

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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED 31 MAY 2016**

**PENSONIC HOLDINGS BERHAD (300426-P)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 MAY 2016 (Unaudited)**

	Note	Individual Quarter 3 months ended		Cumulative Period 12 months ended	
		31.05.16 RM'000	31.05.15 RM'000	31.05.16 RM'000	31.05.15 RM'000
Revenue	9	103,485	90,036	386,114	385,503
Cost of sales		(79,661)	(71,229)	(306,844)	(312,790)
Gross profit		23,824	18,807	79,270	72,713
Other operating income		385	10,845	1,530	11,842
Interest income		19	15	182	176
Operating expenses		(18,230)	(15,798)	(64,107)	(62,418)
<b>Results from operating activities</b>		5,998	13,869	16,875	22,313
Finance costs		(1,409)	(791)	(5,229)	(4,473)
<b>Operating profit</b>		4,589	13,078	11,646	17,480
Share of profit of equity accounted associates		37	11	37	11
<b>Profit before tax</b>		4,626	13,089	11,683	17,851
Tax expense	21	(106)	(338)	(354)	(420)
<b>Profit for the period</b>	29	4,520	12,751	11,329	17,431
<b>Other comprehensive income, net of tax</b>					
Foreign currency translation differences		(265)	105	187	202
<b>Total comprehensive income for the period</b>		4,255	12,856	11,516	17,633
<b>Profit attributable to:</b>					
Shareholders of the Company		4,524	12,744	11,351	17,727
Non-controlling interests		(4)	7	(22)	(296)
		4,520	12,751	11,329	17,431
<b>Total comprehensive income attributable to:</b>					
Shareholders of the Company		4,259	12,849	11,538	17,929
Non-controlling interests		(4)	7	(22)	(296)
		4,255	12,856	11,516	17,633
Basic earnings per ordinary share (sen)	28	3.49	9.83	8.75	13.67
Diluted earnings per ordinary share (sen)	28	3.36	9.83	8.63	13.67

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 May 2015 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 2016 (Unaudited)**

	Note	Unaudited 31.05.2016 RM'000	Audited 31.05.2015 RM'000
<b>ASSETS</b>			
Property, plant and equipment		95,193	98,302
Investment properties		481	489
Investments in associates		296	259
Intangible assets		1,061	1,043
Deferred tax assets		67	31
<b>Total non-current assets</b>		<u>97,098</u>	<u>100,124</u>
Inventories		70,545	61,172
Trade and other receivables		70,713	68,950
Current tax assets		881	749
Cash and cash equivalents		27,544	34,173
<b>Total current assets</b>		<u>169,683</u>	<u>165,044</u>
<b>TOTAL ASSETS</b>		<u>266,781</u>	<u>265,168</u>
<b>EQUITY</b>			
Share capital		64,834	64,834
Reserves		52,435	43,490
<b>Total equity attributable to owners of the Company</b>		<u>117,269</u>	<u>108,324</u>
Non-controlling interests		(29)	(7)
<b>TOTAL EQUITY</b>		<u>117,240</u>	<u>108,317</u>
<b>LIABILITIES</b>			
Loans and borrowings	25	18,802	28,608
Deferred tax liabilities		186	45
<b>Total non-current liabilities</b>		<u>18,988</u>	<u>28,653</u>
Loans and borrowings	25	80,241	67,041
Trade and other payables		50,312	61,110
Current tax liabilities		-	47
<b>Total current liabilities</b>		<u>130,553</u>	<u>128,198</u>
<b>Total liabilities</b>		<u>149,541</u>	<u>156,851</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>266,781</u>	<u>265,168</u>
<b>Net assets per share attributable to equity holders (RM)</b>		0.90	0.84

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 May 2015 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 2016 (Unaudited)**

	← Attributable to owners of the Company →							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	Other reserve RM'000	Retained earnings RM'000	Total RM'000		
<b>At 1 June 2014</b>	64,834	2,837	381	4,488	6,483	-	16,550	<b>95,573</b>	(300)	<b>95,273</b>
Foreign currency translation differences	-	-	202	-	-	-	-	<b>202</b>	-	<b>202</b>
Profit for the period	-	-	-	-	-	-	17,726	<b>17,726</b>	(296)	<b>17,430</b>
<b>Total comprehensive income for the period</b>	-	-	202	-	-	-	17,726	<b>17,928</b>	(296)	<b>17,632</b>
Dividend to owners of the Company	-	-	-	-	-	-	(4,538)	<b>(4,538)</b>	-	<b>(4,538)</b>
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	589	<b>589</b>
Premium paid on acquisition of non-controlling interests	-	-	-	-	-	(639)	-	<b>(639)</b>	-	<b>(639)</b>
<b>At 31 May 2015</b>	<b>64,834</b>	<b>2,837</b>	<b>583</b>	<b>4,488</b>	<b>6,483</b>	<b>(639)</b>	<b>29,738</b>	<b>108,324</b>	<b>(7)</b>	<b>108,317</b>
<b>At 1 June 2015</b>	64,834	2,837	583	4,488	6,483	(639)	29,738	<b>108,324</b>	(7)	<b>108,317</b>
Foreign currency translation differences	-	-	187	-	-	-	-	<b>187</b>	-	<b>187</b>
Profit for the period	-	-	-	-	-	-	11,351	<b>11,351</b>	(22)	<b>11,329</b>
<b>Total comprehensive income for the period</b>	-	-	187	-	-	-	11,351	<b>11,538</b>	(22)	<b>11,516</b>
Dividend to owners of the Company	-	-	-	-	-	-	(2,593)	<b>(2,593)</b>	-	<b>(2,593)</b>
<b>At 31 May 2016</b>	<b>64,834</b>	<b>2,837</b>	<b>770</b>	<b>4,488</b>	<b>6,483</b>	<b>(639)</b>	<b>38,496</b>	<b>117,269</b>	<b>(29)</b>	<b>117,240</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 May 2015 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 2016 (Unaudited)**

	12 months ended	
	31.05.2016	31.05.2015
Note	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit before taxation	11,684	17,851
Adjustments for:		
Depreciation of property, plant and equipment	6,144	4,835
Depreciation of investment properties	8	8
Interest expense	5,229	4,473
Interest income	(182)	(176)
Plant and equipment written off	630	-
Gain on disposal of plant and equipment	(58)	(8,487)
Share of profit of associates, net of tax	(37)	(11)
Operating profit before changes in working capital	23,418	18,493
Changes in working capital:		
Inventories	(9,373)	18,677
Trade and other receivables	(1,763)	(42)
Trade and other payables	(10,798)	(9,007)
Cash generated from operations	1,484	28,121
Income tax (paid) / refunded	(430)	1,047
<b>Net cash generated in operating activities</b>	1,054	29,168
<b>Cash flows used in investing activities</b>		
Interest received	182	176
Purchase of property, plant and equipment	(4,387)	(15,342)
Proceeds from disposal of plant and equipment	780	9,419
Net outflow of acquisition of shares in subsidiary company	-	(50)
<b>Net cash used in investing activities</b>	(3,425)	(5,797)
<b>Cash flows from financing activities</b>		
Drawdown of term loans	-	30,372
Repayment of term loans	(10,514)	(8,242)
Drawdown/(Repayment) of finance lease liabilities, net	692	(305)
Drawdown/(Repayment) of borrowings, net	7,112	(17,377)
Interest paid	(5,229)	(5,093)
Withdrawal /(Placement) of pledged fixed deposits	1,470	(526)
Dividend paid	(2,593)	(2,593)
<b>Net cash used in from financing activities</b>	(9,062)	(3,764)
<b>Net (decrease)/increase in cash and cash equivalents</b>	(11,433)	19,607
<b>Cash and cash equivalents at beginning of period</b>	26,940	6,438
Effect of exchange differences on cash and cash equivalents	170	895
<b>Cash and cash equivalents at end of period</b>	15,677	26,940

**PENSONIC HOLDINGS BERHAD (300426-P)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)  
FOR THE QUARTER ENDED 31 MAY 2016 (Unaudited)**

	<b>12 months ended</b>	
	<b>31.05.2016</b>	<b>31.05.2015</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash and cash equivalents comprised the following:</b>		
Cash and bank balances	25,130	30,410
Bank overdrafts	(10,791)	(4,687)
Short term deposits with licensed banks	2,414	3,763
	<u>16,753</u>	<u>29,486</u>
Fixed deposits pledged to bank	<u>(1,076)</u>	<u>(2,546)</u>
	<u>15,677</u>	<u>26,940</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 May 2015 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 2016 (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 2015. 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 2015.

##### **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 2015.

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 12, *Disclosure of Interests in Other Entities – Investment Entities :Applying the Consolidation Exception*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosure initiative*
- 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*

## **PENSONIC HOLDINGS BERHAD (300426-P)**

(Incorporated in Malaysia)

### **2. Significant Accounting Policies (cont'd)**

*MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016 (cont'd)*

- 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.

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current period ended 31 May 2016.

### **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**

No dividend has been paid during the quarter under review.

On 17 November 2015, shareholders of the Company have approved the final single tier dividend of 2.0 sen per ordinary share in respect of the financial year ended 31 May 2015. The dividend amount to RM2.59 million was paid on 31 December 2015.



## **PENSONIC HOLDINGS BERHAD (300426-P)**

(Incorporated in Malaysia)

### **9. Segmental Information**

#### (i) Operating Segments

The Group has three 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 Chief Executive Chairman and Managing Director review internal management reports at least on a quarterly 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 - investment holding activities, provision of management services and leases offices

**PENSONIC HOLDINGS BERHAD (300426-P)**

(Incorporated in Malaysia)

**9. Segmental Information (cont'd)**

## (i) Operating Segments (cont'd)

	<b>For the 12 months ending 31.05.2016</b>					
	Manufacturing	Trading	Others	Total	Elimination	Consolidated Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	321	385,793	-	386,114	-	386,114
Inter-segment revenue	113,994	8,678	5,855	128,527	(128,527)	-
	<u>114,315</u>	<u>394,471</u>	<u>5,855</u>	<u>514,641</u>	<u>(128,527)</u>	<u>386,114</u>
<b>Segment profit</b>	<u>1,452</u>	<u>13,149</u>	<u>(2,926)</u>	<u>11,675</u>	<u>8</u>	<u>11,683</u>
<i>Included in the measure of segment profit are:</i>						
Depreciation and amortisation	(3,089)	(1,713)	(1,350)	(6,152)	-	(6,152)
Interest income	14	148	20	182	-	182
Net gain / (loss) on foreign exchange	(184)	(603)	-	(787)	-	(787)
Inventories provision	(401)	(168)	-	(569)	-	(569)
Provision for doubtful debt	986	(201)	-	785	-	785
Property, plant and equipment written off	(630)	-	-	(630)	-	(630)
Gain on disposal of property, plant and equipment	30	28	-	58	-	58
<i>Not included in the measure of segment profit but provided to Group Managing Director:</i>						
Finance costs	(1,423)	(2,426)	(1,380)	(5,229)	-	(5,229)
<b>Segment assets</b>	<u>85,568</u>	<u>186,833</u>	<u>100,844</u>	<u>373,245</u>	<u>(107,900)</u>	<u>265,345</u>
<i>Included in the measure of segment assets are:</i>						
Additions to non-current assets others than financial instruments and deferred tax assets	1,018	3,214	152	4,384	-	4,384

**PENSONIC HOLDINGS BERHAD (300426-P)**

(Incorporated in Malaysia)

**9. Segmental Information (cont'd)**

## (i) Operating Segments (cont'd)

	<b>For the 12 months ending 31.05.2015</b>					
	Manufacturing	Trading	Others	Total	Elimination	Consolidated Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	1,096	384,407	-	385,503	-	385,503
Inter-segment revenue	69,910	9,827	10,998	90,735	(90,735)	-
	<u>71,006</u>	<u>394,234</u>	<u>10,998</u>	<u>476,238</u>	<u>(90,735)</u>	<u>385,503</u>
<b>Segment profit</b>	<u>9,809</u>	<u>12,313</u>	<u>4,104</u>	<u>26,226</u>	<u>(8,375)</u>	<u>17,851</u>
<i>Included in the measure of segment profit are:</i>						
Depreciation and amortisation	(3,137)	(1,520)	(186)	(4,843)	-	(4,843)
Interest income	60	93	23	176	-	176
Net gain / (loss) on foreign exchange	102	1,218	-	1,320	-	1,320
Bad debts written off	(19)	(5)	-	(24)	-	(24)
Gain on disposal of property, plant and equipment	8,442	45	-	8,487	-	8,487
<i>Not included in the measure of segment profit but provided to Group Managing Director:</i>						
Finance costs	(844)	(2,738)	(891)	(4,473)	-	(4,473)
<b>Segment assets</b>	<u>87,662</u>	<u>191,416</u>	<u>117,816</u>	<u>396,894</u>	<u>(132,938)</u>	<u>263,956</u>
<i>Included in the measure of segment assets are:</i>						
Additions to non-current assets others than financial instruments and deferred tax assets	1,199	2,290	19,472	22,961	-	22,961

## 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>31.05.2016</u>	<u>31.05.2015</u>	<u>31.05.2016</u>	<u>31.05.2015</u>
	Segment Revenue			
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Malaysia	72,192	61,217	258,015	256,358
Other Asia countries	30,937	28,063	126,799	128,029
Others	356	756	1,300	1,116
	<u>103,485</u>	<u>90,036</u>	<u>386,114</u>	<u>385,503</u>

	<u>As at</u>	
	<u>31.05.2016</u> <u>31.05.2015</u>	
	Segment Assets	
	<u>RM'000</u>	<u>RM'000</u>
Malaysia	241,756	243,702
Other Asian countries	23,507	19,790
Others	82	464
	<u>265,345</u>	<u>263,956</u>

### 10. Property, Plant and Equipment

During the current financial period ended 31 May 2016, the Group has acquired assets at a cost of RM4.4 million (31 May 2015: RM23.0 million) including RM1.3 million of finance liabilities. (31 May 2015: RM0.4 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.

### 12. Changes in Composition of the Group

There were no changes in the composition of the Group since the last annual reporting period.

**PENSONIC HOLDINGS BERHAD (300426-P)**

(Incorporated in Malaysia)

**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 was 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:

	<u>Individual Quarter</u>		<u>Cumulative Period</u>	
	<u>3 months ended</u>		<u>12 months ended</u>	
	<u>31.05.2016</u>	<u>31.05.2015</u>	<u>31.05.2016</u>	<u>31.05.2015</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Sale of goods to an associate				
-Pensonic (B) Sdn Bhd	1,612	402	2,644	1,031

**16. Disclosure of Realised and Unrealised Retained Earnings**

	<u>Unaudited</u>	<u>Audited</u>
	<u>31.05.2016</u>	<u>31.05.2015</u>
	<u>RM'000</u>	<u>RM'000</u>
- realised	39,625	30,518
- unrealised	765	1,168
	<u>40,390</u>	<u>31,686</u>
Total retained earnings of associates		
- realised	43	55
Less: Consolidation adjustments	(1,937)	(2,003)
Total retained earnings	<u>38,496</u>	<u>29,738</u>

## PENSONIC HOLDINGS BERHAD (300426-P)

(Incorporated in Malaysia)

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2016 (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 revenues of RM103.5 million for the current quarter as compared to RM90 million reported in the corresponding quarter last year, it represent increase of RM13.5 million or 14.9%. The increase in revenue mainly contributes by local market.

Although the Group posted a higher revenue but the Group profit before tax is lower which is RM4.6 million compare to RM13.1 million. The main reason is due to gain on disposal of property of RM8.5 million recognized in corresponding quarter last year.

###### For the 12 months ended

Despite this challenging macro environment in year 2016, the Group still able maintain its revenue. As for the 12 months ended 31 May 2016, the Group's revenue registered at RM386.1 million compared with RM385.5 million last year.

However, the Group has posted a lower profit before tax of RM11.7 million compare to RM17.8 million corresponding to last year. The lower profit is mainly due to in corresponding quarter last year there was gain on disposal of property of RM8.5 million. Furthermore, the improvement in our operational efficiency has further strengthened our gain in Group operating profits compare to previous year. The Group has conducted efficient cost control exercise and cutting losses of non-performing division in order to maintain a sustainable growth business model in the coming future.

##### 18. Variation of results Against Preceding Quarter

	<b>Current Quarter 31.05.2016 RM'000</b>	<b>Immediate Preceding Quarter 29.02.2016 RM'000</b>	<b>Variance Increased/ (decreased)</b>	
			<b>RM'000</b>	<b>%</b>
- Revenue	103,485	92,241	11,244	12.2%
- Profit Before Tax	4,626	1,885	2,741	>100%

The revenue for the fourth quarter is higher by 12.2% or RM11.2 million than preceding quarter and both local and oversea sales contribute equally on the increase.

The Group reported significant increase in profit before tax by RM2.7 million to RM 4.6 million compared with RM1.9 million in the preceding quarter, mainly resulted from forex impact recognised in current quarter.

## **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:

	<u>Individual Quarter</u>		<u>Cumulative Period</u>	
	<u>3 months ended</u>		<u>12 months ended</u>	
	<u>31.05.2016</u>	<u>31.05.2015</u>	<u>31.05.2016</u>	<u>31.05.2015</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current tax expense	106	338	354	420
	106	338	354	420

Domestic income tax rate is calculated at the Malaysian statutory tax rate of 24% (2015: 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**

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:

	<b>Unaudited 31.05.2016 RM'000</b>	<b>Audited 31.05.15 RM'000</b>
<b><u>Current</u></b>		
<b>Unsecured</b>		
Bank overdraft	10,791	4,446
Bankers' acceptance	58,468	49,829
	<u>69,259</u>	<u>54,275</u>
<b>Secured</b>		
Bank overdraft	-	241
Bankers' acceptance	143	1,670
Term loans	10,444	10,579
Finance lease liabilities	395	276
	<u>10,982</u>	<u>12,766</u>
	<u>80,241</u>	<u>67,041</u>
<b><u>Non – current</u></b>		
<b>Secured</b>		
Term loans	17,600	27,979
Finance lease liabilities	1,202	629
	<u>18,802</u>	<u>28,608</u>
	<u>18,802</u>	<u>28,608</u>
<b><u>Currency Denominated In</u></b>		
Ringgit Malaysia ("MYR")	99,043	95,649
	<u>99,043</u>	<u>95,649</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 2016.

**27. Dividend**

A first interim single tier dividend of 1.0 sen per ordinary share for the financial year ended 31 May 2016 have been declared on 25 July 2016 by the Board and payable on 15 September 2016.

The Board also recommends final dividend of 2.0 sen per ordinary share for the financial year ended 31 May 2016, 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.



**PENSONIC HOLDINGS BERHAD (300426-P)**

(Incorporated in Malaysia)

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

	<b>Individual Quarter</b>		<b>Cumulative Period</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.05.2016</b>	<b>31.05.2015</b>	<b>31.05.2016</b>	<b>31.05.2015</b>
Net profit for the period attributable to owners of the Company (RM'000)	4,524	12,744	11,351	17,727
Number of ordinary shares in issue ('000)	129,668	129,668	129,668	129,668
Basic earnings per share (sen)	<u>3.49</u>	<u>9.83</u>	<u>8.75</u>	<u>13.67</u>

**(ii) Diluted EPS**

	<b>Individual Quarter</b>		<b>Cumulative Period</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.05.2016</b>	<b>31.05.2015</b>	<b>31.05.2016</b>	<b>31.05.2015</b>
Net profit for the period attributable to owners of the Company (RM'000)	4,524	12,744	11,351	17,727
Weighted average number of ordinary shares ('000)	134,729	129,668	131,754	129,668
Diluted earnings per share (sen)	<u>3.36</u>	<u>9.83</u>	<u>8.63</u>	<u>13.67</u>

**29. Profit for the period**

Profit for the period has been arrived at:

	<b>Individual Quarter</b>		<b>Cumulative Period</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.05.2016</b>	<b>31.05.2015</b>	<b>31.05.2016</b>	<b>31.05.2015</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>After charging / (crediting):-</b>				
Depreciation & amortization	1,546	1,237	6,152	4,843
Inventories provision	395	-	569	1,009
Bad debts written off	-	19	-	24
Plant and equipment written off	206	-	630	-
Provision for doubtful debt	208	(376)	(785)	(378)
Gain on disposal of property, plant and equipment	(24)	(8,442)	(58)	(8,487)
Net (Gain)/loss on foreign exchange	(3,616)	272	787	(1,320)
Government grants	(353)	(374)	(939)	(890)
	<u></u>	<u></u>	<u></u>	<u></u>

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

**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 26 July 2016.

**BY ORDER OF THE BOARD**

Yeong Ah Lek  
Secretary  
Date: 26 July 2016