

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Eighth Annual General Meeting ("28th AGM") of **PENSONIC HOLDINGS BERHAD** ("the Company") will be convened and held at 1165, Lorong Perindustrian Bukit Minyak 16, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Penang, Malaysia on Thursday, 27 October 2022 at 2:30 pm for the purpose of considering and if thought fit, passing with or without modifications the resolutions set out in this notice:

AGENDA

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 May 2022 together with the Reports of the Directors and Auditors thereon.
- To declare a final single tier dividend of 1.25 sen per ordinary share in respect of the financial year ended 31 May 2022.
- To re-elect the following Directors who are retiring in accordance with Clause 103 of the Company's Constitution:
(a) Dato' Seri Chew Weng Khak @ Chew Weng Kiak; and
(b) Chew Chuon Ghee
- To approve the payment of Directors' Fees of up to RM300,000 for the period from the next day of the 28th AGM until the conclusion of the next Annual General Meeting ("AGM") of the Company in 2023.
- To re-appoint KPMG PLT as auditors of the Company and to authorise the Directors to fix their remuneration.

Ordinary Resolution 1

Ordinary Resolution 2

Ordinary Resolution 3

Ordinary Resolution 4

Ordinary Resolution 5

AS SPECIAL BUSINESS

To consider and if thought fit, pass the following resolutions with or without modifications:

6. AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 ("the Act") and subject always to the provisions of the Constitution of the Company and the approvals from the relevant regulatory authorities, the Directors of the Company be and are hereby authorised to issue and allot from time to time such number of ordinary shares of the Company upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, PROVIDED ALWAYS THAT the aggregate number of ordinary shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued share capital (excluding treasury shares) of the Company for the time being.

AND THAT the Directors are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad ("Bursa Securities") AND THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.

AND THAT pursuant to Section 85 of the Act, read together with Clause 65 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares of the Company arising from issuance of new shares pursuant to this mandate.

AND THAT the new shares to be issued shall, upon issuance and allotment, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares."

Ordinary Resolution 6

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

"THAT subject always to the Act, the Constitution, the Main Market Listing Requirements of Bursa Securities ("Listing Requirements") and the approvals of the relevant government/regulatory authorities, approval be and is hereby given to the Company and/or its subsidiaries to enter into related party transactions with the Mandated Related Parties, particulars of which are set out in the Circular dated 28 September 2022, provided that such transactions are:

- recurrent transaction of a revenue or trading nature;
- necessary for the day-to-day operations of the Company and/or its subsidiaries;
- 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 with those generally available to the public; and

AND THAT the Directors of the Company be authorized to do, carry out and complete all such acts, things and arrangements (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions as contemplated/authorized by the Proposed Shareholders' Mandate in accordance with the Act, provisions of the Constitution, the Listing Requirements and any other regulatory authorities, and other relevant approvals."

Ordinary Resolution 7

8. PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")

"THAT subject to the Act, the provisions of the Company's Constitution, the Listing Requirements and any other relevant authority or approval for the time being in force or as may be amended from time to time, the Directors of the Company be and are hereby authorised to make purchases of the Company's shares as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company, provided that:

- the aggregate number of ordinary shares which may be purchased and/or held by the Company as treasury shares shall not exceed ten percent (10%) of the total number of issued shares of the Company at any point in time of the said purchase(s);
- the maximum funds to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained earnings of the Company at the time of purchase; and
- the authority conferred by this resolution shall continue to be in force until:

- the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time the said authority shall lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- the expiration of the period within which the next AGM of the Company is required by law to be held; or
- revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever occurs first, but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and / or any other relevant governmental and /or regulatory authorities (if any).

THAT upon completion of the purchase by the Company of its own ordinary shares, the Directors of the Company be and are hereby authorised to deal with the ordinary shares purchased in their absolute discretion in the following manner:

- cancel all the ordinary shares so purchased; and/or
- retain the ordinary shares so purchased as treasury shares; and/or
- retain part thereof as treasury shares and cancel the remainder.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary (including executing all such documents as may be required) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Directors may in their discretion deem necessary and to do all such acts and things as the Directors may deem fit and expedient in the best interests of the Company."

Ordinary Resolution 8

9. RETENTION OF DATO' TAHIR JALALUDDIN BIN HUSSAIN AS INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT approval be and is hereby given to Dato' Tahir Jalaluddin Bin Hussain, 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."

Ordinary Resolution 9

10. RETENTION OF DATO' LELA PAHLAWAN DATO' PADUKA KU NAHAR BIN KU IBRAHIM AS INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT approval be and is hereby given to Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim, 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."

Ordinary Resolution 10

11. To transact any other business for which due notice shall have been given in accordance with the Act.

By Order of the Board

Ong Tze-En

MAICSA 7028537 | SSM PC No. 202008003397

Company Secretary

Penang, 28 September 2022

NOTES:

APPOINTMENT OF PROXY

1. A proxy must be of full age. A proxy may but need not be a member. For a proxy to be valid, the Form of Proxy duly completed must be deposited at the Registered Office of the Company, 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia not less than forty-eight (48) hours before the time for holding the meeting, 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.

2. 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.

3. 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.

4. 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.

5. 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.

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 2022 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 2 and 3:

The profiles of the retiring Directors are set out under Profile of Directors in the Annual Report 2022. 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 **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 overseas have been instrumental in sustaining the continued growth of the Group.

1.2 **Chew Chuon Ghee** is the Group Managing Director. He leads management and oversees group-wide business activities and operations focusing on both domestic and international market.

The retiring Directors do not have any conflict of interest with the Company 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 28th AGM until the conclusion of the next AGM of the Company in 2023. Details of Directors' fees for the financial year ended 31 May 2022 are enumerated under the Corporate Governance Overview Statement in the Annual Report 2022.

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.

Explanatory Notes on Special Business:

1. Ordinary Resolution 6 is to authorise to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016

This Ordinary Resolution, is for the purpose of granting a renewed general mandate ("General Mandate") and if passed, will give authority to the Board to issue and allot ordinary shares at any time in their absolute discretion and that such authority shall continue in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM held on 26 October 2021 and which will lapse at the conclusion of the 28th AGM.

The General Mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding future investment projects, working capital and/or acquisitions as well as to avoid any delay and cost in convening general meeting to specifically approve such an issuance of shares.

At this juncture, there is no decision to issue new shares but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make announcement in respect thereof.

2. Ordinary Resolution 7 is to approve Proposed Renewal of Existing Shareholders' Mandate for 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 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 28 September 2022 for further information.

3. Ordinary Resolution 8 is to approve Proposed Renewal of Authority to purchase its own ordinary shares

This Ordinary Resolution, if passed, will empower the Directors of the Company to exercise the power of the Company to purchase its own shares. The total number of shares purchased shall not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being. This authority will, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required to be held, whichever occurs first.

4. Ordinary Resolution 9 is to retain Dato' Tahir Jalaluddin Bin Hussain as Independent Non-Executive Director ("INED")

This Ordinary Resolution, if passed, will allow Dato' Tahir Jalaluddin Bin Hussain, who has served as INED for a cumulative term of more than nine (9) years, to be retained and continue to act as INED of the Company. Following annual performance evaluation and assessment of Dato' Tahir coupled with his confirmation of independence, the Board recommended him to continue acting as INED of the Company based on the justifications as set out in Corporate Governance Overview Statement in the Annual Report 2022.

5. Ordinary Resolution 10 is to retain Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim as INED

This Ordinary Resolution, if passed, will allow Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim, who has served as INED for a cumulative term of more than nine (9) years, to be retained and continue to act as INED of the Company. Following annual performance evaluation and assessment of Dato' Lela Pahlawan coupled with his confirmation of independence, the Board recommended him to continue acting as INED of the Company based on the justifications as set out in Corporate Governance Overview Statement in the Annual Report 2022.

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 28th AGM of the Company.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN THAT, subject to the approval of the shareholders at the 28th Annual General Meeting of the Company, the final single tier dividend of 1.25 sen per ordinary share in respect of the financial year ended 31 May 2022 will be payable on 15 December 2022 to depositors registered in the Records of Depositors at the close of business on 30 November 2022.

A depositor shall qualify for entitlement to the dividend only in respect of:-

- shares transferred into the depositor's securities account before 4.30 p.m. on 30 November 2022 in respect of transfers; and

- shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.