

POWER ROOT BERHADCompany No.733268-U
(Incorporated In Malaysia)**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 31 AUGUST 2012**

(The figures below are unaudited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Year Quarter 31 AUGUST 2012 RM'000	Restated Preceding Year Quarter 31 AUGUST 2011 RM'000	Current Year To Date 31 AUGUST 2012 RM'000	Restated Preceding Year To Date 31 AUGUST 2011 RM'000
Revenue	62,644	52,475	133,341	102,845
Other income	1,937	(85)	3,858	276
Raw material used	(27,242)	(26,892)	(60,115)	(48,066)
Staff cost	(5,874)	(4,735)	(12,338)	(9,713)
Depreciation and amortisation	(1,488)	(1,596)	(3,023)	(3,176)
Other operating expenses	(18,549)	(16,687)	(42,698)	(33,548)
Finance costs	(108)	(105)	(222)	(282)
Profit before taxation	11,320	2,375	18,803	8,336
Taxation	(2,023)	178	(1,418)	(8)
Profit after taxation	9,297	2,553	17,385	8,328
Other comprehensive income				
Translation differences on foreign operation	(358)	(93)	(255)	(94)
Other comprehensive income net of tax	(358)	(93)	(255)	(94)
Total comprehensive income	8,939	2,460	17,130	8,234
Profit attributable to:				
Owners of the Company	9,120	2,553	16,910	8,328
Non-controlling interest	177	-	475	-
	9,297	2,553	17,385	8,328
Total comprehensive income attributable to:				
Owners of the Company	9,098	2,460	16,949	8,234
Non-controlling interest	(159)	-	181	-
	8,939	2,460	17,130	8,234
Earnings per share attributable to owners of the Company(sen)				
Basic (note B10)	3.0	0.9	5.6	2.8
Diluted (note B10)	N/A	N/A	N/A	N/A

Notes:-

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Annual Financial Report for the financial year ended 29 February 2012)

POWER ROOT BERHAD

Company No.733268-U
(Incorporated In Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2012**

(The figures below are unaudited)

	As at 31 AUGUST 2012	As at 29 FEBRUARY 2012 (RESTATED)	As at 1 MARCH 2011 (RESTATED)
	RM'000	RM'000	RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	73,345	72,126	82,154
Intangible assets	120	128	143
Investment Properties	2,597	5,124	-
Goodwill on combination	5,227	5,227	5,227
Deferred tax assets	988	1,155	1,623
	82,277	83,760	89,147
Current assets			
Inventories	32,392	33,197	24,181
Trade and other receivables	97,248	81,520	73,544
Fixed deposits	17,158	11,228	11,231
Cash and bank balances	21,187	17,593	15,449
Short Term Investment	2,546	921	1,780
Assets classified as held for sales	2,485	1,759	-
Tax recoverable	2,830	3,723	6,255
	175,846	149,941	132,440
TOTAL ASSETS	258,123	233,701	221,587
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	60,000	60,000	60,000
Share premium	100,055	100,055	100,055
Other reserves	(116)	(70)	35
Retained earnings	33,792	25,476	21,630
	193,731	185,461	181,720
Non-controlling interest	779	598	-
TOTAL EQUITY	194,510	186,059	181,720
Non-current liabilities			
Long term borrowings	1,458	1,634	2,028
Deferred taxation	2,654	2,143	2,286
	4,112	3,777	4,314
Current liabilities			
Trade payables, other payables and accruals	49,079	36,740	31,206
Taxation	16	33	56
Short term borrowings	10,406	7,092	4,291
	59,501	43,865	35,553
TOTAL LIABILITIES	63,613	47,642	39,867
TOTAL EQUITY AND LIABILITIES	258,123	233,701	221,587
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.65	0.62	0.61

Notes:-

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Annual Financial Report for the financial year ended 29 February 2012)

POWER ROOT BERHADCompany No.733268-U
(Incorporated In Malaysia)**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED
31 AUGUST 2012**

(The figures below are unaudited)

	Current Year To Date 31 AUGUST 2012 RM'000	Preceding Year To Date 31 AUGUST 2011 RM'000
Cash flows from operating activities		
Profit before tax	18,803	8,336
Adjustments for:-		
Amortisation of intangible assets	8	8
Depreciation on investment properties	23	8
Depreciation of property, plant and equipment	2,992	3,160
(Gain)/ Loss on disposal of PPE	(2,415)	383
Finance cost	222	146
Interest income	(231)	(200)
Unrealised (gain)/ loss on foreign exchange	(5)	-
Gain on disposal of investment	(24)	(27)
(Reversal)/ Impairment losses on:-		
- trade receivables	-	-
- property, plant and equipment	-	-
Dividend income on quoted shares	(21)	(52)
Operating profit before changes in working capital	<u>19,352</u>	<u>11,762</u>
Changes in working capital:-		
Change in inventories	806	(7,324)
Change in trade and other receivables	(15,770)	(1,163)
Change in trade and other payables	<u>12,341</u>	<u>2,466</u>
Net cash from operations	<u>16,729</u>	<u>5,741</u>
Interest paid	(222)	(146)
Interest received	231	200
Tax paid	<u>(1,020)</u>	<u>(266)</u>
Net cash from operating activities	<u>15,718</u>	<u>5,529</u>
Cash flows from investing activities		
Decrease/ (increase) in pledged deposits placed with licensed banks	-	-
Acquisition of:		
- investment property	-	-
- property, plant and equipment	(4,398)	(3,065)
- other investment	(3,428)	(2,309)
Proceeds from disposal of other investment	1,874	510
Dividend received	21	52
Proceeds from disposal of fixed assets	4,275	76
Fund from non-controlling interest	-	(12)
Net cash used in investing activities	<u>(1,656)</u>	<u>(4,748)</u>
Cash flows from financing activities		
Dividends paid	(7,688)	(6,000)
Drawdown of other short-term bank borrowings	3,373	1,732
Fund from non-controlling interests	-	-
Repayment of hire purchase liabilities	(51)	(66)
Repayment of term loans	<u>(184)</u>	<u>(407)</u>
Net cash used in financing activities	<u>(4,550)</u>	<u>(4,741)</u>
Net increase / (decrease) in cash and cash equivalents	9,512	(3,960)
Effects of changes in foreign exchange rates	12	(94)
Cash and cash equivalents at beginning of the year	<u>28,821</u>	<u>26,456</u>
Cash and cash equivalents at end of the period	<u>38,345</u>	<u>22,402</u>
Cash and cash equivalents comprise:		
Fixed deposits with licensed banks	17,158	7,231
Cash and bank balances	<u>21,187</u>	<u>15,171</u>
	<u>38,345</u>	<u>22,402</u>

Notes:-

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Annual Financial Report for the financial year ended 29 February 2012)

POWER ROOT BERHAD

Company No.733268-U

(Incorporated In Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED**31 AUGUST 2012**

(The figures below are unaudited)

	← Attributable to Equity Holders of the Parent →				Total	Non-controlling Interest		Total Equity
	Share Capital RM'000	Non-Distributable Share Premium RM'000	Translation Reserve RM'000	Distributable Retained Profit RM'000				
At 1 March 2012	60,000	100,055	(70)	25,476	185,461	598	186,059	
Changes in Deferred Tax Assets	-	-	-	(1,094)	(1,094)	103	(991)	
Dividend Paid/Payable	-	-	-	(7,500)	(7,500)	(188)	(7,688)	
Total comprehensive income for the period	-	-	-	16,910	16,910	475	17,385	
Foreign currency translation difference on foreign operations	-	-	(46)	-	(46)	(209)	(255)	
At 31 August 2012	60,000	100,055	(116)	33,792	193,731	779	194,510	

Notes:-

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Annual Financial Report for the financial year ended 29 February 2012)

POWER ROOT BERHAD

Company No.733268-U
(Incorporated In Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED**31 AUGUST 2011**

(The figures below are unaudited)

	← Attributable to Equity Holders of the Parent →				Total	Non-controlling Interest	Total Equity
	Share Capital RM'000	Non-Distributable Share Premium RM'000	Translation Reserve RM'000	Distributable Retained Profit RM'000			
At 1 March 2011							
As previously reported	60,000	100,055	35	20,007	180,097	-	180,097
Adjustment arising from the transition into MFRS 112 Deferred Tax Assets	-	-	-	1,623	1,623	-	1,623
At 1 March 2011, as restated	60,000	100,055	35	21,630	181,720	-	181,720
Acquisition of subsidiary	-	-	-	-	-	-	-
Dividend Paid/Payable	-	-	-	(6,000)	(6,000)	-	(6,000)
Changes in Deferred Tax Assets	-	-	-	(623)	(623)	-	(623)
Total comprehensive income for the period	-	-	-	7,328	7,328	-	7,328
Foreign currency translation difference on foreign operations	-	-	(94)	-	(94)	-	(94)
At 31 August 2011, as restated	60,000	100,055	(59)	22,335	182,331	-	182,331

Notes:-

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Annual Financial Report for the financial year ended 29 February 2012)

A. EXPLANATORY NOTES IN ACCORDANCE WITH MFRS 134

A1. Basis of preparation

The unaudited condensed consolidated interim financial statements for the second quarter ended 31 August 2012 have been prepared in accordance with Malaysia Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The unaudited condensed consolidated interim financial statements of the Power Root Berhad (“Power Root”) and its subsidiaries, namely Power Root (M) Sdn. Bhd., Power Root Marketing Sdn. Bhd., Power Root Manufacturing Sdn. Bhd., Power Root Nenergy Sdn. Bhd., Power Impian International Sdn. Bhd., Power Root Distributors Sdn. Bhd., Alicafe Sdn. Bhd., PT Natbio Marketing Indonesia, Power Root (Shanghai) Food Trading Co. Ltd., Synergy Distribution FZC, PR Global Assets Limited, PT. Power Impian International, Power Impian International Pte Ltd, and Power Root ME FZCO (collectively known as “Power Root Group” or “The Group”), should be read in conjunction with the audited financial statements for the financial year ended 29 February 2012, except for its subsidiary, Power Root ME FZCO, which was incorporated on 23 February 2012 and does not have audited financial statements for the financial year ended 29 February 2012.

These are the Group’s condensed consolidated interim financial statements for part of the period covered by the Group’s first MFRS framework quarter financial statements and MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards* has been applied. An explanation of how the transition to MFRS has affected the reported financial position, financial performances and cash flows of the Group is provided in note A2, and note A15.

A2. Significant Accounting Policies

The Group has adopted all the new and revised MFRSs and IC interpretations which are relevant and effective for accounting periods beginning on or after 1 January 2012. The adoption of these new and revised MFRs and IC interpretations did not result in any changes to significant policies of the Group except as discussed below:-

Deferred Tax Assets

Prior to implementation of MFRS 112, the Group unrecognized the deferred tax assets. However, upon transition to MFRS 112, the Group recognized the deferred tax assets to the extent that the unutilized investment tax incentives are probable and that future taxable profits will be available to be set off against the unutilized investment tax incentives.

A3. Audit Report of Preceding Annual Financial Statements

The audited financial statements of the Group for the financial year ended 29 February 2012 were not subject to any qualification.

A4. Seasonality or Cyclical Factors

Generally, the Group does not have any significant seasonal sales cycle, except during the Muslim fasting month, where sales would be lower.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no other items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence during the quarter under review.

A6. Material Change in Estimates

There were no material changes in estimates of amounts reported that have a material effect on the results for the quarter under review.

A7. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the quarter under review.

A8. Dividend Paid

A single Tier Final Dividend of 2.5 sen per share for the financial year ended 29 February 2012, was paid on 28th August 2012.

A9. Segmental Reporting

Segmental information is presented on the basis of geographical segment, which is based on the geographical location of customers:

	Current quarter ended 31 August 2012 RM'000	Current year to date 31 August 2012 RM'000
Revenue		
Malaysia	43,881	89,120
Overseas	18,763	44,221
	-----	-----
	62,644	133,341
	=====	=====

No other segmental information such as segment assets, liabilities and result are presented as the Group is principally engaged in one industry, which involves the manufacturing and distribution of beverages and operates from Malaysia only.

A10. Material Events Subsequent to the end of the Quarter under review

There was no material events subsequent to the end of the quarter under review.

A11. Changes in the composition of the Group

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

A12. Changes in Contingent Liabilities or Contingent Assets

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet date up to the date of this report.

A13. Material Capital Commitments

The outstanding capital commitments at the end of the current quarter are as follows:

	Current quarter ended
	31 August 2012
	RM'000
Property, plant and equipment	
Approved and contracted for	12,280
	=====

A14. Material Related Party Transactions

There were no material transactions entered by the Group with any related party.

A15. Explanation of transition to MFRS

As stated in note A1 and A2, these are the Group's consolidated interim financial statements prepared in accordance with MFRS.

In preparing its opening MFRS statement of financial position, the Group has adjusted amounts reported previously in financial statements prepared in accordance with the previous FRS. An explanation of how the transition from the previous FRS to the new MFRS has affected the Group's financial position, financial performance and cash flow is set out in the following tables and the notes that accompany these tables.

A15.1 Reconciliation of financial position as at 29 February 2012

	FRS RM'000	MFRS 112 RM'000	MFRS RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	72,126	-	72,126
Intangible assets	128	-	128
Investment Properties	5,124	-	5,124
Goodwill on combination	5,227	-	5,227
Deferred tax assets	-	1,155	1,155
	<u>82,605</u>	<u>1,155</u>	<u>83,760</u>
Current assets			
Inventories	33,197	-	33,197
Trade and other receivables	81,520	-	81,520
Fixed deposits	11,228	-	11,228
Cash and bank balances	17,593	-	17,593
Short Term Investment	921	-	921
Assets classified as held for sales	1,759	-	1,759
Tax recoverable	3,723	-	3,723
	<u>149,941</u>	<u>-</u>	<u>149,941</u>
TOTAL ASSETS	<u>232,546</u>	<u>1,155</u>	<u>233,701</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	60,000	-	60,000
Share premium	100,055	-	100,055
Other reserves	(70)	-	(70)
Retained earnings	24,321	1,155	25,476
	<u>184,306</u>	<u>1,155</u>	<u>185,461</u>
Non-controlling interest	598	-	598
TOTAL EQUITY	<u>184,904</u>	<u>1,155</u>	<u>186,059</u>
Non-current liabilities			
Long term borrowings	1,634	-	1,634
Deferred taxation	2,143	-	2,143
	<u>3,777</u>	<u>-</u>	<u>3,777</u>
Current liabilities			
Trade payables, other payables and accruals	36,740	-	36,740
Taxation	33	-	33
Short term borrowings	7,092	-	7,092
	<u>43,865</u>	<u>-</u>	<u>43,865</u>
TOTAL LIABILITIES	<u>47,642</u>	<u>-</u>	<u>47,642</u>
TOTAL EQUITY AND LIABILITIES	<u>232,546</u>	<u>1,155</u>	<u>233,701</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.61	0.01	0.62

A15.2 Reconciliation of financial position as at 31 August 2011

	FRS RM'000	MFRS 112 RM'000	MFRS RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	81,661	-	81,661
Intangible assets	136	-	136
Investment Properties	-	-	-
Goodwill on combination	5,239	-	5,239
Deferred tax assets	-	1,000	1,000
	87,036	1,000	88,036
Current assets			
Inventories	31,505	-	31,505
Trade and other receivables	74,707	-	74,707
Fixed deposits	7,231	-	7,231
Cash and bank balances	15,171	-	15,171
Short Term Investment	3,761	-	3,761
Assets classified as held for sales	-	-	-
Tax recoverable	6,485	-	6,485
	138,860	-	138,860
TOTAL ASSETS	225,896	1,000	226,896
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	60,000	-	60,000
Share premium	100,055	-	100,055
Other reserves	(59)	-	(59)
Retained earnings	21,335	1,000	22,335
	181,331	1,000	182,331
Non-controlling interest	-	-	-
TOTAL EQUITY	181,331	1,000	182,331
Non-current liabilities			
Long term borrowings	1,808	-	1,808
Deferred taxation	2,228	-	2,228
	4,036	-	4,036
Current liabilities			
Trade payables, other payables and accruals	33,671	-	33,671
Taxation	1,087	-	1,087
Short term borrowings	5,771	-	5,771
	40,529	-	40,529
TOTAL LIABILITIES	44,565	-	44,565
TOTAL EQUITY AND LIABILITIES	225,896	1,000	226,896
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.60	0.01	0.61

A15.3 Reconciliation of financial position as at 1 March 2011

	FRS RM'000	MFRS 112 RM'000	MFRS RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	82,154	-	82,154
Intangible assets	143	-	143
Investment Properties	-	-	-
Goodwill on combination	5,227	-	5,227
Deferred tax assets	-	1,623	1,623
	87,524	1,623	89,147
Current assets			
Inventories	24,181	-	24,181
Trade and other receivables	73,544	-	73,544
Fixed deposits	11,231	-	11,231
Cash and bank balances	15,449	-	15,449
Short Term Investment	1,780	-	1,780
Assets classified as held for sales	-	-	-
Tax recoverable	6,255	-	6,255
	132,440	-	132,440
TOTAL ASSETS	219,964	1,623	221,587
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	60,000	-	60,000
Share premium	100,055	-	100,055
Other reserves	35	-	35
Retained earnings	20,007	1,623	21,630
	180,097	1,623	181,720
Non-controlling interest	-	-	-
TOTAL EQUITY	180,097	1,623	181,720
Non-current liabilities			
Long term borrowings	2,028	-	2,028
Deferred taxation	2,286	-	2,286
	4,314	-	4,314
Current liabilities			
Trade payables, other payables and accruals	31,206	-	31,206
Taxation	56	-	56
Short term borrowings	4,291	-	4,291
	35,553	-	35,553
TOTAL LIABILITIES	39,867	-	39,867
TOTAL EQUITY AND LIABILITIES	219,964	1,623	221,587
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.60	0.01	0.61

A15.4 Reconciliation of the statements of comprehensive income for the quarter end 31 August 2011

	FRS RM'000	MFRS 112 RM'000	MFRS RM'000
Revenue	102,845	-	102,845
Other income	276	-	276
Raw material used	(48,066)	-	(48,066)
Staff cost	(9,713)	-	(9,713)
Depreciation and amortisation	(3,176)	-	(3,176)
Other operating expenses	(33,548)	-	(33,548)
Finance costs	<u>(282)</u>	<u>-</u>	<u>(282)</u>
Profit before taxation	8,336	-	8,336
Taxation	(1,008)	1,000	(8)
Profit after taxation	<u>7,328</u>	<u>1,000</u>	<u>8,328</u>
Other comprehensive income			
Translation differences on foreign operation	(94)	-	(94)
Other comprehensive income net of tax	<u>(94)</u>	<u>-</u>	<u>(94)</u>
Total comprehensive income	<u>7,234</u>	<u>1,000</u>	<u>8,234</u>
Profit attributable to:			
Owners of the Company	7,328	1,000	8,328
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>
	<u>7,328</u>	<u>1,000</u>	<u>8,328</u>
Total comprehensive income attributable to:			
Owners of the Company	7,234	1,000	8,234
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>
	<u>7,234</u>	<u>1,000</u>	<u>8,234</u>
Earnings per share attributable to owners of the Company(sen)			
Basic	2.4	0.3	2.8
Diluted	N/A	N/A	N/A

A15.5 Adjustments to the statement of cash flows

There are no differences between the statement of cash flows presented under MFRS and the statement of cash flows presented under FRS.

B. ADDITIONAL INFORMATION REQUIRED BY APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Group's Results for the Quarter Ended 31 August 2012

The Group recorded revenue of RM62.6 million for the second quarter ended 31 August 2012, representing a significant increase of RM10.1 million or 19.2% as compared to the previous year's corresponding quarter. The increase was mainly attributable to the increase in the local and export sales from the Group's Fast Moving Consumer Goods ("FMCG") business.

The Group recorded a profit after tax of RM9.3 million for the current quarter which is an increase of RM6.7 million from the previous year's corresponding quarter's PAT of RM2.6 million. The increases in profit after tax is due to the improved FMCG sales and one-off gain on disposal of property by its wholly-owned subsidiary amounting to approximately RM2.1 million.

B2. Variation of Results for the Current Quarter Ended 31 August 2012 against the Immediate Preceding Quarter

The Group's revenue of RM62.6 million for the current quarter, represented an decrease of RM8.1 million or 11.5% when compared to the revenue recorded for the immediate preceding quarter ended 31 May 2012 of RM70.7 million. The decrease is mainly due to the decrease in the sales from the local and overseas markets.

The Group's profit after tax of RM9.3 million for the current quarter represents an increase of RM1.2 million when compared to the profit after tax of RM8.1 million for the immediate preceding quarter ended 31 May 2012. The increase in profit after tax is due to the one-off gain on disposal of property by its wholly-owned subsidiary amounting to approximately RM2.1 million.

B3. Group's Prospects for the financial year ending 28 February 2013 ("FYE 2013")

Despite the challenging market conditions, the Group is optimistic in recording better results for the financial year ending 28 February 2013. The Group will continue with its efforts to increase its visibility and marketability of its products and brands by strengthening its distribution networks, applying effective marketing and promotional strategies and also increasing its product offerings.

B4. Variance of Profit Forecast

There was no profit forecast made during the financial period under review.

B5. Tax Expense

Taxation comprises the following:-

	Individual quarter ended		Cumulative quarter ended	
	31 August 2012 RM'000	31 August 2011 RM'000	31 August 2012 RM'000	31 August 2011 RM'000
In respect of the current period:-				
Taxation	1,683	70	1,896	1,066
Deferred taxation	340	(248)	(478)	(1,058)
Expenses / (Income)	<u>2,023</u>	<u>(178)</u>	<u>1,418</u>	<u>8</u>
In respect of the previous period:-				
Taxation	-	-	-	-
Deferred taxation	-	-	-	-
Expenses / (Income)	<u>2,023</u>	<u>(178)</u>	<u>1,418</u>	<u>8</u>

B6. Notes to the Statement of Comprehensive Income

	Individual quarter		Cumulative quarter	
	Ended		ended	
	31 August		31 August	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Depreciation and Amortization	1,488	1,596	3,023	3,176
Foreign exchange (gain)/loss	772	275	(804)	288
(Gain)/loss on disposal of quoted or unquoted investment	-	(16)	(24)	(27)
(Gain)/loss on disposal of properties	(2,292)	150	(2,415)	383
Impairment of assets	-	-	-	-
Interest income	(67)	(100)	(231)	(200)
Interest expenses	108	(31)	222	146
Provision for and write-off of inventories	(46)	(503)	123	97
Provision for and write-off/(Reversal of provision for and write-off) of receivables	-	4	2	4
Dividend income on quoted shares	(14)	(33)	(21)	(52)

B7. Group Borrowings and Debt Securities

The Group's borrowings, all repayable in Ringgit Malaysia and secured, as at the end of the quarter under review are as follows:

	RM'000
<u>Short Term Borrowings</u>	
Term Loans	363
Hire Purchase Payables	6
Trade Finance	10,037

	10,406
<u>Long Term Borrowings</u>	
Term Loans	1,458

	1,458

Total	11,864
	=====

The Group does not have any foreign borrowings and debts securities as at the date of this report.

B8. Material Litigation

The Group's wholly-owned subsidiary, Power Impian International Sdn. Bhd. ("PII") had through its solicitors filed a Notice of Arbitration on 27 December 2011 to the Kuala Lumpur Regional Centre of Arbitration to commence an arbitration proceeding against Monarch Wellness Sdn. Bhd. ("MW") for demand of claims on the cost incurred on defective products pursuant to an agreement dated 1 June 2010 between PII and MW. On 10 July 2012, the Claimant and Respondent submitted on the Preliminary Issues and the claim amount was amended to RM658,726 together with interest at the rate of 8% per annum. The hearing which was fixed on 1 to 3 October 2012 has been adjourned to 4 to 7 December 2012.

B9. Dividend Proposed

The Board of Directors has proposed to declare an interim dividend of 3.0 sen per share.

B10. Earnings Per Share (“EPS”)

Basic EPS

	Current quarter ended		Cumulative quarter ended	
	31 August	31 August	31 August	31 August
	2012	2011	2012	2011
Profit attributable for the owners of the Company (RM’000)	9,120	2,553	16,910	8,328
Weighted average Number of shares in Issue (’000)	300,000	300,000	300,000	300,000
Basic EPS (sen)	3.0	0.9	5.6	2.8
	===	===	===	===

Basic EPS is calculated by dividing the net profit attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

Diluted EPS

The Group does not have any convertible securities and accordingly diluted EPS is not applicable.

B11. Realised and Unrealised Profits / Losses Disclosure

	Current year to date	As at
Total retained profits of the Parent and its subsidiaries:-	31 August 2012	29 February 2012
	RM'000	RM'000
Realised	67,188	59,647
Unrealised Loss	(1,661)	(1,219)
	<u>65,527</u>	<u>58,428</u>
Less: Consolidation Adjustments	(31,735)	(32,952)
	<u>33,792</u>	<u>25,476</u>