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

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused this Share Buy-Back Statement (“Statement”) prior to its issuance as they are prescribed as exempt document pursuant to Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

Bursa Securities 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.

PESTECH

PESTECH INTERNATIONAL BERHAD

[Registration No. 201101019901 (948035-U)]
(Incorporated in Malaysia)

**SHARE BUY-BACK STATEMENT IN RELATION TO THE
PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY OF UP TO 10% OF THE
TOTAL NUMBER OF ISSUED SHARES OF PESTECH INTERNATIONAL BERHAD**

The above Proposal will be tabled as Special Business at PESTECH International Berhad’s Thirteenth Annual General Meeting (“**13th AGM**”) to be held virtually via remote participation and voting at the Broadcast Venue at No. 26, Jalan Utarid U5/14, Seksyen U5, 40150 Shah Alam, Selangor Darul Ehsan on Tuesday, 26 March 2024 at at 12.00 noon or immediately following the conclusion or adjournment (as the case may be) of the Twelfth Annual General Meeting (“**12th AGM**”) which will be held at 10.00 a.m. on the same day, whichever is later, or any adjournment thereof.

The AGM shall be held virtually via remote participation through live stream and online voting (“**eLive and eVoting**”). Please refer to the Administrative Guide issued to all shareholders of PESTECH International Berhad (“**PESTECH**”) on the conduct of a virtual AGM.

If you are unable to participate and vote at the AGM via eLive and eVoting, you may complete the Form of Proxy and deposit it at the office of Share Registrar, Securities Services (Holdings) Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or submit it via fax 03-2094 9940 and/or 03-2095 0292 or email to info@sshsb.com.my, no later than forty-eight (48) hours before the time set for holding the AGM. The lodging of the Form of Proxy does not preclude you from participating and voting via eLive and eVoting at the AGM should you subsequently decide to do so. All resolutions set out in the Notice of AGM are to be voting by poll.

Shareholders are advised to refer to the steps set out in the Administrative Guide in order to register, participate and vote at the AGM.

Last date and time for lodging the Form of Proxy	: Sunday, 24 March 2024 at 12:00 noon
Date and time of the AGM	: Tuesday, 26 March 2024 at 12:00 noon or immediately following the conclusion or adjournment (as the case may be) of the 12 th AGM which will be held at 10:00 a.m. on the same day, whichever is later, or any adjournment thereof.

This Statement is dated 31 January 2024

In this Statement and the accompanying appendices, the following words and abbreviations shall have the following meanings unless otherwise stated:-

“Act”	:	The Companies Act 2016 as amended from time to time and any re-enactment thereof
“AGM”	:	Annual General Meeting
“Board”	:	The Board of Directors of PESTECH
“Bursa Securities” or “the Exchange”	:	Bursa Malaysia Securities Berhad (200301033577/635998-W)
“Director(s)”	:	Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007
“EPS”	:	Earnings per Share
“FP”	:	Financial Period
“FYE”	:	Financial Year Ended/Ending
“KLSB”	:	Kumpulan Liva Sdn. Bhd. (201301006728/1036568-P)
“LAH”	:	Lim Ah Hock
“Listing Requirements”	:	Bursa Securities Main Market Listing Requirements, including any amendment(s) thereto that may be made from time to time
“LPD”	:	15 January 2024, being the latest practicable date prior to the issuance of this Statement
“LPS”	:	Lim Peir Shenq, Stanley
“Major Shareholder(s)”	:	Means a person who has an interest or interests in one (1) or more voting shares in PESTECH and the number or aggregate number of those shares, is:- (a) 10% or more of the total number of voting shares in PESTECH; or (b) 5% or more of the total number of voting shares in PESTECH where such person is the largest shareholder of PESTECH For the purpose of this definition, “interest in shares” shall have the meaning given in Section 8 of the Act
“MK Tan”	:	Helen Tan Miang Kieng
“Paul Lim”	:	Lim Pay Chuan, Paul
“Person(s) Connected”	:	Person connected with a Director or Major Shareholder as defined under paragraph 1.01 of the Listing Requirements
“PESTECH” or “the Company”	:	PESTECH International Berhad (201101019901/948035-U)
“PESTECH Group”	:	PESTECH and its subsidiary companies
“PESTECH Shares” or “Shares”	:	Ordinary Shares in PESTECH
“Proposal”	:	Proposed Renewal of Share Buy-Back Authority

DEFINITIONS

“Proposed Renewal of Share Buy-Back Authority”	:	Proposed renewal of shareholders’ authority for PESTECH to purchase up to ten per centum (10%) of the total number of issued shares of the Company pursuant to Section 127 of the Act
“Purchased Shares”	:	Shares purchased pursuant to the Proposed Renewal of Share Buy-Back Authority
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“SC”	:	Securities Commission Malaysia
“Rules”	:	Rules on Take-Overs, Mergers and Compulsory Acquisitions
“VPSB”	:	VESTECH Projects Sdn. Bhd. (200801005662/806946-U)

All references to “you” in this Statement are to the shareholders of the Company.

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Statement to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Statement shall be a reference to Malaysian time, unless otherwise stated.

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PESTECH

PESTECH INTERNATIONAL BERHAD

[Registration No. 201101019901 (948035-U)]
(Incorporated in Malaysia)

Registered office:
No. 26, Jalan Utarid U5/14
Seksyen U5
40150 Shah Alam
Selango Darul Ehsan

31 January 2024

Directors:-

Mr. Lim Ah Hock (*Executive Chairman*)
Mr. Paul Lim Pay Chuan (*Managing Director and Group Chief Executive Officer*)
Mr. Stanley Lim Peir Shenq (*Executive Director*)
Ir. Amir bin Yahya (*Senior Independent Non-Executive Director*)
Mr. Ng Chee Hoong (*Independent Non-Executive Director*)
Ms. Hoo Siew Lee (*Independent Non-Executive Director*)
Ms. Helen Tan Miang Kieng (*Independent Non-Executive Director*)

To: The Shareholders of PESTECH

Dear Sir/Madam,

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

INTRODUCTION

On 22 January 2024, the Company announced that PESTECH proposes to seek the approval of its shareholders in respect of the Proposal.

The purpose of this Statement is to provide you with details of the Proposal and to seek your approval for the ordinary resolution pertaining to the Proposal under the agenda of Special Business as set out in the Notice of the 13th AGM.

SHAREHOLDERS OF PESTECH ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS STATEMENT CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSAL AT THE FORTHCOMING AGM.

1.0 DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

1.1 Introduction

The Board of Directors of PESTECH had at the previous AGM held on 25 November 2022 obtained its shareholders' approval to continue the share buy-back exercise, to purchase up to 10% of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase. In accordance with the Listing Requirements governing the purchase of own shares by a listed company, the aforesaid approval will continue in force until the conclusion of the forthcoming AGM of the Company which will be held Wednesday, 26 March 2024.

In compliance with Paragraph 12.09 of the Listing Requirements, the Company will not purchase its own shares or hold any of its own shares as treasury shares if this result in the aggregate of the Shares purchased or held exceeding 10% of its total number of issued shares.

The Proposed Renewal of Share Buy-Back Authority, if approved, shall be effective upon the passing of the ordinary resolution at the forthcoming AGM until:-

- (a) the conclusion of the next AGM of the Company following the general meeting at which the ordinary resolution for the Proposed Renewal of Share Buy-Back Authority was passed, at which time it will 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 after that date is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders in a general meeting of the Company,

whichever occurs first.

The actual number of PESTECH Shares to be purchased and the timing of the purchase(s) together with the treatment of the Purchased Shares would depend on, amongst others, the prevailing market conditions, the prices of the Shares, the availability of retained earnings and financial resources as well as Bursa Securities' requirement on the Company's public shareholding spread.

In accordance with Paragraph 12.17 of the Listing Requirements, the Company may only purchase its own shares at a price not more than 15% above the weighted average market price of PESTECH Shares for the five (5) market days immediately preceding the date of any purchase.

In the event that the Company decides to retain the Purchased Shares as treasury shares, the Company may only resell the treasury shares on Bursa Securities or transferred pursuant to Section 127(7) of the Act at the following prices:-

- (a) a price not less than the weighted average market price of PESTECH Shares for the five (5) market days immediately before the date of resale or transfer; or
- (b) a discounted price which is not more than 5% to the weighted average market price of PESTECH Shares for the five (5) market days immediately before the resale or transfer provided that:-
 - (i) the resale or transfer takes place not earlier than 30 days from the date of purchase; and
 - (ii) the resale or transfer price is not less than the cost of purchase of PESTECH Shares being resold or transferred.

1.2 Quantum

Based on the total number of issued shares of PESTECH of 992,221,471 as at LPD, the number of PESTECH Shares which may be purchased by the PESTECH is up to 99,222,147 PESTECH Shares representing 10% of the total number of issued shares of PESTECH (inclusive of 7,666,100 treasury shares) pursuant to the Proposed Renewal of Share Buy-Back Authority. As at LPD, the total treasury shares of Company are 7,666,100 shares.

Nevertheless, the actual number of Shares to be purchased by the Company pursuant to the Proposed Renewal of Share Buy-Back Authority, the total amount of funds involved for each purchase and the timing of the purchase(s) will depend on inter-alia, the market conditions and sentiments of the stock market as well as the availability of financial resources of the Company and the availability of the retained profits of the Company.

1.3 Retained Profits

In accordance with the Listing Requirements, the Proposed Renewal of Share Buy-Back Authority must be made wholly out of retained profits of PESTECH. The maximum amount of funds to be utilised for the Proposed Renewal of Share Buy-Back Authority will be limited to the amount of retained profits based on the latest audited and/or unaudited financial statements of PESTECH. As at 30 September 2023, being the latest available audited financial statements, the audited retained profits of PESTECH (Company level) amounted to RM8,478,000.

1.4 Funding

The Proposed Renewal of Share Buy-Back Authority will be funded through internally generated funds and/or bank borrowings or a combination of both. In the event that PESTECH intends to purchase its own shares using bank borrowings, the Board shall ensure that PESTECH shall have sufficient funds to repay the bank borrowings and interest expense and that the repayment would not have any material effect on the cash flow of the Company. In addition, the Board will ensure that the Company satisfy the solvency test as stated in the Section 112(2) of the Act before execution of the Proposed Renewal of Share Buy-Back Authority.

1.5 Public shareholding spread

Pursuant to Paragraph 8.02(1) of the Listing Requirements, a listed issuer must ensure that at least 25% of its listed shares (excluding treasury shares) are in the hands of public shareholders.

As at LPD, based on the Record of Depositors of PESTECH, 562,199,316 PESTECH Shares representing 56.66% of the total number of issued shares were held by public shareholders. In implementing the Proposed Renewal of Share Buy-Back Authority, PESTECH will ensure that the minimum public shareholding spread of 25% is complied with.

1.6 Treatment of Shares purchased

Pursuant to Section 127(4) and Section 127(7) of the Act, the Board of Directors may deal with the Purchased Shares in the following manner:-

- (a) cancel the Purchased Shares; or
- (b) retain the Purchased Shares as treasury shares for distribution as dividends to the shareholders and/or to be resold on Bursa Securities in accordance with the rules of Bursa Securities and/or to be subsequently cancelled; or
- (c) retain part of the Purchased Shares as treasury shares and cancel the remainder.

If such Purchased Shares are held as treasury shares, the Board may:-

- (a) distribute the Shares as share dividends to shareholders;
- (b) resell the Shares or any of the Shares in accordance with the relevant rules of Bursa Securities;
- (c) transfer the Shares, or any of the Shares for the purposes of or under an employees' share scheme;
- (d) transfer the Shares, or any of the Shares as purchase consideration;
- (e) cancel the Shares or any of the Shares; or
- (f) sell, transfer or otherwise use the Shares for such other purposes as the Minister charged with the responsibility for companies may by order prescribe.

If such Purchased Shares were held as treasury shares, the rights attaching to them in relation to voting, dividends and participation in any distribution or otherwise would be suspended and the treasury shares would not be taken into account in calculating the number or percentage of shares or a class of shares in the Company for any purpose including the determination of substantial shareholdings, take-overs, notices, the requisitioning of meetings, the quorum for meetings and the result of a vote on resolution(s) at meetings.

Where treasury shares are distributed as share dividends, the costs of the Shares on the original purchase shall be applied in the reduction of the funds otherwise available for distribution as dividends.

Where the Shares so purchased are cancelled or to cancel any treasury shares, the costs of the Shares shall be applied in the reduction of the profits otherwise available for distribution as dividends. The issued capital of the Company shall be diminished by the Shares so cancelled.

2.0 RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The Proposed Renewal of Share Buy-Back Authority, if implemented, would enable PESTECH to utilise its financial resources not immediately required for use to purchase its own shares, when appropriate, at prices which the Board views as favourable. The Proposed Renewal of Share Buy-Back Authority is to permit a stabilising factor on the supply and demand, as well as the price of PESTECH Shares.

All things being equal, the Proposed Renewal of Share Buy-Back Authority would improve the EPS of PESTECH as it would result in a lower number of the PESTECH Shares being used for the purpose of computing EPS, whether the Purchased Shares are maintained as treasury shares or cancelled. If the EPS of the Group is improved, it is expected to have a positive impact on the market price of PESTECH Shares.

The Purchased Shares may be held as treasury shares and resold on Bursa Securities at a higher price and therefore realising potential gain without affecting the total number of issued shares. Should any of the treasury shares be distributed as share dividend, this would serve to reward the shareholders of the Company. The treasury shares may also be utilised as purchase consideration by the Company in corporate transactions thereby reducing the financial outflow and/or preserve the working capital of the Company.

3.0 SHAREHOLDINGS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

Based on the Register of Directors' Shareholdings and Register of Substantial Shareholders as at LPD, assuming that the Proposed Renewal of Share Buy-Back Authority is implemented in full (up to 10% of the total number of issued shares) and that the Purchased Shares are from shareholders other than the Major Shareholders and Directors, the effect of the Proposed Renewal of Share Buy-Back Authority on the direct and indirect interests of the Directors and Major Shareholders and any Person Connected with the Directors and/or Major Shareholders in the proposed purchase of Shares or resale of treasury shares are set out below:-

Directors	Before the Proposed Share Buy-Back				After the Proposed Share Buy-Back			
	← Direct →		← Indirect →		← Direct →		← Indirect →	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
LAH	260,093,855	26.42	3,892,830*	0.39	260,093,855	29.13	3,892,830*	0.44
Paul Lim	150,221,870	15.26	1,320,080**	0.13	150,221,870	16.82	1,320,080**	0.15
LPS	-	-	2,572,750#	0.26	-	-	2,572,750#	0.29
MK Tan	558,750	0.06	-	-	558,750	0.06	-	-
Major Shareholders								
LAH	260,093,855	26.42	3,892,830*	0.39	260,093,855	29.13	3,892,830*	0.44
Paul Lim	150,221,870	15.26	1,320,080**	0.13	150,221,870	16.82	1,320,080**	0.15
Persons Connected to Directors/ Major Shareholders								
Lim Pay Chin	2,476,500	0.25	-	-	2,476,500	-	0.28	-
Lim Pay Hong	15,000	^	-	-	15,000	-	^	-
VPSB	1,320,080	0.13	-	-	1,320,080	-	0.15	-
KLSB	2,572,750	0.26	-	-	2,572,750	-	0.29	-

Notes:-

^ Negligible

* Deemed interested pursuant to Section 8(4)(c) of the Act by virtue of his substantial shareholdings in KLSB and VPSB.

** Deemed interested pursuant to Section 8(4)(c) of the Act by virtue of his substantial shareholdings in VPSB.

Deemed interested pursuant to Section 8(4)(c) of the Act by virtue of his substantial shareholdings in KLSB

Save for the resulting increase in percentage of shareholdings as a consequence of the Proposed Renewal of Share Buy-Back Authority, none of the Directors, Major Shareholders and/or persons connected to them has any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Authority or the resale of treasury shares, if any.

4.0 IMPLICATIONS RELATING TO THE RULES

Pursuant to the Rules, a person or a group of persons acting in concert will be required to make a mandatory general offer if his/their stake(s) in the Company is/are increased to beyond 33% of the voting shares or if his/their existing shareholding(s) is/are more than 33% but less than 50% and it exceeds by another 2% in any period of six (6) months.

In the event that the share buy-back results in the shareholdings of any of the above parties being affected, the said person or group of persons acting in concert will be obliged to make a mandatory general offer for the remaining PESTECH Shares not held by him/them. However, an exemption from a mandatory offer obligation may be granted by the SC under the Rules, subject to the affected person

and the parties acting in concert complying with certain conditions, if the obligation is triggered as a result of action outside their direct participation.

As it is not intended for the share buy-back to trigger the obligation to undertake a mandatory general offer by any of its Major Shareholders and/or parties acting in concert with them, the Company is mindful that only such number of Shares are purchased, retained as treasury shares, cancelled or distributed such that the Rules will not be triggered. However, in the event that an obligation to undertake a mandatory offer should arise with respect to any parties from the share buy-back exercise, the relevant parties shall make necessary application to SC for an exemption from undertaking a mandatory offer under the Rules before a mandatory offer is triggered.

5.0 PURCHASE OF SHARES, RESALE OR CANCELLATION OF TREASURY SHARES MADE IN THE PREVIOUS 12 MONTHS

During the FP from 1 July 2022 to 30 September 2023, there were no shares bought back by the Company and retained as treasury shares. As at LPD, the total treasury shares of Company are 7,666,100 shares. The Company had not cancelled, resold and/or transferred any treasury shares in the previous twelve (12) months preceding the date of this Statement.

6.0 POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The potential advantages of the Proposed Renewal of Share Buy-Back Authority to the Company and its shareholders are as follows:-

- (a) allows the Company flexibility in achieving the desired capital structure, in terms of debt and equity composition and size of equity;
- (b) allows the Company to take preventive measures against speculations particularly if its Shares are under valued which would in turn, stabilise the market price of PESTECH Shares and hence, enhance investors' confidence;
- (c) the Company may have the opportunity for potential gains if the Purchased Shares which are retained as treasury shares are resold at prices higher than their purchase price and consequently increase the working capital and net assets of the Company; and
- (d) in the event the treasury shares are distributed as share dividends by the Company, it may then serve to reward the shareholders of the Company.

The potential disadvantages of the Proposed Renewal of Share Buy-Back Authority to the Company and its shareholders are as follows:-

- (a) as the Proposed Renewal of Share Buy-Back Authority could only be made out of retained profits of the Company, it may result in the reduction of financial resources available for distribution to shareholders in the immediate future; and
- (b) the Proposed Renewal of Share Buy-Back Authority would reduce the financial resources of PESTECH Group and may result in the PESTECH Group foregoing better investment opportunities that may emerge in the future.

Nevertheless, the Proposed Renewal of Share Buy-Back Authority is not expected to have any potential material disadvantages to the Company and its shareholders, as any share buy-back will be undertaken only after in-depth consideration of the financial resources of PESTECH and the resultant impact on its shareholders. The Board, in exercising any decision in implementing the Proposed Renewal of Share Buy-Back Authority will be mindful of the interests of the Company and its shareholders.

7.0 RISK FACTORS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The Board is not aware of any risk factors relating to the Proposed Renewal of Share Buy-Back Authority which could have a material adverse effect on the business or financial position of PESTECH Group.

8.0 HISTORICAL SHARE PRICES

The monthly highest and lowest prices of PESTECH Shares as traded on Bursa Securities for the past twelve (12) months from January 2023 to December 2023 are as follows:-

<u>Year 2023</u>	High <u>RM</u>	Low <u>RM</u>
<u>2023</u>		
January	0.340	0.295
February	0.310	0.225
March	0.255	0.225
April	0.275	0.235
May	0.250	0.230
June	0.225	0.155
July	0.325	0.175
August	0.325	0.225
September	0.310	0.245
October	0.395	0.300
November	0.355	0.255
December	0.340	0.265

(Source: finance.yahoo.com)

The last transaction market price of PESTECH Shares on the LPD was RM0.305.

9.0 FINANCIAL EFFECTS OF THE PROPOSED RENEWAL SHARE BUY-BACK AUTHORITY

9.1 Share Capital

The effects of the Proposed Renewal of Share Buy-Back Authority are dependent on whether the Purchased Shares are cancelled or alternatively retained as treasury shares.

Based on the assumption that the maximum number of PESTECH Shares authorised under the Proposed Renewal of Share Buy-Back Authority are purchased and cancelled, the effects on the on the total number of issued shares of PESTECH would be as follows:-

	No. of PESTECH Shares
Existing total issued shares as at LPD	992,221,471
Less : Maximum number of PESTECH Shares that may be purchased	99,222,147
Total number of issued shares after the Proposed Renewal of Share Buy-Back Authority	892,999,324

The Proposed Renewal of Share Buy-Back Authority will result in the reduction of the Company's total number of issued shares if the PESTECH Shares so purchased are cancelled.

However, the Proposed Renewal of Share Buy-Back Authority would have no effect on the total number of issued shares of PESTECH if all Purchased Shares are retained as treasury shares, resold or

distributed as share dividends to shareholders but the rights attached to the treasury shares in relation to voting, dividends and participation in any other distributions or otherwise are suspended.

9.2 Net Assets per Share

The effect of the Proposed Renewal of Share Buy-Back Authority on the net assets per share of PESTECH would depend on the purchase prices of PESTECH Shares at the time of buy back or any loss in interest income to the Company, and whether the Purchased Shares are cancelled or retained as treasury shares.

If all the Purchased Shares were cancelled or kept as treasury shares, the Proposed Renewal of Share Buy-Back Authority would reduce the net assets per share of PESTECH when the purchase price exceeds the audited net assets per share, and will increase the net assets per share of PESTECH if the purchase price is less than the audited net assets per share at the time of purchase.

If the treasury shares are resold on Bursa Securities, the net assets per share of PESTECH would increase if the Company realises a gain from the resale and would reduce the net assets per share of PESTECH if the Company makes a loss from the resale. If the treasury shares are distributed as share dividends, the net assets per share of PESTECH would decrease by the cost of the treasury shares.

9.3 Working Capital

The Proposed Renewal of Share Buy-Back Authority is likely to reduce the working capital of PESTECH, the quantum of which depends on the purchase prices and the quantity of Purchased Shares.

For Purchased Shares which are kept as treasury shares, upon its resale, the working capital of the Company would increase assuming that a gain has been realised. Again, the quantum of the increase in the working capital would depend on the actual selling price of the treasury shares and the number of treasury shares resold.

9.4 EPS

The effect of the Proposed Renewal of Share Buy-Back Authority on the EPS of PESTECH would depend on the purchase prices of PESTECH Shares or any loss in interest income to PESTECH Group.

If the Purchased Shares are held as treasury shares and later resold, the extent of the impact to the EPS would depend on the actual selling price, the number of treasury shares resold, the effective funding cost (if applicable), the gain or loss on the disposal and the manner in which the proceeds arising from the resale are utilised.

If the Purchased Shares are cancelled, the Proposed Renewal of Share Buy-Back Authority would increase the EPS of PESTECH Group provided that the income foregone on the Purchased Shares is less than the EPS before the share buy-back.

10.0 APPROVALS REQUIRED

The Proposed Renewal of Share Buy-Back Authority is subject to the approval of the shareholders of PESTECH at the forthcoming AGM to be convened or at any adjournment thereof.

11.0 DIRECTORS' RECOMMENDATION

The Board, having considered all aspects of the Proposed Renewal of Share Buy-Back Authority, is of the opinion that the above is in the best interests of the Company and therefore recommends that you vote in favour of the resolution pertaining to the Proposed Renewal of Share Buy-Back Authority to be tabled at the forthcoming AGM of PESTECH.

12.0 AGM

The AGM shall be held virtually via live streaming with online remote participation and voting (“**eLive and eVoting**”). Please refer to the Administrative Guide issued to all shareholders of PESTECH on the conduct of a virtual AGM.

The AGM, the Notice of which is accompanied with this Statement, will be held at the Broadcast Venue located at No. 26, Jalan Utarid U5/14, Seksyen U5, 40150 Shah Alam, Selangor Darul Ehsan on Tuesday, 26 March 2024 at at 12.00 noon or immediately following the conclusion or adjournment (as the case may be) of the 12th AGM which will be held at 10.00 a.m. on the same day, whichever is the later, or any adjournment thereof, for the purpose of considering and, if thought fit, passing the ordinary resolution on the Proposed Renewal of Share Buy-Back Authority under the agenda of Special Business as set out in the Notice of the 13th AGM.

If you are unable to participate and vote at the AGM via eLive and eVoting, you may complete, sign and return the Form of Proxy and deposit it at the Share Registrar’s office of the Company at Securities Services (Holdings) Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490, Kuala Lumpur, Wilayah Persekutuan or submit it via fax at 03-2094 9940 and/or 03-2095 0292 or e-mail to info@sshb.com.my, no later than forty-eight (48) hours before the time of holding the AGM. The lodging of the Form of Proxy will not, however, preclude you from participating and voting via eLive and eVoting at the forthcoming AGM should you subsequently wish to do so.

13.0 FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix I for further information.

Yours faithfully
For and on behalf of the Board of Directors of
PESTECH INTERNATIONAL BERHAD

Lim Ah Hock
Executive Chairman

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FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

This Statement has been reviewed and approved by the Directors of PESTECH and they individually and collectively accept full responsibility for the accuracy of the information contained herein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in this Statement misleading.

2. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of PESTECH at No. 26, Jalan Utarid U5/14, Seksyen U5, 40150 Shah Alam, Selangor Darul Ehsan during normal business hours on any working day from the date of this Statement up to and including the date of the forthcoming AGM:-

- (a) The Company's Constitution; and
- (b) Audited consolidated accounts of PESTECH for the FYE 30 June 2022 and FP from 1 July 2022 to 30 September 2023.

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PESTECH INTERNATIONAL BERHAD
[Registration No. 201101019901 (948035-U)]
(Incorporated in Malaysia)

EXTRACT OF NOTICE OF THE 13TH AGM

ORDINARY RESOLUTION 5

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARE OF PESTECH INTERNATIONAL BERHAD (“PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY”)

“**THAT** subject always to the Companies Act 2016 (“**the Act**”), the provisions of the Company’s Constitution, the Main Market Listing Requirements (“**Main LR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company, to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem and expedient in the interest of the Company, provided that:

- i) the aggregate number of ordinary shares to be purchased and/or held by the Company pursuant to this resolution shall not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase; and
- ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements (where applicable) available at the time of the purchase.

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

- i) cancel all the shares so purchased; and/or
- ii) retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities; and/or
- iii) retain part thereof as treasury shares and cancel the remainder; or

in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force.

THAT such authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be in force until:-

- i) the conclusion of the next Annual General Meeting (“**AGM**”) of the Company following this AGM at which such resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- ii) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
- iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting;

whichever occurs first;

AND THAT the Directors of the Company be authorised to do all acts, deeds and things as they may consider expedient or necessary in the best interest of the Company to give full effect to the Proposed Renewal of Authority for Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps, and do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.”