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**PENSONIC®**

**PENSONIC HOLDINGS BERHAD**

Registration No. 199401014746 (300426-P)  
(Incorporated in Malaysia)

**STATEMENT TO SHAREHOLDERS IN RELATION TO**

**PROPOSED AUTHORITY FOR THE COMPANY TO BUY-BACK ITS OWN SHARES**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

The resolution in respect of the above proposal will be tabled at the Extraordinary General Meeting of Pensonic Holdings Berhad (the “Company” or “PHB”). Notice of the Extraordinary General Meeting which will be held at 1165, Lorong Perindustrian Bukit Minyak 16, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Penang on Friday, 18 September 2020 at 2.00 pm, together with the Form of Proxy are enclosed together herein.

The Form of Proxy shall be deposited at the Registered Office of the Company at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia not less than forty-eight (48) hours before the time set for holding the Extraordinary General Meeting.

The lodging of the Form of Proxy will not preclude you from attending and voting at the meeting if you subsequently wish to do so.

The last day and time for you to lodge the Form of Proxy is on Wednesday, 16 September 2020 at 2.00 pm.

This Circular is 3 September 2020

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## DEFINITIONS

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Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

- Act** – The Companies Act 2016 as amended from time to time and any re-enactment thereof
- AGM** – Annual General Meeting
- Board or Board of Directors** – The Board of Directors of PHB
- Bursa Securities** – Bursa Malaysia Securities Berhad
- Code** – Malaysian Code on Takeovers and Mergers, 2016 as amended from time to time.
- Constitution** – Constitution of the Company
- Directors** – Has the same meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon a director of PHB, its subsidiaries or holding company or chief executive officer of PHB, its subsidiaries or holding company
- EGM** – Extraordinary General Meeting
- EPS** – Earnings per Share
- Listing Requirements** – Main Market Listing Requirements of the Bursa Securities including any amendments to the Listing Requirements that may be made from time to time
- LPD** – Latest practicable date of 21 August 2020
- Major Shareholder** – A person who has an interest or interests in one or more voting shares in the corporation and the issued shares or the aggregate number of such shares is:-  
(a) 10% or more of the total number of voting shares in PHB; or  
(b) 5% or more of the total number of voting shares in PHB where such person is the largest shareholder of PHB.  
For the purpose of this definition, “interest” shall have meaning of “interest in shares” given in Section 8 of the Act.  
A major shareholder includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a major shareholder of the Company or any other company which is its subsidiaries or holding company.
- NA** – Net Assets

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**DEFINITIONS (cont'd)**

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- Person(s) Connected** – Such person, in relation to any person (referred to as “said Person”) means such person who falls under any one of the following categories:-
- (i) a family member of the said Person;
  - (ii) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;
  - (iii) a partner of the said Person;
  - (iv) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;
  - (v) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;
  - (vi) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
  - (vii) a body corporate which is a related corporation of the said Person.
- PHB or Company** – Pensonic Holdings Berhad
- PHB Group or Group** – PHB and its subsidiaries
- Proposed Share Buy-Back** – Proposed Authority for the Company to buy-back its own shares.
- RM and Sen** – Ringgit Malaysia and sen, respectively
- SC** – Securities Commission Malaysia
- Shares or PHB Shares** – Ordinary Shares in the Company

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# PENSONIC®

## PENSONIC HOLDINGS BERHAD

Registration No. 199401014746 (300426-P)  
(Incorporated in Malaysia)

### Registered Office:

170-09-01 Livingston Tower,  
Jalan Argyll, 10050 George Town,  
Pulau Pinang

3 September 2020

### Directors

Dato' Seri Chew Weng Khak @ Chew Weng Kiak, *Group Executive Chairman*

Chew Chuon Ghee, Vincent, *Group Managing Director*

Chew Chuon Jin, Dixon, *Group Chief Executive Officer*

Chew Chuon Fang, Nelson, *Group Executive Director*

Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim, *Independent Non-Executive Director*

Dato' Tahir Jalaluddin Bin Hussain, *Independent Non-Executive Director*

Ong Huey Min, Lindy, *Independent Non-Executive Director*

To: **The Shareholders of PHB**

Dear Sir/Madam,

## **STATEMENT OF PROPOSED AUTHORITY FOR THE COMPANY TO BUY-BACK ITS OWN SHARES**

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### 1.0 INTRODUCTION

On 30 July 2020, the Company made announcement to Bursa Securities that the Company intends to undertake the purchase of ordinary shares of the Company of up to ten per centum (10%) of the total issued shares of the Company.

The purpose of this Statement is to provide you with the details of the Proposed Share Buy-Back and to seek your approval for the ordinary resolution to be tabled at the forthcoming EGM of the Company.

**YOU ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS STATEMENT INCLUDING THE APPENDIX CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK TO BE TABLED AT THE FORTHCOMING EGM**

### 2.0 DETAILS OF THE PROPOSED SHARE BUY-BACK

#### 2.1 Proposed share buy-back

The Company proposes to seek the approval from shareholders of PHB to enable the Company to purchase and/or hold from time to time and at any time up to ten per centum (10%) of the total issued shares of the Company at the point of purchase. In accordance with Section 127 of the Act, and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase, the Company is allowed to purchase its own Shares on the Bursa Securities through its appointed stockbroker(s) as approved by Bursa Securities.

As at LPD, issued share capital of PHB is RM67,670,893.00 comprising 129,668,000 shares. Hence, subject to shareholder's approval, a total of up to 12,966,800 PHB Shares may be purchased by the Company. Assuming the Warrants are fully exercised, the number of issued share capital will increase to 194,502,000 shares and accordingly, a maximum of 19,450,200 shares may be purchased by the Company pursuant to the Proposed Share Buy-Back.

The Proposed Share Buy-Back, if approved, will be effective upon the passing of the ordinary resolution at the forthcoming EGM and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time the authority will lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting,

whichever occurs first.

## **2.2 Pricing**

Pursuant to the Listing Requirements, the Company may only purchase its own Shares on the Bursa Securities at a price not more than fifteen per centum (15%) above the weighted average market price of the Shares for the five (5) market days immediately preceding the date(s) of purchase(s).

The Company may only resell the Treasury Shares on the Bursa Securities at:

- (a) a price which is not less than the weighted average market price of the Shares for the five (5) market days immediately before the resale; or
- (b) a discounted price of not more than five per centum (5%) to the weighted average market price of the Shares for the five (5) market days immediately before the resale provided that:
  - (i) the resale takes place no earlier than thirty (30) days from the date of purchase; and
  - (ii) the resale price is not less than the cost of purchase of the Shares being resold.

## **2.3 Treatment of Shares Purchased**

Pursuant to the provisions of Section 127 of the Act, the Company may either retain the Purchased Shares as Treasury Shares or cancel the Purchased Shares or a combination of both. The Purchased Shares held as Treasury Shares may either be distributed as share dividends, resold on Bursa Securities in accordance with the relevant rules of Bursa Securities, subsequently cancelled or any combination of the three. The distribution of Treasury Shares as share dividends may be applied as a reduction of the retained profits of the Company subject to any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase.

To date, the Company has yet to determine the manner of which the Purchased Shares are to be treated. However, the Board will deal with the Purchased Shares in accordance with Section 127 of the Act and will make an immediate announcement to Bursa Securities regarding the treatment of the Purchased Shares, whether the Shares purchased will be cancelled, retained as Treasury Shares, distributed as dividend to the shareholders and/or resold on Bursa Securities, or to retain part of the Purchased Shares and cancel the remainder or a combination of above, once determined.

## **2.4 Ranking**

While the Purchased Shares are held as Treasury Shares, Section 127(9) of the Act states that the rights attached to them as to voting, dividends and participation in other distribution and otherwise are suspended. The Treasury Shares shall not be taken into account in calculating the number or percentage of PHB Shares or of a class of PHB Shares for any purposes including substantial shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

## **3.0 SOURCE OF FUND**

The Proposed Share Buy-Back will be financed through internally generated funds and/or bank borrowings. The maximum amount of funds to be utilised by the Company for the Proposed Share Buy-Back shall not exceed the retained profits of the Company.

The retained profits of the Company, based on the latest audited and unaudited financial statements of the Company as at 31 May 2019 and 31 May 2020 are RM7,969,457 and RM16,985,826 respectively.

In the event that the Company intends to purchase its own shares using bank borrowings, the Board shall ensure that the Company shall have sufficient funds to repay the external borrowings and that the repayment would not have any material effect on the cash flow of the Group. The Board will ensure that the Company satisfies the solvency test as stated in Section 112(2) of the Act before implementation of the proposed Share Buy-Back.

#### **4.0 RATIONALE FOR THE PROPOSED SHARE BUY-BACK**

Proposed Share Buy-Back will give the Directors the flexibility to purchase Shares, if and when circumstances permit, with a view to enhance the EPS of the Group and NA per share of the Company.

The Proposed Share Buy-Back is not expected to have any potential material disadvantage to the Company and the shareholders and it will be exercised only after due consideration of financial resources of PHB Group and of the resultant impact on its Shareholders. The Board in exercising any decision to buy-back any PHB Shares will be mindful of the interests of the Company and the Shareholders.

#### **5.0 POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK**

The Proposed Share Buy-Back, if exercised, is expected to potentially benefit the Company and its shareholders as follows:

##### **5.1 Potential Advantages**

- (i) The Company would expect to enhance the EPS of the Group (in the case where the Directors resolve to cancel the Shares so purchased and/or retain the Shares in treasury and the Treasury Shares are not subsequently resold), and thereby long-term and genuine investors are expected to enjoy a corresponding increase in the value of their investments in the Company;
- (ii) If the Shares bought back are kept as Treasury Shares, it will give the Directors an option to sell the Shares so purchased at a higher price and therefore make an exceptional gain for the Company. Alternatively, the Shares so purchased can be distributed as share dividends to reward shareholders;
- (iii) The Company may be able to stabilise the supply and demand of its Shares in the open market and thereby supporting its fundamental values;
- (iv) It allows the Company flexibility in attaining its desired capital structure; and
- (v) It will enable the Company to utilise its surplus financial resources which is not immediately required for other usage as an additional option to utilise its financial resources more efficiently.

##### **5.2 Potential Disadvantages**

- (i) The Proposed Share Buy-Back, if exercised, will reduce the financial resources of the Company and may result in the Company having to forego other alternative investment opportunities which may emerge in the future or, at the least, deprive the Company interest income that can be derived from the funds utilised for the Proposed Share Buy-Back Mandate; and
- (ii) The Proposed Share Buy-Back if implemented, may result in a lower amount of cash reserves available for distribution in the form of cash dividends to shareholders. However, the financial resources of the Company may increase upon resale of the Purchased Shares held as Treasury Shares at prices higher than the purchased price.

The Proposed Share Buy-Back is not expected to have any potential material disadvantage to the Company and its shareholders, other than as disclosed above, as it will be exercised only after consideration of the financial resources of the Group and of the resultant impact on its shareholders.

Nevertheless, the Board will be mindful of the interest of the Company and its shareholders in undertaking the Proposed Share Buy-Back and the subsequent resale of Treasury Shares on Bursa Securities.

## 6.0 EFFECTS OF THE PROPOSED SHARE BUY-BACK

Assuming that the Proposed Share Buy-Back is implemented in full by the Company, the effect of the Proposed Share Buy-Back on the issued shares, EPS, NA, working capital and dividends are as set out below:-

### 6.1 Share Capital

Based on the number of issued shares of PHB and assuming full exercise of the Warrants, the maximum number of shares which can be bought back pursuant to the proposed Share Buy-Back are detailed as below:

Share Capital	Based on existing share capital No. of shares	Assuming full exercise of the Warrants No. of shares
Existing as at LPD	129,668,000	129,668,000
Add: new shares arising from the exercise of the Warrants	-	64,834,000
Enlarged share capital	129,668,000	194,502,000
Less: maximum number of Shares that may be purchased	(12,966,800)	(19,450,200)
Issued share capital after the Proposed Share Buy-Back	116,701,200	175,051,800

However, there should be no effect on the issued shares of PHB if the Shares so purchased are retained as Treasury Shares.

### 6.2 EPS

The effect of the Proposed Share Buy-Back on the EPS of the Group will depend on the purchase price(s) of the Shares and the actual number of Shares bought back. The reduced issued shares subsequent to the Proposed Share Buy-Back will generally have a positive impact, all else being equal, on the Group's EPS.

### 6.3 NA

The effect of the Proposed Share Buy-Back on the NA per share of the Group is dependent on the purchase price(s) of the Shares purchased. If the purchase price is less than the audited NA per share of the Group at the time of purchase, the NA per share will increase. Conversely, if the purchase price exceeds the audited NA per share of the Group at the time of purchase, the NA per share will decrease.

### 6.4 Working Capital

The Proposed Share Buy-Back is likely to reduce the working capital of the Group, the quantum of which depends on, amongst others, the number of Shares purchased, the purchase price of the Shares and any associated costs incurred in making the purchase.

However, if the Purchased Shares kept as Treasury Shares are resold on Bursa Securities, the working capital of the Group would increase if the Company realises a gain from the resale. The quantum of the increase in the working capital will depend on the actual selling price of the Treasury Shares and the number of Treasury Shares resold.

### 6.5 Dividends

The Proposed Share Buy-Back may reduce the amount of distributable reserves available for payment of dividend in the immediate future.



## **7.0 IMPLICATION OF THE CODE**

Pursuant to the Code, a person and any person acting in concert with him, will be obliged under Part II of the Code to make a mandatory offer for the remaining Shares of the Company not already owned by him/them if he and/or persons acting in concert with him hold more than 33% but less than 50% of the voting shares of the Company and has inadvertently increased his/their shareholdings by 2% or more in any six (6) month period.

However, an exemption from a mandatory general offer may be granted by the SC under Practice Note 9 of the Code, subject to the substantial shareholder(s) and/or the person(s) acting in concert complying with conditions stipulated in the said practice note, if the obligation is triggered as a result of any action that is outside their direct participation.

Should such circumstances arise and if required, the substantial shareholder(s) and/or the person(s) acting in concert are expected to make an application to the SC for the waiver from implementing a mandatory general offer under the Code, before implementing the Proposed Share Buy-Back.

In the event the proposed waiver is not granted by the SC, the Company will only proceed with Proposed Share Buy-Back to the extent that it will not contravene the limit as provided under the Code.

There is no implication relating to the Code on the Company's shareholders arising from the Proposed Share Buy-Back, in the event the Share Buy-Back is implemented in full.

## **8.0 PUBLIC SHAREHOLDING SPREAD**

As at LPD, the public shareholdings spread of the Company was approximately 50.09%. Assuming the Proposed Share Buy-Back Mandate is implemented in full, and the number of ordinary shares held by the Substantial Shareholders, Directors and persons connected to the Substantial Shareholders and/or Directors remain unchanged, the public shareholdings spread of the Company will decrease.

The Company will only undertake the Proposed Share Buy-Back, provided that the public shareholding spread of at least 25% of the issued shares of PHB (excluding treasury shares) are in the hands of public shareholders. The Board is mindful of the compliance with the public shareholding spread as required by the Listing Requirements and will take into consideration the requirement when making any purchase of PHB Shares pursuant to the Proposed Share Buy-Back Mandate.

## 9.0 INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED

The Directors, Major Shareholders and persons connected to the Directors and/or Major Shareholders of PHB Group have no direct or indirect interest in the Proposed Share Buy-Back Mandate and/or the resale of Treasury Shares, if any.

The proforma table below shows the equity interests held directly and indirectly in PHB by the Directors and Substantial shareholders of PHB as at LPD before and after the Proposed Share Buy-Back:-

Minimum scenario: assuming none of the Warrants are exercised and 12,966,800 shares are buy-back by PHB.

Maximum scenario: assuming all Warrants in issued are fully exercised and 19,450,200 shares are buy-back by PHB.

	As at LPD No. of shares held		As at LPD No. of warrants held		After minimum scenario No. of shares held		After maximum scenario No. of shares held							
	Direct	%	Indirect	%	Direct	%	Direct	%						
<b>Directors</b>														
Dato' Seri Chew Weng Khak @ Chew Weng Kiak	9,867,200	7.610	32,024,924 <sup>^</sup>	24.698	8,400,000	11,089,912*	9,867,200	8.455	32,024,924 <sup>^</sup>	27.442	18,267,200	10.435	43,114,836 <sup>^</sup>	24.630
Chew Chuon Jin, Dixon	7,898,400	6.091	16,800#	0.013	5,485,700	10,000#	7,898,400	6.768	16,800#	0.014	13,384,100	7.646	26,800#	0.015
Chew Chuon Ghee, Vincent	8,704,000	6.713	-	-	2,002,000	-	8,704,000	7.458	-	-	10,706,000	6.116	-	-
Chew Chuon Fang, Nelson	6,181,000	4.767	-	-	2,877,000	-	6,181,000	5.296	-	-	9,058,000	5.174	-	-
<b>Major shareholder</b>														
Chew Weng Khak Realty Sdn Bhd	25,824,924	19.916	-	-	10,669,912	-	25,824,924	22.129	-	-	36,494,836	20.848	-	-
Dato' Seri Chew Weng Khak @ Chew Weng Kiak	9,867,200	7.610	28,024,924 <sup>^</sup>	21.613	8,400,000	11,089,912*	9,867,200	8.455	28,024,924 <sup>^</sup>	24.014	18,267,200	10.435	39,114,836*	22.345

	As at LPD No. of shares held			As at LPD No. of warrants held			After minimum scenario No. of shares held			After maximum scenario No. of shares held		
	Direct	%	Indirect	%	Direct	Indirect	Direct	Indirect	%	Direct	Indirect	%
<b>Person connected to Directors and/or Major shareholders</b>												
Datin Seri Tan Ah Nya @ Tan Bee Tiang	2,200,000	1.697	-	-	420,000	-	2,200,000	1.885	-	2,620,000	1.497	-
Tan Guat See	16,800	0.013	-	-	10,000	-	16,800	0.014	-	26,800	0.015	-
Dato' Tan Ah Lee	365,000	0.281	-	-	182,000	-	365,000	0.313	-	547,000	0.312	-
Chew Chun Chia, Nick	2,000,000	1.542	-	-	-	-	2,000,000	1.714	-	2,000,000	1.143	-
Chew Pei Gee	2,000,000	1.542	-	-	-	-	2,000,000	1.714	-	2,000,000	1.143	-

Note:

By virtue of his interest of more than 20% in the ordinary shares of the Company, Dato' Seri Chew Weng Khak @ Chew Weng Kiak is also deemed to have interest in the ordinary shares of all the subsidiaries to the extent that the Company has an interest.

\* These shares are held in the name of spouse and Chew Weng Khak Realty Sdn Bhd.

^ These shares are held in the name of spouse, children and Chew Weng Khak Realty Sdn Bhd.

# These shares are held in the name of spouse.

## 10.0 SHARE PRICES

The monthly highest and lowest prices of the Shares traded on the Bursa Securities for the last twelve (12) months from August 2019 to July 2020 are as follows:

Month	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July
Highest Price (RM)	0.390	0.395	0.400	0.365	0.335	0.325	0.330	0.320	0.300	0.315	0.320	0.335
Lowest Price (RM)	0.385	0.355	0.300	0.310	0.300	0.310	0.310	0.190	0.190	0.260	0.260	0.295

*(Source: Bloomberg)*

The last transacted price of PHB Shares on LPD, being the LPD prior to the printing of this Circular was RM0.340.

## 11.0 DIRECTORS' RECOMMENDATION

The Board, having considered all aspects of the Proposed Share Buy-Back, is of the opinion that the Proposed Share Buy-Back is in the best interests of the Group. Accordingly, the Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Share Buy-Back Mandate to be tabled at the forthcoming EGM.

Yours faithfully  
For and on behalf of the Board of  
**PENSONIC HOLDINGS BERHAD**

**Dato' Seri Chew Weng Khak @ Chew Weng Kiak**  
Group Executive Chairman

**FURTHER INFORMATION****1. RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Board and the Directors collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

**2. MATERIAL LITIGATION**

Neither PHB nor any of its subsidiaries is engaged in any material litigation, claims, or arbitration either as plaintiff or defendant, which has a material effect on the financial position of PHB Group and the Directors are not aware of any proceedings pending or threatened, against PHB Group or of any fact likely to give rise to any proceeding which might materially and adversely affect the position or business of PHB Group.

**3. MATERIAL CONTRACTS**

Neither the Company nor any of its subsidiaries has entered into any material contracts (not being contracts entered into in the ordinary course of business) within 2 years immediately preceding the date of this Circular.

**4. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of PHB at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia during normal office hours from Mondays to Fridays (except public holidays) from the date of this Circular up to the time set for convening the EGM:-

- (a) Constitution of PHB;
- (b) Audited consolidated financial statements of PHB for the past two (2) financial years ended 31 May 2018 and 31 May 2019;
- (c) The latest unaudited results for the financial year ended 31 May 2020.

# **PENSONIC<sup>®</sup>**

## **PENSONIC HOLDINGS BERHAD**

Registration No. 199401014746 (300426-P)

(Incorporated in Malaysia)

### **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Extraordinary General Meeting (“EGM”) of PENSONIC HOLDINGS BERHAD (“PENSONIC” or the “Company”) will be held at 1165, Lorong Perindustrian Bukit Minyak 16, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Penang, on Friday, 18 September 2020 at 2.00 p.m. for the purpose of considering and, if thought fit, passing the following resolution:

#### **AGENDA**

##### **ORDINARY RESOLUTION**

##### **AUTHORITY FOR THE COMPANY TO BUY-BACK ITS OWN SHARES**

“THAT subject to the Act, provisions of the Company’s Constitution, the Main Market Listing Requirements (“Listing Requirements”) of Bursa Securities and the approvals of all relevant regulatory authorities and parties, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company on the Main Market of Bursa Securities and/or hold from upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that:-

- (i) the aggregate number of ordinary shares purchased (“Purchased Share(s)”) and/or held as treasury shares pursuant to this ordinary resolution shall not exceed 10% of the total number of issued shares of the Company at any point in time;
- (ii) the maximum funds to be allocated by the Company for the Proposed Share Buy-Back shall not exceed the total retained profits of the Company at the time of the purchase. As at the latest financial year ended 31 May 2019, the audited retained profits stood at RM7,969,457;
- (iii) the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this ordinary resolution and will continue to be in force until:-
  - (a) the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time the authority will lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
  - (b) the expiration of the period within which the next AGM is required by law to be held; or
  - (c) revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting,whichever occurs first.
- (iv) upon completion of the purchase(s) of the PHB Shares by the Company, the Directors of the Company be hereby authorised to deal with the PHB Shares in the following manner :-
  - (a) to cancel the PHB Shares so purchased; or
  - (b) to retain the PHB Shares so purchased as treasury shares for distribution as dividend to the shareholders and/ or resale on the market of Bursa Securities and/ or for cancellation subsequently; or

- (c) to retain part of the PHB Shares so purchased as treasury shares and cancel the remainder; or
- (d) in such other manner as the Bursa Securities and such other relevant authorities may allow from time to time.

AND THAT the Board be and is hereby authorised to take all such steps as are necessary or expedient to implement, finalise, complete or to give effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Share Buy-Back.”

By Order of the Board

Ong Tze-En  
MAICSA 7026537 | SSM PC No. 202008003397  
Company Secretary  
Penang

3 September 2020

**Notes:**

1. *A proxy must be of full age. A proxy may but need not be a member. To be valid, this form, duly completed must be deposited at the Registered Office of the Company, 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia not less than forty-eight (48) hours before the time for holding the meeting PROVIDED that in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, Provided Always that the rest of the Form of Proxy, other than the particulars of the proxy have been duly completed by the member(s).*
  2. *A member entitled to attend, participate, speak and vote is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote instead of him. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.*
  3. *Where a member of the Company is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991 (“SICDA”), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
  4. *Where a member is an Exempt Authorized Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“omnibus account”), there is no limit to the number of proxies which the Exempt Authorized Nominee may appoint in respect of each omnibus account it holds. An Exempt Authorized Nominee refers to an authorized nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.*
  5. *If the appointor is a corporation the Form of Proxy must be executed under the corporation’s common seal or under the hand of an officer or attorney duly authorized.*
  6. *For purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors (“ROD”) as at 11 September 2020 and only a Depositor whose name appears on such ROD shall be eligible to attend this meeting or appoint proxy to attend and/or vote on his/her behalf.*
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# PENSONIC®

## PENSONIC HOLDINGS BERHAD

Registration No. 199401014746 (300426-P)  
(Incorporated in Malaysia)

### FORM OF PROXY

CDS Account No.:

No. of shares held:

I/We \_\_\_\_\_ (Full name in Block Letters and NRIC / Company No.)

of \_\_\_\_\_ and \_\_\_\_\_ (Address) (Tel. No.)

being a Member(s) of Pensonic Holdings Berhad, hereby appoint

Full Name (in Block Letters)	NRIC/Passport No.	No. of Shares	% of Shareholding

\* and/or (\*delete if not applicable)

Full Name (in Block Letters)	NRIC/Passport No.	No. of Shares	% of Shareholding

or failing him/her, the CHAIRMAN OF THE MEETING as my/our proxy, to vote for me/us and on my/our behalf at the Extraordinary General Meeting of the Company to be held at 1165, Lorong Perindustrian Bukit Minyak 16, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Penang on Friday, 18 September 2020 at 2.00 pm and at any adjournment thereof, to vote as indicated below:-

Resolutions	For	Against
1 Authority for the Company to buy-back its own shares		

(Please indicate with an "X" in the spaces provided above on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion.)

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2020.

Signature of Member(s) or/ Common Seal

#### Notes:

- A proxy must be of full age. A proxy may but need not be a member.  
To be valid, this form, duly completed must be deposited at the Registered Office of the Company, 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia not less than forty-eight (48) hours before the time for holding the meeting PROVIDED that in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, Provided Always that the rest of the Form of Proxy, other than the particulars of the proxy have been duly completed by the member(s).
- A member entitled to attend, participate, speak and vote is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote instead of him. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- Where a member of the Company is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member is an Exempt Authorized Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the Exempt Authorized Nominee may appoint in respect of each omnibus account it holds. An Exempt Authorized Nominee refers to an authorized nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- If the appointor is a corporation the Form of Proxy must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorized.
- For purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors ("ROD") as at 11 September 2020 and only a Depositor whose name appears on such ROD shall be eligible to attend this meeting or appoint proxy to attend and/or vote on his/her behalf.

#### Personal Data Privacy:

By submitting the duly executed Form of Proxy, the member and his/her proxy consent to the Company and/or its agents/service providers to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the Annual General Meeting of the Company and any adjournment thereof.

FOLD THIS FLAP FOR SEALING

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FOLD HERE

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STAMP

The Company Secretary

**PENSONIC HOLDINGS BERHAD**

Registration No. 199401014746 (300426-P)

170-09-01 Livingston Tower

Jalan Argyll

10050 George Town

Pulau Pinang

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# Administrative Guide

## Extraordinary General Meeting

Day and Date : Friday, 18 September 2020  
Time : 2.00 pm  
Venue : 1165, Lorong Perindustrian Bukit Minyak 16, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Penang

Dear valued shareholders of Pensonic Holdings Berhad (“PHB” or “the Company”)

In view of the Covid-19 pandemic, your safety remains our utmost priority. The Administrative Guide is necessary to introduce safety measures and controls to be undertaken by the Company to safeguard the well-being of all participants during the Extraordinary General Meeting (“EGM”) as well as to comply with the Government and/authorities’ directives and guidelines on public gatherings and events which may be issued from time to time.

The EGM of the Company would be conducted in accordance with the General Operating Procedures to Government and Private Sector (“General SOP”) issued by the Malaysian National Security Council as revised on 6 August 2020 and the revised “Guidance and FAQs on the Conduct of General Meetings for Listed Issuers” (“the Guideline”) issued by the Securities Commission of Malaysia on 15 July 2020.

As the Covid-19 situation continues to evolve, the Company will closely monitor the situation and reserves the right to take further measures as appropriate up to the day of the EGM of the Company, in accordance with the guidelines and/or standard operating procedure issued by the Malaysian Government and other relevant authorities in order to minimise any risk to shareholders and others attending the EGM. The Company would like to thank all participants for their patience and co-operation in enabling us to hold our EGM with optimum safe distancing measures amidst the Covid-19 pandemic. Rest assured, all shareholders/proxies including attendees shall be kept informed of any unexpected changes.

### Parking

1. Free parking is available at the venue.

### Pre-registration to attend the EGM of the Company

2. Shareholders and/or proxy holders who wish to attend the EGM in person are required to pre-register to allow the Company to make the necessary arrangements in relation to the meeting such as infrastructure, logistics and meeting venue(s) to accommodate the meeting participants. Do pre-register by sending an email to Ms Karen Moy, the Group Financial Controller at karenmoy@pensonic.com no later than Wednesday, 16 September 2020 at 2.00 pm.

### Registration

3. Registration shall commence from 1.00 pm at the entrance of the Venue and the counter(s) will remain open until such time as may be determined by the Chairman of the meeting. There will be signages to direct you to the registration area.
4. Kindly produce your original National Registration Identity Card (“NRIC”) or Passport (for foreign shareholder) at the registration counter for verification purposes. Please ensure you collect your NRIC/Passport immediately thereafter. **No person will be allowed to register on behalf of another shareholder/proxy, even with the original NRIC or Passport of that other person.**
5. The registration counter(s) shall manage verification of shareholdings and registration matters only.

### Entitlement to Attend and Vote at the EGM

6. If you wish to attend yourself, please do not submit any Form of Proxy for the EGM. You will not be allowed to attend the EGM together with the proxy appointed by you regardless of how many CDS accounts you may have.
7. For the purpose of determining shareholders who are entitled to attend the EGM, only shareholders whose names appear in the General Meeting Record of Depositors as at **11 September 2020** shall be entitled to attend, participate, speak and vote at the EGM or appoint proxy(ies) to attend, participate, speak and/or vote on their behalf.
8. If you have submitted your Form of Proxy prior to the EGM and subsequently decided to attend the EGM yourself, please proceed to registration counter(s) to revoke the appointment of your proxy before registration.

### Form of Proxy(ies)

9. Shareholders must ensure that the duly executed original Form of Proxy is deposited at the registered office at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia not less than forty-eight (48) hours before the time appointed for holding the meeting.

### Questions relating to the resolutions to be tabled at the Company’s EGM

10. Due to limitation of persons allowed for attending the EGM, shareholders are allowed to submit their questions relating to the Proposed Share Buy-Back in advance of the EGM in the following manner:

- (a) **Via email.** Shareholders may submit their questions via email to the attention of Ms Karen Moy, Group Financial Controller at karenmoy@pensonic.com.
- (b) **By post.** Shareholders may mail their questions by post to the registered office at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia.

When sending in your questions via email or post, please also provide the following details:

- Your full name and address;
- Number of shares held; and
- Contact number

We regret that we will not be able to answer your questions if we are unable to verify your shareholder status.

**Deadline to submit questions.** All questions must reach us no later than **2.00 pm** on **16 September 2020**.

**Addressing questions.** We will endeavour to address all substantial and relevant questions received from shareholders during the EGM. However, as there may be not be sufficient time to address all such questions during the EGM itself, the responses will be sent or emailed to the shareholders at the earliest possible time.

**We wish to inform that as the EGM is for matters tabled, only substantial and relevant questions relating to the Proposed Share Buy-Back as set out in the Notice of the EGM will be addressed.**

The Company will also publish the proceedings of the EGM on its corporate website under the "Investor Relations" section, including the responses to substantial and relevant questions from shareholders.

#### Mobile devices

11. Please ensure that all mobile devices such as phones/other sound emitting devices are put on silent mode during the EGM to ensure smooth and uninterrupted proceedings. Any recording of the proceedings, either vocal or audio visual, is strictly prohibited.

#### Personal Belongings

12. Please take care of your own personal belongings. The Company will not be held responsible/liable for any lost items.

#### Public Health Precautions and Preventive Measures

13. **Registration with MySejahtera, temperature checks, health declaration form and face mask**
- (a) All persons attending the EGM will be required to download the MySejahtera application and check in accordingly, wear a mask at all times, undergo a temperature screening as required by the General SOP. The self-declaration form may be used for the purpose of contact tracing, if required.
- (b) Further to the General SOP, you would not be allowed into the meeting, if your temperature reading is above 37.5°C or you show symptoms of respiratory illness such as sore throat, flu, cough, and/or shortness of breath; or based on your self-declaration, you are advised to self-isolate.
- (c) As a precautionary measure, you are strongly advised not to attend the EGM and to appoint proxy(ies) to attend in your stead, if:
- (i) you are unwell with sore throat, flu, cough, fever, diarrhea and/or shortness of breath; or

- (ii) you have travel history to high risk countries affected by Covid-19 in the past 14 days; or
- (iii) you have contact with a person who is confirmed with Covid-19 infection in the past 14 days.
- (d) The registration and admission for the EGM shall be on **first-come, first-served basis**.

#### 14. No refreshment and no door gifts / good bags

To ensure physical distancing and to reduce the number of crowds at the meeting, there will be no refreshment served nor distribution of door gifts/goody-bags to all attendees of the meeting.

#### 15. Seating arrangement

The seats allocated for attendees at the EGM venue will be maintained at a certain distance from one another as per the General SOP.

#### Enquiries

16. If you have enquiry prior to the EGM, you may contact our Company Secretary during office hours (8.30 am to 5.30 pm) from Monday to Friday at:

##### **Boardroom Corporate Services Sdn. Bhd.**

170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia

T: +604 229 4390

#### Personal Data Policy

By registering and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the member of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The member agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

The Company and its subsidiaries, their officers and employees shall have no liability whatsoever to any and all shareholders, their proxies, corporate representatives or any other party arising out of or in connection with any of them being infected or suspected of being infected with Covid-19 and/or suffering any losses arising out of or in connection with attendance at the EGM and/or measures undertaken by the Company in the Company's sole discretion in response to the Covid-19 pandemic.