PENSONIC

Your Enjoyment

ANNUAL REPORT 2026

• Audio • Visual • Home Appliances • Air Conditioner

BRAND ACTIVITIES

01 Oct 2025

ROAD TO GIVE – 12 October 2025
Pensonic Malaysia partnered with Marriott International as main sponsor of this charity run to raise funds for local non-governmental organisations.

02 Oct 2025

SUN YAT-SEN SPIRIT AWARDS – 26 October 2025
Pensonic Founder Dato' Seri Chew Weng Khak received the Model Enterprise and Partnership Accolade, presented by Kwong Wah Yit Poh.

03 Jan 2026

PUTRA BRAND AWARDS – 23 January 2026
The Silver Award in the Personal, Household & Outdoor Appliances category recognised Pensonic for its strong consumer trust, recognition, and brand preference.

04 Jan 2026

JCI CORPORATE SHARING – 29 January 2026
Pensonic Group CEO Dato' Dixon Chew shared Pensonic's business journey and insights with aspiring entrepreneurs at the JCI Perai session.

05 Feb 2026

CNY CELEBRATION – 13 February 2026
This Chinese New Year Lou Sang celebration brought Pensonic staff and management together, fostering team unity and cultural appreciation.

06 May 2026

WOMENBIZSENSE – 13 May 2026
A practical "mini-MBA" session led by Pensonic Group CEO Dato' Dixon Chew engaged 30 SME owners and women entrepreneurs on rebranding, customer trust, and market resilience.

07 May 2026

USM VISIT – 23 May 2026
Pensonic hosted 30 USM engineering students for a manufacturing site visit, providing hands-on industry exposure and pathways to future engineering careers.

Cornell®

Rapid Heat Drink Hub

Instant Water Dispenser CIWD-S30

3 L
water tank

MS
SIRIM

- 3-second quick boiling
- Overheat & boil-dry protection
- Child lock safety feature
- Seven temperature settings
- MEMO (memory function)

LEBENSSTIL
KOLLEKTION

Crush Every Cooking Challenge

6 massive burners built for pro-level cooking

Professional Hob LKPH-8006SS

SIRIM

PENSONIC
Your Enjoyment

Glide Through Every Wrinkle

Designed for Precision Garment Care

Steam Iron PSI-1008C

2 YEARS WARRANTY

MS SIRIM

3000 W fast heating and steam

Up to 230 g turbo steam boost

Powerful steam burst & vertical steam

Steam, spray & dry functions

Anti-drip and self-cleaning functions

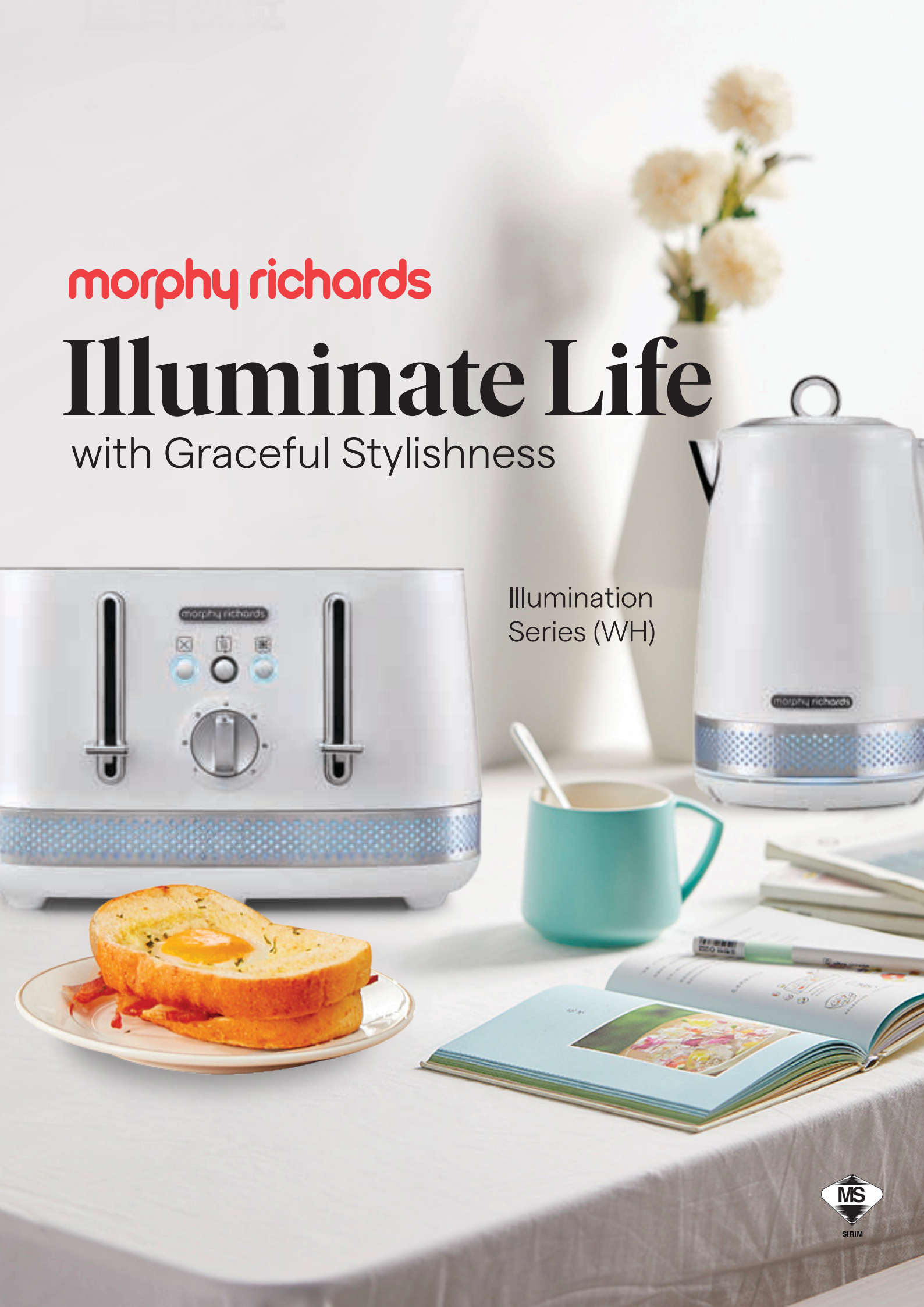
Crisp fabrics. Smooth finishes. Pensonic PSI-1008C delivers powerful steam performance for effortless garment care and a polished look.

morphy richards

Illuminate Life

with Graceful Stylishness

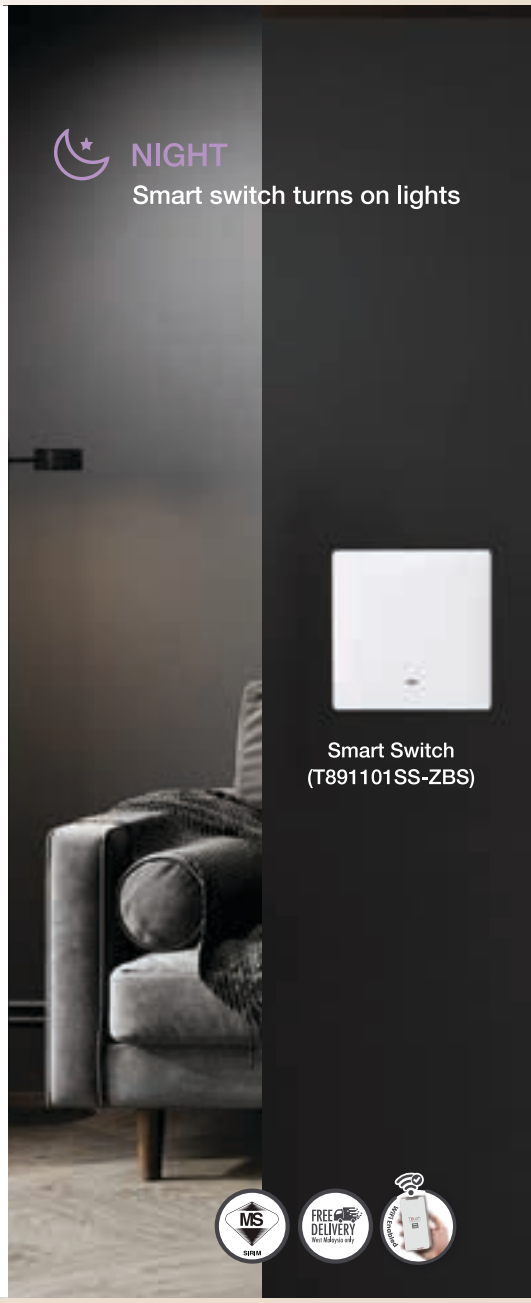
Illumination
Series (WH)



MS
SIRIM

Töush

Inspired by Pensonic



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Automate your routine

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Y. BHG. DATO' SERI CHEW WENG KHAK @ CHEW WENG KIAK
Group Executive Chairman

CHEW CHUON FANG, NELSON
Group Executive Director

ONG HUEY MIN, LINDY
Independent Non-Executive Director

Y. BHG. DATO' SERI DR LIEW LEE LEONG, RAYMOND
Independent Non-Executive Director

LOH KEOW LIN, LYNN
Independent Non-Executive Director

Y. BHG. DATO' TAHIR JALALUDDIN BIN HUSSAIN
Non-Independent Non-Executive Director

Y. BHG. DATO' LELA PAHLAWAN DATO' PADUKA KU NAHAR BIN KU IBRAHIM
Non-Independent Non-Executive Director

AUDIT COMMITTEE

Ong Huey Min, Lindy
Chairman

Y. Bhg. Dato' Seri Dr. Liew Lee Leong, Raymond
Member

Y. Bhg. Dato' Tahir Jalaluddin Bin Hussain
Member

Loh Keow Lin, Lynn
Member

NOMINATION COMMITTEE

Loh Keow Lin, Lynn
Chairman

Y. Bhg. Dato' Seri Dr. Liew Lee Leong, Raymond
Member

Y. Bhg. Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim
Member

REMUNERATION COMMITTEE

Y. Bhg. Dato' Seri Dr. Liew Lee Leong, Raymond
Chairman

Y. Bhg. Dato' Tahir Jalaluddin Bin Hussain
Member

Loh Keow Lin, Lynn
Member

COMPANY SECRETARY

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

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E : sharereg@plantationagencies.com.my

AUDITORS

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(LLP0010081-LCA & AF 0758)
Chartered Accountants
Level 18, Hunza Tower
163E, Jalan Kelawei
10250 George Town, Penang, Malaysia
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F : +604 238 2222

PRINCIPAL BANKERS

Malayan Banking Berhad
Bank Islam Malaysia Berhad
HSBC Bank Malaysia Berhad
Hong Leong Bank Berhad
AmBank (M) Berhad
CIMB Bank Berhad
DBS Bank Limited

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
(Listed since 13 September 1995)
Stock Name : PENSONI
Stock Code : 9997

LEGAL FORM & DOMICILE

Public Limited Liability Company
Incorporated and Domiciled in Malaysia

CORPORATE STRUCTURE

PENSONIC®

PENSONIC HOLDINGS BERHAD ("PHB")
Registration No.: 199401014746 (300426-P)

- 100% **KEAT RADIO CO. SDN. BHD. ("KRC")** [Registration No: 197701001588 (32600-X)]
  - 100% **PENSONIC (H.K.) CORPORATION LIMITED ("PHK")** (Registration No: 528230)
  - 100% **PENSONIC INDUSTRIES SDN BHD ("PSI")** [Registration No: 197901003315 (47572-V)]
  - 100% **PENSIA PLASTIC INDUSTRIES SDN. BHD. ("PPI")** [Registration No: 198601002235 (151380-K)]
  - 100% **PENSONIC PARTS & SERVICE SDN. BHD. ("PPS")** [Registration No: 198501009223 (141672-X)]
  - 100% **PENSONIC (ZHUHAI) HOME APPLIANCES CO LTD ("PZH")** (Registration No: 91440400MABQB25C6P)
- 100% **PENSONIC CORPORATION SDN BHD ("PC")** [Registration No: 198201015021 (94785-H)]
  - 40% **PENSONIC (B) SDN. BHD. ("PB")** (Registration No: AGO/RC/6610/06)
- 100% **PENSONIC SALES & SERVICE SDN BHD ("PSS")** [Registration No: 198701003749 (162419-M)]
  - 100% **KOLLEKTION DISTRIBUTION SDN. BHD. ("KLD")** [Registration No: 200201029191 (596854-A)]
- 100% **AMTEK MARKETING SERVICES PTE LTD ("AMTEK")** (Registration No: 2003-02751-W)
- 100% **CORNELL SALES & SERVICE SDN BHD ("CSS")** [Registration No: 200301001949 (604369-P)]
- 70% **PENSIA INDUSTRIES SDN BHD ("PI")** [Registration No: 198501000856 (133300-X)]
- 100% **PENSIA ELECTRONIC SDN BHD ("PE")** [Registration No: 198601005806 (154966-M)]
- 100% **PENSONIC (CAMBODIA) CO., LTD ("PCC")** (Registration No: 00025698)
- 89.3% **PT PENSONIC APPLIANCES INDONESIA ("PTPAI")** (Registration No: 9120204591475)
- 95% **PT PENSONIC INDUSTRY INDONESIA ("PTPII")** (Registration No: 9120306321037)
- 35% **PENSONIC APPLIANCES (MYANMAR) COMPANY LIMITED ("PAM")** (Registration No: 118970144)
- 49% **PENSONIC (THAILAND) COMPANY LIMITED ("PST")** (Registration No: 0125566016714)

PROFILE OF DIRECTORS / KEY SENIOR MANAGEMENT

Y. BHG. DATO' SERI CHEW WENG KHAK @ CHEW WENG KIAK

Group Executive Chairman / Key Senior Management

Age	Gender	Nationality
84	Male	Malaysian

Y. Bhg. Dato' Seri Chew is the Founder and Group Executive Chairman of Pensonic Holdings Berhad ("Pensonic" or the "Company") and its subsidiaries ("Pensonic Group" or the "Group"). He was appointed to the Board of Directors ("Board") on 13 September 1995. He retired on 24 October 2025 and was subsequently re-appointed as Group Executive Chairman on 23 July 2026.

For more than 50 years, his leadership and guidance have propelled the Group from a modest family enterprise into a leading home-grown manufacturer and distributor of electrical home appliances. His broad-based expertise and in-depth knowledge spanning management, sales and production, coupled with his extensive network of business contacts in Malaysia and abroad, have played a crucial role in sustaining the Group's consistent growth. Over the years, the Group has achieved numerous breakthroughs and significant milestones, largely driven by his innovative management approach and forward-thinking strategies.

He attended two (2) Board meetings held during the financial year prior to his retirement.

Y. Bhg. Dato' Seri Chew is the father of executive Board member, Nelson Chew.

CHEW CHUON FANG, NELSON

Group Executive Director / Key Senior Management

Age	Gender	Nationality
50	Male	Malaysian

Nelson Chew joined the Board on 5 September 2017, after completing his Bachelor of Business Administration degree at Eastern Michigan University in the United States of America in 1999. Upon his return to Malaysia, he joined the Pensonic Group and gained practical experience by working across different departments, including marketing, production and sales.

Eventually, Nelson Chew assumed the role of corporate branding, public relations and marketing strategist. In this capacity, he plays a crucial role in shaping the Group's image and branding, as well as enhancing its public relations efforts. He also oversees operations in Hong Kong SAR, Zhuhai, People's Republic of China and Thailand. Since November 2023, his role as Group Executive Director has included overseeing the domestic sales market.

He attended all five (5) Board meetings held during the financial year. He also sits on the board of subsidiaries as well as several private limited companies.

He is a son of Y. Bhg. Dato' Seri Chew Weng Khak @ Chew Weng Kiak.

PROFILE OF DIRECTORS / KEY SENIOR MANAGEMENT

Y. BHG. DATO' SERI DR. LIEW LEE LEONG, RAYMOND

Independent Non-Executive Director

Age	Gender	Nationality
69	Male	Malaysian

Y. Bhg. Dato' Seri Dr. Raymond Liew was appointed to the Board on 1 February 2024. He is a member of the Malaysian Institute of Accountants ("MIA") and the Chartered Tax Institute of Malaysia ("CTIM").

Y. Bhg. Dato' Seri Dr. Raymond Liew is a seasoned corporate advisor with extensive professional experience gained from working with professional firms and multinational corporations. His areas of expertise include brand repositioning, corporate advisory, insolvency, mergers and acquisitions, corporate tax planning, investigative and forensic reviews, VAT/GST/SST-related exercises, corporate restructuring and turnarounds, as well as financial and corporate due diligence.

He is the Founding President of McMillan Woods Global, an independent member firm of the McMillan Woods Global network, whose global headquarters is based in London, United Kingdom.

With his extensive professional experience and expertise, Y. Bhg. Dato' Seri Dr. Raymond Liew is a regular contributor of technical and financial articles and a frequent speaker at professional seminars, conferences and training programmes. He has served as a Trustee of the Malaysian Accountancy Research & Education Foundation and as a Council Member of MIA and CTIM, as well as a Council Member of the Malaysian office of ACCA. He has also served as an adjudicator for the National Annual Corporate Reports Awards for several years.

Y. Bhg. Dato' Seri Dr. Raymond Liew is the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee. He attended all five (5) Board meetings held during the financial year.

Y. BHG. DATO' LELA PAHLAWAN DATO' PADUKA KU NAHAR BIN KU IBRAHIM

Non-Independent Non-Executive Director

Age	Gender	Nationality
79	Male	Malaysian

Y. Bhg. Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim joined the Board on 16 August 2013. He obtained his Bachelor of Arts (Honors) degree in Geography from the University of Malaya in 1970. Following his graduation, he held various positions within the Kedah State Administrative Service, serving in different capacities until 2001, ultimately holding the position of State District Officer. Additionally, he served as the Director of the Kedah State Economic Planning Unit and held the esteemed position of State Secretary of Kedah until July 2003.

Following his tenure in the Kedah State Administrative Service, Y. Bhg. Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim became a board member of several government-controlled corporations, contributing his expertise and knowledge in the public sector. His extensive experience in government service and leadership roles has equipped him with valuable insights and decision-making skills that have proven beneficial to the organizations he has been associated with.

He is a member of Nomination Committee.

He attended all five (5) Board meetings held during the financial year. He sits on the board of several private limited companies.

PROFILE OF DIRECTORS / KEY SENIOR MANAGEMENT

Y. BHG. DATO' TAHIR JALALUDDIN BIN HUSSAIN

Non-Independent Non-Executive Director

Age	Gender	Nationality
63	Male	Malaysian

Y. Bhg. Dato' Tahir Jalaluddin Bin Hussain joined to the Board on 16 August 2013. He brings over 26 years of experience in business, corporate management, and entrepreneurship, offering valuable insights and expertise to the Group. From 1985 to 1990, he was affiliated with Konsortium Perkapalan Berhad, where he gained extensive experience in the shipping industry.

Dato' Tahir had served as a Councillor of the Majlis Perbandaran Pulau Pinang (Municipal Council of Penang) from January 2011 to June 2013, during which he made significant contributions to local governance and decision-making processes.

He currently serves as the member of the Audit Committee and Remuneration Committee.

Dato' Tahir has attended all five (5) Board meetings held during the financial year. In addition, he holds directorships on the boards of several private limited companies.

ONG HUEY MIN, LINDY

Independent Non-Executive Director

Age	Gender	Nationality
68	Female	Malaysian

Lindy Ong was appointed to the Board on 3 January 2017. She holds memberships in prestigious professional organizations such as the MIA and CTIM.

She began her working career in 1978 as an Articled Clerk at Peat Marwick, Mitchell & Co. (now known as KPMG PLT) and rose through the ranks of supervisor, manager and director over her years of service with the firm. In 2003, she was appointed Executive Director/Partner heading the Penang tax division of KPMG Tax Services Sdn. Bhd. ("KPMG Tax"), her last position held before her retirement in 2014.

She stayed on as a Consultant at KPMG Tax for three (3) months in 2015. During her tenure of more than thirty-five (35) years at KPMG Tax, she gained extensive experience in tax advisory and tax compliance matters, as well as being the engagement partner for public listed and multinational companies in various industries. She also advised foreign investors on various tax incentives accorded by the Government and setting up initial operation in Malaysia.

Since 2015, she has been the co-founding partner of YNWA Advisory PLT, a corporate advisory firm which provides, among others, business management consultancy, investment advisory and tax consultancy services.

She is the Chairman of the Audit Committee.

She attended all five (5) Board meetings held during the financial year.

She is also an Independent Non-Executive Director of DXN Holdings Bhd..

PROFILE OF DIRECTORS / KEY SENIOR MANAGEMENT

LOH KEOW LIN, LYNN

Independent Non-Executive Director

Age	Gender	Nationality
52	Female	Malaysian

Lynn Loh joined the Board on 1 January 2025. She holds a law degree, LLB (Hons) from the University of London, UK and obtained her Certificate of Legal Practice from the Legal Profession Qualifying Board of Malaysia. She is an advocate and solicitor with the High Court of Malaya.

She began her pupillage with Messrs. Presgrave & Matthews before joining Messrs. San & Associates, Penang, in 2003 as a legal assistant. In 2009, she was promoted as a partner of the firm, a position she currently still holds.

Her areas of practice include corporate and commercial law, focusing on banking and finance of property development sector as well as mergers and acquisitions, and real estate transactions.

She is the Chairman of Nomination Committee and a member of both Audit Committee and Remuneration Committee.

She has attended all five (5) Board meetings held during the financial year.

She is also an Independent Non-Executive Director of Acme Holdings Berhad.

Note:
Save as disclosed, none of the Directors have:
(a) any family relationship with any Directors and/or major shareholders of the Company;
(b) any conflict of interest with the Company and the Group other than as disclosed in the notes to the financial statements;
(c) held any other directorship in public companies;
(d) any conviction for offences within the past 5 years other than traffic offences (if any); and
(e) any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CHAIRMAN'S STATEMENT

Dear Valued Shareholders

On behalf of the Board of Directors of Pensonic Holdings Berhad ("Pensonic" or the "Group"), I present the Annual Report and Audited Financial Statements for the financial year ended 31 May 2026 ("FY2026").

A year of challenges and transition

FY2026 was a challenging year for the Company and its subsidiaries ("Pensonic Group" or "Group"). While the operating environment remained challenging due to cautious consumer spending and intense competition within the electrical and home appliance industry, the Group also faced several internal issues that adversely affected its financial performance and organisational stability.

During the course of finalising the financial statements for FY2026, the Group undertook a review of certain moulds used in its operations and reassessed their recoverability in light of prevailing market conditions and product demand trends. Following this review, an impairment loss of approximately RM2.5 million was recognised. The impairment primarily reflected demand uncertainties affecting certain product lines, together with the non-utilisation or limited utilisation of certain moulds. While non-cash in nature, the impairment had a significant impact on the Group's financial performance for the year.

Against this backdrop, Management continued to focus on cost control, working capital management and operational efficiency as the Group navigated a demanding business environment.

Leadership and governance

FY2026 and the period thereafter also witnessed several significant leadership changes within the Company. Following my retirement as a Director and Group Executive Chairman after the Company's 31st Annual General Meeting on 24 October 2025, I was re-appointed to the Board on 23 July 2026 and subsequently resumed my role as Group Executive Chairman. I am grateful for the confidence and trust placed in me, and I remain committed to working closely with the Board, management and employees to strengthen the Group and advance its long-term growth and development.

At the Extraordinary General Meeting held on 25 August 2026, shareholders approved the resolutions for the removal of Dato' Chew Chuon Jin, Dixon from his positions as Director and Chief Executive Officer of the Company.

CHAIRMAN'S STATEMENT

The Board has also noted the resignation of our Independent Non-Executive Director, Ms. Loh Keow Lin, Lynn, who will step down from her position on 30 September 2026. On behalf of the Board, I would like to record our appreciation for her contributions and service to the Group.

While periods of transition inevitably present challenges, the Board remains steadfast in its commitment to strengthening governance, accountability and oversight across the Group. We will continue to act in the best interests of all shareholders and stakeholders while maintaining our focus on the Group's long-term sustainability and growth.

Moving forward

The Group continues to operate in an environment characterised by evolving consumer preferences, cost pressures and economic uncertainties. In response, our priorities remain clear.

We will continue to strengthen our product offering, improve operational efficiency, maintain financial discipline and focus on sustainable revenue growth. Equally important, we will continue to reinforce governance standards and cultivate a culture of accountability throughout the organisation.

The Board recognises that restoring profitability and rebuilding stakeholder confidence requires consistent execution and disciplined decision-making. While the challenges ahead should not be underestimated, we remain committed to taking the necessary steps to strengthen the Group's fundamentals and position the business for long-term sustainability.

In view of the Group's financial performance and the need to preserve financial flexibility, the Board has not recommended any dividend for FY2026.

Appreciation

On behalf of the Board, I would like to thank our shareholders, customers, business partners, suppliers and bankers for their continued support and confidence. I also wish to express my appreciation to our employees for their dedication and commitment during a period marked by significant change. Their efforts have been instrumental in ensuring the continuity of the Group's operations and supporting the business through a challenging year.

The Board remains committed to acting responsibly, strengthening the Group's foundations and creating sustainable value for all stakeholders.

Thank you for your continued support of Pensonic Holdings Berhad.

Y. Bhg. Dato' Seri Chew Weng Khak @ Chew Weng Kiak
Group Executive Chairman
30 September 2026

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

Pensonic Holdings Berhad ("Pensonic" or "the Company") and its subsidiaries ("Pensonic Group" or "the Group") embodies a rich legacy built on innovation, cultural heritage, and community values. The Group's journey began in 1965, when Founder Dato' Seri Chew Weng Khak @ Chew Weng Kiak established Keat Radio and Electrical Co. in Balik Pulau, Penang.

What started as a humble retail store and workshop for electrical home appliances has since evolved into a dynamic, home grown brand with a strong national presence and growing international footprint.

The brand name 'Pensonic' is a melding of 'Penang' and 'Sonic,' reflecting its origin and early focus on audio products. In 1994, Pensonic Holdings Berhad was established as an investment holding company, leading to a public listing on Main Market of Bursa Malaysia Securities Berhad in 1995.

Pensonic Group also offers a wide range of home appliances under its core Pensonic brand and premium brands such as Cornell, Lebensstil Kollektion and Toush. It also exclusively distributes the UK-based Morphy Richards brand in Malaysia.

In the financial year ended 31 May 2026 ("FY2026"), the Group reaffirmed its commitment to innovation, community engagement, and the celebration of Malaysia's cultural heritage. A key highlight of the year was the continued success of the "Batik Series", a distinctive line of home appliances inspired by traditional Malaysian Batik motifs. This unique product series not only showcases the Group's creative design capabilities, but also serves as a tribute to Malaysia's rich cultural legacy, promoting national pride and cultural appreciation through everyday living.

As a leading local brand, Pensonic plays a vital role in enhancing Malaysia's reputation as a hub of innovation and quality. By standing tall among international brands, we reinforce Malaysia's position on the global stage.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS PERFORMANCE

	FY2025 (RM'000)	FY2026 (RM'000)	Changes (RM'000)	%
Revenue	333,767	**314,061**	(19,706)	(5.90)
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	6,636	**8,475**	1,839	27.71
Loss before tax ("LBT")	(2,956)	**(904)**	2,052	69.82
Loss for the year	(3,775)	**(1,543)**	2,232	59.12
Loss for the year attributable to owners of the Company	(3,807)	**(1,109)**	2,698	70.87

During FY2026, the Group focused on improving its operational performance and strengthening its financial position. The Group recorded revenue of RM314.06 million, a decrease of 5.9% from RM333.77 million in FY2025. Notwithstanding the lower revenue, EBITDA improved significantly by 27.71% to RM8.48 million from RM6.64 million, reflecting an improvement in the Group's underlying operating performance.

The Group also recorded a continued narrowing of losses during the year under review. LBT decreased by 69.4% to RM0.90 million from RM2.96 million in FY2025, while loss for the year narrowed by 59.1% to RM2.23 million from RM3.78 million. Loss for the year attributable to owners of the Company narrowed by 70.8% to RM1.54 million, compared to RM3.81 million in the previous financial year.

	FY2025 (RM'000)	FY2026 (RM'000)	Changes (RM'000)	%
Total assets	306,040	**277,918**	(28,122)	(9.19)
Non-current assets	119,128	**114,884**	(4,244)	(3.56)
Current assets	186,911	**163,034**	(23,877)	(12.77)
Borrowings	82,024	**68,619**	(13,405)	16.34

The Group's total assets decreased by RM28.1 million, or 9.2%, to RM277.9 million as at 31 May 2026, compared with RM306.0 million in FY2025. The decrease was mainly attributable to improvement in recovery of receivables and inventory management.

Inventories decreased by RM16.8 million, or 20%, from RM83.8 million in FY2025 to RM67.0 million in FY2026, reflecting the Group's continued focus on inventory management and working capital optimisation. The reduction in inventory was supported by close monitoring of stock levels and alignment of inventory holdings with business requirements.

The Group continued to invest in property, plant and equipment to support its business operations. However, non-current assets decreased mainly due to depreciation and the recognition of an impairment loss of RM2.48 million on certain moulds following a reassessment of their recoverable value.

Meanwhile, borrowings decreased by RM13.4 million, or 16.3%, to RM68.6 million, reflecting the Group's continued efforts to manage its borrowings and strengthen its financial position.

Going forward, the Group continues to focus on optimising inventory levels, improving working capital efficiency and exercising disciplined capital expenditure, while ensuring sufficient resources are available to support its operational requirements and growth.

MANAGEMENT DISCUSSION AND ANALYSIS

BRAND DEVELOPMENT AND MARKET POSITIONING

During the financial year, the Group continued to strengthen its brand presence and market engagement through targeted marketing initiatives, dealer support programmes and community engagements. These initiatives were undertaken to enhance consumer awareness, strengthen relationships across the Group's distribution network and reinforce the Pensonic brand as a trusted Malaysian household name.

The Group supports its dealer network through targeted product promotions, including campaigns for the Tapsty Steam Air Fryer Oven, particularly during key festive periods. In addition to promotional activities, selected dealer outlets were supported through branded signage and customised racking solutions. These initiatives were aimed at improving product visibility at the point of sales, enhancing the retail experience and strengthening long-term relationships with key dealers.

Brand engagement is further supported through community and entrepreneurial development initiatives. Pensonic Malaysia partnered with Marriott International as the main sponsor of the Road to Give charity run held in Penang in October 2025, which attracted more than 700 participants and supported local non-governmental organisations. The Group also continued its knowledge-sharing engagements with the local business community through corporate sharing sessions with JCI Perai and WomenBizSENSE, covering areas including business resilience, rebranding, customer trust and navigating challenging market conditions.

The Group also continued to develop its technical talent pipeline and strengthen links with the local education ecosystem. In May 2026, Pensonic hosted engineering undergraduates from Universiti Sains Malaysia for a manufacturing hub visit, providing exposure to manufacturing processes, product development and research & development quality control. The Group also participated in the USM Career Fair 2026 to engage final-year engineering students for technical positions and internship opportunities. These initiatives support the Group's longer-term requirements for specialised engineering, product development and R&D talent.

Looking ahead, the Group continues to focus on strengthening its brand equity, improving product visibility and retail execution, deepening dealer relationships and developing its technical talent pipeline. Marketing and commercial initiatives will remain aligned with the Group's broader objective of supporting sustainable revenue growth and strengthening its position in the home appliances market.

AWARDS AND RECOGNITIONS

During the financial year, the Group and its executive leadership team received two prestigious recognitions that highlight our commitment to innovation, leadership excellence, and brand trust.

A Legacy of Excellence

Pensonic Sales & Service Sdn. Bhd. was honoured with the Model Enterprise and Partnership Accolade at the 8th Kwong Wah Yit Poh Sun Yat-sen Spirit Awards on 26 October 2025.

Presented by Kwong Wah Yit Poh, the award recognised Pensonic's 60-year journey from a small storefront in Balik Pulau, Penang to an established Malaysian brand with an international presence. Accepting the accolade, Pensonic Founder Dato' Seri Chew Weng Khak attributed the achievement to the resilience of generations of his family, employees, and loyal Malaysian consumers. He also reaffirmed Pensonic's commitment to ethical growth, innovation, and community development, anchored by its "Sound of Penang" philosophy.

Putra Brand Awards 2026

Validating our market leadership and consumer trust, Pensonic was officially honoured with the Silver Award under the Personal, Household & Outdoor Appliances category at the prestigious Putra Brand Awards gala ceremony held on 23 January 2026.

Organised by the Association of Accredited Advertising Agents Malaysia (4As) and endorsed by MATRADE, the awards recognise brands based on consumer preferences and voting.

These accolades reinforce Pensonic's industry leadership and our continuing commitment to innovation, customer satisfaction, and sustainable growth.

ANTICIPATED AND/OR KNOWN RISKS

OPERATIONAL RESILIENCE

The Group faces risks from unforeseen events such as fire, floods, pandemics, or system disruptions that may impact manufacturing, warehousing, or distribution.

Any prolonged disruption could affect sales fulfilment, customer confidence, and financial results. Comprehensive emergency protocols, periodic fire and safety drills, insurance coverage, and investment in resilient IT and warehousing infrastructure are in place. Lessons learned from the COVID-19 pandemic have been integrated into business continuity planning.

MANAGEMENT DISCUSSION AND ANALYSIS

FOREIGN EXCHANGE RISK

The Group's operations involve significant United States Dollar ("USD") exposure due to imports of raw materials and finished goods, as well as export sales denominated in foreign currencies. Currency volatility can directly impact gross margins and financial performance. A weakening Ringgit Malaysia against the USD increases cost of imports, squeezes profit margins, and may reduce competitiveness in price-sensitive markets.

Pensonic adopts a natural hedging strategy by matching export revenues with import payments in USD where possible. The Finance Department conducts proactive monitoring of forex positions and evaluates opportunities for forward contracts or other hedging instruments to reduce volatility.

CREDIT RISK

The Group provides trade credit terms ranging from 30 to 90 days to distributors and retailers. Economic slowdown or customer liquidity issues may result in delayed collections or defaults.

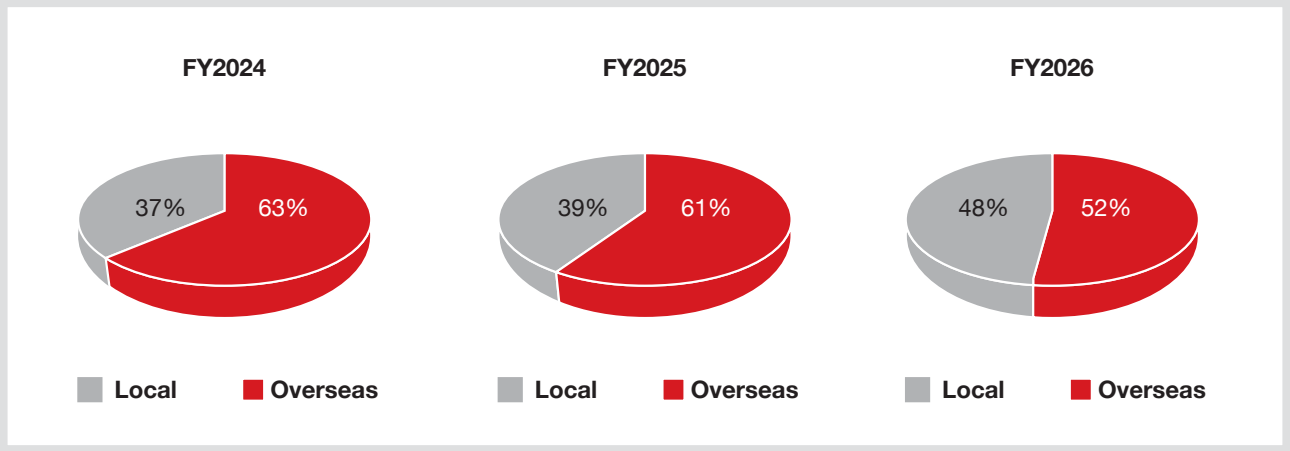
Increased receivables exposure could pressure working capital, liquidity, and cash flow, especially with expanding overseas sales.

The finance department team conducts ongoing monitoring of customer payment trends and reviews ageing reports. Credit limits are reviewed periodically, and stricter terms are imposed on higher-risk accounts. Proactive collection measures and insurance coverage are employed for selected overseas receivables.

STRATEGIC OUTLOOK AND FUTURE PROSPECTS

The Group continues to execute a forward-looking strategy focused on innovation, regional expansion, and digital transformation. Over the past three financial years, the Group has made steady progress towards achieving a more balanced revenue distribution between local and international markets. In FY2024, local sales accounted for 63% of total revenue, while overseas sales contributed 37%. This shifted further towards a more balanced mix in FY2025, with 61% of revenue generated locally and 39% from overseas markets. In FY2026, the gap narrowed significantly, with local sales contributing 52% and overseas sales increasing to 48% of total revenue.

This year-on-year progression reflects the Group's continues efforts to expand its international presence while maintaining a strong local presence. With the revenue mix now approaching an even balance, the Group is well positioned to further strengthen its presence across both domestic and international markets. Moving forward, the Group will continue to leverage its manufacturing capabilities, product quality, cost efficiency, and expanding global customer base to support sustainable growth and enhance its overall business footprint.



MANAGEMENT DISCUSSION AND ANALYSIS

ENHANCING GREENHOUSE GAS EMISSIONS REPORTING

In FY2026, the Group enhanced its greenhouse gas emissions reporting by introducing the measurement of selected Scope 3 emissions, covering employee commuting and business travel.

The inclusion of these indirect emissions data provides the Group with a broader understanding of its carbon footprint beyond direct emissions from its operations and purchased electricity. The information gathered will support the Group in identifying opportunities to improve emissions management and promote more sustainable practices among employees.

The Group will continue to enhance the coverage and quality of its greenhouse gas emissions data as its sustainability reporting practices mature.

OUTLOOK AND PRIORITIES FOR FY2027

Looking ahead to FY2027, the Group remains focused on strengthening its financial position, improving operational efficiency and building sustainable growth across its domestic and international businesses. Against a challenging and competitive operating environment, the Group will continue to adopt a disciplined approach to cost management, working capital optimisation and capital allocation while pursuing opportunities to strengthen its market position.

Strengthening Financial Position and Cash Flow

The Group will continue to prioritise the strengthening of its balance sheet through disciplined working capital management, improved cash flow generation and prudent management of borrowings. Particular attention will be given to inventory levels, receivables collection and overall working capital requirements, with the objective of improving liquidity and reducing financing costs.

Improving Operational Efficiency and Margins

The Group will continue to enhance operational efficiency across its manufacturing and trading operations. Efforts will focus on improving production utilisation, product mix, cost management and operational productivity, while continuing to evaluate opportunities to optimise the Group's manufacturing and OEM activities.

Driving Sales and Market Development

The Group will continue to strengthen its presence in both domestic and overseas markets through targeted product development, marketing initiatives and closer engagement with its dealer and distribution network. The Group will also continue to develop its online and digital sales channels alongside its established dealer network, while identifying opportunities to expand its international market presence.

Strengthening Product Portfolio and Brand

The Group will continue to focus on product innovation and the development of products that respond to changing consumer preferences. Marketing and promotional activities will remain focused on enhancing product visibility, strengthening the Pensonic brand and improving engagement with consumers and channel partners.

Optimising Inventory and Supply Chain

Inventory management will remain a key priority in FY2027. The Group will continue to strengthen inventory planning, stock monitoring and the management of slow-moving inventories, while aligning procurement and production activities more closely with market demand. These initiatives are expected to support better working capital utilisation and reduce inventory-related risks.

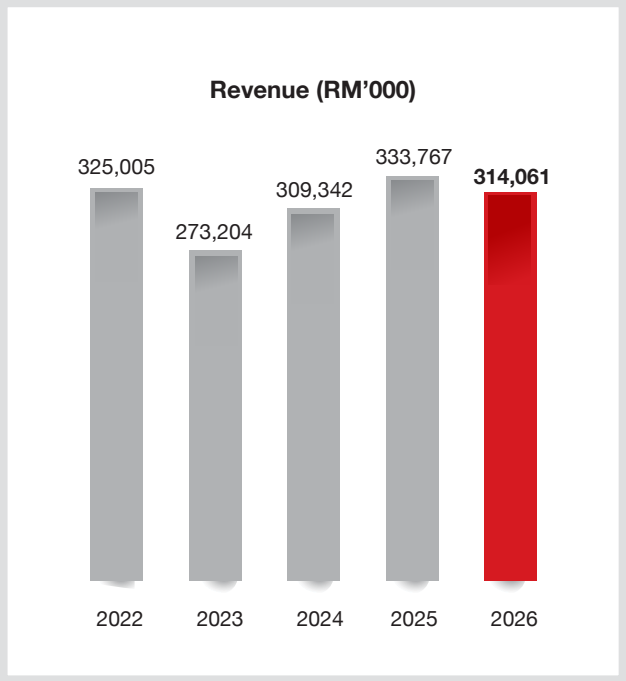
According to Bank Negara Malaysia, the Malaysian economy grew by 6.0% in Q2 2026, following growth of 5.4% in Q1 2026, supported by resilient domestic demand, stronger exports, particularly electrical and electronics (E&E) products, and continued investment activity. The economy expanded by 5.7% in the first half of 2026, with growth expected to remain around 5% for the full year. The Overnight Policy Rate (OPR) remained at 2.75% throughout 2026 as at September, supporting sustainable economic growth while maintaining price stability.

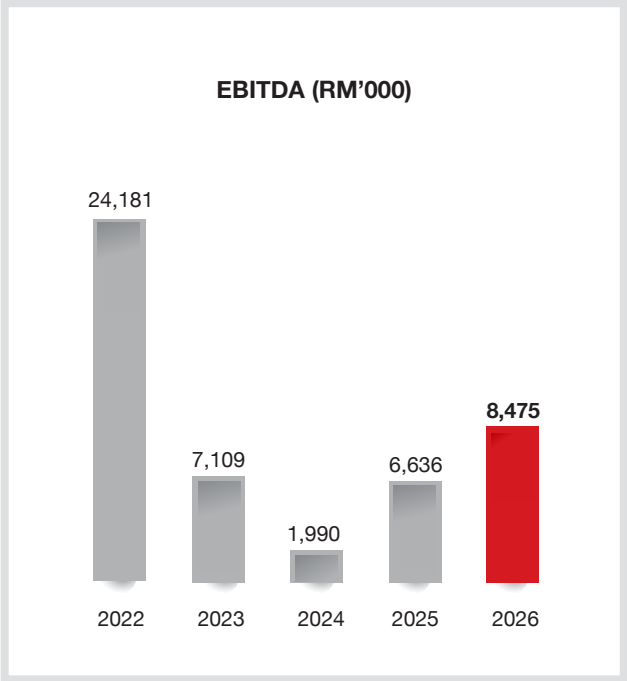
Macroeconomic conditions remained resilient, supported by steady household spending, favourable labour market conditions, ongoing private and public investment, and sustained demand for E&E products. However, the economic outlook continues to face external challenges, including geopolitical tensions, global trade uncertainties, higher energy and commodity costs, tighter global financial conditions, and intense regional competition. Despite these risks, continued technology-related investment, strong semiconductor demand, tourism activity, and Malaysia's established position in the E&E supply chain are expected to provide support to economic growth. Source: https://www.bnm.gov.my/-/gdp2q26pr

In FY2026, Pensonic Group achieved tangible recovery; marked by improved gross margins, and reduction in losses. With a clear strategy anchored on innovation, digital readiness, and regional scaling, the Group is confident in achieving sustainable growth and long-term shareholder value creation in FY2027 and beyond.

MANAGEMENT DISCUSSION AND ANALYSIS

	2022	2023	2024	2025	2026
Key Operating Results (RM'000)					
Revenue	325,005	273,204	309,342	333,767	**314,061**
EBITDA	24,181	7,109	1,990	6,636	**8,475**
Profit / (Loss) before tax	14,814	(2,540)	(7,286)	(2,956)	**(904)**
Profit / (Loss for the year	13,053	(3,997)	(13,606)	(3,775)	**(1,543)**
Profit / (Loss) for the year attributable to owners of the Company	14,356	(3,036)	(13,254)	(3,807)	**(1,109)**
Other Key Data (RM'000)					
Total equity attributable to owner	142,099	138,358	143,146	135,625	**132,633**
Total assets	315,253	274,018	270,618	306,040	**277,918**
Total borrowings	110,613	83,167	62,301	82,024	**68,619**
Financial ratios					
Return on equity attributable to owners	10.1%	(2.2)%	(9.3)%	(2.8)%	**(0.8)%**
Return on assets	4.8%	(1.0)%	(4.9)%	(1.3)%	**(0.4)%**
Current ratio	1.42	1.47	1.52	1.28	**1.33**
Debt to equity ratio	0.78	0.60	0.44	0.60	**0.52**
Earnings / (Loss) per share (sen)	11.38	(2.41)	(9.62)	(2.54)	**(0.75)**





CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Pensonic Holdings Berhad ("Pensonic" or "the Company") recognises the importance of upholding strong corporate governance standards across the Company and its subsidiaries ("Pensonic Group" or "the Group"). The Directors lead by conducting business with integrity, transparency, and professionalism to enhance success, protect shareholders' investments, and prioritise the interests of all stakeholders. By adopting the essence of good corporate governance practices, rather than mere compliance, the Board aims to ensure its effectiveness in enhancing shareholders' value. This entails promoting integrity, transparency, and professionalism, while also focusing on board effectiveness and the long-term creation of shareholder value. Ultimately, Pensonic's dedication to sound corporate governance principles reflects its commitment to responsible and sustainable business practices, fostering trust and building enduring relationships with stakeholders.

This Corporate Governance Overview Statement ("CG Statement") provides a summary of corporate governance practices implemented during the financial year ended 31 May 2026 ("FY2026") with reference to the following three (3) principles set out in the Malaysian Code on Corporate Governance 2021 ("MCCG"):

Principle A: Board leadership and effectiveness;
Principle B: Effective audit and risk management; and
Principle C: Integrity in corporate reporting and meaningful relationship with stakeholders.

The application for each Practice as set out in the MCCG is disclosed in the Corporate Governance Report ("CG Report") which is published on the Company's website: www.pensonic.com as well as through an announcement on the website of Bursa Malaysia Securities Berhad ("Bursa Securities"). This CG Statement is to be read together with CG Report, based on a prescribed format as outlined under paragraph 15.25(2) of Main Market Listing Requirements of Bursa Securities ("MMLR").

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1 Board of Directors

The current Board comprised of seven (7) members. There are two (2) Executive Directors, three (3) Independent Non-Executive Directors ("INEDs") and two (2) Non-Independent Non-Executive Directors ("NINEDs") as at the date of the Annual Report as follows:

Position	Directors
Executive	Dato' Seri Chew Weng Khak @ Chew Weng Kiak, Group Executive Chairman Chew Chuon Fang, Nelson, Group Executive Director
Independent Non-Executive	Ong Huey Min, Lindy Dato' Seri Dr. Liew Lee Leong, Raymond
Non-Independent Non-Executive	Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim Dato' Tahir Jalaluddin Bin Hussain

At the extra ordinary general meeting up held on 25 August 2026, shareholders approved ordinary resolutions for the removal of Dato' Chew Chuon Jin, Dixon, as a Director and as Chief Executive Officer of the Company.

The background, experiences and qualifications of the Directors are set out under the Profile of Directors in this Annual Report.

All concerns regarding the Group can be conveyed to any one of the Directors and/or will be deliberated by all Directors during board meetings. As such, the Board is of the view that there is no immediate need to appoint a Senior INED to whom concerns regarding the Group may be conveyed.

The Board meets at least four (4) times a year at quarterly intervals with additional meetings convened as necessary. Throughout FY2026, the Board held a total of five (5) meetings. The purpose of these meetings was to discuss and deliberate on a wide range of matters pertaining to the Group. These included reviewing and analysing the Group's quarterly operations and financial results, evaluating major investments and strategic decisions, assessing business plans, and addressing any other strategic issues that could potentially impact the Group's businesses. By convening regular board meetings, Pensonic ensures that important matters are thoroughly considered, enabling effective decision-making and strategic planning.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

1 Board of Directors (Cont'd)

Board meetings are scheduled in advance to allow Directors to plan and adjust their schedules, ensuring good attendance and focused attention to the meeting agenda. The Board recognises the importance of informed decision-making and would invite management personnel and external consultants to attend meetings as needed. This enables presentation of relevant information, provision of clarifications, and offer of advice to support the Board's decision-making process.

In the intervals between board meetings, approvals are obtained via circular resolutions for exceptional matters requiring urgent Board decision-making which are then supported with information necessary for informed decision-making. As a mean to facilitate Directors' planning and time, an annual meeting calendar is adopted and given to Directors before the beginning of each new financial year.

Meetings are also organised for the Board Committees which are the Audit Committee ("AC"), Nomination Committee ("NC") and Remuneration Committee ("RC").

The attendance of Directors at meetings of the Board and Board Committees held during FY2026 is as tabulated below:

Directors	Board	AC	NC	RC
Dato' Seri Chew Weng Khak @ Chew Weng Kiak*	2/2	–	–	–
Chew Chuon Fang, Nelson	5/5	–	–	–
Dato' Seri Dr. Liew Lee Leong, Raymond	5/5	5/5	–	–
Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim**	5/5	1/1	1/1	1/1
Dato' Tahir Jalaluddin Bin Hussain	5/5	5/5	1/1	1/1
Ong Huey Min, Lindy	5/5	5/5	1/1	1/1
Loh Keow Lin, Lynn***	5/5	4/4	–	–

* Based on attendance at meetings prior to his retirement on 24 October 2025.
** Resigned as member of the AC on 1 August 2026
*** Appointed as member of the AC on 1 August 2026
Note: Dato' Chew Chuon Jin, Dixon attended all board meetings prior to his removal on 25 August 2026.

The Board is satisfied with the time commitment given by the Directors as demonstrated by their full attendance.

In addition, all of the Directors do not hold more than 5 directorships in other public listed companies as required under paragraph 15.06 of the MMLR to enable the Directors to discharge their duties effectively by ensuring that their commitment, resources and time are more focused. The Board members must notify the Board or the Chairman before accepting any new directorship in other public listed companies.

1.1 Strategic Aims, Values and Standards

The Board assumes full leadership and control over the Group. Together, the Board members have the collective responsibility to manage the business affairs of the Group. This includes approving all strategies, providing guidance and direction, as well as overseeing the management's activities. In addition to their legal obligations, the Board ensures that effective processes are in place for the management, internal control, risk assessment, and monitoring performance against established benchmarks for the Group. They also ensure that the businesses are conducted in compliance with good governance practices, promoting transparency and objectivity. The primary objective of the Board is to enhance the value of shareholders by achieving the approved objectives.

As part of the Board's effort to ensure that its duties and responsibilities are effectively discharged, the Board delegates certain functions to the Board Committees and the management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

1 Board of Directors (Cont'd)

1.1 Strategic Aims, Values and Standards (Cont'd)

Each of the Board Committees operates under clearly defined Terms of Reference ("TOR") as approved by the Board and which are periodically reviewed for relevance and improvement. The respective chairman of the Board Committees will report to the Board on the outcome of any discussions and recommendations thereon. The ultimate responsibility for the final decision on all matters, however, lies with the Board. The TOR of the Board Committees are published on the corporate website.

The Board assumes responsibility for managing the primary risks that impact the Group. This includes tasks such as establishing and approving internal policies to address and mitigate these risks. Additionally, the Board reviews the effectiveness and reliability of the Group's internal control systems to ensure they are adequate. The Board also oversees the performance of the Group's various businesses, ensuring they are meeting established targets and objectives.

The Board also ensures compliance with legal and statutory requirements across the Group, ensuring that all operations adhere to applicable laws and regulations. Key responsibilities of the Board also include approving major capital expenditures, carefully considering significant financial matters, and conducting reviews of the Group's financial and operating performance. This allows the Board to make informed decisions regarding financial investments and to assess the overall health and progress of the Group.

1.2 Chairman of the Board

The Board is led by an Executive Chairman who assumes the responsibility of providing leadership and governance within the Board. The Chairman's role involves creating a conducive environment that fosters the effectiveness of the Directors and facilitates timely discussions on relevant issues. The Chairman ensures that no single member dominates the discussions and encourages active and meaningful participation from all Board members.

Dato' Seri Chew Weng Khak retired on 25 October 2025. He rejoined the Board as Executive Chairman on 23 July 2026.

In addition to these facilitation duties, the Chairman leads the Board in overseeing the management of the organisation.

The Chairman plays a crucial role in maintaining open lines of communication within the Board, promoting collaboration, and seeking the collective opinion of the Board members when necessary.

1.3 Separation of Position of Chairman and CEO

The Board maintains a clear distinction between the roles of the Chairman and the CEO. These positions are held by different individuals, with distinct responsibilities, roles and duties.

The CEO assumes overall responsibility for the daily operations of the Group's operating units. This includes overseeing key aspects such as human resource, finance, business affairs, and ensuring the implementation of Board policies and decisions. The CEO is responsible for maintaining the effectiveness of the Group and ensuring that the Group's products, services, and corporate identity meet high standards and align with market expectations.

During scheduled board meetings, the CEO provides updates and briefings on the performance and activities of the Group. This allows the Board to stay informed about the Group's progress.

By clearly delineating the roles and responsibilities of the Chairman and the CEO, the Board ensures effective governance, division of tasks, and accountability within the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

1 Board of Directors (Cont'd)

1.3 Separation of Position of Chairman and GCEO (Cont'd)

At the Extraordinary General Meeting of the Company held on 25 August 2026, Dato' Chew Chuon Jin, Dixon was removed from the position of CEO.

1.4 Chairman of the board shall not be a member of the AC, NC or RC

The Chairman of the Board is not a member of any Board Committees and does not participate in their meetings. This arrangement ensures that the Board Committees can operate independently and make decisions without the influence or presence of the Chairman. The Committees are able to carry out their specific responsibilities and functions autonomously. This separation helps to maintain objectivity and promotes diversity of perspectives within the Committees.

1.5 Qualified and Competent Company Secretary

The Company Secretary is competent, qualified and capable of carrying out her duties and providing support to the Board in the discharge of their fiduciary duties.

The Board expresses satisfaction with the performance and support provided by the Company Secretary. The Company Secretary serves as a valuable resource for the Directors, offering advice and assistance as needed.

One of the key responsibilities of the Company Secretary is to keep the Board informed about any updates or changes in statutory and regulatory requirements that are relevant to the duties and responsibilities of Directors. This includes notifying the Board about new laws, regulations, or guidelines that may impact the Group and its Directors. By staying updated on these matters, the Board can ensure compliance and understand the potential implications and consequences that may arise.

The Company Secretary, or her representatives, attend and ensure that all Board and Board Committees meetings are properly convened. The decisions made and/or resolutions passed thereof are recorded in minutes of meetings and kept at the registered office of the Company together with its statutory registers.

Other roles of the Company Secretary included coordinating with management on the preparation of board papers, ensuring procedures and applicable rules are observed and maintaining records of the Board as well as provide timely dissemination of information relevant to the Directors' roles and functions and keeping them updated on evolving regulatory and compliance requirements.

1.6 Access to Information and Advice

The Board recognises that the decision-making process is highly dependent on the quality of information available. All the Directors have access to all information within the Group and may seek the advice of management on matters under discussion or request further information on the Group's business activities. The Chairman, with the assistance of the Company Secretary, ensures that all Directors have full and timely access to information with Board papers distributed in advance for meetings of the Board and Board Committees.

The Directors, whether as full Board or in their personal capacity, may upon approval from the Board, seek independent professional advice, where necessary and under appropriate circumstances, in furtherance of their duties and to enable them to discharge their duties, at the Group's expense.

To facilitate effective decision-making, all Directors received the necessary documents and information at least seven (7) days in advance of the meetings. These include agendas, board papers, reports, and other relevant materials.

Nevertheless, where matters are time sensitive or subject to late developments, additional information or supplementary papers may be circulated closer to the meeting date.

Having the documents in advance allows the Directors sufficient time to thoroughly review and evaluate the matters to be discussed. If additional information is required, they have the opportunity to seek clarification or request further details before the meetings. This ensures that the discussions during the meetings are well-informed and efficient.

Furthermore, any actions or decisions taken during previous meetings are reported and followed up on in subsequent meetings. This allows for proper tracking and accountability, ensuring that the resolutions and tasks identified in earlier meetings are addressed and progress is made.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

2 Demarcation of responsibilities

2.1 Board Charter

The Board Charter provides guidance by clearly delineating the roles, duties and responsibilities of the Executive Chairman, CEO, Board, Board Committees and management. The Board Charter also includes the requirements of Directors in carrying out their leadership and supervisory role; and in discharging their duties towards the Group as well as boardroom activities.

The Board Charter is subject to periodical review by the Board to ensure that it remains relevant and consistent with the Board's roles and responsibilities, changing needs of the Company as well as any development in the prevailing legislation and practices.

The Board Charter is available on the Company's website.

3 Good business conduct and corporate culture

3.1 Code of Conduct and Code of Ethics

The Board is committed towards inculcating a corporate culture which engenders ethical conduct throughout the Group. Our brand values of Caring, Leadership, Trustworthy and Innovation are entrenched in our corporate psyche and observed by all our people from Directors down to employees as integral elements guiding the Group towards achieving sustainability.

The Board has formalised Code of Ethics and Code of Conduct to guide the desired standard of behaviour from all Directors and employees so as to improve work quality, productivity and self-discipline in order to provide effective, good and quality services.

The Code of Conduct is based on principles in relation to trust, integrity, responsibility, excellence, loyalty, commitment, dedication, discipline, diligence and professionalism. Our Code of Ethics is based on the principles of sincerity, integrity, responsibility and corporate social responsibility.

The Group has also an Employee Handbook to guide the desired standard of behaviour from all staffs. The Employee Handbook covers, among others, general employment terms and conditions, compensation and benefits, proprietary information and sexual harassment.

The Code of Conduct and Code of Ethics are available on the Company's website.

3.2 Whistleblowing Policy

The Company has in place a Whistleblowing Policy. The Company has always advocated for openness and transparency in its commitment to the highest standard of integrity and accountability. All malpractices or wrongdoings reported by the whistle-blower are directed to the Chairman of the AC and shall be set forth in writing or verbally. The Whistleblowing Policy is available on the Company's website.

3.3 Anti-Bribery & Anti-Corruption Policy ("ABC Policy")

The Company has adopted the Anti-Bribery and Anti-Corruption Policy ("ABC Policy") to guide compliance with the Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018. The adoption of the ABC Policy signalled commitment by the Board and the Group to conduct all businesses in an honest and ethical manner requiring all Directors and employees to act professionally, fairly and with integrity in all our business dealings and relationships. The ABC Policy sets out adequate procedures designed to prevent situations in which bribery and corrupt practices may take root. The ABC Policy is available on the Company's website.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

3 Good business conduct and corporate culture (Cont'd)

3.4 Directors' Fit and Proper Policy

The Board had, in April 2023, adopted a Directors' Fit and Proper Policy to ensure that individuals who possess the right qualification, expertise, competence and integrity is appointed as Director in the Group. All candidates to be appointed and seeking for re-election as Directors in the Group, shall undergo a fit and proper review accordance with the Directors' Fit and Proper Policy. The policy is available on the Company's website.

4 Sustainable Practice

4.1 Governance of sustainability

The Board recognises that sustainable development is an important and integral part of the Group's pursuit of its long-term business success. The Board is responsible for the development of the Group's sustainability strategies.

4.2 Communication of Sustainability Strategies

The management continues to engage with stakeholders to seek feedback and viewpoints that would be useful to the Group in developing sustainability targets and implementation strategies. The Board will meet and discuss key sustainability matters at least once a year.

4.3 Periodic Updates

The Directors has been and will continue to attend training to keep abreast of development on sustainability as well as regulations and guidance on current and emerging environmental problems that may affect the Group.

4.4 Performance Evaluation

The Board recognises the importance of sustainability in all its business operation and had included sustainability as one of the criteria in the performance evaluations of board members. The annual evaluation of the Directors, the Board and Board Committees for FY2026 included assessment on Board's understanding of sustainability issues. Do refer the Sustainability Statement which outlined sustainability activities by the Group.

4.5 Sustainability Leadership

The CEO was the designated person leading the Group's sustainability initiatives. The position is currently vacant.

5 Board Composition

Nomination Committee ("NC")

The NC plays a crucial role in assisting the Board in ensuring that it comprises individuals who possess the necessary calibre, knowledge, experience, integrity, and reputation to effectively fulfill their roles. The NC is responsible for assessing the qualifications and suitability of candidates for directorship and senior management positions within the Group. Additionally, the NC carries out an annual assessment of the performance of the Board and Board Committees. The specific duties and responsibilities of the NC are outlined in its TOR, which are published on the Company's website.

The NC comprises of three (3) members , as tabulated :

Name	Position
Loh Keow Lin, Lynn	Chairman
Dato' Seri Dr. Liew Lee Leong, Raymond	Member
Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim	Member

CORPORATE GOVERNANCE OVERVIEW STATEMENT

5 Board Composition (Cont'd)

Nomination Committee ("NC'') (Cont'd)

The NC met once (1) during FY2026 with full attendance by all members to deliberate on the following matters:

(a) Reviewed the composition, mix of skills and experience and other qualities, including core competencies as well as contribution of each individual Director and the effectiveness of the Board as a whole and the Board Committees as well as contribution of each individual Director.

(b) Reviewed the level of independence of the INEDs.

(c) Assessed the training needs for Directors.

(d) Reviewed and recommend the continuation in office of the INEDs who have served beyond nine (9) years.

(e) Reviewed and recommend the redesignation of INED to NINED who have served for twelve (12) years.

(f) Discussed the character, experience, integrity and competence of the Directors and to ensure they have the time to discharge their respective roles.

(g) Discussed the annual retirement by rotation and recommended the re-election of Directors at the forthcoming annual general meeting ("AGM").

(h) Reviewed the term of office and performance of the AC and its members pursuant to paragraph 15.20 of the MMLR.

(i) Conducted annual assessment on Board, Board Committees and individual Directors.

The NC currently comprises a majority of INEDs, with an INED serving as Chairman, in line with Practice 5.9 of the MCCG.

5.1 Board Composition

The NC reviews the composition of the Board annually to ensure that the Board is of the right size, with the right mix of skills and diversity of experience.

The NC also evaluates the performance of each Director on an annual basis. Recommendation for annual re-election of Director is made upon satisfactory evaluation of the Director's performance and contribution to the Board.

Upon conclusion of the annual assessment for FY2026, the Board affirmed that the current Board is appropriately sized with balanced mix of skills, knowledge and experience in the relevant areas to enable the Board to carry out its responsibilities in an effective and efficient manner.

The Board is in compliance with paragraph 15.02 of MMLR, which requires that at least two (2) Directors or one-third (1/3) of the Board of the Company, whichever is the higher, are INEDs.

5.2 Independent Directors

The concept of independence as adopted by the Board is consistent with definition of INEDs outlined in paragraph 1.01 and Practice Note 13 of the MMLR. The key elements for fulfilling the criteria are the appointment of Directors who are not members of Management and who are free from any business or other relationship which could interfere with the exercise of independent judgment or the ability to act in the best interest of the Company and the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

5 Board Composition (Cont'd)

5.2 Independent Directors (Cont'd)

The current composition of the Board Committees, made up of majority INEDs affirmed the Board's commitment towards independence and provide strong check and balance in the Board's governance function.

5.3 Tenure of Independent Directors

The Board recognises the MCCG's recommendation that service tenure of an INED should not exceed a cumulative or consecutive term of nine (9) years. Upon completion of the nine (9) years, an INED may continue to serve on the Board subject to the Director's redesignation as a Non-INED. MCCG also states that the Board should provide justification and seek annual shareholders' approval through a two-tier voting process if it intends to retain an INED beyond nine (9) years.

As of to-date, Ms Ong Huey Min, Lindy has served as INED for more than 9 years since her appointment on 03 January 2017. Following the annual assessment, the Board intends to retain her as INED and will seek shareholders' approval at the forthcoming AGM for her to continue to act as INED beyond nine (9) years until conclusion of next AGM in 2027.

The NC had reviewed and assessed the independence of INED and her tenure of service. The NC is satisfied that the INED of the Company continue to demonstrate independence through her engagement in meetings by bringing objective and independent judgement to decisions taken by the Board. The INED of the Company had also devoted sufficient time and attention to the Group's affairs.

Key justifications to recommend the continuation of Ms. Ong Huey Min, Lindy as INED are as follows:

(a) She has actively participated in the deliberation at Board and/or Board Committees, providing objectivity in decision-making and possess sufficient self-esteem and confidence to stand up with an independent voice to the Board.

(b) She has exercised due care during her tenure and carried out her professional duties in the best interest of the Company and shareholders.

(c) She has not developed, established or maintained any significant relationship which could impair her independence as INEDs, with the Executive Directors and major shareholders other than normal engagements and interactions on a professional level consistent and expected to carry out her duties as INED or member of the Board's Committees.

(d) She has contributed sufficient time and efforts in attending meeting of the Board and Board Committees.

(e) She has proven business insight, academic qualifications, professional expertise, skill sets and entrepreneurial experience to share with the Board.

NC had also reviewed and assessed the independence of other INEDs and their tenure of service. The NC is satisfied that the INEDs of the Company continue to demonstrate independence through their engagement in meetings by bringing objective and independent judgement to decisions taken by the Board. The INEDs of the Company had also devoted sufficient time and attention to the Group's affairs.

5.4 Policy on Tenure of Independent Directors

As the Company is not classified as a Large Company, the Board does not have a policy which limits the tenure of its INEDs to nine (9) years without further extension. At present, the Board will ensure compliance with MMLR which limits tenure of INEDs to not more than a cumulative period of twelve (12) years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

5 Board Composition (Cont'd)

5.5 Diversity in the Board and Senior Management

The Board is supportive of diversity on the Board and in Senior Management team. The appointment of Directors and Senior Management team are based on objective criteria, merit and takes into consideration diversity in experience, skills set, age and cultural background.

The current composition of the Board reflects a good mix of diversity and expertise from various fields such as general management and operations, commercial, finance and accounting, corporate affairs, manufacturing, sales and marketing, business, tax, product development, shipping and logistics.

5.6 Sources to identify candidate for Directorship

The NC will consider to utilise independent sources to identify suitably qualified candidates, if such needs arise. The NC will also perform independent background check on the candidate using information from independent sources prior to recommending any candidates for directorship.

5.7 Directors' Information

The profiles of the Directors are included in the Annual Report. Information contained therein included age, gender, tenure of service, directorship in other companies, working experience and any conflict of interest as well as shareholding in Pensonic.

A statement from the Board (on whether it supports the appointment or reappointment) is included in the Notice of AGM to ensure shareholders have the information they require to make an informed decision on the re-election of said Directors.

5.8 Chairman of Nomination Committee

The NC is chaired by Ms Loh Keow Lin, Lynn.

5.9 Female Board Representation

Ms Ong Huey Min, Lindy and Loh Keow Lin, Lynn are the female Directors on board, in compliance with MMLR which mandates presence of at least one (1) female Director on board.

5.10 Gender Diversity

The Board is of the collective opinion that there was no necessity to adopt a formal gender diversity policy presently as the Group is committed to provide fair and equal opportunities and nurturing diversity within the Group.

6 Board Effectiveness

6.1 Effectiveness of the Board and individual Directors

The NC conducts annual review of the effectiveness of the Board and Board Committees as well as performance of each individual Director. The assessment is administered via customised questionnaires, on self-assessment basis, for continuous improvement.

The NC also reviews annually the required mix of skills, experience and other qualities, including core competencies of the members in discharging their duties. The skills and experience of each Director is analysed, inter-alia, in the areas of business operations technical and governmental affairs and legislation. Furthermore, the NC reviews size and composition of the Board with consideration on the impact to the effective functioning of the Board.

The INEDs are assessed annually by the NC on behalf of the Board. Following an assessment carried out for FY2026, the Board is satisfied with the level of independence demonstrated by the INEDs and their ability to provide unbiased impartial and objective opinion during meetings and act in the best interest of the Company and the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

6 Board Effectiveness (Cont'd)

6.1 Effectiveness of the Board and individual Directors (Cont'd)

Based on the outcome of evaluation for the financial year under review, the NC and the Board are satisfied that the Board and Board Committees have discharged their duties and responsibilities effectively and the contribution and performance of each individual Director is satisfactory. The NC believes that the current Board composition is well balanced with the right mix of high-calibre individuals with the necessary skills, qualification, experience, knowledge, credibility, independence and core competencies.

Training

The Directors have been attending training courses and professional programmes necessary so as to keep abreast with the changes to guidelines issued by the relevant authorities as well as developments in the business environment, which can complement their services to the Group. The Directors are regularly updated by the Company Secretary on any changes to new statutory, corporate and regulatory developments relating to their duties and responsibilities or the discharge of their duties as Directors of the Company.

The Board had, through the NC, undertaken an assessment of the training needs of the Directors and concluded that the Directors are to determine their training needs as they are in the better position to assess their areas of needs.

Nonetheless, the NC had recommended for training to improve financial literary and keep up with changes to financial reporting environment as well as understanding the impact of the changes arising from implementation of Companies Act 2016 and other related laws. Internal briefings are provided from time to time to update on any amendment(s) or implementation of existing or new laws and regulations.

The training, conferences or seminars attended by Directors during FY2026 encompassed various topics as outlined below

Director(s)	Training / Conferences / Seminars
Dato' Seri Chew Weng Khak @ Chew Weng Kiak	· MAP PART II – Leading for Impact (LIP) · Anti-Money Laundering and Anti-Bribery and Corruption (ABC)
Dato' Chew Chuon Jin, Dixon	· Asia Forum 2026 · Anti-Money Laundering and Anti-Bribery and Corruption (ABC) · SCMP's China Conference 2025 · The 26th Hong Kong Forum · Friendly loans: Protecting and Recovering Your Money and Interest Confirmation · Spot Financial Red Flags Early – Protect Your Business Before It's Too Late
Chew Chuon Fang, Nelson	· MAP PART II – Leading for Impact (LIP) · Anti-Money Laundering and Anti-Bribery and Corruption (ABC) · Friendly loans: Protecting and Recovering Your Money and Interest Confirmation
Dato' Seri Dr. Liew Lee Leong, Raymond	· Anti-Money Laundering and Anti-Bribery and Corruption (ABC) · Seminar on "(SSM Webinar) MBRS 2.0 for Preparers – Financial Statements" · 2026 Budget Seminar · Webinar: Most Important Tax Update in Quarter 3 of 2025 · MIA Webinar Series: A Review and Analysis of New MPERS – A comprehensive brief on all the Sections in MPERS · MIA Blended Learning Series: MPERS: Preparation of MPERS Financial Statements · Introductory Webinar: MIA SMP Digital Accelerator Programme

CORPORATE GOVERNANCE OVERVIEW STATEMENT

6 Board Effectiveness (Cont'd)

6.1 Effectiveness of the Board and individual Directors (Cont'd)

Training (Cont'd)

Director(s)	Training / Conferences / Seminars
Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim	· MAP PART II – Leading for Impact (LIP) · Anti-Money Laundering and Anti-Bribery and Corruption (ABC)
Dato' Tahir Jalaluddin Bin Hussain	· MAP PART II – Leading for Impact (LIP) · Anti-Money Laundering and Anti-Bribery and Corruption (ABC)
Ong Huey Min, Lindy	· Cryptocurrency and Anti-Money Risks-Trends in Malaysia · Anti-Money Laundering and Anti-Bribery and Corruption (ABC) · Transfer Pricing Pulse-Controversy Trends Shaping the ENR sector in APAC · KPMG Tax Summit 2025 · Audit Oversight Board's Conversation with Audit Committee · In the Hot Seat – TP Audit vs Armor · AOB Conversation with Audit Committees · Advancing Sustainability Assurance – Implementing ISSA 5000 · Navigation tax enforcement in a transformation era · ASPAC Threat Intelligence Discussion
Loh Keow Lin, Lynn	· CPD Live - Legal Updates: Legal Professional Privilege · CPD Live - Data Sharing Act 2025 and Its Implications · Understanding the 7 PDPA Principles · Laws on Artificial Intelligence in the United Kingdom and Malaysia · Anti-Money Laundering and Anti-Bribery and Corruption (ABC) · Islamic Finance, Corporate & Conveyancing Conference · Webinar on Intellectual Property (Malacca Bar) · The Current Position on Statelessness and Citizenship Based on Recent Federal Court Cases and Federal Constitution Amendments · Constitutional Law Conference 2025 (ConstiLC) · Virtual Corporate & Commercial Law Conference - Full Conference 2025 · CPD Live and CPC Pocket Series - How to Complete Your Real Property Gains Tax Self-Assessment Forms Online · Webinar: Stamp Duty and Real Property Gains Tax Developments: Seize the Opportunity to Earn More Legal Fees!

7 Level and composition of Remuneration

7.1 Remuneration policy

The objective of the Remuneration Policy is to attract and retain high performing Directors required to lead and control the Group effectively.

In the case of the Executive Directors, the components of their remuneration package are linked to individual and corporate performance. As for Non-Executive Directors, the Directors' fees are reflective of their experience and level of responsibilities and the onerous challenges in discharging their fiduciary duties and broad-based roles and responsibilities as well as time commitment to the Group that go with board membership. The executive Board members played no part in deciding their own remuneration and the respective Board members shall abstain from all discussion pertaining to their remuneration.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

7 Level and composition of Remuneration (Cont'd)

7.2 Remuneration Committee ("RC")

During FY2026, the RC comprises of three (3) members, as tabulated:

Name	Position
Dato' Seri Dr. Liew Lee Leong, Raymond	Chairman
Loh Keow Lin, Lynn	Member
Dato' Tahir Jalaluddin Bin Hussain	Member

The RC is responsible for, inter-alia, recommending to the Board the policy framework and remuneration structure for Directors as well as the remuneration packages of Executive Directors.

The TOR of the RC is available on the Company's website.

The RC met once (1) during the financial year under review with all members in attendance to deliberate on the following matters:

(a) Reviewed and recommended the remuneration packages for the EDs; and

(b) Reviewed and recommended Director's Fees payable to Directors.

The RC currently comprises a majority of INED, with an INED serving as Chairman, in line with Practice 5.9 of the MCCG.

8 Remuneration of Directors and Senior Management

8.1 Details of Directors' Remuneration

The details of the remuneration paid/payable to the Directors of the Company and the Group for FY2026 are tabulated in the Corporate Governance Report.

8.2 Top 5 Senior Management's Remuneration

All Executive Directors are members of Senior Management. As such, there is no necessity for a separate disclosure.

8.3 Detailed Remuneration of Top Five (5) Senior Management

As the Executive Directors are the Senior Management, there is no separate disclosure for top 5 Senior Management's remuneration on named basis.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

Part I Audit Committee ("AC")

9 Effective and Independent AC

The TOR of the AC is published on corporate website. Details on the composition and other pertinent facts of the AC is outlined under the AC Report in this Annual Report.

9.1 Chairman of the AC

Ms. Ong Huey Min, Lindy, an INED, is the Chairman of AC.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

Part I Audit Committee ("AC") (Cont'd)

9 Effective and Independent AC (Cont'd)

9.2 Appointment of Former Key Audit Partner to AC

None of the members of the Board were former key audit partners. As such, there was no need to establish such policy presently. Such a policy would be established when the need arises in future.

The Board will observe a cooling-off period of at least three (3) years in the event any potential candidate to be appointed as a member of the AC was a key audit partner.

9.3 External Auditors

The AC reviews the suitability, objectivity and independence of the external auditor of the Company on an annual basis. The review process covers the assessment of the independence of the external auditor, the evaluation of the external auditor's performance, competency, quality of work, audit fees and the adequacy of resources.

Following a review conducted for FY2026, the AC is satisfied with the technical competency and independence of the external auditors. The AC meets with the external auditors at least twice (2) a year to discuss their audit plan and audit findings. The AC discusses the nature and scope of audit and reporting obligations with the external auditors before commencement of audit engagement. It is also the practice of the AC to respond to auditors' enquiries and recommendations, if any, to ensure compliance with the various approved accounting standards in the preparation of the Group's financial statements.

The AC has approved the non-audit services provided by the external auditors during FY2026 and concluded that the provision of these services did not compromise the external auditors' independence and objectivity. The amount of fees paid for these services was not significant when compared to the total audit fees paid to the external auditors.

The external auditors have confirmed to the AC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of relevant professional, ethics and regulatory requirements.

9.4 Composition of the AC

As at 31 May 2026, the AC comprised majority of INEDs, complying with the MMLR, to maintain independence in the AC's oversight function. Current composition of the AC:

Name	Position
Ong Huey Min, Lindy	Chairman
Dato' Seri Dr. Liew Lee Leong, Raymond	Member
Dato' Tahir Jalaluddin Bin Hussain	Member
Loh Keow Lin, Lynn	Member

The Board remains committed to ensuring the AC retains its independence, objectivity, and effectiveness in discharging its responsibilities.

9.5 Diversity in skills of the AC

The AC currently comprised of members with professional experience in finance, taxation, public service, business and economic environment. All members are financially literate and are able to read, interpret and understand the financial statements. The diversity in skills set coupled with their financial literacy gave the AC the ability to effectively discharge their roles and responsibilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

Part II Risk Management and Internal Control

10 Risk Management and Internal Control

10.1 Establishment of an effective Risk Management and Internal Control Framework

The Board acknowledges the significance of robust internal controls, which encompass risk management practices, financial controls, operational controls, and compliance controls. The Board conducts regular reviews to ensure the effectiveness of these controls. The Board takes full responsibility for overseeing the Group's internal control systems and risk management processes, emphasising the need to assess their adequacy and integrity.

Continuous reviews are carried out by the Group's internal audit function and Management to identify, evaluate, monitor and manage significant risks affecting the business and ensure that adequate and effective controls are in place. The findings of the internal audit function are reported to the AC regularly.

10.2 Features of Risk Management and Internal Control Framework

The Statement on Risk Management and Internal Control in this Annual Report provides an overview on the state of internal controls and risk management within the Group.

10.3 Establishment of a Risk Management Committee Comprises a Majority of Independent Directors

The group has not complied on this Step-up Practice as the current Risk Management Team comprised of management personnel.

11 Internal Audit Function

11.1 Effectiveness of the Internal Audit Function

The internal audit function of the Group is carried out by an independent professional consulting firm, JWC Consulting Sdn. Bhd. ("JWC") which reports directly to the AC. JWC is led by Ms. Wong Ai May who is a member of both MIA (Malaysian Institute of Accountants) and IIAM (Institute of Internal Auditors Malaysia) and is sufficiently resourced to provide service level and advisory that meet with the Group's expectations.

Information on the internal auditors and the internal audit activities during the financial year are set out in the Audit Committee Report in this Annual Report.

11.2 Disclosure on the Internal Audit Function

The internal auditors have represented to the AC that they are free from any relationship or conflict of interest with the Group. The AC has also received assurance from the internal auditors that they have adopted internal audit standards and best practices based on the International Professional Practices Framework ("IPPF"), endorsed by the IIAM.

JWC assigned 2 experienced staff to undertake internal audits of the Group and RM30,000 has been incurred for internal audit services for FY2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C: INTERGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Part I Engagement with Stakeholders

12 Stakeholders

12.1 Communication with its stakeholders

The Group is dedicated to maintaining a consistent and transparent flow of information to shareholders and stakeholders regarding its developments. This commitment is upheld through regular and timely communication that is transparent, coherent, and equitable. The Group ensures that relevant and material information is disseminated through appropriate channels, taking into account commercial confidentiality and regulatory requirements.

The CEO of the Group is designated spokesperson for all matters related to the Group. Following the removal of Dato' Dixon Chew, the role has been assumed by the Executive Chairman, Dato Seri Chew Weng Khak.

The Company places significant importance on its general meetings as the primary platform for engaging in dialogue and communication with shareholders and investors. Shareholders are actively encouraged to attend these meetings and are provided with ample time and opportunities to participate in the proceedings. They are invited to ask questions related to the resolutions being proposed, inquire about the Group's operations, and express their expectations and concerns.

In addition, the Board and Management welcome visits by investors, fund managers and analysts and conduct briefings to them when required, as the Board believes that this will give investors and interested parties on one hand, a better appreciation and understanding of the Group's performance and on the other, awareness of the expectations and concerns of investors and such interested parties. The corporate website at www.pensonic.com provides an easy and convenient avenue for stakeholders to gain access to more information of the Group.

However, in any circumstances, while the Group endeavours to provide as much information as possible to its shareholders and stakeholders, it is mindful of the legal and regulatory framework governing the release of material and price-sensitive information. The Directors are cautious not to provide undisclosed material information about the Group and frequently stress the importance of timely and equal dissemination of information to all shareholders and stakeholders.

All material announcements are reviewed and endorsed by the AC (as applicable) and the Board prior to release to the public through Bursa Securities. Shareholders and the public in general may also obtain announcements and financial results of the Company from Bursa Securities' website.

12.2 Integrated Reporting

Integrated reporting is not applicable to the Group presently as the Group does not fall within the definition of "Large Companies".

Part II Conduct of General Meetings

13 Shareholders' Participation at General Meeting

13.1 Notice for AGM

The notice of 31st AGM held on 24 October 2025 was sent to the shareholders, external auditors and Directors at least twenty-eight (28) days prior to the meeting date and published in a major local newspaper. Items of special business included in the notice of 31st AGM were accompanied by explanation of the proposed resolutions. All suggestions and comments put forth by shareholders, proxies and corporate representatives were noted by the Board for consideration.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C: INTERGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Part II Conduct of General Meetings (Cont'd)

13 Shareholders' Participation at General Meeting (Cont'd)

13.2 Directors' attendance

All Directors had attended the 31st AGM held on 24 October 2025.

13.3 Leveraging on Technology

General meetings are held in person as this is better engagement platform with shareholders, proxies and corporate representatives.

The Company will consider leverage on technology to facilitate voting in absentia and remote shareholders' participation should this become a norm.

13.4 Shareholders Engagement

All Directors, management representatives, Company Secretary and external auditors were present during 31st AGM to engage with shareholders, proxies and corporate representatives. All questions posed were duly addressed by the Board.

13.5 Infrastructure for Virtual AGM

The 31st AGM was held physically. As such, there was no necessity to deploy infrastructure for virtual meeting format.

13.6 Minutes of General Meeting

Minutes of the proceedings of the 31st AGM are posted on the Company's website within 30 business days from the date of the AGM.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board is responsible for ensuring that the financial statements of the Group give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of their results and cash flows for the year then ended. In preparing the financial statements, the Directors have ensured that applicable approved accounting standards under Malaysia Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act 2016 have been applied.

In preparing the financial statements, the Directors have selected and applied consistently suitable accounting policies and made reasonable and prudent judgements and estimates. The Directors also have general responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

STATEMENT ON COMPLIANCE

The Board will continue to strive for sound standards of corporate governance throughout the Group. Presently, the Board is of the view that the Company has, in all material aspects, satisfactorily complied with the principles and practices set out in the MCCG except for the departures as disclosed.

The Corporate Governance Overview Statement was approved by the Board of Directors on 30 September 2026.

AUDIT COMMITTEE REPORT

FORMATION

The primary objective of the Audit Committee ("AC" or "Committee"), as a Committee of the Board of Directors of Pensonic Holdings Berhad ("Pensonic" or "the Company")("Board") is to assist the Board in the effective discharge of its fiduciary responsibilities for corporate governance, financial reporting and internal control. The key responsibilities of the AC, included, among others, the following:

(a) Oversee the Company's and its subsidiaries ("Pensonic Group" or "the Group") financial reporting process and the integrity of the Group's financial statements;
(b) Assess the Group's processes in relation to its risks, governance and control environment;
(c) Review conflict of interest situations and related party transactions; and
(d) Evaluate the internal and external audit processes and performance.

The TOR of the AC is published on the Company's website at www.pensonic.com.

COMPOSITION, MEETING AND ATTENDANCE

The present AC comprised majority of Independent Non-Executive Directors ("INEDs"), in compliance with paragraph 15.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities")("MMLR") and Practice 9.4 of the Malaysian Code on Corporate Governance 2021 ("MCCG").

The members of the AC and their attendance at the five (5) meetings held during the financial year ended 31 May 2026 ("FY2026") are as tabulated:

Composition | Position in Committee	Attendance
Ong Huey Min, Lindy | Chairman	5/5
Dato' Seri Dr. Liew Lee Leong, Raymond | Member	5/5
Dato' Tahir Jalaluddin Bin Hussain | Member	5/5
Loh Keow Lin, Lynn | Member (appointed on 1 August 2025)	4/4
Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim | Member (resigned on 1 August 2025)	1/1

All members of the AC are financially literate and are able to analyse and interpret financial statements in order to effectively discharge their duties and responsibilities as members of the AC. The Chairman of the AC is a member of the Malaysian Institute of Accountants.

The minutes of each AC meeting were recorded and tabled for confirmation at the following AC meeting. The AC Chairman reported to the Board on the activities undertaken and the key recommendations for the Board's consideration and decision.

During FY2026, the AC met five (5) times to discuss matters, among others, in relation to the accounting and reporting practices, related party transactions as well as internal and external audits of the Group.

The meetings were organised in a structured manner, utilising agendas that were shared to members with ample notice. To ensure proper governance, the Company Secretary or a representative from the Company Secretary's office was present at all meetings. In addition, executive Board members, management members, and representatives from the external auditors and internal auditors were invited to attend meetings when their presence was deemed necessary.

AUDIT COMMITTEE REPORT

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

The main activities undertaken by the AC during FY2026 were as follows:

Financial Performance and Reporting

(1) Reviewed quarterly unaudited financial results of the Group before recommending to the Board for its consideration and approval and subsequent announcement to Bursa Securities.
(2) Reviewed audited financial statements of the Company and the Group before recommending to the Board for its consideration and approval.
(3) Reviewed the Company's compliance, in particular, the quarterly and year-end financial statements, with the MMLR, applicable approved accounting standards of the Malaysian Accounting Standards Board and other relevant legal and statutory requirements.
(4) Reviewed pertinent issues, which might have significant impact on the results of the Group, including receivables, inventory management, bank borrowings, investments and divestments and strategic operations of subsidiaries.
(5) Reviewed recurrent related party transactions of revenue and trading nature and other related party transactions entered into by the Group.

Internal Audit

(6) Reviewed and approved the annual IA plan for FY2026.
(7) Reviewed the internal audit reports, audit recommendations made and management's response to these recommendations and actions taken to improve the system of internal control and procedures.
(8) Monitored the feedback and reports from the Internal Auditors for matters of non-compliance, weakness in internal control systems or the lack of it as well as recommendations and management's response.
(9) Directed management, where appropriate, to rectify and improve control procedures and workflow processes based on the internal auditors' suggestions for improvement.
(10) Reviewed the implementation of these recommendations through follow up audit reports.
(11) Reviewed and assessed performance of the internal audit function focusing on adequacy of resources (including necessary authority and resource requirements) and competency to carry out assignment on key business units as well as support functions of the Group. The internal audit function is outsourced to JWC Consulting Sdn. Bhd. ("JWC"), an independent professional consulting firm.

External Auditors

(12) Discussed the audit plan, scope of work/audit and reporting obligations as well as proposed audit fee for the year under review with the external auditors before commencement of audit engagement.
(13) Reviewed and discussed with the external auditors, the findings and results arising from the audit and management letter (if any) together with management's response and comments.
(14) Responded to external auditors' enquiries and recommendations, if any, to ensure compliance with the various approved accounting standards in the preparation of the Group's financial statements.
(15) Reviewed the suitability and performance as well as factors relating to the independence of the external auditors with due consideration to the quality, robustness and timeliness of the audit and report furnished, audit governance, level of understanding demonstrated of the Group's business and communication about new and applicable accounting practices and auditing standards and its impact on the Group's financial statements as well as the quality of the people and service level.
(16) Recommended. following a review of the performance and independence of the external auditors, the re-appointment of KPMG PLT.
(17) Met twice (2) with the external auditors in the absence of the executive Board members and management staff to discuss issues of concern to the auditors arising from the annual statutory audit.

AUDIT COMMITTEE REPORT

Corporate Governance

(18) Reviewed the relevant regulatory changes and ensure compliance by the Company and the Group.
(19) Reviewed and approved / recommended, as applicable, the Audit Committee Report, Statement of Risk Management and Internal Control, Statement on Corporate Governance and Corporate Governance Report for Board's approval before inclusion in the Annual Report.
(20) Reviewed, discussed, approved and monitored recurrent related party transactions of a revenue or trading nature and other related party transactions entered into by the Group as reported by the Management.

Conflict of Interest ("COI") and Potential COI

(21) Reviewed and reported to the Board on matters relating to actual, potential or perceived conflicts of interest involving Directors and Senior Management, where applicable.

Incidents of Anti-Bribery and Corruption and/or Whistleblowing

(22) Reviewed and reported to the Board on matters relating to incidents of anti-bribery and corruption and/or whistleblowing, where applicable.

Risk Management

(23) Reviewed and accepted the Risk Assessment Report from Chief Risk Officer which detailed the risk status in the Group.
(24) Reviewed and assessed the key risks of the Group as identified in the Enterprise Risk Management ("ERM") Report and follow through on various action plans to manage, mitigate and or eliminate the risks so identified.
(25) Reviewed and endorsed the key risks profile of the Group as identified in the ERM Report.
(26) Reviewed the progress of ongoing risk management activities undertaken by Risk Management Team.

Internal Audit Function

The Board acknowledges the need for an effective system of internal control covering all aspects of the Group's activities including the mapping and management of risks which the Group may be exposed to. The principal role of the internal audit function is to undertake independent and periodic reviews of the system of the internal controls and risk management so as to provide reasonable assurance that such system continues to operate satisfactorily and effectively.

The Group has engaged an independent professional consulting firm, JWC to provide outsourced internal audit function to carry out internal audits on the Group. This is to assist the Committee in discharging its duties and responsibilities. The cost incurred for the internal audit function of the Group in respect of the financial year under review is RM30,000.

It is the responsibility of the internal audit function to provide the Committee with independent and objective reports on the risk management profile as well as the state of internal control of the various operating units within the Group and the extent of compliance of the units with the Group's established policies and procedures as well as relevant statutory requirements.

JWC took the risk-based approach in planning the Internal Audit Plan for the approval of the AC. During FY2026, the IA function carried out internal audits to test the adequacy and effectiveness of the internal control system on review of the recurrent related party transactions of the Group, management information system of the Group, as well as systems of internal control on procurement of Pensonic Sales & Service Sdn Bhd., and anti-bribery and anti-corruption policies and practices of Pensonic Holdings Berhad.

Further information on the internal audit function and its activities are set out in the Statement on Risk Management and Internal Control in this Annual Report.

This report was approved by the Board on 30 September 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors of Pensonic Holdings Berhad ("Pensonic" or "the Company") ("Board") acknowledges its responsibility to establish a robust risk management framework and internal controls system in accordance with the Malaysian Code on Corporate Governance. As mandated by paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities")("MMLR"), the Board is required to include a statement on the state of internal control in the Company and its subsidiaries ("Pensonic Group" or "the Group") in its Annual Report ("Statement"). The Board recognises the significance of a sound system of risk management and internal controls in safeguarding shareholders' investments and the Group's assets. The following is the Board's statement on risk management and internal control, which offers an overview of the Group's current state of risk management and internal control system in respect of financial year ended 31 May 2026 ("FY2026").

BOARD RESPONSIBILITY

The Board reiterates its overall responsibility for maintaining a robust system of internal control and risk management within the Group. It acknowledges the significance of the system, which encompasses financial, operational, compliance, and integrity risks, along with the corresponding controls to effectively manage these risks on an ongoing basis. It is recognised that no internal control and risk management system can completely eliminate risks, and therefore, the current system is designed to manage risks within acceptable limits while ensuring efficiency. The system provides reasonable assurance but not absolute certainty against material misstatements, financial losses, defalcations, or fraud. The Audit Committee, Risk Management Team and Sustainability Working Team have been assigned the duty of supporting the Board in fulfilling its fiduciary obligations pertaining to the management of principal risks and internal controls.

- **Audit Committee ("AC")**

  The AC, which currently comprises majority of Independent Non-Executive Directors, plays a crucial role in assisting the Board in obtaining assurance regarding the adequacy and effectiveness of the Group's Risk Management and internal control systems through the independent reviews carried out by the internal audit function.

- **Risk Management Team ("RMT")**

  The RMT, which comprises the Chief Executive Officer ("CEO") and identified Senior Management members, is established to identify risks that affect the Group and to quantify their potential impact, identify control systems to manage significant risks. If controls for certain significant risks are not in place presently, to propose and formulate new controls to manage those risks. The RMT is tasked to set up an ongoing risk management process that is effective. The Senior Management would fill up the vacancy following the removal of CEO.

- **Sustainability Working Team ("SWT")**

  The SWT, which comprises the CEO and identified Senior Management members is responsible for overseeing and guiding the Group's sustainability efforts by developing sustainability goals, monitoring and reporting performance as well as integrating sustainability into business operations and driving continuous improvement.

KEY COMPONENTS OF THE INTERNAL CONTROL PROCESSES

Enterprise Risk Management Framework

The Board has put in place a risk management framework and ongoing process to assess the various types of risks, which might have an impact on the operations of the Group's business activities. These include strategic, operational, financial and project risk. The Group's risk management objectives are as outlined:

a) To evaluate the primary risks encountered or potential risk exposure of the Group in its business operations and implementing suitable internal control systems to mitigate those risks.
b) To review the sufficiency and reliability of the internal controls in accordance with guidelines, laws, and regulations, and adapt them to accommodate changes in the business environment as needed.
c) To assess business decisions in light of the principle that risks are inherent in business activities and may be incurred if the potential rewards are anticipated to be able to enhance shareholder's value for the Group.
d) To identify and address significant risks that could have a significant impact on the Group, ensuring that appropriate measures are taken to mitigate and manage these risks in a timely manner.
e) To provide assurance on the Group's compliance with regulatory requirements, as well as the effectiveness of the policies and procedures that have been implemented.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

KEY COMPONENTS OF THE INTERNAL CONTROL PROCESSES (CONT'D)

Enterprise Risk Management Framework (Cont'd)

The RMT which is part of the Group's risk management governance framework is responsible for conducting regular reviews and assessments and updates to the Risk Register on an annual basis. The Group is continuously improving its Enterprise Risk Management ("ERM") system, which involves an ongoing and systematic process of identifying, assessing, responding to and monitoring of risks. The risks are identified and assessed by deploying the following methodologies:

- Identification of risks by the process owners;
- Assessment of the likelihood and impact of the risks identified;
- Evaluation of the control strategies in relation to the risks;
- Formulation of action plan to address control deficiencies; and
- Setting key risks indicators to monitor the risks

Board Meetings

The Board meets on a quarterly basis, adhering to a structured agenda encompassing a wide range of topics for discussion. The GCEO takes the lead in presenting board papers, providing updates to the Board on business and operational matters including key products performance and growth, corporate affairs, and future prospects. The decision-making process entails thorough deliberation and in-depth discussions by the Board, following recommendations from the management.

Organisational Structure

The Group has an established organisational structure that includes delineated job responsibilities and delegated authorities. This structure facilitates effective communication of risk control objectives and ensures that authority and accountability are aligned with responsibilities and operational requirements.

Furthermore, the AC, RC, NC which comprise primarily Independent Non-Executive Directors, have well-defined terms of reference and specific functions that contribute to the overall governance framework of the Group.

Internal Policies and Procedures

The Group has implemented a comprehensive set of internal policies and procedures that are continuously updated to reflect changes in systems, work environment, and guidelines. The Group's Standard Operating Procedures ("SOP") are aligned with and adhere to industry standards such as Quality Management Systems ISO 9001:2015. These policies and procedures ensure compliance with relevant regulations and promote responsible and sustainable business practices throughout the Group.

The Group has documented Limits of Approving Authority for key aspects of its businesses. This framework ensures a clear structure of authority and accountability within the organisation, enabling appropriate decision-making at each level of the organisational hierarchy. The delegation of limits is regularly reviewed to ensure its effective implementation and ongoing suitability in aligning with the Group's business objectives and operational requirements.

Performance Management Framework

Management reports are generated monthly to support the Board and management in conducting financial and operational reviews of the different business units. These reviews cover financial and non-financial Key Performance Indicators (KPIs), analysis of variances between standard and actual results, and compliance with applicable laws and regulations.

Internal Audit

The AC is responsible to review and monitor the adequacy and effectiveness of the Group's system of internal control via the outsourced internal audit function. The internal audit function assists the AC to achieve the following objectives:

- assess and report on the effectiveness of the risk management and internal control systems;
- assess and report on the reliability of systems and reporting information;
- assess and report on the operational efficiency of various business units and departments within the Group and identify cost saving potentials, where practical; and
- review compliance with the Group policies, standing instructions and guidelines as requested by Management, and applicable laws and regulations.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

KEY COMPONENTS OF THE INTERNAL CONTROL PROCESSES (CONT'D)

Internal Audit (Cont'd)

The Company has outsourced the internal audit functions to JWC Consulting Sdn. Bhd. ("JWC"), an independent professional firm as the Internal Auditors since 2017. During FY2026, JWC carried out a total of three (3) audit assignments on the Group in accordance with their audit plan, which covered the followings areas:

- Review of the Recurrent Related Party Transactions - Group
- Review management information system - Group
- Review systems of internal control on procurement of Pensonic Sales & Service Sdn Bhd and anti-bribery and anti-corruption policies and practices of Pensonic Holdings Berhad

The results of the internal audits reviews, which included recommendations made by the internal auditors and the management's responses to those recommendations, are reported directly to the AC. When deemed necessary, the AC instructs the management to correct and enhance control and workflow procedures based on the recommendations for improvements provided by the internal auditors. Additionally, the AC monitors the corrective actions taken by the management in response to the weaknesses identified in the previous quarters.

The overall expenses associated with the IA function for the FY2026 amounted to RM30,000.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

The External Auditors has reviewed this Statement pursuant to the scope set out in the *Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control* included in the Annual report issued by the Malaysian Institute of Accountants for inclusion in the Annual Report of the Group for the year ended 31 May 2026, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the Annual Report of the Group, in all material respects:

a) has not been prepared in accordance with the disclosures required by section 7 of the Statement on Risk Management and Internal Control (SORMIC): Guidelines for Directors of Listed Companies ("SORMIC Guide 2025"); or

b) Is factually inaccurate

AAPG 3 does not require the External Auditors to consider whether this Statement covers all risk and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board and Management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems.

REVIEW BY THE BOARD

The Board has received assurance from the Group Executive Chairman that the Group's risk management and internal control system is functioning sufficiently and efficiently, addressing all significant aspects, in accordance with the Group's risk management and internal control framework.

This Statement is made in accordance with the resolution of the Board of Directors dated 30 September 2026.

SUSTAINABILITY STATEMENT

The Board of Directors of Pensonic Holdings Berhad ("Pensonic" or "the Company") is pleased to present its Sustainability Statement in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("MMLR") Practice Note 9 and the Sustainability Reporting Guide Issue. This Statement describes our approach to sustainability matters and the measures implemented by the Company and its subsidiaries ("Pensonic Group" or "the Group") for the financial year ended 31 May 2026 (FY2026).

Pensonic is committed to integrating and implementing the principles of economic, environmental, and social responsibility in all its business and operational activities. The Group recognises that its business and sustained growth are closely linked to the Group's ability to effectively manage its significant economic, environmental social and governance ("ESG") impact. The Group has strove to adopt sustainable practices in all aspects of its operations whenever feasible, with the aim of benefiting future generations.

SCOPE AND COVERAGE

The scope of our Sustainability Statement covers the period from 1 June 2025 to 31 May 2026. For the time being, the reporting boundary is focused on Pensonic's Malaysian operations. Unless otherwise stated, overseas business operations are not included at this juncture due to reporting maturity. The Group is committed to progressively enhancing the reporting boundary to include overseas operations in future reporting cycles. Our core business operations focused on manufacturing and trading of Electrical Home Appliances.

SUSTAINABILITY GOVERNANCE STRUCTURE

The Group's sustainability governance framework is as presented below:

Sustainability Working Team	Group Chief Executive Officer (GCEO)	Board of Directors (BOD)
• Identifies areas for improvement • Recommends sustainability initiatives and standards • Implements sustainability initiatves approved by the BOD • Monitors and reports progress of sustainability initiatives on a periodical basis to the GCEO	• Reports directly to the BOD on sustainability matters • Oversees and approves sustainability targets, key indicators and disclosures • Evaluates and assesses sustainability risks and opportunities	• Ultimately responsible for managing sustainability matters of the Group

The Sustainability Working Team comprises senior management and relevant heads of business and supporting units, who undertake the integration of sustainability practices and objectives at the operational level, including tracking and measuring the progress of implemented initiatives. The Sustainability Working Team is helmed by the GCEO.

SUSTAINABILITY STATEMENT

STAKEHOLDER ENGAGEMENT

Stakeholders encompass individuals, groups, and entities affected by the activities of the Group. The Group recognises that equitable treatment and fostering strong relationships with core stakeholders are crucial for long-term profitability, accomplishments and business continuity. In view of this consideration, the Group engages regularly with both internal and external stakeholders to gain deeper insights into their viewpoints and concerns regarding significant sustainability matters.

These engagement enables the Group to integrate the relevant perspectives and concerns into its sustainability strategy effectively to deliver positive business outcomes and create value across the system as we continue to build a sustainable future together with our stakeholders.

Our key stakeholders are as set out below:
- Customers
- Employees
- Investors
- Suppliers
- Regulators

Pensonic categorises its stakeholder engagement and sustainability practices into the following categories and activities, which help Pensonic in targeting its sustainability activities, engagement and communication in a systematic and focused manner:

Stakeholder Group	Type of Engagement	Sustainability Concerns
Customers	• Customer visit • Sales, marketing and promotional events • Collaboration activities • Social media	• Product safety and quality • Design and features • Timely delivery • Customer service and experience
Employees	• Day-to-day operations • Code of ethics and Code of Conduct • Whistleblowing policy • Training • Annual appraisal	• Occupational safety and health • Employee appreciation, welfare and benefits • Employee development • Fair and equitable treatment
Investors	• Annual general meeting • Quarterly announcement of financial results • Website updates	• Sustainable financial returns
Suppliers	• Supplier selection • Supplier evaluation and periodic audits	• Supply chain efficiency • Ethical business practices • Timely delivery • Product quality and safety
Regulators	• Regulatory disclosures / reporting • Scheduled waste disposals • Survey, statistics requests by regulators	• Adherence to law and regulations • Corporate governance and compliances

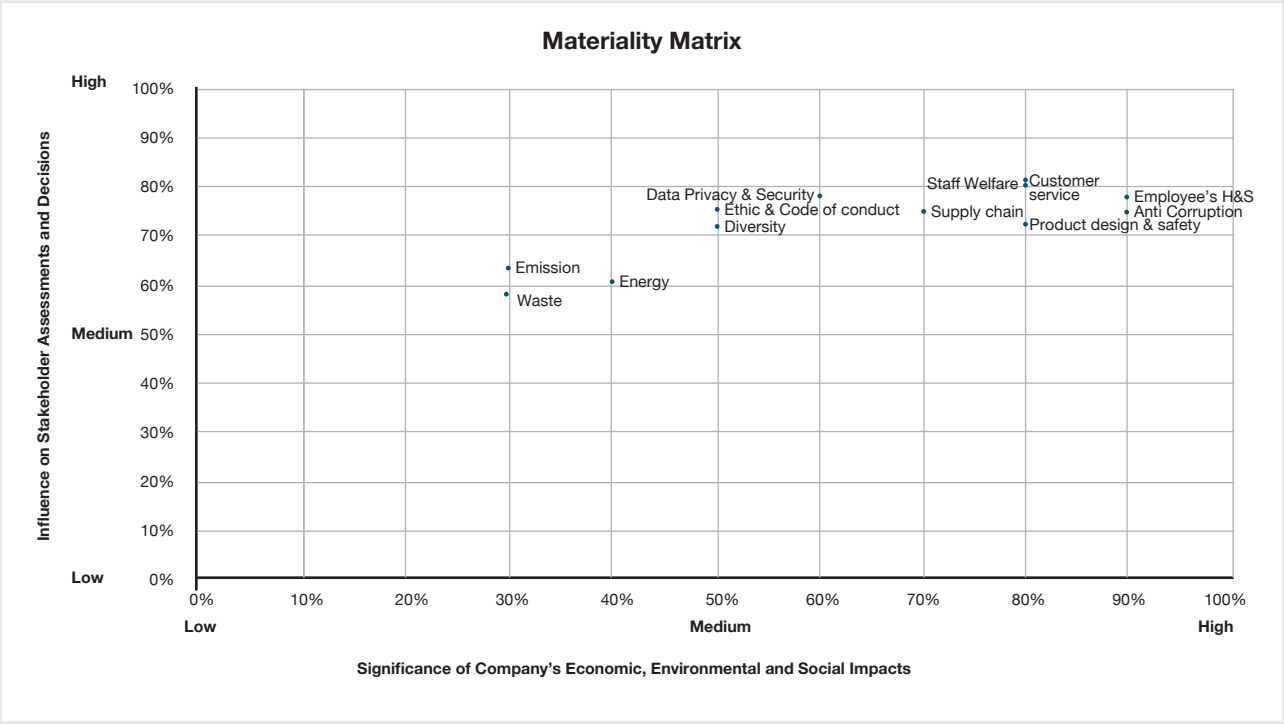
SUSTAINABILITY STATEMENT

MATERIALITY ASSESSMENT PROCESS

As part of the Group's efforts to develop its sustainability framework, the Group has conducted a materiality assessment to identify material sustainability matters and ranked the material matters based on their importance to business and stakeholders.

Materiality Matrix

Materiality assessment was conducted and the Group has prioritised 12 material issues. The resulting materiality matrix is set out below:



The United Nations Sustainable Development Goals ("UNSDG")

In 2015, the United Nations General Assembly set up the Sustainable Development Goals that comprise a set of 17 goals as per below, with respective targets to be achieved by the year 2030. These UNSDGs were formed with the aim of creating a better world for mankind. Therefore, we have aligned our sustainability drive with the UNSDGs to play our part and contribute towards the betterment of the global community in which we are a part.

SUSTAINABILITY STATEMENT

ECONOMIC

Product and Market

Pensonic acknowledges that the long-term success of its business depends on delivering products that meet customers' expectations for quality, safety, functionality and value, while responding to evolving consumer needs and sustainability considerations.

During FY2026, the Group continued to strengthen its product innovation and development efforts, with emphasis on energy efficiency, smart functionality and improved product performance. New and enhanced product models incorporating technologies such as BLDC (Brushless Direct Current) motors, inverter technology and WiFi-enabled functionality were introduced across selected product categories, including washing machines, refrigerators and ceiling fans. These technologies are designed to support quieter operation, smoother performance and improved energy efficiency, while enhancing user convenience and product longevity.

The Group also continued to promote energy-efficient products that meet applicable Minimum Energy Performance Standards (MEPS) requirements and achieve relevant energy efficiency ratings. These efforts support regulatory compliance while helping consumers make more energy-conscious purchasing decisions and potentially reduce household electricity consumption.

Pensonic maintained its ISO 9001:2015 certification, supporting the Group's quality management framework and continuous improvement practices. Products are subject to applicable regulatory and safety requirements, including approvals and certifications by Suruhanjaya Tenaga and SIRIM, before being introduced to the Malaysian market.

Customer Support and After-Sales Service

The Group continued to provide comprehensive product warranty coverage, including repair and maintenance services, with product exchange available under specified circumstances. During FY2026, Pensonic continued to support customers through its service network in Malaysia and overseas, providing access to after-sales assistance and technical support. The Group operates eight service centres in Malaysia, strategically located in Penang, Ipoh, Petaling Jaya, Johor Bahru, Kota Bharu, Sabah, Sarawak and Labuan, complemented by service centres in Zhuhai, Hong Kong, Singapore, Indonesia, Brunei, Thailand and Myanmar.

To improve customer accessibility and convenience, the Group continued to utilise the Circlez App as a digital platform for product warranty registration and customer engagement. Customers can register their products through QR code scanning or by entering product details, while accessing warranty information and selected customer support, shopping and promotional features through the platform.

Pensonic also continued to monitor warranty claims, customer enquiries and feedback received through its website, social media platforms and service centres. These inputs are reviewed to identify recurring product and service issues and support appropriate corrective and quality improvement measures.

SUSTAINABILITY STATEMENT

Digital Customer Engagement

During FY2026, the Group continued to strengthen its digital and e-commerce channels through platforms including Shopee, Lazada and TikTok Shop. These channels provide customers with greater accessibility to Pensonic products while supporting more convenient purchasing and customer engagement experiences.

The Group's continued development of digital sales and engagement channels also provides additional avenues for understanding customer preferences and market trends, which can support future product development and service enhancements.

Looking Ahead

Moving forward, Pensonic will continue to enhance product quality, safety and customer satisfaction through:
- Expanding energy-efficient product offerings and incorporating energy-saving technologies where commercially and technically viable;
- Strengthening product quality and safety management through established quality management systems and applicable regulatory requirements;
- Enhancing digital customer engagement and accessibility to product and warranty information;
- Strengthening after-sales service and warranty management to improve customer experience and support longer product life cycles; and
- Using customer feedback and warranty data to identify recurring issues and support continuous product and service improvement.

Supply Chain Efficiency

Pensonic upholds a robust supply chain management approach by fostering long-term, collaborative partnerships with suppliers. We strive to establish secure and efficient procurement practices, allowing us to leverage economies of scale to gain competitive advantage. Our commitment extends from procurement and production to warehousing and distribution, ensuring that we deliver products which meet consumer needs promptly and at competitive prices.

We engage in lean manufacturing, adhere to environmental regulations, and comply with the necessary quality standards. To safeguard consistency and integrity across the supply chain, Pensonic conducts factory audits before engaging new suppliers to ensure alignment with our requirements. In addition, we carry out an Annual Supplier Evaluation to assess the quality, cost, delivery, and service performance of our suppliers.

To strengthen resilience and support sustainable growth, Pensonic prioritises sourcing from local suppliers, thereby contributing to domestic economic development while reducing our carbon footprint from logistics.

- In FY2026, the proportion of spending on local suppliers was 35.33% of total purchases.

Our Targets

- Progressively increase the proportion of local supplier sourcing with a minimum target of at least 40% annually.
- Continue to conduct Annual Supplier Evaluations to ensure suppliers meet Pensonic's standards on quality, cost, delivery, and service.
- Develop a supplier engagement framework by FY2028 to incorporate sustainability criteria covering environmental, labour, and governance practices.

Ethic and Code of Conduct

The Group acknowledges that sound corporate governance is fundamental to the long-term sustainability of the business. We remain fully committed to adopting practices that foster transparency, accountability, performance, and integrity. These principles are critical in building and maintaining the trust and confidence of our stakeholders, thereby supporting enduring business relationships.

In line with this commitment, the Group has formalised and published the following policies on the Company's website (www.pensonic.com):

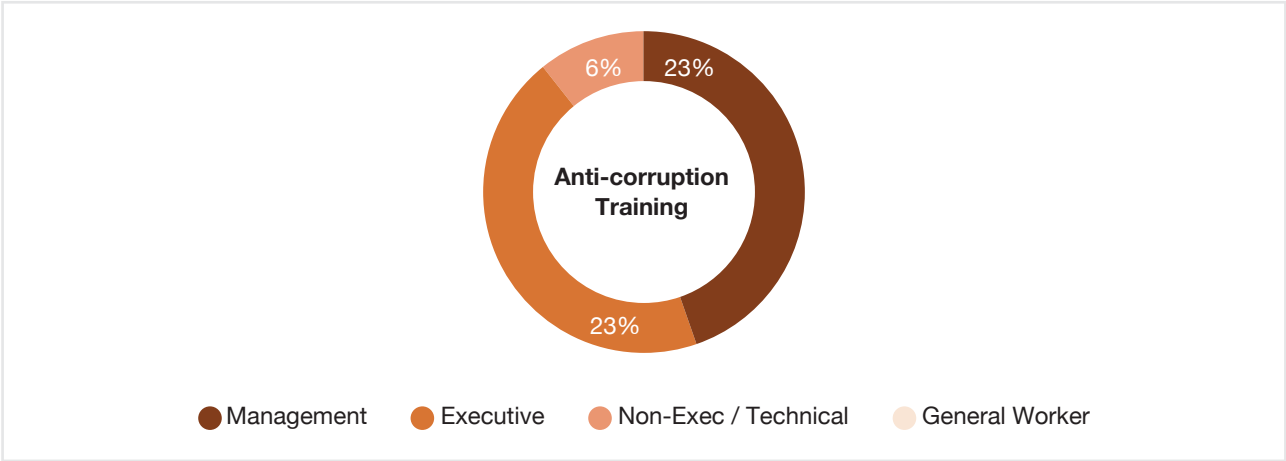
- Code of Conduct
- Code of Ethics
- Anti-Bribery and Corruption Policy
- Whistleblowing Policy

SUSTAINABILITY STATEMENT

The Group provides a safe and confidential channel for employees and stakeholders to raise concerns relating to potential misconduct, unethical behaviour or other matters of concern. Whistleblowing reports are handled in accordance with the Group's established procedures and are overseen by the Chairman of the Audit Committee.

The Group continues to periodically review and strengthen its governance framework and whistleblowing mechanisms to promote a culture of ethics, integrity and accountability.

As of the reporting period, the percentage of employees who received training on anti-corruption, by employee category, is presented below:



The Group recognises the importance of broadening awareness across all levels of the organisation and is committed to progressively expanding the scope of training to ensure wider participation in the coming years.

Our Targets

- Conduct anti-corruption and bribery training for 80% of employees. (FY2027)

Data Privacy

Pensonic recognises that data is a critical business asset, and we are committed to safeguarding it against misuse, breaches, and cyber threats. Our data governance framework is anchored on compliance with the Personal Data Protection Act (PDPA) 2010 and international best practices.

To protect sensitive information, we have established robust systems and controls, including:

- **Secure Infrastructure:** Multi-layer firewalls, encryption protocols, and intrusion detection systems to prevent unauthorised access.
- **Access Management:** Role-based access control and password protection for all critical systems.
- **Data Lifecycle Management:** Structured procedures for data collection, retention, and secure disposal.
- **Monitoring and Testing:** Regular vulnerability assessments, penetration tests, and system audits to strengthen resilience.
- Employee Preparedness: Training on cybersecurity awareness and phishing prevention.

As at FY2026, there were **no complaints concerning breaches of customer privacy and data**. Through these measures, Pensonic ensures data confidentiality, integrity, and availability, thereby reinforcing trust in our digital ecosystem.

SUSTAINABILITY STATEMENT

Cybersecurity awareness is an important component of our approach to responsible business and organisational resilience. During the reporting period, **128 employees out of a total workforce of 392 participated in cybersecurity awareness training, representing 33% employee coverage**. Training participation included management, executive, non-executive/technical and general worker categories. We aim to progressively increase training coverage towards our **FY2027 target of 100%**, strengthening cybersecurity awareness and promoting responsible digital practices across our workforce.

Our Targets

- Achieve zero incidents of data breaches and complaints on customer privacy annually.
- Conduct 100% cybersecurity awareness training for all employees. (FY2027)

ENVIRONMENTAL

At Pensonic, we prioritise stringent adherence to environmental laws governing our plant operations and maintenance. We are fully committed to upholding high environmental standards, including compliance with relevant emission regulations, noise level management, and the proper treatment of plant effluents and wastewater. By strictly complying with these regulations, we strive to minimise our environmental impact and promote sustainable practices.

We are supportive of the Government's regulations and initiatives on the Minimum Energy Performance Standards (MEPS) provided under the Electricity Regulations 1994 and its subsequent amendments. We ensure our products have the necessary energy efficiency rating and are affixed with the required MEPS Star Rating Label. The Group's products with MEPS Star rating include cooling appliances, washing machines and selected small cooking appliances.

The Manufacturing Division of the Group has adopted ISO 14001, the internationally recognized standard for Environmental Management System (EMS) to show full commitment not only to the regulatory compliances but also to ongoing environmental improvement. This proactive approach will result in tangible benefits such as waste reduction, energy conservation and cost saving. By adhering to this standard, the division take proactive measures to minimize environmental footprint, comply with legal requirements and achieve the environmental objectives.

Waste

With the implementation of ISO 14001, Waste Management Control, Chemical & Hazardous Substances Control Standard Operating Procedures were established to assure that the Waste & Chemical are managed and controlled systematically. All these inventories are recorded and subsequently reported to the Department of Environment on monthly basis via Electronic Scheduled Waste Information System (eSWIS). The accumulated waste will then dispose by the vendor licenced by the Department of Environment, Malaysia

SUSTAINABILITY STATEMENT

For the financial year under review, the summary of scheduled wastes generated by the Group is as below:

Description of Waste	Directed to Disposal (metric tonnes)		
	FY2024	FY2025	FY2026
SW410 (Used Contaminated Rags)	0.152	0.3001	**0.6979**
SW306 (Used Hydraulic Oil)	0.113	0.28	**0.475**
SW409 (Contaminated Empty Container)	0.027	0.0075	**0.026**

Energy Management

Pensonic's operations primarily rely on electricity purchased from Tenaga Nasional Berhad (TNB), which is used to power machinery, process engineering equipment, measurement and control systems, as well as lighting. None of our plants utilise steam, coal, or natural gas as energy sources. In addition, we track fuel consumption from company-owned vehicles and petrol expenses paid for employee vehicles used for business purposes.

Our headquarters office has been designed with a modern and sustainable approach, featuring spacious interiors and large window openings that maximise the use of natural daylight, thereby reducing reliance on artificial lighting. To further improve efficiency, Low-E (low-emissivity) glass has been incorporated into the building design, minimising heat gain while allowing natural light to enter. This reduces the need for air-conditioning and creates a more energy-efficient and environmentally conscious workspace.

In FY2026, Pensonic's total electricity consumption amounted to 1,905,227 kWh, comprising grid electricity purchased and renewable energy generated through our solar photovoltaic (PV) systems at Headquarters (HQ) and Manufacturing Plant (P2). These solar PV systems generated 1,239,094 kWh of clean energy, of which 524,114 kWh was exported back to TNB, while 714,980 kWh was retained for internal use. Renewable solar energy accounted for 55% of HQ's consumption and 39% of P2's consumption, contributing to cost savings of RM110,282.18 in FY2026.

The table below summarises our energy performance:

Electricity Consumption (kWh)	HQ	P2	Other Locations	Total
Grid Electricity Purchased (TNB)	272,989	590,637	326,621	1,190,247
Solar Energy Generated	515,770	723,324	–	1,239,094
Solar Energy Exported to TNB	183,319	340,795	–	524,114
Net Solar Consumed	332,451	382,529	–	714,980
Total Electricity Consumed (Grid + Net Solar)	605,440	973,166	326,621	1,905,227
% Solar in Consumption	55%	39%	–	38% overall
Cost Savings from Solar (RM, FY2026)	54,793	55,489	–	110,282

In addition to electricity, Pensonic consumed 158,263 litres of fuel for logistics and operational vehicles in FY2026, equivalent to 5,382 GJ of energy.

Energy Consumption	Unit	FY2024	FY2025	FY2026
Electricity consumption	Gj	7,075	7,720	**6,859**
Fuel and Gasoline consumption	Gj	1,806	6,237	**5,382**

In FY2024, fuel consumption data was limited to company-owned operational vehicles. From FY2025 onwards, the reporting boundary for Scope 1 emissions was expanded to also include petrol expenses paid by the company for employees' vehicles. This enhancement provides a more comprehensive and transparent representation of our fuel-related energy use and associated emissions. Similarly, electricity consumption in FY2024 only covered Pensonic's owned head office and facilities. Beginning FY2025, the reporting boundary was expanded to also include electricity used in leased properties where the bills are paid directly by Pensonic. This ensures that our reporting more accurately reflects the Group's overall electricity consumption and related emissions across all operational sites under our financial control.

SUSTAINABILITY STATEMENT

Greenhouse Gas Emissions

In line with Bursa Malaysia's Sustainability Reporting requirements and global climate commitments, Pensonic began reporting its greenhouse gas (GHG) emissions in FY2025 across Scope 1 and Scope 2 categories. Scope 3 emissions were incorporated into the GHG emissions reporting from FY2026 onwards. This marks an important milestone in our sustainability journey, providing a transparent baseline for monitoring and managing our carbon footprint in the years ahead.

- Scope 1 (Direct Emissions): Includes emissions from the combustion of petrol, gasoline, and diesel in company-owned vehicles, as well as fuel paid by the company for employee use.
- Scope 2 (Indirect Emissions): Includes emissions from grid electricity purchased across all Pensonic offices, plants, and branches. Scope 2 calculations are based solely on electricity purchased from Tenaga Nasional Berhad (TNB) and Sabah Electricity Sdn. Bhd., applying the official grid emission factors (0.652kgCO_2/kWh for Peninsular Malaysia and 0.539 kgCO_2/kWh for Sabah).
- Scope 3 (Other Indirect Emissions): Includes emissions from employee commuting and work-related travel in vehicles not owned or operated by the Company. Employee commuting emissions were estimated based on home-to-office travel using DESNZ emission factors for average cars (0.00016152 tCO_2e/km), motorbikes (0.00011367 tCO_2e/km), buses (0.00010151 tCO_2e/km) and rail (0.00003092 tCO_2e/km). Land business travel distances were estimated using mileage claims or stated travel locations, applying DESNZ emission factors. Air travel emissions were estimated using the ICAO Carbon Emissions Calculator.

Together, Pensonic's total GHG footprint for FY2026 stood at 1,514 tCO_2e.

Emissions (tCO_2e)	FY2025	FY2026
Scope 1 (Fuel)	430	**376**
Scope 2 (Electricity)	1091	**776**
Scope 3 (Fuel)	–	**360**
Scope 3 (Electricity)	–	**2**
Total	1,521	**1,514**

Importantly, the solar PV systems at our HQ and Plant 2 generated 1,239,094 kWh of clean energy, of which 714,980 kWh was consumed internally. This solar consumption directly displaced grid electricity, avoiding approximately 466 tCO_2e that would have otherwise been emitted. This tangible benefit demonstrates the positive climate impact of Pensonic's renewable energy adoption.

Looking forward, Pensonic is committed to strengthening its emissions management through:

- Greener Mobility: Exploring low-carbon mobility solutions, including fuel-efficient and hybrid company vehicles, while actively promoting eco-driving practices.
- Decarbonisation Roadmap: Using FY2025 as a baseline, Pensonic will progressively track, analyse, and implement emissions reduction initiatives. As part of this commitment, the Group has set a target to reduce absolute Scope 1 and Scope 2 GHG emissions by 10% by FY2030. A key enabler of this reduction is the Group's increasing use of renewable energy, particularly solar power. By expanding solar generation and maximising on-site consumption, Pensonic will directly lower its reliance on grid electricity and support the achievement of its overall GHG emissions reduction target.

By disclosing our Scope 1, 2 and 3 emissions and embedding sustainability in our energy strategy, Pensonic reinforces its commitment to reducing environmental impacts while creating long-term value for stakeholders.

Water Management

Pensonic recognises water as a shared and finite resource, and we are committed to using it responsibly in our operations. To support this, we have incorporated a rainwater harvesting system at our headquarters as part of our green building initiatives. This system enables the collection and reuse of rainwater for non-operational purposes such as cleaning and landscape maintenance, thereby reducing reliance on treated municipal water and helping conserve natural freshwater resources.

SUSTAINABILITY STATEMENT

In FY2026, our total water withdrawal across headquarters and branches in Malaysia amounted to 15.15 megalitres. We continue to monitor our water footprint closely to identify opportunities for improved efficiency and conservation.

FY2024: 14.78 megaliters

FY2025: 15.56 megaliters

FY2026: 15.15 megaliters

SOCIAL

At Pensonic, we strongly uphold the principles of human rights, ensuring that every individual is treated with respect and dignity. We strictly condemn and do not tolerate any form of forced labour, discrimination, or child labour across our operations and supply chain. Compliance with minimum wage requirements is enforced, and we are committed to maintaining a safe, fair, and healthy workplace for all employees.

We also respect and promote freedom of expression, fostering an inclusive culture where employees can share their views openly without fear of reprisal.

To safeguard the rights of foreign workers, Pensonic ensures that all recruitment is conducted in strict compliance with laws and regulations. Workers are employed with proper documentation, valid permits, and legally binding employment contracts. They receive benefits comparable to those of local employees. To further uphold their welfare, Pensonic continues to invest in comfortable and compliant accommodation facilities, in line with the Employee's Minimum Standards of Housing and Amenities Act 2019, including spacious living quarters and upgraded amenities.

In FY2026, we are pleased to report that there were no cases of discrimination, child labour, or workplace harassment across the Group.

Occupational Health and Safety (OHS)

As a responsible and sustainable employer, Pensonic prioritises the health, safety, and wellbeing of all employees, contractors, and visitors. Our Occupational Safety and Health (OSH) Policy serves as a guiding framework, supported by detailed Standard Operating Procedures (SOPs) that cover manufacturing operations and office activities. Through proactive risk identification, hazard management, and continuous training, we aim to minimise workplace risks, enhance employee wellbeing, and achieve our long-term vision of zero workplace injuries.

Our Safety and Health Committee (SHC) comprises representatives from all organisational levels — from top management to frontline workers — ensuring that safety concerns are effectively communicated and addressed. Meeting quarterly, the SHC reviews workplace risks, investigates accidents or near-misses, develops corrective measures, and promotes employee health awareness.

SUSTAINABILITY STATEMENT

In FY2026, Pensonic organised multiple OSH-related training sessions, including forklift safety training, Emergency Response Team (ERT) fire drills, and first aid programmes. A total of 119 employees were trained during the year, strengthening our collective capacity to respond to workplace risks and emergencies.

By embedding OSH into our organisational culture and governance, Pensonic continues to create a safe, resilient, and supportive workplace, ensuring that employees can thrive both professionally and personally.

Targets

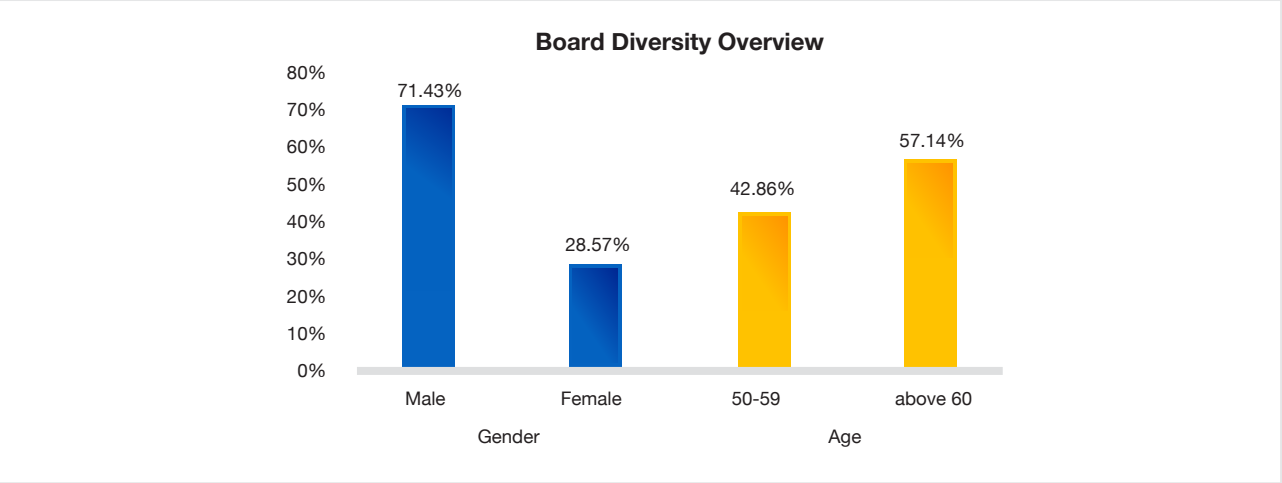
- Maintain **zero cases** of child labour, forced labour, and workplace harassment annually.
- Achieve **zero workplace fatalities** annually.

Diversity

Pensonic recognises that diversity in gender, age, and experience across our Board and workforce is a critical driver of innovation, resilience, and sustainable growth. We are committed to fostering an inclusive culture where every individual has equal opportunity to contribute and thrive.

Board Diversity

As at 31 May 2026, the Board comprises seven (7) members, of which 28.57% are female and 71.43% male. Gender balance remains a focus area, while diversity in age and experience further strengthens Board effectiveness. A majority (57.14%) of the Board members are aged above 60, bringing deep industry knowledge, complemented by younger directors who contribute fresh perspectives and innovation.



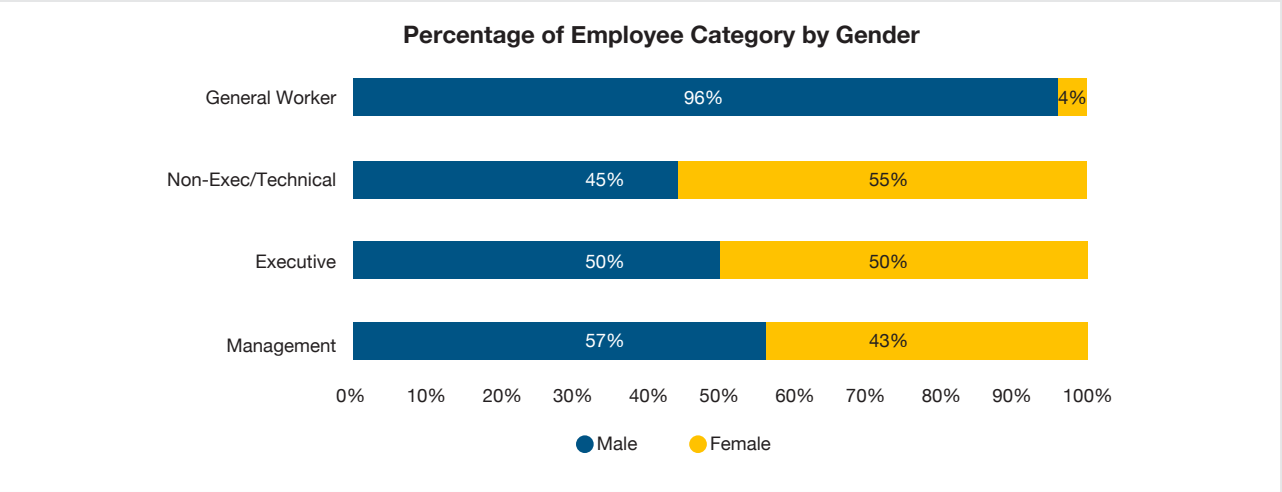
Workforce Diversity

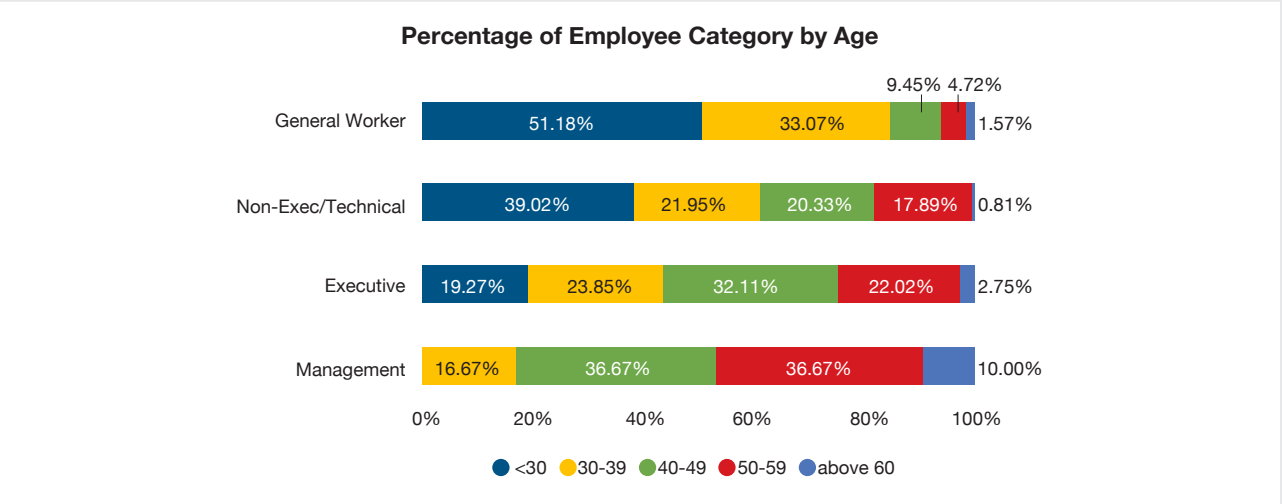
Across the Group, Pensonic promotes equal opportunity in recruitment, career development, and leadership advancement. Our workforce diversity reflects both the operational nature of our business and our commitment to empowering talent across all levels:

- **Management:** Female representation stands at 43%, reflecting steady progress in gender balance at decision-making levels (FY2025: 40%).
- **Executive:** A balanced representation of 50% male and 50% female supports inclusivity in professional roles.
- **Non-Executive/Technical:** 55% female and 45% male, demonstrating diversity in technical expertise.
- **General Workers:** 96% male and 4% female, largely reflective of the physical requirements of these roles.

In terms of age representation, the Group maintains a healthy distribution across different brackets. Younger employees (<30 years) form the largest segment of the general workforce, ensuring succession readiness, while professionals in the 40–59 age group anchor business continuity and knowledge transfer.

SUSTAINABILITY STATEMENT





Commitment Going Forward

Pensonic has set measurable targets to strengthen diversity and inclusion across the organisation:

- Achieve at least **30% women representation at Board level by 2030**
- Maintain a **minimum of 40% women representation in management roles**

At the same time, the Group fosters intergenerational knowledge transfer between experienced leaders and younger employees, while embedding diversity, equity, and inclusion (DEI) considerations into recruitment, training, and career progression.

Alignment with Global Goals

These efforts are aligned with Pensonic's sustainability priorities and contribute to the advancement of the United Nations Sustainable Development Goals (SDGs):

- **SDG 5: Gender Equality**
- **SDG 8: Decent Work and Economic Growth**
- **SDG 10: Reduced Inequalities**

Welfare, Benefit and development

Our employees are our most valuable asset, therefore we ensure employees are compensated fairly and competitively by benchmarking periodically against market salary levels and upgrading employment benefits to show recognition and appreciation for their contributions to the Group.

SUSTAINABILITY STATEMENT

Employee benefits are given to our full-time employees aimed at supporting a workforce that feels secure, stable and cared for through fair leave allocation and insurance coverage, among others. A list of employee benefits is given below:

Statutory Benefits	· Minimum wages · EPF, SOCSO, EIS and HRDF contributions · Overtime payments · Annual leave, paid medical leave, hospitalisation leave, maternity leave, marriage leave, compassionate leave
Employee Benefits	· Group medical insurance including hospitalisation and personal accident · Medical subsidies including dental and outpatient medical claim · Employee Discount on company products · Gift (Marriage) · Allowance for new born baby · Condolence Donation & Funeral Expenses
Employee Welfare	· Festival celebrations · Loyalty Program (for staff purchase, marriage and birthday) · Sport activities · Long service awards · Hostel for foreign operators · Transportation
Extra Facilities	· Prayer rooms · Personal lockers · Rest area · Secured car parks · In-house gym · Auditorium · Ballroom

Reflecting our commitment to a cohesive workplace culture, Pensonic management and staff gathered for a traditional Chinese New Year Prosperity Toss (Lou Sang) celebration on Friday, 13 February 2026.

Held at Pensonic Headquarters in Penang, the employee appreciation event brought departments together to celebrate teamwork and shared aspirations for the new year. The gathering reflected Pensonic's commitment to preserving cultural traditions and strengthening employee engagement.

Apart from that, we are also committed to the development of our employees at Pensonic. To empower them in facing the challenges of our industry, we conducted training needs analysis and tailored our training programs to meet the specific needs of our employees.

As at financial year ending May 2026, we achieved a total of 21,482 training hours.

Total training hours by employee category (ALL Training)	Training Hours (FY2026)	Training Hours (Accumulated FY2026)	Training Hours (Accumulated FY2025)	
Management	712	6,274	5,562	↑ **14.69%** Total Training Hours
Executive	1,568	6,552	4,984	
Non-Exec/Technical	360	4,552	4,192	
General Worker	112	4,104	3,992	
Total	**2,752**	**21,482**	**18,730**	

SUSTAINABILITY STATEMENT

Target: Increase total annual training hours by at least 10% year-on-year, with a strong focus on upskilling technical staff and preparing employees for future industry challenges. As part of our commitment to responsible sourcing and social compliance, the Group strengthened its workplace and supply chain due diligence efforts in FY2026 through enhanced workplace condition assessments and global security verification at our manufacturing plant. These initiatives were undertaken to reinforce responsible labour practices, promote a safe and secure working environment, and strengthen the plant's preparedness to meet evolving customer requirements and international social compliance and security standards. The initiatives also enhanced the Group's audit readiness and supported our ability to meet the qualification and compliance requirements of potential new customers.

Community Engagement and Social Responsibility

At Pensonic, we recognise that our responsibility extends beyond the workplace. We are committed to supporting the communities in which we operate, fostering meaningful relationships and contributing to social well-being.

We remain committed to our Corporate Social Responsibility ("CSR") initiatives and actively participate in community service and engagement activities that support local communities. During FY2026, our initiatives focused on community welfare, entrepreneurship, education and talent development, and knowledge sharing.

Empowering Local Communities

Pensonic Malaysia partnered with Marriott International as the main sponsor of the "Road to Give" charity run held in Penang on 12 October 2025. The event attracted more than 700 participants, including runners, volunteers, families and members of the local community.

The initiative contributed to fundraising efforts for local non-governmental organisations, including the Kechara Soup Kitchen Society, supporting their community outreach and assistance programmes. Through its participation, Pensonic supported community engagement and contributed to local social causes.

Supporting Local Entrepreneurship

Pensonic Group CEO Dato' Dixon Chew participated as a corporate speaker at the JCI Perai Corporate Sharing Session on 29 January 2026. The session engaged approximately 30 participants, including aspiring and next-generation entrepreneurs.

The sharing focused on Pensonic's business journey, resilience and experiences in building a Malaysian household brand. The session provided practical business insights and supported knowledge sharing and entrepreneurial development within the local business community.

SUSTAINABILITY STATEMENT

On 13 May 2026, Pensonic CEO Dato' Dixon Chew also conducted a corporate sharing session for WomenBizSENSE in Penang, engaging approximately 30 local SME owners and women entrepreneurs.

The session covered structural rebranding, customer trust, crisis management and strategies for navigating challenging market conditions and international markets. The initiative supported entrepreneurship development by providing practical knowledge and business perspectives to local SMEs and women-led businesses.

Developing Future Engineering Talent

On 23 May 2026, Pensonic hosted 30 engineering undergraduates from the School of Mechanical Engineering, Universiti Sains Malaysia (USM), through the Mechanical Engineering Students' Society (MECHYS), for a manufacturing hub site visit.

The programme provided students with firsthand exposure to manufacturing processes, product development, research and development, and quality control. Conducted as part of Pensonic's collaboration under its MoU with USM and USAINS Holding, the initiative strengthened industry-academia engagement and provided students with greater awareness of manufacturing careers, internships and potential employment pathways.

Other Community Support

Beyond direct donations, Pensonic also supports selected community events by sponsoring products as prizes for lucky draws. While these contributions are not directed towards specific beneficiaries, they support community gatherings and encourage participation and engagement.

FY2026 Performance and Looking Ahead

In the previous reporting period, Pensonic set a target to allocate 1% of annual profit towards community programmes. As the Group recorded a loss in FY2026, the profit-based allocation target was not applicable for the financial year.

Notwithstanding the Group's financial performance, Pensonic continued to undertake community initiatives based on available resources and business circumstances. These initiatives covered community welfare, education and talent development, entrepreneurship and knowledge sharing, reflecting the Group's continued commitment to creating social value within the communities in which it operates.

Going forward, Pensonic will continue to support community programmes that are aligned with the Group's capabilities and the needs of local communities. The Group will also progressively strengthen its monitoring of participation, beneficiaries, resources contributed and programme outcomes to enhance the effectiveness and sustainability of its CSR initiatives.

PENSONIC HOLDINGS BHD

BMLR Transition Period

Date & Time: 2026-09-30_11:30:59

Main Market | Group 2 | FYE 31/05/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Anti-Bribery and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category: Management	Percentage	14	23	Provide anti-corruption and bribery training to 80% of employees across all categories by FY2027.	No assurance	
Anti-Bribery and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category: Executive	Percentage	7	23	—	No assurance	
Anti-Bribery and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category: Non-executive/Technical Staff	Percentage	1	6	—	No assurance	
Anti-Bribery and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category: General Workers	Percentage	0	0	—	No assurance	
Anti-Bribery and Anti-Corruption	Percentage of operations assessed for corruption--related risks	Percentage	0	0	—	No assurance	
Anti-Bribery and Anti-Corruption	Confirmed incidents of corruption and action taken	Number	0	0	—	No assurance	
Community and Social Investment	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	85,980	11,650	—	No assurance	
Community and Social Investment	Total number of beneficiaries of the investment in communities	Number	37,000	29	—	No assurance	

PENSONIC HOLDINGS BHD

BMLR Transition Period

Date & Time: 2026-09-30_11:30:59

Main Market | Group 2 | FYE 31/05/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Employee Diversity (by age)	Management Under 30	Percentage	0	0	—	No assurance	
Employee Diversity (by age)	Management Between 30-39	Percentage	17	17	—	No assurance	
Employee Diversity (by age)	Management Between 40-49	Percentage	49	37	—	No assurance	
Employee Diversity (by age)	Management Between 50-59	Percentage	23	37	—	No assurance	
Employee Diversity (by age)	Management Above 60	Percentage	11	10	—	No assurance	
Employee Diversity (by age)	Executive Under 30	Percentage	14	19	—	No assurance	
Employee Diversity (by age)	Executive Between 30-39	Percentage	28	24	—	No assurance	
Employee Diversity (by age)	Executive Between 40-49	Percentage	34	32	—	No assurance	
Employee Diversity (by age)	Executive Between 50-59	Percentage	20	22	—	No assurance	
Employee Diversity (by age)	Executive Above 60	Percentage	4	3	—	No assurance	
Employee Diversity (by age)	Non-executive/Technical Staff Under 30	Percentage	41	39	—	No assurance	
Employee Diversity (by age)	Non-executive/Technical Staff Between 30-39	Percentage	24	22	—	No assurance	
Employee Diversity (by age)	Non-executive/Technical Staff Between 40-49	Percentage	19	20	—	No assurance	
Employee Diversity (by age)	Non-executive/Technical Staff Between 50-59	Percentage	14	18	—	No assurance	

PENSONIC HOLDINGS BHD

BMLR Transition Period

Date & Time: 2026-09-30_11:30:59

Main Market | Group 2 | FYE 31/05/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Employee Diversity (by age)	Non-executive/Technical Staff Above 60	Percentage	2	1	—	No assurance	
Employee Diversity (by age)	General Workers Under 30	Percentage	53	51	—	No assurance	
Employee Diversity (by age)	General Workers Between 30-39	Percentage	34	33	—	No assurance	
Employee Diversity (by age)	General Workers 40-49	Percentage	8	9	—	No assurance	
Employee Diversity (by age)	General Workers 50-59	Percentage	5	5	—	No assurance	
Employee Diversity (by age)	General Workers Above 60	Percentage	1	2	—	No assurance	
Employee Diversity (by gender)	Management Male	Percentage	60	57	—	No assurance	
Employee Diversity (by gender)	Management Female	Percentage	40	43	Maintain a minimum of 40% women representation in management roles.	No assurance	
Employee Diversity (by gender)	Executive Male	Percentage	50	50	—	No assurance	
Employee Diversity (by gender)	Executive Female	Percentage	50	50	—	No assurance	
Employee Diversity (by gender)	Non-executive/Technical Staff Male	Percentage	48	45	—	No assurance	
Employee Diversity (by gender)	Non-executive/Technical Staff Female	Percentage	52	55	—	No assurance	
Employee Diversity (by gender)	General Workers Male	Percentage	97	96	—	No assurance	

PENSONIC HOLDINGS BHD

BMLR Transition Period

Date & Time: 2026-09-30_11:30:59

Main Market | Group 2 | FYE 31/05/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Employee Diversity (by gender)	General Workers Female	Percentage	3	4	—	No assurance	
Board Diversity (by gender)	Male	Percentage	75	71	—	No assurance	
Board Diversity (by gender)	Female	Percentage	25	29	Achieve at least 30% women representation at Board level by 2030.	No assurance	
Board Diversity (by age)	Under 30	Percentage	0	0	—	No assurance	
Board Diversity (by age)	Between 30-39	Percentage	0	0	—	No assurance	
Board Diversity (by age)	Between 40-49	Percentage	13	0	—	No assurance	
Board Diversity (by age)	Between 50-59	Percentage	25	43	—	No assurance	
Board Diversity (by age)	Above 60	Percentage	63	57	—	No assurance	
Energy Management	Total energy consumption	Megawatt	3,877	3,400	—	No assurance	FY2025 data has been restated.
Health and Safety	Number of work-related fatalities	Number	0	0	Achieve zero workplace fatalities annually.	No assurance	
Health and Safety	Lost time incident rate ("LTIR")	Rate	0	0	—	No assurance	
Health and Safety	Number of employees trained on health and safety standards	Number	72	119	—	No assurance	
Labour Practices and Standards	Total hours of training by employee category: Management	Hours	5,562	6,274	Increase total annual training hours by at least 10% year-on-year across all employee categories.	No assurance	
Labour Practices and Standards	Total hours of training by employee category: Executive	Hours	4,984	6,552	—	No assurance	

PENSONIC HOLDINGS BHD

BMLR Transition Period

Date & Time: 2026-09-30_11:30:59

Main Market | Group 2 | FYE 31/05/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Labour Practices and Standards	Total hours of training by employee category: Non-executive/Technical Staff	Hours	4,192	4,552	—	No assurance	
Labour Practices and Standards	Total hours of training by employee category: General Workers	Hours	3,992	4,104	—	No assurance	
Labour Practices and Standards	Percentage of employees that are contractors or temporary staff	Percentage	5	24	—	No assurance	
Labour Practices and Standards	Total number of employee turnover by employee category: Management	Number	4	7	—	No assurance	
Labour Practices and Standards	Total number of employee turnover by employee category: Executive	Number	30	20	—	No assurance	
Labour Practices and Standards	Total number of employee turnover by employee category: Non-executive/Technical Staff	Number	66	33	—	No assurance	
Labour Practices and Standards	Total number of employee turnover by employee category: General Workers	Number	34	36	—	No assurance	
Labour Practices and Standards	Number of substantiated complaints concerning human rights violations	Number	0	0	Maintain zero cases of child labour, forced labour, and workplace harassment annually.	No assurance	
Supply Chain Management	Proportion of spending on local suppliers	Percentage	37.60	35.33	Target at least 40% local supplier sourcing annually.	No assurance	

PENSONIC HOLDINGS BHD

BMLR Transition Period

Date & Time: 2026-09-30_11:30:59

Main Market | Group 2 | FYE 31/05/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	Achieve zero incidents of data breaches and complaints on customer privacy annually.	No assurance	
Data Privacy and Security	Number of employees trained on cybersecurity awareness training	Number	-	128	Provide cybersecurity awareness training to 100% of employees by FY2027.	No assurance	
Water	Total volume of water used	Megalitres	15.56	15.15	—	No assurance	
Waste Management	Total waste generated	Metric tonnes	127.17	89.92	—	No assurance	
Waste Management	Total waste diverted from disposal	Metric tonnes	74.29	15.76	—	No assurance	
Waste Management	Total waste directed to disposal	Metric tonnes	52.88	74.16	—	No assurance	

SUSTAINABILITY STATEMENT

PENSONIC HOLDINGS BHD

IFRS S2

Date & Time: 2026-09-30_11:30:59

Main Market | Group 2 | FYE 31/05/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
GHG emissions	Scope 1	Metric tonnes of carbon dioxide equivalents (tCO2e)	430	376	Reduce GHG emissions by 10% by FY2030, compared with the FY2025 baseline.	No assurance	
GHG emissions	Scope 2 Location-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	1,091	776	Reduce GHG emissions by 10% by FY2030, compared with the FY2025 baseline.	No assurance	
GHG emissions	Scope 3 Cat.6: Business travel	Metric tonnes of carbon dioxide equivalents (tCO2e)	-	43	—	No assurance	Data availability is limited as the data collection framework was not fully established during the first year of disclosure.
GHG emissions	Scope 3 Cat.7: Employee commuting	Metric tonnes of carbon dioxide equivalents (tCO2e)	-	319	—	No assurance	Data availability is limited as the data collection framework was not fully established during the first year of disclosure.

ADDITIONAL COMPLIANCE INFORMATION

1. Audit fees and Non-audit Fees

The audit fees and non-audit fees paid or payable to the external auditors, KPMG PLT or a firm or corporation affiliated with them by Pensonic Holdings Berhad ("the Company") and its subsidiaries ("the Group") for the financial year ended 31 May 2026 ("FY2026") are as follows:

	Group (RM)	Company (RM)
Fees paid or payable to the external auditors:		
Audit fees		
- KPMG PLT	263,000	88,000
- Other auditors	62,479	–
Non-audit fees		
- KPMG PLT	7,000	7,000
- Affiliate of KPMG PLT	53,400	3,500
Total	385,879	98,500

2. Material Contracts

There were no material contracts with the Group involving Directors' and major shareholders' interest during FY2026.

3. Status of Utilisation of Proceeds Raised from any Proposal

There were no proceeds raised by the Company from any corporate proposals during FY2026.

4. Recurrent Related Party Transactions ("RRPT") for FY2026

The aggregate value of RRPT conducted pursuant to the shareholders' mandate during FY2026 are as follows:

Provider of goods and services	Recipient of goods and services	Nature of Transactions	Actual value transacted (RM)	Related Parties
PW Jit Seng Plastic Material Sdn Bhd ("PW Jit Seng")	PHB Group	Purchase of raw materials	-	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 a Director and shareholder of PHB and 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.

ADDITIONAL COMPLIANCE INFORMATION

4. Recurrent Related Party Transactions ("RRPT") for FY2026 (Cont'd)

The aggregate value of RRPT conducted pursuant to the shareholders' mandate during FY2026 are as follows: (Cont'd)

Provider of goods and services	Recipient of goods and services	Nature of Transactions	Actual value transacted (RM)	Related Parties
Syarikat Perkapalan Soo Hup Seng Sdn Bhd ("Soo Hup Seng")	PHB Group	Shipping services	765,103	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.
PHB Group	PT Pensonic Appliances Indonesia ("PTPAI")	Sale of electrical appliances	247,367	PHB is the holding company of PTPAI. The remaining 10.67%, in PTPAI is held by Chew Chun Chia, Nick ("Nick Chew"). Nick Chew, a Director and 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 Marine Sdn Bhd ("SOSHIP")	PHB Group	Shipping services	24,233	Dato' Tan Ah Lee is a Director and shareholder of SOSHIP and is the brother-in-law of Dato' Seri Chew.
High Ace Industries Sdn Bhd ("HAI")	PHB Group	Purchase and sale of raw materials	14,140	Lim Aun Ghee is a Director and shareholder of Pensia Industries Sdn Bhd ("PI"). He is a Director and shareholder of HAI.
High Ace Marketing Sdn Bhd ("HAM")	PHB Group	Purchase of raw materials	-	Lim Aun Ghee is a Director and shareholder of PI. He is a Director and shareholder of HAM.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MAY 2026

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 May 2026.

Principal activities

The principal activity of the Company is investment holding whilst the principal activities and details of the subsidiaries are disclosed in Note 4 to the financial statements.

There has been no significant change in the nature of these activities during the financial year.

Results

	Group RM	Company RM
Loss for the year attributable to :		
Owners of the Company	1,109,451	154,799
Non-controlling interests	433,661	–
	1,543,112	154,799

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review other than as disclosed in the financial statements.

Dividend

No dividend was paid since the end of previous financial year and the Directors do not recommend any dividend to be paid for the current financial year.

Directors of the Company

Directors who served during the financial year until the date of this report are :

Y. Bhg. Dato' Seri Chew Weng Khak @ Chew Weng Kiak	(Resigned on 24 October 2025; Appointed on 23 July 2026)
Chew Chuon Fang	
Y. Bhg. Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim	
Y. Bhg. Dato' Tahir Jalaluddin Bin Hussain	
Ong Huey Min	
Y. Bhg. Dato' Seri Dr. Liew Lee Leong	
Y. Bhg. Dato' Chew Chuon Jin	(Removed on 25 August 2026)
Loh Keow Lin	(Resigned on 30 September 2026)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MAY 2026

Directors of subsidiaries

Pursuant to Section 253(2) of the Companies Act 2016, the Directors who served on the Board of the subsidiaries during the financial year until the date of this report are :

Y. Bhg. Dato' Lim Aun Ghee
Chew Chun Chia
Koh Wan Tiong

Directors' interests in shares

The direct and deemed interests in the ordinary shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouse and/or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows :

	Number of ordinary shares			
	Balance at 1.6.2025	Bought	(Sold)	Balance at 31.5.2026
Interests in the Company :				
Direct interests :				
Dato' Chew Chuon Jin				
- own	10,898,400	–	–	10,898,400
- others*	16,800	–	–	16,800
Chew Chuon Fang				
- own	7,181,000	–	–	7,181,000

* Being ordinary shares held by the spouse/children and are regarded as the interests of the Director pursuant to Section 59(11)(c) of the Companies Act 2016.

None of the other Directors holding office at 31 May 2026 had any interest in the ordinary shares of the Company and of its related corporations during the financial year.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MAY 2026

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than as shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than certain related corporations which traded in the normal course of business with companies in which certain Directors have a substantial financial interest.

The benefits paid to or receivable by Directors of the Company in respect of the financial year ended 31 May 2026 are as follows :

	From the Company RM	From subsidiary companies RM
Directors' emoluments		
- Fees	342,000	–
- Remuneration	–	1,888,915
- Defined contribution plan	–	186,832
	342,000	2,075,747

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Issue of shares and debentures

There were no other changes in the issued and paid-up capital of the Company and no debentures were issued during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Indemnity and insurance costs

The total cost of insurance effected for Directors and officers of the Group and of the Company is RM5,500 for a total sum insured of RM2,000,000.

There was no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MAY 2026

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that :

i) all known bad debts have been written off and adequate provision made for doubtful debts, and

ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances :

i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or

ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or

iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist :

i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or

ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 May 2026 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MAY 2026

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The audit and non-audit fees of the Group and of the Company during the year are as follows :

	Group RM	Company RM
Audit fees		
- KPMG PLT	263,000	88,000
- Other auditors	62,479	–
	325,479	88,000
Non-audit fees		
- KPMG PLT	7,000	7,000
- Affiliate of KPMG PLT	53,400	3,500
	60,400	10,500
	385,879	98,500

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors :

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Dato' Seri Chew Weng Khak @ Chew Weng Kiak
Director

.....

Chew Chuon Fang
Director

Date : 30 September 2026

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MAY 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Assets					
Property, plant and equipment	2	**112,187,146**	116,445,425	**38,259,092**	39,287,602
Intangible assets	3	**870,000**	870,000	**–**	–
Investments in subsidiaries	4	**–**	–	**43,264,620**	43,455,898
Investments in associates	5	**1,147,971**	1,110,227	**343,736**	343,736
Deferred tax assets	6	**679,095**	702,618	**7,000**	4,000
Total non-current assets		**114,884,212**	119,128,270	**81,874,448**	83,091,236
Inventories	7	**66,991,781**	83,824,005	**–**	–
Contract costs	8	**2,451,390**	2,231,449	**–**	–
Trade and other receivables	9	**53,622,918**	73,772,290	**15,216,321**	14,524,364
Contract assets	10	**5,682,464**	5,703,420	**–**	–
Current tax assets		**1,029,460**	808,038	**159,909**	160,780
Fixed deposits	11	**579,237**	571,143	**–**	–
Cash and bank balances		**32,676,367**	20,001,024	**125,410**	103,555
Total current assets		**163,033,617**	186,911,369	**15,501,640**	14,788,699
Total assets		**277,917,829**	306,039,639	**97,376,088**	97,879,935
Equity					
Share capital	12	**84,304,949**	84,304,949	**84,304,949**	84,304,949
Reserves	13	**48,327,627**	51,320,534	**9,407,184**	9,561,983
Total equity attributable to owners of the Company		**132,632,576**	135,625,483	**93,712,133**	93,866,932
Non-controlling interests	4	**4,420,642**	3,844,625	**–**	–
Total equity		**137,053,218**	139,470,108	**93,712,133**	93,866,932
Liabilities					
Loans and borrowings	14	**17,751,260**	19,621,359	**–**	–
Lease liabilities		**325,101**	112,390	**–**	–
Deferred tax liabilities	6	**340,000**	770,000	**–**	–
Total non-current liabilities		**18,416,361**	20,503,749	**–**	–
Trade and other payables	15	**66,666,304**	80,401,605	**3,663,955**	4,013,003
Loans and borrowings	14	**50,867,507**	62,402,179	**–**	–
Lease liabilities		**476,884**	603,918	**–**	–
Current tax liabilities		**4,437,555**	2,658,080	**–**	–
Total current liabilities		**122,448,250**	146,065,782	**3,663,955**	4,013,003
Total liabilities		**140,864,611**	166,569,531	**3,663,955**	4,013,003
Total equity and liabilities		**277,917,829**	306,039,639	**97,376,088**	97,879,935

The notes on pages 76 to 125 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MAY 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Revenue	16	**314,060,591**	333,766,894	**1,925,770**	–
Cost of sales		**(257,004,259)**	(279,323,751)	**–**	–
Gross profit		**57,056,332**	54,443,143	**1,925,770**	–
Other income		**1,628,480**	4,392,627	**1,248,844**	1,249,022
Selling and distribution expenses		**(24,404,027)**	(25,993,364)	**–**	–
Administrative expenses		**(27,762,398)**	(31,519,782)	**(2,685,445)**	(3,046,372)
Net loss on impairment of financial instruments	18	**(1,022,285)**	(385,110)	**(398,541)**	–
Other expenses		**(2,479,295)**	–	**(191,278)**	–
Results from operating activities		**3,016,807**	937,514	**(100,650)**	(1,797,350)
Finance costs	17	**(3,959,011)**	(3,739,581)	**–**	–
Share of results of associates		**37,744**	(153,463)	**–**	–
Loss before tax	18	**(904,460)**	(2,955,530)	**(100,650)**	(1,797,350)
Tax expense	19	**(638,652)**	(819,324)	**(54,149)**	7,452
Loss for the year		**(1,543,112)**	(3,774,854)	**(154,799)**	(1,789,898)
Other comprehensive expense, net of tax :					
Item that is or may be reclassified subsequently to profit or loss					
Foreign exchange translation differences for foreign operations		**(2,415,747)**	(1,440,908)	**–**	–
Total comprehensive (expense) for the year		**(3,958,859)**	(5,215,762)	**(154,799)**	(1,789,898)
Profit/(Loss) for the year attributable to :					
Owners of the Company		**(1,109,451)**	(3,806,700)	(154,799)	(1,789,898)
Non-controlling interests		**(433,661)**	31,846	**–**	–
		(1,543,112)	(3,774,854)	**(154,799)**	(1,789,898)
Total comprehensive (expense) attributable to :					
Owners of the Company		**(3,265,076)**	(5,271,933)	**(154,799)**	(1,789,898)
Non-controlling interests		**(693,783)**	56,171	**–**	–
		(3,958,859)	(5,215,762)	**(154,799)**	(1,789,898)
Basic loss per ordinary share (RM)	21	**(0.75)**	(2.54)		

The notes on pages 76 to 125 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MAY 2026

	Attributable to owners of the Company								
	Non-distributable					*Distributable*			
	Share capital	Foreign currency translation reserve	Treasury shares	Capital reserve	Other reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group									
At 1 June 2024	84,304,949	2,600,278	(3,119,711)	4,487,540	(638,792)	55,512,056	143,146,320	3,333,650	146,479,970
(Loss)/Profit for the year	–	–	–	–	–	(3,806,700)	(3,806,700)	31,846	(3,774,854)
Other comprehensive (expense)/ income for the year, net of tax									
- Foreign exchange translation differences for foreign operations	–	(1,465,233)	–	–	–	–	(1,465,233)	24,325	(1,440,908)
Total comprehensive expense for the year	–	(1,465,233)	–	–	–	(3,806,700)	(5,271,933)	56,171	(5,215,762)
Transactions with owners of the Company :									
Own shares acquired (Note 13.2)	–	–	(1,914,561)	–	–	–	(1,914,561)	–	(1,914,561)
Shares issued by a subsidiary to non-controlling interests	–	–	–	–	–	–	–	120,463	120,463
Acquisition of non-controlling interests in subsidiaries (Note 26)	–	–	–	–	–	(334,343)	(334,343)	334,341	(2)
Total transactions with owners of the Company	–	–	(1,914,561)	–	–	(334,343)	(2,248,904)	454,804	(1,794,100)
At 31 May 2025	84,304,949	1,135,045	(5,034,272)	4,487,540	(638,792)	51,371,013	135,625,483	3,844,625	139,470,108
	Note 12			**Note 13**				**Note 4**	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MAY 2026

	Attributable to owners of the Company								
	Non-distributable					*Distributable*			
	Share capital	Foreign currency translation reserve	Treasury shares	Capital reserve	Other reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group									
At 1 June 2025	84,304,949	1,135,045	(5,034,272)	4,487,540	(638,792)	51,371,013	135,625,483	3,844,625	139,470,108
Loss for the year	–	–	–	–	–	(1,109,451)	(1,109,451)	(433,661)	(1,543,112)
Other comprehensive expense for the year, net of tax									
- Foreign exchange translation differences for foreign operations	–	(2,155,625)	–	–	–	–	(2,155,625)	(260,122)	(2,415,747)
Total comprehensive (expense)/ income for the year	–	(2,155,625)	–	–	–	(1,109,451)	(3,265,076)	(693,783)	(3,958,859)
Transaction with owners of the Company :									
Shares issued by a subsidiary to non-controlling interests	–	(64,505)	–	–	–	336,674	272,169	1,269,800	1,541,969
At 31 May 2026	84,304,949	(1,085,085)	(5,034,272)	4,487,540	(638,792)	50,598,236	132,632,576	4,420,642	137,053,218
	Note 12			**Note 13**				**Note 4**	

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2026

		Non-distributable	Distributable	
	Share capital	Treasury shares	Retained earnings	Total equity
	RM	RM	RM	RM
Company				
At 1 June 2024	84,304,949	(3,119,711)	16,386,153	97,571,391
Loss and total comprehensive expense for the year	–	–	(1,789,898)	(1,789,898)
Own shares acquired (Note 13.2)	–	(1,914,561)	–	(1,914,561)
At 31 May 2025/ 1 June 2025	**84,304,949**	**(5,034,272)**	**14,596,255**	**93,866,932**
Loss and total comprehensive expense for the year	**–**	**–**	**(154,799)**	**(154,799)**
At 31 May 2026	**84,304,949**	**(5,034,272)**	**14,441,456**	**93,712,133**
	Note 12 ←	Note 13 →		

The notes on pages 76 to 125 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 MAY 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Cash flows from operating activities					
Loss before tax		**(904,460)**	(2,955,530)	**(100,650)**	(1,797,350)
Adjustments for :					
Depreciation of property, plant and equipment	2	**5,420,899**	5,851,548	**1,028,510**	1,302,224
Interest expense	17	**3,930,976**	3,697,433	**–**	–
Accretion of interest on lease liabilities	17	**28,035**	42,148	**–**	–
Gain on :					
- disposal of plant and equipment	18	**(41,949)**	(22,529)	**(1)**	–
- remeasurement of lease	18	**–**	(5,742)	**–**	–
Impairment loss on :					
- investment in a subsidiary	18	**–**	–	**191,278**	–
- plant and equipment	18	**2,479,295**	–	**–**	–
Plant and equipment written off	18	**4,418**	15,968	**–**	–
Interest income	18	**(20,178)**	(41,025)	**(843)**	(1,022)
Share of results of associates		**(37,744)**	153,463	**–**	–
Operating profit/(loss) before working capital changes		**10,859,292**	6,735,734	**1,118,294**	(496,148)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 MAY 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Changes in working capital :					
Inventories		**16,832,224**	(25,009,464)	**–**	–
Contract costs		**(219,941)**	(2,231,449)	**–**	–
Trade and other receivables		**20,149,372**	(12,051,647)	**412,935**	1,307,953
Contract assets		**20,956**	(5,703,420)	**–**	–
Trade and other payables		**(13,735,301)**	24,017,007	**(349,048)**	2,959,332
Cash generated from/(used in) operations		**33,906,602**	(14,243,239)	**1,182,181**	3,771,137
Tax refund/(paid)		**512,924**	(2,309,182)	**(56,278)**	(54,557)
Net cash from/(used in) operating activities		**34,419,526**	(16,552,421)	**1,125,903**	3,716,580
Cash flows from investing activities					
Proceeds from disposal of property, plant and equipment		**43,617**	26,249	**1**	–
Purchase of plant and equipment	2.1	**(2,542,241)**	(7,494,852)	**–**	(6,860)
Interest received		**20,178**	41,025	**843**	1,022
Advances to subsidiaries		**–**	–	**(1,104,892)**	(2,075,264)
Subscription of shares in a subsidiary	4	**–**	–	**–**	(2,288,788)
Acquisition of non-controlling interests in subsidiaries		**–**	(2)	**–**	(2)
Net cash used in investing activities		**(2,478,446)**	(7,427,580)	**(1,104,048)**	(4,369,892)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 MAY 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Cash flows from financing activities					
Drawdown of :					
- bankers' acceptances		**163,996,023**	170,968,122	**–**	–
- revolving credits		**2,004,594**	–	**–**	–
Repayment of :					
- bankers' acceptances		**(177,956,282)**	(148,217,886)	**–**	–
- hire purchase creditors		**(217,006)**	(534,964)	**–**	–
- term loans		**(2,285,656)**	(2,279,355)	**–**	–
- lease liabilities		**(656,097)**	(639,651)	**–**	–
Placement of fixed deposits		**(8,094)**	(13,560)	**–**	–
Subscription of shares by non-controlling interests in a subsidiary		**1,541,969**	120,463	**–**	–
Purchase of treasury shares	13.2	**–**	(1,914,561)	**–**	(1,914,561)
Interest paid	17	**(3,959,011)**	(3,739,581)	**–**	–
Net cash (used in)/ from financing activities		**(17,539,560)**	13,749,027	**–**	(1,914,561)
Net increase/ (decrease) in cash and cash equivalents		**14,401,520**	(10,230,974)	**21,855**	(2,567,873)
Effects of exchange differences on cash and cash equivalents		**(2,066,633)**	(1,422,974)	**–**	–
Cash and cash equivalents at 1 June 2025/2024		**19,351,708**	31,005,656	**103,555**	2,671,428
Cash and cash equivalents at 31 May	A	**31,686,595**	19,351,708	**125,410**	103,555

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 MAY 2026

Notes :

A. Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts :

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Cash and bank balances	**32,676,367**	20,001,024	**125,410**	103,555
Bank overdrafts (Note 14)	**(989,772)**	(649,316)	**–**	–
	31,686,595	19,351,708	**125,410**	103,555

B. Cash outflows for leases as a lessee

	Note	Group		Company	
		2026	2025	2026	2025
		RM	RM	RM	RM
Included in net cash from/(used in) operating activities :					
Payment relating to :					
- short-term leases	18	**305,367**	390,836	**–**	–
- leases of low-value assets	18	**48,751**	57,639	**2,856**	2,856
Included in net cash (used in)/ from financing activities :					
Payment of lease liabilities	14.1	**656,097**	639,651	**–**	–
Interest paid in relation to lease liabilities	17	**28,035**	42,148	**–**	–
Total cash outflows for leases		**1,038,250**	1,130,274	**2,856**	2,856

NOTES TO THE FINANCIAL STATEMENTS

Pensonic Holdings Berhad is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows :

Principal place of business	**Registered office**
1165, Lorong Perindustrian Bukit Minyak 16 Taman Perindustrian Bukit Minyak 14100 Simpang Ampat Penang	170-09-01, Livingston Tower Jalan Argyll 10050 George Town Penang

The consolidated financial statements of the Company as at and for the financial year ended 31 May 2026 comprise the Company and its subsidiaries (together referred to as "the Group" and individually referred to as "Group entities") and the Group's interests in associates.

The principal activity of the Company is investment holding whilst the principal activities of the subsidiaries are stated in Note 4 to the financial statements.

These financial statements were authorised for issue by the Board of Directors on 30 September 2026. .

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company :

MFRS Accounting Standards and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments and MFRS 7, Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments and MFRS 7, Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation (Cont'd)

(a) Statement of compliance (Cont'd)

MFRS Accounting Standards and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*

MFRS Accounting Standards and amendments effective for annual periods beginning on or after 1 January 2029

- MFRS 20, *Regulatory Assets and Regulatory Liabilities*

MFRS Accounting Standards and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards and amendments, where applicable in the respective financial years when the abovementioned accounting standards and amendments become effective.

The initial application of the accounting standards and amendments is not expected to have any material financial impacts to the current period and prior period financial statements of the Group and of the Company.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 2.3 - Impairment loss of property, plant and equipment;
- Note 7 - Write-down of inventories; and
- Note 24.4 - Expected credit loss of trade receivables.

2. Property, plant and equipment

	← Right-of-use assets →											
	Leasehold land	Buildings	Freehold land	Buildings	Computers	Renovation and electrical installation	Plant and machinery	Furniture, fittings and office equipment	Motor vehicles	Signboards and showcases	Capital work-in-progress	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group												
Cost												
At 1 June 2024	11,332,146	1,445,858	21,085,360	81,196,150	6,803,882	3,552,248	24,558,536	7,542,435	6,575,689	902,850	2,084,582	167,079,736
Additions	–	87,977	–	–	422,832	301,420	3,738,955	150,994	4,240	3,488	2,872,923	7,582,829
Disposals	–	–	–	–	(19,660)	–	–	–	(11,904)	–	–	(31,564)
Write-offs	–	–	–	–	(26,406)	–	(5,005)	(49,828)	–	–	–	(81,239)
Exchange difference	–	(35,139)	–	–	(35,990)	(4,097)	–	(23,107)	(27,236)	–	–	(125,569)
Reclassification	–	–	–	–	–	–	1,395,500	–	–	–	(1,395,500)	–
Remeasurement of lease	–	364,619	–	–	–	–	–	–	–	–	–	364,619
At 31 May 2025/ 1 June 2025	11,332,146	1,863,315	21,085,360	81,196,150	7,144,658	3,849,571	29,687,986	7,620,494	6,540,789	906,338	3,562,005	174,788,812
Additions	–	754,702	–	–	466,991	431,311	623,398	52,020	322,290	4,820	1,354,511	4,010,043
Disposals	–	–	–	–	–	–	–	(18,415)	(199,025)	–	–	(217,440)
Write-offs	–	–	–	–	(3,850)	–	(42,073)	(920)	–	–	–	(46,843)
Exchange difference	–	(28,794)	–	–	(3,549)	37,739	(649,917)	(72,046)	(64,184)	–	–	(780,751)
Reclassification	–	–	–	24,622	–	–	–	–	–	–	(24,622)	–
Derecognition*	–	(503,491)	–	–	–	–	–	–	–	–	–	(503,491)
At 31 May 2026	**11,332,146**	**2,085,732**	**21,085,360**	**81,220,772**	**7,604,250**	**4,318,621**	**29,619,394**	**7,581,133**	**6,599,870**	**911,158**	**4,891,894**	**177,250,330**

2. Property, plant and equipment (Cont'd)

	← Right-of-use assets →											
	Leasehold land	Buildings	Freehold land	Buildings	Computers	Renovation and electrical installation	Plant and machinery	Furniture, fittings and office equipment	Motor vehicles	Signboards and showcases	Capital work-in-progress	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group												
Accumulated depreciation and impairment loss												
At 1 June 2024	3,177,669	533,832	–	12,223,593	5,832,114	2,717,884	16,796,972	5,813,491	4,854,495	708,923	–	52,658,973
Depreciation for the year	78,827	644,143	–	1,744,636	436,123	173,392	1,493,103	553,112	665,565	62,647	–	5,851,548
Disposals	–	–	–	–	(19,660)	–	–	–	(8,184)	–	–	(27,844)
Write-offs	–	–	–	–	(26,398)	–	(4,999)	(33,874)	–	–	–	(65,271)
Exchange difference	–	(6,789)	–	–	(38,125)	(3,481)	–	(14,728)	(10,896)	–	–	(74,019)
At 31 May 2025/ 1 June 2025	3,256,496	1,171,186	–	13,968,229	6,184,054	2,887,795	18,285,076	6,318,001	5,500,980	771,570	–	58,343,387
Depreciation for the year	213,606	649,747	–	1,609,952	406,593	150,464	1,652,031	277,663	406,611	54,232	–	5,420,899
Disposals	–	–	–	–	–	–	–	(16,750)	(199,022)	–	–	(215,772)
Write-offs	–	–	–	–	(3,850)	–	(38,245)	(330)	–	–	–	(42,425)
Impairment loss	–	–	–	–	–	–	1,619,647	–	–	–	859,648	2,479,295
Derecognition*	–	(503,491)	–	–	–	–	–	–	–	–	–	(503,491)
Exchange difference	–	(25,084)	–	–	(667)	28,299	(322,061)	(55,404)	(43,792)	–	–	(418,709)
At 31 May 2026												
Accumulated depreciation	**3,470,102**	**1,292,358**	**–**	**15,578,181**	**6,586,130**	**3,066,558**	**19,576,801**	**6,523,180**	**5,664,777**	**825,802**	**–**	**62,583,889**
Accumulated impairment loss	**–**	**–**	**–**	**–**	**–**	**–**	**1,619,647**	**–**	**–**	**–**	**859,648**	**2,479,295**
	3,470,102	**1,292,358**	**–**	**15,578,181**	**6,586,130**	**3,066,558**	**21,196,448**	**6,523,180**	**5,664,777**	**825,802**	**859,648**	**65,063,184**

2. Property, plant and equipment (Cont'd)

	← Right-of-use assets →											
	Leasehold land	Buildings	Freehold land	Buildings	Computers	Renovation and electrical installation	Plant and machinery	Furniture, fittings and office equipment	Motor vehicles	Signboards and showcases	Capital work-in-progress	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group												
Carrying amounts												
At 1 June 2024	8,154,477	912,026	21,085,360	68,972,557	971,768	834,364	7,761,564	1,728,944	1,721,194	193,927	2,084,582	114,420,763
At 31 May 2025/ 1 June 2025	8,075,650	692,129	21,085,360	67,227,921	960,604	961,776	11,402,910	1,302,493	1,039,809	134,768	3,562,005	116,445,425
At 31 May 2026	7,862,044	793,374	21,085,360	65,642,591	1,018,120	1,252,063	8,422,946	1,057,953	935,093	85,356	4,032,246	112,187,146

* *Derecognition due to the termination or expiry of leases*

NOTES TO THE FINANCIAL STATEMENTS

2. Property, plant and equipment (Cont'd)

	Right-of-use assets - Leasehold land	Buildings	Furniture, fittings and office equipment	Computers	Renovation	Total
	RM	RM	RM	RM	RM	RM
Company						
Cost						
At 1 June 2024	6,300,899	43,225,873	2,883,004	115,419	25,760	52,550,955
Additions	–	–	6,860	–	–	6,860
At 31 May 2025/1 June 2025	6,300,899	43,225,873	2,889,864	115,419	25,760	52,557,815
Disposals	–	–	(4,451)	–	–	(4,451)
At 31 May 2026	**6,300,899**	**43,225,873**	**2,885,413**	**115,419**	**25,760**	**52,553,364**
Accumulated depreciation						
At 1 June 2024	1,617,346	7,779,363	2,481,372	88,835	1,073	11,967,989
Depreciation for the year	134,779	864,518	288,809	11,542	2,576	1,302,224
At 31 May 2025/1 June 2025	1,752,125	8,643,881	2,770,181	100,377	3,649	13,270,213
Depreciation for the year	134,779	864,518	24,352	2,285	2,576	1,028,510
Disposals	–	–	(4,451)	–	–	(4,451)
At 31 May 2026	**1,886,904**	**9,508,399**	**2,790,082**	**102,662**	**6,225**	**14,294,272**
Company						
Carrying amounts						
At 1 June 2024	4,683,553	35,446,510	401,632	26,584	24,687	40,582,966
At 31 May 2025/1 June 2025	4,548,774	34,581,992	119,683	15,042	22,111	39,287,602
At 31 May 2026	4,413,995	33,717,474	95,331	12,757	19,535	38,259,092

Included in property, plant and equipment of the Group is a motor vehicle with carrying amount of RM71,300 (2025 : RM98,900) registered in the name of a Director as at 31 May 2026, who held the vehicle in trust for the Group. The individual ceased to be a Director subsequent to the reporting date. The Group retains the beneficial ownership of the vehicle.

NOTES TO THE FINANCIAL STATEMENTS

2. Property, plant and equipment (Cont'd)

2.1 Additions to property, plant and equipment

The additions to property, plant and equipment (including right-of-use assets) of the Group and of the Company during the financial year are acquired as follows :

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Total additions	**4,010,043**	7,582,829	**–**	6,860
Less:				
Assets acquired under hire purchase/ lease arrangements (Note 14.1)	**(1,467,802)**	(87,977)	**–**	–
Amount paid in cash	**2,542,241**	7,494,852	**–**	6,860

2.2 Security

The carrying amounts of property, plant and equipment (including right-of-use assets) pledged as securities for borrowings granted to the Group as disclosed in Note 14 are as follows :

	Group	
	2026	2025
	RM	RM
Leasehold land	**3,313,270**	3,392,097
Freehold land	**21,085,360**	21,085,360
Buildings	**28,419,352**	29,056,672
	52,817,982	53,534,129

2.3 Impairment loss - Group

During the financial year, the Group assessed the moulds classified within property, plant and equipment for impairment due to demand uncertainties associated with the relevant electrical home and kitchen appliance product lines and the non-utilisation or limited utilisation of certain moulds.

The recoverable amounts of these moulds, determined based on their fair value less costs of disposal, were assessed to be close to nil. Accordingly, the Group recognised an impairment loss of RM2,479,295 (2025 : Nil) within other expenses in profit or loss.

The fair value measurement was classified within Level 3 of the fair value hierarchy and was determined based on the estimated residual values of the moulds, after deducting the estimated costs of disposal. The key assumptions used included the marketability and estimated residual values of the moulds.

NOTES TO THE FINANCIAL STATEMENTS

2. Property, plant and equipment (Cont'd)

2.4 Right-of-use assets

The Group's and the Company's leases of land, warehouses, apartments and office space run for periods ranging from 2 years to 67 years (2025 : 2 years to 67 years), with options to renew some of the leases after the expiry of their initial lease periods.

2.4.1 Extension options

The leases for buildings contain extension options exercisable by the Group up to 2 years (2025 : 1 year) before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

	Lease liabilities recognised (discounted)	Potential future lease payments not included in lease liabilities (discounted)
	RM	RM
2026		
Buildings	**–**	**487,209**
2025		
Buildings	–	484,953

2.4.2 Significant judgements and assumptions in relation to leases

The Group assesses at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. The Group considers all facts and circumstances, including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. The Group first determines the closest available borrowing rates before using judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

2.4.3 Restriction imposed by lease

The lease contracts for warehouses, apartments and office space prohibit the Group to sublease the leased assets.

2.5 Material accounting policy information

(a) Recognition and measurement

Items of property, plant and equipment (including right-of-use assets) are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

NOTES TO THE FINANCIAL STATEMENTS

2. Property, plant and equipment (Cont'd)

2.5 Material accounting policy information (Cont'd)

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Capital-work-in-progress are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows :

	Years
Buildings	42 - 67
Computers	2 - 5
Renovation and electrical installation	4 - 10
Plant and machinery	8 - 12
Furniture, fittings and office equipment	4 - 20
Motor vehicles	5 - 10
Signboards and showcases	10

(c) Lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(d) Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or shorter and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3. Intangible assets - Group

	Trademark RM
At cost	
At 1 June 2024/31 May 2025/1 June 2025/31 May 2026	**870,000**

The trademark relates to the "Cornell" brand name that was acquired in a business combination by way of an assignment of the full and absolute rights from the registered proprietor.

As those rights were assigned without any specified time frame and the Directors believe that there is no foreseeable limit to the period over which the brand is expected to generate cash inflows for the Group, the trademark is assessed to have an indefinite useful life subject to use in good faith.

NOTES TO THE FINANCIAL STATEMENTS

3. Intangible assets - Group (Cont'd)

Impairment assessment for trademark

The recoverable amount of the trademark is determined based on value-in-use calculation using financial budget and cash flow projections approved by the Directors covering a period of 5 years (2025 : 5 years). The value-in-use calculation is determined by discounting future cash flows using a pre-tax discount rate of 10.00% (2025 : 9.86%).

The values assigned to the key assumptions (e.g. sales growth rates and gross margins) represent the Directors' assessment of future trends of the business and are based on both external and internal sources (historical data).

4. Investments in subsidiaries - Company

	2026 RM	2025 RM
Investments, at cost	**49,591,887**	49,591,887
Less : Impairment losses	**(6,327,267)**	(6,135,989)
	43,264,620	43,455,898

2026

On 24 July 2025, Pensia Industries Sdn. Bhd. ("PI"), a 75.14% owned subsidiary of the Company, issued 488,800 new ordinary shares of RM3.1546 each to a non-controlling shareholder for a total cash consideration of RM1,541,969 for working capital purposes. Accordingly, the Company's interest in PI was diluted from 75.14% to 70%.

2025

On 8 January 2025, the Company acquired 33% interest in PT Pensonic Appliances Indonesia ("PTPAI") from non-controlling interests for a total purchase consideration of RM1, increasing the Company's interest in PTPAI from 56.3% to 89.3%. See Note 26 for further details.

On 8 January 2025, the Company also acquired an additional 25% interest in PT Pensonic Industries Indonesia ("PTPII"), a 70% owned subsidiary from non-controlling interests for a total purchase consideration of RM1. Following that, the Company's interest in PTPII increased from 70% to 95%. See Note 26 for further details.

On 31 May 2025, the Company subscribed for 775,000 new ordinary shares issued by PTPII for a total cash consideration of RM2,288,788.

NOTES TO THE FINANCIAL STATEMENTS

4. Investments in subsidiaries - Company (Cont'd)

Impairment assessment

During the financial year ended 31 May 2026, the Company conducted an operational review on the performance of certain loss-making foreign subsidiaries. Based on the review carried out, the carrying amount of a subsidiary was noted to be higher than its recoverable amount determined using the fair value less cost of disposal method. Therefore, an impairment loss of RM191,278 (2025 : Nil) was recognised as other expenses in profit or loss.

Details of the subsidiaries are as follows :

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest		Principal activities
		2026	2025	
		%	%	
Keat Radio Co. Sdn. Bhd.	Malaysia	**100**	100	Investment holding
Pensia Electronic Sdn. Bhd.	Malaysia	**100**	100	Manufacture, assembly and sale of electrical products
Pensia Industries Sdn. Bhd.	Malaysia	**70**	75.14	Manufacture, assembly and sale of electrical products
Pensonic Sales & Service Sdn. Bhd.	Malaysia	**100**	100	Distribution of electrical and electronic appliances
Cornell Sales & Service Sdn. Bhd.	Malaysia	**100**	100	Distribution of electrical and electronic appliances
Amtek Marketing Services Pte. Ltd. [(1)]	Singapore	**100**	100	Marketing and distribution of electrical goods
Pensonic Corporation Sdn. Bhd.	Malaysia	100	100	Provision of management services
Pensonic (Cambodia) Co., Ltd. [(1) and (2)]	Cambodia	100	100	Wholesale and retail sales of household appliances
PT Pensonic Appliances Indonesia [(1) and (2)]	Indonesia	89.3	89.3	Distribution of electrical and electronic appliances
PT Pensonic Industry Indonesia [(1) and (2)]	Indonesia	95	95	Manufacture, assembly and sale of electrical products

NOTES TO THE FINANCIAL STATEMENTS

4. Investments in subsidiaries - Company (Cont'd)

Details of the subsidiaries are as follows : (Cont'd)

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest 2026 %	2025 %	Principal activities
Held through Keat Radio Co. Sdn. Bhd.				
Pensonic Industries Sdn. Bhd.	Malaysia	100	100	Distribution of electrical products
Pensonic (H.K.) Corporation Limited [(1)]	Hong Kong	100	100	Trading of home electrical appliances
Pensonic Parts & Service Sdn. Bhd.	Malaysia	100	100	Inactive
Pensia Plastic Industries Sdn. Bhd. [(1)]	Malaysia	100	100	Plastic injection and moulding
Pensonic (Zhuhai) Home Appliances Co. Ltd [(1) and (2)]	People's Republic of China	100	100	Inspection and testing of electrical and electronic products and trading of home appliances
Held through Pensonic Sales & Service Sdn. Bhd.				
Kollektion Distribution Sdn. Bhd.	Malaysia	100	100	Inactive

(1) Not audited by KPMG

(2) The unaudited management accounts were consolidated in the Group's financial statements as these subsidiaries were not required by the local legislation to have their financial statements audited

NOTES TO THE FINANCIAL STATEMENTS

4. Investments in subsidiaries - Company (Cont'd)

4.1 Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows :

	Pensia Industries Sdn. Bhd.	PT Pensonic Appliances Indonesia	Subsidiary with immaterial NCI	Total
	RM	RM	RM	RM
2026				
NCI percentage of ownership interest and voting interest	30%	10.7%	5%	
Carrying amount of NCI	4,570,744	(260,498)	110,396	4,420,642
Loss allocated to NCI	(327,631)	(106,024)	(6)	(433,661)

	Pensia Industries Sdn. Bhd.	PT Pensonic Appliances Indonesia
	RM	RM
Summarised financial information before intra-group elimination		
At 31 May 2026		
Non-current assets	12,505,401	93,508
Current assets	39,898,748	298,906
Non-current liabilities	(847,138)	–
Current liabilities	(36,321,199)	(2,826,977)
Net assets/(liabilities)	15,235,812	(2,434,563)
Year ended 31 May 2026		
Revenue	93,962,170	743,185
Loss for the year	(1,092,102)	(990,883)
Total comprehensive expense for the year	(2,010,610)	(701,818)
Cash flows from/(used in) operating activities	15,010,873	(13,644)
Cash flows used in investing activities	(643,022)	–
Cash flows used in financing activities	(5,339,980)	(960)
Net increase/(decrease) in cash and cash equivalents	9,027,871	(14,604)

NOTES TO THE FINANCIAL STATEMENTS

4. Investments in subsidiaries - Company (Cont'd)

4.1 Non-controlling interests in subsidiaries

	Pensia Industries Sdn. Bhd.	PT Pensonic Appliances Indonesia	Subsidiary with immaterial NCI	Total
	RM	RM	RM	RM
2025				
NCI percentage of ownership interest and voting interest	24.86%	10.7%	5%	
Carrying amount of NCI	3,904,127	(185,404)	125,902	3,844,625
Profit/(Loss) allocated to NCI	372,568	(338,743)	(1,979)	31,846

	Pensia Industries Sdn. Bhd.	PT Pensonic Appliances Indonesia
	RM	RM
Summarised financial information before intra-group elimination		
At 31 May 2025		
Non-current assets	12,742,404	161,448
Current assets	52,192,579	1,181,002
Non-current liabilities	(722,402)	–
Current liabilities	(48,508,128)	(3,075,194)
Net assets/(liabilities)	15,704,453	(1,732,744)
Year ended 31 May 2025		
Revenue	105,601,617	1,238,912
Profit/(Loss) for the year	1,498,666	(1,447,376)
Total comprehensive income/(expense) for the year	1,498,666	(1,309,612)
Cash flows used in operating activities	(3,493,871)	(86,233)
Cash flows (used in)/from investing activities	(2,681,262)	41,610
Cash flows from/(used in) financing activities	2,757,401	(5,757)
Net decrease in cash and cash equivalents	(3,417,732)	(50,380)

NOTES TO THE FINANCIAL STATEMENTS

4. Investments in subsidiaries - Company (Cont'd)

4.2 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

5. Investments in associates

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Investments, at cost				
Balance at 1 June 2024/ 31 May 2025/ 1 June 2025/ 31 May 2026	**675,170**	675,170	**490,560**	490,560
Share of post-acquisition	**472,801**	435,057	**–**	–
Less : Impairment loss	**–**	–	**(146,824)**	(146,824)
	1,147,971	1,110,227	**343,736**	343,736

Details of the associates are as follows :

Name of entity	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest		Principal activities
		2026	2025	
		%	%	
Pensonic (B) Sdn. Bhd. [1]	Brunei	**40**	40	Trading of electrical and electronic appliances
Pensonic Appliances (Myanmar) Company Limited	Myanmar	**35**	35	Trading of electrical and electronic appliances
Pensonic (Thailand) Company Limited	Thailand	**49**	49	Trading of electrical and electronic appliances

[1] Held through Pensonic Corporation Sdn. Bhd.

The associates are not individually material to the consolidated financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS

5. Investments in associates (Cont'd)

5.1 Material accounting policy information

Investments in associates are measured in the Company's statement of financial position at cost less any impairment losses.

6. Deferred tax assets/(liabilities)

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities of the Group and of the Company are attributable to the following :

	Assets		Liabilities		Net	
	2026	2025	2026	2025	2026	2025
	RM	RM	RM	RM	RM	RM
Group						
Property, plant and equipment - capital allowance	**7,000**	4,000	**(624,238)**	(1,114,777)	(617,238)	(1,110,777)
Tax loss carry-forward	**513,955**	501,184	**–**	–	513,955	501,184
Right-of-use assets	**–**	–	**(60,000)**	(113,000)	(60,000)	(113,000)
Lease liabilities	**61,000**	115,000	**–**	–	61,000	115,000
Other temporary differences	**441,378**	540,211	**–**	–	441,378	540,211
Tax assets/(liabilities)	**1,023,333**	1,160,395	**(684,238)**	(1,227,777)	339,095	(67,382)
Set-off of tax	**(344,238)**	(457,777)	**344,238**	457,777	–	–
	679,095	702,618	**(340,000)**	(770,000)	339,095	(67,382)
Company						
Property, plant and equipment - capital allowance	**7,000**	4,000	**–**	–	7,000	4,000

NOTES TO THE FINANCIAL STATEMENTS

6. Deferred tax assets/(liabilities) (Cont'd)

Movements in temporary differences during the year are as follows :

	At 1 June 2024 RM	Recognised in profit or loss (Note 19) RM	At 31 May 2025/ 1 June 2025 RM	Recognised in profit or loss (Note 19) RM	At 31 May 2026 RM
Group					
Property, plant and equipment - capital allowance	(925,945)	(184,832)	(1,110,777)	493,539	**(617,238)**
Tax loss carry-forward	554,719	(53,535)	501,184	12,771	**513,955**
Right-of-use assets	(97,000)	(16,000)	(113,000)	53,000	**(60,000)**
Lease liabilities	99,000	16,000	115,000	(54,000)	**61,000**
Other temporary differences	308,835	231,376	540,211	(98,833)	**441,378**
	(60,391)	(6,991)	(67,382)	406,477	**339,095**
Company					
Property, plant and equipment - capital allowance	(4,000)	8,000	4,000	3,000	**7,000**

Deferred tax assets and liabilities are offset when there are legally enforceable rights to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross) :

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Property, plant and equipment - capital allowance	**(476,000)**	(984,000)	**–**	–
Capital allowance carry-forward	**–**	3,165,000	**–**	–
Tax loss carry-forward	**18,676,000**	23,012,000	**–**	–
Reinvestment allowance carry-forward	**8,297,000**	8,297,000	**–**	–
Other deductible temporary differences	**6,506,000**	5,370,000	**–**	–
	33,325,000	38,860,000	**–**	–

The capital allowance carry-forward is available indefinitely for offsetting against future taxable profits subject to guidelines issued under the Income Tax Act, 1967.

NOTES TO THE FINANCIAL STATEMENTS

6. Deferred tax assets/(liabilities) (Cont'd)

Unrecognised deferred tax assets (Cont'd)

The tax loss carry-forward and reinvestment allowance carry-forward will expire in the following years of assessment ("YA") under the current tax legislations of the respective countries in which the entities operate in :

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Tax loss carry-forward expiring in :				
YA 2026	**–**	743,000	**–**	–
YA 2027	**2,822,000**	2,822,000	**–**	–
YA 2028	**5,552,000**	5,552,000	**–**	–
YA 2029	**1,740,000**	2,120,000	**–**	–
YA 2030	**4,126,000**	4,126,000	**–**	–
YA 2031	**2,864,000**	1,372,000	**–**	–
YA 2032	**507,000**	507,000	**–**	–
YA 2033	**15,000**	15,000	**–**	–
YA 2034	**157,000**	2,109,000	**–**	–
YA 2035	**855,000**	3,646,000	**–**	–
YA 2036	**38,000**	–	**–**	–
	18,676,000	23,012,000	**–**	–

	Group	
	2026	2025
	RM	RM
Tax loss carry-forward expired during the year	**743,000**	710,000
Reinvestment allowance carry-forward expiring in YA 2028	**8,297,000**	8,297,000

Deferred tax assets have not been recognised in respect of the above items as it is not probable that future taxable profits will be available against which the Group entities can utilise the benefits therefrom.

6.1 Material accounting policy information

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

7. Inventories - Group

	2026	2025
	RM	RM
Raw materials	**8,348,092**	12,993,479
Goods-in-transit	**11,356,449**	13,647,679
Manufactured and trading inventories	**47,287,240**	57,182,847
	66,991,781	83,824,005
Recognised in profit or loss as cost of sales :		
Cost of inventories	**254,218,985**	279,616,722
Inventories written down/(Reversal of write-down)	**2,785,274**	(292,971)

NOTES TO THE FINANCIAL STATEMENTS

7. Inventories - Group (Cont'd)

7.1 Significant judgements and assumptions

The Directors review inventories for obsolescence and decline in net realisable value to below cost.

In determining the amount of inventories to be written down or reversed, the Directors took into consideration the age of the inventories, historical sales trend and Directors' judgment on the likelihood of future sales and customer acceptance. Possible changes to these estimates could result in a revision to the carrying amount of the Group's inventories and profit or loss.

7.2 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average basis, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

8. Contract costs - Group

	2026 RM	2025 RM
Costs to fulfil a contract	2,451,390	2,231,449

Costs to fulfil a contract represent costs of moulds capitalised. These costs are expected to be recoverable and are recognised to profit or loss when the related revenue is recognised.

9. Trade and other receivables

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
Trade					
Trade receivables		**49,860,121**	68,169,965	**–**	–
Amount due from :					
- associates	9.1	**643,806**	970,077	**–**	–
- a company in which certain Directors has substantial financial interest	9.1	**6,919**	515,983	**–**	–
		50,510,846	69,656,025	**–**	–
Non-trade					
Amount due from subsidiaries	9.1	**–**	–	**15,210,207**	14,503,856
Other receivables		**201,660**	243,087	**4,400**	2,200
Deposits		**601,741**	657,403	**760**	760
Prepayments	9.2	**2,308,671**	3,215,775	**954**	17,548
		3,112,072	4,116,265	**15,216,321**	14,524,364
		53,622,918	73,772,290	**15,216,321**	14,524,364

NOTES TO THE FINANCIAL STATEMENTS

9. Trade and other receivables (Cont'd)

9.1 Amounts due from associates, subsidiaries, and a company in which certain a Director has substantial financial interest

The trade amounts due from associates and a company in which a Director has substantial financial interest are subject to negotiated terms.

The non-trade amount due from subsidiaries is unsecured, interest-free and repayable on demand.

9.2 Prepayments - Group

Included in prepayments is RM1,168,636 (2025 : RM1,270,250) comprising advances paid to suppliers for the purchase of raw materials and trading inventories.

10. Contract assets - Group

	2026 RM	2025 RM
Contract assets	**5,682,464**	5,703,420

Contract assets primarily relate to the Group's rights to consideration for work completed but not yet billed at the reporting date for the manufacturing of household electrical and electronic appliances. Typically, the amounts will be billed within 12 months and are expected to be collected based on the normal credit period extended to customers.

Movements of contract assets during the financial year are as follows :

	2026 RM	2025 RM
At 1 June 2025/2024	**5,703,420**	–
Revenue recognised	**58,468,745**	38,017,605
Billings raised during the financial year	**(58,489,701)**	(32,314,186)
At 30 June	**5,682,464**	5,703,420

11. Fixed deposits - Group

Fixed deposits of the Group amounting to RM536,413 (2025 : RM529,411) are with tenure exceeding 3 months and held in lien for borrowings granted to the Group (see Note 14).

12. Share capital - Group/Company

	2026		2025	
	Amount RM	Number of shares	Amount RM	Number of shares
Issued and paid-up ordinary shares with no par value classified as equity instruments				
At 31 May	**84,304,949**	157,391,426	**84,304,949**	157,391,426

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

NOTES TO THE FINANCIAL STATEMENTS

13. Reserves

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Non-distributable :					
Foreign currency translation reserve	13.1	**(1,085,085)**	1,135,045	**–**	–
Treasury shares	13.2	**(5,034,272)**	(5,034,272)	**(5,034,272)**	(5,034,272)
Capital reserve	13.3	**4,487,540**	4,487,540	**–**	–
Other reserve	13.4	**(638,792)**	(638,792)	**–**	–
		(2,270,609)	(50,479)	**(5,034,272)**	(5,034,272)
Distributable :					
Retained earnings		**50,598,236**	51,371,013	**14,441,456**	14,596,255
		48,327,627	51,320,534	**9,407,184**	9,561,983

13.1 Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

13.2 Treasury shares

The shareholders of the Company, by an ordinary resolution passed in an Extraordinary General Meeting held on 18 September 2020, approved the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year ended 31 May 2025, the Company repurchased its issued and paid-up ordinary shares from the open market as follows :

	No. of shares	Cost RM	Purchase price[N1] Highest RM	Purchase price[N1] Lowest RM	Purchase price[N1] Average RM
At 1 June 2024	5,036,300	3,119,711	0.712	0.700	0.706
Purchased during the financial year :					
November 2024	3,837,900	1,914,561	0.530	0.470	0.500
At 31 May 2025/ 1 June 2025/ 31 May 2026	**8,874,200**	**5,034,272**	**0.405**	**0.405**	**0.405**

[N1] Purchase price includes share price, stamp duty, brokerage fee, clearing fee and service tax.

NOTES TO THE FINANCIAL STATEMENTS

13. Reserves (Cont'd)

13.2 Treasury shares (Cont'd)

The repurchased ordinary shares were financed by internally generated funds and are held as treasury shares. There were no treasury shares that were reissued during both financial years.

13.3 Capital reserve

The capital reserve of the Group represents the statutory reserve of foreign subsidiaries as required by foreign legislations.

13.4 Other reserve

Other reserve comprises the premium previously paid on acquisition of non-controlling interests in a subsidiary determined as the difference between the consideration paid and the carrying value of the interest acquired.

14. Loans and borrowings - Group

	Note	2026 RM	2025 RM
Non-current			
Secured			
Term loans		16,966,827	19,235,907
Hire purchase creditors		784,433	385,452
	14.2	17,751,260	19,621,359
Current			
Unsecured			
Bankers' acceptances		25,737,289	35,190,882
Revolving credits		8,214,594	6,210,000
		33,951,883	41,400,882
Secured			
Bank overdrafts		989,772	649,316
Bankers' acceptances		13,294,243	17,800,909
Term loans		2,311,080	2,327,656
Hire purchase creditors		320,529	223,416
	14.2	16,915,624	21,001,297
		50,867,507	62,402,179
Total loans and borrowings		68,618,767	82,023,538

14. Loans and borrowings - Group (Cont'd)

14.1 Reconciliation of movements of liabilities to cash flows arising from financing activities

	At 1 June 2024	Assets acquired under lease arrangements	Remeasurement of lease	Net changes from financing cash flows	Foreign exchange movements	At 31 May 2025
	RM	RM	RM	RM	RM	RM
Bankers' acceptances	30,241,555	–	–	22,750,236	–	52,991,791
Revolving credits	6,210,000	–	–	–	–	6,210,000
Hire purchase creditors	1,143,832	–	–	(534,964)	–	608,868
Term loans	23,842,918	–	–	(2,279,355)	–	21,563,563
Lease liabilities	942,721	87,977	358,877	(639,651)	(33,616)	716,308
	62,381,026	87,977	358,877	19,296,266	(33,616)	82,090,530

	At 1 June 2025	Assets acquired under hire purchase/ lease arrangements	Net changes from financing cash flows	Foreign exchange movements	At 31 May 2026
	RM	RM	RM	RM	RM
Bankers' acceptances	**52,991,791**	**–**	**(13,960,259)**	**–**	**39,031,532**
Revolving credits	**6,210,000**	**–**	**2,004,594**	**–**	**8,214,594**
Hire purchase creditors	**608,868**	**713,100**	**(217,006)**	**–**	**1,104,962**
Term loans	**21,563,563**	**–**	**(2,285,656)**	**–**	**19,277,907**
Lease liabilities	**716,308**	**754,702**	**(656,097)**	**(12,928)**	**801,985**
	82,090,530	**1,467,802**	**(15,114,424)**	**(12,928)**	**68,430,980**

NOTES TO THE FINANCIAL STATEMENTS

14. Loans and borrowings - Group (Cont'd)

14.2 Security

The bank overdrafts, bankers' acceptances and term loans are secured by the following :

(i) a first party legal charge over certain parcels of land and buildings of the Group as disclosed in Note 2 to the financial statements;
(ii) fixed deposits as disclosed in Note 11 the financial statements;
(iii) corporate guarantee by the Company; and
(iv) joint and several guarantee by certain Directors of the Company.

The hire purchase creditors are effectively secured as the rights to the assets under the hire purchase revert to the creditors in the event of default.

15. Trade and other payables

		Group		Company	
	Note	2026	2025	2026	2025
		RM	RM	RM	RM
Trade					
Trade payables		**38,159,232**	46,050,220	–	–
Trade accruals		**10,505,134**	12,467,833	–	–
Amount due to companies in which certain Directors have substantial financial interest	15.1	**309,231**	168,338	–	–
		48,973,597	58,686,391	–	–
Non-trade					
Amount due to :					
- subsidiaries	15.1	**–**	–	3,205,258	3,580,989
- companies in which certain Directors have substantial financial interest	15.1	**280,019**	20,287	–	–
Other payables	15.2	**5,806,610**	6,635,289	203,198	172,818
Deposits received		**7,341**	8,261	–	–
Accruals		**11,598,737**	15,051,377	255,499	259,196
		17,692,707	21,715,214	3,663,955	4,013,003
		66,666,304	80,401,605	3,663,955	4,013,003

15.1 Amounts due to subsidiaries and companies in which certain Directors have substantial financial interest

The trade amount due to companies in which certain Directors have substantial financial interest is subject to negotiated terms.

The non-trade amounts due to subsidiaries and companies in which certain Directors have substantial financial interest are unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

15. Trade and other payables (Cont'd)

15.2 Other payables - Group

Included in other payables are contract liabilities of RM363,023 (2025 : RM346,030) comprising advance consideration received from customers where the revenue is recognised at point in time. The contract liabilities are expected to be recognised as revenue in the following financial year.

16. Revenue

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Revenue from contracts with customers	**314,060,591**	333,766,894	**–**	–
Dividend income	**–**	–	**1,925,770**	–
	314,060,591	333,766,894	**1,925,770**	–

16.1 Disaggregation of revenue - Group

	2026	2025
	RM	RM
Primary geographical markets		
- Malaysia	**162,303,202**	202,632,845
- Other Asian countries	**65,740,831**	77,576,001
- Middle East	**84,858,503**	51,640,845
- Others	**1,158,055**	1,917,203
	314,060,591	333,766,894
Major products		
- Electrical and electronic appliances	**314,060,591**	333,766,894
Timing and recognition		
- At point in time	**255,591,846**	295,749,289
- Over time	**58,468,745**	38,017,605
- Others	**314,060,591**	333,766,894

NOTES TO THE FINANCIAL STATEMENTS

16. Revenue (Cont'd)

16.2 Nature of goods

The following information reflects the typical transactions of the Group :

Nature of goods	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Obligation for returns or refunds	Warranty
Household electrical and electronic appliances	Revenue is recognised at point in time when the goods are delivered and accepted by the customers. Revenue is recognised over time as and when costs are incurred when the goods have no alternative use and the Group has enforceable rights to payment for the work performed.	Credit period of 30 - 90 days from invoice date.	Discounts, rebates and incentives are given to customers on a case-by-case basis.	The Group allows defective goods to be returned in exchange for new goods or cash refunds determined on a case-by-case basis.	Generally, assurance warranty of 1-2 years is given to customers except for motors and compressors which are given 1-5 years assurance warranty which do not form a separate performance obligation.

The Group applies the practical expedient on the exemption for disclosure of information on remaining performance obligations that would be fulfilled within one year.

17. Finance costs

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Interest expense on :				
- financial liabilities that are not at fair value through profit or loss	**3,930,976**	3,697,433		
- lease liabilities	**28,035**	42,148	**–**	–
	3,959,011	3,739,581	**–**	–

NOTES TO THE FINANCIAL STATEMENTS

18. Loss before tax

Loss before tax is arrived at after charging/(crediting) :

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Auditors' remuneration :				
- Audit fee				
- KPMG PLT	**263,000**	263,000	**88,000**	88,000
- Other auditors	**62,479**	65,288	**–**	–
- Non-audit services				
- KPMG PLT	**7,000**	7,000	**7,000**	7,000
- Affiliate of KPMG PLT	**53,400**	51,500	**3,500**	3,500
Material expenses/ (income)				
Depreciation of property, plant and equipment	**5,420,899**	5,851,548	**1,028,510**	1,302,224
Plant and equipment written off	**4,418**	15,968	**–**	–
Inventories written down/(Reversal of write-down)	**2,785,274**	(292,971)	**–**	–
Research and development expenditure	**891,665**	698,835	**–**	–
Warehousing and logistics charges	**2,317,447**	1,907,344	**–**	–
Gain on :				
- disposal of plant and equipment	**(41,949)**	(22,529)	**(1)**	–
- remeasurement of lease	**–**	(5,742)	**–**	–
Government grants	**(38,293)**	(286,711)	**–**	–
Impairment loss on:				
plant and equipment	**2,479,295**	–	**–**	–
investment in a subsidiary	**–**	–	**191,278**	–
Interest income	**(20,178)**	(41,025)	**(843)**	(1,022)
Royalty income	**–**	(533,121)	**–**	–
(Gain)/Loss on foreign exchange :				
- realised	**(1,316,881)**	(1,701,510)	**–**	–
- unrealised	**(284,155)**	162,127	**–**	–
Expenses/(Income) arising from leases				
Expenses relating to :				
- short-term leases#	**305,367**	390,836	**–**	–
- leases of low-value assets#	**48,751**	57,639	**2,856**	2,856
Rental income	**–**	–	**(1,248,000)**	(1,248,000)
Net loss/(gain) on impairment of financial instruments				
Impairment loss on :				
- trade receivables	**687,912**	385,110	**–**	–
- trade amount due from associates	**243,496**	–	**–**	–
- non-trade amount due from a subsidiary	**–**	–	**398,541**	–
- other receivables	**91,877**	–	**–**	–
Bad debts recovered	**(1,000)**	–	**–**	–
	1,022,285	385,110	**398,541**	–

The Group leases warehouses, office space, motor vehicles and office equipment with contract terms of 1 year or shorter. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

NOTES TO THE FINANCIAL STATEMENTS

19. Tax expense

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Recognised in profit or loss				
Current tax expense				
Current year	**1,068,676**	899,729	**57,000**	–
Prior years	**(23,547)**	(87,396)	**149**	548
	1,045,129	812,333	**57,149**	548
Deferred tax expense				
Current year	**(388,431)**	5,352	**1,000**	(17,000)
Prior year	**(18,046)**	1,639	**(4,000)**	9,000
	(406,477)	6,991	**(3,000)**	(8,000)
	638,652	819,324	**54,149**	(7,452)

Reconciliation of tax expense

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Loss before tax	**(904,460)**	(2,955,530)	**(100,650)**	(1,797,350)
Income tax calculated using Malaysian tax rate of 24%	**(217,070)**	(709,327)	**(24,156)**	(431,364)
Effect of different tax rate in foreign jurisdictions	**(39,045)**	(185,307)	**–**	–
Income not subject to tax	**(35,080)**	(18,812)	**(462,185)**	–
Non-deductible expenses	**2,299,840**	787,727	**544,186**	414,377
Deferred tax assets not recognised	**–**	1,030,800	**–**	–
Utilisation of deferred tax assets previously not recognised	**(1,328,400)**	–	**–**	–
Other items	**–**	–	**155**	(13)
	680,245	905,081	**58,000**	(17,000)
(Over)/Under provision in prior year	**(41,593)**	(85,757)	**(3,851)**	9,548
	638,652	819,324	**54,149**	(7,452)

NOTES TO THE FINANCIAL STATEMENTS

20. Staff costs - Group

	2026 RM	2025 RM
Salaries, wages and other emoluments	**23,168,718**	27,721,459
Defined contribution plans	**2,232,461**	2,563,856
Other employee benefits	**1,378,060**	1,370,364
	26,779,239	31,655,679

Staff costs include remuneration paid to Directors and key management personnel as disclosed in Note 22 to the financial statements.

There is no staff cost applicable to the Company save for the Directors' fees as disclosed in Note 22 as the payroll for the Company's employees are borne by the operating subsidiaries.

21. Loss per ordinary share - Group

21.1 Basic loss per ordinary share

The basic loss per ordinary share is calculated based on the consolidated loss for the financial year attributable to owners of the Company and the weighted average number of ordinary shares, excluding treasury shares held by the Company, calculated as follows :

	2026	2025
Loss attributable to owners of the Company (RM)	**(1,109,451)**	(3,806,700)
Weighted average number of ordinary shares at 31 May	**148,517,226**	150,116,351
Basic loss per ordinary share (RM)	**(0.75)**	(2.54)

Weighted average number of ordinary shares :

	2026	2025
Issued ordinary shares at 1 June 2025/2024	**157,391,426**	157,391,426
Effect of treasury shares repurchased	**(8,874,200)**	(7,275,075)
Weighted average number of ordinary shares at 31 May	**148,517,226**	150,116,351

The diluted profit/(loss) per ordinary share is the same as basic profit/(loss) per ordinary share as there are no dilutive instruments outstanding at the end of both financial years.

NOTES TO THE FINANCIAL STATEMENTS

22. Related parties

Significant related party transactions

Related party transactions have been entered in the ordinary course of business and were established under negotiated terms. The balances related to the below transactions are shown in Note 9 and Note 15 to the financial statements.

The significant related party transactions of the Group and of the Company are as follows :

	2026 RM	2025 RM
Company		
Transactions with subsidiaries		
- Rental income	**1,248,000**	1,248,000
- Dividend income	**1,925,770**	–
- Advances received	**(1,325,000)**	(651,000)
- Advances provided	**1,104,892**	2,075,264
- Subscription of shares	**–**	(2,288,788)
Group		
Transactions with associates		
- Sales	**1,888,784**	1,693,485
Transactions with companies in which certain Directors have a substantial financial interest		
- Sales	**4,668**	1,652,103
- Purchases	**(949,150)**	(640,401)
- Sales of mould	**6,919**	–
- Transportation charges	**(668,722)**	(951,587)
Transactions with Directors		
- Ordinary shares issued to a Director of a subsidiary	**1,541,969**	–
- Purchase of motor vehicle	**(238,000)**	

NOTES TO THE FINANCIAL STATEMENTS

22. Related parties (Cont'd)

Key management personnel compensation

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Directors of the Company				
Directors' emoluments :				
- Fees	**342,000**	315,750	**342,000**	315,750
- Salaries and other remuneration	**1,888,915**	2,115,579	**–**	–
- Defined contribution plan	**186,832**	151,716	**–**	–
- Estimated monetary value of benefits-in-kind	**–**	91,150	**–**	–
	2,417,747	2,674,195	**342,000**	315,750
Directors of subsidiaries				
Salaries and other emoluments	**988,710**	1,026,213	**–**	–
Defined contribution plan	**54,376**	78,436	**–**	–
Estimated monetary value of benefits-in-kind	**1,393**	–	**–**	–
	1,044,479	1,104,649	**–**	–
	3,462,226	3,778,844	**342,000**	315,750

NOTES TO THE FINANCIAL STATEMENTS

23. Operating segment

The Group has three reportable segments, as described below, which are the Group's strategic business units. For each of the strategic business unit, the Group's Chief Executive Officer reviews internal management reports at least on a quarterly basis.

The following summary describes the main business segments and business activities of each segment of the Group's reportable segments :

Manufacturing	Manufacture, assembly and sales of electrical and electronic appliances
Trading	Sales and distribution of electrical and electronic appliances
Others	Investment holding and provision of management services

Performance is measured based on segment profit/(loss) before tax, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer, who is the Group's operating decision maker. Segment profit/(loss) is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer.

Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

Segment liabilities information is neither included in the internal management reports nor provided regularly to the Group's Chief Executive Officer. Hence, no disclosure is made on segment liabilities.

23. Operating segment (Cont'd)

	Manufacturing RM	Trading RM	Others RM	Total RM	Elimination RM	Consolidated RM
Group						
2026						
Revenue						
External customers	66,970,945	247,089,646	–	314,060,591	–	314,060,591
Inter-segment	36,977,326	1,587,510	6,845,770	45,410,606	(45,410,606)	–
Total revenue	103,948,271	248,677,156	6,845,770	359,471,197	(45,410,606)	314,060,591
Segment (loss)/profit	(1,773,399)	2,616,544	(60,068)	783,077	(1,687,537)	(904,460)
Included in the measure of segment (loss)/profit are :						
Interest income	7,362	34,466	1,197	43,025	(22,847)	20,178
Finance costs	(395,016)	(3,586,973)	–	(3,981,989)	22,978	(3,959,011)
Impairment loss on trade and other receivables	(594)	(1,022,691)	–	(1,023,285)	–	(1,023,285)
Bad debts recovered	–	1,000	–	1,000	–	1,000
Depreciation of property, plant and equipment and right-of-use assets	(1,594,550)	(2,765,658)	(1,060,691)	(5,420,899)	–	(5,420,899)
Impairment loss on plant and equipment	–	(2,479,295)	–	–	–	(2,479,295)
Inventories written down	(562,852)	(2,222,422)	–	(2,785,274)	–	(2,785,274)
Share of results of associates	–	–	37,744	37,744	–	37,744
Segment assets	74,998,977	223,043,798	102,530,868	400,573,643	(122,655,814)	277,917,829
Included in the measurement of segment assets are :						
Additions to property, plant and equipment and right-of-use assets	1,286,300	2,823,678	41,516	4,151,494	(141,451)	4,010,043

23. Operating segment (Cont'd)

	Manufacturing RM	Trading RM	Others RM	Total RM	Elimination RM	Consolidated RM
Group						
2025						
Revenue						
External customers	52,586,577	281,180,317	–	333,766,894	–	333,766,894
Inter-segment	59,580,675	13,341,267	5,616,000	78,537,942	(78,537,942)	–
Total revenue	112,167,252	294,521,584	5,616,000	412,304,836	(78,537,942)	333,766,894
Segment profit/(loss)	1,745,570	(3,395,879)	(1,741,668)	(3,391,977)	436,447	(2,955,530)
Included in the measure of segment profit/(loss) are :						
Interest income	13,686	104,490	1,215	119,391	(78,366)	41,025
Finance costs	(345,204)	(3,473,121)	–	(3,818,325)	78,744	(3,739,581)
Reversal of/(Impairment loss) on trade receivables	9,583	(394,693)	–	(385,110)	–	(385,110)
Depreciation of property, plant and equipment and right-of-use assets	(1,476,014)	(3,047,876)	(1,340,033)	(5,863,923)	12,375	(5,851,548)
(Inventories written down)/Reversal of inventories written down	(339,263)	632,234	–	292,971	–	292,971
Share of results of associates	–	–	(153,463)	(153,463)	–	(153,463)
Segment assets	83,140,060	243,473,516	103,311,369	429,924,945	(123,885,306)	306,039,639
Included in the measurement of segment assets are :						
Additions to property, plant and equipment and right-of-use assets	2,702,669	4,966,266	40,371	7,709,306	(126,477)	7,582,829

NOTES TO THE FINANCIAL STATEMENTS

23. Operating segment (Cont'd)

23.1 Geographical information

Non-current assets information based on the geographical location of assets are as below. The amount of non-current assets do not include financial instruments, investments in associates and deferred tax assets.

	Non-current assets	
	2026	2025
	RM	RM
Malaysia	**112,400,868**	116,901,312
Other Asian countries	**656,278**	414,113
	113,057,146	117,315,425

The disaggregation of revenue by geographical area is disclosed in Note 16 to the financial statements.

24. Financial instruments

24.1 Categories of financial instruments

The table below provides an analysis of financial instruments as at 31 May 2026 and 31 May 2025 categorised as amortised cost ("AC").

	Carrying amount	AC
	RM	RM
2026		
Financial assets		
Group		
Trade and other receivables (excluding prepayments)	**51,314,247**	**51,314,247**
Contract assets	**5,682,464**	**5,682,464**
Fixed deposits	**579,237**	**579,237**
Cash and bank balances	**32,676,367**	**32,676,367**
	90,252,315	**90,252,315**
Company		
Trade and other receivables (excluding prepayments)	**15,215,367**	**15,613,908**
Cash and bank balances	**125,410**	**125,410**
	15,340,777	**15,739,318**

NOTES TO THE FINANCIAL STATEMENTS

24. Financial instruments (Cont'd)

24.1 Categories of financial instruments (Cont'd)

	Carrying amount RM	AC RM
2026		
Financial liabilities		
Group		
Trade and other payables (excluding contract liabilities)	**66,303,281**	**66,303,281**
Loans and borrowings	**68,618,767**	**68,618,767**
	134,922,048	**134,922,048**
Company		
Trade and other payables	**3,663,955**	**3,663,955**
2025		
Financial assets		
Group		
Trade and other receivables (excluding prepayments)	70,556,515	70,556,515
Contract assets	5,703,420	5,703,420
Fixed deposits	571,143	571,143
Cash and bank balances	20,001,024	20,001,024
	96,832,102	96,832,102
Company		
Trade and other receivables (excluding prepayments)	14,506,816	14,506,816
Cash and bank balances	103,555	103,555
	14,610,371	14,610,371
Financial liabilities		
Group		
Trade and other payables (excluding contract liabilities)	80,055,575	80,055,575
Loans and borrowings	82,023,538	82,023,538
	162,079,113	162,079,113
Company		
Trade and other payables	4,013,003	4,013,003

NOTES TO THE FINANCIAL STATEMENTS

24. Financial instruments (Cont'd)

24.2 Net losses arising from financial instruments

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Net gains/(losses) arising on :				
Financial assets at amortised cost				
- Interest income	**20,178**	41,025	**843**	1,022
- Impairment loss on trade and other receivables	**(1,022,285)**	(385,110)	**(398,541)**	–
- Realised (loss)/gain on foreign exchange	**(120,931)**	428,453	**–**	–
- Unrealised gain on foreign exchange	**82,772**	84,606	**–**	–
	(1,040,266)	168,974	**(397,698)**	1,022
Financial liabilities at amortised cost				
- Interest expense	**(3,930,976)**	(3,697,433)	**–**	–
- Realised gain on foreign exchange	**1,437,812**	1,273,057	**–**	–
- Unrealised gain/(loss) on foreign exchange	**201,383**	(246,733)	**–**	–
	(2,291,781)	(2,671,109)	**–**	–
	(3,332,047)	(2,502,135)	**(397,698)**	1,022

24.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments :

- Credit risk
- Liquidity risk
- Market risk

24.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers. The Company's exposure to credit risk arises principally from advances given to subsidiaries and financial guarantees given to banks for borrowings granted to subsidiaries. There are no significant changes as compared to prior year.

NOTES TO THE FINANCIAL STATEMENTS

24. Financial instruments (Cont'd)

24.4 Credit risk (Cont'd)

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to prior year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statements of financial position.

The exposure to credit risk for trade receivables and contract assets as at the end of the reporting period by geographical region is as follows:

	2026 RM	2025 RM
Group		
Malaysia	**31,979,610**	40,741,489
Other Asian countries	**11,058,506**	16,368,410
Middle East	**13,148,197**	17,737,482
Others	**6,997**	512,064
	56,193,310	75,359,445
Represented by :		
Trade receivables	**50,510,846**	69,656,025
Contract assets	**5,682,464**	5,703,420
	56,193,310	75,359,445

Recognition and measurement of impairment loss

The Group adopts the simplified approach and uses an allowance matrix to measure expected credit loss ("ECLs") of trade receivables and contract assets. Consistent with the debt recovery process, invoices which are past due more than 90 days will be considered as credit impaired.

The Group will initiate appropriate debt recovery procedures on past due balances which are monitored by the sales and finance teams. Where necessary, the Group will also commence legal proceeding against the customers.

NOTES TO THE FINANCIAL STATEMENTS

24. Financial instruments (Cont'd)

24.4 Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

Loss rates are based on actual credit loss experienced over the past five years and forward-looking information. The Group believes that the financial impacts of the forward-looking information are inconsequential for the purpose of impairment calculation of trade receivables and contract assets due to their relatively short term nature.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at 31 May 2026 and 31 May 2025.

	Gross carrying amount RM	Loss allowances RM	Net balance RM
Group			
2026			
Not past due	**36,683,059**	**–**	**36,683,059**
Past due 1 - 30 days	**12,376,943**	**–**	**12,376,943**
Past due 31 - 60 days	**4,461,326**	**–**	**4,461,326**
Past due 61 - 90 days	**1,837,529**	**–**	**1,837,529**
	55,358,857	**–**	**55,358,857**
Credit impaired			
Past due more than 90 days	**3,611,494**	**(2,777,041)**	**834,453**
	58,970,351	**(2,777,041)**	**56,193,310**
Trade receivables	**53,287,887**	**(2,777,041)**	**50,510,846**
Contract assets	**5,682,464**	**–**	**5,682,464**
	58,970,351	**(2,777,041)**	**56,193,310**
2025			
Not past due	46,066,532	–	46,066,532
Past due 1 - 30 days	19,528,222	–	19,528,222
Past due 31 - 60 days	4,119,390	–	4,119,390
Past due 61 - 90 days	3,083,803	–	3,083,803
	72,797,947	–	72,797,947
Credit impaired			
Past due more than 90 days	4,407,131	(1,845,633)	2,561,498
	77,205,078	(1,845,633)	75,359,445
Trade receivables	71,501,658	(1,845,633)	69,656,025
Contract assets	5,703,420	–	5,703,420
	77,205,078	(1,845,633)	75,359,445

NOTES TO THE FINANCIAL STATEMENTS

24. Financial instruments (Cont'd)

24.4 Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

There are past due trade receivables where the Group has not recognised any loss allowance as the trade receivables are supported by subsequent collection after the reporting period and after considering the historical collection trend of these customers.

The movements in the allowance for impairment in respect of trade receivables and contract assets during the year are shown below.

	Trade receivables Lifetime ECL	Contract assets	Total
	RM	RM	RM
Balance at 1 June 2024	1,460,523	–	1,460,523
Net remeasurement of loss allowance	385,110	–	385,110
Balance at 31 May 2025/ 1 June 2025	1,845,633	–	1,845,633
Net remeasurement of loss allowance	931,408	–	931,408
Balance at 31 May 2026	**2,777,041**	**–**	**2,777,041**

Cash and bank balances and fixed deposits with licensed banks

The cash and bank balances and fixed deposits are held with established banks. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks have low credit risks. In addition, some of the bank balances are insured by government agencies. As at the end of the reporting period, the Group did not recognise any allowance for impairment losses as it is immaterial.

Other receivables

Credit risks on other receivables are mainly arising from deposits paid for leases and utilities and other transactions in the normal course of the Group's businesses.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

The movements in the allowance for impairment in respect of other receivables during the year are shown below.

	2026	2025
	RM	RM
Group		
Balance at 1 June 2025/2024	**2,227,381**	2,227,381
Loss allowance provided	**91,877**	–
Balance at 31 May	**2,319,258**	2,227,381

NOTES TO THE FINANCIAL STATEMENTS

24. Financial instruments (Cont'd)

24.4 Credit risk (Cont'd)

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounted to RM69 million (2025 : RM82 million) representing the Company's exposure to the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

Recognition and measurement of impairment loss

The Company considers that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when :

- The subsidiary is unlikely to repay its credit obligation to the bank in full; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

Inter company balances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

The advances provided are not secured by any collateral or supported by any other credit enhancements.

NOTES TO THE FINANCIAL STATEMENTS

24. Financial instruments (Cont'd)

24.4 Credit risk (Cont'd)

Inter company balances (Cont'd)

Recognition and measurement of impairment loss

Generally, the Company considers advances to subsidiaries to have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payment of the advances, the Company considers the advances to be in default when the subsidiary is not able to pay when demanded. The Company considers a subsidiary's advance to be credit impaired when :

- The subsidiary is unlikely to repay the advances provided by the Company in full; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default for these advances individually using internal information available.

The amount owing from subsidiaries of RM15,210,207 (2025 : RM14,503,856) is regarded to be with low credit risk.

24.5 Liquidity risk

Liquidity risk is the risk that the Group or the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group or the Company maintains a level of cash and bank balances and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

24. Financial instruments (Cont'd)

24.5 Liquidity risk (Cont'd)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments :

	Carrying amount	Contractual interest/ discount rates per annum	Contractual cash flows	Under 1 year	1 - 2 years	2 - 5 years	More than 5 years
	RM	%	RM	RM	RM	RM	RM
2026							
Group							
Non-derivative financial liabilities							
Bank overdrafts	989,772	6.25 - 8.50	989,772	989,772	–	–	–
Bankers' acceptances	39,031,532	3.13 - 5.13	39,031,532	39,031,532	–	–	–
Revolving credits	8,214,594	4.43 - 6.30	8,214,594	8,214,594	–	–	–
Term loans	19,277,907	5.75 - 6.03	23,964,601	3,304,602	3,175,469	8,751,614	8,732,916
Hire purchase creditors	1,104,962	1.77 - 3.37	1,220,110	371,796	344,257	504,057	–
Lease liabilities	801,985	4.25 - 6.07	835,622	502,830	332,792	–	–
Trade and other payables (excluding contract liabilities)	66,303,281	–	66,303,281	66,303,281	–	–	–
	135,724,033		140,559,512	118,718,407	3,852,518	9,255,671	8,732,916
Company							
Non-derivative financial liabilities							
Trade and other payables	3,663,955	–	3,663,955	3,663,955	–	–	–
Financial guarantee	–	–	69,000,000	69,000,000	–	–	–
	3,663,955		72,663,955	72,663,955	–	–	–

24. Financial instruments (Cont'd)

24.5 Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

	Carrying amount	Contractual interest/ discount rates per annum	Contractual cash flows	Under 1 year	1 - 2 years	2 - 5 years	More than 5 years
	RM	%	RM	RM	RM	RM	RM
2025							
Group							
Non-derivative financial liabilities							
Bank overdrafts	649,316	7.60 - 8.35	649,316	649,316	–	–	–
Bankers' acceptances	52,991,791	1.25 - 5.36	52,991,791	52,991,791	–	–	–
Revolving credits	6,210,000	4.74 - 6.19	6,210,000	6,210,000	–	–	–
Term loans	21,563,563	6.01 - 6.07	27,275,771	3,409,513	3,283,066	9,090,517	11,492,675
Hire purchase creditors	608,868	1.77 - 3.10	645,651	242,431	183,636	219,584	–
Lease liabilities	716,308	5.00 - 6.02	736,784	622,384	114,400	–	–
Trade and other payables (excluding contract liabilities)	80,055,575	–	80,055,575	80,055,575	–	–	–
	162,795,421		168,564,888	144,181,010	3,581,102	9,310,101	11,492,675
Company							
Non-derivative financial liabilities							
Trade and other payables	4,013,003	–	4,013,003	4,013,003	–	–	–
Financial guarantee	–	–	82,000,000	82,000,000	–	–	–
	4,013,003		86,013,003	86,013,003	–	–	–

NOTES TO THE FINANCIAL STATEMENTS

24. Financial instruments (Cont'd)

24.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates that will affect the Group's and the Company's financial position or cash flows.

24.6.1 Currency risk

The Group is exposed to foreign currency risk on sales, purchases and loans and borrowings that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily U.S. Dollar ("USD"), Renminbi ("RMB"), Hong Kong Dollar ("HKD") and Ringgit Malaysia ("MYR").

Risk management objectives, policies and processes for managing the risk

Foreign currency exchange exposures in currencies other than the functional currency of the Group entities are kept to an acceptable level.

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the functional currencies of the Group entities) risk, based on carrying amounts as at the end of the reporting period is as follows :

	Denominated in			
	USD	RMB	HKD	MYR
	RM	RM	RM	RM
Group				
2026				
Trade and other receivables	**5,287,836**	**–**	**376,822**	**2,595,249**
Cash and bank balances	**3,583,307**	**–**	**–**	**1,486,854**
Trade and other payables	**(1,384,498)**	**(16,379,850)**	**(149,801)**	**(17,135,081)**
Loans and borrowings	**–**	**–**	**–**	**(44,457)**
Net exposure	**7,486,645**	**(16,379,850)**	**227,021**	**(13,097,435)**
2025				
Trade and other receivables	26,810,678	–	260,093	925,270
Cash and bank balances	2,417,250	–	31,407	304,079
Trade and other payables	(28,196,031)	(12,304,410)	(720,712)	(377,659)
Loans and borrowings	–	–	–	(78,255)
Net exposure	1,031,897	(12,304,410)	(429,212)	773,435

NOTES TO THE FINANCIAL STATEMENTS

24. Financial instruments (Cont'd)

24.6 Market risk (Cont'd)

24.6.1 Currency risk (Cont'd)

Currency risk sensitivity analysis

A 10% (2025 : 10%) weakening of the respective functional currencies of the Group entities against the following currencies at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

Group	Profit or loss	
	2026	2025
	RM	RM
USD	**(568,985)**	(78,424)
RMB	**1,244,869**	935,135
HKD	**(17,254)**	32,620
MYR	**995,405**	(58,781)

A 10% (2025 : 10%) strengthening of the respective functional currencies of the Group entities against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

24.6.2 Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair values due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group manages this risk by having a combination of borrowings with fixed and floating rates. The Group is presently enjoying competitive interest rates which are reviewed and negotiated on a regular basis.

Exposure to interest rate risk

The interest rate profile of the Group's significant interest-earning and interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period is as follows :

NOTES TO THE FINANCIAL STATEMENTS

24. Financial instruments (Cont'd)

24.6 Market risk (Cont'd)

24.6.2 Interest rate risk (Cont'd)

	2026 RM	2025 RM
Group		
Fixed rate instruments		
Financial asset		
- Fixed deposits	**579,237**	571,143
Financial liabilities		
- Hire purchase creditors	**1,104,962**	608,868
- Bankers' acceptances	**39,031,532**	52,991,791
- Lease liabilities	**801,985**	716,308
	40,938,479	54,316,967
Floating rate instruments		
Financial liabilities		
- Term loans	**19,277,907**	21,563,563
- Bank overdrafts	**989,772**	649,316
- Revolving credits	**8,214,594**	6,210,000
	28,482,273	28,422,879

Interest rate risk sensitivity analysis

(a) Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

(b) Cash flow sensitivity analysis for variable rate instruments

A change of 50 basis points (bp) in interest rates at the end of the reporting period would have increased/(decreased) equity and (increased)/decreased post-tax loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

NOTES TO THE FINANCIAL STATEMENTS

24. Financial instruments (Cont'd)

24.6 Market risk (Cont'd)

24.6.2 Interest rate risk (Cont'd)

Interest rate risk sensitivity analysis (Cont'd)

(b) Cash flow sensitivity analysis for variable rate instruments (Cont'd)

	Group	
	50 bp increase RM	50 bp decrease RM
Profit or loss		
Floating rate instruments		
2026	**(108,233)**	**108,233**
2025	(108,007)	108,007

24.7 Fair value information

The carrying amounts of cash and bank balances, fixed deposits, short term receivables and payables and short term borrowings approximate their fair values due to the relatively short term nature of these financial instruments.

The table below analyses financial instruments not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

	Fair value of financial instruments not carried at fair value				Carrying amount
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	RM
Group					
2026					
Financial liabilities					
Term loans					
- variable rate	–	–	**19,277,907**	**19,277,907**	**19,277,907**
Hire purchase creditors	–	–	**1,104,962**	**1,104,962**	**1,104,962**
	–	–	**20,382,869**	**20,382,869**	**20,382,869**

NOTES TO THE FINANCIAL STATEMENTS

24. Financial instruments (Cont'd)

24.7 Fair value information (Cont'd)

	Fair value of financial instruments not carried at fair value				Carrying
	Level 1	Level 2	Level 3	Total	amount
	RM	RM	RM	RM	RM
Group					
2025					
Financial liabilities					
Term loans					
- variable rate	–	–	21,563,563	21,563,563	21,563,563
Hire purchase creditors	–	–	608,868	608,868	608,868
	–	–	22,172,431	22,172,431	22,172,431

The Group and the Company do not have any financial instruments carried at fair value.

The Company provides financial guarantees to banks for borrowings granted to certain subsidiaries. The fair value of such guarantees is negligible as the probability of the subsidiaries defaulting on the credit lines is remote.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

There has been no transfer between the levels in fair value during the financial year (2025 : no transfer in either direction).

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest determined by reference to similar borrowing arrangements at the end of the reporting period.

Level 3 fair value

The carrying amounts of floating rate term loans approximate their fair values as the effective interest rates change accordingly to movements in the market interest rate. The fair value of hire purchase liabilities is calculated using discounted cash flows where the market rate of interest is determined by reference to similar borrowing arrangements which range from 1.77% to 3.37% (2025 : 1.77% to 3.10%).

NOTES TO THE FINANCIAL STATEMENTS

25. Capital management

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business.

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity equal to or not less than 25 percent of the issued and paid-up capital and that such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

There were no changes in the Group's approach to capital management during the financial year.

26. Acquisition of additional interests in subsidiaries

26.1 PT Pensonic Appliances Indonesia

On 8 January 2025, the Company acquired an additional 33% interest in PT Pensonic Appliances Indonesia ("PTPAI") for RM1. The acquisition resulted in an increase in the Company's interest from 56.3% to 89.3% in PTPAI. Consequently, the Group recognised a decrease in non-controlling interests and retained earnings of RM323,509 and RM323,510 respectively.

The following summarises the effect of changes in the equity interest in PTPAI that was attributable to owners of the Company :

	2025 RM
Equity interest at 1 June 2024	(238,225)
Effect of increase in the Group's ownership interest	(323,510)
Share of total comprehensive expense, net of tax	(985,605)
Equity interest at 31 May	(1,547,340)

26.2 PT Pensonic Industries Indonesia

On 8 January 2025, the Company acquired an additional 25% interest in PT Pensonic Industries Indonesia ("PTPII") for RM1. The acquisition resulted in an increase in the Company's interest from 70% to 95% in PTPII. As such, the Group recognised a decrease in non-controlling interests and retained earnings of RM10,832 and RM10,833 respectively.

The following summarises the effect of changes in the equity interest in PTPII that was attributable to owners of the Company :

	2025 RM
Equity interest at 1 June 2024	(30,331)
Effect of increase in the Group's ownership interest	(10,833)
Subscription of new ordinary shares issued by the subsidiary	2,288,788
Share of total comprehensive income, net of tax	144,514
Equity interest at 31 May	2,392,138

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 67 to 125 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 May 2026 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors :

……..……..……..
Dato' Seri Chew Weng Khak @ Chew Weng Kiak
Director

……..……..……..
Chew Chuon Fang
Director

Date : 30 September 2026

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, **Chew Chuon Fang**, the Director primarily responsible for the financial management of Pensonic Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 67 to 125 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed **Chew Chuon Fang**, NRIC: 760223-07-5117 at George Town in the State of Penang on 30 September 2026.

……..……..……..
Chew Chuon Fang

Before me :

Ong Lin Teong
(No. P192)
Commisioner For Oaths
Penang

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF PENSONIC HOLDINGS BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Pensonic Holdings Berhad, which comprise the statements of financial position as at 31 May 2026 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 67 to 125.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 May 2026, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for *Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of inventories

Refer to Note 7 – Inventories.

The key audit matter

As at 31 May 2026, the carrying amount of the Group's inventories amounted to RM67 million which mainly comprise of a wide range of household electrical products and appliances.

Inventories are required to be measured at the lower of cost and net realisable value. Identifying and determining the appropriate write down of the inventories to net realisable value require the use of judgement in estimating the selling price and future customer demand.

Given the wide range of inventories carried by the Group and judgement required to determine the write down of the inventories, we have identified valuation of inventories as a key audit matter.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF PENSONIC HOLDINGS BERHAD

How the matter was addressed in our audit

Our audit procedures performed in this area included, among others :

- Tested the design and implementation of management's control in reviewing slow-moving inventories or inventories sold below cost for write-down;
- Attended the year end physical inventory counts to identify whether any inventories were damaged or appeared slow-moving;
- Assessed the Group's inventory write-down by considering the age, historical consumption and sales trend of the inventories;
- Tested the inventory movement and sales-by-product reports relied by the Group to assess inventories for write-down; and
- Selected items of inventories on sampling basis and compared the carrying amount of the inventories to the selling price and estimated selling expenses transacted during and after year end.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to be communicated in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF PENSONIC HOLDINGS BERHAD

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF PENSONIC HOLDINGS BERHAD

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 4 to the financial statements.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Lee Phaik Im
Approval Number : 03177/05/2027 J
Chartered Accountant

Penang

Date : 30 September 2026

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) Group Total Income and Total Assets

Total Income	Remarks	Group 2026 (RM'000)	Group 2025 (RM'000)
Revenue		314,061	333,767
Other income		1,608	4,352
Interest income		20	41
Total		**315,689**	**338,160**
Total Assets		**277,918**	**306,040**

(B) Business Activities

Shariah Non–Compliant Activities	Remarks	Group 2026 (RM'000)	Group 2025 (RM'000)
Liquor and liquor-related activities		–	–
Pork and pork-related activities		–	–
Interest income		–	–
Total		**–**	**–**

(C) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	Group 2026 (RM'000)	Group 2025 (RM'000)
Cash at bank (exclude cash in hand)		–	–
Money market instruments		–	–
Total		**–**	**–**

Conventional Account/Instruments	Remarks	Group 2026 (RM'000)	Group 2025 (RM'000)
Cash at bank (exclude cash in hand)		32,662	19,975
Deposit with licensed bank		579	571
Total		**33,241**	**20,546**

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

(C) Component of Financial Position (Cont'd)

(ii) Debt Component

Islamic Financing	Remarks	Group 2026 (RM'000)	Group 2025 (RM'000)
Current			
Term financing		–	–
Trade financing		10,802	15,380
Revolving credit and financing		–	–
Non-Current			
Term financing		–	–
Total		**10,802**	**15,380**

Conventional Borrowing	Remarks	Group 2026 (RM'000)	Group 2025 (RM'000)
Current			
Term loans		2,311	2,328
Bank overdrafts		990	649
Trade financing		28,230	37,612
Revolving credit and financing		8,215	6,210
Hire purchase payables		320	223
Non-Current			
Term loans		16,967	19,236
Hire purchase payables		784	385
Total		**57,817**	**66,643**

LIST OF PROPERTIES OWNED BY THE GROUP
AS AT 31 MAY 2026

Registered Owner	Address/ Location	Description/ Existing use	Approximately age of buildings (Years)	Tenure	Land/ Built-up area	unaudited net book value as at 31 May 2026 RM
PSS	Lot No. 23B & 24B, Mukim Kapar, Daerah Klang, Selangor	Warehouse	6	Freehold	270,465 sq. ft. / 159,435 sq. ft.	45,541,789
PSS	Lot 11-A, Jalan 223, Section 51A, 46100 Petaling Jaya, Selangor.	Warehouse and office	21	Leasehold Expiring in 2070	43,560 sq. ft. / 36,255 sq. ft.	3,475,684
PI	895, Jalan Perindustrian Bukit Minyak, Kawasan Perindustrian Bukit Minyak, MK. 13, 14100 Bukit Minyak, Penang.	Industrial land with factory, warehouse and office	22	Leasehold Expiring in 2063	130,685 sq. ft. / 75,260 sq. ft.	3,800,520
PHB	1165, Lorong Perindustrian Bukit Minyak 16, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Penang.	Industrial land with warehouse and office	13	Leasehold Expiring in 2059	261,380 sq. ft. / 224,158 sq. ft..	38,131,472
PSS	141, 143 & 145 Jalan Perak, 11600 George Town, Penang	Shophouse	19	Freehold	4,887 sq. ft. / 5,889 sq. ft.	3,499,999

ANALYSIS OF SHAREHOLDINGS

SHAREHOLDINGS STATISTICS AS AT 28 AUGUST 2026

Class of Securities	:	Ordinary Shares
Total number of issued shares	:	157,391,426 ordinary shares (including 8,874,200 treasury shares)
Voting Rights	:	1 vote per share on a poll
Number of shareholders	:	2,287

DISTRIBUTION SCHEDULE OF SHAREHOLDINGS AS AT 28 AUGUST 2026

No. of Holders	Size of Holdings	No. of Shares	% of Total Shareholdings
65	less than 100 shares	1,234	0.001
284	100 to 1,000 shares	113,295	0.076
1,172	1,001 to 10,000 shares	6,082,507	4.096
627	10,001 to 100,000 shares	17,299,750	11.648
138	100,001 to less than 5% of the total no. of shares issued	99,020,440	66.673
1	5% and above of the total no. of shares issued	26,000,000	17.506
2,287		148,517,226	100.000

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS ACCORDING TO THE RECORD OF DEPOSITORS AS AT 28 AUGUST 2026

	Name	No. of Shares	%
1	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SPHERE CORPORATION SDN BHD	26,000,000	17.506
2	OOI ENG LEONG	6,341,400	4.270
3	CHEW CHUON JIN	5,626,400	3.788
4	MAYBANK NOMINEES (TEMPATAN) SDN BHD CHEW WENG KHAK @ CHEW WENG KIAK	4,754,800	3.202
5	CHEW CHUON FANG	4,400,000	2.963
6	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NEO CHING YUEN	4,200,000	2.828
7	CHEW WENG KHAK REALTY SDN BHD	3,061,924	2.062
8	SAUJANA HOLDINGS SDN BHD	3,000,000	2.020
9	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR VOON SZE LIN	2,810,000	1.892
10	CHEW CHUON FANG	2,781,000	1.873
11	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR CHEW CHUON JIN (SMART)	2,772,000	1.866

ANALYSIS OF SHAREHOLDINGS

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS ACCORDING TO THE RECORD OF DEPOSITORS AS AT 28 AUGUST 2026

	Name	No. of Shares	%
12	TIU JON HUI	2,630,000	1.771
13	CHEW WENG KHAK @ CHEW WENG KIAK	2,503,000	1.685
14	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEW CHUON JIN (6000225)	2,500,000	1.683
15	TAN AH NYA @ TAN BEE TIANG	2,200,000	1.481
16	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHEW CHUN CHIA (MID-VALLEY-CL)	2,000,000	1.347
17	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHEW PEI GEE (MID-VALLEY-CL)	2,000,000	1.347
18	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR KOH KIN LIP (MY0502)	1,686,400	1.135
19	CGS INTERNATIONAL NOMINEES MALAYSIA (ASING) SDN. BHD. PIONEER UNITED LIMITED (JS 803)	1,533,800	1.033
20	CHAN SEOK YIU	1,270,000	0.855
21	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KING TAI @ TAN KHOON HAI (6000117)	1,203,600	0.810
22	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GV ASIA FUND LIMITED (STA 1)	1,197,700	0.806
23	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOH KIN LIP (8058900)	1,000,000	0.673
24	CHEW SHAO XUAN	1,000,000	0.673
25	JACQUELINE CHEW JIE LING	1,000,000	0.673
26	JOCELINE CHEW CHEN LING	1,000,000	0.673
27	LEE JOOI SENG	1,000,000	0.673
28	CHONG KIM KONG	924,800	0.623
29	NG AI LING	880,400	0.593
30	VOON JYE WAH	872,500	0.587

ANALYSIS OF SHAREHOLDINGS

SUBSTANTIAL SHAREHOLDERS AS AT 28 AUGUST 2026

	Direct Interest		Indirect Interest	
Name of substantial shareholders	No of shares	%	No of shares	%
SPHERE CORPORATION SDN BHD	26,000,000	17.506	–	–
DATO' DR. LAI KIM TENG	–	–	26,000,000[a]	17.506
DATO' SERI CHEW WENG KHAK @ CHEW WENG KIAK	8,042,800	5.415	5,261,924[b]	3.543
DATO' CHEW CHUON JIN	10,898,400	7.338	16,800[c]	0.011

DIRECTORS' SHAREHOLDINGS AS AT 28 AUGUST 2026

	Direct Interest		Indirect Interest	
Name of directors	No of shares	%	No of shares	%
DATO' SERI CHEW WENG KHAK @ CHEW WENG KIAK	8,042,800	5.415	20,160,324[d]	13.574
CHEW CHUON FANG	7,181,000	4.835	–	–

Notes :

[a] Deemed interest pursuant to Section 8(4) of the Companies Act 2016 ("Act") held though Sphere Corporation Sdn Bhd.

[b] Indirect interest through his spouse and Chew Weng Khak Realty Sdn Bhd.

[c] Indirect interest through his spouse.

[d] Indirect interest through his spouse, children pursuant to Section 59(11)(c) of the Act and Chew Weng Khak Realty Sdn Bhd.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-Second (**"32nd"**) Annual General Meeting ("**AGM**") of PENSONIC HOLDINGS BERHAD ("**PENSONIC**" or "**the Company**") will be convened and held at 1165, Lorong Perindustrian Bukit Minyak 16, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Pulau Pinang, Malaysia on **Tuesday, 27 October 2026 at 2.00 pm** or at any adjournment thereof, for the purpose of considering and if thought fit, passing the following resolutions, with or without any modifications:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 May 2026 together with the Reports of the Directors and Auditors thereon.
2. To re-elect the following Directors who are retiring in accordance with Clause 103 of the Company's Constitution and who, being eligible, offer themselves for re-election:
   (a) Ong Huey Min **Ordinary Resolution 1**
   (b) Chew Chuon Fang **Ordinary Resolution 2**
3. To re-elect Dato' Seri Chew Weng Khak @ Chew Weng Kiak, who retires in accordance with Clause 110 of the Company's Constitution and who, being eligible, offers himself for re-election. **Ordinary Resolution 3**
4. To approve the payment of Directors' fees of up to RM450,000 for the period from the next day of the 32nd AGM until the conclusion of the next AGM of the Company in 2027. **Ordinary Resolution 4**
5. To re-appoint KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 5**

AS SPECIAL BUSINESS

To consider and if thought fit, pass the following resolutions with or without modifications:

6. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RECURRENT RELATED PARTY TRANSACTIONS AND NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")** **Ordinary Resolution 6**

   "THAT subject to the Companies Act 2016 ("the Act"), the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (**"Bursa Securities"**) ("**Listing Requirements**") and the approvals of the relevant government or regulatory authorities, approval be and is hereby given to the Company and/or its subsidiaries ("**the Group**") to enter into recurrent related party transactions with the Mandated Related Parties, particulars of which are set out in the Circular dated 30 September 2026, provided that such transactions are:
   (a) recurrent transaction of a revenue or trading nature;
   (b) necessary for the day-to-day operations of the Company and/or its subsidiaries;
   (c) carried out in the ordinary course of business of the Company and/or its subsidiaries, made on an arm's length basis and on normal commercial terms of the Group and on terms not more favourable to the related parties than those generally available to the public; and
   (d) not detrimental to the interests of the minority shareholders of the Company;

   AND THAT such authority shall continue to be in force until:
   (a) the conclusion of the next AGM of the Company following this AGM where the authority is approved, at which time the authority will lapse unless renewed by a resolution passed at the meeting; or
   (b) 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
   (c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting;

   whichever is the earlier;

NOTICE OF ANNUAL GENERAL MEETING

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted under relevant authorities to give full effect to the Proposed Shareholders' Mandate."

7. **RETENTION OF ONG HUEY MIN AS INDEPENDENT NON-EXECUTIVE DIRECTOR** **Ordinary Resolution 7**

   "THAT approval be and is hereby given to Ong Huey Min, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next AGM."

8. To transact any other business for which due notice shall have been given.

By Order of the Board

Ong Tze-En
MAICSA 7026537 | SSM PC No. 202008003397
Company Secretary
Penang, 30 September 2026

Notes :
Appointment of Proxy

1. A proxy must be of full age. A proxy may but need not be a member.

2. The instrument appointing a proxy must be deposited/submitted via the following ways not less than forty-eight (48) hours before the time for holding the AGM or at any adjournment thereof:
   (a) **In hard copy form**
   The Form of Proxy must be deposited at the Registered Office of the Company, 170-09-01 Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia
   (b) **By electronic means**
   The Form of Proxy can be electronically lodged via Digerati Portal at https://pensonic-agm.digerati.com.my PROVIDED that in the event the member duly executes the Form of Proxy but does not name any proxy, such member shall be deemed to have appointed the Chairman of the meeting as his/her 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.

3. 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/her. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.

4. 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.

5. 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.

NOTICE OF ANNUAL GENERAL MEETING

6. 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.

7. 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 20 October 2026 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.

Explanatory Notes on Ordinary Business:

1. **Ordinary Resolutions 1, 2 and 3**
   The profiles of the retiring Directors are set out under Profile of Directors in the Annual Report 2026. The Board of Directors ("Board") approved the recommendations from the Nomination Committee and is supportive of the re-election of the retiring Directors based on the justifications below. The retiring Directors had abstained from deliberation and decision making on their own eligibility to stand for re-election:
   1.1 Ong Huey Min is Independent Non-Executive Director ("INED") and fulfil the requirements on independence as set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. She has demonstrated objectivity and commitment through proactive engagements at meetings of the Board and Board Committees (as applicable) held during the financial year by sharing valuable, relevant, independent and impartial insights, views and opinions on issues tabled for discussion. She has exercised due care and carried out her professional duties proficiently and effectively throughout her tenure as INED of the Company.
   1.2 Chew Chuon Fang is the Group Executive Director. His role involves corporate branding, public relations and marketing strategist. He plays a crucial role in shaping the Company's image and enhancing its public relations efforts. He also oversees several key areas, including Hong Kong, Zhuhai and Thailand operations.
   1.3 Dato' Seri Chew Weng Khak @ Chew Weng Kiak is the founder and Group Executive Chairman. His invaluable experience and knowledge in management, sales and production as well as his extensive network of business connections in Malaysia and oversees have been instrumental in sustaining the continued growth the Group.

   The retiring Directors do not have any conflict of interest with the Group other than as disclosed in the notes to the financial statements.

2. **Ordinary Resolution 4 is to approve Directors' fees**
   Directors' fees to the Directors have been reviewed by the Remuneration Committee and the Board of the Company. The Directors' fees are in the best interest of the Company and in accordance with the remuneration framework of the Group. The Directors' fees, if passed, will facilitate the payment of Directors' fees to the Directors for the period from the next day of the 32nd AGM until the conclusion of the next AGM of the Company in 2027. Details of Directors' fees for the financial year ended 31 May 2026 are enumerated under the Corporate Governance Overview Statement in the Annual Report 2026.
   The amount of Directors' fees payable includes fees payable to Directors as members of Board and Board Committees. The amount also includes a contingency sum to cater to unforeseen circumstances such as the appointment of any additional Director and/or for the formation of additional Board Committees.

3. **Ordinary Resolution 6 is to approve Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions and New Shareholders' Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature**
   This Ordinary Resolution, if passed, will allow the Company and/or its subsidiaries to enter into the existing recurrent related party transactions ("RRPT") under the Proposed Shareholders' Mandate pursuant to the provisions of the Listing Requirements without the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such recurrent related party transactions occur. This would reduce substantial administrative time and expenses associated with the convening of such meetings without compromising the corporate objectives of the Group or affecting the business opportunities available to the Group. The Proposed Shareholders' Mandate is subject to renewal on an annual basis.
   Please refer to the Circular to Shareholders dated 30 September 2026 for further information.

NOTICE OF ANNUAL GENERAL MEETING

4. **Ordinary Resolution 7 is to retain Ong Huey Min as Independent Non-Executive Director ("INED")**
   This Ordinary Resolution, if passed, will allow Ong Huey Min to be retained and continue to act as INED of the Company. The Board of Directors had, vide the Nomination Committee, conducted an annual performance evaluation and assessment of Ong Huey Min, who has served as INED of the Company for a cumulative term of more than nine (9) years and recommended her to continue acting as INED of the Company based on the justifications as set out in Corporate Governance Overview Statement in the Annual Report 2026.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Listing Requirements of Bursa Securities)

No individual is standing for election as a Director at the forthcoming 32nd AGM of the Company.

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FORM OF PROXY

No. of Shares held	
CDS Account No.	

PENSONIC®

PENSONIC HOLDINGS BERHAD

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

I/We_____

(Full name in Block Letters and NRIC No./Passport No./ Registration No.)

of_____ and _____

(Address) (Tel. No./Email Address)

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

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

* and/or failing him/her

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

or failing him/her, the CHAIRMAN OF THE MEETING as my/our *proxy/proxies to vote for me/us on my/our behalf at the Thirty-Second Annual General Meeting ("32nd AGM") of the Company, to be convened and held at 1165, Lorong Perindustrian Bukit Minyak 16, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Pulau Pinang, Malaysia on Tuesday, 27 October 2026 at 2.00 p.m. or at any adjournment thereof.

Please indicate with an "X" in the appropriate space(s) provided below on how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain from voting at *his/her discretion.

ORDINARY RESOLUTION ("OR")	OR1	OR2	OR3	OR4	OR5	OR6	OR7
FOR							
AGAINST							

Dated this day of 2026.

.....
Signature of Member(s)/ Common Seal

* Strike out whichever is not desired.

Notes:

1. A proxy must be of full age. A proxy may but need not be a member.
2. The instrument appointing a proxy must be deposited/submitted via the following ways not less than forty-eight (48) hours before the time for holding the AGM or at any adjournment thereof:
   (a) In hard copy form
   The Form of Proxy must be deposited at the Registered Office of the Company, 170-09-01 Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia
   (b) By electronic means
   The Form of Proxy can be electronically lodged via Digerati Portal at https://pensonic-agm.digerati.com.my
   PROVIDED that in the event the member duly executes the Form of Proxy but does not name any proxy, such member shall be deemed to have appointed the Chairman of the meeting as his/her 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.
3. 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/her. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
4. 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.
5. 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.
6. 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.
7. 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 20 October 2026 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 32nd AGM of the Company and any adjournment thereof.

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AFFIX
STAMP

The Company Secretary
PENSONIC HOLDINGS BERHAD
Registration No. 199401014746 (300426-P)

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

Then fold here

Fold this flap for sealing

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PENSONIC
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ANNUAL REPORT
2026

MALAYSIA

Pensonic Sales & Service Centres

HEAD OFFICE
1165, Lorong Perindustrian Bukit Minyak 16,
Taman Perindustrian Bukit Minyak,
14100 Simpang Ampat, Penang, Malaysia.

SELANGOR
Lot 11A, Jalan 223 Sec 51A,
46100 Petaling Jaya, Selangor.
Tel : 603- 7954 5200

PENANG
143- 145, Perak Road,
10150 George Town, Penang.
Tel : 604- 226 9923 / 226 9050

PERAK
102A, Jalan Tasek Timur,
Taman Tasek Indah,
31400 Ipoh Perak.
(1st Floor of Double Storey Terrace Shop Lot.)

JOHOR
31, Jalan Ros Merah Satu/1,
Taman Johor Jaya,
81100 Johor Bahru, Johor.

LABUAN
SU11T/SL05, Wisma Wong
Wo Lo, 87000 Labuan.

PN 7884, Jalan OKK,
Awang Besar, W.P Labuan,
87000 Labuan.

KELANTAN
PT-621 Ground Floor,
Batu 2 Jalan Pengkalan Chepa,
15400 Kota Bharu, Kelantan.

SABAH
Lot No 24, Block C Ground Floor,
Millenium Commercial Centre,
Off Jalan Lintas Kepayan,
88200 Kota Kinabalu, Sabah.
Tel : 6088 - 715 520
Service Hp : 6012 - 342 9108

SARAWAK
Ground Floor Intermediate Shop,
Sublot 8, Lot 2099,
Jalan Tun Ahmad Zaidi Adruce,
93150 Kuching, Sarawak.
Tel : 082 - 238 211

Please Call 1-800-881-770
careline

For Prompt After-Sales Service (Malaysia Only)

*** Operation Hours: Mon - Fri** 8:30am - 5:30pm
Sat, Sun & Public Holiday Closed

PENSONIC SALES & SERVICE SDN. BHD. (198701003749/162419-M)

WORLDWIDE

Pensonic Sales & Service Centres

CHINA
5F, Block 10, XiangZhou Technology Industrial District Meihua Xi Road, No. 2372 XiangZhou Zhuhai City, 519000, Guangdong, China
Tel: 0756- 852 5933

Room No. 802, 8th Floor of Rongshan Postal Building, No.6 Rongqi Dadao, Ronggui Street, Shunde, Foshan, Guangdong Province, China
Tel: 852- 2290 2280

HONG KONG
No.2, 14th Floor, Keen Hung Commercial Building, 80 Queen's Road East, Wan Chai, Hong Kong
Tel. Fax: 852- 2727 0997 / 2758 5088

SINGAPORE
2 Leng Kee Road, #06-03 Thye Hong Centre Singapore 159086
Tel. Fax: 65- 6472 6504 / 6475 9534

INDONESIA
Ruko Osaka, Komplek Asahikawa OTPE No. 005 Jl. Pantai Indah Kapuk 2, Salembaran Jati, Kec. Kosambi, Kabupaten Tangerang, Banten, DKI Jakarta 15213 Indonesia
Tel: 621- 3973 3599

THAILAND
32/20 Moo.3 Bang Khu Rat Bang Bua Thong, Nonthaburi 11110, Thailand
Tel: 6699 989 9252

BRUNEI
No D1, Spg 396, Jln Jerudong, Bangunan Perkasa 1, Kampung Sengkurong B, Bg 1321, Brunei Darussalam
Tel. Fax: 673- 2611 918 / 2610 801

VIETNAM
No 59-61 Nguyen Thi Thap Street, Him Lam Area, Tan Phong Ward, District 7 Ho Chi Minh City, Vietnam
Tel. Fax: 848- 3945 3483 / 3945 3482

MYANMAR
No.(9), Ground Floor, Pannita Condo, Pannita Street, Hlaing Township, Yangon Region, Myanmar
Tel: 9988299320

CAMBODIA
No.252-254, St.63 Corner St.400, Sangkat Boeng Keng Kang I, Khan Chamcarmon, Phnom Penh, Cambodia
Tel: 855- 23 221868

PHILIPPINES
165 Quirino Avenue Baesa, Quezon City Manila Philippines 1115

#606 Evangelista St G Puyat St Quiapo Manila
Tel: 733-28-51 / 02- 7357691 / 02- 7332840

EGYPT
Usama Shahin St of Saad Zaglol St., El Bar Elsharkey Shibin El Kom Menofia, POB 32514, Egypt
Tel. Fax: 201- 0009 3033

SRI LANKA
No. 68, Keyzer Street Colombo 11, Sri Lanka
Tel: 9411- 2343586
Fax: 9411- 2326699

FIJI
Centerpoint 1, Ratu Dovi Road, GPO Box 14416 Suva Fiji
Tel. Fax: 679- 339 3111 / 334 0255

SEYCHELLES
P.O.Box 1371, Victoria, Mahe, Seychelles
Tel. Fax: 248- 323 680 / 324 724

TIMOR LESTE
Avenida De Presidente Nicolau Lobato, Bidau, Lecidere, Nain Feto Dili, Timor Leste
Tel: 670- 3311278

MALDIVES
Ma.Elyzium - Buruzumagu Male' 20240 Maldives
Tel: 960- 3009907

MAURITIUS
12, Corderie Street, Port Louis, Mauritius.
Tel: 230- 2121563

SOUTH KOREA
6F, Jung Am Building, Eun-cheon-ro 25, Kwan-Ak-gu, Seoul, Korea
Tel: 070- 4185 3645
Fax: 0507- 0326 7040

NEPAL
Sadobato - 15 Lalitpur Nepal

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PENSONIC HOLDINGS BERHAD

Registration No.: 199401014746 (300426-P)

1165, Lorong Perindustrian Bukit Minyak 16, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Penang.

Tel : 604-507 0393 Fax : 604-507 3825 Info@pensonic.com

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