CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2016

	3 Months 31/3/2016	Individual Quarter 3 Months Ended 31/3/2016 31/3/2015 RM'000 RM'000		e Year iod Ended 31/3/2015 RM'000
Revenue	28,599	19,351	RM'000 28,599	19,351
Cost of goods sold	(20,024)	(14,761)	(20,024)	(14,761)
Gross profit	8,575	4,590	8,575	4,590
Other income	324	317	324	317
Administrative expenses Distribution costs Other expenses	(3,936) (653) (70)	(2,587) (849) (45)	(3,936) (653) (70)	(2,587) (849) (45)
Operating profit	4,240	1,426	4,240	1,426
Finance costs	(2)	(2)	(2)	(2)
Profit before taxation	4,238	1,424	4,238	1,424
Taxation	(836)	(1)	(836)	(1)
Profit for the period	3,402	1,423	3,402	1,423
Profit attributable to : Owners of the Parent Non-controlling interests	3,169 233 3,402	1,751 (328) 1,423	3,169 233 3,402	1,751 (328) 1,423
Profit per share attributable to owners of the parent (sen) : Basic	2.31	1.31	2.31	1.31
- Diluted	N/A	N/A	N/A	N/A

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2016

	Individual 3 Months		Cumulative Year Financial Period Ended
	31/3/2016 RM'000	31/3/2015 RM'000	31/3/2016 31/3/2015 RM'000 RM'000
Profit for the Period	3,402	1,423	3,402 1,423
Other comprehensive loss: Translation of foreign operations	-	(51)	- (51)
Other comprehensive loss net of tax	-	(51)	- (51)
Total comprehensive income for the period	3,402	1,372	3,402 1,372
Total comprehensive income attributable to: Owners of the Parent Non-controlling interests	3,169 233	1,700 (328)	3,169 1,700 233 (328)
	3,402	1,372	3,402 1,372

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	Unaudited As at 31/3/2016 RM'000	Audited As at 31/12/2015 RM'000
ASSETS		
Non Current Assets		
Property, plant and equipment	41,298	42,042
Intangible assets	10,804	10,856
	52,102	52,898
Current Assets		
Inventories	9,015	6,543
Trade receivables	21,340	15,906
Other receivables, deposits and prepayments	5,722	5,819
Derivative financial assets	600	6
Deposits, cash and bank balances	16,991	15,382
1	,	,
	53,668	43,656
TOTAL ASSETS	105,770	96,554
EQUITY AND LIABILITIES Equity Attributable To Owners of the Parents		
Share capital	71,285	68,620
Reserves	10,824	7,410
Non Controlling interest	82,109	76,030
Non-Controlling interest	2,054 84,163	1,821 77,851
Total Equity	04,103	17,001
Non Current Liabilities		
Hire-purchase payables	400	141
Deferred income	1,231	1,131
Deferred tax liabilities	2,585	2,505
	4,216	3,777
Current Liabilities		
Trade payables	8,223	4,520
Other payables and accrued liabilities	7,663	9,170
Derivative financial liabilities	-	199
Short term bank borrowings	175	101
Provision for taxation	1,330	936
	17,391	14,926
Total Liabilities	21,607	18,703
	21,007	10,700
TOTAL EQUITY AND LIABILITIES	105,770	96,554

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2016

◆ Attributable to Owners of the Parent ──						Non-	Total
		Non Distributable Distributable				controlling	Equity
	Share Capital	Share Premium	Exchange Fluctuation Reserve	Retained Profits	Total	Interest	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2016	68,620	5,545	-	1,865	76,030	1,821	77,851
Transaction with owners: Issuance of shares at premium	2,665	245	-	-	2,910	-	2,910
Total comprehensive income for the period	-	-	-	3,169	3,169	233	3,402
As at 31 March 2016	71,285	5,790	-	5,034	82,109	2,054	84,163

	← Attributable to Owners of the Parent —					Non-	Total
		Non Dis	Non Distributable Distributab			controlling	Equity
	Share Capital	Share Premium	Exchange Fluctuation Reserve	Retained Profits	Total	Interest	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2015	66,622	4,865	59	(10,088)	61,458	1,484	62,942
Total comprehensive income for the period	-	-	(59)	1,751	1,692	(328)	1,364
Foreign currency translation differences on foreign operation	-	-	-	8	8	-	8
As at 31 March 2015	66,622	4,865	-	(8,329)	63,158	1,156	64,314

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2016

	Note	3 Months ended 31/3/2016 RM'000	3 Months ended 31/3/2015 RM'000
Cash Flows From Operating Activities			
Profit before taxation		4,238	1,424
Adjustments for -			
Amortisation of intangible assets		273	363
Bad debts written off		-	1
Deferred income released		(267)	(205)
Depreciation		647	635
Interest expense		2	2
Interest income		(50)	(6)
Inventories written down		-	3
Gain on disposal of property, plant and equipment		-	(71)
Gain from change in fair value of forward foreign			` ,
exchange contract		(793)	(313)
Reversal of write down of inventories		(1)	` -
Unrealised loss on foreign exchange		1,063	55
Operating profit before working capital changes		5,112	1,888
Increase in inventories		(2,470)	(858)
(Increase)/Decrease in receivables		(5,431)	5,986
Increase/(Decrease) in payables		2,228	(4,290)
Cash (used in)/generated from operations		(561)	2,726
Grant received		367	-
Interest paid		(2)	(2)
Tax paid		(361)	(126)
Net cash (used in)/generated from operating activities		(557)	2,598

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2016

Interest received 50 6 Proceeds from disposal of property, plant & equipment 50 (505) (972) Purchase of property, plant & equipment (505) (972) Purchase of intangible assets (221) (29) Net cash used in investing activities (676) (908) Cash Flows From Financing Activities Proceeds from issuing of share capital Repayment of finance lease liabilities (68) (32) Net cash generated from/(used in) financing activities 2,842 (32) Net Increase In Cash And Cash Equivalents 1,609 1,658 Cash And Cash Equivalents Brought Forward 15,382 8,382 Foreign currency exchange differences on opening balance - (51) Cash And Cash Equivalents Carried Forward 16,991 9,989		Note	3 Months ended 31/3/2016 RM'000	3 Months ended 31/3/2015 RM'000
Proceeds from disposal of property, plant & equipment Purchase of property, plant & equipment Purchase of intangible assets Net cash used in investing activities Cash Flows From Financing Activities Proceeds from issuing of share capital Repayment of finance lease liabilities Net cash generated from/(used in) financing activities Net lncrease In Cash And Cash Equivalents Cash And Cash Equivalents Brought Forward Foreign currency exchange differences on opening balance - 87 87 87 88 87 87 87 87 87 87	Cash Flows From Investing Activities	NOIC	KW 000	IXIII 000
Purchase of property, plant & equipment (505) (972) Purchase of intangible assets (221) (29) Net cash used in investing activities (676) (908) Cash Flows From Financing Activities Proceeds from issuing of share capital Repayment of finance lease liabilities (68) (32) Net cash generated from/(used in) financing activities 2,842 (32) Net Increase In Cash And Cash Equivalents 1,609 1,658 Cash And Cash Equivalents Brought Forward 15,382 8,382 Foreign currency exchange differences on opening balance - (51)	Interest received		50	6
Purchase of intangible assets (221) (29) Net cash used in investing activities (676) (908) Cash Flows From Financing Activities Proceeds from issuing of share capital 2,910 - Repayment of finance lease liabilities (68) (32) Net cash generated from/(used in) financing activities 2,842 (32) Net Increase In Cash And Cash Equivalents 1,609 1,658 Cash And Cash Equivalents Brought Forward 15,382 8,382 Foreign currency exchange differences on opening balance - (51)	Proceeds from disposal of property, plant & equipment		-	87
Net cash used in investing activities (676) (908) Cash Flows From Financing Activities Proceeds from issuing of share capital 2,910 - Repayment of finance lease liabilities (68) (32) Net cash generated from/(used in) financing activities 2,842 (32) Net Increase In Cash And Cash Equivalents 1,609 1,658 Cash And Cash Equivalents Brought Forward 15,382 8,382 Foreign currency exchange differences on opening balance - (51)	Purchase of property, plant & equipment		(505)	(972)
Cash Flows From Financing Activities Proceeds from issuing of share capital 2,910 - Repayment of finance lease liabilities (68) (32) Net cash generated from/(used in) financing activities 2,842 (32) Net Increase In Cash And Cash Equivalents 1,609 1,658 Cash And Cash Equivalents Brought Forward 15,382 8,382 Foreign currency exchange differences on opening balance - (51)	Purchase of intangible assets		(221)	(29)
Proceeds from issuing of share capital 2,910 - Repayment of finance lease liabilities (68) (32) Net cash generated from/(used in) financing activities 2,842 (32) Net Increase In Cash And Cash Equivalents 1,609 1,658 Cash And Cash Equivalents Brought Forward 15,382 8,382 Foreign currency exchange differences on opening balance - (51)	Net cash used in investing activities		(676)	(908)
Repayment of finance lease liabilities(68)(32)Net cash generated from/(used in) financing activities2,842(32)Net Increase In Cash And Cash Equivalents1,6091,658Cash And Cash Equivalents Brought Forward15,3828,382Foreign currency exchange differences on opening balance-(51)	Cash Flows From Financing Activities			
Net cash generated from/(used in) financing activities 2,842 (32) Net Increase In Cash And Cash Equivalents 1,609 1,658 Cash And Cash Equivalents Brought Forward 15,382 Foreign currency exchange differences on opening balance - (51)	Proceeds from issuing of share capital		2,910	-
Net Increase In Cash And Cash Equivalents 1,609 1,658 Cash And Cash Equivalents Brought Forward 15,382 8,382 Foreign currency exchange differences on opening balance - (51)	Repayment of finance lease liabilities		(68)	(32)
Cash And Cash Equivalents Brought Forward15,3828,382Foreign currency exchange differences on opening balance-(51)	Net cash generated from/(used in) financing activities		2,842	(32)
Foreign currency exchange differences on opening balance (51)	Net Increase In Cash And Cash Equivalents		1,609	1,658
<u> </u>	Cash And Cash Equivalents Brought Forward		15,382	8,382
	Foreign currency exchange differences on opening balance		-	(51)
	Cash And Cash Equivalents Carried Forward		16,991	9,989

Notes To The Interim Financial Report For Quarter Ended 31 March 2016

1 Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The figures for the cumulative period in the current quarter to 31 March 2016 have not been audited.

The interim financial statements should be read in conjunction with the audited financial statements of the Company and its subsidiaries ("Group") for the year ended 31 December 2015.

The Group has adopted the Malaysian Financial Reporting Standard (MFRS) framework issued by MASB with effect from 1 January 2012. This MFRS framework was introduced by the MASB in order to fully converge Malaysia's existing Financial Reporting Standards ("FRS") framework with the International Financial Reporting Standards ("IFRS") framework issued by the International Accounting Standards Board. The transition from the previous FRSs to the new MFRSs has no impact on the Group financial position, financial performance, cash flows and the notes to the financial statements.

The Group has also adopted all the new and revised MFRSs and IC Interpretations that are relevant and effective for accounting periods beginning on or after 1 January 2012. The adoption of these new and revised MFRSs and IC Interpretations have not resulted in any material impact on the financial statements of the Group.

2 Audit Report of Preceding Annual Financial Statements

The audit report of the Group's most recent annual audited financial statements for the year ended 31 December 2015 was not subject to any qualification.

3 Seasonal and Cyclical Factors

The Group sells its products and services to customers from various sub-sectors of the semiconductor and manufacturing industries. As such, the Group's performance will, to a certain extent, depend on the outlook and cyclical nature of the semiconductor and manufacturing industries.

4 Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

5 Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

Notes To The Interim Financial Report For Quarter Ended 31 March 2016

6 Valuations of Property, Plant and Equipment

The carrying values of property, plant and equipment have been brought forward, without amendment from the previous audited financial statements.

7 Changes in Share Capital and Debt

As at 31 March 2016, the issued and paid up ordinary share capital of the Company was RM71,285,025.

The movements during the quarter under review were as follows:-

	No. of	RM
	Shares	
As at 1 January 2016	137,240,350	68,620,175
Second tranche Private Placement on 29 March 2016	5,329,700	2,664,850
As at 31 March 2016	142,570,050	71,285,025

Other than the above, there were no issuances, cancellations, repurchases and repayments of debt and equity securities for the period under review.

8 Contingent Liabilities

	Compa	any
	As at 31/3/2016 RM'000	As at 31/12/2015 RM'000
Corporate guarantee given by the Company for banking facilities extended by financial institution to subsidiary companies		
- Limit	30,000	18,000
- Amount utilised		<u> </u>

9 Capital Commitments

The Company had on 19 March 2015 announced that its wholly owned subsidiary, Pentamaster Technology (M) Sdn Bhd, had on the same day, entered into a sale and purchase agreement with The Penang Development Corporation ("PDC") for the proposed acquisition of a piece of leasehold land for a total cash consideration of RM5,015,490 out of which a total payment of 40% of the purchase price, which is equivalent to RM2,006,196 had been paid to PDC up to 31 March 2016.

Notes To The Interim Financial Report For Quarter Ended 31 March 2016

10 Segmental Information

Results for the period ended 31 March 2016

	Automated Equipment	Automated Manufacturing Solution	Smart Control Solution System	Adjustment	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External Revenue	21,349	6,583	458	209	28,599
Inter-segment revenue	1,693	1,429	18	(3,140)	-
Total revenue	23,042	8,012	476	(2,931)	28,599
Results					
Segment results	4,355	510	(445)	(180)	4,240
Finance cost	0	-	(2)	-	(2)
Profit/(Loss) before taxation	4,355	510	(447)	(180)	4,238
Taxation	(835)	(1)	-	-	(836)
Profit/(Loss) after taxation	3,520	509	(447)	(180)	3,402

Results for the period ended 31 March 2015

Automated Equipment	Automated Manufacturing Solution	Smart Control Solution System	Adjustment	Total
RM'000	RM'000	RM'000	RM'000	RM'000
7,540	11,811	-	-	19,351
1	50		(51)	-
7,541	11,861		(51)	19,351
(739)	2,389	1	(225)	1,426
(2)	-	-	-	(2)
(741)	2,389	1	(225)	1,424
(1)	-	-	-	(1)
(742)	2,389	1	(225)	1,423
	Equipment RM'000 7,540 1 7,541 (739) (2) (741)	Automated Equipment Solution RM'000 RM'000 7,540 11,811 1 50 7,541 11,861 (739) 2,389 (2) - (741) 2,389 (1) -	Automated Equipment Manufacturing Solution Solution RM'000 RM'000 RM'000 7,540 11,811 - 1 50 - 7,541 11,861 - (739) 2,389 1 (2) - - (741) 2,389 1 (1) - -	Automated Equipment Manufacturing Solution Solution Adjustment RM'000 RM'000 RM'000 RM'000 7,540 11,811 - - 1 50 (51) 7,541 11,861 (51) (739) 2,389 1 (225) (2) - - - (741) 2,389 1 (225) (1) - - -

PENTAMASTER CORPORATION BERHAD (572307-U)

("Company")

Notes To The Interim Financial Report For Quarter Ended 31 March 2016

11 Profit Before Tax

	Current Quarter	Current Year to Date
	RM'000	RM'000
Profit before tax is arrived at after		
crediting/(charging):		
Depreciation and amortisation	(790)	(790)
Foreign exchange loss	(1,356)	(1,356)
Gain on derivatives	793	793
Interest income	50	50
Interest expense	(2)	(2)
Reversal of written down of		
Inventories	1	1

12 Events Subsequent to the End of the Period

Other than the material litigation disclosed in Note 24 below, there are no material events subsequent to the end of the period under review that have not been reflected in the interim financial statements.

Notes To The Interim Financial Report For Quarter Ended 31 March 2016

13 Review of Performance

The Group recorded higher revenue at RM28.6 million in the current quarter as compared to RM19.3 million registered in the corresponding quarter last year. The higher revenue recorded was mainly due to increase in sales from automated equipment operating segment and revenue contribution from smart control solution system which was partially offset by the lower revenue from automated manufacturing solution operating segment. Due to the higher revenue achieved and better product mix secured, the Group recorded a higher profit before tax of RM4.2 million in the current quarter as compared to the pre-tax profit of RM1.4 million in the previous corresponding quarter.

Performance of the respective operating segments for the current quarter as compared to the previous corresponding quarter is analysed as follows:-

1) Automated equipment

This segment recorded an increase in revenue by RM13.8 million to RM21.3 million as compared to the previous corresponding quarter mainly due to higher demand for automated equipment from semiconductor market. Consequently, this segment recorded a higher profit before tax of RM4.4 million against loss before tax of RM0.7 million in the previous corresponding quarter mainly attributable to higher revenue recorded coupled with better product mix with higher margin achieved.

2) Automated manufacturing solution

Revenue from this segment was RM5.2 million lower than the previous corresponding quarter mainly due to lower demand for the integrated manufacturing solution from customers in current quarter. As a result, this segment recorded a lower profit before tax of RM0.5 million as compared to profit before tax of RM2.4 million in the previous corresponding quarter.

3) Smart control solution system

For the current quarter under review, this segment achieved total revenue of RM0.5 million with the loss before tax of RM0.4 million.

PENTAMASTER CORPORATION BERHAD (572307-U)

("Company")

Notes To The Interim Financial Report For Quarter Ended 31 March 2016

Material Changes in the Quarterly Results as Compared with the Preceding Quarter

For the first quarter ended 31 March 2016, the Group recorded higher revenue at RM28.6 million as compared to the revenue of RM19.3 million in the preceding quarter. The higher revenue recorded was mainly due to increase in sales contribution from both automated equipment operating segment and automated manufacturing solution operating segment which was partially offset by the lower revenue from smart control solution system. Due to the higher revenue achieved and better product mix secured, the Group recorded a higher profit before tax of RM4.2 million in the current quarter as compared to the pre-tax profit of RM2.4 million in the preceding quarter.

Performance of the respective operating segments for the first quarter ended 31 March 2016 as compared to the preceding quarter is analysed as follows:-

1) Automated equipment

The increase in revenue by RM10.6 million in the current quarter to RM21.3 million as compared to the preceding quarter was mainly due to higher demand for automated equipment from semiconductor market coupled with the delivery of projects which were deferred in the preceding quarter. Consequently, this segment achieved a higher profit before tax of RM4.4 million as compared to RM2.6 million in preceding quarter mainly attributable to higher revenue recorded.

2) Automated manufacturing solution

Revenue from this segment was RM1.2 million higher than the preceding quarter mainly due to higher demand for the integrated manufacturing solution from customers in the current quarter. Due to the increase in revenue and better product mix secured, this segment recorded a profit before tax of RM0.5 million in the current quarter as compared to the loss before tax of RM0.9 million in the preceding quarter.

3) Smart control solution system

Revenue from this segment was RM2.5 million lower than the preceding quarter. Revenue from this segment is dependent on progress billing based on stage of work done of projects. As a result of lower revenue achieved, this segment recorded loss before tax of RM0.4 million as compared to the profit before tax of RM2.2 million in preceding quarter.

Notes To The Interim Financial Report For Quarter Ended 31 March 2016

15 Current Year Prospect

Looking ahead and despite the challenging economic climate, we are cautiously optimistic of the prospect for year 2016. The Group will continue to focus on growth in its core competencies and product development to broaden its product portfolio to stay ahead of competition and remain relevant.

16 Profit Forecast or Profit Guarantee

There was no profit forecast or profit guarantee issued by the Group.

17 Taxation

The taxation charge for the current quarter and year to date is as follows –

	Current Quarter RM'000	Current Year to Date RM'000
Income tax payable	(756)	(756)
Deferred tax resulting from the origination and reversal of temporary differences	(80)	(80)
or temporary unrerences	(836)	(836)

18 Changes in the Composition of the Group

During the quarter, there were no changes in the composition of the Group.

Notes To The Interim Financial Report For Quarter Ended 31 March 2016

19 Corporate Proposals

The Company had on 9 September 2015 announced that the Company proposes to undertake a private placement of up to 10% of the issued and paid-up share capital of Pentamaster, representing 13,324,305 new ordinary shares of RM0.50 each, to independent third party investor(s) to be identified and at an issue price to be determined later.

Such proposed private placement has been given approval by Bursa Malaysia Securities Berhad ("Bursa Securities") vide its letter dated 7 October 2015 where Bursa Securities has resolved to approve the listing and quotation of up to 13,324,305 new ordinary shares of RM0.50 each in Pentamaster. The announcement was made by the Company on 8 October 2015.

The first tranche of the Proposed Private Placement comprising 3,997,300 Placement Shares at RM0.67 per placement share was completed on 31 December 2015. The second and third tranche of the Proposed Private Placement comprising 5,329,700 and 1,997,283 placement shares at RM0.546 and RM0.56 per placement share were completed on 29 March 2016 and 15 April 2016 respectively.

20 Status of Utilisation of Proceeds

The utilization of the gross proceeds of RM5,588,207 raised from the first and second tranche of the Private Placement as at the end of the reporting quarter is as follows:-

Purpose	Proposed Utilisation RM'000	Gross proceeds Received RM'000	Actual Utilisation RM'000	Intended timeframe for Utilisation from completion of the Proposed Private Placement	Balance RM'000
General working capital Estimated expenses in relation to	8,094	5,488	2,678	Within one (1) year	2,810
the Proposed Private Placement	100	100	75	Upon completion	25
	8,194	5,588	2,753		

Note 1

Note 1: The above proposed utilisation was based on the expected gross proceeds raised which was calculated based on the indicative issue price of RM0.615 per placement share as announced on 9 September 2015.

Notes To The Interim Financial Report For Quarter Ended 31 March 2016

21 Borrowings

The Group's borrowings as at the end of the reporting quarter are as follows:-

Short term borrowings (unsecured)	RM'000
Hire purchase creditor	175
Long term borrowings (unsecured)	
Hire purchase creditor	400
Total utilisation	575

All borrowings are denominated in Ringgit Malaysia.

22 Derivative Financial Instruments

As at the date of the statement of financial position 31 March 2016, the Group has the following outstanding derivative financial instruments:

Derivatives	Contract or Notional amount (RM'000)	Fair value Net gain/(loss) (RM'000)	Purpose
Currency forward contracts: -Less than 1 year	10,524	600	For hedging currency risk arising from sales proceeds in foreign currencies

For the quarter ended 31 March 2016, there have been no significant changes to the Group's exposure to credit risk, market risk and liquidity risk from the previous financial year. Also, there have been no changes to the Group's risk management objectives, policies and processes since the previous financial year end. Financial instruments are viewed as risk management tools by the Group and are not used for trading or speculative purposes.

Notes To The Interim Financial Report For Quarter Ended 31 March 2016

23 Disclosure of Realised and Unrealised Profits/Losses

	As at 31/3/2016 (RM'000)	As at 31/12/2015 (RM'000)
Total Unappropriated profits/accumulated losses of Pentamaster Corporation Berhad and its subsidiaries:		
- Realised - Unrealised	12,248 (3,321)	(2,730) (620)
	8,927	(3,350)
Add: Consolidation adjustment	(3,893)	5,215
Unappropriated profits as per financial statements	5,034	1,865

24 Material Litigations

Pentamaster Instrumentation Sdn Bhd ("PUSB"), a subsidiary company of Pentamaster Corporation Berhad ("PMCB") had on 27 January 2016 via its solicitors served a writ of summons in respect of a civil suit against QAV Technologies Sdn Bhd for patent infringement by using a product and/or a process falling within the scope of protection of the Patents.

Subsequently, the Company had on 28 March 2016 announced that the High Court of Malaya at Kuala Lumpur has allowed PUSB's application to add Elsoft Research Berhad, AGS Automation (M) Sdn Bhd and Lumileds Malaysia Sdn Bhd respectively as the 2nd, 3rd and 4th Defendants in the suit.

The suit is not expected to have any operational impact on PMCB Group. Any financial impact on PMCB Group arising from the suit cannot be determined at this juncture.

PENTAMASTER CORPORATION BERHAD (572307-U)

("Company")

Notes To The Interim Financial Report For Quarter Ended 31 March 2016

25 Dividends

The Board of Directors does not recommend any dividend in respect of the quarter ended 31 March 2016.

26 Basic Profit Per Share

The calculation of basic profit per share for the period is based on the net profit attributable to ordinary shareholders for the quarter and the financial period divided by the weighted average number of ordinary shares in issue during the quarter and the financial period.

	3 Months Ended 31/3/2016 RM'000	3 Months Ended 31/3/2015 RM'000
Profit attributable to owners of the Parent	3,169	1,751
Weighted average number of ordinary shares of RM0.50 each	137,474,623	133,243,050
Profit per share attributable to owners of the Parent (sen)	2.31	1.31

BY ORDER OF THE BOARD

LIM KIM TECK Secretary 21 April 2016