

PENSONIC HOLDINGS BERHAD (300426-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MAY 2015

PENSONIC HOLDINGS BERHAD (300426-P)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MAY 2015 (Unaudited)**

	Note	Individual Quarter		Cumulative Period	
		3 months ended 31.05.15 RM'000	3 months ended 31.05.14 RM'000	12 months ended 31.05.15 RM'000	12 months ended 31.05.14 RM'000
Revenue	9	92,899	89,651	388,366	373,725
Cost of sales		(72,515)	(77,153)	(314,076)	(303,010)
Gross profit		20,384	12,498	74,290	70,715
Other operating income		8,901	2,318	9,898	3,294
Interest income		109	58	270	172
Operating expenses		(15,497)	(16,476)	(62,118)	(67,812)
Results from operating activities		13,897	(1,602)	22,340	6,369
Finance costs		(981)	(1,104)	(4,663)	(4,523)
Operating profit/(loss)		12,916	(2,706)	17,677	1,846
Share of profit of equity accounted associates		-	1	-	1
Profit/(loss) before tax		12,916	(2,705)	17,677	1,847
(Tax expense)/refund	21	(299)	897	(381)	861
Profit/(loss) for the period	29	12,617	(1,808)	17,296	2,708
Other comprehensive income/(expenses), net of tax					
Foreign currency translation differences		50	(20)	147	(13)
Total comprehensive income/(loss) for the period		12,667	(1,828)	17,443	2,695
Profit/(loss) attributable to:					
Shareholders of the Company		12,595	(1,641)	17,577	2,871
Non-controlling interests		22	(167)	(281)	(163)
		12,617	(1,808)	17,296	2,708
Total comprehensive income/(expenses) attributable to:					
Shareholders of the Company		12,645	(1,661)	17,724	2,858
Non-controlling interests		22	(167)	(281)	(163)
		12,667	(1,828)	17,443	2,695
Basic earnings per ordinary share (sen)	28	9.71	(1.27)	13.56	2.21
Diluted earnings per ordinary share (sen)	28	N/A	N/A	N/A	N/A

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 May 2014 and the accompanying explanatory notes attached to the interim financial statements.

PENSONIC HOLDINGS BERHAD (300426-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2015 (Unaudited)

	Note	Unaudited 31.05.15 RM'000	Audited 31.05.14 RM'000
ASSETS			
Property, plant and equipment		98,301	81,106
Investment properties		489	498
Investments in associates		248	248
Intangible assets		1,043	1,034
Deferred tax assets		31	59
Total non-current assets		100,112	82,945
Inventories		60,973	81,073
Trade and other receivables		67,713	68,309
Current tax assets		1,812	2,141
Cash and cash equivalents		36,125	20,263
Total current assets		166,623	171,786
TOTAL ASSETS		266,735	254,731
EQUITY			
Share capital		64,834	64,834
Reserves		45,230	30,738
Total equity attributable to owners of the Company		110,064	95,572
Non-controlling interests		7	(300)
TOTAL EQUITY		110,071	95,272
LIABILITIES			
Loans and borrowings	25	28,614	8,090
Deferred tax liabilities		178	44
Total non-current liabilities		28,792	8,134
Loans and borrowings	25	69,104	89,788
Trade and other payables		57,831	61,536
Current tax liabilities		937	1
Total current liabilities		127,872	151,325
Total liabilities		156,664	159,459
TOTAL EQUITY AND LIABILITIES		266,735	254,731
Net assets per share attributable to equity holders (RM)		0.85	0.74

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 May 2014 and the accompanying explanatory notes attached to the interim financial statements.

PENSONIC HOLDINGS BERHAD (300426-P)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31 MAY 2015 (Unaudited)

	← Attributable to owners of the Company →						Total RM'000	Non- controlling interests RM'000	Total Equity RM'000
	← Non- Distributable Reserve →			Distributable					
	Share capital RM'000	Share premium RM'000	Exchange translation Reserve RM'000	Capital reserve RM'000	Warrant reserve RM'000	Retained earnings RM'000			
At 1 June 2013	46,310	21,361	393	4,488	-	15,381	87,933	(137)	87,796
Foreign currency translation differences	-	-	(13)	-	-	-	(13)	-	(13)
Profit for the period	-	-	-	-	-	2,871	2,871	(163)	2,708
Total comprehensive income for the period	-	-	(13)	-	-	2,871	2,858	(163)	2,695
Issuance of bonus shares	18,524	(18,524)	-	-	-	-	-	-	-
Issuance of warrants	-	-	-	-	6,483	-	6,483	-	6,483
Dividend to owners of the Company	-	-	-	-	-	(1,702)	(1,702)	-	(1,702)
At 31 May 2014	64,834	2,837	380	4,488	6,483	16,550	95,572	(300)	95,272
At 1 June 2014	64,834	2,837	380	4,488	6,483	16,550	95,572	(300)	95,272
Foreign currency translation differences	-	-	147	-	-	-	147	-	147
Profit for the period	-	-	-	-	-	17,577	17,577	(281)	17,296
Total comprehensive income for the period	-	-	147	-	-	17,577	17,724	(281)	17,443
Changes in ownership with no loss on control	-	-	-	-	-	(639)	(639)	588	(51)
Dividend to owners of the Company	-	-	-	-	-	(2,593)	(2,593)	-	(2,593)
At 31 May 2015	64,834	2,837	527	4,488	6,483	30,895	110,064	7	110,071

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 May 2014 and the accompanying explanatory notes attached to the interim financial statements.

PENSONIC HOLDINGS BERHAD (300426-P)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MAY 2015 (Unaudited)**

	12 months ended 31 May	
	2015 RM'000	2014 RM'000
Note		
Cash flows from operating activities		
Profit before taxation	17,677	1,847
Adjustments for:		
Depreciation of property, plant and equipment	4,836	4,817
Depreciation of investment properties	9	8
Interest expense	4,663	4,523
Interest income	(270)	(172)
Plant and equipment written off	-	452
Gain on disposal of plant and equipment	(8,465)	(31)
Excess of fair value of net assets acquired over	-	(36)
Share of profit of associates, net of tax		(1)
Operating profit before changes in working capital	18,450	11,407
Changes in working capital:		
Inventories	20,100	(2,647)
Trade and other receivables	596	6,509
Trade and other payables	(3,705)	(8,342)
Cash generated from operations	35,441	6,927
Income tax refunded	1,046	695
Net cash used in operating activities	36,487	7,622
Cash flows used in investing activities		
Interest received	270	172
Purchase of property, plant and equipment	(22,941)	(9,579)
Proceeds from disposal of plant and equipment	9,375	96
Net outflow of acquisition of shares in subsidiary company	(50)	(2,476)
Net cash used in investing activities	(13,346)	(11,787)
Cash flows from financing activities		
Drawdown of term loans	29,678	3,346
Repayment of term loans	(7,529)	(3,340)
Drawdown/(Repayment) of finance lease liabilities	133	(271)
Drawdown of borrowings, net	(15,607)	(2,126)
Interest paid	(4,663)	(4,701)
Withdrawal /(placement) of pledged fixed deposits	(28)	910
Dividend paid	(2,593)	(1,702)
Proceeds from warrants issue	-	6,483
Net cash generated from financing activities	(609)	(1,401)
Net increase/(decrease) in cash and cash equivalents	22,532	(5,566)
Cash and cash equivalents at beginning of period	6,458	12,047
Effect of exchange differences on cash and cash equivalents	137	(23)
Cash and cash equivalents at end of period	29,127	6,458

PENSONIC HOLDINGS BERHAD (300426-P)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)
FOR THE QUARTER ENDED 31 MAY 2015 (Unaudited)**

	12 months ended	
	31 May	
	2015	2014
	RM'000	RM'000
Cash and cash equivalents comprised the following:		
Cash and bank balances	32,364	16,789
Bank overdrafts	(4,968)	(11,803)
Short term deposits with licensed banks	3,761	3,474
	<u>31,157</u>	<u>8,460</u>
Fixed deposits pledged to bank	<u>(2,030)</u>	<u>(2,002)</u>
	<u>29,127</u>	<u>6,458</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 May 2014 and the accompanying explanatory notes attached to the interim financial statements.

PENSONIC HOLDINGS BERHAD (300426-P)

(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2015 (Unaudited)

PART A: EXPLANATORY NOTES AS PER FRS 134 - INTERIM FINANCIAL REPORTING

1. Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with MFRS134, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34: Interim financial Reporting issued by the International Accounting Standards Board.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 May 2014. These explanatory notes, attached to the condensed consolidated interim financial statements, provide an explanation of the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 May 2014.

2. Significant Accounting Policies

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for the year ended 31 May 2014 except for the adoption of the following new and revised MFRSs, Amendments to MFRSs and IC Interpretations by the Group with effect from 1 June 2014.

- MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2011-2013 Cycle)*
- Amendments to MFRS 2, *Share-based Payment (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 3, *Business Combinations (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*
- Amendments to MFRS 8, *Operating Segments (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 13, *Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*
- Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 119, *Employee Benefits – Defined Benefit Plans: Employee Contributions*
- Amendments to MFRS 124, *Related Party Disclosures (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 138, *Intangible Assets (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 140, *Investment Property (Annual Improvements 2011-2013 Cycle)*

The adoption of the abovementioned MFRSs, Amendments to MFRSs and IC Interpretations did not have any material impact on the financial statements of the Group.

PENSONIC HOLDINGS BERHAD (300426-P)

(Incorporated in Malaysia)

2. Significant Accounting Policies (cont'd)

At the date of authorization of these interim financial statements, The Group has not adopted the following accounting standards that have been issued by the Malaysian Accounting Standards Board (“MASB”):

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016

- MFRS 14, *Regulatory Deferral Accounts*
- Amendments to MFRS 5, *Non-current Assets Held for Sale and Discontinued Operation (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 7, *Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 10, *Consolidated Financial Statements - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- Amendments to MFRS 11, *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations*
- Amendments to MFRS 116, *Property, Plant and Equipment – Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 119, *Employee Benefits (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 127, *Consolidated and Separate Financial Statement - Equity Method in Separate Financial Statements*
- Amendments to MFRS 128, *Investment in Associates - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 138, *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2017

- MFRS 15, *Revenue from Contracts with Customers*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- MFRS 9, *Financial Instruments*

3. Audit Qualification

There were no audit qualifications on the annual financial statements of the Company for the year ended 31 May 2015.

4. Seasonality of Operations

The Group’s business operations are generally affected by festive seasons, school holidays and carnival sales in Malaysia.

PENSONIC HOLDINGS BERHAD (300426-P)

(Incorporated in Malaysia)

5. Unusual and Material Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

On 30 September 2014, a wholly-owned subsidiary, Keat Radio Co Sdn. Bhd. (“KRC”) entered into a Sale and Purchase Agreement (“the SPA”) to disposal of property erected for a sale consideration of RM9.25 million and on such terms and conditions as stated in the SPA. The mentioned transaction had been announced in Bursa Securities on 2 October 2014.

Save as disclosed above, there were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current period ended 31 May 2015.

6. Significant Estimates and Changes in Estimates

There were no changes in estimates of amounts reported in the prior quarter and/ or financial period that have a material effect on the Group in the current period under review.

7. Debt and Equity Securities

There were no issuance and repayment of debts and equity security, share buy-backs, share cancellation, share held as treasury shares by the Company during the financial period under review.

8. Dividend Paid

On 26 November 2014, shareholders of the Company have approved the first and final single-tier dividend of 2.0 sen per ordinary share amount to RM2,593,360 in respect of the financial year ended 31 May 2014. The dividend was paid on 31 December 2014.

9. Segmental Information

(i) Operating Segments

The Group has two reportable segments, as described below, which are the Group’s strategic business units. The strategic business units offer different products and services, and are managed separately because they require different marketing strategic. For each of the strategic business units, the Group’s Executive Chairman (the chief operating decision maker) reviews internal management reports at least on a monthly basis.

The following summary describes the operations in each of the Group’s reportable segments:

Manufacturing - manufacture, assembly and sales of electrical and electronic appliances

Trading - sales and distribution of electrical and electronic appliances

Other non-reportable segments represents investment holding activities and provision of management services to the Group.

PENSONIC HOLDINGS BERHAD (300426-P)

(Incorporated in Malaysia)

9. Segmental Information (continued)

(i) Operating Segments (continued)

	For the 12 months ending 31.05.2015					
	Manufacturing	Trading	Others	Total	Elimination	Profit before tax
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	1,177	387,189	-	388,366	-	388,366
Inter-segment revenue	69,829	9,620	4,998	84,447	(84,447)	-
	<u>71,006</u>	<u>396,809</u>	<u>4,998</u>	<u>472,813</u>	<u>(84,447)</u>	<u>388,366</u>
Segment profit	<u>7,153</u>	<u>12,308</u>	<u>(1,896)</u>	<u>17,565</u>	<u>112</u>	<u>17,677</u>
<i>Included in the measure of segment profit are:</i>						
Depreciation and amortisation	(3,137)	(1,515)	(193)	(4,845)	-	(4,845)
Interest income	30	217	23	270	-	270
Net gain / (loss) on foreign exchange	(459)	381	-	(78)	-	(78)
Inventories written down	-	(82)	-	(82)	-	(82)
Bad debts written off	-	(5)	-	(5)	-	(5)
Gain on disposal of property, plant and equipment	8,419	46	-	8,465	-	8,465
<i>Not included in the measure of segment profit but provided to Group Managing Director:</i>						
Finance costs	(889)	(2,883)	(891)	(4,663)	-	(4,663)
Segment assets	<u>69,626</u>	<u>176,732</u>	<u>109,177</u>	<u>355,535</u>	<u>(91,061)</u>	<u>264,474</u>
<i>Included in the measure of segment assets are:</i>						
Additions to non-current assets others than financial instruments and deferred tax assets	290	2,097	20,554	22,941	-	22,941

PENSONIC HOLDINGS BERHAD (300426-P)

(Incorporated in Malaysia)

9. Segmental Information (cont'd)

(i) Operating Segments (cont'd)

	For the 12 months ending 31.05.2014					
	Manufacturing	Trading	Others	Total	Elimination	Profit before tax
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	11,786	361,939	-	373,725	-	373,725
Inter-segment revenue	95,578	14,645	7,052	117,275	(117,275)	-
	<u>107,364</u>	<u>376,584</u>	<u>7,052</u>	<u>491,000</u>	<u>(117,275)</u>	<u>373,725</u>
Segment profit	<u>(1,215)</u>	<u>8,336</u>	<u>(469)</u>	<u>6,652</u>	<u>(4,806)</u>	<u>1,846</u>
<i>Included in the measure of segment profit are:</i>						
Depreciation and amortisation	(3,183)	(1,460)	(182)	(4,825)	-	(4,825)
Interest income	-	161	11	172	-	172
Net gain / (loss) on foreign exchange	(459)	646	-	187	-	187
Bad debts written off	(36)	(2,188)	-	(2,224)	-	(2,224)
<i>Not included in the measure of segment profit but provided to Group Managing Director:</i>						
Finance costs	(1,044)	(2,849)	(630)	(4,523)	-	(4,523)
Segment assets	<u>100,095</u>	<u>188,175</u>	<u>107,572</u>	<u>395,842</u>	<u>(141,111)</u>	<u>254,731</u>
<i>Included in the measure of segment assets are:</i>						
Additions to non-current assets others than financial instruments and deferred tax assets	2,241	903	10,030	13,174	-	13,174

PENSONIC HOLDINGS BERHAD (300426-P)

(Incorporated in Malaysia)

9. Segmental Information (cont'd)

(ii) Geographical Segments

The business segment of the Group is managed principally in Malaysia, China (including Hong Kong), Indonesia, Sri Lanka, Brunei, Middle East, Thailand, Myanmar, Singapore etc. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers whereas segment assets are based on the geographical location of the assets. The amounts of segment assets do not include instruments (including investment in associates) and deferred tax assets.

	<u>Individual Quarter</u>		<u>Cumulative Period</u>	
	<u>3 months ended</u>		<u>12 months ended</u>	
	<u>31.05.2015</u>	<u>31.05.2014</u>	<u>31.05.2015</u>	<u>31.05.2014</u>
	Segment Revenue			
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Malaysia	61,530	68,016	256,671	268,172
Other Asian countries	27,331	16,972	105,823	80,723
Others	4,038	4,663	25,872	24,830
	<u>92,899</u>	<u>89,651</u>	<u>388,366</u>	<u>373,725</u>

	<u>Cumulative Period</u>	
	<u>12 months ended</u>	
	<u>31.05.2015</u>	<u>31.05.2014</u>
	Segment Assets	
	<u>RM'000</u>	<u>RM'000</u>
Malaysia	244,129	232,766
Other Asian countries	19,881	18,439
Others	464	1,586
	<u>264,474</u>	<u>252,791</u>

10. Property, Plant and Equipment

During the current financial period ended 31 May 2015, the Group has acquired assets at a cost of RM22.9 million. (31 May 2014: RM9.5 million)

11. Events after the Reporting Period

There were no other material events subsequent to the end of the current quarter that have not been reflected in the financial statements for the current quarter under review.

PENSONIC HOLDINGS BERHAD (300426-P)

(Incorporated in Malaysia)

12. Changes in Composition of the Group

On 26 January 2015, the Group acquired additional 50,002 (or 40.00%) ordinary share of RM1.00 each in Pensonic Parts & Services Sdn. Bhd. (“PPS”) for consideration of RM50,002. Upon the acquisition, PPS is wholly-owned subsidiary of the Group.

13. Changes in Contingent Liabilities

There were no changes in contingent liabilities or contingent assets of a material nature since the last annual reporting period.

14. Commitments

There were no capital expenditure contracted but not provided for property, plant and equipment at the reporting date.

15. Significant Related Party Transactions

The significant transactions with companies in which certain Directors and persons connected to Directors have substantial financial interests are as follows:

	Unaudited 31.05.15 RM'000	Audited 31.05.2014 RM'000
Purchase of raw materials from -Pensia Plastic Industries Sdn. Bhd.*	-	2,850
Subcon and service charge income from -Pensia Plastic Industries Sdn. Bhd.*	-	212
Sale of goods to an associate -Pensonic (B) Sdn Bhd	1,031	1,286
Rental income charged for sub-letting of factory premises -Pensia Plastic Industries Sdn. Bhd.*	-	72
Rental expenses charged by - Directors of the Group	56	119

* As of 27 September 2013, Pensia Plastic Industries Sdn. Bhd. became a wholly-owned subsidiary of the Group through its wholly-owned subsidiary, Keat Radio Co Sdn. Bhd.

PENSONIC HOLDINGS BERHAD (300426-P)
(Incorporated in Malaysia)

16. Disclosure of Realised and Unrealised Retained Earnings

	Unaudited 31.05.2015 RM'000	Audited 31.05.2014 RM'000
- realised	35,246	18,175
- unrealised	(1,401)	955
	<hr/>	<hr/>
Total retained earnings of associates	33,845	19,130
- realised	44	44
Less: Consolidation adjustments	(2,994)	(2,624)
	<hr/>	<hr/>
Total retained earnings	<u>30,895</u>	<u>16,550</u>

PENSONIC HOLDINGS BERHAD (300426-P)

(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2015 (Unaudited)

PART B : ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

17. Review of Performance

For the Quarter

The Group registered revenue of RM92.9 million for the current quarter as compared to RM89.6 million reported in the corresponding quarter last year, representing increase in sales of RM3.3 million or 3.7%. The increase in revenue mainly contribute by export market, where local business were facing a slight drop in revenue due to Goods and Services Tax (GST) implementation.

Furthermore, the Group has posted a profit before tax of RM12.9 million compared to loss before tax of RM2.7 million in the corresponding period last year. This gain were mainly came from recognition of financial gain on disposal of property RM8.4 million.

For the 12 months ended

As for the 12 months ended 31 May 2015, the Group's revenue and pre-tax profit were RM388.4 million and RM17.7 million as compared to RM373.7 million and RM1.8 million corresponding last year. There is increase in revenue by RM14.6 million or 3.9%, and profit before tax for current year had huge increase by RM15.8 million.

The main contributor for increase in revenue was export market, where overall it increased around 24.8% comparing last year.

The improved result in the profit and loss before tax for current year, were due to gain on disposal of property and also improvement in operation efficiency where the Group has better inventory management and tighter credit control which resulted in reduced impairment of stock and account receivable.

18. Variation of results Against Preceding Quarter

	Current Quarter 31.05.2015 RM'000	Immediate Preceding Quarter 28.02.2015 RM'000	Variance (decreased) %
- Revenue	92,899	101,458	(8.4)
- Profit Before Tax	12,916	2,293	>100

Revenue for the fourth quarter is lower by 8.4% or RM8.6 million if compare to immediate preceding quarter of the Group's financial year due to implementation of GST where the market was not encouraging for small domestic appliances.

However, the Group recorded a pre-tax profit of RM12.9 million in current quarter as compared to pre-tax profit of RM2.3 million in immediate preceding quarter. This significant result was due to gain on disposal of property RM8.4 million.

PENSONIC HOLDINGS BERHAD (300426-P)

(Incorporated in Malaysia)

19. Commentary on Prospect

Looking ahead, the Group anticipates that competition will remain intense. The Group will continue explore new market, product innovation, maintaining excellent customer relationship, placing emphasis in cost control, inventory management and overhead cost rationalisation.

In line with the Group's effort in expanding emerging markets, the Group carries on to promote and distribute its products to overseas customers through engaging more overseas distributors and business partners. Besides, the Group continues to devote efforts in research and development of new products in order to keep up with the ever-changing needs of the electrical appliances markets.

Given our extensive experience in the industry, the Board believes that the Group can overcome the temporary challenges in the market and remain competitive for the coming period.

20. Profit Forecast

Not applicable as no profit forecast was published.

21. Taxation

Taxation comprises the following:

	Individual Quarter		Cumulative Period	
	3 months ended		12 months ended	
	31.05.15	31.05.14	31.05.15	31.05.14
	RM'000	RM'000	RM'000	RM'000
Current tax expense/(refund)	299	(897)	381	(861)
	<u>299</u>	<u>(897)</u>	<u>381</u>	<u>(861)</u>

Domestic income tax rate is calculated at the Malaysian statutory tax rate of 25% (2014: 25%) of the estimated assessable profit for the period. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The effective tax rate for the quarter and period were lower than the statutory rate due to the tax exemption status was granted to certain subsidiaries of the Company.

22. Sales of Unquoted Investments and Properties

Save as disclosed in Note 5 above, there was no other disposal of unquoted investments and properties during the current period.

23. Investment in Quoted Securities

There was no purchase or disposal of quoted securities as of date of this report.

24. Status of Corporate Proposal

As at the date of this report, there are no other corporate proposals that are pending for completion.

PENSONIC HOLDINGS BERHAD (300426-P)
(Incorporated in Malaysia)

25. Borrowings and Debts Securities

Details of the Group's borrowings as at the end of this financial period are as follows:

	Unaudited 31.05.15 RM'000	Audited 31.05.14 RM'000
<u>Current</u>		
Unsecured		
Bank overdraft	4,968	7,149
Bankers' acceptance	52,538	61,753
Term loans	-	2,050
	<u>57,506</u>	<u>70,952</u>
Secured		
Bank overdraft	-	4,654
Bankers' acceptance	731	5,997
Trust receipts	-	1,126
Term loans	10,592	6,789
Finance lease liabilities	275	270
	<u>11,598</u>	<u>18,836</u>
	<u>69,104</u>	<u>89,788</u>
<u>Non – current</u>		
Secured		
Term loans	27,986	7,590
Finance lease liabilities	628	500
	<u>28,614</u>	<u>8,090</u>
	<u>28,614</u>	<u>8,090</u>
<u>Currency Denominated In</u>		
Ringgit Malaysia (“MYR”)	97,718	96,062
Singapore Dollar (“SGD”)	-	690
Hong Kong Dollar (“HKD”)	-	1,126
	<u>97,718</u>	<u>97,878</u>

The bank borrowings and term loans are secured by the following:

- i) Legal charges over certain properties belonging to the Company and subsidiary companies;
- ii) Lien on fixed deposits belonging to the subsidiary companies; and
- iii) Corporate guarantee by the Company.

26. Material Litigation

The Group is not engaged in any material litigation for the current financial period ended 31 May 2015.

PENSONIC HOLDINGS BERHAD (300426-P)

(Incorporated in Malaysia)

27. Proposed Dividend

A first interim single tier dividend of 1.5 sen per ordinary share for the financial year ended 31 May 2015 have been declared on 20 July 2015 by the Board and payable on 21 August 2015.

The Board also recommends final dividend of 2.0 sen per ordinary share for the financial year ended 31 May 2015, which is subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting.

The payment date for the recommend final dividend shall be determined by the Directors and to be announced at a later date

28. Earnings per Share (“EPS”)**(i) Basic EPS**

	<u>Individual Quarter</u>		<u>Cumulative Period</u>	
	<u>3 months ended</u>		<u>12 months ended</u>	
	<u>31.05.15</u>	<u>31.05.14</u>	<u>31.05.15</u>	<u>31.05.14</u>
Net profit/(loss) for the period attributable to owners of the Company (RM'000)	12,595	(1,641)	17,577	2,871
Number of ordinary shares in issue ('000)	129,668	129,668	129,668	129,668
Basic earnings per share (sen)	<u>9.71</u>	<u>(1.27)</u>	<u>13.65</u>	<u>2.21</u>

(ii) Diluted EPS

The diluted earnings per ordinary share is not presented as the market value of the ordinary shares of the Company is lower than the exercise price for the outstanding warrants and any exercise of warrants would result in anti-dilution.

29. Profit for the period

Profit for the period has been arrived at:

	<u>Individual Quarter</u>		<u>Cumulative Period</u>	
	<u>3 months ended</u>		<u>12 months ended</u>	
	<u>31.05.15</u>	<u>31.05.14</u>	<u>31.05.15</u>	<u>31.05.14</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
After charging:-				
Depreciation & amortization	1,239	1,158	4,845	4,825
Inventories written down	(927)	905	82	2,099
Bad debts written off	-	2,051	5	2,224

PENSONIC HOLDINGS BERHAD (300426-P)
(Incorporated in Malaysia)

29. Profit for the period (cont'd)

Profit for the period has been arrived at (cont'd):

	<u>Individual Quarter</u>		<u>Cumulative Period</u>	
	<u>3 months ended</u>		<u>12 months ended</u>	
	<u>31.05.15</u>	<u>31.05.14</u>	<u>31.05.15</u>	<u>31.05.14</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
After charging:-				
Gain on disposal of property, plant and equipment	8,420	-	8,465	-
Net (loss) / gain on foreign exchange	970	410	(78)	187
Government grants	374	142	890	437

30. Authorization for Issue

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Board of Directors dated 24 July 2015.

BY ORDER OF THE BOARD

Yeong Ah Lek
Secretary
Date: 24 July 2015