

## PENSONIC HOLDINGS BERHAD (300426-P)

Stock Name : PENSONI  
Type : General Announcement  
Subject : Acquisition of 100% stake in Angkasa Pensonic Trading Sdn. Bhd. (“Angkasa Pensonic”) by the Company through its wholly owned subsidiary, Keat Radio Co. Sdn Bhd and eventual restructuring of Angkasa Pensonic to facilitate a joint-venture arrangement

### 1. INTRODUCTION

The Board of Directors of Pensonic Holdings Berhad (“Pensonic” or the “Company”) wishes to announce that the Company through its wholly owned subsidiary, Keat Radio Co. Sdn Bhd (“KRC”) has acquired two (2) ordinary shares, representing 100 % of the entire issued capital of Angkasa Pensonic Trading Sdn Bhd (“Angkasa Pensonic”) from Dato’ Seri Chew Weng Khak @ Chew Weng Kiak (“Dato’ Seri Chew”) and Chew Chuon Jin for RM2 only (“the Acquisition”).

Angkasa Pensonic will be a wholly owned subsidiary of Pensonic upon completion of the Acquisition.

The purchase consideration of RM2 is nominal and financed through internally generated funds. The quantum was based on willing-buyer willing-seller basis after considering Angkasa Pensonic’s dormant status and its minimal net loss position in respect of financial year ended 31 May 2018. There are no liabilities to be assumed by Pensonic Group arising from the Acquisition.

The Acquisition, a related party transaction (“RPT”), is in line with internal planning to acquire a dormant company to serve as a vehicle for Pensonic’s participation in a joint venture with Angkatan Koperasi Kebangsaan Berhad (“Angkasa”) and two other parties (collectively “Parties” or “Party” individually) (“Proposed JV”) for the purpose of marketing and distribution of electrical household appliances and related products to members of Angkasa.

Subsequent to the Acquisition, Angkasa Pensonic will be capitalized at RM30,000 represented by 30,000 ordinary shares to be contributed by the 4 parties as tabulated below. Pensonic’s stake in Angkasa Pensonic will be diluted to 40%.

No.	Parties	Holding RM	Holding %
(a)	Pensonic <sup>(1)</sup>	12,000	40
(b)	Angkasa <sup>(2)</sup>	6,000	20
(c)	Angkasa Kowaris Technologies Sdn Bhd (“Angkasa Kowaris”) <sup>(3)</sup>	6,000	20
(d)	CHG Capital Sdn Bhd (“CHG”) <sup>(4)</sup>	6,000	20
Total		30,000	100

#### Note

- (1) Pensonic will be represented by its wholly owned subsidiary, Keat Radio Co. Sdn. Bhd. KRC shall supply electrical household appliances and related products, manage the business operations and assist in marketing of the products.
- (2) MyAngkasa Holdings Sdn Bhd (“MyAngkasa”), a wholly owned subsidiary of Angkasa will be its representative in Angkasa Pensonic. My Angkasa will make available its customer network for the marketing and distribution of the products.
- (3) Angkasa Kowaris is a third-party information technology (“IT”) service provider. Angkasa Kowaris will be responsible for all IT management and related functions.

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- (4) CHG is a logistic services and solutions provider responsible for the logistic arrangements for product delivery to purchasers. It is a private limited liability company where Dato' Tan Ah Lee and Tan Kian Guan are shareholders. Dato' Tan Ah Lee is the brother-in-law of Dato' Seri Chew.

As the single largest shareholder in Angkasa Pensonic with 40% equity stake upon conclusion of the capitalisation exercise, Pensonic also have control over the Board composition and operational management in Angkasa Pensonic.

Given the above, the Group recognised Angkasa Pensonic as a subsidiary pursuant to the definition set out in MFRS10: Consolidated Financial Statements.

All four (4) contributors to Angkasa Pensonic will enter into a Shareholders' Agreement to formalize their relationship and management of activities within Angkasa Pensonic.

## **2. FINANCIAL EFFECTS OF THE ACQUISITION AND PROPOSED JV**

The Acquisition and the eventual Proposed JV will not have any effects on the issued and paid-up share capital and substantial shareholders' shareholding of PHB as there is no issue of new shares for the Acquisition nor the Proposed JV.

The Acquisition will have no impact on Group's earnings, net assets and gearing of PHB for the financial year ending 31 May 2019. The eventual Proposed JV is to catalyze further expansion of the Group's business in the domestic market and in turn, contribute positively to future earnings of the Group. Nonetheless, the Proposed JV is not expected to have any material impact on Group's earnings, net assets and gearing for the financial year ending 31 May 2019.

The highest percentage ratio applicable to the Proposed Acquisition as per Paragraph 10.02(g) Chapter 10 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is negligible as consideration is only RM2.

## **3. RISK FACTORS**

The Board is not aware of any risks arising from the Acquisition or the Proposed JV.

## **4. APPROVAL**

The Acquisition and Proposed JV do not require the approval of shareholders of the Company or other relevant authorities.

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**5. DIRECTORS AND MAJOR SHAREHOLDERS' INTERESTS AND PERSON CONNECTED TO DIRECTORS AND MAJOR SHAREHOLDERS**

Mr Chew Chuon Ghee, the Managing Director and substantial shareholder of Pensonic is the Director of Angkasa Pensonic. Dato' Seri Chew and Chew Chuon Jin are shareholders of Angkasa Pensonic. Dato' Seri Chew is the Executive Chairman and major shareholder of Pensonic. Mr Chew Chuon Jin, the Executive Director & CEO of Pensonic, Mr Chew Chuon Ghee, the Managing Director of Pensonic and Mr Chew Chuon Fang, the Executive Director of Pensonic, are the sons of Dato' Seri Chew. All four (4) of them are collectively referred to as "Interested Directors".

As such, all four (4) of them had declared their interest in the Proposed Acquisition and duly abstained from voting in respect thereof.

Save as disclosed, none of the Directors and / or major shareholders and / or person connected with a Director or major shareholder have any interest, direct or indirect, in the Acquisition and Proposed JV.

**6. STATEMENT BY AUDIT COMMITTEE AND THE BOARD OF DIRECTORS**

The Audit Committee and the Board of Directors, save and except for the Interested Directors, having considered the nature and rationale for the Acquisition and eventual Proposed JV, were of the view that the Acquisition and Proposed JV are in the best interests of the Group, fair, reasonable and on normal commercial terms and not detrimental to the interests of the minority shareholders as the Acquisition and Proposed JV are entered into in the ordinary course of business on normal commercial terms and not detrimental to the interest of the minority shareholders.

This announcement is dated 15 April 2019.