

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

Bursa Malaysia Securities Berhad (“**Bursa Securities**”) has only conducted a limited review on the content of this Circular pursuant to Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

Bursa Securities takes no responsibility for the contents of this Circular and 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 Circular.



**PENTAMASTER CORPORATION BERHAD**

Company No. 200201004644 (572307-U)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

**PROPOSED BONUS ISSUE OF UP TO 237,439,049 NEW ORDINARY SHARES IN  
PENTAMASTER CORPORATION BERHAD (“PCB SHARES”) (“BONUS SHARES”) ON THE  
BASIS OF ONE (1) BONUS SHARE FOR EVERY TWO (2) EXISTING PCB SHARES HELD ON AN  
ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“PROPOSED BONUS  
ISSUE”)**

The Notice of the Extraordinary General Meeting (“**EGM**”) of Pentamaster Corporation Berhad to be held at the Conference Room of Pentamaster Corporation Berhad at Plot 18 & 19, Technoplex, Medan Bayan Lepas, Taman Perindustrian Bayan Lepas, Phase IV, 11900 Penang on Tuesday, 5 May 2020 at 2.30 p.m. or at any adjournment thereof, together with the Form of Proxy is enclosed in this Circular.

If you decide to appoint a proxy or proxies for the EGM, you must complete, sign and deposit the Form of Proxy at the Registered Office of the Company at 35, 1st Floor, Jalan Kelisa Emas 1, Taman Kelisa Emas, 13700 Seberang Jaya, Penang not later than forty-eight (48) hours before the time appointed for holding the EGM. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

Last day and time for lodging the Form of Proxy : Sunday, 3 May 2020 at 2.30 p.m.  
Date and time of EGM : Tuesday, 5 May 2020 at 2.30 p.m.

This Circular is dated 30 March 2020

## DEFINITIONS

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

Act	:	The Companies Act, 2016, or any statutory modification, amendment or re-enactment thereof for the time being in force
Board	:	The board of directors of PCB
Bonus Shares	:	Up to 237,439,049 new PCB Shares to be issued pursuant to the Proposed Bonus Issue
Bursa Depository	:	Bursa Malaysia Depository Sdn. Bhd. (Company No. 198701006854 (165570-W))
Bursa Securities or the Exchange	:	Bursa Malaysia Securities Berhad (Company No. 200301033577 (635998-W))
CDS	:	Central Depository System
Circular	:	This circular to the shareholders of PCB dated 30 March 2020
Director(s)	:	Director(s) of PCB
EGM	:	Extraordinary General Meeting
Entitled Shareholders	:	Shareholders of PCB whose names appear in the Record of Depositors of the Company on the Entitlement Date
Entitlement Date	:	A date to be determined and announced later by the Board, on which the names of the shareholders of PCB must appear in the Record of Depositors of the Company as at 5.00 p.m. in order to be entitled to participate in the Proposed Bonus Issue
EPS	:	Earnings per Share
FYE	:	Financial year ended/ending, as the case may be
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	19 March 2020, being the latest practicable date prior to the printing of this Circular
Market Day(s)	:	Any day(s) between Monday to Friday (inclusive), excluding public holidays, and a day on which Bursa Securities is open for trading of securities
NA	:	Net assets
PCB or the Company	:	Pentamaster Corporation Berhad (Company No. 200201004644 (572307-U))
PCB Group or the Group	:	PCB and its subsidiaries
PCB Share(s) or Share(s)	:	Ordinary share(s) in PCB

## **DEFINITIONS (con't)**

- Proposed Bonus Issue : Proposed bonus issue of up to 237,439,049 new PCB Shares on the basis of one (1) Bonus Share for every two (2) existing PCB Shares held on the Entitlement Date
- Record of Depositors : A record of depositors established by Bursa Depository under the rules of Bursa Depository
- RM and sen : Ringgit Malaysia and sen, respectively
- VWAP : Volume weighted average price

For the purpose of this Circular, all references to a time of day shall be a reference to Malaysian time unless otherwise stated.

In this Circular, words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall, where applicable, include corporations.

References to “we”, “us”, “our” and “ourselves” are to our Company, and where the context otherwise requires, our subsidiaries. All reference to “you” are to our shareholders.

For ease of reading, certain figures in this Circular have been rounded. Any discrepancy in the figures included in this Circular between the amounts stated and the totals thereof are due to rounding.

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**PENTAMASTER CORPORATION BERHAD**  
Company No. 200201004644 (572307-U)  
(Incorporated in Malaysia)

**Registered Office:**

35, 1<sup>st</sup> Floor, Jalan Kelisa Emas 1,  
Taman Kelisa Emas,  
13700 Seberang Jaya, Penang.

30 March 2020

**Board of Directors:**

Chuah Choon Bin (*Non-Executive Chairman*)  
Chuah Chong Ewe (*Executive Director*)  
Leng Kean Yong (*Non-Independent Non-Executive Director*)  
Loh Nam Hooi (*Independent Non-Executive Director*)  
Lee Kean Cheong (*Independent Non-Executive Director*)

**To: The shareholders of Pentamaster Corporation Berhad**

Dear Sir/Madam,

**PROPOSED BONUS ISSUE OF UP TO 237,439,049 NEW ORDINARY SHARES IN PENTAMASTER CORPORATION BERHAD (“PCB SHARES”) (“BONUS SHARES”) ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY TWO (2) EXISTING PCB SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“PROPOSED BONUS ISSUE”)**

**1. INTRODUCTION**

On 5 March 2020, the Board had announced that the Company proposed to undertake the Proposed Bonus Issue.

On 6 March 2020, the Board had announced that the application in relation to the Proposed Bonus Issue had been submitted to Bursa Securities.

On 12 March 2020, the Board announced that Bursa Securities had vide its letter dated 11 March 2020, given its approval-in-principle for the listing and quotation for the Bonus Shares on the Main Market of Bursa Securities to be issued pursuant to the Proposed Bonus Issue, subject to the conditions as set out in Section 6 of this Circular.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED BONUS ISSUE AND TO SET OUT THE VIEWS AND RECOMMENDATIONS OF THE BOARD AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTION TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY.**

**SHAREHOLDERS ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS TOGETHER WITH THE APPENDICES OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE AT THE FORTHCOMING EGM OF THE COMPANY.**

## **2. DETAILS OF THE PROPOSED BONUS ISSUE**

### **2.1 Basis and number of Bonus Shares to be issued**

The Proposed Bonus Issue will entail the issuance of up to 237,439,049 Bonus Shares to be credited as fully paid-up on the basis of one (1) Bonus Share for every two (2) existing PCB Shares held by the Entitled Shareholders on the Entitlement Date.

The issuance of up to 237,439,049 Bonus Shares is based on the issued share capital of the Company as at the LPD of RM79,303,370 comprising 474,878,099 PCB Shares. The Company does not hold any treasury shares as at the LPD.

In determining the shareholders' entitlement to the Proposed Bonus Issue, fractional entitlements, if any, will be disregarded and shall be dealt with in such manner as the Board, in its discretion, thinks expedient and in the best interests of the Company.

The Proposed Bonus Issue will not be implemented on a staggered basis over a period of time. The Entitlement Date for the Proposed Bonus Issue will be determined and announced at a later date upon receipt of all relevant approvals for the Proposed Bonus Issue.

The price of PCB Shares will be adjusted for the Proposed Bonus Issue. For illustration purposes, based on the 5-day VWAP of PCB Shares up to the LPD of RM3.17 per PCB Share, the theoretical ex-bonus share price of PCB Shares is approximately RM2.11.

Pursuant to paragraph 6.30(1A) of the Listing Requirements, a listed issuer must ensure that its share price adjusted for a bonus issue is not less than RM0.50 based on the daily VWAP during the 3-month period before the application date. For the period from 6 December 2019 to 5 March 2020, being the date immediately before the submission of the application to Bursa Securities, the daily VWAP of PCB Shares was RM4.88. This translates to a theoretical ex-bonus price of RM3.25 per PCB Share which complies with the requirements of Paragraph 6.30(1A) of the Listing Requirements.

### **2.2 No capitalisation of reserves**

For avoidance of doubt, there shall not be any capitalisation of the Company's reserves pursuant to the Proposed Bonus Issue.

Under the Act which came into effect on 31 January 2017, replacing the Companies Act 1965 ("**1965 Act**"), the concept of par value for shares of Malaysian companies has been abolished. The 1965 Act had stipulated that shares may not be issued at a discount to par value, and an amount must be capitalised from retained earnings or reserves of a company and be transferred to the share capital account of a company in connection with an issuance of new shares.

Under the Act, such requirements are no longer applicable and there is no stipulation that cash consideration must be paid or transferred in connection with an issuance of new shares. As a result of this, a bonus issue can now be undertaken either: -

- (i) by way of capitalisation from retained earnings or reserves of a company; or
- (ii) without capitalisation, in a manner akin to a subdivision of shares.

Given the foregoing, our Board has resolved that the Bonus Shares shall be issued as fully paid shares at no consideration and without any capitalisation from the Company's reserves as permitted under the provisions of the new Act.

### 2.3 Ranking of the Bonus Shares

The Bonus Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the existing PCB Shares, save and except that the Bonus Shares will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid where the entitlement date precedes the date of allotment of the Bonus Shares.

As the PCB Shares are prescribed securities under Section 14(5) of the Securities Industry (Central Depositories) Act, 1991, the Bonus Shares will be credited directly into the respective CDS accounts of the Entitled Shareholders and no physical share certificates will be issued.

### 2.4 Listing and quotation for the Bonus Shares

Bursa Securities had vide its letter dated 11 March 2020, approved the listing of and quotation for the Bonus Shares on the Main Market of Bursa Securities, subject to the conditions as stated in Section 6 of this Circular.

The Bonus Shares will be listed and quoted on the Main Market of Bursa Securities on the next market day following the Entitlement Date. The notice of allotment of the Bonus Shares will be issued and despatched to the Entitled Shareholders within four (4) market days after the date of listing of and quotation for the Bonus Shares, or such other period as may be prescribed by Bursa Securities.

## 3. RATIONALE FOR THE PROPOSED BONUS ISSUE

The Proposed Bonus Issue is intended to reward the shareholders of the Company for their loyalty and continued support to the PCB Group. After due consideration of the various options available, the Board is of the view that the Proposed Bonus Issue is an appropriate avenue for PCB to reward its shareholders as it will enable the existing shareholders to have greater participation in the equity of the Company in terms of the number of PCB Shares held, whilst maintaining their percentage of equity interest. In addition, the Proposed Bonus Issue may possibly be able to encourage trading liquidity and marketability of PCB Shares on Bursa Securities.

## 4. EFFECTS OF THE PROPOSED BONUS ISSUE

### 4.1 Share Capital

For illustrative purposes, the proforma effects of the Proposed Bonus Issue on the share capital of PCB are as follows:

	No. of PCB Shares	RM
Share capital as at the LPD	474,878,099	79,303,370
New PCB Shares to be issued pursuant to the Proposed Bonus Issue	237,439,049	-(1)
<b>Enlarged share capital after the Proposed Bonus Issue</b>	<b>712,317,148</b>	<b>79,303,370</b>

Note:

(1) *The Bonus Shares shall be issued as fully paid shares at no consideration and without capitalisation from the Company's reserves as explained in Section 2.2 of this Circular.*

## 4.2 NA, NA per share and gearing

For illustrative purposes, the proforma effects of the Proposed Bonus Issue on the NA, NA per share and gearing of PCB Group based on the latest audited consolidated statements of financial position of PCB as at 31 December 2019 are as follows:-

	Audited as at 31 December 2019 RM'000	After the Proposed Bonus Issue RM'000
Share Capital	79,303	79,303
Retained profits	357,298	357,230 <sup>(3)</sup>
<b>Shareholders' equity / NA</b>	<b>436,601</b>	<b>436,533</b>
Non-controlling interests	159,285	159,285
<b>Total equity</b>	<b>595,886</b>	<b>595,818</b>
No. of PCB shares in issue ('000)	474,878	712,317
NA per PCB share <sup>(1)</sup> (RM)	0.919	0.613
Borrowings (RM'000)	3,362	3,362
Gearing <sup>(2)</sup> (times)	0.006	0.006

Notes:

(1) Calculated as shareholders' equity divided by the number of PCB Shares.

(2) Calculated as net borrowings divided by total equity.

(3) After deducting the estimated expenses in relation to the Proposed Bonus Issue of approximately RM68,000.00.

## 4.3 Earnings and EPS

The Proposed Bonus Issue is not expected to have any material effect on the earnings of PCB Group for the FYE 31 December 2020. However, assuming the net earnings of the Group remains unchanged, there will be a corresponding dilution in the EPS of PCB Group for the FYE 31 December 2020 as a result of the increase in the number of PCB Shares in issue arising from the implementation of the Proposed Bonus Issue.

## 4.4 Existing convertible securities

As at the LPD, there are no options, warrants or convertible securities issued by the Company.

## 4.5 Substantial shareholders' shareholdings

The Proposed Bonus Issue will not have any effect on the percentage shareholdings of the substantial shareholders of PCB as the Bonus Shares will be allotted on a pro-rata basis to all the shareholders of the Company. However, the number of PCB Shares held by the substantial shareholders will increase proportionately pursuant to the Proposed Bonus Issue as illustrated below:

Substantial shareholders	As at LPD				After the Proposed Bonus Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Chuah Choon Bin	93,280,080	19.64	92,340 <sup>(1)</sup>	0.02	139,920,120	19.64	138,510 <sup>(1)</sup>	0.02
Kumpulan Wang Persaraan (Diperbadankan)	21,939,350	4.62	7,808,900 <sup>(2)</sup>	1.64	32,909,025	4.62	11,713,350 <sup>(2)</sup>	1.64
Prudential Plc	-	-	24,067,500 <sup>(3)</sup>	5.07	-	-	36,101,250 <sup>(3)</sup>	5.07

Notes:

(1) Deemed interested through the shareholding of his spouse pursuant to Section 59(11)(c) of the Act.

(2) Shares held by Kumpulan Wang Persaraan (Diperbadankan)'s Fund Manager.

(3) Shares held by Eastspring Investments Berhad's Managed Funds and Eastspring Investments (Singapore) Limited's Managed Funds



## 5. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of PCB Shares as traded on Bursa Securities for the last 12 months are as follows:

	High RM	Low RM
<b>2019</b>		
March	2.39	2.23
April	2.99	2.35
May	2.95	2.58
June	2.95	2.69
July	3.76	2.96
August	3.77	3.22
September	4.74	3.48
October	4.92	4.39
November	4.86	3.74
December	4.67	4.31
<b>2020</b>		
January	5.58	4.51
February	5.25	4.45

(Source: Morningstar)

The last transacted market price of PCB Shares as at 4 March 2020, being the market day immediately preceding the date of announcement of the Proposed Bonus Issue on 5 March 2020 was RM4.840 per share.

The last transacted market price of PCB Shares on the LPD was RM2.51.

## 6. APPROVALS REQUIRED

The Proposed Bonus Issue is subject to the following approvals being obtained: -

- (i) Bursa Securities for the listing of and quotation for the Bonus Shares on the Main Market of Bursa Securities which was obtained via its letter dated 11 March 2020.

The approval from Bursa Securities is subject to the following conditions: -

Conditions		Status of compliance
(1)	PCB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Bonus Issue.	Noted.
(2)	PCB to inform Bursa Securities upon the completion of the Proposed Bonus Issue.	To be complied.
(3)	PCB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Bonus Issue is completed.	To be complied.
(4)	PCB is required to make the relevant announcements pursuant to Paragraphs 6.35(2)(a) & (b) and 6.35(4) of the Listing Requirements.	To be complied.

- (ii) The shareholders of PCB at an EGM to be convened; and

- (iii) Any other relevant authorities, if required.

The Proposed Bonus Issue is not conditional upon any other corporate proposals undertaken or to be undertaken by the Company.

**7. INTERESTS OF THE DIRECTORS' AND MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM**

None of the Directors, major shareholders and/or persons connected with them have any interest, direct or indirect, in the Proposed Bonus Issue, save for their respective entitlements to the Bonus Shares as shareholders of PCB, to which all other Entitled Shareholders are similarly entitled.

**8. ESTIMATED TIMEFRAME FOR COMPLETION**

Barring any unforeseen circumstances and subject to all the required approvals being obtained from the relevant authorities and/or parties, the Board expects the Proposed Bonus Issue to be completed before the end of June 2020.

The tentative timetable in relation to the Proposed Bonus Issue is as follows :-

<b>Tentative Timeline</b>	<b>Key milestones</b>
5 May 2020	EGM to approve the Proposed Bonus Issue
Mid May 2020	Announcement of the Entitlement Date
End May 2020	Entitlement Date
Early June 2020	Listing of and quotation for the Bonus Shares on the Main Market of Bursa Securities

**9. OUTSTANDING PROPOSALS ANNOUNCED BUT PENDING COMPLETION**

Save for the Proposed Bonus Issue, there is no other outstanding corporate proposal which has been announced but pending completion as at the LPD.

**10. DIRECTORS' STATEMENT AND RECOMMENDATION**

The Board, after having considered the rationale and all other aspects of the Proposed Bonus Issue is of the opinion that the Proposed Bonus Issue is in the best interest of the Company.

Accordingly, the Board recommends that the shareholders vote in favour of the resolution pertaining the Proposed Bonus Issue to be tabled at the forthcoming EGM of the Company.

**11. EXTRAORDINARY GENERAL MEETING**

The EGM, notice of which is enclosed together with this Circular, will be held at the Conference Room of PCB at Plot 18 & 19, Technoplex, Medan Bayan Lepas, Taman Perindustrian Bayan Lepas, Phase IV, 11900 Penang on Tuesday, 5 May 2020 at 2.30 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the resolution to give effect to the Proposed Bonus Issue.

If you are unable to attend and vote in person at the EGM, you may complete, sign and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company at 35, 1st Floor, Jalan Kelisa Emas 1, Taman Kelisa Emas, 13700 Seberang Jaya, Penang not less than 48 hours before the time fixed for the meeting. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

**12. FURTHER INFORMATION**

Shareholders are advised to refer to Appendix I of this Circular for further information.

Yours faithfully  
For and on behalf of the Board  
**PENTAMASTER CORPORATION BERHAD**

**Chuah Choon Bin**  
Non-Executive Chairman

## APPENDIX I

### GENERAL INFORMATION

#### 1. DIRECTORS' RESPONSIBILITY

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

#### 2. MATERIAL LITIGATION

As at the date of this Circular, PCB Group is not engaged in any material litigation, claim or arbitration either as plaintiff or defendant and the Directors of PCB are not aware of any proceedings pending or threatened against the Company and its subsidiary companies or of any facts likely to give rise to any proceedings which might materially or adversely affect the position or business of the PCB Group.

#### 3. MATERIAL CONTRACTS

Save as disclosed below, as at the LPD, PCB Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) for the past two (2) years preceding the date of this Circular:

- (a) a sale and purchase agreement dated 26 September 2019 entered into between Pentamaster Equipment Manufacturing Sdn. Bhd., a wholly owned subsidiary of Pentamaster International Limited which in turn is a subsidiary company of PCB as purchaser, with all the existing shareholders of TP Concept Sdn. Bhd. ("TP") to acquire 100% equity interest in TP comprising 250,000 ordinary shares each fully paid up for a total consideration of Ringgit Malaysia Twenty One Million (RM21,000,000.00) only.

#### 4. MATERIAL COMMITMENTS

Save as disclosed below, as at the LPD, the Board confirmed that there are no other material commitments incurred or known to be incurred by the Group which may have a substantial impact on the financial position of the Group:

	RM'000
Capital commitment approved and contracted but not provided for in respect of :	
- Construction of building	5,815
- purchase of machinery	<u>6,161</u>

#### 5. CONTINGENT LIABILITIES

As at the LPD, the Board is not aware of any contingent liabilities incurred or known to be incurred which may become enforceable and in the opinion of the Board will or may substantially affect the ability of our Group to meet our obligations as and when they fall due.

## **APPENDIX I**

### **GENERAL INFORMATION**

#### **6. DOCUMENTS FOR INSPECTION**

Copies of the following documents will be made available for inspection during normal office hours from Monday to Friday (except public holidays) at the registered office of PCB at 35, 1st Floor, Jalan Kelisa Emas 1, Taman Kelisa Emas, 13700 Seberang Jaya, Penang from the date of this Circular up to and including the date of the forthcoming EGM:-

- (a) Constitution of PCB;
- (b) The audited financial statements of PCB and its subsidiary companies for the past 2 financial years ended 31 December 2018 and 31 December 2019; and
- (c) The material contract referred to in Section 3 of Appendix I of this Circular.

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**PENTAMASTER CORPORATION BERHAD**  
Company No. 200201004644 (572307-U)  
(Incorporated in Malaysia)

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting of Pentamaster Corporation Berhad (“**PCB**” or “**Company**”) will be held at the Conference Room of PCB at Plot 18 & 19 Technoplex, Medan Bayan Lepas, Taman Perindustrian Bayan Lepas, Phase IV, 11900 Penang on Tuesday, 5 May 2020 at 2.30 p.m. for the purpose of considering and, if thought fit, passing the following resolution, with or without any modifications:

### **ORDINARY RESOLUTION**

**PROPOSED BONUS ISSUE OF UP TO 237,439,049 NEW ORDINARY SHARES IN PENTAMASTER CORPORATION BERHAD (“PCB SHARES”) (“BONUS SHARES”) ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY TWO (2) EXISTING PCB SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“PROPOSED BONUS ISSUE”)**

“**THAT** subject to all relevant approvals being obtained from the relevant authorities and/or parties, the Board of Directors of the Company (“**Board**”) be and is hereby authorised to allot and issue up to 237,439,049 Bonus Shares in the share capital of the Company, at no consideration and without any capitalisation from the Company’s reserves, credited to the entitled shareholders whose names appear in the Record of Depositors of the Company as at the close of business at 5.00 p.m. on an entitlement date to be determined and announced later by the Board, on the basis of one (1) Bonus Share for every two (2) existing PCB shares held.

**THAT** fractional entitlements arising from the Proposed Bonus Issue, if any, shall be disregarded and shall be dealt with in such manner as the Board shall in its absolute discretion deem fit or expedient, and in the best interest of the Company.

**THAT** the Bonus Shares shall, upon allotment and issue, rank *pari passu* in all respects with the existing PCB Shares, save and except that the Bonus Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to shareholders of the Company, the entitlement date of which precedes the date of allotment of the Bonus Shares.

**AND THAT** the Board be and is hereby authorised to give effect to the Proposed Bonus Issue with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as it may deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue.”

By order of the Board

Lim Kim Teck  
(MAICSA 7010844)

Kong Sown Kaey  
(MAICSA 7047655)  
Secretaries

Penang  
Date : 30 March 2020

## NOTES

- (a) For the purpose of determining a member who shall be entitled to attend the Extraordinary General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd., in accordance with Clause 78(b) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 28 April 2020. Only a depositor whose name appears in the Record of Depositors as at 28 April 2020 shall be entitled to attend the said meeting or appoint proxies to attend, speak and/or vote on his/her behalf.
- (b) Subject to Paragraph (d) below, a member entitled to attend and vote is entitled to appoint more than one (1) proxy to attend and vote instead of him. Where a member appoints more than one (1) proxy to attend and vote at the same meeting, the appointment shall be invalid unless the member specifies the proportion of his holdings to be represented by each proxy.
- (c) A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without restriction as to the qualification of the proxy.
- (d) Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (e) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
- (f) The instrument appointing a proxy must be deposited at the Registered Office of the Company at 35, 1<sup>st</sup> Floor, Jalan Kelisa Emas 1, Taman Kelisa Emas, 13700 Seberang Jaya, Penang not less than forty eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

**PENTAMASTER CORPORATION BERHAD**  
**Company No. 200201004644 (572307-U)**  
(Incorporated in Malaysia)

**PROXY FORM**  
**For the Extraordinary General Meeting**

CDS Account No.	
No. of shares held	

\*I/We, \_\_\_\_\_ (Full Name in Block Letters)

of \_\_\_\_\_ (Address)

being a member/members of the above Company appoint \_\_\_\_\_ (Full Name in Block Letters)

of \_\_\_\_\_ (Address)

or failing him, \_\_\_\_\_ (Full Name in Block Letters)

of \_\_\_\_\_ (Address)

or failing him, the Chairman of the Meeting as my/our Proxy to vote in my/our name(s) on my/our behalf at the Extraordinary General Meeting of the Company to be held at the Conference Room of Pentamaster Corporation Berhad at Plot 18 & 19, Technoplex, Medan Bayan Lepas, Taman Perindustrian Bayan Lepas, Phase IV, 11900 Penang on Tuesday, 5 May 2020 at 2.30 p.m. or at any adjournment thereof, in the manner indicated below :-

Ordinary Resolution	For	Against
Proposed Bonus Issue		

(Please indicate with an "X" in the appropriate box against each Resolution how you wish your proxy to vote. If no instruction is given, this form will be taken to authorise the proxy to vote at his/her discretion.)

The proportion of my/our holding to be represented by my/our proxies are as follows:-

Proxy 1	%
Proxy 2	%
	100 %

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2020.

\_\_\_\_\_  
Signature of Shareholder or Common Seal

**Notes :**

- (a) Only a Depositor whose name appears in the Record of Depositors as at 28 April 2020 shall be entitled to attend the Extraordinary General Meeting or appoint proxies to attend, speak and/or vote on his/her behalf.
- (b) Subject to Paragraph (d) below, a member entitled to attend and vote is entitled to appoint more than one (1) proxy to attend and vote instead of him. Where a member appoints more than one (1) proxy to attend and vote at the same meeting, the appointment shall be invalid unless the member specifies the proportion of his holdings to be represented by each proxy.
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Affix  
Stamp

The Company Secretaries  
**PENTAMASTER CORPORATION BERHAD**  
**Company No. 200201004644 (572307-U)**  
35, 1<sup>st</sup> Floor, Jalan Kelisa Emas 1,  
Taman Kelisa Emas,  
13700 Seberang Jaya, Penang,  
Malaysia

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