



POWER ROOT BERHAD

REGISTRATION NO. 200601013517 (733268-U)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 MARCH 2024**

This report is dated 23rd May 2024



POWER ROOT BERHAD

Registration No. 200601013517 (733268-U)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 MARCH 2024

	NOTE	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 12 MONTHS ENDED	
		31 MARCH 2024 RM'000	31 MARCH 2023 RM'000	31 MARCH 2024 RM'000	31 MARCH 2023 RM'000
Revenue	A8	114,252	112,764	419,271	455,763
Other income		1,500	199	6,019	4,422
Changes in inventories of finished goods and work-in-progress		(42)	1,704	(1,189)	11,351
Raw material used		(56,666)	(57,330)	(203,119)	(227,175)
Staff costs		(18,825)	(17,734)	(71,977)	(72,268)
Depreciation and amortisation expenses		(2,816)	(2,608)	(10,437)	(8,699)
Other operating expenses		(25,583)	(17,419)	(91,513)	(93,292)
Results from operating activities		11,820	19,576	47,055	70,102
Finance income		428	287	2,128	1,070
Finance costs		(427)	(200)	(1,134)	(894)
Net finance income		1	87	994	176
Profit before taxation	B6	11,821	19,663	48,049	70,278
Taxation	B5	(2,636)	(2,675)	(5,741)	(10,827)
Profit after taxation		9,185	16,988	42,308	59,451
Other comprehensive income/(expense), net of tax					
Equity investments measured at fair value through other comprehensive income		316	(114)	549	(48)
Foreign currency translation differences		1,134	35	1,826	113
Other comprehensive income/(expense), net of tax		1,450	(79)	2,375	65
Total comprehensive income for the period/year		10,635	16,909	44,683	59,516
Profit attributable to:					
Owners of the Company		8,923	16,593	41,559	58,758
Non-controlling interests		262	395	749	693
		9,185	16,988	42,308	59,451
Total comprehensive income attributable to:					
Owners of the Company		10,336	16,513	43,863	58,814
Non-controlling interests		299	396	820	702
		10,635	16,909	44,683	59,516
Earnings per share attributable to owners of the Company(sen)					
Basic	B12	1.8	3.9	9.0	14.0
Diluted	B12	1.8	3.8	8.9	13.6

(The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial report)



POWER ROOT BERHAD

Registration No. 200601013517 (733268-U)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	NOTE	(Unaudited) As at 31 MARCH 2024 RM'000	(Audited) As at 31 MARCH 2023 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		130,696	111,282
Right-of-use asset		182	-
Investment properties		34,282	16,133
Other investments		3,161	3,178
Deferred tax assets		-	2,818
		<u>168,321</u>	<u>133,411</u>
Current assets			
Inventories		99,151	115,701
Trade and other receivables		112,163	102,056
Deposits placed with licensed banks		1,067	210
Cash and bank balances		112,706	76,522
Tax recoverable		12,103	10,253
		<u>337,190</u>	<u>304,742</u>
TOTAL ASSETS		<u>505,511</u>	<u>438,153</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		319,623	277,474
Other reserves		15,327	(19,632)
Retained earnings		10,884	31,761
		<u>345,834</u>	<u>289,603</u>
Non-controlling interests		<u>1,913</u>	<u>746</u>
TOTAL EQUITY		<u>347,747</u>	<u>290,349</u>
Non-current liabilities			
Loans and borrowings	B7	32,629	16,004
Lease liabilities		68	-
Deferred tax liabilities		376	-
		<u>33,073</u>	<u>16,004</u>
Current liabilities			
Trade and other payables		91,899	106,935
Loans and borrowings	B7	26,675	15,311
Lease liabilities		115	-
Dividend payable		6,002	9,554
		<u>124,691</u>	<u>131,800</u>
TOTAL LIABILITIES		<u>157,764</u>	<u>147,804</u>
TOTAL EQUITY AND LIABILITIES		<u>505,511</u>	<u>438,153</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)		0.72	0.68

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial report)



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 31 MARCH 2024

	Attributable to owners of the Company										Non-controlling interest		Total equity	
	Share capital	Treasury shares	Exchange fluctuation reserve	Non-distributable	Fair value reserve	Share option reserve	Distributable retained earnings	Total	Non-controlling interest	Total equity				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2022 (Audited)	255,528	(17,308)	2,413	(374)	8,374	17,985	266,618	62	266,680					
Profit for the year	-	-	-	-	-	58,758	58,758	693	59,451					
Other comprehensive income for the year	-	-	103	-	-	-	103	10	113					
- Translation differences on foreign operation	-	-	-	-	-	-	-	-	-					
- Equity investment measured at fair value through other comprehensive expenses	-	-	-	(48)	-	-	(48)	-	(48)					(48)
Total comprehensive income for the year	-	-	103	(48)	-	58,758	58,813	703	59,516					
Contributions by and distribution to owners of the Company	6,952	-	-	-	(1,553)	-	5,399	-	5,399					
- Issue of ordinary shares pursuant to the ESOS Warrant	14,994	-	-	-	-	-	14,994	-	14,994					14,994
- Share-based payment transaction	-	-	-	-	4,024	-	4,024	-	4,024					4,024
- Own shares acquired	-	(17,261)	-	-	-	-	(17,261)	-	(17,261)					(17,261)
- Own shares sold	-	1,998	-	-	-	64	2,062	-	2,062					2,062
- Dividend to owners of the Company	21,946	(15,263)	-	-	2,471	(45,099)	(35,881)	-	(35,881)					(45,099)
Change in ownership interests in a subsidiary	-	-	-	-	-	53	53	(53)	-					(53)
Subscription of shares by non-controlling interest	-	-	-	-	-	-	-	136	136					136
Dividends to non-controlling interest in subsidiaries	-	-	-	-	-	-	-	(102)	(102)					(102)
Total transactions with owners of the Company	21,946	(15,263)	-	-	2,471	(44,982)	(35,828)	(19)	(35,847)					(35,847)
At 31 March 2023 (Audited)	277,474	(32,571)	2,516	(422)	10,845	31,761	289,603	746	290,349					
At 1 April 2023 (Audited)	277,474	(32,571)	2,516	(422)	10,845	31,761	289,603	746	290,349					
Profit for the year	-	-	-	-	-	41,559	41,559	749	42,308					
Other comprehensive income for the year	-	-	1,755	-	-	-	1,755	71	1,826					
- Translation differences on foreign operation	-	-	-	-	-	-	-	-	-					-
- Equity investment measured at fair value through other comprehensive expenses	-	-	-	549	-	-	549	-	549					549
Total comprehensive income for the year	-	-	1,755	549	-	41,559	43,863	820	44,683					
Contributions by and distribution to owners of the Company	87	-	-	-	(9)	-	78	-	78					
- Issue of ordinary shares pursuant to the ESOS Warrant	58,360	-	-	-	-	-	58,360	-	58,360					58,360
- Share-based payment transaction	-	-	-	-	1,352	-	1,352	-	1,352					1,352
- Own shares acquired	-	(4,835)	-	-	-	(19,849)	(4,835)	-	(4,835)					(4,835)
- Treasury shares cancellation	(16,298)	36,147	-	-	-	-	-	-	-					-
- Shares issued to non-controlling interest	-	-	-	-	-	-	-	-	-					-
- Dividends to owners of the Company	42,149	31,312	-	-	1,343	(42,608)	12,347	-	(42,608)					(42,608)
Subscription of shares by non-controlling interest	-	-	-	-	-	(62,457)	12,347	150	12,347					150
Acquisition of subsidiary	-	-	-	-	-	-	-	218	218					218
Change in ownership interests in subsidiary	-	-	-	-	-	21	21	(21)	-					-
Total transactions with owners of the Company	42,149	31,312	-	-	1,343	(62,436)	12,368	347	12,715					
At 31 March 2024 (Unaudited)	319,623	(1,259)	4,271	127	12,188	10,884	345,834	1,913	347,747					



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 MARCH 2024

	NOTE	12 MONTHS ENDED	
		31 MARCH 2024 RM'000	31 MARCH 2023 RM'000
Cash flows from operating activities			
Profit before tax		48,049	70,278
Adjustments for:-			
Depreciation on:			
- Investment properties		9,965	317
- Property, plant and equipment		316	8,382
Amortization of right-of-use assets		156	-
Gain on disposal of property, plant and equipment		(546)	(371)
Gain on disposal of other investment		(13)	-
Finance costs		1,134	894
Finance income		(2,128)	(1,070)
Impairment loss/(Reversal of impairment loss) on:			
- Trade receivables		12	(846)
- Property, plant and equipment		-	142
Negative goodwill		(416)	-
Unrealised gain on foreign exchange		(757)	(402)
Share-based payment transactions		1,352	4,024
Dividend income from other investments		(134)	(160)
Write down/(back) of inventories		52	(899)
Operating profit before changes in working capital		57,042	80,289
Changes in working capital:-			
Changes in inventories		17,523	(35,917)
Changes in trade and other receivables		(8,958)	(9,486)
Changes in trade and other payables		(16,488)	12,186
Cash generated from operations		49,119	47,072
Interest received		2,128	1,070
Tax paid		(4,440)	(11,796)
Net cash generated from operating activities		46,807	36,346
Cash flows from investing activities			
Acquisition of:			
- Property, plant and equipment		(16,232)	(21,589)
- Investment properties		(28,026)	(6,242)
- Subsidiary, net of cash and cash equivalents acquired		(41)	-
- Other investments		-	(5)
Dividend income from other investments		134	160
Proceeds from disposal of property, plant and equipment		969	396
Proceeds from disposal of other investment		590	-
Subscription of shares by non-controlling interests in subsidiaries		150	-
Net cash used in investing activities		(42,456)	(27,280)
Cash flows from financing activities			
Dividend paid to owners of the Company	A7	(46,161)	(40,576)
Dividend paid to non-controlling interests		-	(102)
Subscription of shares by non-controlling interest in a subsidiary		-	136
Interest paid		(1,134)	(894)
Proceeds from issuance of share capital		58,438	20,393
Net purchase of treasury shares		(4,835)	(15,199)
Net drawdown of other short-term borrowings		7,423	13,488
Drawdown of term loans		20,573	-
Repayment of term loans		(1,720)	(1,905)
Repayment of hire purchase obligations		(409)	(191)
Payment of lease liabilities		(150)	-
Net cash generated from/(used in) financing activities		32,025	(24,850)
Net increase/(decrease) in cash and cash equivalents		36,376	(15,784)
Exchange difference on translation of financial statements of foreign operation		665	(98)
Cash and cash equivalents at beginning of the year		76,732	92,614
Cash and cash equivalents at end of the year		113,773	76,732
Cash and cash equivalents comprise:			
Deposits placed with licensed banks		1,067	210
Cash and bank balances		112,706	76,522
		113,773	76,732

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial report)



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NOTES TO THE INTERIM FINANCIAL STATEMENTS

A. EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The unaudited condensed consolidated interim financial statements for the fourth quarter ended 31 March 2024 have been prepared in accordance with Malaysian 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 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 Distributor Sdn. Bhd., Ali Cafe Sdn. Bhd., Power Root Support Services Sdn. Bhd., PT Natbio Marketing Indonesia, Power Root (Shanghai) Food Trading Co. Ltd., Power Root HK-China Company Limited, PR Global Assets Limited, Power Root ME FZCO, PRME Foodstuff Trading LLC, Alicafe Roasters Sdn Bhd, Superwrapz International Sdn. Bhd., French Patisserie Sdn. Bhd., Affari Inversions Sdn. Bhd., PR Food Trading L.L.C.-FZ and FODA FLAVOUR & INGREDIENTS SDN. BHD. (collectively known as “Power Root Group” or “The Group”), should be read in conjunction with the audited financial statements for the financial year ended 31 March 2023.

The accounting policy and method of computation adopted in these interim financial statements of the Group are consistent with those adopted for the annual financial statements for the financial year ended 31 March 2023.

A2. Auditors’ Report of Preceding Annual Financial Statements

The audited financial statements of the Group for the financial year ended 31 March 2023 were not subject to any qualification.

A3. Seasonality or Cyclicity Factors

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

A4. 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 current quarter and financial year under review.



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A. EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING (continued)

A5. Material Change in Estimates

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

A6. Issuance, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resales and repayments of debt and equity securities for the current quarter and financial year under review other than the following:

- Repurchase of 757,700 of its own shares from open market for a total consideration of RM 1,259,215. The repurchase transaction were financed by internally generated funds. The shares purchased are being held as treasury shares in accordance with Section 127(4) of the Companies Act, 2016.
- Cancellation of 23,764,500 of its own shares, resulting in a reduction of share capital by RM16,297,836 and retained earnings by RM19,849,594. The shares cancelled were previously held as treasury shares in accordance with Section 127(4) of the Companies Act, 2016.

A7. Dividend Paid/Payable

During the current quarter and financial year under review, the Board of Directors had declared:

- (i) A third interim single tier dividend of 2.0 sen per ordinary share and a special interim single tier dividend of 0.25 sen per ordinary share in respect of the financial year ended 31 March 2023, amounting to RM 9,554,455, which was paid on 7 April 2023.
- (ii) A fourth interim single tier dividend of 2.0 sen per ordinary share and a special interim single tier dividend of 1.5 sen per ordinary share in respect of the financial year ended 31 March 2023, amounting to RM15,790,277, which was paid on 3 July 2023.
- (iii) A first interim single tier dividend of 2.0 sen per ordinary share and special interim single tier dividend of 0.5 sen per ordinary share in respect of the financial year ending 31 March 2024, amounting to RM11,570,921, which was payable on 12 October 2023.
- (iv) A second interim single tier dividend of 2.0 sen per ordinary share in respect of the financial year ended 31 March 2024, amounting to RM9,245,141, which was payable on 5 January 2024.
- (v) A third interim single tier dividend of 1.3 sen per ordinary share in respect of the financial year ended 31 March 2024, amounting to RM6,001,742, which was payable on 9 April 2024.



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A. EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING (continued)

A8. Segmental Reporting

The Group operates principally in Malaysia with the manufacturing and distribution of beverage products (i.e. Fast Moving Consumers Goods) being the core business of the Group. The Group's assets and liabilities are concentrated mainly in Malaysia.

The Group has two reportable segments, distinguished by Malaysia entities and overseas entities, which form the main basis of how the Chief Operating Decision Maker ("CODM")(i.e. the Chief Executive Officer) reviews the Group's operations on a quarterly basis. The Malaysia entities include the manufacturing and marketing companies in Malaysia, while the overseas entities include the marketing companies in Middle East, China and Hong Kong. Non-reportable entities include the other subsidiaries.

Performance is measured based on segment profit before tax as the management believes that such information is the most relevant in evaluating the results of the operation.

Segment assets and liabilities information is neither included in the internal management reports nor provided regularly to the CODM. Hence, no disclosure is made on segment assets and liabilities.

Individual Quarter - 3 months ended 31 March 2024

	Reportable Segment		Non-Reportable Segment	Total RM'000
	Malaysia Entities RM'000	Overseas Entities RM'000	Other Entities RM'000	
Segment Profit/(loss)	7,509	4,407	(254)	11,662
<i>Included in the measure of segment profit/(loss) are:</i>				
Revenue from external customers	84,953	28,987	312	114,252
Inter-segment revenue	24,161	1,106	4,134	29,401



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A. EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING (continued)

A8. Segmental Reporting (Cont'd)

Current Financial Year ended 31 March 2024

	Reportable Segment		Non-Reportable Segment	Total RM'000
	Malaysia Entities RM'000	Overseas Entities RM'000	Other Entities RM'000	
Segment Profit/(loss)	26,167	19,689	(472)	45,384
<i>Included in the measure of segment profit/(loss) are:</i>				
Revenue from external customers	311,405	106,455	1,411	419,271
Inter-segment revenue	96,667	2,683	9,032	108,382

Reconciliation of reportable segment profit:

	Individual Quarter 3 Months ended 31 March 2024 RM'000	Cumulative Quarter 12 Months ended 31 March 2024 RM'000
Total segmental profit	11,661	45,384
Consolidation adjustments	159	2,665
Total consolidated profit	11,821	48,049

Analysis of revenue by geographical segment for the period/year ended 31 March 2024:

	Individual Quarter 3 Months ended 31 March 2024 RM'000	Cumulative Quarter 12 Months ended 31 March 2024 RM'000
Revenue		
Malaysia	63,767	243,575
Overseas:		
- Middle East	37,552	122,352
- Others	12,933	53,344
	114,252	419,271



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A. EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING (continued)

A9. Material Events Subsequent to the end of the Current Quarter under review

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

A10. Changes in the composition of the Group

On 18 September 2023, the Group had increased its interest in a subsidiary company, Superwrapz International Sdn Bhd from 69.6% to 95.0% by way of acquisition of 51,000 ordinary shares at a cash consideration of RM41,645.

On 19 October 2023, the Group had completed its acquisition of 80% of the issued and paid-up share capital in FODA FLAVOUR & INGREDIENTS SDN. BHD. (“FODA”) representing 240,000 shares for a total cash consideration of Ringgit Malaysia Four Hundred Fifty-Four Thousand Six Hundred Ten and Forty Sen (RM454,610.40) only. The principal activity of FODA is manufacturing of flavours, food ingredients, fragrances and other related products.

A11. Changes in Contingent Liabilities or Contingent Assets

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

A12. Material Capital Commitments

The outstanding capital commitments at the end of the current quarter and financial year under review are as follows:

Current quarter ended

31 March 2024

RM'000

Contracted but not provided for:-

Property, plant and equipment

4,827

A13. Material Related Party Transactions

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



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

B1. Review of Group's Results for the Current Quarter Ended 31 March 2024

The Group recorded a revenue of RM114.3 million for the fourth quarter ended 31 March 2024 representing an increase of RM1.5 million or 1.3% as compared to the previous year's corresponding quarter of RM112.8 million. The increase was mainly attributable to higher export revenue in the current quarter compared to the corresponding quarter in the previous year.

The Group recorded a profit before tax of RM11.8 million for the current quarter which was a decrease of RM7.9 million or 40.1% from the previous year's corresponding quarter's profit before tax of RM19.7 million. The lower profit before tax in the current quarter was mainly attributable to higher advertising and promotion spending and staff costs, which was offset slightly by gain on foreign exchange in the current quarter as compared to previous year's corresponding quarter.

B2. Variation of Results for the Current Quarter Ended 31 March 2024 against the Immediate Preceding Quarter

The Group recorded a revenue of RM114.3 million for the current quarter, representing an increase of RM21.4 million or 23.0% when compared to the revenue recorded of RM92.9 million for the immediate preceding quarter ended 31 December 2023. The increase was mainly attributable to higher revenue for the export and local markets in the current quarter compared to the immediate preceding quarter.

The Group's profit before tax of RM11.8 million for the current quarter, showed an increase of RM6.6 million or 126.9% when compared to the profit before tax of RM5.2 million for the immediate preceding quarter ended 31 December 2023. The higher profit before tax in the current quarter as compared to the immediate preceding quarter was mainly attributable to higher revenue for the current quarter as compared to the immediate preceding quarter.

B3. Group's Prospects for the financial year ending 31 March 2025 ("FY 2025")

The main factors contributing to uncertainties that pose risks to our business include the on-going global geopolitical tensions, volatility in foreign exchange and volatility in commodity prices. Additionally, an inflationary economic environment coupled with potential changes in regulations relating to our business will contribute to cost pressures.

We will continue to focus on improving our efficiencies by seeking opportunities in potential upstream integration activities and expand the distribution channels in our local and oversea markets with effective market penetration activities to build sustainable growth and maintain business resilience.



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

B4. Variance of Profit Forecast

There was no profit forecast issued during the current quarter and financial year under review.

B5. Tax Expense

Taxation comprises the following: -

	Individual quarter 3 months ended		Cumulative quarter 12 months ended	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
Taxation				
- Current period/year	232	1,281	5,181	11,365
- Prior period/year	(6)	-	(2,594)	(781)
	<u>226</u>	<u>1,281</u>	<u>2,587</u>	<u>10,584</u>
Deferred tax Expense/(Income)				
- Current period/year	1,283	1,231	2,059	(89)
- Prior period/year	1,127	163	1,095	332
	<u>2,410</u>	<u>1,394</u>	<u>3,154</u>	<u>243</u>
	<u>2,636</u>	<u>2,675</u>	<u>5,741</u>	<u>10,827</u>



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

B6. Notes to the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Individual quarter 3 months ended		Cumulative quarter 12 months ended	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
Profit before tax is arrived at after charging/(crediting):				
Depreciation and amortisation	2,816	2,608	10,437	8,699
(Gain)/Loss on foreign exchange	(1,103)	56	(2,800)	(1,893)
Gain on disposal of:				
- property, plant and equipment	(86)	(192)	(546)	(371)
- Other investments	(13)	-	(13)	-
Impairment loss/(Reversal of impairment loss) on:				
- trade receivables	42	66	12	(846)
- property, plant and equipment	-	142	-	142
Dividend income from other investments	-	(20)	(134)	(160)
Finance income	(428)	(287)	(2,128)	(1,070)
Finance costs	427	200	1,134	894
Write back of inventories	(28)	(419)	(52)	(899)



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

B7. Group Borrowings and Debt Securities

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

	As at 31 March 2024 RM'000	As at 31 March 2023 RM'000
<u>Short Term Borrowings</u>		
Term Loans	5,008	1,823
Hire purchase liabilities	756	-
Bankers' acceptance	20,911	13,488
	<u>26,675</u>	<u>15,311</u>
<u>Long Term Borrowings</u>		
Term Loans	31,672	16,004
Hire purchase liabilities	957	-
	<u>32,629</u>	<u>16,004</u>
Total	<u><u>59,304</u></u>	<u><u>31,315</u></u>

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

B8. Material Litigation

There are no material litigation other than the legal suit between Power Root (M) Sdn Bhd ("**PRM**") v CV Ego Sun Star Sukses Mandiri ("**CV Ego**") & Others which was announced on 3 January 2024 and also reported in the Company's interim financial report announcement dated 27 February 2024. Subsequently, on 7 May 2024, the Company announced that, with respect to the ongoing dispute with CV Ego, that its wholly owned subsidiaries, Power Root (M) Sdn Bhd ("**PRM**"), Power Root Manufacturing Sdn Bhd ("**PRMFG**"), Power Root Marketing Sdn Bhd ("**PRMK**") and PT Nat Bio Marketing Indonesia ("**Subsidiaries**") have reached an amicable out-of-court settlement with CV Ego in accordance with a settlement agreement executed between CV Ego and the Subsidiaries ("**SA**") and a trademark assignment agreement executed between PRM and CV Ego ("**TAA**") on 7 May 2024 for a total consideration of Rp5,000,000,000 (equivalent to approximately RM1.458 million) which comprises of cash consideration and Subsidiaries' goods. As at the date of this report, the SA has been completed while the TAA is expected to be completed by 31 July 2024.



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

B9. Dividend Proposed

The Board of Directors had on 23 May 2024 declared a fourth interim single tier dividend of 1.3 sen per ordinary share in respect of the financial year ended 31 March 2024. The dates of entitlement and payment will be announced at a later date.

B10. Derivatives

There were no outstanding derivatives at the end of the current quarter and financial year under review.

B11. Disclosure of gains/losses arising from fair value changes of financial liabilities

The Group does not have any financial liabilities measured at fair value through profit and loss at the end of the current quarter and financial year under review.

B12. Earnings Per Share ("EPS")

Basic EPS

	Individual quarter 3 months ended		Cumulative quarter 12 months ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Profit attributable to owners of the Company (RM'000)	8,923	16,593	41,559	58,758
Weighted average number of shares in issue ('000)	485,450	424,072	462,471	419,016
Basic EPS (sen)	<u>1.8</u>	<u>3.9</u>	<u>9.0</u>	<u>14.0</u>

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



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

B12. Earnings Per Share ("EPS") (Cont'd)

Diluted EPS

	Individual quarter 3 months ended		Cumulative quarter 12 months ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Profit attributable to owners of the Company (RM'000)	8,923	16,593	41,559	58,758
Weighted average number of ordinary shares in issue ('000)	485,450	424,072	462,471	419,016
Effect of share options in issue and warrants conversion ('000)	3,790	16,362	5,884	12,358
Weighted average number of ordinary shares adjusted for the effect of dilution ('000)	489,240	440,434	468,355	431,374
Diluted EPS (sen)	<u>1.8</u>	<u>3.8</u>	<u>8.9</u>	<u>13.6</u>

The diluted EPS is calculated by dividing the net profit attributable to the ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period/year, adjusted for the dilutive effects of all potential ordinary shares, i.e. Employees Share Option Scheme and Warrants conversion.

B13. Authorisation for issue

This interim financial report was authorized for issue by the Board of Directors on 23 May 2024.