PENSONIC
Your Enjoyment

ANNUAL REPORT 2025

• Audio • Visual • Home Appliances • Air Conditioner

Jun 2024

SIRIM QAS Visits Pensonic - 24 June 2024

SIRIM QAS, led by CEO Puan Nur Fadhilah Muhammad, visited Pensonic HQ to share their certification services and express appreciation for Pensonic's support.



Jul 2024

Archidex 2024 - 3-6 July 2024

Pensonic joined ARCHIDEX to showcase innovations, boost brand presence, and expand our regional network.




The Innovation, Pensonic Launch - 16 July 2024

TYT Tun Dato' Seri Utama Ahmad Fuzi officiated the launch of our latest product and the MoU signing with USM and USains, marking our commitment to innovation and talent development.




Sep 2024

Pensonic Hosts BAM CEO BootCamp - 4–6 September 2024

Pensonic hosted BAM's first CEO BootCamp, uniting 40 brand leaders for keynotes, networking, and a showcase of our innovation and collaboration.




Sep 2024

Brand Legend 60 Years Award - 30 September 2024

Dato' Seri Chew Weng Khak, Pensonic Founder, received the ‘Brand Legend 60 Years’ Award for his six decades of industry contribution.


Oct 2024

McMillan Woods Global Awards 2024 - 18 October 2024

Pensonic Group CEO Dato' Dixon Chew received the ‘Sustainability in Electronics Excellence’ Award at the MCM Masters Awards for his leadership in sustainable innovation.



Dec 2024

Charity Run ‘Your Steps, Their Smiles’ - 14 December 2024

The community run, organised by Hi-Bliss Hydrogen Therapy and co-organised by Pensonic in support of the Compassionate Care Foundation, raised a total of RM25,000.



Jan 2025

Putra Brand Awards 2025 - 19 January 2025

Pensonic won the Silver Award in the ‘Personal, Household & Outdoor Appliances’ category, a testament to the trust and loyalty of our customers.


TAPSTY

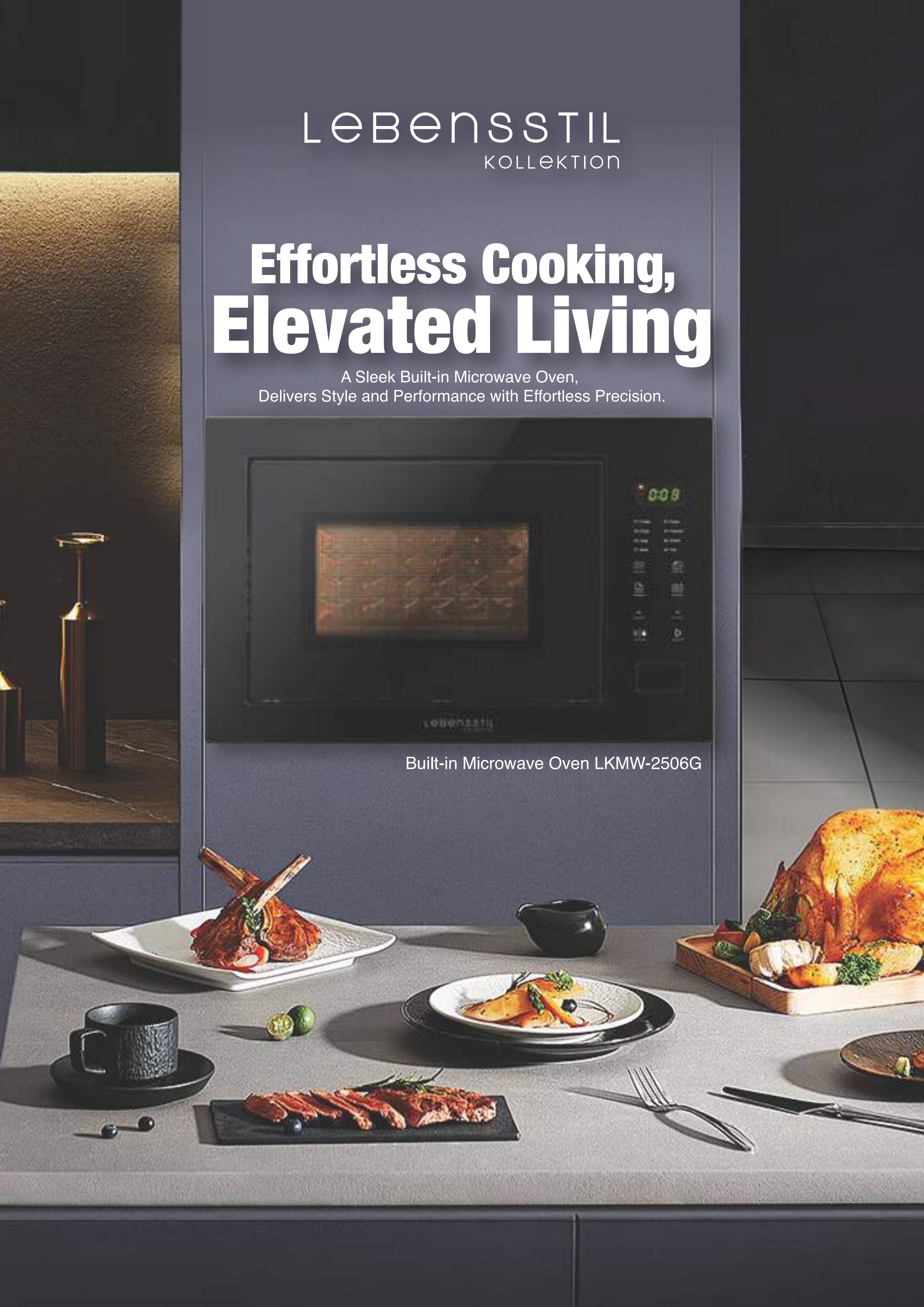
TAP FOR TASTY LAND

TAP YOUR WAY TO **BETTER MEALS**

Three Ways To Cook, One Smart Tap

Cornell®

Magical Mornings, Perfect Breakfast

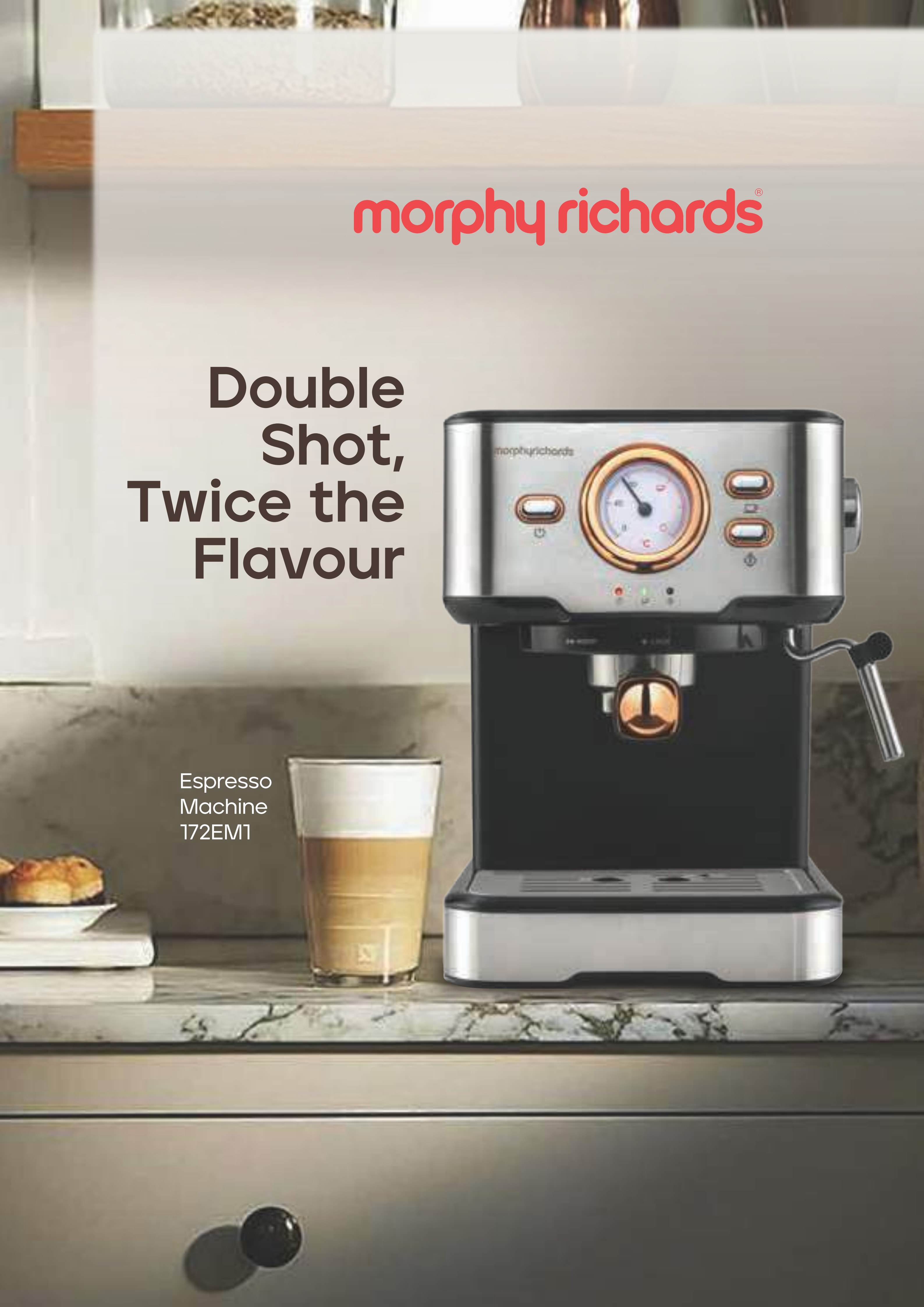

LEBENSSTIL
KOLLEKTION
Effortless Cooking,
Elevated Living
A Sleek Built-in Microwave Oven,
Delivers Style and Performance with Effortless Precision.
Built-in Microwave Oven LKMW-2506G

LIVELLE

by PENSONIC

ELEVATE SMILE, ENHANCE LIFE

PERSONAL CARE APPLIANCES


morphy richards
Double Shot, Twice the Flavour
Espresso Machine 172EM1

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ADDITIONAL INFORMATION

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

Y. Bhg. Dato' Chew Chuon Jin, Dixon
Group Chief Executive Officer

Chew Chuon Fang, Nelson
Group Executive Director

Y. Bhg. Dato' Seri Dr. Liew Lee Leong, Raymond
Independent Non-Executive Director

Y. Bhg. Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim
Non-Independent Non-Executive Director

Y. Bhg. Dato' Tahir Jalaluddin Bin Hussain
Non-Independent Non-Executive Director

Ong Huey Min, Lindy
Independent Non-Executive Director

Loh Keow Lin, Lynn
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
(appointed on 1 August 2025)

Note: Y. Bhg. Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim resigned from Audit Committee on 1 August 2025

NOMINATION COMMITTEE

Loh Keow Lin, Lynn
Chairman
(appointed on 1 August 2025)

Y. Bhg. Dato' Seri Dr. Liew Lee Leong, Raymond
Member
(appointed on 1 August 2025)

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

Note: Y. Bhg. Dato' Tahir Jalaluddin Bin Hussain and Ong Huey Min, Lindy resigned from Nomination Committee on 1 August 2025

REMUNERATION COMMITTEE

Y. Bhg. Dato' Seri Dr. Liew Lee Leong, Raymond
Chairman
(appointed on 1 August 2025)

Y. Bhg. Dato' Tahir Jalaluddin Bin Hussain
Member

Loh Keow Lin, Lynn
Member
(appointed on 1 August 2025)

Note: Y. Bhg. Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim and Ong Huey Min, Lindy resigned from Remuneration Committee on 1 August 2025

COMPANY SECRETARY

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

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W: www.pensonic.com

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3rd Floor, 2 Lebuh Pantai
10300 George Town, Penang, Malaysia
T : +604 262 5333
F : +604 262 2018
E : sharereg@plantationagencies.com.my

AUDITORS

KPMG PLT (LLP0010081-LCA & AF 0758)
Chartered Accountants
Level 18, Hunza Tower
163E, Jalan Kelawei
10250 George Town, Penang, Malaysia
T : +604 375 1800
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

Age 83

Group Executive Chairman / Key Senior Management

Y. Bhg. Dato' Seri Chew is the Founder and Group Executive Chairman of Pensonic Holding 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.

For more than 50 years, his leadership and guidance have propelled the Group from a modest family enterprise to the foremost domestically grown manufacturer and distributor of electrical home appliances. His broad-based expertise and in-depth understanding in areas ranging from management to sales and production, coupled with his extensive network of business contacts both in Malaysia and abroad, have played a crucial role in ensuring the Group's consistent growth. The Group has achieved numerous breakthroughs and significant milestones over time, largely influenced by his inventive management approach and forward-thinking strategies.

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

Y. Bhg. Dato' Seri Chew is the father of executive Board members: Dato' Dixon Chew and Nelson Chew. He is a major shareholder of Chew Weng Khak Realty Sdn. Bhd..

Y. BHG. DATO' CHEW CHUON JIN, DIXON

Age 56

Group Chief Executive Officer / Key Senior Management

Y. Bhg. Dato' Dixon Chew was appointed to the Board on 13 September 1995. He graduated from the National Cheng Chi University in Taiwan Republic of China with a Bachelor of Business Administration. After a stint at Lapro Corporation in Taiwan, where he gained valuable expertise in cutting-edge manufacturing processes and marketing, he joined the Pensonic Group in 1993.

With his extensive knowledge of the electrical home appliances industry and exceptional entrepreneurial acumen, Y. Bhg. Dato' Dixon Chew has successfully spearheaded the expansion of the Pensonic brand and its products across Asian countries. In November 2023, his role has been expanded to include those responsibilities designated under the Group Managing Director, assume overall responsibilities to managing the Group.

Y. Bhg. Dato' Dixon Chew has been serving as the President of the Hong Kong-Malaysia Business Association (HKMBA) since 2014, a position he has been appointed to hold until 2026. His leadership and contributions to fostering strong trade relations between Hong Kong SAR and Malaysia have been highly regarded. It is worth noting that the HKMBA receives full support from the Hong Kong Trade Development Council.

He has attended all the 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 and the brother of Nelson Chew.

PROFILE OF DIRECTORS / KEY SENIOR MANAGEMENT

CHEW CHUON FANG, NELSON

Age 49

Group Executive Director / Key Senior Management

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 as the 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 Republic of China and Thailand. Since November 2023, his role as a Group Executive Director included overseeing the domestic sales market.

He has 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 and the brother of Dato' Dixon Chew.

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

Age 68

Independent Non-Executive Director

Y. Bhg. Dato' Seri Dr. Raymond Liew joined the Board on 1 February 2024. He holds memberships in prestigious professional organisations such as the Association of Certified Chartered Accountants UK (ACCA), Institute of Internal Auditors of Malaysia (IIAM), Chartered Tax Institute of Malaysia (CTIM), and the Malaysian Institute of Accountants (MIA).

Y. Bhg. Dato' Seri Dr. Raymond Liew is a corporate advisor with many years of extensive work experience with professional firms and multinational companies in brand repositioning, corporate advisory, insolvency, mergers and acquisitions to include corporate tax planning, investigative & forensic reviews; VAT/GST/SST related exercises; and has since assisted in numerous corporate turnarounds and related due diligence corporate exercises.

He is the Founding President of McMillan Woods Global, an independent member firm of McMillan Woods Global network of which the global Head Office is based in London, UK.

With his extensive professional experiences, Y. Bhg. Dato' Seri Dr. Raymond Liew is a regular writer of technical and financial articles and a frequent speaker at various professional seminars, conferences and training programmes. He has been a Trustee of the Malaysian Accountancy Research & Education Foundation and was a Council member of the MIA and the CTIM as well as a Council member of the local ACCA Malaysian office. He was also an appointed adjudicator for the National Annual Corporate Report Awards for many years.

He is the Chairman of Remuneration Committee and a member of both the Audit Committee and Nomination Committee. He has attended all five (5) Board meetings held during the financial year.

PROFILE OF DIRECTORS / KEY SENIOR MANAGEMENT

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

Age 78

Non-Independent Non-Executive Director

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 the member of Nomination Committee.

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

Y. BHG. DATO' TAHIR JALALUDDIN BIN HUSSAIN

Age 62

Non-Independent Non-Executive Director

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.

PROFILE OF DIRECTORS / KEY SENIOR MANAGEMENT

ONG HUEY MIN, LINDY

Age 67

Independent Non-Executive Director

Lindy Ong was appointed to the Board on 3 January 2017. She holds memberships in prestigious professional organisations 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 has attended all five (5) Board meetings held during the financial year.

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

LOH KEOW LIN, LYNN

Age 50

Independent Non-Executive Director

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 financing 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 two (2) Board meetings held during the financial year following her appointment.

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 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,

The financial year ended 31 May 2025 unfolded against a backdrop of global uncertainties and shifting economic dynamics, particularly within Malaysia's electrical and electronics ("E&E") sector. These challenges required resilience, agility, and foresight from businesses, and Pensonic Holdings Berhad ("Pensonic" or "the Company") and its group of companies ("Pensonic Group") responded with discipline and strategic focus.

It is my privilege to present this Annual Report, which reflects the Group's performance, milestones, and direction as we continue to build for sustainable growth.

WINDS OF CHANGE

As I pen this message, I wish to inform shareholders that I will not be seeking re-election at the forthcoming Annual General Meeting and will be retiring from the Board of Directors ("Board") of Pensonic. Having founded the Pensonic Group back in 1965, seeing its tremendous growth over the years, it is indeed sad to leave but I'm very pleased to step into retirement as I leave you in able hands, making way for new and refreshed executive leadership which I believe will bring Pensonic Group to greater heights. It has been an honour to serve as Chairman for over three decades, and I am grateful for the unwavering support of the Board, management, employees, and stakeholders.

During the year, the Board welcomed the appointment of Ms Loh Keow Lin, Lynn ("Lynn") as an Independent Non-Executive Director. A practising lawyer with extensive legal experience, Lynn brings new perspectives that will contribute Board deliberations. Her appointment also reinforces our commitment to diversity and inclusiveness at leadership level.

On 1 August 2025, Dato' Tahir Jalaluddin Bin Hussain and Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim, both of whom have served as Independent Non-Executive Directors for more than 12 years, were

CHAIRMAN'S STATEMENT

redesignated as Non-Independent Non-Executive Directors. We look forward to their continued contribution.

AWARD AND RECOGNITION

The Board congratulates our Group Chief Executive Officer, Y. Bhg. Dato' Dixon Chew, who was conferred the Darjah Setia Pangkuan Negeri (DSPN) in August 2024. This honour is a testament to his leadership and contributions to Pensonic Group, the industry, and the wider community.

OPERATIONAL AND FINANCIAL PERFORMANCE

Despite a volatile operating environment marked by inflationary pressures, and currency volatility, Pensonic Group delivered stronger results.

Revenue rose 7.9% to RM333.8 million from RM309.3 million in FY2024, supported by higher domestic demand and stronger export sales. Loss before tax ("LBT") narrowed significantly to RM2.9 million (FY2024: RM 7.3 million), reflecting a 60% improvement. Higher LBT in the previous year was due to impairment of inventory.

STRATEGIC INITIATIVES

The Group has advanced several initiatives to build long-term resilience:

- Product Innovation: Launching lifestyle-centric and energy-efficient appliances tailored to younger consumers.
- Digital Presence: Strengthening presence on e-commerce and online platforms to enhance customer engagement and capture evolving shopping trends.
- Operational Efficiency: Enhancing supply chain resilience and cost management to remain competitive amidst global headwinds.

These initiatives underscore our commitment to innovation, sustainability, and value creation for all stakeholders.

OUTLOOK AND PROSPECTS

The external environment remains challenging, affected by economic uncertainties, geopolitical tensions, and evolving trade patterns. Nonetheless, Pensonic Group remains optimistic. With strategic product focus, and enhanced operational agility, Pensonic Group is well positioned for sustainable growth.

Looking forward, our priorities will centre on innovation, digital transformation, operational excellence, and sustainability, underpinned by sound governance practices and strong stakeholder partnerships.

APPRECIATION

I wish to extend my sincere gratitude to our shareholders, business partners, and stakeholders for their steadfast support in Pensonic Group. I am confident that under the stewardship of the Board and leadership team, Pensonic Group will continue to thrive and deliver sustainable value in the years ahead.

Thank you for your continued confidence in Pensonic Group.

Y. Bhg. Dato' Seri Chew Weng Khak
@ Chew Weng Kiak
Group Executive Chairman
25 September 2025

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 2025 ("FY2025"), 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 proud Malaysian brand, the Group's strong domestic presence helps elevate Malaysia's global reputation for innovation and quality.

Beyond our commitment to product innovation, Pensonic actively engages in supporting and sponsoring community initiatives. Over the years, we have consistently contributed to various sports events, educational institutions, and charitable programmes, all aimed at enhancing the well-being of our society. This dedication to community involvement embodies our broader mission of fostering development, promoting social responsibility, and expressing our gratitude to the community that has supported us throughout our journey.

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

	FY2024 (RM'000)	FY2025 (RM'000)	Changes (RM'000)	%
Revenue	309,342	**333,767**	24,425	7.90
Earnings before interest, tax, depreciation and amortisation	1,990	**6,636**	4,646	233.47
Loss before tax	(7,286)	**(2,956)**	4,330	(59.43)
Loss for the year	(13,606)	**(3,775)**	9,831	(72.25)
Loss for the year attributable to owners of the Company	(13,254)	**(3,807)**	9,447	(71.28)

The Group entered FY2025 with a focused growth strategy, leveraging its strong brand legacy and market positioning. The Group recorded a revenue of RM333.77 million, representing a 7.9% growth from RM309.34 million in FY2024. Growth was supported by stronger domestic demand, healthy export contribution, and the introduction of new lifestyle-focused products targeted at younger demographics.

The Group demonstrated marked financial turnaround during the year under review. Loss before tax ("LBT") was reduced by 60% to RM2.96 million from RM7.29 million in FY2024. Consequently, net loss after tax narrowed significantly to RM3.78 million, a 72% reduction compared to RM13.61 million in the prior year. Higher LBT in the previous year was due to impairment of inventory.

Gross profit margin rose to 16.31% (FY2024: 15.85%), driven by a more favourable sales mix and a reversal of inventory write-downs of RM0.29 million in FY2025 (FY2024: inventory write-downs of RM5.99 million). Cost of sales increased moderately by 7%, aligning with revenue growth. Finance costs remained steady at RM3.74 million.

	FY2024 (RM'000)	FY2025 (RM'000)	Changes (RM'000)	%
Total assets	270,618	**306,040**	35,422	13.09
Non-current assets	117,247	**119,128**	1,881	1.60
Current assets	153,371	**186,911**	33,540	21.87
Borrowings	62,301	**82,024**	19,723	31.66

Balance sheet growth was evident with total assets rising 13.09% to RM306.0 million, mainly from higher inventories and trade receivables in line with stronger sales and extended credit terms to overseas customers. Borrowings increased to RM82.02 million (FY2024: RM62.30 million), raising the gearing ratio to 0.60 times, primarily to support working capital requirements. Equity contracted to RM135.63 million due to accumulated losses and share buybacks.

Operating cash flow remained under pressure from working capital expansion, although liquidity levels was maintained through effective utilisation of trade financing facilities.

MANAGEMENT DISCUSSION AND ANALYSIS

BRAND DEVELOPMENT AND MARKET POSITIONING

The Group intensified its brand-building efforts through high-visibility participation in major industry events such as ARCHIDEX 2024 and HOMEDEC 2024, where it showcased smart home solutions and deepened B2B engagement. The ongoing 'Pensonic Friends' campaign, featuring eight well-known personalities, helped strengthen consumer awareness and trust via social media outreach and over 30 billboards nationwide.

We continued with the Batik Series home appliances campaign, inspired by traditional Malaysian design. This design reinforced the brand's cultural identity and commitment to innovation. Strategic collaborations, including a landmark Memorandum of Understanding ("MoU") with Universiti Sains Malaysia (USM) and USains Holding Sdn Bhd, led to the launch of "The Innovation, Pensonic," further cementing the Group's role in research and talent development. Additionally, Pensonic hosted the inaugural BAM CEO BootCamp, positioning itself as a thought leader in brand development and industry collaboration.

Pensonic also continued its commitment to social responsibility by co-organising the 'Your Steps, Their Smiles' Charity Run in 14 December 2024 with Hi-Bliss HOGEN, raising funds for the Compassionate Care Foundation. The initiative, offering RM25,000 in cash and products, demonstrated the Group's community-centric values.

AWARDS AND RECOGNITIONS

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

DARJAH SETIA PANGKUAN NEGERI (DSPN) CONFERRED TO GROUP CEO

Group CEO Dato' Dixon Chew was conferred the Darjah Setia Pangkuan Negeri (DSPN) title by the Penang State Government. This honour recognises his outstanding leadership and significant contributions to the Malaysian business and electronics sectors.

MCMILLAN WOODS GLOBAL AWARDS 2024 (SUSTAINABILITY IN ELECTRONICS EXCELLENCE)

Pensonic was awarded the 'Sustainability in Electronics Excellence' Award at the McMillan Woods Global Awards 2024, in recognition of Dato' Dixon Chew's initiatives in promoting eco-conscious innovation and driving sustainability across Pensonic's product development and operations.

BRAND LEGEND 60 YEARS AWARD (LIFETIME ACHIEVEMENT)

Founder Dato' Seri Chew Weng Khak received the 'Brand Legend 60 Years' Award, celebrating his lifetime contribution to the Malaysian business community and his pivotal role in establishing and nurturing the Pensonic brand into a trusted household name over the decades.

PUTRA BRAND AWARDS 2025 (SILVER AWARD)

Pensonic was honoured with the Silver Award in the 'Personal, Household & Outdoor Appliances' category at the Putra Brand Awards 2025. This achievement reflects strong consumer trust, brand loyalty, and consistent product quality that resonates with Malaysian households.

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

MANAGEMENT DISCUSSION AND ANALYSIS

ANTICIPATED AND/OR KNOWN RISK

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.

FOREIGN EXCHANGE RISK

The Group's operations involve significant 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 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.

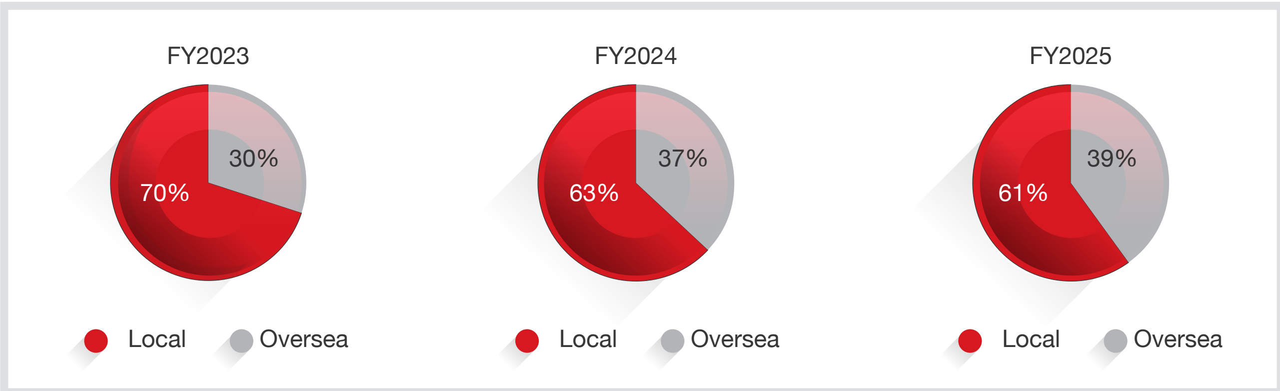
The finance department team conducts ongoing monitoring of customer payment trends and reviews ageing reports. Credit limits are reviewed periodically, and stricter terms are imposed on higher-risk accounts. Proactive collection measures and insurance coverage are employed for selected overseas receivables.

Other than the above-mentioned risks, the Gorup is also exposed to concentration risk arising from reliance on a single manufacturing facility, especially as contribution from the manufacturing segment continues to increase. Any disruption to this facility could have a material impact on the Group's operations and supply chain. Furthermore, the Group is mindful of the high inventory holding risk, which remains an area of concern given the nature of our industry and evolving consumer demand patterns. Effective inventory management and proactive risk mitigation strategies are continuously prioritised to safeguard business sustainability.

MANAGEMENT DISCUSSION AND ANALYSIS

STRATEGIC OUTLOOK AND FUTURE PROSPECTS

The Group is executing a forward-looking strategy focused on innovation, regional expansion, and digital transformation. In FY2025, export sales accounted for 39% of total revenue, supported by growing demand in international markets. The Board recognises the importance of balancing local and international markets to create a more competitive business model that support long-term growth and stability. A crucial aspect of this strategy involves expanding our manufacturing operations to cater to a broader range of clients in the global market. By leveraging our manufacturing expertise, cost efficiency, and commitment to product quality, we positioned ourselves as the preferred partner for international businesses. This expansion aligns with our objective to achieve a balanced distribution between local and international markets, thereby generating new opportunities and enhancing our global business footprint.



New products focused on lifestyle efficiency and sustainability are strengthening the Group's position in key growth areas. The organisational changes, including the Group CEO taking on the role of Managing Director in November 2023, show a stronger focus on execution and long-term value for shareholders.

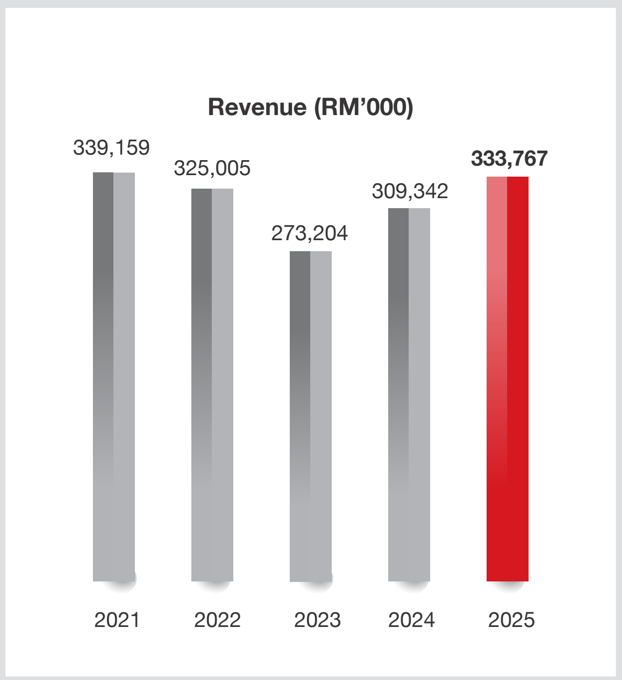
According to Bank Negara Malaysia, the local economy grew by 4.4% in Q2 2025, aided by resilient domestic demand, strong E&E exports, and accommodative monetary policy, with the Overnight Policy Rate reduced to 2.75% in July 2025. Macroeconomic conditions remained supportive, with domestic demand resilient and regional economies benefiting from a growing middle class. Nonetheless, global trade uncertainties, currency volatility, and intense competition remain key challenges.

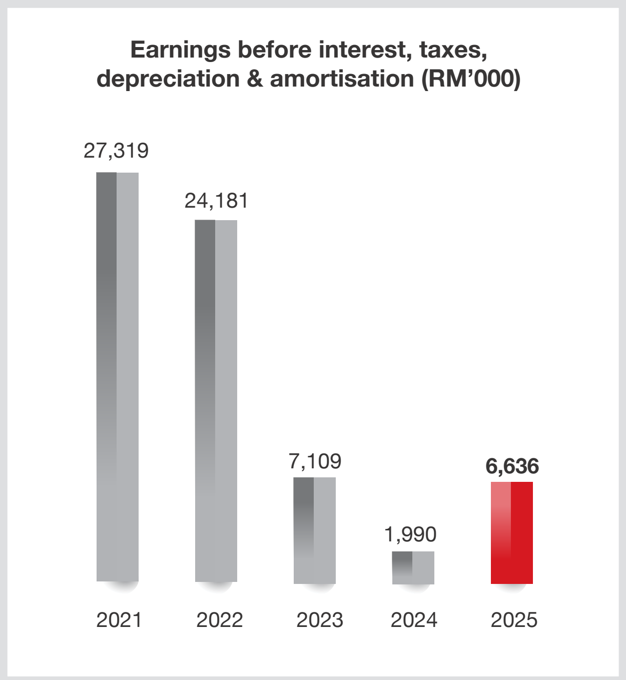
In FY2025, Pensonic Group achieved tangible recovery; marked by in revenue growth, improved gross margin, and significant reduction in losses. With a clear strategy anchored on innovation, digital readiness, and regional scaling, the Group is confident in achieving sustainable growth and long-term shareholder value creation in FY2026 and beyond.

MANAGEMENT DISCUSSION AND ANALYSIS

FIVE-YEAR FINANCIAL HIGHLIGHTS

	2021	2022	2023	2024	2025
Key Operating Results (RM'000)					
Revenue	339,159	325,005	273,204	309,342	**333,767**
Earnings before interest, taxes, depreciation and amortization	27,319	24,181	7,109	1,990	**6,636**
Profit / (Loss) before tax	17,201	14,814	(2,540)	(7,286)	**(2,956)**
Profit / (Loss) for the year	15,482	13,053	(3,997)	(13,606)	**(3,775)**
Profit / (Loss) for the year attributable to owners of the Company	15,819	14,356	(3,036)	(13,254)	**(3,807)**
Other Key Data (RM'000)					
Total equity attributable to owner	128,561	142,099	138,358	143,146	**135,625**
Total assets	281,373	315,253	274,018	270,618	**306,040**
Total borrowings	81,596	110,613	83,167	62,301	**82,024**
Financial Ratio					
Return on equity attributable to owners	12.3%	10.1%	(2.2%)	(9.3%)	**(2.8%)**
Return on assets	5.7%	4.4%	(1.4%)	(5.0%)	**(1.3%)**
Current ratio	1.38	1.42	1.47	1.52	**1.28**
Debt to equity Ratio	0.63	0.78	0.60	0.44	**0.60**
Earnings / (Loss) per share (sen)	12.32	11.20	(2.37)	(9.45)	**(2.49)**





CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") 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 2025 ("FY2025") 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

As at the end of the FY2025, the Board of Pensonic comprises of eight (8) members. Three (3) members are Executive Directors who are actively involved in the day-to-day management and operations of the company and the remaining five (5) are Independent Non-Executive Directors ("INEDs"). The composition of the Board as shown below reflects a balance between executives responsible for operational matters and independent directors responsible for providing independent perspective and oversight thus ensuring accountability. On 1 August 2025, Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim and Dato' Tahir Jalaluddin Bin Hussain were redesignated from INEDs to Non-Independent Non-Executive Directors ("NINEDs").

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

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 FY2025, 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

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

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 FY2025 is as tabulated below:

Directors	Board	AC	NC	RC
Dato' Seri Chew Weng Khak @ Chew Weng Kiak	5/5	–	–	–
Dato' Chew Chuon Jin, Dixon	5/5	–	–	–
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	5/5	3/3	3/3
Dato' Tahir Jalaluddin Bin Hussain	5/5	5/5	3/3	3/3
Ong Huey Min, Lindy	5/5	5/5	3/3	3/3
Loh Keow Lin, Lynn*	2/2	–	–	–

* Ms Loh Keow Lin was appointed to the Board on 1 January 2025 and attendance at meeting are counted from her appoinment.

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, the Group Chief Executive Officer ("GCEO") and the management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1 Board of Directors (Cont'd)

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

As at FY2025, the Board Committees comprise solely of INEDs. 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.

Furthermore, the Board is involved in succession planning and talent management, ensuring that the organization has a robust plan in place for leadership transitions and the development of key personnel. 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 the 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.

In addition to these facilitation duties, the Chairman leads the Board in overseeing the management of the organisation. This involves actively monitoring the performance of the management team and ensuring that appropriate governance processes and practices are in place and upheld. The Chairman also maintains regular dialogues with the GCEO regarding operational matters, seeking input from fellow Board members when significant concerns arise.

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 GCEO

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

The GCEO 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 GCEO 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 GCEO provides updates and briefings on the performance and activities of the Group. The GCEO also presents specific proposals related to capital expenditure, as well as acquisitions and disposals, if any. This allows the Board to stay informed about the Group's progress and make well-informed decisions regarding strategic initiatives and investments.

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1 Board of Directors (Cont'd)

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 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.

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

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

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, GCEO, 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 Policies & Procedures covers, among others, general employment terms and conditions, compensation and benefits, proprietary information and sexual harassment.

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 also 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

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

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

3.4 Directors' Fit and Proper Policy (Cont'd)

The Company had in April 2023 adopted a Directors' Fit and Proper Policy to ensure that individuals who possesses 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 matter at least once a year.

4.3 Periodic Updates

The Directors have 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 that may affect the Group.

4.4 Performance Evaluation

The Board recognises the importance of sustainability in all its business operations 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 FY2025 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 GCEO is the designated person leading the Group's sustainability initiatives.

5 Board Composition

Nomination Committee ("NC")

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.

During the financial year end under review, the NC comprises of three (3) members, all of whom are INEDs as tabulated below:

Name	Position
Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim	Chairman
Dato' Tahir Jalaluddin Bin Hussain	Member
Ong Huey Min, Lindy	Member

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

5 Board Composition (Cont'd)

Nomination Committee (Cont'd)

The NC met thrice (3) during FY2025 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) Reviewed and recommend the continuation in office of the INEDs who have served beyond nine (9) years.

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

(e) Discussed and recommended the re-election of Directors at the forthcoming annual general meeting ("AGM").

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

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

(h) Reviewed and recommended appointment of new INED.

Subsequent to the financial year end, on 1 August 2025, the following changes were made to the composition of the NC:

- Ms Loh Keow Lin, Lynn was appointed as Chairman of the NC, succeeding Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim, who was redesignated from INED to NINED on the same date. Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim remains as a member of the NC.

- Dato' Seri Dr. Liew Lee Leong, Raymond was appointed as a member of the NC.

- Ms. Ong Huey Min, Lindy resigned as a member of the NC.

Current composition of the NC is as illustrated:

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

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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

5 Board Composition (Cont'd)

5.1 Board Composition (Cont'd)

Upon conclusion of the annual assessment for FY2025, 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.

FY2025, the Board is in compliance with Practice 5.2 of the MCCG as more than half (50%) of its Directors are INEDs.

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.

Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim and Dato' Tahir Jalaluddin Bin Hussain have reached the tenure of twelve (12) years on 15 August 2025. The Board concurred with the recommendation from the NC to redesignate them as NINED for them to continue to serve on the Board of Pensonic.

This redesignation was effective on 1 August 2025, was undertaken after the Board, through the NC, reviewed and assessed their independence status in accordance with Practice 5.3 of the MCCG and determined that they no longer meet the criteria for independence under the MMLR. Following the redesignations, the Board still maintains the requisite number of INED in compliance with Paragraph 15.02 of the MMLR.

As for Ms. Ong Huey Min, Lindy, she would have served on the Board for cumulative term of nine (9) years by the end of year 2025. The NC has recommended for Ms. Ong Huey Min, Lindy to continue to act as INED beyond nine (9) years until conclusion of next AGM in 2026.

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 INED, 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 Committees.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

5 Board Composition (Cont'd)

5.3 Tenure of Independent Directors (Cont'd)

(d) She has contributed sufficient time and efforts in attending meetings 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.

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, legal, 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. There was one (1) new appointment to the Board during FY2025. 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 Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim, an INED. Subsequently on 1 August 2025, Ms Loh Keow Lin, Lynn was appointed as Chairman of the NC, succeeding Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim, who was redesignated to NINED. Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim remains as a member of the NC.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

5 Board Composition (Cont'd)

5.9 Female Board Representation

The INEDs, Ms Ong Huey Min, Lindy and Ms 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 FY2025, 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.

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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

6 Board Effectiveness (Cont'd)

Training (Cont'd)

The training, conferences or seminars attended by Directors during FY2025 encompassed various topics as outlined below:

Director(s)	Training / Conferences / Seminars
Dato' Seri Chew Weng Khak @ Chew Weng Kiak	• Strategic ESG for Sustainable Value and Long-Term Growth
Dato' Chew Chuon Jin, Dixon	• Asia Forum 2025 • The 25th Hong Kong Forum
Chew Chuon Fang, Nelson	• MIA Webinar Series: Payment to Directors – what's allowed and what's disallowed • MIA Webinar Series: Common Offences by Directors under the Companies Act 2016
Dato' Seri Dr. Liew Lee Leong, Raymond	• MAP PART II – Leading for Impact (LIP) • Tax Audit and Investigation • Preparing a Capital Statement Mandatory in Malaysia? • MPERS Masterclass Series – MPERS for a Single Entity as a Separate Financial Statement • Recent Development of Transfer Pricing in Malaysia
Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim	• Strategic ESG for Sustainable Value and Long-Term Growth
Dato' Tahir Jalaluddin Bin Hussain	• Strategic ESG for Sustainable Value and Long-Term Growth
Ong Huey Min, Lindy	• Navigating Climate Change • LHDN E-invoicing – Navigating tax compliance & IT processes • Legal & Tax Workshop for Property Developers • KPMG- Tax summit 2024 • Power Talk – Strategic Data & Frameworks in Brand Governance • E-invoicing Issues • Common Property Disputes: Recovering or Defending Ownership Claims • Termination of Employment and Claims for Wrongful Dismissal
Loh Keow Lin, Lynn	• Islamic Finance Drafting for Debt and Equity Transaction in Crowdfunding, Joint Ventures, and Capital Investment • E-Invoicing for Laws Firms • Webinar on Dawn Raid: Practical Aspects on How Law Firms Can Manage Dawn Raids • CPD Live – The Impact and Implications of Recent Federal Court Decisions and The Trends of Courts on Housing Development Issues • Penang Annual Conveyancing Conference (PACC) 2024 • Orang Asli's Land Rights (Basics for Practitioners) • Income Tax Considerations for Practitioners in Small Law Firms • MAP PART II – Leading for Impact (LIP) • CPD Live and CPC Pocket Series: Common Mistakes in Loan Documentation • CPD Live – Recent Amendments to the Personal Data Protection Act 2010 & How It Impacts Personal Data Management, Security and Transfers • CPD Live – Foreign Direct Investments and Sovereignty • Termination of Employment and Claims for wrongful dismissal • The fundamentals of legal practice

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

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 ("EDs"), 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.

7.2 Remuneration Committee ("RC")

During FY2025, the RC comprises of three (3) members, all of whom are independent. The members of the RC are as follows:

Name	Position
Dato' Tahir Jalaluddin Bin Hussain	Chairman
Dato' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim	Member
Ong Huey Min, Lindy	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 thrice (3) 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.

(c) Reviewed and recommended the remuneration package for the new INED.

Subsequent to the financial year end, on 1 August 2025, the following changes were made to the composition of the RC:

- Dato' Seri Dr. Liew Lee Leong, Raymond was appointed as Chairman of the RC, succeeding Dato' Tahir Jalaluddin Bin Hussain, who was redesignated to NINED on the same date. Dato' Tahir Jalaluddin Bin Hussain remains as a member of the RC.
- Ms. Loh Keow Lin, Lynn was appointed as a member of the RC.
- Ms. Ong Huey Min, Lindy resigned as a member of the RC.

Current composition of the NC is as illustrated:

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

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

8 Remuneration of Directors and Senior Management

8.1 Details of Directors' Remuneration

The details of the remuneration paid/payable to the Directors by the Company and the Group for FY2025 are tabulated in the Corporate Governance Report.

8.2 Top 5 Senior Management's Remuneration

All members of Senior Management are members of the Board. As such there is no necessity for a separate disclosure.

8.3 Detailed Remuneration of Top Five (5) Senior Management

As the Company is not classified as "Large Company", there is no full disclosure of 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.

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 FY2025, 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 FY2025 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.

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)

9.4 Composition of the AC

As at 31 May 2025, the AC comprised solely of INEDs, in line with the MCCG recommendation to maintain independence in the AC's oversight function.

Subsequent to the financial year end, on 1 August 2025, Dato' Tahir Jalaluddin Bin Hussain was redesignated from INED to NINED, and he remains as an AC member. Following this change, the AC is currently chaired by an INED and continues to have a majority of INEDs, thereby complying with the MMLR.

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, legal, 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.

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 compiled on this Step-up Practice as the current Risk Management Team comprised of management personnel.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part II Risk Management and Internal Control (Cont'd)

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. Joyce Wong Ai May who is a member of both the 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 FY2025.

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 GCEO of the Group is designated spokesperson for all matters related to the Group.

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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Part I Engagement with Stakeholders (Cont'd)

12 Stakeholders (Cont'd)

12.1 Communication with its stakeholders (Cont'd)

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 30th AGM held on 30 October 2024 was sent to the shareholders, directors and auditors 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 30th 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.

13.2 Directors' attendance

All Directors had attended the 30th AGM held on 30 October 2024.

13.3 Leveraging on Technology

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

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

13.4 Shareholders Engagement

All Directors, Management, Company Secretary and external auditors were present during 30th 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 30th 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 30th AGM are posted on the Company's website within 30 business days from the date of the AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 25 September 2025.

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AUDIT COMMITTEE REPORT

FORMATION

The primary objective of the Audit Committee ("AC" or "Committee"), as a Committee of the Board of Directors ("Board") of Pensonic Holdings Berhad ("Pensonic" or "the Company") 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 terms of reference 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, 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 2025 ("FY2025") 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' Lela Pahlawan Dato' Paduka Ku Nahar Bin Ku Ibrahim | Member (resigned on 1 August 2025)	5/5
Dato' Tahir Jalaluddin Bin Hussain | Member	5/5
Loh Keow Lin, Lynn | Member (appointed on 1 August 2025)	–

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 FY2025, 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 FY2025 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 ("IA")

(6) Reviewed and approved the annual IA plan for FY2025.
(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) The AC has, where appropriate, directed management 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 IA 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 IA function is outsourced to JWC Consulting Sdn. Bhd. ("JWC"), an independent professional consulting firm.

External Auditors ("EA")

(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 EA, 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) Following a review of the performance and independence of the external auditors, the AC recommended 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. None was reported.

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 that there was no COI and potential COI situation involving Directors and Key Senior Management that arose, persist or may arise during FY2025.

Incidents of Anti-Bribery and Corruption and/or Whistleblowing

(22) Reviewed and confirmed with the Management that the Company did not receive any incidents related to anti-bribery and corruption and/or whistleblowing.

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 ("RMT").

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 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 IA function to carry out IA of 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 IA 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 FY2025, 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, human resources management of the Group, as well as property, plant and equipment management, and repairs and maintenance of machinery of Pensia Industries Sdn. Bhd..

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 AC on 25 September 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("the Board") of Pensonic Holdings Berhad ("Pensonic" or "the Company") 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 2025 ("FY2025").

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 of the Group Chief Executive Officer ("GCEO") 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.

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

  The ST, which comprises of the GCEO 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 comprehensive updates to the Board on critical business and operational matters including key products performance and growth, business plans, corporate affairs, and future prospects. The decision-making process entails thorough deliberation and in-depth discussions by the Board, following recommendations from the management team.

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 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 the financial year ended 31 May 2025 ("FY2025"), 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 of the Human Resource Management - Group
- Review of the Property, plant and equipment management, and repairs and maintenance of machinery – Pensia Industries Sdn Bhd

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 FY2025 amounted to RM30,000.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

The External Auditors have 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 2025, 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 paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers; or

(b) is factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether this Statement covers all risks 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 Internal Auditor has informed the AC that all internal control weaknesses identified during the FY2025 audit assignments have been or are being resolved, and that none of these weaknesses have led to any significant losses, contingencies, or uncertainties that necessitate disclosure in the Company's Annual Report.

The Board has received assurance from the GCEO 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.

The Board holds the opinion that the risk management and internal control in place during FY2025 and up until the date of this Statement are satisfactory in safeguarding the investments of shareholders, the interests of customers, employees, and other stakeholders associated with the Group.

This Statement is made in accordance with the resolution of the Board of Directors dated 25 September 2025.

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 2025 (FY2025).

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 2024 to 31 May 2025. 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

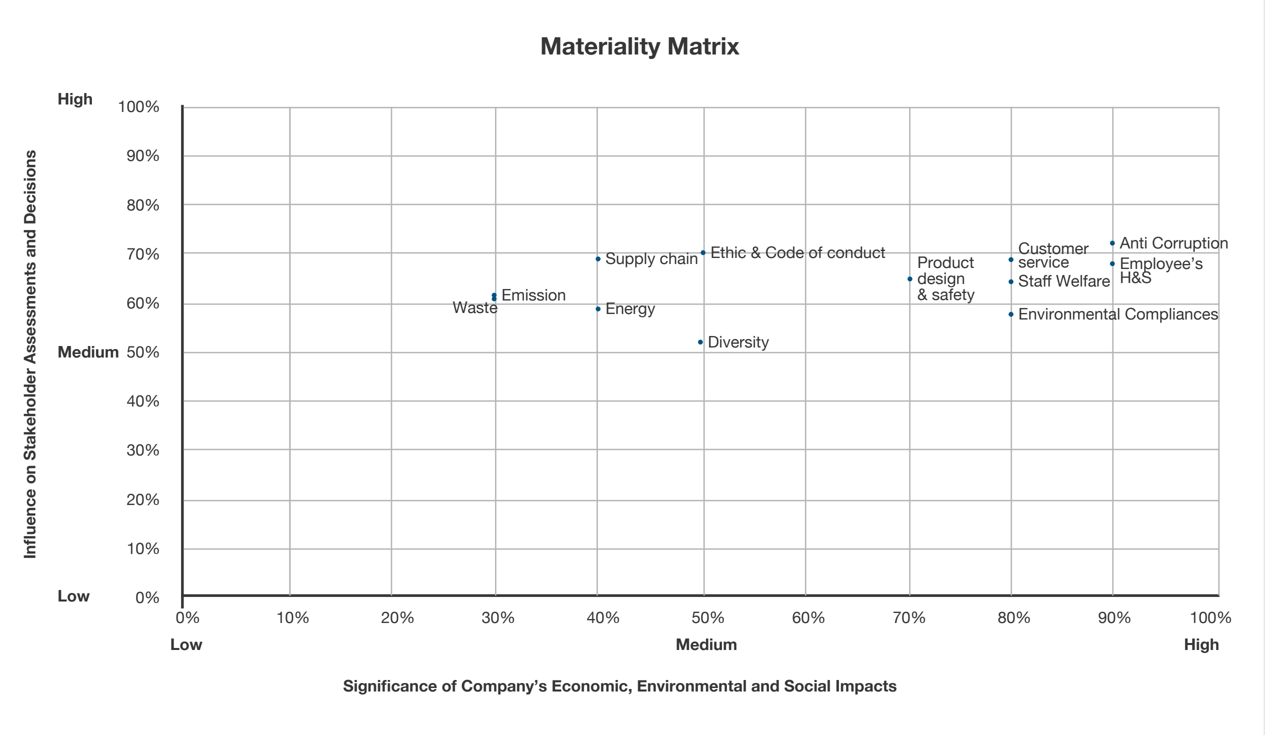
SUSTAINABILITY STATEMENT

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 enduring success of our business depends on delivering the highest product quality while meeting customers' expectations at competitive prices.

Pensonic advanced its product innovation strategy by introducing several new models equipped with BLDC (Brushless Direct Current) and inverter technologies across key product categories, including washing machines, refrigerators, and WiFi-enabled ceiling fans. These technologies enable quieter operation, smoother performance, superior energy efficiency, and extended product lifespan, aligning with our commitment to both sustainability and customer satisfaction. Many of these appliances have also achieved high MEPS (Minimum Energy Performance Standards) star ratings, underscoring our dedication to energy efficiency, regulatory compliance, and helping consumers reduce household energy costs.

Pensonic continues to uphold ISO 9001:2015 certification, ensuring adherence to rigorous quality management systems. All products are also approved and certified by Suruhanjaya Tenaga and SIRIM before market introduction.

Pensonic provides customers with peace of mind through a comprehensive product warranty that covers repairs and maintenance, with eligibility for product exchanges under specific circumstances.

The Group operates eight service centres in Malaysia—strategically located in Penang, Ipoh, Petaling Jaya, Johor Bahru, Kota Bahru, Sabah, Sawarak, and Labuan—while also maintaining a strong international presence with service centres in Zhuhai, Hong Kong, Singapore, Indonesia, Brunei, Thailand and Myanmar.

To enhance customer accessibility, the Group introduced the Circlez App, a one-stop digital solution for product warranty registration. By scanning a QR code or entering product details, consumers can easily register and automatically track their warranty period. The app also offers convenient customer support, online shopping, shopping rewards, and updates on promotions.

SUSTAINABILITY STATEMENT

Pensonic actively monitors warranty claims and customer feedback to continuously improve product quality. Every inquiry and concern received through our website, social media, and service centres is documented and reviewed, enabling the Group to identify recurring issues and implement ongoing quality improvement measures.

Beyond after-sales service, Pensonic has strengthened its e-commerce presence on leading platforms such as Shopee, Lazada, and TikTok Shop, enabling wider customer reach and seamless shopping experiences.

A significant milestone in FY2025 was receiving the Top Rising Electronics Award from TikTok Shop, which recognised Pensonic as one of the fastest-growing consumer electronics brands on the platform. This accolade reflects our ability to combine trusted product quality with modern, digital-driven strategies to reach and engage new markets.

Moving forward, Pensonic will continue aligning product development with sustainability goals. Key initiatives include:
- Expanding the range of energy-efficient appliances.
- Incorporating recyclable materials in product design.
- Strengthening after-sales services to extend product life cycles.

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 FY2025, the proportion of spending on local suppliers was 37.6% of total purchases.

37.6%
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

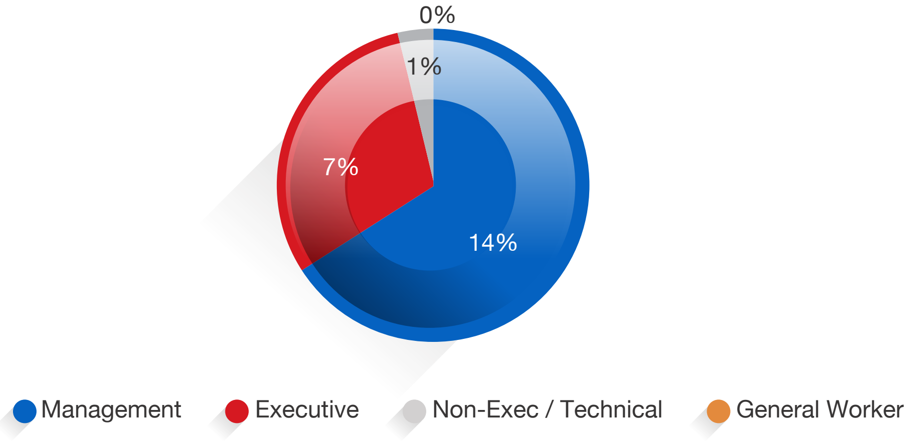
The Group acknowledges that sound corporate governance is fundamental to the long-term sustainability of the business. We remain fully committed to adopting practices that foster transparency, accountability, performance, and integrity. These principles are critical in building and maintaining the trust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

The Group provides a safe and confidential environment for employees and stakeholders to raise concerns through the Whistleblowing channel, which reports directly to the Chairman of the Audit Committee. Throughout the financial year, the Group recorded zero cases of whistleblowing relating to corruption, money laundering, or unethical business practices. We continue to periodically review and strengthen our governance framework to ensure adherence to the highest standards of ethics and integrity.

SUSTAINABILITY STATEMENT

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 FY2025, 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.

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

SUSTAINABILITY STATEMENT

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

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

	Directed to Disposal (metric tonnes)		
Description of Waste	**FY2023**	**FY2024**	**FY2025**
SW410 (Used Contaminated Rags)	0.0765	0.152	0.3001
SW306 (Used Hydraulic Oil)	0.071	0.113	0.28
SW409 (Contaminated Empty Container)	–	0.027	0.0075

SUSTAINABILITY STATEMENT

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 FY2025, Pensonic's total electricity consumption amounted to 2,144,383 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 1,179,799 kWh of clean energy, of which 446,296 kWh was exported back to TNB, while 733,503 kWh was retained for internal use. Renewable solar energy accounted for 53% of HQ's consumption and 34% of P2's consumption, contributing to cost savings of RM132,427.15 in FY2025.

The table below summarises our energy performance:

Electricity Consumption (kWh)	HQ	P2	Other Locations	Total
Grid Electricity Purchased (TNB)	297,388	790,773	322,719	1,410,880
Solar Energy Generated	483,999	695,800	–	1,179,799
Solar Energy Exported to TNB	154,294	292,002	–	446,296
Net Solar Consumed	329,705	403,798	–	733,503
Total Electricity Consumed (Grid + Net Solar)	627,093	1,194,571	322,719	2,144,383
% Solar in Consumption	**53%**	**34%**	**–**	**34% overall**
Cost Savings from Solar (RM, FY2025)	**76,389**	**56,038**	**–**	**132,427**

In addition to electricity, Pensonic consumed 183,479 litres of fuel for logistics and operational vehicles in FY2025, equivalent to 6,237 GJ of energy.

Energy Consumption	Unit	FY2023	FY2024	FY2025
Electricity consumption	Gj	6,942	7,075	7,720
Fuel and Gasoline consumption	Gj	n/a	1,806	6,237

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. With these enhancements, FY2025 now serves as a more robust and inclusive baseline year for energy consumption and emissions, enabling better comparability and more meaningful performance tracking in future years.

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. 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 (0.774 $kgCO_2$/kWh for Peninsular Malaysia and 0.525 $kgCO_2$/kWh for Sabah).

Together, Pensonic's total GHG footprint for FY2025 stood at **1,521 tCO_2e**.

Emissions (tCO_2e)	FY2025
Scope 1 (Fuel)	430
Scope 2 (Electricity)	1,091
Total	**1,521**

Importantly, the solar PV systems at our HQ and Plant 2 generated 1,179,799 kWh of clean energy, of which 733,503 kWh was consumed internally. This solar consumption directly displaced grid electricity, avoiding approximately 567 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 the baseline year, 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 and 2 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.

In FY2025, our total water withdrawal across headquarters and branches in Malaysia amounted to 15.56 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

SUSTAINABILITY STATEMENT

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 FY2025, 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.

In FY2025, Pensonic organised multiple OSH-related training sessions, including forklift safety training, Emergency Response Team (ERT) fire drills, and first aid programmes. A total of 72 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.


First Aid Training


ERT Fire Drill Training


First Aid Training


Forklift Training

SUSTAINABILITY STATEMENT

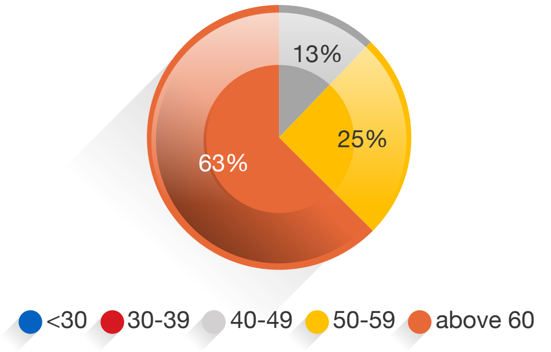
Diversity

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.

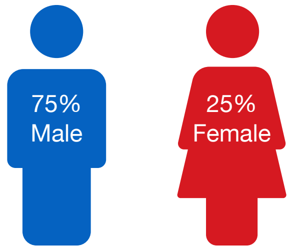
Board Diversity

As at FY2025, the Board comprises eight (8) members, of which 25% are female and 75% male. Gender balance remains a focus area, while diversity in age and experience further strengthens Board effectiveness. A majority (62.5%) of the Board members are aged above 60, bringing deep industry knowledge, complemented by younger directors who contribute fresh perspectives and innovation.

The breakdown by age group



The breakdown by gender group



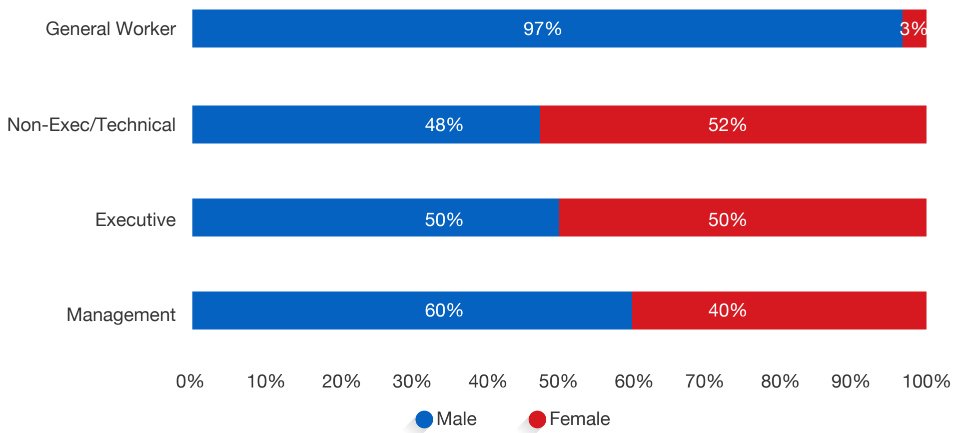
Workforce Diversity

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 40%, reflecting steady progress in gender balance at decision-making levels (FY2024: 34%).
- **Executive:** A balanced representation of 50% male and 50% female supports inclusivity in professional roles.
- **Non-Executive/Technical:** 52% female and 48% male, demonstrating diversity in technical expertise.
- **General Workers:** 97% male and 3% 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.

Percentage of Employee Category by Gender



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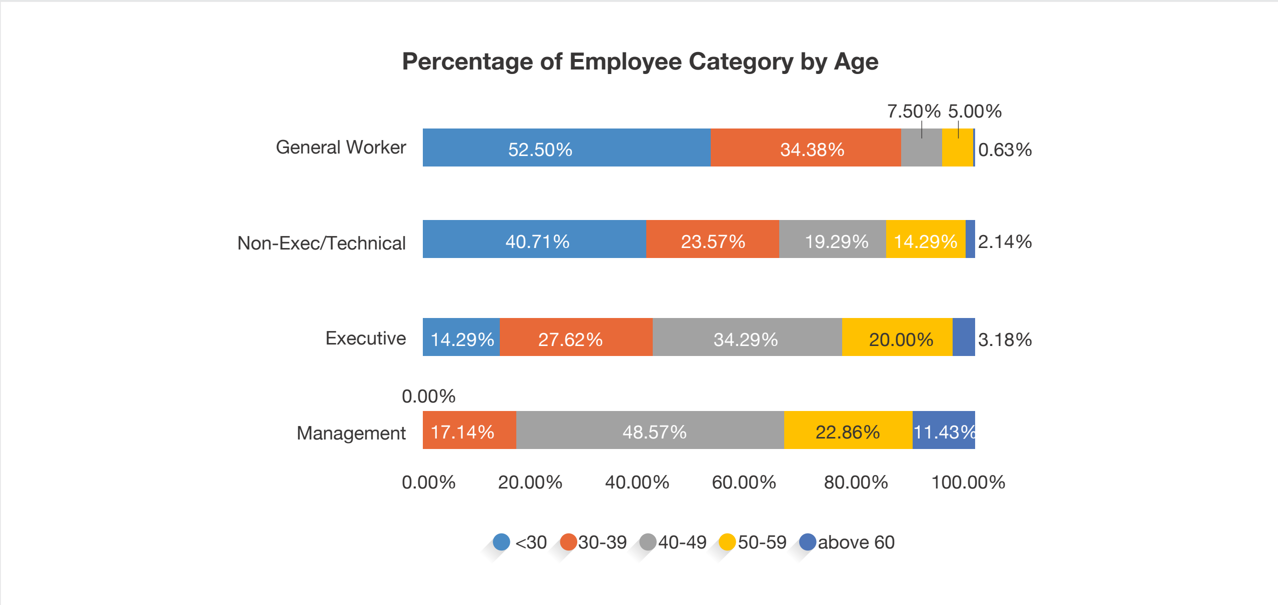

Commitment Going Forward

Beginning FY2025, 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.

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

SUSTAINABILITY STATEMENT

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

Our employee engagement initiatives extend beyond the workplace, encompassing a range of social events and activities aimed at promoting fellowship and fostering a vibrant and inclusive workplace culture. The events and activities held included a Chinese New Year Dinner and a Hari Raya celebration, which brought employees together to celebrate diversity and strengthen workplace team spirit. At the same time, we presented long service awards to employees who have contributed 10 years, 20 years, and 30 years. This year, we also proudly recognised **Ms. Chung Sock Hua for her 40 years of dedicated service** and celebrated our Founder and Executive Chairman, **Dato' Seri Chew Weng Khak, for his remarkable 60 years of excellent service**.

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 2025, we achieved a total of 18,730 training hours.

Total training hours by employee category (ALL Training)	Training Hours (FY2025)	Training Hours (Accumulated)
Management	178	5,562
Executive	488	4,984
Non-Exec/Technical	208	4,192
General Worker	232	3,992
Total	1,160	18,730

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, we plan to roll out Workplace Condition Assessment (WCA), Gross Sales Value (GSV), and Desktop Quality System Review (DQSR) training in FY2026. This initiative aims to strengthen labour practices, workplace safety, and audit readiness.

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Celebrating 60 years of leadership and commitment, Dato' Seri Chew Weng Khak embodies the heritage and people-first spirit that define Pensonic.

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 are wholeheartedly dedicated to our Corporate Social Responsibility ("CSR") initiatives and actively participate in community service activities to support local communities. Over the year, Pensonic continued its commitment to social responsibility by co-organising the 'Your Steps, Their Smiles' Charity Run in 14 December 2024 with Hi-Bliss HOGEN, raising funds for the Compassionate Care Foundation. The initiative, offering RM15,000 in prizes, and cash donations of RM10,000 to the Protect and Save the Children Association of Selangor and Kuala Lumpur, helping provide essential resources to those in need.

In line with our commitment to education and talent development, we launched a new product in July 2024, officiated by TYT Tun Dato' Seri Utama Ahmad Fuzi, and signed an MoU with Universiti Sains Malaysia (USM) and USains. These initiatives highlight our dedication to nurturing innovation, fostering future talent, and strengthening academia-industry collaboration.

Pensonic has also consistently supported global and local charitable causes through the McMillan Woods Global "McM Cares" programme. In FY2025, we contributed RM25,000 to the National Autism Society of Malaysia (NASOM), reinforcing our dedication to empowering special needs communities. Looking ahead, in FY2026, Pensonic will once again be at the forefront of the McM Cares programme by helping to raise crucial funds for the Malaysian Parkinson's Disease Association, ensuring sustained support for those battling neurological challenges.

Our CEO, Dato' Dixon Chew, firmly believes that corporations must go beyond business objectives to create a lasting social impact. Under his leadership, Pensonic continues to champion CSR as a core corporate value, demonstrating that business success and community well-being must go hand in hand.

Beyond direct donations, Pensonic also engages communities by sponsoring products as prizes for lucky draws at selected events. While these contributions are not targeted at specific beneficiaries, they add value by supporting the success of community gatherings, fostering togetherness, and enhancing public engagement.

By FY2026, Pensonic aims to:
- **Allocate 1% of annual profit to community programmes each year**
- Enhance social well-being by supporting inclusive education programs, community welfare initiatives, and innovation-driven projects.
- Deliver measurable outcomes in improving access to resources, fostering talent, and creating long-term positive social impact in the communities where we operate.

Through these initiatives, Pensonic seeks to create a lasting impact, promote inclusivity, and strengthen the bonds between the Company and the communities we serve. These efforts reflect our broader mission: to build a sustainable business that prioritises **people, culture, innovation, and shared growth.**

SUSTAINABILITY STATEMENT

Bursa Malaysia's Common Indicators

Indicator	Measurement Unit	2024	2025
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Management	Percentage	19.00 *	14.00
Executive	Percentage	7.00 *	7.00
Non-executive/Technical Staff	Percentage	1.00 *	1.00
General Workers	Percentage	0.00	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	25,410.00	85,980.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	4	37,000
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Management Under 30	Percentage	0.00	0.00
Management Between 30-39	Percentage	13.00	17.00
Management Between 40-49	Percentage	59.00	49.00
Management Between 50-59	Percentage	19.00	23.00
Management Above 60	Percentage	9.00	11.00
Executive Under 30	Percentage	15.00	14.00
Executive Between 30-39	Percentage	25.00	28.00
Executive Between 40-49	Percentage	35.00	34.00
Executive Between 50-59	Percentage	22.00	20.00
Executive Above 60	Percentage	3.00	4.00
Non-executive/Technical Staff Under 30	Percentage	32.00	41.00
Non-executive/Technical Staff Between 30-39	Percentage	24.00	24.00
Non-executive/Technical Staff Between 40-49	Percentage	26.00	19.00
Non-executive/Technical Staff Between 50-59	Percentage	16.00	14.00
Non-executive/Technical Staff Above 60	Percentage	2.00	2.00
General Workers Under 30	Percentage	55.00	53.00
General Workers Between 30-39	Percentage	31.00	34.00
General Workers Between 40-49	Percentage	8.00	8.00
General Workers Between 50-59	Percentage	6.00	5.00
General Workers Above 60	Percentage	0.00	1.00
Gender Group by Employee Category			
Management Male	Percentage	66.00	60.00
Management Female	Percentage	34.00	40.00
Executive Male	Percentage	52.00	50.00
Executive Female	Percentage	48.00	50.00
Non-executive/Technical Staff Male	Percentage	46.00	48.00
Non-executive/Technical Staff Female	Percentage	54.00	52.00
General Workers Male	Percentage	96.00	97.00
General Workers Female	Percentage	4.00	3.00
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	86.00	75.00
Female	Percentage	14.00	25.00
Under 30	Percentage	0.00	0.00
Between 30-39	Percentage	0.00	0.00

Internal assurance External assurance No assurance (*)Restated

SUSTAINABILITY STATEMENT

Bursa Malaysia's Common Indicators (Cont'd)

Indicator	Measurement Unit	2024	2025
Between 40-49	Percentage	14.00	13.00
Between 50-59	Percentage	14.00	25.00
Above 60	Percentage	72.00	63.00
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	9,126.25	13,957.00
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	32	72
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Management	Hours	5,384	5,562
Executive	Hours	4,496	4,984
Non-executive/Technical Staff	Hours	3,984	4,192
General Workers	Hours	3,760	3,992
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	6.12	5.00
Bursa C6(c) Total number of employee turnover by employee category			
Management	Number	8	4
Executive	Number	30	30
Non-executive/Technical Staff	Number	38	66
General Workers	Number	64	34
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	40.00 *	37.60
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	14.780000	15.561000
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	-	127.17
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	74.29
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	52.88
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	430.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	-	1,091.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	0.00

Internal assurance External assurance No assurance (*)Restated

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

1.0 Introduction

The shareholders of Pensonic Holdings Berhad ("Pensonic" or 'the Company") had, at the 30th Annual General Meeting ("AGM") held on 30 October 2024, granted approval to the Board of Directors ("Board") to purchase the ordinary shares in Pensonic ("Shares") of up to ten percent (10%) of the total number of issued Shares at any point of time through Bursa Malaysia Securities Berhad ("Bursa Securities").

The aforesaid mandate shall lapse at the conclusion of the forthcoming 31st AGM unless the approval for its renewal is obtained from the shareholders at the forthcoming 31st AGM.

On 25 September 2025, the Company announced to Bursa Securities that the Company proposed to seek shareholders' approval on the Proposed Share Buy-Back at the forthcoming 31st AGM.

The purpose of this Statement is to provide you with the details of the Proposed Share Buy-Back as well as to set out the recommendation of the Board and to seek your approval for the ordinary resolution in respect of the Proposed Share Buy-Back to be tabled at the forthcoming 31st AGM of the Company.

2.0 Disclaimer Statement

This Statement is important and if you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Bursa Securities has not perused this Statement prior its issuance, and hence, takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.

3.0 Details of the Proposed Renewal of Share Buy-Back

The Board is proposing to seek your approval to purchase a maximum aggregate number of Shares of up to ten percent (10%) of the total number of issued Shares of the Company at any point in time, subject to compliance with Section 127 of the Companies Act 2016 ("Act"), Chapter 12 of the Main Market Listing Requirements of Bursa Securities ("Listing Requirements"), the Malaysian Code on Take-Overs and Mergers 2016 ("Code") and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities (collectively "Prevailing Laws") at the time of purchase(s).

As at 29 August 2025, being the latest practicable date ("LPD") prior to the printing of the Annual Report 2025, the Company's issued share capital is RM84,304,948.60 comprising 157,391,426 Shares. Based on the number of issued Shares of Pensonic, the number of Shares which can be bought back pursuant to the Proposed Share Buy-Back are detailed as below:

Share Capital	Based on existing share capital No. of shares
Total number of issued Shares	157,391,426
10% of the total number of issued Shares	15,739,143
Less: Treasury Shares held by Pensonic	(8,874,200)
Maximum number of Shares which may be purchased in respect of this Proposed Share Buy-Back	6,864,943

The purchase of Shares under the Proposed Share Buy-Back will be carried out through Bursa Securities via stockbroker(s) to be appointed by the Board.

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

3.0 Details of the Proposed Renewal of Share Buy-Back (Cont'd)

Your authority for the share buy-back will be effective upon the passing of the ordinary resolution for the Proposed Share Buy-Back at the forthcoming 31st AGM to be convened and shall continue to be in force until:

a) 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
b) the expiration of the period within which the next AGM of the Company is required by law to be held; or
c) revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever occurs first.

Your approval for the Proposed Share Buy-Back does not impose an obligation on the Company to purchase its Shares. However, it will allow the Board to exercise the power of the Company to purchase its Shares at any time within the abovementioned time period.

4.0 Rationale for the Proposed Share Buy-Back

The Proposed Share Buy-Back would enable the Company to utilise its surplus financial resources to purchase Shares when appropriate, and at prices which the Board view as favourable to the Company with a view to enhancing the earnings per Share of the Company and its subsidiaries ("Pensonic Group" or "the Group") and net assets ("NA") per Share of the Company.

The Proposed Share Buy-Back is not expected to have any potential material disadvantage to the Company and its shareholders as it will be exercised only after in-depth consideration of the financial resources of the Group and of the resultant impact on its shareholders.

(i) Advantages of the Proposed Share Buy-Back

a) The Proposed Share Buy-Back would effectively reduce the number of Shares carrying voting and participation rights unless the Shares which are purchased by the Company pursuant to the Proposed Share Buy-Back ("Purchased Shares") are resold on Bursa Securities or distributed as share dividends. Consequently, all else being equal, the Earning per Shares ("EPS") of the Group may be enhanced as the earnings of the Group would be divided by a reduced number of Shares.
b) The Purchased Shares which will be retained as treasury shares ("Treasury Shares") may potentially be resold on Bursa Securities at a higher price and therefore realising a potential gain in reserves without affecting the total share capital of the Company. The Treasury Shares may also be distributed to shareholders as dividends and, if undertaken, would serve to reward the shareholders of the Company.
c) The Company may be able to stabilise the supply and demand of its Shares in the open market and thereby supporting its fundamental values.

(ii) Disadvantages of the Proposed Share Buy-Back

a) The Proposed Share Buy-Back, if implemented, would reduce the financial resources of the Group. This may result in the Group having to forgo better future investment or business opportunities and/or any interest income that may be derived from the deposit of such funds in interest bearing instruments; and
b) The Proposed Share Buy-Back may also result in a reduction of financial resources available for distribution in the form of cash dividends to you as shareholders of Pensonic in the immediate future.

5.0 Source of funding for the Proposed Share Buy-Back

Paragraph 12.10(1) of the Listing Requirements stipulates that the Proposed Share Buy-Back must be made wholly out of the retained profits of our Company. We intend to use internally generated funds to finance the Proposed Share Buy-Back subject to compliance with Section 127 of the Act and any Prevailing Laws at the time of the purchase. Notwithstanding this, in the event the Proposed Share Buy-Back (or any part of it) is to be financed through external borrowings, our Board will ensure that we have sufficient funds to repay such external borrowings.

The retained profits of the Company, based on the latest audited and unaudited financial statements of the Company as at 31 May 2025 and 31 August 2025 are RM16,386,153 and RM25,759,264 respectively. The maximum amount of funds to be allocated for the Proposed Share Buy-Back shall not exceed the amount of the retained profits of the Company.

The Proposed Share Buy-Back is not expected to have a material impact on the cash flow position of our Company. In addition, our Board will ensure that our Company satisfies the solvency test as stated in Section 112(2) of the Act before implementing the Proposed Share Buy-Back. The actual number of Shares to be purchased, and the timing of such purchases will depend on, amongst others, the market conditions and sentiments of the stock market as well as our financial resources and retained profits.

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

6.0 INTEREST OF DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND/OR PERSONS CONNECTED

The Directors, Substantial Shareholders and persons connected to the Directors and/or Substantial Shareholders of Pensonic Group have no direct or indirect interest in the Proposed Share Buy-Back and/or the resale of Treasury Shares, if any.

The proforma table below shows the equity interests held directly and indirectly in Pensonic by the Directors and Substantial shareholders of Pensonic as at LPD before and after the Proposed Share Buy-Back:-

	No. of Shares held							
	Before Proposed Share Buy Back				After Proposed Share Buy Back			
Directors	Direct	%	Indirect	%	Direct	%	Indirect	%
Dato' Seri Chew Weng Khak @ Chew Weng Kiak	8,034,300	5.410	9,261,924[(a)]	6.236	8,034,300	5.672	9,261,924[(a)]	6.538
Dato' Chew Chuon Jin, Dixon	10,898,400	7.338	16,800[(b)]	0.011	10,898,400	7.694	16,800[(b)]	0.012
Chew Chuon Fang, Nelson	7,181,000	4.835	–	–	7,181,000	5.069	–	–

	No. of Shares held							
	Before Proposed Share Buy Back				After Proposed Share Buy Back			
Substantial Shareholders	Direct	%	Indirect	%	Direct	%	Indirect	%
Sphere Corporation Sdn Bhd	26,000,000	17.506	–	–	26,000,000	18.355	–	–
Dato' Dr. Lai Kim Teng	–	–	26,000,000[(c)]	17.506	–	–	26,000,000[(c)]	18.355
Dato' Seri Chew Weng Khak @ Chew Weng Kiak	8,034,300	5.410	5,261,924[(d)]	3.543	8,034,300	5.672	5,261,924[(d)]	3.715
Dato' Chew Chuon Jin, Dixon	10,898,400	7.338	16,800[(b)]	0.011	10,898,400	7.694	16,800[(b)]	0.012

	No. of Shares held							
Person connected to Directors and/or	Before Proposed Share Buy Back				After Proposed Share Buy Back			
Substantial Shareholders	Direct	%	Indirect	%	Direct	%	Indirect	%
Chew Weng Khak Realty Sdn Bhd	3,061,924	2.062	–	–	3,061,924	2.162	–	–
Datin Seri Tan Ah Nya @ Tan Bee Tiang	2,200,000	1.481	–	–	2,200,000	1.553	–	–
Tan Guat See	16,800	0.011	–	–	16,800	0.012	–	–
Dato' Tan Ah Lee	505,000	0.340	–	–	505,000	0.357	–	–
Chew Chun Chia, Nick	2,000,000	1.347	–	–	2,000,000	1.412	–	–
Chew Pei Gee	2,000,000	1.347	–	–	2,000,000	1.412	–	–

Note:
(a) Indirect interest through his spouse, children pursuant to Section 59(11)(c) of the Companies Act 2016 ("Act") and Chew Weng Khak Realty Sdn Bhd.
(b) Indirect interest through his spouse pursuant to Section 59(11)(c) of the Act.
(c) Deemed interest pursuant to Section 8(4) of the Companies Act 2016 ("Act") held though Sphere Corporation Sdn Bhd.
(d) Indirect interest through his spouse pursuant to Section 59(11)(c) of the Act and Chew Weng Khak Realty Sdn Bhd.

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

7.0 Effects of the Proposed Share Buy-Back

7.1 Share Capital

The effect of the Proposed Share Buy-Back on the issued share capital of the Company will depend on whether the Purchased Shares are cancelled or retained as Treasury Shares. The Proposed Share Buy-Back will result in a reduction of the issued shares capital of the Company if the Purchased Shares are cancelled.

In the event the Proposed Share Buy-Back is carried out in full and all the Purchased Shares are cancelled, the issued share capital of the Company will be reduced by the number of Shares so cancelled as follows:

Share Capital	Based on existing share capital No. of shares
Existing share capital as at LPD (inclusive of the 8,874,200 Treasury Shares)	157,391,426
Assuming all the Purchased Shares pursuant to the Proposed Share Buy-Back are cancelled	(15,739,142)
Resultant ordinary issued share capital	141,652,284

Conversely, if all the Purchased Shares are retained as Treasury Shares, the Proposed Share Buy-Back will not have any effect on the issued share capital of Pensonic. Nevertheless, certain rights attached to the Purchased Shares are suspended while they are held as Treasury Shares.

7.2 NA per Share

The Proposed Share Buy-Back may increase or decrease the NA per Share depending on the purchase price of the Shares bought back in comparison to the NA per Share at the time that the Shares are purchased.

If the Treasury Shares are distributed as share dividends, the NA per Share will decrease by the cost of the Treasury Shares at the point of purchase(s).

In the event the Purchased Shares which are retained as Treasury Shares are resold, the NA per Share of the Group will increase or decrease depend on whether a gain or a loss is realized upon the resale. However, the quantum of the increase or decrease in NA per Share will depend on the actual selling price of the Treasury Shares and the number of Treasury Shares resold to Bursa Securities.

7.3 Earnings and EPS

The Proposed Share Buy-Back may increase or reduce the EPS of the Group, depending on the number of and prices paid for the Purchased Shares, the effective funding cost to Pensonic to finance the purchase of such Shares, or any loss in interest income to Pensonic or opportunity cost in relation to other investment opportunities as well as the proposed treatment of the Purchased Shares.

Assuming that the Purchased Shares are retained as Treasury Shares and subsequently resold, the extent of the effects on the earnings of the Group will depend on the actual selling price, the number of Treasury Shares resold and the effective gain arising from the exercise.

If the Purchased Shares are cancelled, the Proposed Share Buy-Back shall increase the EPS of the Group provided that the income forgone and interest expense incurred on the Purchased Shares are less than the EPS before the share purchase.

7.4 Dividends

The Proposed Share Buy-Back is not expected to have any impact on the dividend payment as the Board will take into consideration the Company's profit, cash flow and the capital commitments before proposing any dividend payment. However, the Board will have the option of distributing the Treasury Shares as share dividends to the shareholders subject to Section 131(1) of the Act, where a company may only make a distribution to the shareholders out of profits of the company available if the company is solvent.

STATEMENT OF PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES (“PROPOSED SHARE BUY-BACK”)

8.0 Implication of the Code

In the event the Proposed Share Buy-Back results in any Director, Substantial Shareholder and/or parties acting in concert with him/them triggering a mandatory offer obligation under the Code, the affected Director or Substantial Shareholder will be obliged to make a mandatory offer for the remaining shares in the Company not held by him/them. However, an exemption may be sought from the Securities Commission by the affected Director and/or Substantial Shareholder under Section 219 of the Capital Markets and Services Act 2007 before a mandatory offer obligation is triggered.

However, it is not the intention of the Company to cause any shareholder to trigger an obligation to undertake a mandatory general offer under the Code. The Company will be mindful of the implications of the Code in making any purchase of its own shares pursuant to the Proposed Share Buy-Back.

9.0 Purchase, Resale or Transfer and Cancellation in the Preceding Twelve (12) Months

As at 29 August 2025, the Company had purchased a total of 8,874,200 of its own Shares and retained as Treasury Shares in accordance to the provisions of Section 127 of the Act .

As at the date of this Statement, the Company had not resold or transferred any Treasury Shares on Bursa Securities. No cancellation of Purchased Shares was made in the preceding twelve (12) months.

The details of Shares purchased by the Company in the preceding twelve (12) months are as follows:

Month	No. of Shares	Highest price paid (RM)	Lowest price paid (RM)	Average price paid (RM)	Total consideration (RM)
November 2024	3,837,900	0.530	0.470	0.498	1,915,297.91

10.0 Historical share prices

The monthly highest and lowest market prices of Shares traded on Bursa Securities in the preceding twelve (12) months were as follows:

Month	Lowest (RM)	Highest (RM)
September 2024	0.430	0.525
October 2024	0.450	0.500
November 2024	0.460	0.620
December 2024	0.505	0.560
January 2025	0.490	0.550
February 2025	0.460	0.545
March 2025	0.410	0.475
April 2025	0.380	0.430
May 2025	0.375	0.405
June 2025	0.310	0.400
July 2025	0.350	0.390
August 2025	0.330	0.390

Last transacted price at LPD was RM0.380.
(Source: www.investing.com)

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

11.0 Proposed intention of the Directors to deal with the Shares bought back

All the Purchased Shares, when the Proposed Share Buy-Back is exercised, shall be dealt with in the following manner:

a) cancel the Shares so purchased;
a) retain the Shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of the Bursa Securities or subsequently cancelled;
b) resell the Shares or any of the Shares in accordance with the relevant rules of Bursa Securities;
c) retain part of the shares so purchased as Treasury Shares and cancel the remainder; or
d) in such other manner as the Bursa Securities and such other relevant authorities may allow from time to time.

12.0 Public shareholding spread

According to the Record of Depositors maintained by Bursa Malaysia Depository Sdn. Bhd. as at LPD, the public shareholding spread of the Company is approximately 58.32%. In this regard, the Board undertakes to purchase shares only to the extent that the public shareholding spread of Pensonic shall not fall below 25% of the total number of issued Shares of the Company at all times pursuant to the Proposed Share Buy-Back, in accordance with Paragraph 12.14 of the Listing Requirements.

13.0 Directors' statement

After taking into consideration all relevant factors, the Board is of the opinion that the Proposed Share Buy-Back described above is in the best interest of the Company.

14.0 Directors' recommendation

The Board recommends that you vote in favour of the ordinary resolution to be tabled at the forthcoming 31st AGM of the Company to give effect to the Proposed Share Buy-Back.

15.0 Responsibility statement

This Statement has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no facts, the omission of which would make any statement herein misleading.

16.0 Documents available for inspection

Copies of the following documents are available for inspection at the registered office of the Company at 170-09-01 Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang during working hours from Mondays to Fridays (except Public Holidays) from the date of this Annual Report up to and including the date of the forthcoming 31st AGM:

a) the Constitution of the Company; and
b) the Audited Financial Statements of the Group for past two (2) financial years ended 31 May 2024 and 31 May 2025.

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 2025 ("FY2025") are as follows:

	Group (RM)	Company (RM)
Fees paid or payable to the external auditors:		
Audit fees	238,000	63,000
Non-audit fees		
- KPMG PLT	32,000	32,000
- Affiliate of KPMG PLT	51,500	3,500
Total	321,500	98,500

2. Material Contracts

There were no material contracts with the Group involving Directors' and major shareholders' interest during FY2025.

3. Status of Utilisation of Proceeds Raised from any Proposal

There were no proceeds raised by the Company from any corporate proposals during FY2025.

4. Recurrent Related Party Transactions ("RRPT") for FY2025

The aggregate value of RRPT conducted pursuant to the shareholders' mandate during FY2025 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	149,674	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.
Syarikat Perkapalan Soo Hup Seng Sdn Bhd ("Soo Hup Seng")	PHB Group	Shipping services	700,249	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.

ADDITIONAL COMPLIANCE INFORMATION

4. Recurrent Related Party Transactions ("RRPT") for FY2025 (Cont'd)

The aggregate value of RRPT conducted pursuant to the shareholders' mandate during FY2025 are as follows: (Cont'd)

Provider of goods and services	Recipient of goods and services	Nature of Transactions	Actual value transacted (RM)	Related Parties
PHB Group	PT Pensonic Appliances Indonesia ("PTPAI")	Sale of electrical appliances	59,928	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	612,357	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	8,761	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.