



INTERIM FINANCIAL REPORT

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 FOR THE PERIOD ENDED 29 FEBRUARY 2012**

	Fourth Quarter		Cumulative Quarter	
	Current Year Quarter 29/02/2012 RM'000	Preceding Year Corresponding Quarter 28/02/2011 RM'000	Current Year To Date 29/02/2012 RM'000	Preceding Year Corresponding Period 28/02/2011 RM'000
Revenue	128,452	72,907	437,031	335,779
Operating Expenses	(115,910)	(68,947)	(387,861)	(297,734)
Other Operating Income	3,573	3,954	6,444	5,397
Profit from Operations	16,115	7,914	55,614	43,442
Finance Cost	(2,479)	(1,694)	(8,956)	(6,165)
Share of profit in associate company	81	42	463	34
Share of profit/(loss) in joint venture company	12	(36)	38	58
Profit before taxation	13,729	6,226	47,159	37,369
Taxation	(3,051)	(1,123)	(12,661)	(8,389)
Profit for the period	10,678	5,103	34,498	28,980
Other comprehensive income / (loss), net of tax				
Surplus on revaluation properties	-	-	-	5,646
Income tax relating to components of other comprehensive income	-	-	40	(925)
Foreign currency translation differences for foreign operation	(20)	(19)	32	(93)
Total comprehensive income for the period	10,658	5,084	34,570	33,608
Profit/(Loss) for the period attributable to:				
Owners of the Company	10,680	5,110	34,506	28,994
Minority interest	(2)	(7)	(8)	(14)
	10,678	5,103	34,498	28,980
Total comprehensive income for the period attributable to:				
Owners of the Company	10,660	5,091	34,578	33,622
Minority interest	(2)	(7)	(8)	(14)
	10,658	5,084	34,570	33,608
Earnings per share				
(a) Basic earnings per RM0.20 share (sen)	2.37	1.14	7.66	6.45
(b) Diluted earnings per RM0.20 share(sen)	1.86	1.07	5.96	6.15

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 28 February 2011 and the accompanying explanatory notes attached to the interim financial reports

**INTERIM FINANCIAL REPORT****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 29 FEBRUARY 2012**

	29/02/2012	28/02/2011
	RM'000	RM'000
ASSETS		
Non-Current assets		
Property, Plant And Equipment	123,242	104,140
Prepaid Land Lease Payments	21,389	18,678
Investment Properties	910	3,160
Investment In An Associate Company	2,110	1,790
Investment In A Joint Venture Company	419	379
Available-for-sale Investment	7	7
Capital Work-in-progress	11,155	6,748
Deferred Tax Assets	5,340	6,055
	<u>164,572</u>	<u>140,957</u>
Current assets		
Inventories	199,496	168,772
Trade and Other Receivables	87,879	66,161
Amount Due from An Associate Company	40,140	7,749
Derivatives Financial Instruments	56	33
Fixed Deposits with Licensed Banks	22,828	63,244
Cash and Bank Balances	79,517	75,138
	<u>429,916</u>	<u>381,097</u>
TOTAL ASSETS	<u>594,488</u>	<u>522,054</u>
EQUITY AND LIABILITIES		
Share Capital	90,530	90,387
Share Application Money	-	13
Share Premium	2,236	1,948
Treasury Shares	(1,650)	(380)
Irredeemable Convertible Unsecured Loan Stock - Equity Component	48,873	49,151
Warrants Reserve	7,482	7,484
Revaluation Reserve	4,466	4,720
Other Reserves	7,841	5,745
Unappropriated Profit	177,620	158,114
	<u>337,398</u>	<u>317,182</u>
Equity attributable to owners of the Parent	<u>337,398</u>	<u>317,182</u>
Minority Interest	78	86
Total Equity	<u>337,476</u>	<u>317,268</u>
Non-current liabilities		
Irredeemable Convertible Unsecured Loan Stock (ICULS) - Liability Component	17,353	21,923
Long Term Borrowings	55,123	55,614
Deferred Tax Liabilities	3,512	3,463
	<u>75,988</u>	<u>81,000</u>
Current liabilities		
Trade and Other Payables	32,142	32,119
Overdraft and Short Term Borrowings	137,625	86,043
Amount Due to A Joint Venture Company	236	357
Tax payable	5,628	2,556
Dividend Payable	5,393	2,711
	<u>181,024</u>	<u>123,786</u>
Total Liabilities	<u>257,012</u>	<u>204,786</u>
TOTAL EQUITY AND LIABILITIES	<u>594,488</u>	<u>522,054</u>
NET ASSETS PER SHARE OF RM0.20 EACH (RM)	0.75	0.70

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 28 February 2011 and the accompanying explanatory notes attached to the interim financial reports



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 29 FEBRUARY 2012

	GROUP 29/02/2012 RM'000	GROUP 28/02/2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	47,159	37,369
Adjustments for:		
Depreciation of property, plant and equipment	7,665	5,266
Bad debts written off	2	1,275
Employees Share Option Scheme expenses	2,064	5,600
Reversal of inventories written down	-	(12,100)
Non-cash items	(112)	(1,064)
Non-operating items	4,331	3,745
Operating profit before changes in working capital	61,109	40,091
Changes in working capital:-		
Net changes in current assets	(50,648)	(24,063)
Net changes in current liabilities	(4,898)	7,329
Net changes in amount due from associate company	(32,669)	33,751
Net changes in bills payables	49,970	3,510
Cash generated from operations	22,864	60,618
Dividend paid	(12,603)	(15,716)
Tax refund	-	2,151
Tax paid	(8,168)	(9,566)
Net cash generated from operating activities	2,093	37,487
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	-	16
Proceeds from minority interest on subscription of shares	-	100
Interest received	2,144	1,419
Purchase of property, plant and equipment	(25,763)	(43,375)
Purchase of prepaid land lease payment	(3,857)	-
Proceeds from disposal of property, plant and equipment	554	316
Proceeds from disposal of investment property	350	525
Capital work-in-progress incurred	(4,406)	(6,748)
Net cash used in investing activities	(30,978)	(47,747)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	-	22
Shares buy back	(1,270)	-
Interest paid	(7,034)	(5,227)
Share application money received	-	13
Proceed from issuance of ICULS	-	74,841
Drawdown of borrowings	7,947	47,739
Repayment of borrowings	(6,827)	(31,269)
Net cash (used in)/ generated from financing activities	(7,184)	86,119
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(36,069)	75,859
EFFECT OF EXCHANGE RATE CHANGES	32	(93)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	138,382	62,616
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	102,345	138,382

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 28 February 2011 and the accompanying explanatory notes attached to the interim financial reports.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 29 FEBRUARY 2012

	←----- Attributable to Owners of the Company -----→										Distributable		
	←----- Non-Distributable -----→												
	Share Capital RM'000	Share Application Money RM'000	Share Premium RM'000	ICULS-Equity component RM'000	Share Option Reserve RM'000	Warrants Reserve RM'000	Revaluation Reserve RM'000	Exchange Reserve RM'000	Treasury Shares RM'000	Unappropriated Profits RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
Balance as at 1 March 2010	75,000	-	16,067	-	-	-	-	242	(380)	141,962	232,891	#	232,891
Transactions with owners:													
Issuance of shares pursuant to exercise of ESOS	5	-	17	-	-	-	-	-	-	-	22	-	22
Share option granted under ESOS	-	-	-	-	5,600	-	-	-	-	-	5,600	-	5,600
Transfer to share premium for ESOS exercised	-	-	5	-	(5)	-	-	-	-	-	-	-	-
Bonus Issue	14,968	-	(14,968)	-	-	-	-	-	-	-	-	-	-
Issuance of Irredeemable Convertible Unsecured Loan Stock ("ICULS")	-	-	-	49,980	-	7,484	-	-	-	-	57,464	-	57,464
Conversion of ICULS to shares	414	-	827	(829)	-	-	-	-	-	(28)	384	-	384
Exercise of warrants	-	13	-	-	-	-	-	-	-	-	13	-	13
Allotment of share capital	-	-	-	-	-	-	-	-	-	-	-	100	100
Total transactions with owners	15,387	13	(14,119)	49,151	5,595	7,484	-	-	-	(28)	63,483	100	63,583
Total comprehensive income for the period	-	-	-	-	-	-	4,720	(92)	-	28,994	33,622	(14)	33,608
First interim dividend paid to shareholders	-	-	-	-	-	-	-	-	-	(5,613)	(5,613)	-	(5,613)
Final dividend paid to shareholders	-	-	-	-	-	-	-	-	-	(4,490)	(4,490)	-	(4,490)
Second Interim dividend paid to shareholders	-	-	-	-	-	-	-	-	-	(2,711)	(2,711)	-	(2,711)
Balance as at 28 February 2011	90,387	13	1,948	49,151	5,595	7,484	4,720	150	(380)	158,114	317,182	86	317,268

Note: # RM 1.00

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 28 February 2011 and the accompanying explanatory notes attached to the interim financial reports



PANTECH GROUP HOLDINGS BERHAD

Company No. 733607 W
(Incorporated in Malaysia)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 29 FEBRUARY 2012 (Continued)

	← Attributable to Owners of the Company →												
	← Non-Distributable					→ Distributable							
	Share Capital RM'000	Share Application Money RM'000	Share Premium RM'000	ICULS- Equity component RM'000	Share Option Reserve RM'000	Warrants Reserve RM'000	Revaluation Reserve RM'000	Exchange Reserve RM'000	Treasury Shares RM'000	Unappropriated Profits RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
Balance as at 1 March 2011	90,387	13	1,948	49,151	5,595	7,484	4,720	150	(380)	158,114	317,182	86	317,268
Transactions with owners:													
Issuance of shares pursuant to conversion of ICULS	139	-	277	(278)	-	-	-	-	-	(9)	129	-	129
Issuance of shares pursuant to exercise of Warrants	4	(13)	11	-	-	(2)	-	-	-	-	-	-	-
Share options granted under ESOS	-	-	-	-	2,064	-	-	-	-	-	2,064	-	2,064
Buy back of shares	-	-	-	-	-	-	-	-	(1,270)	-	(1,270)	-	(1,270)
Total transactions with owners	143	(13)	288	(278)	2,064	(2)	-	-	(1,270)	(9)	923	-	923
Profit for the period										34,506	34,506	(8)	34,498
Other comprehensive income for the period							-	32		40	72		72
Total comprehensive income for the period	-	-	-	-	-	-	-	32	-	34,546	34,578	(8)	34,570
Realisation of revaluation reserve	-	-	-	-	-	-	(254)	-	-	254	-	-	-
Final dividend paid to Shareholders	-	-	-	-	-	-	-	-	-	(5,398)	(5,398)	-	(5,398)
First interim dividend paid to Shareholders	-	-	-	-	-	-	-	-	-	(4,494)	(4,494)	-	(4,494)
Second interim dividend payable to Shareholders	-	-	-	-	-	-	-	-	-	(5,393)	(5,393)	-	(5,393)
Balance as at 29 February 2012	90,530	-	2,236	48,873	7,659	7,482	4,466	182	(1,650)	177,620	337,398	78	337,476

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 28 February 2011 and the accompanying explanatory notes attached to the interim financial reports



INTERIM FINANCIAL REPORT

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation

The interim financial statements have been prepared under the historical cost convention except for the revaluation of properties included within property, plant and equipment and investment properties which are stated at fair value.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Company for the financial year ended 28 February 2011. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 28 February 2011.

(a) Adoption of New and Revised Financial Reporting Standards

Significant accounting policies adopted by the Group in this financial statements are consistent with those of the audited financial statements for year ended 28 February 2011, except for adoption of the following new and revised FRSs, Amendments to FRSs and IC Interpretations:-

FRSs, Amendments to FRSs and IC Interpretations

Amendments to FRS 2	- Share-based Payment.
Amendments to FRS 2	- Group Cash-settled Share-based Payment Transactions
Amendments to FRS 3	- Business Combinations
Amendments to FRS 7	- Improving Disclosures about Financial Instruments
Amendments to FRS 101	- Presentation of Financial Statements
Amendments to FRS 121	- The Effects of Changes in Foreign Exchange Rates
Amendments to FRS 128	- Investments in Associates
Amendments to FRS 131	- Interests in Joint Ventures
Amendments to FRS 132	- Financial Instruments: Presentation
Amendments to FRS 134	- Interim Financial Reporting
Amendment to FRS 139	- Financial Instruments: Recognition and Measurement
IC Interpretation 4	- Determining Whether an Arrangement Contains a Lease



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(b) Effective for annual financial period beginning on 1 January 2011 but not applicable to the Group's and the Company's operations:

Amendments to FRS 1	- First-time Adoption of Financial Reporting Standards
Amendments to FRS 1	- Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	- Additional Exemptions for First-time Adopters
Amendments to FRS 5	- Non-Current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138	- Intangible assets
Amendments to IC Interpretation 9	- Reassessment of Embedded Derivatives
IC Interpretation 12	- Service Concession Arrangements
Amendments to IC Interpretation 13	- Customer Loyalty Programmes
Amendments to IC Interpretation 15	- Agreements for the Construction of Real Estate
IC Interpretation 16	- Hedges of a Net Investment in a Foreign Operation
IC Interpretation 18	- Transfer of Assets from Customers

Initial application of the above standards, amendments and interpretations did not have any material impact on the financial statements of the Group and the Company except for the following:-

FRS 3 Business Combination (Revised)

The revised standard continues to apply the acquisition method to business combinations, with some significant changes. All payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the Statement of Comprehensive Income. There is a choice to measure the non-controlling interest in the acquiree at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed.

IC Interpretation 17 Distributions of Non-Cash Assets to Owners

This interpretation provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. The Group should measure the dividend payable at the fair value of the assets to be distributed when the dividend is appropriately authorised and is no longer at the discretion of the Group. On settlement of the dividend, the difference between the dividend paid and the carrying amount of the assets distributed is recognised in profit or loss. If the dividend remains unpaid at the end of the financial year, the dividend payable's carrying amount is reviewed with any changes recognised in equity.

FRS 124 Related Party Disclosures

The revised standard modifies the definition of a related party and simplifies disclosures for government-related entities. The disclosure exemptions introduced in the standard do not affect the Group because the Group is not a government-related entity. However, disclosures regarding related party transactions and balance in this financial statement may be affected when the revised standard is applied in future accounting



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periods because some counterparties that did not previously meet the definition of a related party may come within the scope of the Standard.

FRS 127 Consolidated and Separate Financial Statements

The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is remeasured to fair value, and a gain or loss is recognised in profit or loss. Losses are required to allocate to non-controlling interests, even if it results in the non-controlling interest to be in a deficit position.

New Malaysian Accounting Standards Board (“MASB”) Approved Accounting Standards

To converge with International Financial Reporting Standards (“IFRSs”) in 2012, the MASB had on 19 November 2011, issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRSs”), which are mandatory for annual financial periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venture (“Transitioning Entities”).

Transitioning Entities will be allowed to defer adoption of the new MFRSs for an additional one year. Consequently, adoption of the MFRSs by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013. However, the Group and the Company do not qualify as Transitioning Entities and are therefore required to adopt the MFRSs for the financial period beginning on or after 1 January 2012.

The Group and the Company have not early adopted the MFRS Framework.

In presenting its first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group and the Company have not completed its quantification of the financial effects of the differences between Financial Reporting Standards (“FRS”) and accounting standards under the MFRS Framework and are in the process of assessing the financial effects of the differences. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the financial year ended 29 February 2012 could be different if prepared under the MFRS Framework.

The Group and the Company expect to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 28 February 2013.



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A2 Audit report of preceding annual financial statement

The audited financial statements of the Company and its subsidiary companies for the financial year ended 28 February 2011 were not subject to any audit qualification.

A3 Seasonal or cyclical factors

The Group's business operations were not affected by any seasonal or cyclical factors.

A4 Unusual Items due to Their Nature, Size or Incidence

There were no unusual items that affected the assets, liabilities, equity, net income and cash flows of the Group during the quarter under review.

A5 Material changes in estimates

There were no changes in estimates that have a material effect during the quarter under review.

A6 Debt and equity securities

Save as disclosed below, there were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the Company:

a) Irredeemable Convertible Unsecured Loan Stock ("ICULS") and Warrants

During the current financial year to date under review, 4,161,000 units of ICULS have been converted to 693,499 ordinary shares of RM0.20 each and 21,600 ordinary shares of RM0.20 were issued pursuant to exercise of 21,600 warrants at RM0.60.

b) Treasury Shares

During the financial year ended 29 February 2012, the Company had repurchased 2,451,500 ordinary share or 0.54% of its issued share capital from the open market at the average price paid of RM0.52 per share. The repurchase transactions were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965.

The Company has the right to cancel, resell these shares and/or distributes as dividends at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution is suspended. None of the treasury shares repurchased during the financial period had been sold as at the year 29 February 2012.

As at the financial year ended 29 February 2012, the number of ordinary shares in issue after deducting treasury shares against equity is 449,377,926 ordinary shares of RM0.20 each.

c) Pantech Group Holdings Berhad had received the approval from the Securities Commission, vide its letter dated 3 November 2010, for the exemption sought by CTL Capital Holding Sdn Bhd ("**CTL Capital**") and the parties acting in concert with it ("**PACs**") pursuant to Practice Note 2.9.1 of the Malaysian Code on Take-Overs and Mergers, 1998 (replaced by Practice Note 9 of the Malaysian Code on Take-Overs and Mergers 2010 with effect from 15 December 2010).



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Amongst others, the approval requires Pantech to disclose in its annual and interim accounts and any public document, including annual reports, prospectuses and circulars, for so long as the ESOS Options, ICULS and Warrants remain outstanding, the following:-

i. The time period for which the exemption has been granted;

The exemption has been granted from 3 November 2010 up to the issuance and listing of the new Pantech Shares pursuant to the mandatory conversion of ICULS at its maturity date or upon full conversion of ICULS, whichever date is earlier.

ii. Number and percentage of voting shares in Pantech, and the number of ESOS Options, ICULS and Warrants held by CTL Capital and the PACs as at the latest practicable date prior to disclosure (12 April 2012);

Parties	Direct		Indirect		No of ICULS		No of Warrants		No. of ESOS Options (viii)
	No. of Voting Shares	% ⁽ⁱ⁾	No. of Voting Shares	% ⁽ⁱ⁾	Direct	Indirect	Direct	Indirect	
CTL Capital	101,196,480	22.52	-	-	173,463,982	-	17,346,398	-	-
GL Management Agency Sdn Bhd	74,895,960	16.67	-	-	128,381,300	-	12,838,130	-	-
Dato' Chew Ting Leng ("CTL")	-	-	101,196,480 ⁽ⁱⁱ⁾	22.52	-	173,463,982 ⁽ⁱⁱ⁾	-	17,346,398 ⁽ⁱⁱ⁾	4,500,000
Dato' Goh Teoh Kean ("GTK")	-	-	74,895,960 ⁽ⁱⁱⁱ⁾	16.67	-	128,381,300 ⁽ⁱⁱⁱ⁾	-	12,838,130 ⁽ⁱⁱⁱ⁾	4,500,000
Tan Ang Ang ("TAA")	7,944,600	1.77	1,278,000 ^(iv)	0.28	13,472,400	2,130,000 ^(iv)	1,347,240	213,000 ^(iv)	4,500,000
To Tai Wai ("TTW")	12,320,580	2.74	-	-	21,118,800	-	2,111,880	-	3,150,000
Datin Shum Kah Lin ("SKL")	-	-	101,196,480 ^(v)	22.52	-	173,463,982 ^(v)	-	17,346,398 ^(v)	-
Datin Lee Sock Kee ("LSK")	-	-	74,895,960 ^(vi)	16.67	-	128,381,300 ^(vi)	-	12,838,130 ^(vi)	-
Yong Yui Kiew ("YYK")	1,278,000	0.28	7,944,600 ^(vii)	1.77	2,130,000	13,472,400 ^(vii)	213,000	1,347,240 ^(vii)	-
TOTAL	197,635,620	43.98	-	-	338,566,482	-	33,856,648	-	16,650,000

Notes:-

- (i) Excluding a total of 3,272,300 treasury shares
- (ii) Deemed interested by virtue of his and his spouse SKL's interests in CTL Capital pursuant to Section 6A of the Companies Act, 1965 ("Act").
- (iii) Deemed interested by virtue of his and his spouse LSK's interests in GL Management Agency Sdn Bhd ("GL Management") pursuant to Section 6A of the Act.
- (iv) Deemed interested by virtue of his spouse YYK's direct shareholding in the Company pursuant to Section 134(12) of the Act
- (v) Deemed interested by virtue of her and her spouse CTL's interests in CTL Capital pursuant to Section 6A of the Act.
- (vi) Deemed interested by virtue of her and her spouse GTK's interests in GL Management pursuant to Section 6A of the Act.
- (vii) Deemed interested by virtue of her spouse TAA's direct shareholding in the Company pursuant to Section 134(12) of the Act.
- (viii) Only 60% of the ESOS Option is exercisable as at 12 April 2012.



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- iii. **The maximum potential voting shares or voting rights of CTL Capital and its PACs in Pantech, assuming only CTL Capital and its PACs (but not other shareholders) exercise the ESOS Options, ICULS and Warrants in full;**

Parties	Direct		Indirect	
	No. of voting shares	%	No. of voting shares	%
CTL Capital	147,453,542	26.51	-	-
GL Management	109,130,973	19.62	-	-
CTL	4,500,000	0.81	147,453,542 ⁽ⁱ⁾	26.51
GTK	4,500,000	0.81	109,130,973 ⁽ⁱⁱ⁾	19.62
TAA	16,037,240	2.88	1,846,000 ⁽ⁱⁱⁱ⁾	0.33
TTW	21,102,260	3.79	-	-
SKL	-	-	151,953,542 ^(iv)	27.32
LSK	-	-	113,630,973 ^(v)	20.43
YYK	1,846,000	0.33	16,037,240 ^(vi)	2.88
TOTAL	304,570,015	54.75	-	-

Notes:-

- (i) Deemed interested by virtue of his and his spouse SKL's interests in CTL Capital pursuant to Section 6A of the Act.
(ii) Deemed interested by virtue of his and his spouse LSK's interests in GL Management pursuant to Section 6A of the Act.
(iii) Deemed interested by virtue of his spouse YYK's direct shareholding in the Company pursuant to Section 134(12) of the Act
(iv) Deemed interested by virtue of her and her spouse CTL's interests in CTL Capital pursuant to Section 6A of the Act.
(v) Deemed interested by virtue of her and her spouse GTK's interests in GL Management pursuant to Section 6A of the Act.
(vi) Deemed interested by virtue of her spouse TAA's direct shareholding in the Company pursuant to Section 134(12) of the Act.

- iv. **No take-over offer would arise on full exercise of the ESOS Options and Warrants and conversion of ICULS by CTL Capital and the PACs.**



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A7 Dividend Paid

	Current Year To-date RM'000	Preceding Year Corresponding Period RM'000
First interim dividend in respect of financial year 29 February 2012, paid on 8 December 2011 - Single tier dividend on 1.0 sen per ordinary share of RM0.20	4,494	
Final dividend in respect of financial year ended 28 February 2011, paid on 15 September 2011 - Single tier dividend of 1.2 sen per ordinary share of RM0.20	5,398	
Special Second Interim dividend in respect of financial year ended 28 February 2011, paid on 30 March 2011 - Single tier dividend of 0.6 sen per ordinary share of RM0.20	2,711	
First interim dividend in respect of financial year 28 February 2011, paid on 3 December 2010 - Single tier dividend on 1.5 sen per ordinary share of RM0.20		5,613
Final dividend in respect of financial year ended 28 February 2010, paid on 22 September 2010 - Single tier dividend of 1.2 sen per ordinary share of RM0.20		4,490
Special Second Interim dividend in respect of financial year ended 28 February 2010, paid on 20 April 2010 - Single tier dividend of 1.5 sen per ordinary share of RM0.20		5,613
	12,603	15,716

Subsequent to the financial year ended 29 February 2012, the Company had on 26 March 2012 paid a second interim single tier dividend of 1.2 sen per ordinary share of RM0.20 each in respect of financial year ended 29 February 2012 amounting to RM5.39 million.



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A8 Segment Information

The Group is principally engaged in the business segments of trading of PFF*, manufacturing of pipes and pipe fittings, investments and management.

	Trading of PFF products RM'000	Manufacturing of pipes & pipe fittings RM'000	Investment and Management RM'000	Elimination RM'000	Total RM'000
Year Ended 29 February 2012					
Revenue					
External Revenue	310,594	126,437	-	-	437,031
Intersegment revenue	25,662	30,036	28,015	(83,713)	-
Total revenue	336,256	156,473	28,015	(83,713)	437,031
Segment Profit	46,125	10,325	25,371	(28,351)	53,470
Interest income					2,144
Finance costs					(8,956)
Share of profit of joint venture					38
Share of profit of associate					463
Profit before tax					47,159

	Trading of PFF products RM'000	Manufacturing of pipes and pipe fittings RM'000	Investment and Management RM'000	Elimination RM'000	Total RM'000
Year Ended 28 February 2011					
Revenue					
External Revenue	243,923	91,856	-	-	335,779
Intersegment revenue	33,148	2,292	27,904	(63,344)	-
Total revenue	277,071	94,148	27,904	(63,344)	335,779
Segment Profit	43,399	7,341	19,141	(27,857)	42,024
Interest income					1,418
Finance costs					(6,165)
Share of profit of joint venture					58
Share of profit of associate					34
Profit before tax					37,369

* PFF : Represents pipes, fittings and flow controls.



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A8 Segment Information (Cont'd)

Analysis of the Group's revenue by geographical segments:

	Revenue	
	-- 12 months ended 29 February 2012 --	
	Current Year to-date RM'000	Preceding Year Corresponding Period RM'000
Generated by Malaysia operation	488,334	379,836
Generated by overseas operation	32,410	19,287
	520,744	399,123
Inter-segments elimination	(83,713)	(63,344)
	437,031	335,779

A9 Valuation of Property, Plant and Equipment

Property, plant and equipment of the Group are stated at cost or valuation less accumulated depreciation and any accumulated impairment losses.

There were no changes to the valuation of property, plant and equipment brought forward from the preceding audited financial statements for the financial year ended 28 February 2011.

A10 Material events subsequent to the end of the interim period

Subsequent to the current financial quarter up to the date of this announcement, the Company had on 7 March 2012 entered into a Share Purchase Agreement ("SPA") with Robert Andrews ("Warrantor", "Seller") for the acquisition of the entire 2,000 ordinary shares of £1.00 representing 100% equity interest in Nautic Steels (Holdings) Limited for the maximum aggregate consideration of £9,500,000 (equivalent to approximately RM45,459,400). The Consideration is subject to post completion net adjustments on the aggregate of the actual net debt and the working capital adjustment plus cash based on completion accounts prepared on completion date in accordance with the SPA. The maximum amount of the Consideration shall not exceed £9,500,000.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group during the quarter under review.



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A12 Contingent liabilities

As at the date of this announcement, there were no material contingent liabilities incurred by the Group which, upon crystallization would have a material impact on the financial position and business of the Group.

The Company has provided the following corporate guarantees to financial institutions and suppliers for credit facilities granted to its subsidiaries:-

29 February 2012

RM'000

Corporate guarantees	<u>557,025</u> *
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* Represents the total limit of Pantech's corporate guarantee

A13 Capital Commitments

Authorised capital commitments not provided for in the interim financial statements as at 29 February 2012 are as follows:

RM'000

Approved and contracted for	<u>10,201</u>
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Analyzed as follows:

- Property, plant and equipment	<u>10,201</u>
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B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of Performance

Trading Division

For the 12 months ended 29 February 2012, trading division recorded higher external revenue of RM310.59 million (FY11: RM243.92 million) and a higher segment profit of RM46.12 million (FY11: RM43.40 million), an increase of approximately 27% and 6% respectively. The higher revenue is mainly due to improved sales demand from oil and gas sector with new projects and better sales from overseas subsidiary. Despite higher revenue, segment profit does not increase in tandem due mainly to competitive pricing and higher operating expenses.

For the current quarter under review with comparison to last year corresponding quarter, the trading division registered an increase of approximately 76% in external revenue to RM89.53 million (Q4FY11: RM50.68 million) and 67% increase in segment profit to RM12.95 million (Q4FY11: RM7.75 million). The increase is mainly due to improved sales demand from oil and gas sector with the on-going new projects.

Manufacturing Division

For the 12 months ended 29 February 2012, manufacturing division recorded higher external revenue of RM126.44 million (FY11: RM91.86 million) and a higher segment profit of RM10.32 million (FY11: RM7.30 million), an increase of approximately 38% and 41% respectively. The higher revenue is mainly contributed by the full year operations of new stainless steel plant and the higher segment profit is due to improved sales demand of carbon steel niche products from oil and gas sector.

For the current quarter under review with comparison to last year corresponding quarter, the manufacturing division registered a higher external revenue of RM38.92 million (Q4FY11: RM22.23 million), an increase of approximately 75% due to higher output from the new stainless steel plant. The manufacturing division recorded a marginal increase in segment profit and has achieved RM3.43 million (Q4FY11: RM2.89 million) in the current quarter due to losses suffered by the newly commissioned stainless steel plant.

Investment and Management Division

This is mainly inter-group dividend and management fees income.



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B1 Review of Performance (Cont'd)

Group Performance

For the 12 months ended 29 February 2012, the Group registered higher revenue of RM437.03 million (FY11: RM335.78 million) and a higher profit before taxation of RM47.16 million (FY11: RM37.37 million) due mainly to higher sales from both manufacturing and trading division, and the contribution of margin from sale of carbon steel niche products. Corresponding to the increase in profit before taxation, the Group profit after taxation registered an increase of approximately 19% to RM34.50 million (FY11: RM28.98 million).

For the current quarter under review with comparison to last year corresponding quarter, the Group registered a higher revenue of RM128.45 million (Q4FY11: RM72.91 million) and higher profit after taxation of RM10.68 million (Q4FY11: RM5.10 million) due mainly to better performance in the trading division.

B2 Variation of results against preceding quarter

In the current quarter under review, the Group reported higher revenue of RM128.45 million compared to RM112.65 million recorded for preceding quarter. Despite the higher revenue, the Group posted comparable profit after taxation of RM10.68 million compared to preceding quarter of RM10.34 million due to losses suffered by newly commissioned stainless steel plant.

B3 Prospects

The Group will continue to focus and expand on its existing revenue generating businesses and seek opportunities to grow its businesses, both locally and overseas, by expanding its capacity as the major pipes, fittings and flow controls solutions provider to the oil and gas industries and related upstream and downstream industries.

The recent oil and gas discoveries offshore Malaysia and the on-going oil and gas investment under Economic Transformation Programme (ETP) announced by the Government of Malaysia is expected to intensify capital investment in this sector. The Group is of the view that the long term outlook of the oil and gas industries continues to be positive and barring any unforeseen circumstances, the Group expects its overall performance for the next financial year to remain satisfactory.

B4 Variance on Profit Forecast/Profit Guarantee

There is no profit forecast or guarantee issued by the Group for the current financial year and quarter under review.



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B5 Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 29-Feb-12 RM'000	Preceding Year Corresponding Quarter 28-Feb-11 RM'000	Current Year To Date 29-Feb-12 RM'000	Preceding Year Corresponding Period 28-Feb-11 RM'000
Current taxation	3,002	1,866	12,110	8,119
Over provision of taxation in prior year	(130)	(549)	(251)	(1,186)
Transferred from / (to) deferred tax assets	258	807	1,143	2,457
Transferred (from) / to deferred taxation	(79)	(1,001)	(341)	(1,001)
	3,051	1,123	12,661	8,389

Tax expense for the current quarter and financial year to-date ended 29 February 2012 is derived based on the management's best estimate of the tax charges for the year. The effective tax rate of the Group for the current financial year to date is higher than the statutory rate mainly due to certain expenses are not deductible for tax purposes.

B6 Status of corporate proposals

- a) There are no corporate proposals announced but not completed as at the date of this quarterly report.
- b) Utilization of proceeds from corporate proposals

i) 7% Irredeemable Convertible Unsecured Loan Stock ("ICULS") 2010/2017

No.	Purpose	Proposed Utilization (RM'000)	Actual Utilization (RM'000)	Intended Timeframe for Utilization	Deviation (RM'000) %		Explanations
1)	Construction of factory buildings and warehouses, acquisition of plant and equipment	39,000	24,000	By January 2013	N/A	-	-
2)	Investments in related and/or complementary businesses locally and/or overseas	9,750	-	By January 2013	N/A	-	-
3)	Working Capital	24,591	24,584	-	7	0.03	The shortfall was funded from the working capital of the Pantech Group.
4)	Expenses for the Corporate Exercises	1,500	1,507	-	(7)	0.46	

74,841



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B7 Group borrowings and debt securities

The Group's borrowings as at the end of the reporting quarter are as follows:-

	Current RM'000	Non-current RM'000
<u>Secured:-</u>		
- Term loan	81	59
<u>Unsecured:-</u>		
- Term loans	13,325	52,328
- Hire purchase	1,390	2,736
- Bankers' acceptances, trust receipts and other short term loan	85,531	-
- Onshore foreign currency loan	37,298	-
	<hr/>	<hr/>
	137,625	55,123

Foreign currency borrowings included above:

	Foreign Currency '000	RM Equivalent '000
US Dollar	12,336	37,298
Singapore Dollar	345	832

B8 Material Litigation

There are no pending material litigations as at the date of this quarterly report that has a material effect on the financial position of the Group and the Board is not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceedings, which might materially affect the position or business of the Group.

B9 Dividends

- a) The Board is proposing for the shareholders' approval at the forthcoming Annual General Meeting, a final single tier dividend of 1.3 sen per ordinary share of RM0.20 each amounting to approximately RM5.84 million for the financial year ended 29 February 2012. The details of book closure date and payment date will be announced later.

The final dividend for the previous financial year ended 28 February 2011 was single tier dividend of 1.2 sen per ordinary share of RM0.20 each.

- b) The total dividend per share for the current financial year is 3.5 sen single tier dividend per ordinary share of RM 0.20 each. (FYE 28 February 2011: 3.3 sen single tier dividend per ordinary share of RM 0.20 each)



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B10 Earnings Per Share

a) Basic Earnings Per Share

Basic Earnings Per Share is calculated by dividing profit for the period attributable to owners of the Company by weighted average number of ordinary shares in issue during the period:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	29-Feb-12	28-Feb-11	29-Feb-12	28-Feb-11
	RM'000	RM'000	RM'000	RM'000
Net profit attributable to owners of the Company	10,680	5,110	34,506	28,994
Weighted average number of ordinary share in issue ('000)	450,391	449,200	450,391	449,200
Basic earnings per RM0.20 share (sen)	2.37	1.14	7.66	6.45

b) Diluted Earnings Per Share

The Diluted Earnings Per Share is calculated by dividing the profit attributable to the owners of the Company on the weighted average number of ordinary shares in issue during the period which have been adjusted for the dilutive effect of ordinary shares that would be issued upon conversion of all outstanding Irredeemable Convertible Unsecured Loan Stock ("ICULS").

The ESOS options granted to employees, and the warrants are anti-dilutive and hence the calculation of diluted earnings per share for the current period does not assume the exercise of the ESOS options and warrants.



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B10 Earnings Per Share (Cont'd)

b) Diluted Earnings Per Share (cont'd)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 29-Feb-12 RM'000	Preceding Year Corresponding Quarter 28-Feb-11 RM'000	Current Year To Date 29-Feb-12 RM'000	Preceding Year Corresponding Period 28-Feb-11 RM'000
Adjusted net profit for the period attributable to owners of the Company:				
Net profit attributable to owners of the Company	10,680	5,110	34,506	28,994
Impact on income statement upon conversion of ICULS	(10)	(103)	(420)	(103)
	10,670	5,007	34,086	28,891
Adjusted weighted average number of shares ('000):				
Weighted average number of ordinary share in issue ('000)	450,391	449,200	450,391	449,200
Adjustment for dilutive effect on conversion of ICULS ('000)	121,985	20,004	121,985	20,004
Adjustment for dilutive effect on Exercise of ESOS ('000)	-	756	-	756
	572,376	469,960	572,376	469,960
Diluted earnings per RM0.20 share (sen)	1.86	1.07	5.96	6.15



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B11 Share Buy Back

As at end of current quarter, a total of 3,272,300 ordinary shares of RM0.20 each were retained as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965. The average price paid for the shares repurchased was RM 0.504 per share.

B12 Realized and Unrealized Profits / (Losses) disclosure

	As at 29-Feb-12 RM'000	As at 28-Feb-11 RM'000
Total unappropriated profits of Pantech and its subsidiaries:		
- Realized	221,500	200,825
- Unrealized	(374)	142
	221,126	200,967
Total share of unappropriated profits from associate company:		
- Realized	1,716	1,750
- Unrealized	34	13
	1,750	1,763
Total share of unappropriated profits from jointly controlled entity:		
- Realized	258	220
- Unrealized	-	(1)
	258	219
	223,134	202,949
Less: consolidation adjustments	(45,514)	(44,835)
Total Group unappropriated profits	177,620	158,114



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B13 Notes to the Condensed Consolidated Statement of Comprehensive Income

	Current Quarter Ended 29-Feb-12 RM'000	Financial Year-to-date Ended 29-Feb-12 RM'000
Interest income	253	2,144
Other income including investment income	675	1,655
Interest expense	(2,216)	(7,724)
Depreciation and amortization	(2,167)	(7,977)
Provision for and write off of receivables	(709)	(1,240)
Provision for and write off of inventories	(202)	(471)
Gain/(loss) on disposal of quoted or unquoted investment or properties	2,645	2,645
Impairment of assets	-	-
Realised foreign exchange gain/(loss)	(1,234)	(14)
Unrealised foreign exchange gain/(loss)	1,886	75
Gain/(loss) on derivatives	(1)	54
Exceptional items	-	-

Date: 29 April 2012