# DIRECTORS' REPORT (continued)

## AUDITORS

The auditors, HLB Ler Lum, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors

**TONG CHIN HEN**

Director

**MOHD SHAFEK BIN ISA**

Director

Petaling Jaya

Date : 29 August 2012

# STATEMENT BY DIRECTORS

## PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, the undersigned, being two of the Directors of IMASPRO CORPORATION BERHAD do hereby state on behalf of the Directors that in our opinion, the accompanying financial statements together with the notes thereon, are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2012 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

In the opinion of the Directors, the supplementary information set out on page 71 have been compiled in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

Signed on behalf of the Board in accordance with a resolution of the Directors

**TONG CHIN HEN**  
Director

**MOHD SHAFEK BIN ISA**  
Director

Petaling Jaya

Date : 29 August 2012

# STATUTORY DECLARATION

## PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, TONG CHIN HEN, being the Director primarily responsible for the financial management of IMASPRO CORPORATION BERHAD do solemnly and sincerely declare that the accompanying financial statements together with the notes thereon, are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared )

by the abovenamed at Petaling Jaya )

in Selangor Darul Ehsan )

day of 29 August 2012 )

Before me

Commissioner for Oaths

Lim Boon Ka  
Petaling Jaya  
Selangor Darul Ehsan



# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF IMASPRO CORPORATION BERHAD

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of IMASPRO CORPORATION BERHAD, which comprise the statements of financial position as at 30 June 2012 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 33 to 70.

#### Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia, and for such internal control as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2012 and of its financial performance and cash flows for the financial year then ended.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company has been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiary companies of which we have not acted as auditors, which are indicated in Note 6 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiary companies that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' reports on the financial statements of the subsidiary companies did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

# INDEPENDENT AUDITORS' REPORT (continued)

## TO THE MEMBERS OF IMASPRO CORPORATION BERHAD

### OTHER REPORTING RESPONSIBILITIES

The supplementary information set out on page 71 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

### OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

#### HLB LER LUM

AF 0276

Chartered Accountants

#### LUM TUCK CHEONG

1005/3/13(J/PH)

Chartered Accountant

Date : 29 August 2012

Kuala Lumpur

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2012

	Note	Group		Company	
		2012 RM	2011 RM	2012 RM	2011 RM
<b>ASSETS</b>					
<b>Non – current assets</b>					
Property, plant and equipment	4	19,417,855	20,093,113	-	-
Investment properties	5	147,270	149,860	-	-
Investment in subsidiary companies	6	-	-	31,467,619	31,467,619
		<u>19,565,125</u>	<u>20,242,973</u>	<u>31,467,619</u>	<u>31,467,619</u>
<b>Current assets</b>					
Inventories	7	23,554,223	17,433,089	-	-
Trade and other receivables	8	26,303,969	32,874,968	6,002,040	6,510,500
Cash and bank balances	9	35,608,553	30,267,124	9,130,957	8,470,825
Tax recoverable		1,159,076	898,882	277,711	257,037
		<u>86,625,821</u>	<u>81,474,063</u>	<u>15,410,708</u>	<u>15,238,362</u>
<b>TOTAL ASSETS</b>		<u>106,190,946</u>	<u>101,717,036</u>	<u>46,878,327</u>	<u>46,705,981</u>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the parent:</b>					
Share capital	10	40,000,000	40,000,000	40,000,000	40,000,000
Share premium		2,857,032	2,857,032	2,857,032	2,857,032
Foreign currency translation reserve	11	(197,277)	(960,700)	-	-
Retained profits	12	56,364,647	54,069,801	3,990,846	3,822,949
<b>Total equity</b>		<u>99,024,402</u>	<u>95,966,133</u>	<u>46,847,878</u>	<u>46,679,981</u>
<b>Non – current liability</b>					
Deferred tax liabilities	13	1,198,852	985,254	-	-
<b>Current liabilities</b>					
Trade and other payables	14	4,659,487	4,745,649	30,449	26,000
Bills payable	15	1,276,205	-	-	-
Tax payable		32,000	20,000	-	-
		<u>5,967,692</u>	<u>4,765,649</u>	<u>30,449</u>	<u>26,000</u>
<b>Total liabilities</b>		<u>7,166,544</u>	<u>5,750,903</u>	<u>30,449</u>	<u>26,000</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>106,190,946</u>	<u>101,717,036</u>	<u>46,878,327</u>	<u>46,705,981</u>

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2012

	Note	Group		Company	
		2012 RM	2011 RM	2012 RM	2011 RM
<b>Continuing Operations</b>					
Revenue	16	76,483,577	86,402,809	4,050,000	4,050,000
Cost of sales		(63,628,506)	(69,618,674)	-	-
<b>Gross profit</b>		12,855,071	16,784,135	4,050,000	4,050,000
Other operating income	17	1,868,983	1,493,049	186,412	143,101
Distribution cost		(98,423)	(67,846)	-	-
Administration expenses		(6,368,399)	(6,233,891)	(276,689)	(245,739)
Other operating expenses		(1,668,973)	(1,773,903)	-	-
<b>Operating profit</b>		6,588,259	10,201,544	3,959,723	3,947,362
Finance cost	18	(53,469)	(35,493)	-	-
<b>Profit before tax</b>	19	6,534,790	10,166,051	3,959,723	3,947,362
Income tax expense	22	(1,439,944)	(2,068,577)	(991,826)	(988,084)
<b>Profit after tax</b>		5,094,846	8,097,474	2,967,897	2,959,278
Other comprehensive income:					
Foreign currency translation		763,423	(507,471)	-	-
<b>Total comprehensive income for the year</b>		5,858,269	7,590,003	2,967,897	2,959,278
Profit attributable to:					
Owners of the parent		5,094,846	8,097,474	2,967,897	2,959,278
Non controlling interests		-	-	-	-
		5,094,846	8,097,474	2,967,897	2,959,278
Total comprehensive income attributable to:					
Owners of the parent		5,858,269	7,590,003	2,967,897	2,959,278
Non controlling interests		-	-	-	-
		5,858,269	7,590,003	2,967,897	2,959,278
<b>Earnings per share attributable to owners of the parent:</b>					
Basic (sen)	23	6.37	10.12		

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2012

Group	Note	Attributable to owners of the parent				Total Equity RM
		Non - Distributable		Distributable		
		Share Capital RM	Share Premium RM	Foreign Currency Translation Reserve RM	Retained Profits RM	
<b>At 1 July 2010</b>		40,000,000	2,857,032	(453,229)	48,772,327	91,176,130
Total comprehensive income		-	-	(507,471)	8,097,474	7,590,003
<b>Transaction with owners</b>						
Dividends	24	-	-	-	(2,800,000)	(2,800,000)
<b>At 30 June 2011</b>		40,000,000	2,857,032	(960,700)	54,069,801	95,966,133
<b>At 1 July 2011</b>		40,000,000	2,857,032	(960,700)	54,069,801	95,966,133
Total comprehensive income		-	-	763,423	5,094,846	5,858,269
<b>Transaction with owners</b>						
Dividends	24	-	-	-	(2,800,000)	(2,800,000)
<b>At 30 June 2012</b>		40,000,000	2,857,032	(197,277)	56,364,647	99,024,402

Company	Note	Attributable to owners of the parent			Total Equity RM
		Non - Distributable		Distributable	
		Share Capital RM	Share Premium RM	Retained Profits RM	
<b>At 1 July 2010</b>		40,000,000	2,857,032	3,663,671	46,520,703
Total comprehensive income		-	-	2,959,278	2,959,278
<b>Transaction with owners</b>					
Dividends	24	-	-	(2,800,000)	(2,800,000)
<b>At 30 June 2011</b>		40,000,000	2,857,032	3,822,949	46,679,981
<b>At 1 July 2011</b>		40,000,000	2,857,032	3,822,949	46,679,981
Total comprehensive income		-	-	2,967,897	2,967,897
<b>Transaction with owners</b>					
Dividends	24	-	-	(2,800,000)	(2,800,000)
<b>At 30 June 2012</b>		40,000,000	2,857,032	3,990,846	46,847,878

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2012

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before tax	6,534,790	10,166,051	3,959,723	3,947,362
Adjustments for:				
Gain on disposal of property, plant and equipment	(19,526)	(12,851)	-	-
Interest expenses	53,469	35,493	-	-
Interest income	(790,884)	(662,990)	(186,412)	(143,101)
Bad debts written off	742,744	-	-	-
(Gain)/loss on foreign exchange - unrealised	(93,148)	573,665	-	-
Impairment loss on trade receivables	197,499	551,930	-	-
Reversal of allowance for impairment of trade receivables	(826,391)	(418,760)	-	-
Depreciation for property, plant and equipment	1,831,983	1,758,706	-	-
Depreciation for investment property	2,590	2,591	-	-
Property, plant and equipment written off	-	5,230	-	-
Dividend income	-	-	(4,050,000)	(4,050,000)
<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES</b>	<b>7,633,126</b>	<b>11,999,065</b>	<b>(276,689)</b>	<b>(245,739)</b>
Increase in inventories	(6,121,134)	(1,264,434)	-	-
Decrease/(increase) in receivables	6,768,159	(3,766,219)	8,460	(10,500)
Increase/(decrease) in payables	509,374	(1,894,890)	4,449	4,800
<b>CASH GENERATED FROM/(DEPLETED IN) OPERATIONS</b>	<b>8,789,525</b>	<b>5,073,522</b>	<b>(263,780)</b>	<b>(251,439)</b>
Interest paid	(53,469)	(35,493)	-	-
Interest received	790,884	662,990	186,412	143,101
Taxes paid	(1,627,020)	(2,941,768)	-	-
Taxes refunded	152,480	-	-	-
<b>NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>8,052,400</b>	<b>2,759,251</b>	<b>(77,368)</b>	<b>(108,338)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment	(1,187,499)	(1,683,053)	-	-
Proceeds from disposal of property, plant and equipment	50,300	101,888	-	-
Repayment from subsidiary companies	-	-	500,000	1,300,000
Dividend received	-	-	3,037,500	3,037,500
<b>NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES</b>	<b>(1,137,199)</b>	<b>(1,581,165)</b>	<b>3,537,500</b>	<b>4,337,500</b>

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF CASH FLOWS (continued)

FOR THE YEAR ENDED 30 JUNE 2012

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Net proceeds/(repayment) of bills payable	1,277,089	(158,588)	-	-
Dividend paid	(2,800,000)	(2,800,000)	(2,800,000)	(2,800,000)
NET CASH USED IN FINANCING ACTIVITIES	(1,522,911)	(2,958,588)	(2,800,000)	(2,800,000)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	5,392,290	(1,780,502)	660,132	1,429,162
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(50,861)	(514,421)	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	30,267,124	32,562,047	8,470,825	7,041,663
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR (NOTE 9)</b>	35,608,553	30,267,124	9,130,957	8,470,825

The accompanying notes form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 1. CORPORATE INFORMATION

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are set out in Note 6 to the financial statements. There were no significant changes in the nature of these activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur and the principal place of business of the Company is located at 37 Jalan 5, Kawasan 16, Taman Intan, 41300 Klang, Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 29 August 2012.

## 2. BASIS OF PREPARATION

### (a) Statement of Compliance

The financial statements comply with Financial Reporting Standards ("FRSs") and the Companies Act, 1965 in Malaysia.

During the financial year, the Group and the Company has adopted the following new and revised FRSs, Amendments to FRSs and IC Interpretations:

(i) Effective for financial periods beginning on or after 1 January 2011

Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosures about Financial Instruments
IC Interpretation 4	Determining Whether an Arrangement contains a Lease
IC Interpretation 18	Transfers of Assets from Customers
Improvements to FRSs (2010)	

(ii) Effective for financial periods beginning on or after 1 July 2011

Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments

The adoption of the above new and revised FRSs, Amendments to FRSs and IC Interpretations did not have any material impact on the Group's and the Company's financial statements.

The Group and the Company has not adopted the following revised FRSs, Amendments to FRSs and IC Interpretations that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group and the Company:

(i) Effective for financial periods beginning on or after 1 January 2012

FRS 124	Related Party Disclosures
Amendments to FRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to FRS 7	Disclosures – Transfers of Financial Assets
Amendments to FRS 112	Deferred Tax: Recovery of Underlying Assets



# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 2. BASIS OF PREPARATION (continued)

### (a) Statement of Compliance (continued)

(ii) Effective for financial periods beginning on or after 1 July 2012

Amendments to FRS 101	Presentation of Items of Other Comprehensive Income
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(iii) Effective for financial periods beginning on or after 1 January 2013

FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosure of Interests in Other Entities
FRS 13	Fair Value Measurement
FRS 119 (2011)	Employee Benefits
FRS 127 (2011)	Separate Financial Statements
FRS 128 (2011)	Investments in Associates and Joint Ventures
Amendments to FRS 1	Government Loans
Amendments to FRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 10, FRS 11 and FRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Improvements to FRSs (2012)	

(iv) Effective for financial periods beginning on or after 1 January 2014

Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities
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(v) Effective for financial periods beginning on or after 1 January 2015

FRS 9	Financial Instruments (IFRS 9-2009)
FRS 9	Financial Instruments (IFRS 9-2010)
Amendments to FRS 9	Mandatory Effective Date of FRS 9 and Transition Disclosures

On 19 November 2011, the Malaysian Accounting Standards Board (“MASB”) had issued new MASB approved accounting standard, Malaysian Financial Reporting Standard (hereinafter known as MFRSs or the MFRS frameworks).

The MFRS Frameworks comprises Standards as issued by the International Accounting Standard Board (“IASB”) that are effective on 1 January 2012. It also comprises new/revised Standards recently issued by the IASB that will be effective after 1 January 2012. The MFRS Frameworks will replace the existing Financial Reporting Standards (“FRS Frameworks”).

The MFRS Frameworks is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141: Agricultural and IC Interpretation 15: Agreements for Construction of Real Estate, including its parent, significant investor and venturer (herein called “Transitioning Entities”).

As such, the Group and the Company will prepare their first financial statements using the MFRS Frameworks for the financial year ending 30 June 2013. The possible change of the accounting policies is expected to have no material impact on the financial statements of the Group and the Company upon the initial application.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 2. BASIS OF PREPARATION (continued)

### (b) Basis of Measurement

The financial statements of the Group and of the Company have been prepared under the historical cost convention except for those indicated in the individual policy notes.

### (c) Functional and Presentation Currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency.

### (d) Use of Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are as follows:

#### (i) Depreciation of property, plant and equipment and investment properties

Property, plant and equipment and investment properties are depreciated on a straight-line basis over their useful life. The Group will periodically review the useful life and residual values of property, plant and equipment and investment properties in accordance with the accounting policies. Changes in the expected level of usage and technological developments may impact the economic useful life and the residual values of these assets, therefore future depreciation charges may be revised.

#### (ii) Impairment of loans and receivables

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factor such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivable at the reporting date is disclosed in Note 8.

#### (iii) Income taxes

Significant judgement is involved in determining the Group's and the Company's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognised tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 2. BASIS OF PREPARATION (continued)

### (d) Use of Estimates and Judgements (continued)

#### (iv) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

The Directors are of the opinion that provision are not required in respect of the contingent liabilities as disclosed in Note 26 as it is not probable that future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

## 3. SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary companies as at the reporting date. The financial statements of the subsidiary companies used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Acquisition of subsidiary companies are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

In business combination achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree net identifiable assets.

Any excess of sum on the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of acquiree's identifiable assets and liabilities is recorded as goodwill in the statement of financial position. In instances where the latter amount exceeds the former, the excess of recognised as a gain on bargain purchase in profit or loss on the acquisition date.

Subsidiary companies are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### (b) Subsidiary Companies

Subsidiary companies are entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investment in subsidiary companies are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in the profit or loss.

### (c) Property, Plant and Equipment and Depreciation

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Freehold land has an unlimited useful life and therefore is not depreciated. Long term leasehold land and buildings are depreciated over their lease periods range from 79 years to 82 years. Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Buildings	2%
Office equipment	20%
Furniture and fittings	10% - 15%
Renovation	25%
Motor vehicles	20%
Plant and machinery	10%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (d) Investment Property

Investment property is held for long-term rental yields or for capital appreciation or both, and are not occupied by the Company.

Investment property is initially measured at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated amortisation and impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated. Building carried at cost is depreciated over the estimated economic useful life of 50 years.

Investment property is derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the carrying amount at the date of change in use.

#### (e) Impairment of Non-Financial Assets

The Group and the Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group and the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (Cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the assets are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (f) Financial Assets

Financial assets are recognised in the statement of financial position when, and only when, the Group and the Company becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of its financial assets at initial recognition, and the categories include loans and receivables.

#### Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

#### (g) Impairment of Financial Assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

#### Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### (g) Impairment of Financial Assets (continued)

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

### (h) Inventories

Inventories which comprise raw materials, packaging materials, work-in-progress and finished goods are stated at the lower of cost and net realisable value.

Cost is determined using the weighted average method. The costs of raw materials and packaging materials comprise the original cost of purchase plus the cost of bringing the inventories to their present location. The costs of finished goods and work-in-progress comprise cost of raw materials, direct labour, other direct costs and appropriate production overheads.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### (i) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

### (j) Provisions

Provisions are recognised when the Group and the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### (k) Financial Liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of FRS 139, are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

The Group's and the Company's financial liabilities include trade payables, other payables 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.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### (k) Financial Liabilities (continued)

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. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

### (l) Borrowing Costs

Borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

### (m) Employee Benefits

#### (i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the financial year in which the associated services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

#### (ii) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

### (n) Foreign Currencies

#### (i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in RM, which is also the Group's and the Company's functional currency.

#### (ii) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiary companies and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.



## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (n) Foreign Currencies (continued)

Exchange differences arising on the settlement of monetary items or on translating of monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary item that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gain and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

#### (iii) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

#### (o) Operating Leases

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

#### (p) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

##### (i) Sale of goods

Revenue relating to sale of goods is recognised net of discounts, if any and upon the transfer of risks and rewards of the ownership to the buyer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

##### (ii) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

##### (iii) Rental income

Rental income from investment properties is recognised on a straight-line basis over the term of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### (p) Revenue Recognition (continued)

#### (iv) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

### (q) Income Taxes

#### (i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

#### (ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### (r) Share Capital and Share Issuance Expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

### (s) Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group.

### (t) Segment Reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

### (u) Dividends

Interim dividends are accounted for in the shareholders' equity as an appropriation of retained profits in the period. Final dividends are not accounted for until approved at the Annual General Meeting.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4. PROPERTY, PLANT AND EQUIPMENT

The Group 30 June 2012	Freehold land		Long term leasehold land		Buildings	Office equipment	Furniture and fittings	Renovation	Motor vehicles	Plant and machinery	Total
	RM	RM	RM	RM							
<b>Cost</b>											
At 1 July 2011	2,762,726	3,269,162	8,006,060	751,721	513,306	591,838	2,125,798	11,463,983	29,484,594		
Additions	-	-	57,200	62,057	23,232	87,551	453,544	503,915	1,187,499		
Disposals	-	-	-	(1,888)	-	-	(126,780)	(50,000)	(178,668)		
At 30 June 2012	2,762,726	3,269,162	8,063,260	811,890	536,538	679,389	2,452,562	11,917,898	30,493,425		
<b>Accumulated depreciation</b>											
At 1 July 2011	-	209,528	598,588	550,113	416,172	453,779	1,221,851	5,941,450	9,391,481		
Depreciation charge for the year	-	40,795	112,468	78,646	24,828	76,176	393,226	1,105,844	1,831,983		
Disposals	-	-	-	(566)	-	-	(118,578)	(28,750)	(147,894)		
At 30 June 2012	-	250,323	711,056	628,193	441,000	529,955	1,496,499	7,018,544	11,075,570		
<b>Net carrying amount</b>											
At 30 June 2012	2,762,726	3,018,839	7,352,204	183,697	95,538	149,434	956,063	4,899,354	19,417,855		

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4. PROPERTY, PLANT AND EQUIPMENT (continued)

The Group	Freehold land RM	Long term leasehold land RM	Buildings RM	Office equipment RM	Furniture and fittings RM	Renovation RM	Motor vehicles RM	Plant and machinery RM	Total RM
<b>30 June 2011</b>									
<b>Cost</b>									
At 1 July 2010	2,762,726	-	7,641,652	648,326	460,657	483,665	2,267,329	10,539,822	24,804,177
As previously stated									
Effects of adopting Amendments to FRS 117	-	3,269,162	-	-	-	-	-	-	3,269,162
As restated	2,762,726	3,269,162	7,641,652	648,326	460,657	483,665	2,267,329	10,539,822	28,073,339
Additions	-	-	364,408	109,194	52,649	108,173	124,468	924,161	1,683,053
Disposals	-	-	-	(1,800)	-	-	(260,349)	-	(262,149)
Written off	-	-	-	(3,999)	-	-	(5,650)	-	(9,649)
At 30 June 2011	2,762,726	3,269,162	8,006,060	751,721	513,306	591,838	2,125,798	11,463,983	29,484,594
<b>Accumulated depreciation</b>									
At 1 July 2010	-	-	486,832	475,136	388,914	355,264	1,047,296	4,888,131	7,641,573
As previously stated									
Effects of adopting Amendments to FRS 117	-	168,733	-	-	-	-	-	-	168,733
As restated	-	168,733	486,832	475,136	388,914	355,264	1,047,296	4,888,131	7,810,306
Depreciation charge for the year	-	40,795	111,756	80,145	27,258	98,515	346,918	1,053,319	1,758,706
Disposals	-	-	-	(1,170)	-	-	(171,942)	-	(173,112)
Written off	-	-	-	(3,998)	-	-	(421)	-	(4,419)
At 30 June 2011	-	209,528	598,588	550,113	416,172	453,779	1,221,851	5,941,450	9,391,481
<b>Net carrying amount</b>									
At 30 June 2011	2,762,726	3,059,634	7,407,472	201,608	97,134	138,059	903,947	5,522,533	20,093,113

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 5. INVESTMENT PROPERTY

	<b>Group</b>	
	<b>2012</b>	<b>2011</b>
	<b>RM</b>	<b>RM</b>
<b>Cost</b>		
At 1 July/30 June	183,541	183,541
<b>Accumulated depreciation</b>		
At 1 July	33,681	31,090
Depreciation charge for the year	2,590	2,591
At 30 June	36,271	33,681
<b>Net carrying amount</b>		
At 30 June	147,270	149,860

In year 2012, the fair value on the above investment property stated at cost approximated RM630,000 (2011: RM590,000). This fair value was obtained based on Directors' informal enquiries made with registered valuers.

Investment property comprises freehold land and building. Rental income generated from the investment property during the financial year amounted to RM12,400 (2011: RM22,200). There were no direct operating expenses incurred for the investment property during the financial year.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 6. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2012 RM	2011 RM
Unquoted shares – at cost	31,467,619	31,467,619

Details of the subsidiary companies are as follows:

Name of Companies	Country of Incorporation	Effective Ownership Interest		Principal Activities
		2012 (%)	2011 (%)	
<b>Direct subsidiary companies of the Company</b>				
Imaspro Resources Sdn. Bhd. ("IRSB") *	Malaysia	100	100	Manufacturing of pesticides and plant micronutrients, distribution and agency of pesticides and other agrochemicals, and trading of pesticides and other agrochemicals
Ideal Command Sdn. Bhd.*	Malaysia	100	100	Investment holding
<b>Direct subsidiary companies of IRSB</b>				
Imaspro Biotech Sdn. Bhd.*	Malaysia	100	100	Manufacturing, distribution, research and development of pesticides and agrochemicals
Imaspro Resources Incorporated *	Labuan, Malaysia	100	100	Distribution of pesticides, including herbicides, insecticides, fungicides, plant micronutrients, fertiliser, public health products, pest control products, wood preservative and other related products

\* Audited by firm other than HLB Ler Lum

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 7. INVENTORIES

	Group	
	2012 RM	2011 RM
<b>At cost:</b>		
Raw materials	18,406,651	11,899,489
Finished goods	3,881,044	3,940,223
Packaging materials	868,323	920,334
Work-in-progress	398,205	673,043
	23,554,223	17,433,089

### 8. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Trade receivables				
- Third parties	25,305,136	32,648,187	-	-
Less :				
- Allowance for impairment	(622,357)	(1,251,249)	-	-
Trade receivables, net	24,682,779	31,396,938	-	-
Other receivables				
- Deposits	616,919	616,884	-	-
- Prepayments	942,541	832,541	2,040	10,500
- Sundry receivables	61,730	28,605	-	-
- Amount due from subsidiary companies	-	-	6,000,000	6,500,000
	1,621,190	1,478,030	6,002,040	6,510,500
Total trade and other receivables	26,303,969	32,874,968	6,002,040	6,510,500
Add : Cash and bank balances (Note 9)	35,608,553	30,267,124	9,130,957	8,470,825
Total loans and receivables	61,912,522	63,142,092	15,132,997	14,981,325

#### (a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 180 days (2011: 30 to 180 days). They are recognised at their original invoice amounts which represent their fair value on initial recognition. Other credit terms are assessed and approved on a case to case basis.



# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 8. TRADE AND OTHER RECEIVABLES (continued)

### Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	2012 RM	Group 2011 RM
Neither past due nor impaired	20,704,006	26,684,289
1 to 30 days past due not impaired	753,388	1,237,670
31 to 60 days past due not impaired	2,273,818	2,802,719
61 to 90 days past due not impaired	62,841	556,380
More than 91 days past due not impaired	448,168	82,591
Impaired	3,538,215	4,679,360
	1,062,915	1,284,538
	4,601,130	5,963,898
	25,305,136	32,648,187

### Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

### Receivables that are past due but not impaired

The balance of receivable that are past due but not impaired are unsecured in nature. The management is confident that no impairment allowance is necessary in respect of these balance as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

### Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	2012 RM	Group 2011 RM
Individual impaired:		
Trade receivables – nominal accounts	1,062,915	1,284,538
Less : Allowance for impairment	(622,357)	(1,251,249)
	440,558	33,289

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 8. TRADE AND OTHER RECEIVABLES (continued)

Movement in allowance accounts:

	2012 RM	Group 2011 RM
At 1 July	1,251,249	1,118,079
Charge for the year (Note 19)	197,499	551,930
Reversal of impairment losses (Note 17)	(826,391)	(418,760)
At 30 June	622,357	1,251,249

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

(b) Related party balances

The amounts due from subsidiary companies are unsecured, non-interest bearing and are repayable on demand.

### 9. CASH AND BANK BALANCES

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Cash on hand and at banks	5,190,042	4,110,681	14,766	23,748
Deposits with licensed banks	1,311,439	2,128,783	-	-
	6,501,481	6,239,464	14,766	23,748
Short term cash investments	29,107,072	24,027,660	9,116,191	8,447,077
Cash and bank balances (Note 8)	35,608,553	30,267,124	9,130,957	8,470,825

- (a) One of the deposits with licensed banks in respect of a subsidiary company amounting to RM13,780 (2011: RM13,397) is held under lien with a licensed bank as security for bank guarantee facility.
- (b) The effective interest rate of deposits with licensed banks at the reporting date for the Group were ranging from 0.53% to 2.78% (2011: 0.25% to 2.50%) per annum.
- (c) The maturities of deposits with licensed banks as at the end of the financial year for the Group were ranging from 7 to 365 days (2011: 14 to 365 days).
- (d) The short term cash investments represent investment in short term fixed income fund which provides a stream of monthly income by investing in money market and fixed income instruments. Interest received from the investments is exempted from tax.
- (e) Short term cash investments are highly liquid which have an insignificant risk of changes in value which bore effective interest rates at the financial year end ranged from 2.05% to 2.95% (2011: 1.45% to 2.60%) and 2.42% (2011: 2.60%) for the Group and the Company respectively.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 10. SHARE CAPITAL

	Group and Company			
	Number of Ordinary Shares of RM0.50 Each		Amount	
	2012	2011	2012 RM	2011 RM
<b>Authorised:</b>				
At 1 July/30 June	200,000,000	200,000,000	100,000,000	100,000,000
<b>Issued and fully paid:</b>				
At 1 July/30 June	80,000,000	80,000,000	40,000,000	40,000,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

## 11. FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

## 12. RETAINED PROFITS

Effective 1 January 2008, the Company is given the option to make an irrevocable election to move to a single tier system or continue to use its tax credit under Section 108 of the Income Tax Act, 1967 for the purpose of dividend distribution until the tax credit is fully utilised or latest by 31 December 2013.

The Company has made an irrevocable election to move to a single tier system to frank tax exempt dividend up to maximum amount of retained profits.

## 13. DEFERRED TAX LIABILITIES

	Group	
	2012 RM	2011 RM
At 1 July	985,254	1,006,000
Recognised in profit or loss (Note 22)	213,598	(20,746)
At 30 June	1,198,852	985,254
Presented after appropriate offsetting as follows:		
Deferred tax assets	(23,051)	(220,881)
Deferred tax liabilities	1,221,903	1,206,135
	1,198,852	985,254

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 13. DEFERRED TAX LIABILITIES (continued)

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

#### Deferred tax assets of the Group

	Property, plant and equipment RM	Others RM	Total RM
At 1 July 2011	(2,461)	(218,420)	(220,881)
Recognised in profit or loss	(3,001)	200,831	197,830
At 30 June 2012	(5,462)	(17,589)	(23,051)
At 1 July 2010	(11,000)	(111,000)	(122,000)
Recognised in profit or loss	8,539	(107,420)	(98,881)
At 30 June 2011	(2,461)	(218,420)	(220,881)

#### Deferred tax liabilities of the Group

	Property, plant and equipment RM	Investment properties RM	Others RM	Total RM
At 1 July 2011	800,352	402,998	2,785	1,206,135
Recognised in profit or loss	(43,196)	29,156	29,808	15,768
At 30 June 2012	757,156	432,154	32,593	1,221,903
At 1 July 2010	771,838	350,162	6,000	1,128,000
Recognised in profit or loss	28,514	52,836	(3,215)	78,135
At 30 June 2011	800,352	402,998	2,785	1,206,135

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 14. TRADE AND OTHER PAYABLES

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Trade payables				
- Third parties	3,637,523	3,649,379	-	-
Other payables				
- Deposits received	561,250	572,150	-	-
- Accruals	390,692	482,143	29,000	26,000
- Sundry payables	70,022	41,977	1,449	-
	1,021,964	1,096,270	30,449	26,000
Total trade and other payables	4,659,487	4,745,649	30,449	26,000
Add : Loan and borrowings (Note 15)	1,276,205	-	-	-
Total financial liabilities carried at amortised cost	5,935,692	4,745,649	30,449	26,000

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranges from 5 to 90 days (2011: 30 to 90 days).

(b) Other payables

Other payables are non-interest bearing. Other payables are normally settled on an average terms of 30 to 60 days (2011: 30 to 60 days).

### 15. BILLS PAYABLE

	Group	
	2012 RM	2011 RM
Repayable:		
Within one year (Note 14)	1,276,205	-

Commission on bills payable drawdown was charged at 0.10% flat, subject to minimum charge of RM50 per bill and bills payable are repayable from 120 to 180 days.

The bills payable are secured by the following:

- (i) General Security Agreement Relating to Goods;
- (ii) Letter of Pledge; and
- (iii) Corporate guarantee by the Company.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 16. REVENUE

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Sale of goods	76,483,577	86,402,809	-	-
Dividend income	-	-	4,050,000	4,050,000
	<u>76,483,577</u>	<u>86,402,809</u>	<u>4,050,000</u>	<u>4,050,000</u>

### 17. OTHER OPERATING INCOME

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Reversal of allowance for impairment of trade receivables (Note 8)	826,391	418,760	-	-
Interest income	790,884	662,990	186,412	143,101
Rental income	12,400	22,200	-	-
Gain on disposal of property, plant and equipment	19,526	12,851	-	-
Gain on foreign exchange				
- realised	120,334	325,648	-	-
- unrealised	93,148	-	-	-
Insurance claims	6,300	50,600	-	-
	<u>1,868,983</u>	<u>1,493,049</u>	<u>186,412</u>	<u>143,101</u>

### 18. FINANCE COST

	Group	
	2012 RM	2011 RM
Interest expenses on:		
Bills payable	<u>53,469</u>	<u>35,493</u>

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 19. PROFIT BEFORE TAX

The following amounts have been included in arriving at profit before tax:

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Employee benefits expense (Note 20)	4,136,112	3,929,477	15,000	24,000
Non-Executive Directors' remuneration (Note 21)	90,000	87,000	90,000	87,000
Auditors' remuneration				
- statutory audit	51,173	49,149	16,000	16,000
Impairment loss on trade receivables (Note 8)	197,499	551,930	-	-
Depreciation of property, plant and equipment (Note 4)	1,831,983	1,758,706	-	-
Depreciation of investment properties (Note 5)	2,590	2,591	-	-
Property, plant and equipment written off	-	5,230	-	-
Rental of premises	7,407	7,379	-	-
Loss on foreign exchange				
- unrealised	-	573,665	-	-
Bad debts written off	742,744	-	-	-

## 20. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Wages, salaries, bonuses and allowances	3,664,539	3,468,179	15,000	24,000
Social security contribution	29,999	27,460	-	-
Contributions to defined contribution plan	441,574	433,838	-	-
	4,136,112	3,929,477	15,000	24,000

Included in employee benefits expense of the Group and of the Company are Executive Directors' remuneration amounting to RM1,199,700 (2011: RM1,131,900) and RM15,000 (2011: RM24,000) respectively as further disclosed in Note 21.

## 21. DIRECTORS' REMUNERATION

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Executive:				
- Salaries and other emoluments	910,000	840,000	-	-
- Fees	135,000	144,000	15,000	24,000
- Contributions to defined contribution plan	154,700	147,900	-	-
	1,199,700	1,131,900	15,000	24,000
Non-Executive:				
- Fees	90,000	87,000	90,000	87,000
	1,289,700	1,218,900	105,000	111,000
Benefits in-kind	23,950	23,950	-	-
	1,313,650	1,242,850	105,000	111,000

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 22. INCOME TAX EXPENSE

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Income tax:				
Malaysian income tax	(1,242,086)	(1,902,008)	(990,000)	(980,000)
Over/(Under) provided in prior year	15,740	(187,315)	(1,826)	(8,084)
	(1,226,346)	(2,089,323)	(991,826)	(988,084)
Deferred tax (Note 13):				
Relating to origination and reversal of temporary differences	(227,151)	(23,885)	-	-
Overprovided in prior year	13,553	44,631	-	-
	(213,598)	20,746	-	-
	(1,439,944)	(2,068,577)	(991,826)	(988,084)

Domestic current income tax is calculated at the statutory tax rate of 25% (2011: 25%) of the estimated assessable profit for the year.

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Profit before tax	6,534,790	10,166,051	3,959,723	3,947,362
Taxation at Malaysian statutory tax rate of 25%	(1,633,698)	(2,541,512)	(989,931)	(986,840)
Expenses not deductible for tax purposes	(109,848)	(96,206)	(46,672)	(28,935)
Income not subject to tax	104,771	438,673	46,603	35,775
Expenditure qualified for double deduction	12,115	11,575	-	-
Utilisation of reinvestment allowances	75,587	138,624	-	-
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	-	(68,860)	-	-
Temporary differences in respect of property, plant and equipment not recognised	18,267	18,193	-	-
Effect of utilisation of previously unabsorbed capital allowances	63,569	173,620	-	-
Over/(Under) provision of tax expense in prior year	15,740	(187,315)	(1,826)	(8,084)
Overprovision of deferred tax in prior year	13,553	44,631	-	-
Tax expense for the year	(1,439,944)	(2,068,577)	(991,826)	(988,084)



## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 23. EARNINGS PER SHARE

#### (a) Basic

Basic earnings per share is calculated based on the profit after tax attributable to owners of the parent divided by the weighted average number of ordinary shares of RM0.50 each in issue during the financial year held by the Company.

	Group	
	2012	2011
Profit after tax attributable to owners of the parent (RM)	5,094,846	8,097,474
Weighted average number of ordinary shares in issue	80,000,000	80,000,000
Basic earnings per share (sen)	6.37	10.12

#### (b) Diluted

No diluted earnings per share is presented as there are no diluted potential ordinary shares.

### 24. DIVIDENDS

	Group and Company	
	2012	2011
	RM	RM
<b>For financial year ended 30 June 2011:</b>		
- A first and final single tier dividend of 3.5 sen per share paid on 18 January 2012	2,800,000	-
<b>For financial year ended 30 June 2010:</b>		
- A first and final single tier dividend of 3.5 sen per share paid on 25 January 2011	-	2,800,000
	2,800,000	2,800,000

At the forthcoming Annual General Meeting, a first and final single tier dividend of 3.5 sen per share in respect of the financial year ended 30 June 2012 amounting to RM2,800,000 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 30 June 2013.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 25. RELATED PARTY DISCLOSURES

### (a) Related party transactions

The Group and the Company had the following transactions with related parties which took place at terms agreed between the parties during the financial year:

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Dividend received from a subsidiary company - Imaspro Resources Sdn. Bhd.	-	-	4,050,000	4,050,000
Sales to Hap Seng Chemicals Sdn. Bhd., a company in which a Director, Tong Chin Hen has equity interest via his shareholding in Imaspro Process Technology Sdn. Bhd.	92,019	61,728	-	-
Salaries and other related expenses paid/payable to persons related to a Director, Tong Chin Hen	192,264	125,647	-	-

The Directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

### (b) Compensation of key management personnel

The remuneration of Directors and other members of key management during the financial year are as follows:

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Short term employee benefits	2,025,068	2,079,755	105,000	111,000
Post-employment benefits: - Defined contribution plan	267,270	273,583	-	-
	2,292,338	2,353,338	105,000	111,000

Other members of key management personnel comprise persons other than Directors of the Group, having authority and responsibility of planning, directing and controlling the activities of the Group either directly or indirectly.

Included in the total key management personnel are:

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Directors' remuneration (Note 21)	1,289,700	1,218,900	105,000	111,000

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 26. CONTINGENT LIABILITIES

The Directors are of the opinion that provisions are not required in respect of these matters as it is not probable that future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Secured:				
Bank guarantee issued in favour of Tenaga Nasional Berhad	2,000	13,397	-	-
Unsecured:				
Corporate guarantee given to a licensed bank for credit facilities granted to a subsidiary company	-	-	21,050,000	29,600,000

At the end of the reporting period, it was not probable that the counterparty to the financial guarantee contract will claim under the contract. Consequently, the fair value for the guarantee is NIL.

### 27. CAPITAL COMMITMENT

	Group	
	2012 RM	2011 RM
Approved and contracted for:		
- Property, plant and equipment	202,100	-

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 28. SEGMENT INFORMATION

### (a) Geographical Segments

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

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

Group	Malaysia RM	Indonesia RM	Others RM	Elimination RM	Total RM
At 30 June 2012					
Segment revenue:					
Sales to external customers	44,582,462	11,345,111	20,556,004	-	76,483,577
Inter-segment sales	3,026,918	-	-	(3,026,918)	-
	47,609,380	11,345,111	20,556,004	(3,026,918)	76,483,577
At 30 June 2011					
Segment revenue:					
Sales to external customers	44,848,824	14,484,481	27,069,504	-	86,402,809
Inter-segment sales	2,192,504	-	-	(2,192,504)	-
	47,041,328	14,484,481	27,069,504	(2,192,504)	86,402,809

No segment results, assets and capital expenditure are presented as the Group does not have a legal presence in any other country other than Malaysia.

### (b) Business Segments

No business segment information has been presented as the Group is solely involved in the 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.

## 29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate risks, liquidity risk, credit risk and foreign currency risk. The Board review and agrees policies for managing each of these risks and they are summarised below. It is, and has been throughout the year under review, the Group's policy that no trading in derivative financial instruments shall be undertaken.

### (a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of the Group's financial instruments will fluctuate because of changes in market interest rates.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### (a) Interest rate risk (continued)

The Group's exposure to interest rate risk relates to interest bearing financial assets and financial liabilities. The investments in financial assets are mainly short term in nature and they are not held for speculative purposes. Interest bearing financial assets includes deposits with licensed banks and short term cash investments, placed for better yield returns than cash at banks and to satisfy condition for bank guarantee facilities granted to the Group.

The Group's interest bearing financial liabilities mainly comprise bills payable.

The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets.

The information on maturity dates and effective interest rates of financial assets and liabilities are disclosed in their respective notes.

#### Sensitivity analysis for interest rate risk

An increase or decrease of 100 basis points of the interest rate as at the end of the reporting period would have immaterial impact on the profit after tax and equity. This assumes that all other variables remain constant.

### (b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The table below summarises the maturity profile of the Group's liabilities at the reporting date based on contractual undiscounted repayment obligations.

<b>Group</b>	<b>On demand or within one year 2012 RM</b>	<b>Total 2012 RM</b>
Financial liabilities:		
Trade and other payables	4,659,487	4,659,487
Bills payable	1,276,205	1,276,205
Total undiscounted financial liabilities	5,935,692	5,935,692
<b>Company</b>		
Financial liabilities:		
Trade and other payables	30,449	30,449
Total undiscounted financial liabilities	30,449	30,449

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### (c) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

#### Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by three (3) customers which constituted approximately 28% of its trade receivables as at the end of the reporting period.

The Group determines concentrations of credit risk by monitoring the country profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date is as follows:

<b>By country:</b>	<b>2012 RM</b>	<b>2011 RM</b>
Malaysia	13,831,498	10,262,240
Indonesia	2,441,103	3,197,280
Vietnam	2,776,126	3,080,222
Bulgaria	1,390,015	9,503,312
Others	4,244,036	5,353,884
	<u>24,682,778</u>	<u>31,396,938</u>

### (d) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or a future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations which they relate. The currencies giving rise to this risk are primarily United States Dollars (USD), Australian Dollars (AUD) and Euro (EUR). Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

The Group does not consider it necessary to enter into foreign exchange contracts in managing its foreign exchange risk resulting from cash flows from transactions denominated in foreign currency, given the nature of the business for the time being.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### (d) Foreign Currency Risk (continued)

The net unhedged financial assets of the Group that are not denominated in its functional currency are as follows:

	<b>Net Financial Assets/(Liabilities) Held in Non-Functional Currency</b>			
	<b>USD RM</b>	<b>AUD RM</b>	<b>EUR RM</b>	<b>Total RM</b>
<b>At 30 June 2012</b>				
Cash and bank balances	1,496,009	1,337,625	35,578	2,869,212
Trade receivables	7,593,112	1,267,392	-	8,860,504
Trade payables	(1,941,674)	-	-	(1,941,674)
Bills payables	(1,276,205)	-	-	(1,276,205)
	<u>5,871,242</u>	<u>2,605,017</u>	<u>35,578</u>	<u>8,511,837</u>
<b>At 30 June 2011</b>				
Cash and bank balances	2,239,642	56,481	49,765	2,345,888
Trade receivables	12,723,052	1,384,054	-	14,107,106
Trade payables	(1,387,485)	-	-	(1,387,485)
	<u>13,575,209</u>	<u>1,440,535</u>	<u>49,765</u>	<u>15,065,509</u>

#### Sensitivity analysis for foreign currency risk

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting period, with all other variables held constant:

<b>Effect on profit after tax/equity:</b>	<b>2012 Increase/ (Decrease) RM</b>	<b>2011 Increase/ (Decrease) RM</b>
USD		
- Strengthened by 5%	293,562	678,760
- Weakened by 5%	(293,562)	(678,760)
AUD		
- Strengthened by 5%	130,251	72,027
- Weakened by 5%	(130,251)	(72,027)
EUR		
- Strengthened by 5%	1,779	2,488
- Weakened by 5%	(1,779)	(2,488)

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### (e) Fair Values

The carrying amounts of financial assets and liabilities such as cash and cash equivalent, receivables, payables and short term borrowings of the Group and of the Company at the financial year end approximated their fair values due to relatively short term nature of these financial instruments or insignificant impact of discounting.

The nominal/notional amounts and net fair values of financial instruments not recognised by the Company as at the end of the financial year are:

Note	30 June 2012		30 June 2011	
	Nominal/ Notional Amount RM	Net Fair Value RM	Nominal/ Notional Amount RM	Net Fair Value RM
Contingent liabilities	21,050,000	-	29,600,000	-

## 30. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or process during the years ended 30 June 2011 and 30 June 2012.

The Group monitors capital using a gearing ratio, which is total net debts divided by total equity. Net debt is calculated as external borrowings less cash and cash equivalents. Total equity is calculated as share capital plus reserves. As the Group has no significant external borrowings as at the end of the reporting period, the gearing ratio is not presented.



# SUPPLEMENTARY INFORMATION

30 JUNE 2012

## BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED PROFITS OR LOSSES

The breakdown of the retained profits of the Group and of the Company as at the end of the reporting period into realised and unrealised profits/(losses) are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Total unappropriated profits of the Company and its subsidiary companies:				
- Realised	82,976,294	80,782,556	3,990,846	3,822,949
- Unrealised	(1,138,836)	(1,847,795)	-	-
	81,837,458	78,934,761	3,990,846	3,822,949
Less: Consolidated adjustments	(25,472,811)	(24,864,960)	-	-
Total unappropriated profits	56,364,647	54,069,801	3,990,846	3,822,949

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia Securities Berhad and should not be applied for any other purposes.

# ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in compliance with the Main Market Listing Requirements of Bursa Securities for the financial year ended 30 June 2012:

## **Material Contracts Involving Directors and Substantial Shareholders**

Save as otherwise disclosed in Note 25-Related Party Disclosure in the Financial Statements, there are no material contracts including contracts relating to any loan entered into by the Company and its subsidiaries involving Directors and major shareholders' interests.

## **Sanctions and/or Penalties**

There were no sanctions and/or penalties imposed by any regulatory authorities on the Company and its subsidiaries, Directors or management during the financial year ended 30 June 2012.

## **Share Buy-Backs**

The Company did not make any share buy-back during the financial year ended 30 June 2012.

## **Non-Audit Fees**

There were no non-audit fees paid to external auditors during the financial year ended 30 June 2012.

## **Options or Convertible Securities Exercised**

No options or convertible securities were issued during the financial year ended 30 June 2012.

## **Variation in Results for the Financial Year**

There was no deviation of 10% or more between the audited results for the financial year and the unaudited financial results previously announced.

## **Depository Receipt Programme ("DRP")**

The Company did not sponsor any DRP during the financial year ended 30 June 2012.

## **Profit Estimate, Forecast or Projection**

The Company has not provided a profit forecast for the financial year ended 30 June 2012.

## **Profit Guarantees**

There were no profit guarantees given by the Company during the financial year ended 30 June 2012.

## **Utilisation of Proceeds**

The Company did not raise any funds from any corporate proposals during the financial year ended 30 June 2012.

## PROPERTIES OF THE GROUP

The details of landed properties of ICB Group are as follows:

Company/ Location	Description/ Existing use	Land Area/Built-up Area (Sq ft)	Tenure	Age of Building (years)	Net Book Value RM'000	Date of Acquisition
<b>Imaspro Resources Sdn. Bhd.</b>						
H.S. (D) 13013 Lot No. P.T. 11539 Mukim of Kapar District of Klang State of Selangor  33, Jalan 5, Kawasan 16 Taman Intan, 41300 Klang Selangor Darul Ehsan	3-storey shophouse/ Rented out	Land area: 1,540  Built-up area: 4,386	Freehold	28	147	1 March 1990
H.S. (D) 13012 Lot No. P.T. 11538 Mukim of Kapar District of Klang State of Selangor  35, Jalan 5, Kawasan 16 Taman Intan, 41300 Klang Selangor Darul Ehsan	3-storey shophouse/ Administrative head office	Land area: 1,540  Built-up area: 4,386	Freehold	28	147	10 April 1990
H.S. (D) 13011 Lot No. P.T. 11537 Mukim of Kapar District of Klang State of Selangor  37, Jalan 5, Kawasan 16 Taman Intan, 41300 Klang Selangor Darul Ehsan	3-storey shophouse/ Administrative head office	Land area: 1,540  Built-up area: 4,386	Freehold	28	613	21 May 2004
H.S. (M) No. 175, 176, 177, 178, 179, 180, 181 and 182, Mukim of RIM District of Jasin State of Melaka  Same as above	Freehold land with agricultural research centre comprising a single storey office block and laboratory/ Research and development centre of ICB Group	Land area: 43 acres  Built-up area: 168,653	Freehold	10	1,932	8 November 2004

## PROPERTIES OF THE GROUP (continued)

The details of landed properties of ICB Group are as follows:

Company/ Location	Description/ Existing use	Land Area/Built-up Area (Sq ft)	Tenure	Age of Building (years)	Net Book Value RM'000	Date of Acquisition
<b>Ideal Command Sdn. Bhd.</b>						
H.S. (M) 6289, No. P.T. 4258 Mukim of Kapar District of Klang State of Selangor	Manufacturing plant for agrochemicals/ Housing of manufacturing facilities for the production of agrochemicals	Land area: 73,378	Leasehold interest for 99 years expiring on 9 June 2086 leaving an unexpired term of 75 years	24	3,532	15 November 1996
Lot 2, Solok Sultan Hishamuddin 7 Kawasan 20, Selat Klang Utara 42000 Port Klang Selangor Darul Ehsan		Built-up area: 31,621				
H.S. (M) 6288, No. P.T. 4257 Mukim of Kapar District of Klang State of Selangor	Manufacturing plant for agrochemicals/ Housing of manufacturing facilities for the production of agrochemicals	Land area: 88,146	Leasehold interest for 99 years expiring on 9 June 2086 leaving an unexpired term of 75 years	30	5,503	17 January 2007
Lot 4, Solok Sultan Hishamuddin 7 Kawasan 20, Selat Klang Utara 42000 Port Klang Selangor Darul Ehsan		Built-up area: 44,000				

## PROPERTIES OF THE GROUP (continued)

The details of landed properties of ICB Group are as follows:

Company/ Location	Description/ Existing use	Land Area/Built-up Area (Sq ft)	Tenure	Age of Building (years)	Net Book Value RM'000	Date of Acquisition
<b>Imaspro Biotech Sdn. Bhd.</b>						
H.S. (D) 60122, No. P.T. 60621 Mukim and District of Klang State of Selangor	Manufacturing plant and research and development centre of pesticides and agrochemicals	Land area: 11,016  Built-up area: 3,290	Freehold	14	829	17 November 2006
No. 24, Lorong Seri Gambut 1 Off Jalan Kebun, 41100 Klang Selangor Darul Ehsan						
H.S. (D) 60123, No. P.T. 60622 Mukim and District of Klang State of Selangor	Manufacturing plant and research and development centre of pesticides and agrochemicals	Land area: 7,800  Built-up area: 3,290	Freehold	14	577	17 November 2006
No. 22, Lorong Seri Gambut 1 Off Jalan Kebun, 41100 Klang Selangor Darul Ehsan						

# SHAREHOLDERS' INFORMATION

## ANALYSIS OF SHAREHOLDINGS AS AT 2 OCTOBER 2012

Authorised Share Capital	: RM100,000,000
Issued and Paid-Up Capital	: RM40,000,000
Class of Shares	: Ordinary shares of RM0.50 each
Voting Right	: One vote for every ordinary share

## DISTRIBUTION OF SHAREHOLDINGS AS AT 2 OCTOBER 2012

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100	4	0.71	150	0.00
100 – 1,000	297	52.75	93,350	0.12
1,001 – 10,000	180	31.97	857,300	1.07
10,001 – 100,000	55	9.77	1,859,200	2.32
100,001 – 3,999,999 (*)	23	4.09	15,333,332	19.17
4,000,000 and above (**)	4	0.71	61,856,668	77.32
<b>Grand total</b>	<b>563</b>	<b>100.00</b>	<b>80,000,000</b>	<b>100.00</b>

\* Less than 5% of issued shares

\*\* 5% and above of issued shares

## SUBSTANTIAL SHAREHOLDERS AS AT 2 OCTOBER 2012

Name	Direct		Deemed	
	No. of shares held	%	No. of shares held	%
Swiss Revenue Sdn. Bhd.	33,947,064	42.43	-	-
Sunbina Dunia Sdn. Bhd.	19,118,704	23.90	-	-
Lembaga Tabung Haji	4,570,900	5.71	-	-
Mohd Shafek Bin Isa	150,000	0.19	19,118,704*	23.90
Tong Chin Hen	150,000	0.19	33,947,064#	42.43

# Deemed interest through Swiss Revenue Sdn. Bhd.

\* Deemed interest through Sunbina Dunia Sdn. Bhd.

## DIRECTORS' SHAREHOLDINGS AS AT 2 OCTOBER 2012

Name	Direct		Deemed	
	No. of shares held	%	No. of shares held	%
Mohd Shafek Bin Isa	150,000	0.19	19,118,704*	23.90
Tong Chin Hen	150,000	0.19	33,947,064#	42.43
Dr. Leong Wan Leong	50,000	0.06	-	-
Tai Keat Chai	50,000	0.06	-	-

# Deemed interest through Swiss Revenue Sdn. Bhd.

\* Deemed interest through Sunbina Dunia Sdn. Bhd.

# SHAREHOLDERS' INFORMATION (continued)

## LIST OF THIRTY LARGEST REGISTERED SHAREHOLDERS AS AT 2 OCTOBER 2012

No.	Name of Shareholders	No. of shares held	%
1.	Swiss Revenue Sdn. Bhd.	33,947,064	42.43
2.	Sunbina Dunia Sdn. Bhd.	19,118,704	23.90
3.	Lembaga Tabung Haji	4,570,900	5.71
4.	Cartaban Nominees (Asing) Sdn Bhd - Exempt AN for Raffles Nominees (P) Ltd (CIBC SG FR CLNT)	4,220,000	5.28
5.	Tong Sew Teng	3,445,190	4.31
6.	Lee Shee Yin	2,683,700	3.35
7.	HSBC Nominees (Asing) Sdn Bhd - Exempt AN for UBS AG (Clients Assets)	1,600,000	2.00
8.	Stephen Kuek Hock Eng	1,287,100	1.61
9.	M & A Nominee (Asing) Sdn Bhd - Lewey Marketing Aktiengesellschaft	1,032,400	1.29
10.	Agrimart Sdn. Bhd.	940,000	1.18
11.	Alliancegroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Wong Yee Hui (8076676)	688,100	0.86
12.	Ku Kooi Khang	630,838	0.79
13.	Teh Kiat Hock	582,200	0.73
14.	Neo Khoon Seng	350,700	0.44
15.	Cimsec Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Khoo Nee Meng	259,000	0.32
16.	Stephen Kuek Hock Eng	256,604	0.32
17.	Sabah Development Bank Berhad - As Beneficial Owner	207,000	0.26
18.	Ngo Hea Sing	206,500	0.26
19.	Mohd Shafek Bin Isa	150,000	0.19
20.	Tong Chin Hen	150,000	0.19
21.	Affin Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Tan Chong Seng (TAN7827M)	144,800	0.18
22.	Amsec Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Pang Sar	143,500	0.18
23.	Lee Tan Yan	138,000	0.17
24.	Yap Kim Yok	119,000	0.15
25.	Tee Bee Heoh	113,900	0.14
26.	Ong Kong Beng	102,800	0.13
27.	Tan Chai Tin	102,000	0.13
28.	Teh Kiat Hock	100,000	0.13
29.	Wong Klin Chai @ Wong Kum Heng	95,000	0.12
30.	Lee Kim Heage	94,000	0.12
<b>Total</b>		<b>77,479,000</b>	<b>96.87</b>

# NOTICE OF EIGHTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Eighth Annual General Meeting of IMASPRO CORPORATION BERHAD will be held at Kelab Golf Sultan Abdul Aziz Shah, No. 1, Rumah Kelab, Jalan Kelab Golf 13/6, 40100 Shah Alam, Selangor Darul Ehsan on Thursday, 22 November 2012 at 10.00 a.m. to transact the following business:

## AGENDA

### Ordinary Business

- |   |   |
|---|---|
| 1. To receive the Audited Financial Statements for the financial year ended 30 June 2012 and the Reports of the Directors and Auditors thereon. | <b>(Please refer to Explanatory Note 1)</b> |
| 2. To approve the payment of a first and final single tier dividend of 3.5 sen per share, in respect of the financial year ended 30 June 2012.  | <b>(Resolution 1)</b>                       |
| 3. To approve the payment of Directors' fees in respect of the financial year ended 30 June 2012.   | <b>(Resolution 2)</b>                       |
| 4. To re-elect the following Directors who retire pursuant to Article 75 of the Company's Articles of Association:                              |   |
| (i) Tong Chin Hen   | <b>(Resolution 3)</b>                       |
| (ii) Dr. Leong Wan Leong  | <b>(Resolution 4)</b>                       |
| 5. To re-appoint Messrs HLB Ler Lum as Auditors of the Company and to authorise the Directors to fix their remuneration.                        | <b>(Resolution 5)</b>                       |

### Special Business

To consider and, if thought fit, to pass the following resolutions, with or without modifications:

- |   |                       |
|---|-----------------------|
| 6. <b>Ordinary Resolution I</b><br><b>Authority to Issue Shares Pursuant to Section 132D of the Companies Act, 1965</b> | <b>(Resolution 6)</b> |
|---|-----------------------|

"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors of the Company be and are hereby empowered to issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company unless revoked or varied by the Company at a general meeting."

- |  |                       |
|--|-----------------------|
| 7. <b>Ordinary Resolution II</b><br><b>Proposed Renewal of Shareholders' Mandate for the Authority to the Company to Purchase Its Own Shares Up To Ten Per Cent (10%) of the Issued and Paid-Up Share Capital ("Proposed Renewal of Share Buy-Back Mandate")</b> | <b>(Resolution 7)</b> |
|--|-----------------------|

"THAT, subject always to the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares of RM0.50 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:



# NOTICE OF EIGHTH ANNUAL GENERAL MEETING

- (i) the aggregate number of shares purchased does not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company as quoted on Bursa Securities as at the point of purchase;
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the aggregate of the retained profits and share premium account of the Company; and
- (iii) the Directors of the Company may decide either to retain the shares purchases as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder or to resell the shares or distribute the shares as dividend.

AND THAT the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution until the conclusion of the next Annual General Meeting of the Company (unless earlier revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting) or until the expiration of the period within which the next Annual General Meeting after that date is required by law to be held.

AND THAT authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the purchased shares or to resell the shares or distribute the shares as dividends) in accordance with the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company and the requirements and/or guidelines of Bursa Securities for the Main Market and all other relevant governmental and/or regulatory authorities."

8. **Special Resolution**  
**Proposed Amendments to the Articles of Association**

**(Resolution 8)**

"THAT the proposed amendments to the Articles of Association of the Company as set out in the Annexure A be and is hereby approved and adopted."

9. **To consider any other business of which due notice shall be given in accordance with the Companies Act, 1965.**

# NOTICE OF EIGHTH ANNUAL GENERAL MEETING

## NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT, subject to the approval of the shareholders at the Eighth Annual General Meeting of the Company, a first and final single tier dividend of 3.5 sen per share in respect of the financial year ended 30 June 2012 will be paid to the shareholders on 21 January 2013. The entitlement date for the said dividend shall be 11 January 2013.

A Depositor shall qualify for entitlement to the Dividend only in respect of:

- a. Shares transferred into the Depositors' Securities Account before 4.00 p.m. on 11 January 2013 in respect of ordinary transfers;
- b. Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

**WONG WAI FOONG (MAICSA 7001358)**

**WONG PEIR CHYUN (MAICSA 7018710)**

Secretaries

Kuala Lumpur

**Date: 31 October 2012**

# NOTICE OF EIGHTH ANNUAL GENERAL MEETING

## NOTES:

### 1. Notes on Appointment of Proxy

- (a) A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- (b) A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting.
- (c) Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. Where the appointer is a corporation, the instrument appointing a proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised.
- (d) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (f) Where the authorised nominee or an exempt authorised nominee appoints more than one proxy, the proportion of the shareholdings to be represented by each proxy must be specified in the instrument appointing proxies.
- (g) To be valid, the duly completed instrument appointing a proxy, must be deposited at the Share Registrar of the Company at Tricor Investor Services Sdn. Bhd. (118401-V), Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than 48 hours before the time for holding the meeting. In the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, provided always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s).
- (h) For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 12 November 2012 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend this meeting.

### 2. Explanatory Notes

#### (i) Item 1 of Agenda

This item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.

#### Special Business

#### (ii) Resolution No. 6 - Authority to Issue Shares Pursuant to Section 132D of the Companies Act, 1965

The proposed Resolution No. 6 is proposed for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors to issue shares in the Company up to an amount not exceeding in total ten per centum (10%) of the Issued Share Capital of the Company for such purpose as the Directors consider would be in the interest of the Company.

The authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting.

# NOTICE OF EIGHTH ANNUAL GENERAL MEETING

The General Mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this General Mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration.

As at the date of this notice, the Company did not issue any shares pursuant to the mandate granted to the Directors at the Seventh Annual General Meeting because there were no investment(s), acquisition(s) or working capital that require fund raising activity.

**(iii) Resolution No. 7 - Proposed Renewal of Share Buy-Back Mandate**

The proposed Resolution No. 7, if passed will empower the Directors of the Company to purchase the Company's shares up to 10% of the total issued and paid-up capital of the Company by utilising the funds allocated which shall not exceed the retained profits and/or share premium of the Company. Please refer to the Statement to Shareholders dated 31 October 2012 for further information.

**(iv) Resolution No. 8 - Proposed Amendments to the Articles of Association**

The proposed amendments to the Articles of Association of the Company are to comply with the amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and for facilitating some administration issues.

# ANNEXURE A

The existing Articles of Association ("Articles") of the Company is proposed to be amended as set out in second column below:

EXISTING	AMENDED
<p><b>Article 55</b></p> <p>All business shall be special that is transacted at an extraordinary general meeting, and also all that that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the audited accounts, and report of the Directors and auditors thereon, the election of Directors in the place of those retiring, and approving of Directors' Fees and the appointment and fixing of the remuneration of the auditors.</p>	<p><b>Article 55</b></p> <p>All business shall deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the report of the Directors and auditors, the appointment / election of Directors, fixing of Directors' Fees and the appointment and fixing of the remuneration of the auditors.</p>
<p><b>Article 64 (3)</b></p> <p>Where a member of the Company is an authorized nominee as defined under the Central Depositories Act, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the company standing to the credit of the said securities account.</p>	<p><b>Article 64 (3)</b></p> <p>(i) Where a Member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.</p> <p>(ii) Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.</p> <p>An exempt authorised nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.</p> <p>(iii) Where the authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.</p>

# ANNEXURE A (continued)

EXISTING	AMENDED
<p><b>Article 69</b></p> <p>The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. A proxy may, but need not be a Member of the Company and need not be any of the persons by Section 149(1)(b) of the Act. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.</p>	<p><b>Article 69</b></p> <ol style="list-style-type: none"> <li>(1) The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.</li> <li>(2) A proxy need not be a member. There shall be no restriction as to the qualification of the proxy and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.</li> <li>(3) A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the Member to speak at the meeting.</li> </ol>
<p><b>Article 70</b></p> <p>The instrument appointing a proxy shall be in the following form with such variations as circumstances may require or the statutes permit or in such other form as the Bursa Securities may approve:-</p> <p>I/We, ..... of ..... being a Member/ Members of IMASPRO CORPORATION BERHAD</p> <p>hereby appoint ..... of ..... failing him, ..... of ..... as my/our proxy to vote for me/us and on my/our behalf at the Annual/Extraordinary General Meeting * of the Company to be held on the ..... day of ..... 20 ..... and, at any adjournment thereof for/against * the resolution(s) to be proposed thereat.</p> <p>As witness my/our hand(s) this ..... day of ..... 20 .....</p> <p>No. of shares held :</p> <p>..... Signature of Member</p> <p><small>*Strike out whichever is not applicable. (Unless otherwise instructed the proxy may vote as he thinks fit).</small></p>	<p><b>Article 70</b></p> <p>The instrument appointing a proxy shall be in the following form with such variations as circumstances may require or the statutes permit or in such other form as the Board may approve:-</p> <p>I/We, ..... of ..... being a Member/ Members of IMASPRO CORPORATION BERHAD</p> <p>hereby appoint ..... of ..... failing him, ..... of ..... as my/our proxy to vote for me/us and on my/our behalf at the Annual/Extraordinary General Meeting * of the Company to be held on the ..... day of ..... 20 ..... and, at any adjournment thereof for/against * the resolution(s) to be proposed thereat.</p> <p>As witness my/our hand(s) this ..... day of ..... 20 .....</p> <p>No. of shares held :</p> <p>..... Signature of Member</p> <p><small>*Strike out whichever is not applicable. (Unless otherwise instructed the proxy may vote as he thinks fit).</small></p>

## ANNEXURE A (continued)

EXISTING	AMENDED
<p>Notes:</p> <p>A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.</p> <p>To be valid, this form, duly completed must be deposited at the Office of the Company not less than 48 hours before the time for holding the meeting provided that in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, Provided Always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s).</p> <p>A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting.</p> <p>Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.</p> <p>Where the appointer is a corporation, this form must be executed under its common seal or under the hand of an officer or attorney duly authorized.</p>	<p>Notes:</p> <p>A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.</p> <p>To be valid, this form, duly completed must be deposited at the Office of the Company not less than 48 hours before the time for holding the meeting provided that in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, Provided Always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s).</p> <p>A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting.</p> <p>Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.</p> <p>Where the appointer is a corporation, this form must be executed under its common seal or under the hand of an officer or attorney duly authorised.</p>
<p><b>Article 71</b></p> <p>The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Office of the Company, or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.</p>	<p><b>Article 71</b></p> <p>The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Office of the Company, or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid. A member shall not be precluded from attending and voting in person at any general meeting after lodging the form of proxy but however such attendance shall automatically revoke the proxy's authority.</p>

## ANNEXURE A (continued)

EXISTING	AMENDED
<p><b>Article 85</b></p> <p>The office of a Director shall become vacant if the Director:</p> <ul style="list-style-type: none"> <li>a) ceases to be a Director by virtue of any reason or order of the Act;</li> <li>b) becomes bankrupt or makes any arrangement or composition with his creditors generally during his term of office;</li> <li>c) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental disorder during his term of office;</li> <li>d) resigns his office by notice in writing to the Company;</li> <li>e) if he becomes prohibited by law from acting as Director;</li> <li>f) if he be removed by the Company in General Meeting pursuant to Article 81 of these present;</li> <li>g) is absent from more than 50% of the total board of directors' meeting held during a financial year; and</li> <li>h) has been convicted by a court of law, whether within Malaysia or elsewhere, in relation to the offences under the Act or the Securities Laws as defined in the Listing Requirements.</li> </ul>	<p><b>Article 85</b></p> <p>The office of Director shall become vacant if the Director:</p> <ul style="list-style-type: none"> <li>a) ceases to be a Director by virtue of any reason or order of the Act;</li> <li>b) becomes bankrupt or makes any arrangement or composition with his creditors generally during his term of office;</li> <li>c) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental disorder during his term of office;</li> <li>d) resigns his office by notice in writing to the Company;</li> <li>e) if he becomes prohibited by law from acting as Director;</li> <li>f) if he be removed by the Company in General Meeting pursuant to Article 81 of these present; and</li> <li>g) has been convicted by a court of law, whether within Malaysia or elsewhere, in relation to the offences under the Act or the Securities Laws as defined in the Listing Requirements.</li> </ul>
<p><b>No Provision</b></p>	<p><b>Article 101 (a)</b></p> <p>A resolution in writing signed or approved by letter or telefax or other electronic means by the members of a committee who may at the time be present in Malaysia and who are sufficient to form a quorum, shall be as valid and effectual as if it had been passed at a meeting of the committee duly called and constituted. Any such resolution may be executed in any number of counterparts, each signed by one or more members of the committee all of which taken together and when delivered to the secretary of the committee shall constitute one and the same resolution.</p>



## ANNEXURE A (continued)

EXISTING	AMENDED
<p><b>Article 109</b></p> <p>The Secretary shall in accordance with the Act be appointed by the Directors for such terms, at such remuneration, and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them. The Directors may also appoint a Joint Secretary, Deputy Secretary or any Assistant Secretary.</p> <p>The First Secretaries of the Company shall be ENG SOO FUNN (F) (MACS 00044) and GOH HOOI YEN (F) (MAICSA 7025923)</p>	<p><b>Article 109</b></p> <p>(i) The Secretary shall in accordance with the Act be appointed by the Directors for such terms, at such remuneration, and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them. The Directors may also appoint a Joint Secretary, Deputy Secretary or any Assistant Secretary.</p> <p>The First Secretaries of the Company shall be ENG SOO FUNN (F) (MACS 00044) and GOH HOOI YEN (F) (MAICSA 7025923)</p> <p>(ii) The office of the Secretary shall be vacated if the secretary resigns by notice in writing to the Company, left at the Office and copies sent to all the directors for the time being at their last known residential addresses. Where a Secretary gives notice of resignation to the directors, the Secretary shall cease to act as Secretary with immediate effect, and unless provided in the terms of engagement, within the stipulated time.</p>
<p><b>Article 112</b></p> <p>The Directors shall from time to time in accordance with Section 169 of the Act cause to be prepared and laid before the Company in general meeting such profit and loss account, balance sheets and reports as are referred to in the Section. A copy of each document shall not less than fourteen (14) days before the date of the meeting, be sent to every Member and to every holder of debentures of the Company under the provisions of the Act or of these Regulations. The requisite number of copies of each such document as may be required by Bursa Securities from time to time shall at the same time be likewise sent to each stock exchange upon which the Company's shares are listed. Provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one (1) of joint holders but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Company's registered office.</p>	<p><b>Article 112</b></p> <p>The Directors shall from time to time in accordance with Section 169 of the Act cause to be prepared and laid before the Company in general meeting such profit and loss account, balance sheets and reports as are referred to in the Section. A copy of each document shall be sent (not later than 6 months after the close of the financial year and at least 21 days before the general meeting at which they are to be laid) to every Member and to every holder of debentures of the Company and all other persons entitled to receive notice of general meeting under the provisions of the Act or of these Regulations. A copy of each such documents in printed form or in CD-ROM form or in such other form of electronic media, shall not less than twenty-one (21) days before the date of the meeting be sent to every member of and to every holder of debentures of the Company and to every other person who is entitled to receive notices from the Company under the provision of the Act or of these Articles. The requisite number of copies of each such document as may be required by Bursa Securities from time to time shall at the same time be likewise sent to each stock exchange upon which the Company's shares are listed. Provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or outside Malaysia or to more than one (1) of joint holders but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application</p>

## ANNEXURE A (continued)

EXISTING	AMENDED
	<p>at the Company's registered office. In the event that the annual report is sent in CD-ROM form or such form of electronic media and a Member requires a printed form of such documents, the Company shall send such documents to the Member within four (4) market days from the date of receipt of the Members' request or such period as may be prescribed by Bursa Securities.</p>
<p><b>Article 136</b></p> <p>The Company may by special resolution amend the whole or any part of these Articles subject to the prior written approval being obtained from every Bursa Securities or other stock exchange if any, on which the Company is listed.</p>	<p><b>Article 136</b></p> <p>(Deleted)</p>



# IMASPRO CORPORATION BERHAD

(Incorporated in Malaysia)

(657527-H)

## PROXY FORM

CDS account no.

No. of shares held

I/We \_\_\_\_\_ I.C/Passport/Company No. \_\_\_\_\_  
of \_\_\_\_\_ being a member/members of IMASPRO CORPORATION BERHAD,  
hereby appoint \_\_\_\_\_ of  
\_\_\_\_\_ or failing him, \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_ or failing him,

the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Eighth Annual General Meeting of the Company to be held at **KELAB GOLF SULTAN ABDUL AZIZ SHAH, NO. 1, Rumah Kelab, Jalan Kelab Golf 13/6, 40100 Shah Alam, Selangor Darul Ehsan on Thursday, 22 November 2012 at 10.00a.m.** and at any adjournment thereof for/against\* the resolution(s) to be proposed thereat.

ITEM	AGENDA	RESOLUTION	FOR	AGAINST
	<b>Ordinary Business</b>			
1.	Receive the Audited Financial Statements for the financial year ended 30 June 2012 together with the Reports of the Directors and Auditors thereon.			
2.	Approval on the payment of a first and final single tier dividend of 3.5 sen per share, in respect of the financial year ended 30 June 2012 .	Resolution 1		
3.	Approval on the payment of Directors' fees for the financial year ended 30 June 2012.	Resolution 2		
4 (i).	Re-election of Mr. Tong Chin Hen as Director of the Company pursuant to Article 75 of the Company's Articles of Association.	Resolution 3		
4 (ii).	Re-election of Dr. Leong Wan Leong as Director of the Company pursuant to Article 75 of the Company's Articles of Association.	Resolution 4		
5.	Re-appointment of Messrs HLB Ler Lum as Auditors and authorise the Directors to fix their remuneration.	Resolution 5		
	<b>Special Business</b>			
6.	Authority to the Director to Issue Shares pursuant to Section 132D of the Companies Act, 1965.	Resolution 6		
7.	Proposed Renewal of Share Buy-Back Mandate.	Resolution 7		
8.	Proposed Amendments to the Articles of Association.	Resolution 8		

Please indicate with an "x" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he thinks fit.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2012

Signature / Common Seal of Shareholder(s)

\* Strike out whichever is not desired. (Unless otherwise instructed, the proxy may vote as he thinks fit).

### NOTES:

- A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. Where the appointer is a corporation, the instrument appointing a proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- Where the authorised nominee or an exempt authorised nominee appoints more than one proxy, the proportion of the shareholdings to be represented by each proxy must be specified in the instrument appointing proxies.
- To be valid, the duly completed instrument appointing a proxy, must be deposited at the Share Registrar of the Company at Tricor Investor Services Sdn. Bhd. (118401-V), Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than 48 hours before the time for holding the meeting. In the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, provided always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s).
- For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 12 November 2012 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend this meeting.

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

	<u>No. of Shares</u>	<u>Percentage</u>
Proxy 1		%
Proxy 2		%
Total		100%

FOLD THIS FLAP FOR SEALING

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THEN FOLD HERE

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AFFIX  
STAMP

The Company

**IMASPRO CORPORATION BERHAD** (COMPANY NO. 657527-H)  
(Incorporated in Malaysia)

TRICOR INVESTOR SERVICES SDN. BHD.  
LEVEL 17, THE GARDENS NORTH TOWER  
MID VALLEY CITY, LINGKARAN SYED PUTRA  
59200 KUALA LUMPUR

FIRST FOLD HERE

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# AQUAMOS



**AQUAMOS** ialah racun serangga daripada kumpulan pyrethoid yang bertindak secara sentuhan dan keracunan perut. Produk ini hanya digunakan dengan AIR SAHAJA.

**ATURAN PENGGUNAAN :** Penggunaan tidak mengikut label adalah satu kesalahan.

TEMPAT / KAWASAN	SERANGGA	KAEDAH RAWATAN		KADAR	
				BANCUHAN RACUN	ISI PADU SEMBURAN
Kesihatan Awam, Domestik	Nyamuk ( <i>Aedes sp.</i> )	Pengabutan Terma dengan mesin pengeluaran rendah	Dalam Bangunan	20 ml / liter air (1:50)	50 ml / 100 m <sup>3</sup>
			Luar Bangunan		5 liter / ha
		Pengabutan ULV	Dalam Bangunan	100 ml / liter air (1:10)	50 ml / 1000 m <sup>3</sup>
			Luar Bangunan		0.5 liter / ha

Didaftarkan oleh :



**IMASPRO BIOTECH SDN. BHD.** (750024-V)

37, Jalan 5, Kaw. 16, Taman Intan, 41300 Klang, Selangor Darul Ehsan, Malaysia. Tel.: 603 - 3343 1633 Faks : 603 - 3343 1868



**IMASPRO CORPORATION BERHAD** (657527-H)  
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E-mail: [imaspro@imaspro.com](mailto:imaspro@imaspro.com) Website: [www.imaspro.com](http://www.imaspro.com)