

General Announcement

Reference No **PH-110119-61276**

Company Name : **PENSONIC HOLDINGS BERHAD**
Stock Name : **PENSONI**
Date Announced : **19/01/2011**

Type : **Announcement**
Subject : **SUBSCRIPTION BY PENSONIC HOLDINGS BERHAD ("PHB") FOR AND ADDITIONAL ONE HUNDRED THOUSAND (100,000) NEW ORDINARY SHARES OF RM1.00 EACH IN KEAT RADIO CO. SDN BHD ("KRC")**

Contents : **1. INTRODUCTION**

The Board of Directors of PHB wishes to announce that, the acquisition an additional 100,000 new ordinary shares of RM1.00 each in KRC for a consideration of RM100,000 which is satisfied by way of capitalization of amount owing by KRC to PHB. Subscription which involved the issuance of 100,000 new ordinary shares, has enlarged the existing issued and paid up share capital of KRC of RM2,400,000 comprising 2,400,000 ordinary shares of RM1.00 each to RM2,500,000 comprising of 2,500,000 ordinary shares of RM1.00 each.

2. BACKGROUND INFORMATION

KRC was originally incorporated in Malaysia as Syarikat Keat Radio Sdn Bhd on 25th April 1977 and has changed its name to Keat Radio Co. Sdn Bhd on 19th July 1979. KRC was being acquired by PHB on 22nd Sep 1995.

Following the subscription, the authorized capital of KRC was RM2,500,000 subdivided into 2,500,000 ordinary shares of RM1.00 each whilst the issued and paid-up capital of KRC was increased to RM2,500,000 divided into 2,500,000 ordinary shares of RM1.00 each.

The principal activities of KRC are manufacturing, assembly and sale of electrical and electronic appliances.

3. RATIONALE FOR THE SUBSCRIPTION

The subscription would enable KRC to increase its capital base to better reflect the extent and nature of its principal activity. KRC is expected to contribute positively to the financial performance of the PHB Group in the long term.

4. FINANCIAL EFFECTS ON THE SUBSCRIPTION

The subscription does not have any effect on the issued and paid up capital of PHB and substantial shareholders' shareholdings. It also does not have any significant effect on the net assets, earnings and gearing of Pensonic for the current financial year.

5. APPROVAL

The subscription is not subject to the approval of the Shareholders of the Company.

6. DIRECTORS' AND/OR MAJOR SHAREHOLDERS' INTEREST

None of the Directors and/or Major Shareholders of PENSONIC and/or persons connected to them has any interest, direct or indirect, in the subscription.

7. DIRECTORS' STATEMENT

Having considered the rationale and all other aspects of the subscription, the Board is of the opinion that it is in the best interest of the Company to expand the manufacturing facilities for continuously grows.

This announcement is dated 19th January 2011.

Announcement Details :