

PENSONIC HOLDINGS BERHAD (300426-P)

Stock Name : PENSONI
Type : General Announcement
Subject : Incorporation of a subsidiary in Indonesia
- PT Pensonic Appliances Indonesia

1. INTRODUCTION

The Board of Directors of Pensonic Holdings Berhad (“PHB”) wishes to announce the Company had on 31 July 2017 incorporated a subsidiary in Indonesia under the name of “PT Pensonic Appliances Indonesia” (“PTPAI”) by capitalisation of USD1,000,000 represented by 1,000,000 shares at issue price of USD1 each (“Capitalisation”) with two (2) other parties in the manner as tabulated below with intended principal activity of trading and distribution of home appliances (“Incorporation”):-

Shareholders	Equity holding	Equity holding %
1. Pensonic Holdings Berhad	510,000	51.00
2. Chew Chun Chia	160,000	16.00
3. Alex Tumondo Tan	330,000	33.00
Total	1,000,000	100.00

The composition of the Board of Directors of PTPAI are as follows:

Name	Designation
Dato' Seri Chew Weng Khak @ Chew Weng Kiak	Board of Commissioner
Chew Chuon Jin	Director
Chew Chun Chia	Director
Alex Tumondo Tan	Director

2. RATIONALE FOR THE INCORPORATION

The incorporation of PTPAI is part of the Group's strategic marketing plan to expand the Group's business and market for its range of home appliances.

3. FINANCIAL EFFECTS OF THE INFORMATION

The incorporation is not expected to have any material impact on Group's earnings, net assets and gearing of PHB for the financial year ending 31 May 2018. The incorporation 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 in the Company.

4. APPROVAL

No shareholders' approval is required.

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

Save as disclosed herein, none of the Directors and/or major shareholders and/or persons connected with a Director or a major shareholder of PHB have any interest, direct and indirect in the Capitalisation.

Chew Chun Chia is the son of Dato' Seri Chew Weng Khak @ Chew Weng Kiak and brother of Chew Chuon Jin and Chew Chuon Ghee.

Dato' Seri Chew Weng Khak @ Chew Weng Kiak is deemed to have an interest in the Incorporation arising from his indirect interest in PTPAI through the 16% stake held by Chew Chun Chia.

6. STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors is of the opinion that the incorporation of PTPAI will catalyze further expansion of the Group's business abroad and in turn, contribute to future earnings of the Group.

This announcement is dated 25 August 2017.