

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Bursa Securities has not perused the contents of this Circular in respect of the proposed renewal of shareholders' mandate prior to its issuance as it is exempted pursuant to the provision of Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

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PENSONIC®
PENSONIC HOLDINGS BERHAD
Registration No.: 199401014746 (300426-P)
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RECURRENT RELATED PARTY
TRANSACTIONS OF A REVENUE OR TRADING NATURE
("PROPOSED SHAREHOLDERS' MANDATE")**

The resolutions in respect of the above proposal will be tabled as Special Business at the Thirtieth ("30th") Annual General Meeting ("AGM") of Pensonic Holdings Berhad ("PHB" or "the Company"). The notice of the 30th AGM of the Company together with the Form of Proxy are included in the Company's Annual report 2024 which is sent together with this Circular.

If you are unable to attend and vote in person at the 30th AGM, you are entitled to appoint a proxy/proxies by completing the Form of Proxy for the 30th AGM and deposit it at the Registered Office of the Company at 170-09-01 Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, not less than forty-eight (48) hours before the time appointed for holding the 30th AGM or at any adjournment thereof.

The lodging of the Form of Proxy will not preclude you from attending and voting at the 30th AGM if you subsequently wish to do so.

Last day, date and time for lodging the Form of Proxy	: Monday, 28 October 2024 (Prior to 2.30 p.m.)
Day, Date and time of the 30 th AGM	: Wednesday, 30 October 2024 at 2.30 p.m.
Venue of the 30 th AGM	: 1165, Lorong Perindustrian Bukit Minyak 16 Taman Perindustrian Bukit Minyak 14100 Simpang Ampat, Pulau Pinang

This Circular is dated 30 September 2024

DEFINITIONS

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

Act	– The Malaysian Companies Act 2016, as amended from time to time and any re-enactment thereof
AGM	– Annual General Meeting
AC	– Audit Committee of PHB save and except for Dato’ Tahir Jalaluddin Bin Hussain who had abstained from expressing any opinion in relation to the Proposed Shareholders’ Mandate in view of his interest
Board or Board of Directors	– The Board of Directors of PHB
Bursa Securities	– Bursa Malaysia Securities Berhad
Director(s)	– Shall have the meaning given in Section 2 of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Director or a chief executive of PHB, its subsidiary or holding company
Listing Requirements	– Main Market Listing Requirements of Bursa Securities, as amended from time to time and any re-enactment thereof
LPD	– 30 August 2024, being the latest practicable date prior to the printing of this Circular
Major shareholder(s)	– A person who has an interest or interests in one or more voting shares in the Company and the number or the aggregate number of those shares, is: (a) 10% or more of the total number of voting shares in the Company; or (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company 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 PHB or any other company which is its subsidiary or holding company
PHB or Company	– Personnic Holdings Berhad
PHB Group / Group	– PHB and its subsidiary companies
Person(s) Connected	– Shall have the same meaning given in Paragraph 1.01 of the Listing Requirements

DEFINITIONS (cont'd)

- Proposed Shareholders' Mandate** – Proposed renewal of shareholders' mandate for existing Recurrent Related Party Transactions of a revenue or trading nature to be entered into by the Group from the date of the upcoming 30th AGM to the 31st AGM
- Recurrent Related Party Transaction(s) or RRPT** – Related Party Transaction(s) involving recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations and are in the ordinary course of business of the Group
- Related Party(ies)** – Director(s), Major Shareholder(s) and/or Person(s) Connected with such Director and/or Major Shareholder of the Company
- RM and sen** – Ringgit Malaysia and sen, respectively, the lawful currency of Malaysia
- Substantial Shareholder** – Shall have the meaning given in Section 136 of the Act

All references to "we", "us", "our" and "ourselves" are to our Company, or where the context requires, are to our Group. All references to "you" in this Circular are references to the shareholders of our Company.

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa.

Reference to persons shall include a corporation, unless otherwise specified. Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

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APPENDIX I - FURTHER INFORMATION

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

30 September 2024

Directors

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

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

Chew Chuon Fang, Nelson, *Group Executive Director*

Dato' Seri Dr. Liew Lee Leong, *Independent Non-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,

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")

1.0 INTRODUCTION

At the Company's Twenty-Ninth (29th) AGM held on 30 October 2023, shareholders had approved a general mandate for the Company/ or its subsidiaries to enter into RRPT of a revenue or trading nature which are necessary for PHB Group's day to day operations and are in the ordinary course of business and on terms not more favourable to the Related Parties than those generally available to the public. The said general mandate for RRPT shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming 30th AGM unless authority for its renewal is renewed.

On 25 September 2024, the Company made announcement to Bursa Securities that the Company proposed to seek its shareholders' approval for the Proposed Shareholders' Mandate for the PHB Group under Paragraph 10.09 of the Listing Requirements at the forthcoming 30th AGM to be convened.

The transactions concluded for the last financial year ended 31 May 2024 are incorporated in the Annual Report 2024.

The Proposed Shareholders' Mandate, if approved by the PHB shareholders at the forthcoming 30th AGM, will take effect from the date of the passing of the proposed ordinary resolutions at the forthcoming 30th AGM and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the forthcoming 30th AGM where the authority is approved, at which time the authority will lapse unless renewed by a resolution passed at the meeting; or
- (ii) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier.

Thereafter, the approval from shareholders will be sought for a renewal of the Proposed Shareholders' Mandate for RRPT at each subsequent AGM of the Company.

The purpose of this Circular is to provide shareholders with the relevant information on the Proposed Shareholders' Mandate and to seek the shareholders' approval for the ordinary resolution to be tabled at the forthcoming 30th AGM, which will be held at 1165, Lorong Perindustrian Bukit Minyak 16, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Pulau Pinang on Wednesday, 30 October 2024 at 2.30 p.m.

YOU ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS CIRCULAR INCLUDING THE APPENDIX I CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE TO BE TABLED AT THE FORTHCOMING 30TH AGM.

2.0 DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

2.1 Provisions under the Listing Requirements

Paragraph 10.09(2) of Chapter 10 of the Listing Requirements provides that a listed issuer may seek a shareholders' mandate in respect of RRPT which are of a revenue or trading nature and are necessary for its day-to-day operations subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed below:
 - (i) the consideration, value of the assets, capital outlay or costs of the RRPT is RM1 million or more; or
 - (ii) the percentage ratio of such RRPT is 1% or more,whichever is the higher;
- (c) the issuance of circular to shareholders for Shareholders' Mandate shall include information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities together with a checklist showing compliance with such information;
- (d) in a meeting to obtain shareholders' mandate, the interested director, interested major shareholder or interested person connected with a director or major shareholder; and where it involves the interest of a person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution approving the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions; and
- (e) the listed issuer immediately announces to the Bursa Securities when the actual value of a RRPT entered into by the listed issuer, exceeds the estimated value of the RRPT disclosed in the circular by 10% or more and must include the information as may be prescribed by the Bursa Securities in its announcement.

2.2 Background information

PHB is an investment holding whilst the principal activities of its subsidiaries are more particularly set out under Note 5 to the Audited Financial Statements for the year ended 31 May 2024 enclosed in the Annual Report 2024.

The principal activity of PHB is investment holding whilst the principal activities of its subsidiaries are as follows:

Subsidiaries of PHB	Interest held (%)	Principal activities
Keat Radio Co. Sdn Bhd	100	Investment holding
Pensonic Corporation Sdn Bhd	100	Provision of management services
Pensonic Sales and Service Sdn Bhd	100	Distribution of electrical and electronic appliances
Amtek Marketing Services Pte Ltd	100	Distribution of electrical and electronic appliances
Cornell Sales & Service Sdn Bhd	100	Distribution of electrical and electronic appliances
Pensia Industries Sdn Bhd ("PI")	75.14	Manufacture, assembly and sales of electrical products
Pensia Electronic Sdn Bhd	100	Manufacture, assembly and sale of electrical products
Pensonic (Cambodia) Co. Ltd.	100	Wholesale and retail of household appliances
PT Pensonic Appliances Indonesia	56.3	Distribution of electrical and electronic appliances
PT Pensonic Industry Indonesia	70	Manufacture, assembly and sale of electrical products
Pensonic (H.K.) Corporation Limited *	100	Trading of home electrical appliances and investment holding
Pensonic Industries Sdn Bhd *	100	Distribution of electrical products
Pensia Plastic Industries Sdn Bhd *	100	Plastic injection and moulding
Pensonic Parts and Service Sdn Bhd *	100	Trading and servicing of parts for electrical and electronic appliances
Pensonic (Zhuhai) Home Appliances Co Ltd *	100	Inspection and testing of electrical and electronics products and trading of home appliances
Kollektion Distribution Sdn Bhd ^	100	Distribution of home appliances

Note:

* held through Keat Radio Co. Sdn Bhd

^ held through Pensonic Sales and Service Sdn Bhd

2.3 The principal activities of the other related transacting parties

The principal activities of the other related transacting parties which are not part of PHB Group that are involved in the RRPT with the PHB Group are set out below:

Related Transacting Parties	Principal activities
PW Jit Seng Plastic Material Sdn Bhd (“PW Jit Seng”)	Reprocess of plastic waste and scraps
Syarikat Perkapalan Soo Hup Seng Sdn Bhd (“Soo Hup Seng”)	Shipping agent
PT Pensonic Appliances Indonesia (“PTPAI”)	Distribution of electrical and electronic appliances
Soship Marine Sdn Bhd (“SOSHIP”)	Shipping and logistic
High Ace Industries Sdn Bhd (“HAI”)	Manufacturer and dealer of electrical appliances & kitchen wares
High Ace Marketing Sdn Bhd (“HAM”)	Marketing of electrical home appliances and kitchen wares

2.4 Nature of the RRPT and Class of Related Parties

The details of the nature and estimated annual value of the RRPT in respect of which PHB Group is seeking renewal of mandate from its shareholders as contemplated under the Proposed Shareholders' Mandate are as follows:

Proposed Renewal of Shareholders' Mandate for Existing RRPT

Provider of goods and services	Recipient of goods and services	Nature of Transaction	Estimated aggregate value as disclosed in the Circular to Shareholders dated 29 September 2023 (RM)	Actual value transacted ("Actual Value") ⁽ⁱ⁾ (RM)	Estimated Value from forthcoming 30 th AGM to next AGM ⁽ⁱⁱ⁾ (RM)	Related Parties
PW Jit Seng	PHB Group	Purchase of raw materials	5,000,000	677,634	5,000,000	Chew Weng Khak Realty Sdn Bhd ("CWKR") is a shareholder of PHB and major shareholder of PW Jit Seng. Dato' Seri Chew Weng Khak @ Chew Weng Kiak ("Dato' Seri Chew") is the Group Executive Chairman and shareholder of PHB. He is a Director and shareholder of PW Jit Seng via CWKR. Dato' Chew Chuon Jin, Dixon ("Dato' Dixon Chew") and Chew Chuon Fang, Nelson ("Nelson Chew") are Directors and shareholders of PHB. Dato' Dixon Chew is also a Director of PW Jit Seng. Dato' Dixon Chew and Nelson Chew are also Directors of CWKR. Dato' Dixon Chew and Nelson Chew are brothers and they are sons of Dato' Seri Chew.
Soo Hup Seng	PHB Group	Shipping services	500,000	809,634 ⁽ⁱⁱⁱ⁾	1,500,000	Dato' Tahir Jalaluddin Bin Hussain ("Dato' Tahir") is a Director of PHB and Soo Hup Seng. Dato' Tan Ah Lee is a Director of Soo Hup Seng and is the brother in law of Dato' Seri Chew.

2.4 Nature of the RRPT and Class of Related Parties (cont'd)

Proposed Renewal of Shareholders' Mandate for Existing RRPT (cont'd)

Provider of goods and services	Recipient of goods and services	Nature of Transaction	Estimated aggregate value as disclosed in the Circular to Shareholders dated 29 September 2023 (RM)	Actual value transacted ("Actual Value") ⁽ⁱ⁾ (RM)	Estimated Value from forthcoming 30 th AGM to next AGM ⁽ⁱⁱ⁾ (RM)	Related Parties
PHB Group	PTPAI	Sale of electrical appliances	5,000,000	120,030	5,000,000	PHB is the holding company of PTPAI. The remaining 43.7% in PTPAI is held by Chew Chun Chia, Nick ("Nick Chew") (10.7%) and Alex Tumondo Tan (33.0%). Nick Chew, a Director and major shareholder of PTPAI, is a son of Dato' Seri Chew. Dato' Seri Chew, Dato' Dixon Chew and Nelson Chew are Directors and shareholders of PHB. Dato' Seri Chew and Dato' Dixon Chew are also Directors of PTPAI. Dato' Dixon Chew, Nelson Chew and Nick Chew are brothers and they are sons of Dato' Seri Chew.
SOSHIP	PHB Group	Shipping services	100,000	17,479	100,000	Dato' Tan Ah Lee is a Director and shareholder of SOSHIP and is the brother in law of Dato' Seri Chew.
HAI	PHB Group	Purchase and sale of raw materials	2,000,000	76,066	2,000,000	Lim Aun Ghee is a Director of PI. He is a Director and shareholder of HAI.
HAM	PHB Group	Purchase of raw materials	1,000,000	(203)	1,000,000	Lim Aun Ghee is a Director of PI. He is a Director and shareholder of HAM.

Notes:

- (i) The actual value transacted of RRPT from the date on which the existing mandate was obtained up to the LPD.
- (ii) The estimated value for mandate is based on management forecast of transaction value that have been undertaken and anticipated. The estimated value may vary and subject to changes.
- (iii) The Actual Value for the shipping services to Soo Hup Seng exceeded the Estimated Value by RM309,634 (61.93%) due to higher sales to East Malaysia (Sabah and Sarawak) from Penang.

2.5 Amount Due and Owing by Related Parties

As at financial year ended 31 May 2024, outstanding amount due and owing by the Related Parties under the RRPT of the Group, which exceeded the credit term are as follows:

No.	Transacting Parties	Total sum due and owing pursuant to a RRPT which exceeded the credit term as at the financial year ended 31 May 2024 by:							
		x ≤ 1 year		1 year < x ≤ 3 years		3 years < x ≤ 5 years		5 years < x	
		Principal Sum (RM)	Interest (RM)	Principal Sum (RM)	Interest (RM)	Principal Sum (RM)	Interest (RM)	Principal Sum (RM)	Interest (RM)
1	PTPAI	401,656	-	1,703,563	-	573,244.78	-	-	-

Notes:

- (a) There are no late payment charges imposed on the outstanding amounts as these are trade in nature.
- (b) The Group continuously follow-up with the debtor for timely settlement of outstanding amounts.
- (c) The Board of Directors is of the opinion that there is no recoverability issue as the debtor is a related party with a long standing relationship with PHB Group.

2.6 Guidelines and Review Procedures

The Group had established the guidelines and procedures to ensure that the RRPT contemplated under the Proposed Shareholders' Mandate are undertaken on transaction prices and terms which are generally not more favourable to the Related Parties than those generally available to the public and are not to the detriment of our minority shareholders:

(a) Methods for Determination of Transaction Price

- (i) The transaction prices, terms and conditions are determined by current market forces, under similar commercial terms and normal trade practices for transaction with third parties.
- (ii) The Group shall ensure at least 2 other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities.
- (iii) In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the Group's pricing for the products/services to be supplied/provided and/or purchased/received will be determined in accordance with the Group's usual business practices and policies, which are on terms not more favourable to the related parties than those extended to third parties/public and not to the detriment of minority shareholders of the Company.

(b) Thresholds for Approval of RRPT

There are no specific thresholds for approval of RRPT within the Group. All the RRPT will be monitored by the management and reviewed by the AC on a quarterly basis and approved by the Board (excluding the interested Directors). Where the RRPT has not obtained the shareholders' mandate or has exceeded the shareholders' mandate, an announcement shall be made to Bursa Securities.

(c) Monitoring of RRPT

- (i) An updated list of related parties shall be circulated within the Group from time to time for reference and at the same time, the related party will be notified to ensure that all RRPT are undertaken in accordance with the policies.
- (ii) All operating divisions and subsidiary companies shall review the existing information systems to ensure that information on Related Party Transactions are captured at source.
- (iii) Records will be maintained by the Company for AC's review in order to capture all RRPT which are entered into pursuant to the shareholders' mandate.
- (iv) The annual internal audit plan shall incorporate a review of all RRPT entered into pursuant to the Proposed Shareholders' Mandate to ensure that relevant approvals have been obtained and review procedures in respect of such transactions are adhered to.
- (v) The AC shall review the internal audit reports as and when required to ascertain that the guidelines and procedures established to monitor RRPT have been complied with.
- (vi) The Board and the AC shall have overall responsibility for the determination of the review procedures with authority to sub-delegate to individuals or committees within the Company as they deem appropriate. If a member of the Board or AC has an interest, as the case may be, he will abstain from any decision making by the Board and the AC respectively in respect of the said transaction.
- (vii) Additional quotations, if relevant, from third parties will be obtained and will be evaluated based on ranking on the price, delivery, services and other terms and conditions before entering into such transactions.

If it is determined that the guidelines and/or procedures stated in Section 2.6(a) of this Circular are inadequate and to ensure that:

- (a) the RRPT will be conducted at arm's length and on normal commercial terms which are not favourable to the Related Parties than those generally available to the public; and
- (b) such transactions are not to the detriment of the minority shareholders of the Company or prejudicial to the interests of the shareholders.

The Company will obtain a fresh shareholders' mandate based on new guidelines and procedures. The AC shall also have the discretion to request for limits to be imposed or for additional procedures to be followed if it considers such a request to be appropriate. In that event, such limits or procedures may be implemented without the approval of shareholders, provided that they are more stringent than the existing limits or procedures.

Pursuant to Paragraph 10.09(2) of the Listing Requirements, in a meeting to obtain the Proposed Shareholders' Mandate, the interested director, interested Major Shareholder or interested persons connected with a Director and/or Major Shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution approving the transactions.

2.7 Deviation from mandate

The actual value of RRPT exceeded 10% of the estimated values as approved under the previous shareholders' mandate granted to the Company at the AGM held on 30 October 2023. Details of the deviation can be referred to in the announcement made on 25 September 2024.

3. STATEMENT BY THE AC

The AC of PHB, save and except for Dato' Tahir Jalaluddin Bin Hussain, has seen and reviewed the procedures mentioned in Section 2.6 above and is of the view that:

- (a) the procedures and processes are sufficient to ensure that the RRPT is in the best interest of the Company, are carried out on terms that are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders; and
- (b) The Group has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner, and such procedures and processes are reviewed on a yearly basis or whenever the need arises.

4. RATIONALE FOR, AND THE BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATE

4.1 Rationale for the Proposed Shareholders' Mandate

The rationale for the Proposed Shareholders' Mandate is to enable PHB Group to obtain general mandate from its shareholders for the RRPT. On the whole, the RRPT are considered by the Board to be beneficial to the PHB Group as they constitute recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations of PHB Group, and which contribute to the generation of their turnover.

It is envisaged that in the normal course of business of PHB Group, transactions in respect of goods or services with the Related Parties will occur with some degree of frequency from time to time and may arise at any time.

Some of these RRPT may be time-sensitive and it may be impractical to seek shareholders' approval on a case to case basis before entering into such RRPT.

The obtaining of the shareholders' mandate and the renewal thereof on an annual basis would eliminate the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such RRPT arise, thereby reducing administrative time and cost associated with the corporate objectives or adversely affecting the business opportunities available to PHB Group.

4.2 Benefits of the Proposed Shareholders' Mandate

Some of the benefits to be derived from the Proposed Shareholders' Mandate of these RRPT are:

- (a) flexibility and choice of parties to enter into such transactions, whether with Related Parties or Non-Related Parties;

- (b) facilitate transactions with Related Parties which are in the ordinary course of business of PHB Group undertaken at arm's length basis, normal commercial terms and on terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company;
- (c) facilitate transactions with Related Parties in an expeditious manner to meet business needs for the supply and/or provision of goods and services which are necessary for its day-to-day operations, particularly business needs which are time sensitive in nature; and
- (d) eliminate the need to announce and convene separate general meetings to seek shareholders' mandate for each transaction and as such, substantially reduce expenses, time and other resources associated with the making of announcements and convening of general meetings on an ad hoc basis, improve administrative efficiency considerably and allow financial and manpower resources to be channeled to attain more productive objectives.

In addition to the above benefits, the Related Parties had also proven to be reliable in its delivery of services and products as well as fulfilling the quality expectations of the Group. Due to previous business dealings with the Related Parties, the Related Parties are familiar with the Group's operations and are able to meet the Group's business requirements even when short notice is given. This has allowed the Group to benefit from sudden business opportunities that had arisen.

5. EFFECT OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate is not expected to have any effect on the total number issued shares, the substantial shareholders' shareholdings of the Company, the net assets per share and gearing of the Group for the financial year ending 31 May 2025.

6. APPROVAL REQUIRED

The Proposed Shareholders' Mandate is subject to the approval of the Shareholders of PHB at the forthcoming 30th AGM.

7. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

The direct and indirect interest of the interested Major Shareholders and/or the interested Directors of PHB and Persons Connected with them as at LPD are summarised below:

As at LPD, the total paid-up share capital of PHB is 157,391,426 ordinary shares.

Interested Directors of PHB	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Dato' Seri Chew Weng Khak @ Chew Weng Kiak	8,034,300	5.273	9,261,924 ^(a)	6.079
Dato' Chew Chuon Jin, Dixon	10,898,400	7.153	16,800 ^(c)	0.011
Chew Chuon Fang, Nelson	6,181,000	4.057	-	-
Dato' Tahir Jalaluddin Bin Hussain	-	-	-	-

The abovenamed Interested Directors had abstained from Board deliberation and voting on the resolutions pertaining to the Proposed Shareholders' Mandate at the Board Meeting.

Interested Director of subsidiaries	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Lim Aun Ghee	-	-	-	-

Interested Substantial Shareholders	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Dato' Seri Chew Weng Khak @ Chew Weng Kiak	8,034,300	5.273	5,261,924 ^(b)	3.454
Dato' Chew Chuon Jin, Dixon	10,898,400	7.153	16,800 ^(c)	0.011

Interested Person Connected to Interested Directors and/or Interested Major Shareholders of PHB	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Chew Weng Khak Realty Sdn Bhd	3,061,924	2.010	-	-
Datin Seri Tan Ah Nya @ Tan Bee Tiang	2,200,000	1.444	-	-
Tan Guat See	16,800	0.011	-	-
Dato' Tan Ah Lee	505,000	0.331	-	-
Chew Chun Chia, Nick	2,000,000	1.313	-	-
Chew Pei Gee	2,000,000	1.313	-	-

Note:

- (a) Indirect interest through his spouse, children pursuant to Section 59(1)(c) of the Companies Act 2016 and Chew Weng Khak Realty Sdn Bhd.
- (b) Indirect interest through his spouse pursuant to Section 59(1)(c) of the Act and Chew Weng Khak Realty Sdn Bhd.
- (c) Indirect interest through his spouse pursuant to Section 59(1)(c) of the Act.

7. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS (cont'd)

The abovementioned Interested Directors, Major Shareholders and Interested Persons Connected to Directors and/or Major Shareholders, shall abstain from voting and deliberating in respect of their direct and indirect shareholdings in the Company, if any, at the forthcoming 30th AGM on the resolutions approving the RRPT involving their interests which are comprised in the Proposed Shareholders' Mandate.

The Interested Directors and/or Major Shareholders have undertaken to ensure that all the Persons Connected to them will abstain from voting in respect of their direct and/or indirect interests in the Company on the ordinary resolutions deliberating or approving the Proposed Shareholders' Mandate at the forthcoming 30th AGM.

Save as disclosed, none of the other Directors and Major Shareholders of PHB and/or Persons Connected with them, have any interest, direct or indirect, in the Proposed Shareholders' Mandate.

8. DIRECTORS' RECOMMENDATION

Having considered the rationale for the Proposed Shareholders' Mandate and deliberated on the same, the Board with the exception of Dato' Seri Chew, Dato' Dixon Chew, Nelson Chew and Dato' Tahir, is of the opinion that the Proposed Shareholders' Mandate is in the best interest of the Group.

With the exception of Dato' Seri Chew, Dato' Dixon Chew, Nelson Chew and Dato' Tahir who are interested in the Proposed Shareholders' Mandate in the manner disclosed in the table in Section 2.4 in this Circular, and have therefore abstained from making any recommendation in respect of the RRPT in which they are involved, the Board recommends that you vote in favour of the Ordinary Resolution on the Proposed Shareholders' Mandate to be tabled at the forthcoming 30th AGM.

9. AGM

The 30th AGM, the notice of which is enclosed in the Annual Report 2024, will be held at 1165, Lorong Perindustrian Bukit Minyak 16, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Pulau Pinang, on Wednesday, 30 October 2024 at 2.30 p.m. for the purpose of considering and, if thought fit, passing with or without any modifications to the Ordinary Resolution so as to give effect to the Proposed Shareholders' Mandate under the Special Business in the 30th AGM.

If you are unable to attend the AGM in person, you are requested to complete the enclosed Form of Proxy in accordance with the instructions contained therein and forward it to the Registered Office of the Company at 170-09-01 Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia so as to arrive not less than forty-eight (48) hours before the time set for the holding of the AGM. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the 30th AGM should you subsequently wish to do so.

10. FURTHER INFORMATION

Shareholders of PHB are requested to refer to Appendix I contained in this Circular for further information.

Yours faithfully

For and on behalf of the Board of
PENSONIC HOLDINGS BERHAD

ONG HUEY MIN, LINDY

Chairman of the Audit Committee
Independent Non-Executive Director

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information given 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 in this Circular misleading.

2. MATERIAL CONTRACTS

There are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company and its subsidiary companies within the two (2) years immediately preceding the date of this Circular.

3. MATERIAL LITIGATION

Neither the Company nor any of its subsidiaries is engaged in any material litigation, claim or arbitrations either, as plaintiff or defendant, and the Board have no knowledge of any proceedings pending or threatened against the Group or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of the Company and its subsidiaries.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of the Company 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 30th AGM:

- (a) the Constitution of the Company; and
- (b) the Audited Financial Statements of the Company for the past two (2) financial years ended 31 May 2023 and 31 May 2024.

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