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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.

If you have sold all your shares in Pantech Group Holdings Berhad, you should at once send this Statement together with the enclosed Proxy Form enclosed in the Annual Report 2020 to the agent through whom the sale was contracted for onward transmission to the purchaser.

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused the contents of this Statement prior to its issuance as it is an exempt document pursuant to Paragraph 2.1 of Practice Note 18 of the Main Market Listing Requirements of Bursa Securities and 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.



PANTECH GROUP HOLDINGS BERHAD

Co. No.: 200601013856 (733706-W)

**SHARE BUY-BACK STATEMENT IN RELATION TO THE
PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

The above proposal will be tabled as a Special Business at the Company’s Fourteenth Annual General Meeting (“14th AGM”). The Notice of the 14th AGM of the Company to be held at Ballroom 1 and 2, Level 2, Renaissance Johor Bahru Hotel, 2, Jalan Permas 11, Bandar Baru Permas Jaya, 81750 Masai, Johor Darul Takzim on **Wednesday, 19 August 2020 at 11.00 a.m.** is set out in the Annual Report 2020.

The Proxy Form must be deposited at the Share Registrar’s office, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, Tricor Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or may also submit the Proxy Form electronically via **TIIH Online** website at <https://tiih.online> not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof. Please refer to the Administrative Details for submission of electronic Proxy Form. The lodging of the Proxy Form will not preclude you from attending and voting in person at the meeting or adjourned meeting should you subsequently wish to do so.

Last date and time for lodging the Form : Monday, 17 August 2020 at 11.00 a.m.

Date and time of the AGM : Wednesday, 19 August 2020 at 11.00 a.m.

This Statement is dated 21 July 2020

DEFINITIONS

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

“Act”	-	The Companies Act, 2016 and any amendment that may be made from time to time
“AGM”	-	Annual General Meeting
“BMSB”	-	Bursa Malaysia Securities Berhad
“Board”	-	Board of Directors of Pantech
“Code”	-	Malaysian Code on Take-Overs and Mergers, 2016 as amended from time to time and any re-enactment thereof.
“CTL Capital”	-	CTL Capital Holding Sdn. Bhd.
“CTL”	-	Dato’ Chew Ting Leng
“Directors”	-	Directors of Pantech
“EPF”	-	Employees Provident Fund Board
“EPS”	-	Earnings per share
“ESOS”	-	The Employees’ Shares Options Scheme of Pantech
“GTK”	-	Dato’ Goh Teoh Kean
“GL Management”	-	GL Management Agency Sdn. Bhd.
“LPD”	-	30 June 2020, being the latest practicable date prior to the printing of this Statement, which shall not be more than 1 month prior to the date of this Statement
“LSK”	-	Datin Lee Sock Kee
“MMLR”	-	Listing Requirements of Main Market of BMSB
“NLL”	-	Ng Lee Lee
“PACs”	-	Persons acting in concert with CTL Capital, namely GL Management, CTL, GTK, SKL, LSK, TAA, TTW and YYK
“Pantech” or “the Company”	-	Pantech Group Holdings Berhad
“Pantech Group”	-	Pantech and its subsidiaries
“Pantech Share(s)” or “Share(s)”	-	Ordinary shares in Pantech
“Proposed Renewal of Share Buy-Back Authority”	-	Proposed renewal of the authority to enable Pantech to purchase its own shares up to a maximum of ten per centum (10%) of the issued shares of Pantech
“RM” and “sen”	-	Ringgit Malaysia and sen respectively
“SKL”	-	Datin Shum Kah Lin
“TAA”	-	Tan Ang Ang

DEFINITIONS (CONT'D)

“TTW”	-	To Tai Wai
“Warrants A”	-	Warrants 2010/2020
“Warrants B”	-	Warrants 2016/2021
“WCP”	-	Wong Chong Peng
“WHC”	-	Wong Hui Chin
“YYK”	-	Yong Yui Kiew

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**SHARE BUY-BACK STATEMENT IN RELATION TO
THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

1. INTRODUCTION

On 11 June 2020, Pantech announced that the Company proposes to seek shareholders' approval for the Proposed Renewal of Share Buy-Back Authority at the forthcoming 14th AGM of the Company.

The purpose of this Statement is to provide you with the relevant information on the Proposed Renewal of Share Buy-Back Authority and to seek your approval for the Ordinary Resolution to be tabled at the forthcoming 14th AGM of the Company to be held at Ballroom 1 and 2, Level 2, Renaissance Johor Bahru Hotel, 2, Jalan Permas 11, Bandar Baru Permas Jaya, 81750 Masai, Johor Darul Takzim on Wednesday, 19 August 2020 at 11.00 a.m.

SHAREHOLDERS OF PANTECH ARE ADVISED TO READ THE CONTENTS OF THIS STATEMENT CAREFULLY BEFORE VOTING ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY.

2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

- 2.1** At the 13th AGM of the Company held on 25 July 2019, the Company had obtained the shareholders' approval for the authority to purchase up to ten per centum (10%) of the issued shares of the Company as quoted on BMSB at any point in time and it is subject to Section 127 of the Act, the MMLR and any prevailing laws, guidelines, rules and regulations issued by the relevant authorities at the time of purchase ("the Mandate").
- 2.2** The Board proposes to seek approval from the shareholders for renewal of the Mandate at the forthcoming 14th AGM of the Company.
- 2.3** The Proposed Renewal of Share Buy-Back Authority will allow the Board to exercise the power of the Company to purchase its own shares not exceeding 10% of the issued shares of the Company at any time and it would be effective immediately upon the passing of the Ordinary Resolution for the Proposed Renewal of Share Buy-Back Authority at the forthcoming 14th AGM and shall be valid until:-
- (a) the conclusion of the next AGM of the Company following the general meeting in which the authorisation is obtained, at which time it shall lapse unless by ordinary resolution passed at the 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 a general meeting;
- whichever occurs first.

- 2.4** As at 30 June 2020, being the latest practicable date, the total number of issued shares of the Company is 751,006,672 ordinary shares inclusive of 8,272,079 shares bought back by the Company and kept as treasury shares. As an illustration, the maximum number of Shares which may be purchased by the Company will be no more than 75,100,667 Shares based on the total number of issued shares of Pantech, the amount of which includes 8,272,079 retained as treasury shares as at 30 June 2020.
- 2.5** Pursuant to the provisions of Paragraph 12.17 of the MMLR, the Company may only purchase its own Shares at a price which is not more than fifteen per centum (15%) above the weighted average market price of Pantech Shares for the five (5) market days immediately preceding the date of the purchase.
- 2.6** Pursuant to the provisions of Paragraph 12.18 of the MMLR, the Company may only resell the purchased Shares held as treasury shares on the BMSB at:
- (a) a price which is not less than the weighted average market price of Pantech Shares for the five (5) market days immediately prior the date of resale; or
 - (b) a discounted price of not more than five per centum (5%) to the weighted average market price of Pantech Shares for the five (5) market days immediately prior to the resale provided that:
 - (i) the resale takes place not earlier than thirty (30) days from the date of purchase; and
 - (ii) the resale price is not less than the cost of purchase of the shares being resold.

3. RATIONALE, POTENTIAL ADVANTAGES AND DISADVANTAGES

The Proposed Renewal of Share Buy-Back Authority will enable the Company to utilise any of its surplus financial resources to purchase its own Shares from the market.

3.1 Potential advantages of the Proposed Renewal of Share Buy-Back Authority are:

- (a) The Company may be able to stabilise the supply and demand, as well as the price of the Shares, thereby support the fundamental value of Pantech Shares.
- (b) The purchased Shares could be retained as treasury shares or resold on BMSB at a higher price with the intention of realising potential capital gain for the Company without affecting the total issued and paid-up share capital of the Company. In the event that the treasury shares are distributed as share dividends, it will serve to reward the shareholders of the Company.
- (c) The Proposed Renewal of Share Buy-Back Authority would effectively reduce the number of Shares carrying voting and participation rights and such, the EPS of the Company would be increased.

If the Shares so purchased are subsequently cancelled, the Company expects to strengthen the EPS of the Company and benefit the shareholders of the Company. Shareholders may enjoy an increase in the value of their investment in the Company arising from the consequent increase in EPS; and

3.2 Potential disadvantages of the Proposed Renewal of Share Buy-Back Authority are:

- (a) It will reduce the financial resources of the Pantech Group, and hereby may result in the Company foregoing future investment opportunities that may emerge in the future or deprive the Company of interest income that can be derived from funds utilised for the Proposed Renewal of Share Buy-Back Authority; and
- (b) The Proposed Renewal of Share Buy-Back Authority if implemented may result in a lower amount of cash reserves available for distribution in the form of cash dividends to shareholders.

Nevertheless, the Board will be mindful in the interest of the Company and its shareholders in undertaking the Proposed Renewal of Share Buy-Back Authority and the subsequent resale of treasury shares on BMSB.

4. FUNDING

4.1 Paragraph 12.10(1) of the MMLR stipulates that purchase by the Company of its own Shares is restricted to the amount of its retained profits.

The retained profits of the Company were RM12,193,506 based on the latest audited financial statements as at 29 February 2020 and RM13,116,156 based on the Company's latest management account made up to 30 June 2020. The Board will ensure that the retained profits of the Company will be sufficient to effect the Proposed Renewal of Share Buy-Back Authority.

4.2 The Proposed Renewal of Share Buy-Back Authority will be funded from internally generated funds and/or external borrowings, the proportion of which will depend on the quantum of Pantech Shares to be purchased, the purchase consideration as well as the availability of funds of Pantech Group at the time of purchase(s).

In the event that the Proposed Renewal of Share Buy-Back Authority is to be financed by external borrowings, the Company shall ensure that it has sufficient financial capability to repay the bank borrowings and that the bank borrowings will not have any material impact on the cash flow of Pantech Group.

4.3 The actual number of Shares to be purchased, the aggregate funds to be utilised, impact on cash flow and the timing of the purchase(s) will depend on amongst others, the prevailing equity market conditions, sentiments of the stock market, the available financial resources of the Company and other relevant cost factors at the time of the purchase(s).

5. FINANCIAL EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

Based on the assumption that the Proposed Renewal of Share Buy-Back Authority is carried out in full, the effect of the Proposed Renewal of Share Buy-Back Authority on the share capital, net assets per share, working capital, earnings and dividends are set out below:

5.1 Share Capital

The Proposed Renewal of Share Buy-Back Authority will not have any effect on the total number of issued shares of the Company if all the Shares purchased are retained as treasury shares.

In the event that the maximum number of shares authorised under the Proposed Renewal of Share Buy-Back Authority are purchased and cancelled, the effects on the share capital are illustrated as follows:

	Existing Number of Pantech Shares (unit)	Percentage (%)	Enlarged issued Pantech Shares (unit)	Percentage (%)
Existing issued shares as at 30 June 2020	751,006,672 ¹	100	751,006,672	100
Scenario I Assuming full exercise of the outstanding exercisable ESOS	-	-	51,701,100	100
Scenario II Assuming full exercise of the Warrants A	751,006,672	100	802,707,772	100
Scenario III Assuming full exercise of the Warrants B	-	-	89,449,491	100
Enlarged Issued Shares	751,006,672	100	892,157,263	100
Less : Maximum number of Pantech Shares to be cancelled pursuant to the Proposed Renewal of Share Buy-Back Authority	(75,100,667)	10	60,787,449	100
Upon completion of the Proposed Renewal of Share Buy-Back Authority	675,906,005	90	952,944,712	100
			(95,294,471)	10
			857,650,241	90

Note:-

¹ The issued and paid-up share capital stated above is inclusive of 8,272,079 treasury shares held by the Company based on the Record of Depositors as at 30 June 2020.

However, if all the Pantech Shares so purchased are retained as treasury shares, issued shares of Pantech will not be reduced but the rights attached to the treasury shares as to voting, dividends, and participation in other distributions or otherwise will be suspended.

The said treasury shares shall not be taken into account in calculating the number or percentage of shares in the Company for any purpose nor for substantial shareholdings or takeovers, notice of general meeting and the right to requisite meetings, to be counted for quorum purposes and the result of a vote on a resolution at a general meeting.

5.2 Net Assets (“NA”)

The effects of Proposed Renewal of Share Buy-Back Authority on the consolidated NA per share of the Group will depend on the purchase price in comparison to the NA per share of the Group at the time that the purchase is made.

In the event that the Pantech Shares purchased under the Proposed Renewal of Share Buy-Back Authority are cancelled by the Company, the consolidated NA per share of Pantech would improve if the purchase price of such Pantech Shares is below the NA per share of the Company and vice-versa.

If the treasury shares are resold in the open market, the consolidated NA per Share of Pantech may increase if the Company realises a gain from the resale, and vice-versa. If the treasury shares are distributed as share dividends, the NA of Pantech Group would be accordingly decreased by the cost of acquisition of the treasury shares.

5.3 Working Capital

The Proposed Renewal of Share Buy-Back Authority, if exercised, will result in an outflow of cash and thereby reduce the working capital of Pantech Group, the quantum of which is dependent on the purchase price of Pantech Shares and the number of Pantech Shares to be purchased and the funding cost, if any. However, the working capital and cash flow of the Company will increase upon reselling the Purchased Shares which are retained as treasury shares. Again, the quantum of the increase in the working capital and cash flow will depend on the actual selling price of the treasury shares and the number of treasury shares resold.

5.4 Earnings

The effect of the Proposed Renewal of Share Buy-Back Authority on the earnings of the Pantech Group will depend on the purchase price and the number of Shares purchased. If the Shares so purchased are treated as treasury shares, the extent of the effect on the earnings of the Pantech Group will depend on the actual selling price, the number of treasury shares resold and the effective gain or interest savings arising therefrom.

5.5 Dividends

The Proposed Renewal of Share Buy-Back Authority is not expected to have any effect on the policy for the Board in recommending dividends for the year ended 28 February 2021. The decision to declare and pay dividends in the future would depend on, amongst others, the profitability and cash flow position of the Company.

6. SHAREHOLDINGS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Based on the Records of Depositors as at 30 June 2020 and assuming that the Company acquires the full amount of Pantech Shares authorised under the Proposed Renewal of Share Buy-Back Authority and there is no change in the number of shares held by the Directors and/or major shareholders of Pantech as at 30 June 2020 and with the assumption that the Company does not purchase the Directors’ and/or major shareholders’ shares, for the purpose of illustration only, the effect will be as follows:

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6.1 Assuming none of the ESOS Options is being exercised, none of the Warrants A and none of the Warrants B are being exercised:

	Existing Shareholdings as at 30 June 2020				After Proposed Renewal of Share Buy-Back Authority			
	Direct		Indirect		Direct		Indirect	
	No. of Pantech Shares	%	No of Pantech Shares	%	No of Pantech Shares	%	No of Pantech Shares	%
Directors								
CTL	8,186,625	1.09	134,429,154 ⁽ⁱ⁾	17.90	8,186,625	1.21	134,429,154 ⁽ⁱ⁾	19.89
GTK	6,169,625	0.82	96,798,228 ⁽ⁱⁱ⁾	12.89	6,169,625	0.91	96,798,228 ⁽ⁱⁱ⁾	14.32
TAA	12,426,434	1.65	2,170,476 ⁽ⁱⁱⁱ⁾	0.29	12,426,434	1.84	2,170,476 ⁽ⁱⁱⁱ⁾	0.32
TTW	14,448,641	1.92	-	-	14,448,641	2.14	-	-
NLL	8,820,967	1.17	194,691 ^(iv)	0.03	8,820,967	1.31	194,691 ^(iv)	0.03
Sakinah Binti Salleh	90,900	0.01	-	-	90,900	0.01	-	-
Lim Yoong Xao	-	-	2,020 ^(vii)	(*)	-	-	2,020 ^(vii)	(*)
Dato' Sri Yap Tian Leong	-	-	-	-	-	-	-	-
Nooraini Binti Mohd Yasin	-	-	-	-	-	-	-	-
Substantial Shareholders								
CTL Capital	134,277,654	17.88	-	-	134,277,654	19.87	-	-
GL Management	96,798,228	12.89	-	-	96,798,228	14.32	-	-
EPF	45,633,156	6.08	-	-	45,633,156	6.75	-	-
CTL	8,186,625	1.09	134,429,154 ⁽ⁱ⁾	17.90	8,186,625	1.21	134,429,154 ⁽ⁱ⁾	19.89
GTK	6,169,625	0.82	96,798,228 ⁽ⁱⁱ⁾	12.89	6,169,625	0.91	96,798,228 ⁽ⁱⁱ⁾	14.32
SKL	-	-	142,615,779 ^(v)	18.99	-	-	142,615,779 ^(v)	21.10
LSK	-	-	102,967,853 ^(vi)	13.71	-	-	102,967,853 ^(vi)	15.23

(*) Negligible

Notes:

- (i) Deemed interested by virtue of his and his spouse, SKL's interests in CTL Capital pursuant to Section 8 of the Act, and his daughter, Chew Zhiyin's direct shareholding in the Company pursuant to Section 59(11) of the Act.
- (ii) Deemed interested by virtue of his and his spouse, LSK's interests in GL Management pursuant to Section 8 of the Act.
- (iii) Deemed interested by virtue of his spouse, YYK's and his son, Jairus Tan Vern Hsien's direct shareholdings in the Company pursuant to Section 59(11) of the Act.
- (iv) Deemed interested by virtue of her spouse, WCP's direct shareholding in the Company pursuant to Section 59(11) of the Act.
- (v) Deemed interested by virtue of her and her spouse, CTL's interests in CTL Capital pursuant to Section 8 of the Act, and by virtue of her spouse, CTL's and her daughter, Chew Zhiyin's direct shareholdings in the Company pursuant to Section 59(11) of the Act.
- (vi) Deemed interested by virtue of her and her spouse, GTK's interests in GL Management pursuant to Section 8 of the Act, and by virtue of her spouse, GTK's direct shareholding in the Company pursuant to Section 59(11) of the Act.
- (vii) Deemed interested by virtue of his spouse, WHC's direct shareholding in the Company pursuant to Section 59(11) of the Act.

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6.2 Assuming all of the exercisable ESOS Options are being exercised (“Scenario I”):

	Scenario I				After Proposed Renewal of Share Buy-Back Authority			
	After full exercise of ESOS							
	Direct		Indirect		Direct		Indirect	
	No. of Pantech Shares	%	No of Pantech Shares	%	No of Pantech Shares	%	No of Pantech Shares	%
Directors								
CTL	9,886,625	1.23	135,529,154 ⁽ⁱ⁾	16.88	9,886,625	1.37	135,529,154 ⁽ⁱ⁾	18.76
GTK	7,869,625	0.98	96,798,228 ⁽ⁱⁱ⁾	12.06	7,869,625	1.09	96,798,228 ⁽ⁱⁱ⁾	13.40
TAA	14,276,434	1.78	3,270,476 ⁽ⁱⁱⁱ⁾	0.41	14,276,434	1.98	3,270,476 ⁽ⁱⁱⁱ⁾	0.45
TTW	16,448,641	2.05	-	-	16,448,641	2.28	-	-
NLL	11,120,967	1.39	194,691 ^(iv)	0.02	11,120,967	1.54	194,691 ^(iv)	0.03
Sakinah Binti Salleh	300,900	0.04	-	-	300,900	0.04	-	-
Lim Yoong Xao	300,000	0.04	2,020 ^(vii)	(*)	300,000	0.04	2,020 ^(vii)	(*)
Dato’ Sri Yap Tian Leong	300,000	0.04	-	-	300,000	0.04	-	-
Nooraini Binti Mohd Yasin	300,000	0.04	-	-	300,000	0.04	-	-
Substantial Shareholders								
CTL Capital	134,277,654	16.73	-	-	134,277,654	18.59	-	-
GL Management	96,798,228	12.06	-	-	96,798,228	13.40	-	-
EPF	45,633,156	5.68	-	-	45,633,156	6.32	-	-
CTL	9,886,625	1.23	135,529,154 ⁽ⁱ⁾	16.88	9,886,625	1.37	135,529,154 ⁽ⁱ⁾	18.76
GTK	7,869,625	0.98	96,798,228 ⁽ⁱⁱ⁾	12.06	7,869,625	1.09	96,798,228 ⁽ⁱⁱ⁾	13.40
SKL	-	-	145,415,779 ^(v)	18.12	-	-	145,415,779 ^(v)	20.13
LSK	-	-	104,667,853 ^(vi)	13.04	-	-	104,667,853 ^(vi)	14.49

(*) Negligible

As at 30 June 2020, the total numbers of ESOS options held by the Directors which are exercisable are as follows:

<u>Name of Directors</u>	<u>No. of ESOS options held</u>
CTL	1,700,000
GTK	1,700,000
TAA	1,850,000
TTW	2,000,000
NLL	2,300,000
Sakinah Binti Salleh	210,000
Lim Yoong Xao	300,000
Dato’ Sri Yap Tian Leong	300,000
Nooraini Binti Mohd Yasin	300,000

Notes:

- (i) Deemed interested by virtue of his and his spouse, SKL’s interests in CTL Capital pursuant to Section 8 of the Act, and his daughter, Chew Zhiyin’s direct shareholding in the Company pursuant to Section 59(11) of the Act.
- (ii) Deemed interested by virtue of his and his spouse, LSK’s interests in GL Management pursuant to Section 8 of the Act.
- (iii) Deemed interested by virtue of his spouse, YYK’s and his son, Jairus Tan Vern Hsien’s direct shareholdings in the Company pursuant to Section 59(11) of the Act.
- (iv) Deemed interested by virtue of her spouse, WCP’s direct shareholding in the Company pursuant to Section 59(11) of the Act.
- (v) Deemed interested by virtue of her and her spouse, CTL’s interests in CTL Capital pursuant to Section 8 of the Act, and by virtue of her spouse, CTL’s and her daughter, Chew Zhiyin’s direct shareholdings in the Company pursuant to Section 59(11) of the Act.
- (vi) Deemed interested by virtue of her and her spouse, GTK’s interests in GL Management pursuant to Section 8 of the Act, and by virtue of her spouse, GTK’s direct shareholding in the Company pursuant to Section 59(11) of the Act.
- (vii) Deemed interested by virtue of his spouse, WHC’s direct shareholding in the Company pursuant to Section 59(11) of the Act.

6.3 After Scenario I and assuming full exercise of the Warrants A (*Scenario II*):

	Scenario II				After Proposed Renewal of Share Buy-Back Authority			
	After Scenario I and assuming full exercise of Warrants A							
	Direct		Indirect		Direct		Indirect	
	No. of Pantech Shares	%	No of Pantech Shares	%	No of Pantech Shares	%	No of Pantech Shares	%
Directors								
CTL	9,886,625	1.11	156,344,831 ⁽ⁱ⁾	17.52	9,886,625	1.23	156,344,831 ⁽ⁱ⁾	19.47
GTK	7,869,625	0.88	112,203,984 ⁽ⁱⁱ⁾	12.58	7,869,625	0.98	112,203,984 ⁽ⁱⁱ⁾	13.97
TAA	14,276,434	1.60	3,270,476 ⁽ⁱⁱⁱ⁾	0.37	14,276,434	1.77	3,270,476 ⁽ⁱⁱⁱ⁾	0.41
TTW	16,448,641	1.84	-	-	16,448,641	2.05	-	-
NLL	11,120,967	1.25	194,691 ^(iv)	0.02	11,120,967	1.39	194,691 ^(iv)	0.02
Sakinah Binti Salleh	300,900	0.03	-	-	300,900	0.04	-	-
Lim Yoong Xao	300,000	0.03	2,020 ^(vii)	(*)	300,000	0.04	2,020 ^(vii)	(*)
Dato' Sri Yap Tian Leong	300,000	0.03	-	-	300,000	0.04	-	-
Nooraini Binti Mohd Yasin	300,000	0.03	-	-	300,000	0.04	-	-
Substantial Shareholders								
CTL Capital	155,093,331	17.38	-	-	155,093,331	19.32	-	-
GL Management	112,203,984	12.58	-	-	112,203,984	13.97	-	-
EPF	45,633,156	5.11	-	-	45,633,156	5.68	-	-
CTL	9,886,625	1.11	156,344,831 ⁽ⁱ⁾	17.52	9,886,625	1.23	156,344,831 ⁽ⁱ⁾	19.47
GTK	7,869,625	0.88	112,203,984 ⁽ⁱⁱ⁾	12.58	7,869,625	0.98	112,203,984 ⁽ⁱⁱ⁾	13.97
SKL	-	-	166,231,456 ^(v)	18.63	-	-	166,231,456 ^(v)	20.70
LSK	-	-	120,073,609 ^(vi)	13.46	-	-	120,073,609 ^(vi)	14.95

(*) Negligible

Notes:

- (i) Deemed interested by virtue of his and his spouse, SKL's interests in CTL Capital pursuant to Section 8 of the Act, and his daughter, Chew Zhiyin's direct shareholding in the Company pursuant to Section 59(11) of the Act.
- (ii) Deemed interested by virtue of his and his spouse, LSK's interests in GL Management pursuant to Section 8 of the Act.
- (iii) Deemed interested by virtue of his spouse, YYK's and his son, Jairus Tan Vern Hsien's direct shareholdings in the Company pursuant to Section 59(11) of the Act.
- (iv) Deemed interested by virtue of her spouse, WCP's direct shareholding in the Company pursuant to Section 59(11) of the Act.
- (v) Deemed interested by virtue of her and her spouse, CTL's interests in CTL Capital pursuant to Section 8 of the Act, and by virtue of her spouse, CTL's and her daughter, Chew Zhiyin's direct shareholdings in the Company pursuant to Section 59(11) of the Act.
- (vi) Deemed interested by virtue of her and her spouse, GTK's interests in GL Management pursuant to Section 8 of the Act, and by virtue of her spouse, GTK's direct shareholding in the Company pursuant to Section 59(11) of the Act.
- (vii) Deemed interested by virtue of his spouse, WHC's direct shareholding in the Company pursuant to Section 59(11) of the Act.

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6.4 After Scenario II and assuming full exercise of the Warrants B (*Scenario III*):

	Scenario III				After Proposed Renewal of Share Buy-Back Authority			
	After Scenario II and assuming full exercise of Warrants B							
	Direct		Indirect		Direct		Indirect	
	No. of Pantech Shares	%	No of Pantech Shares	%	No of Pantech Shares	%	No of Pantech Shares	%
Directors								
CTL	10,345,670	1.09	167,423,845 ⁽ⁱ⁾	17.57	10,345,670	1.21	167,423,845 ⁽ⁱ⁾	19.52
GTK	8,328,670	0.87	120,190,635 ⁽ⁱⁱ⁾	12.61	8,328,670	0.97	120,190,635 ⁽ⁱⁱ⁾	14.01
TAA	14,810,202	1.55	3,437,058 ⁽ⁱⁱⁱ⁾	0.36	14,810,202	1.72	3,437,058 ⁽ⁱⁱⁱ⁾	0.40
TTW	17,333,047	1.82	-	-	17,333,047	2.02	-	-
NLL	11,848,769	1.24	210,754 ^(iv)	0.02	11,848,769	1.38	210,754 ^(iv)	0.02
Sakinah Binti Salleh	300,900	0.03	-	-	300,900	0.04	-	-
Lim Yoong Xao	300,000	0.03	2,020 ^(vii)	(*)	300,000	0.04	2,020 ^(vii)	(*)
Dato' Sri Yap Tian Leong	300,000	0.03	-	-	300,000	0.04	-	-
Nooraini Binti Mohd Yasin	300,000	0.03	-	-	300,000	0.04	-	-
Substantial Shareholders								
CTL Capital	166,172,345	17.44	-	-	166,172,345	19.38	-	-
GL Management	120,190,635	12.61	-	-	120,190,635	14.01	-	-
EPF	45,633,156	4.79	-	-	45,633,156	5.32	-	-
CTL	10,345,670	1.09	167,423,845 ⁽ⁱ⁾	17.60	10,345,670	1.21	167,423,845 ⁽ⁱ⁾	19.52
GTK	8,328,670	0.87	120,190,635 ⁽ⁱⁱ⁾	12.61	8,328,670	0.97	120,190,635 ⁽ⁱⁱ⁾	14.01
SKL	-	-	177,769,515 ^(v)	18.65	-	-	177,769,515 ^(v)	20.73
LSK	-	-	128,519,305 ^(vi)	13.49	-	-	128,519,305 ^(vi)	14.99

(*) Negligible

Notes:

- (i) Deemed interested by virtue of his and his spouse, SKL's interests in CTL Capital pursuant to Section 8 of the Act, and his daughter, Chew Zhiyin's direct shareholding in the Company pursuant to Section 59(11) of the Act.
- (ii) Deemed interested by virtue of his and his spouse, LSK's interests in GL Management pursuant to Section 8 of the Act.
- (iii) Deemed interested by virtue of his spouse, YYK's and his son, Jairus Tan Vern Hsien's direct shareholdings in the Company pursuant to Section 59(11) of the Act.
- (iv) Deemed interested by virtue of her spouse, WCP's direct shareholding in the Company pursuant to Section 59(11) of the Act.
- (v) Deemed interested by virtue of her and her spouse, CTL's interests in CTL Capital pursuant to Section 8 of the Act, and by virtue of her spouse, CTL's and her daughter, Chew Zhiyin's direct shareholdings in the Company pursuant to Section 59(11) of the Act.
- (vi) Deemed interested by virtue of her and her spouse, GTK's interests in GL Management pursuant to Section 8 of the Act, and by virtue of her spouse, GTK's direct shareholding in the Company pursuant to Section 59(11) of the Act.
- (vii) Deemed interested by virtue of his spouse, WHC's direct shareholding in the Company pursuant to Section 59(11) of the Act.

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7. PUBLIC SHAREHOLDINGS SPREAD

As at 30 June 2020, the public shareholdings spread of the Company was 55.31% in the hand of 9,569 public shareholders. Assuming that the Proposed Share Buy-Back Authority is carried out in full and Pantech Shares so purchased were all cancelled, the public shareholdings of the Company would be 48.11%. The Board is mindful and will endeavour to ensure that it will not purchase its own Shares which will result in Pantech's public shareholdings spread falling below the minimum requirement of twenty-five per centum (25%) of its total listed Shares.

8. SHARES BUY-BACK

Details of the share buy-back by the Company for the last twelve (12) months preceding to the LPD are set out below:

Date	No. of Shares purchased	Price per share (RM)			Total Consideration (RM)
		Lowest	Highest	Average	
16 January 2020	139,000	0.495	0.495	0.495	69,263.25
29 January 2020	100,000	0.485	0.485	0.485	48,823.01
30 January 2020	150,000	0.485	0.485	0.485	73,234.52
31 January 2020	150,000	0.485	0.485	0.485	73,234.52
3 February 2020	150,000	0.465	0.470	0.4683	70,712.84
13 February 2020	123,100	0.465	0.470	0.4677	57,957.32
28 February 2020	225,000	0.465	0.470	0.4671	105,463.24
2 March 2020	122,400	0.465	0.465	0.465	57,295.07
9 March 2020	550,000	0.415	0.440	0.4264	235,336.13
10 March 2020	210,200	0.405	0.415	0.4118	87,136.85
11 March 2020	300,000	0.410	0.415	0.4133	124,421.49
12 March 2020	575,500	0.395	0.405	0.3993	230,596.84
13 March 2020	800,000	0.360	0.395	0.3788	304,094.59
16 March 2020	1,000,000	0.340	0.370	0.354	355,231.92
17 March 2020	747,000	0.305	0.325	0.3161	236,948.42
18 March 2020	502,000	0.300	0.315	0.307	154,650.32
19 March 2020	800,000	0.250	0.300	0.2791	224,057.02
23 March 2020	100,000	0.265	0.265	0.265	26,676.49
6 April 2020	157,000	0.335	0.355	0.3504	55,379.19
9 April 2020	200,000	0.355	0.360	0.3575	71,976.19
10 April 2020	100,000	0.350	0.350	0.350	35,233.10
14 April 2020	100,000	0.350	0.350	0.350	35,233.10
22 April 2020	200,000	0.350	0.350	0.350	70,466.20

9. SHARE PRICES

The monthly high and low prices of Pantech shares as traded on Bursa Securities for the last twelve (12) months from July 2019 to June 2020 are as follows (*Source: Yahoo Finance*):

	High (RM)	Low (RM)
July 2019	0.570	0.485
August 2019	0.515	0.490
September 2019	0.505	0.485
October 2019	0.540	0.485

November 2019	0.500	0.475
December 2019	0.500	0.480
January 2020	0.520	0.475
February 2020	0.495	0.460
March 2020	0.480	0.250
April 2020	0.395	0.310
May 2020	0.400	0.365
June 2020	0.435	0.355

The last transacted price of Pantech Shares on 14 July 2020 was RM0.380 (being the latest practicable date prior to the printing of the Share Buy-Back Statement).

10. PURCHASE OR RESALE OR CANCELLATION OF TREASURY SHARES DURING THE FINANCIAL YEAR ENDED 29 FEBRUARY 2020

During the financial year, the Company purchased a total of 1,037,100 of its own Shares from the open market for a total consideration of RM498,688.70. There were no resale and cancellation of Shares during the financial year.

On 11 June 2020, the Company announced a share dividend via distribution of approximately 7.42 million treasury shares on the basis of 1 treasury share for every 100 existing ordinary shares equivalent to approximately RM2.87 million and to be paid on 18 August 2020. As at 30 June 2020, a total of 8,272,079 Pantech Shares were retained as treasury shares.

11. IMPLICATION OF THE CODE

The Code requires a person, together with persons acting in concert with him, holding more than 33% but not more than 50% of the total number of issued shares of a company and who as a result of a purchase by the company of its own shares, increase his holding in any period of 6 months by an additional 2% or more of the voting shares of the company to undertake a mandatory offer on the balance of the shares not already owned.

As at 30 June 2020, CTL Capital which is a substantial shareholder of Pantech holds approximately 18.08% of the voting shares in Pantech and together with its PACs collectively hold approximately 36.97% of the voting shares in Pantech.

Pantech does not intend to undertake the Proposed Renewal of Share Buy-Back Authority such that it will trigger any obligation to undertake a mandatory offer pursuant to the Code. Assuming the Proposed Renewal of Share Buy-Back Authority is implemented in full within a period of 6 months, CTL Capital and its PACs voting shares in Pantech will increase by more than 2%. Accordingly, there will be an obligation for CTL Capital and its PACs to undertake the mandatory offer for the remaining Pantech Shares not already owned by them. In this regard, CTL Capital and its PACs will apply for a waiver under the Code if the obligation is expected to be triggered as a result of the implementation of the Proposed Renewal of Share Buy-Back Authority.

12. APPROVALS REQUIRED FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The Proposed Renewal of Share Buy-Back Authority is subject to the approval of the shareholders of Pantech at the forthcoming 14th AGM.

13. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Save for the inadvertent increase in percentage of shareholdings and/or voting rights of shareholders of the Company as a result of the Proposed Renewal of Share Buy-Back Authority, none of the Directors, substantial shareholders of Pantech and/or persons connected to them have any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Authority or the resale of treasury shares, if any.

14. DIRECTORS' RECOMMENDATION

The Board, having considered all aspects of the Proposed Renewal of Share Buy-Back Authority, are of the opinion that the Proposed Renewal of Share Buy-Back Authority is fair, reasonable and in the best interest of the Company and its shareholders. Therefore, the Board recommends that you vote **IN FAVOUR** of the Ordinary Resolution pertaining to the Proposed Renewal of Share Buy-Back Authority at the forthcoming 14th AGM of the Company.

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1. DIRECTORS' 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 and confirm that after making all reasonable inquiries and to the best of their knowledge and belief, there is no other facts the omission of which would make any statement herein misleading.

2. MATERIAL CONTRACTS

There are no material contracts (not being contracts entered into in the ordinary course of business) entered into by Pantech Group and its subsidiaries during the two (2) years immediately preceding the LPD.

3. MATERIAL LITIGATION

As at the LPD, neither the Company nor any of its subsidiaries is engaged in any material claims, litigation and/or arbitration either as plaintiff or defendant, which has a material effect on the financial position of Pantech Group and the Directors are not aware of any proceedings pending or threatened, against Pantech Group or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of Pantech Group immediately preceding the date of this Statement.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of the Company at 5-9A, The Boulevard Offices, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur during normal office hours on any weekday (except public holidays) from the date of this Circular/Statement up to and including the date of the 14th AGM:-

- (a) Constitution of Pantech; and
- (b) Audited Financial Statements of the Pantech Group for the past two (2) financial years ended 28 February 2019 and 29 February 2020.

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**ORDINARY RESOLUTION 7
PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

“THAT subject to compliance with all applicable rules, regulations and orders made pursuant to the Companies Act 2016 (“the Act”), provisions in the Company’s Constitution, the Listing Requirements of Bursa Securities and any other relevant authorities, the Company be and is hereby authorised to purchase such number of ordinary shares of the Company (“Proposed Renewal of Share Buy-Back”) as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company PROVIDED THAT:

- (1) the aggregate number of shares purchased or held does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase;
- (2) the maximum fund to be allocated by the Company for the purpose of purchasing such number of ordinary shares shall not exceed the retained profit account of the Company. As at the latest financial year ended 29 February 2020, the audited retained profit account of the Company stood at RM12,193,506;
- (3) the authority conferred by this resolution will commence immediately upon passing of this resolution and will continue to be in force until:
 - (a) at the conclusion of the next Annual General Meeting (“AGM”) of the Company following the general meeting in which the authorisation is obtained, at which time it shall lapse unless by 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 of the Company in a general meeting.

whichever occurs first;

AND THAT upon completion of the purchase(s) of the ordinary shares of the Company, the Directors of the Company be and are hereby authorised to deal with the ordinary shares so purchased in the following manner:

- (a) to cancel the ordinary shares so purchased; or
- (b) to retain the ordinary shares so purchased as treasury shares for distribution as dividend to shareholders and/or resell on Bursa Securities or subsequently cancelled; or
- (c) to retain part of the ordinary shares so purchased as treasury shares and cancel the remainder; or
- (d) in any other manner prescribed by the Act, rules, regulations and orders made to the Act, the Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force.

AND THAT the Board of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to effect the aforesaid share buy-back with full powers to assent to any conditions, modifications, variations, and/or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Board may deem fit and expedient in the best interest of the Company.”