

PENSONIC HOLDINGS BERHAD (300426-P)

Stock Name : PENSONI
Type : General Announcement
Subject : Transactions | Chapter 10 of Listing Requirements
Recurrent Related Party Transactions
Description : Purchase of raw materials from PW Jit Seng Plastic Material Sdn Bhd

1. Introduction

Pensonic Holdings Berhad (“Pensonic”) wishes to announce the following recurrent related party transactions of a revenue and / or trading nature nature (“RRPT”) entered into between Pensonic Group and the related party, PW Jit Seng Plastic Material Sdn Bhd (“PW Jit Seng”).

Name of related party	Nature of RRPT	Amount (RM)
PW Jit Seng	Purchase of raw materials	2,771,300.15

The percentage ratio of 2.38% of which, by way of aggregation pursuant to para 10.12 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), has exceeded the prescribed limit of 1% of the consolidated net assets in respect of transactions entered into from 1 November 2016 to 24 October 2017.

2. Nature of transactions

The RRPT entered into by Pensonic Group are in the ordinary course of business and occur frequently and arise at any time and from time to time. These RRPT are made on arm’s length basis and on normal commercial terms which are not prejudicial to the interest of the minority shareholders and are on terms not more favourable to PW Jit Seng than those generally available to the public.

3. Information on PW Jit Seng

PW Jit Seng

PW Jit Seng was incorporated under the Act in Malaysia on 3 April 1991 and has its registered office at 85 Muntri Street, 10200 Penang. PW Jit Seng is principally engaged in reprocessing of plastic waste and scraps. Its issued share capital is RM1,000,000 divided into 1,000,000 Ordinary Shares (“OS”).

The Board composition and equity structure of PW Jit Seng are as follows:

Name	Designation	Equity holding	Equity %
Dato’ Seri Chew Weng Khak @ Chew Weng Kiak (“Dato’ Seri Chew”)	Director	-	-
Chew Chuon Jin	Director	-	-
Chew Weng Khak Realty Sdn Bhd (“CWKR”)	Shareholder	500,000	50%
Lim Kim Cheah	Director/Shareholder	350,009	35%
Yin Mei Lai	Director/Shareholder	149,991	15%

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Name	Designation	Equity holding	Equity %
Total		1,000,000	100%

Note:

Dato' Seri Chew is deemed interested by virtue of his interest held in CWKR pursuant to Section 8 of the Companies Act, 2016.

4. Rationale for the RRPT

The RRPT allows Pensonic Group to take advantage of efficiency in business particularly competitive pricing and shorter delivery time as well as familiarity with the background, financial wellbeing and management of PW Jit Seng.

5. Financial effect of the RRPT

The RRPT is not expected to have material effect on the earnings per share, net assets per share and gearing of Pensonic Group and will have no effect on the share capital and substantial shareholders' shareholding of Pensonic Group.

6. Interest of the Directors and Major Shareholders

Save as disclosed below, 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 RRPT:

- (a) CWRK is the major shareholder of Pensonic and PW Jit Seng.
- (b) The Directors of the Company, namely, Dato' Seri Chew, Chew Chuon Jin, Chew Chuon Ghee and Chew Chuon Fang (collectively "Interested Directors") have indirect interest in Pensonic and PW Jit Seng by virtue of their interest held in CWRK pursuant to Section 8 of the Companies Act 2016.
- (c) Dato' Seri Chew and Chew Chuon Jin are also Directors of PW Jit Seng.

7. 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 RRPT, were of the view that the RRPT is 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 RRPT are entered into in the ordinary course of business on normal commercial terms which are not more favourable to PW Jit Seng than those generally available to the public.

This announcement is dated 24 November 2017.