

**PARAGON GLOBE BERHAD**  
**(Registration No. 194801000095 (1713-A))**  
(Incorporated in Malaysia)

**KEY SUMMARY OF POSTPONED EXTRAORDINARY GENERAL MEETING (“EGM”) OF PARAGON GLOBE BERHAD (“PARAGON GLOBE” OR “COMPANY”) CONDUCTED VIA FULLY VIRTUAL MEETING FROM THE BROADCAST VENUE AT LEVEL 32, PARAGON RESIDENCES, JALAN TENGKU PETRI 1, STRAITS VIEW, 80200 JOHOR BAHRU, JOHOR, MALAYSIA ON WEDNESDAY, 10 JUNE 2020 AT 11.00 A.M**

When representative of Tricor finished with the briefing, the Chairman proceeded to today’s agenda and tabled Ordinary Resolution 1 to everyone in the Meeting.

**ORDINARY RESOLUTION I**

**PROPOSED ACQUISITION BY PARAGON GLOBE PROPERTIES SDN BHD (“PARAGON GLOBE PROPERTIES”), A WHOLLY OWNED SUBSIDIARY OF PARAGON GLOBE, OF PART OF THE FREEHOLD LAND HELD UNDER GERAN 507162 LOT 149989 (FORMERLY HELD UNDER HS(D) 484311 PTD 175988), PTD 175989, GERAN 507161 LOT 149991 (FORMERLY HELD UNDER HS(D) 484312 PTD 175990), ALL IN MUKIM OF PULAI, DISTRICT OF JOHOR BAHRU, STATE OF JOHOR, MEASURING APPROXIMATELY 31.1 ACRES IN AREA KNOWN AS PLOT ED-5A AND PLOT ED-5B FROM ISKANDAR CAPITAL SDN BHD (“PROPOSED ACQUISITION”)**

"**THAT**, subject to the approvals being obtained from all relevant authorities and parties, approval be and is hereby given to the Company to undertake the Proposed Acquisition upon the terms and conditions set out in the Sale and Purchase Agreement dated 5 December 2019 entered into between Paragon Globe Properties and Iskandar Capital Sdn Bhd for a total cash consideration of RM60,962,220.

**AND THAT** any one (1) of the director of the Company be and is hereby authorised to sign, execute and deliver on behalf of the Company all necessary documents and instruments and do all acts and things as may be required for or in connection with and to give full effect to the Proposed Acquisition, with full and discretionary power to assent or make to any conditions, variations, revaluations, modifications and/or amendments as they may consider to be in the best interest of the Company, or that may be required by any relevant authorities and to take all such steps as well as to execute all such documents and instruments as they may deem necessary or expedient in order to implement, complete and do all such acts and things to finalise and give full effect to the Proposed Acquisition.”

**ORDINARY RESOLUTION II**

**THE PROPOSED SUBSCRIPTION OF ORDINARY SHARES IN BUILTECH ACRES SDN BHD (“BUILTECH”) BY THE COMPANY REPRESENTING APPROXIMATELY 99.06% OF THE ENLARGED ISSUED SHARE CAPITAL OF BUILTECH FOR A CASH CONSIDERATION OF RM52,900,000 (“PROPOSED SUBSCRIPTION”)**

Subsequently, he moved on to Ordinary Resolution 2. As he is one of the Interested Director, he passed the Chair to Mr Tee to proceed with this resolution for good governance. Mr Tee took the Chair and tabled Ordinary Resolution II to everyone.

"**THAT**, subject to the approvals being obtained from all relevant authorities and parties, approval be and is hereby given to the Company to undertake the Proposed Subscription upon the terms and conditions set out in the Subscription Agreement dated 20 December 2019 entered into between Paragon Globe, Dato' Sri Edwin Tan Pei Seng and Builtech for a total cash consideration of RM52,900,000.

**AND THAT** any one (1) of the Director of the Company be and is hereby empowered and authorised to take all such steps and sign, execute and deliver on behalf of the Company all necessary documents and instruments and do all acts and things as may be required for or in connection with and to give full effect to the Proposed Subscription, with full and discretionary power to assent or make to any conditions, variations, revaluations, modifications and/or amendments as they may consider to be in the best interest of the Company, or that may be required by any relevant authorities and to take all such steps as well as to execute all such documents and instruments as they may deem necessary or expedient in order to implement, complete and do all such acts and things to finalise and give full effect to the Proposed Subscription."

Thereafter, he handed back the Chair to the Chairman to continue with the rest of the Meeting. As all the resolution of today's Meeting have been tabled, the Chairman said that the Q & A session began. The Company received six questions from shareholders before the meeting. Such questions are shown on the screen and will be answered verbally by Management.

#### A. Ordinary Resolution I

##### Question 1

For the Proposed Acquisition on the two pieces of commercial Property which are Plot ED-5A & Plot ED-5B, what are the products that will be built on the Property i.e shop offices or shopping complex?

Answer (by the Chairman)

The Property is with zoning approval for commercial use and hence the Company plans to conduct market opportunity analysis to evaluate various options of commercial products including shop houses, corporate offices and retail to identify the most suitable products to be introduced in future.

##### Question 2

If the management decided to build shop offices on the Property, does the land area for the Property measuring approximately 31.1 acres include reserve land area such as road, TNB, drainage, etc?

Answer (by the Chairman)

Currently the Company has yet to submit any plan to the authority for approval. If the Property will be used to develop into shop offices, the land area for the Property measuring approximately 31.1 acres will include the reserve area for road and drainage subject to the approval of the development plan.

##### Question 3

Whether the Proposed Acquisition price of RM 60,962,220 (Ringgit Malaysia Sixty Million Nine Hundred Sixty-Two Thousand Two Hundred and Twenty) included cost for earthwork?

Answer (by the Chairman)

The Proposed Acquisition price of RM 60,962,220 (Ringgit Malaysia Sixty Million Nine Hundred Sixty-Two Thousand Two Hundred and Twenty) does not include the cost for earthwork.

## B. Ordinary Resolution II

### Question 1

For the Proposed Subscription, what is Paragon Globe's intention with Land 1?

Answer (by Dato' Sri Godwin)

Paragon Globe has yet to formalize any development plan on Land 1 however the management is of the opinion that Land 1 will be able to benefit from the medical centre to be built on Land 2. Given the favourable prospects of the Land, the management is of the opinion that Land 1 has good development potential and the Company will determine the suitable properties to be developed in Land 1 in the future.

### Question 2

In the view that there is already a private medical centre i.e. Nilai Medical Centre being located in the immediate locality, why would Paragon Globe build a medical centre nearby as it is only 3 minutes away?

Answer (by Dato' Sri Godwin)

We have performed feasibility studies on the demand for medical centre in the district, and are of the view that there are demand for medical centre services being sought by the people living in the immediate locality as well as spill over catchment from Putrajaya, Cyberjaya, Kuala Langat, Nilai and Seremban.

### Question 3

How has the Group been affected by MCO and Covid-19? Will MCO and Covid-19 continue to affect the Group?

Answer (by the Chairman)

Up to date, Covid-19 and MCO has no major impact to the Group. For the project that the Group is currently launching i.e. the Pekan Sentral Phase 2 Shop Offices, there has been no purchaser request for any deposit refund to opt out from the purchase despite the pandemic and the MCO. However, the Group has provided certain rental reduction to some of our tenants to overcome their business difficulties during this period.

We expect Bank Negara Malaysia's moratorium on the payment of interest and principal for credit facilities to help prevent a short term fall out in the property market, and the lower interest rate environment would improve the affordability for buyers. Despite the economic headwinds, the Malaysian property market is expected to remain resilient in 2020.

In the long term, the Group recognises that Covid-19 might alter lifestyle trends of consumers which might drive changes to our properties to be launched in future.

As there is no typed text question, the Chairman announced that the Q & A session is closed. He put all the resolutions to be voted on by poll. He explained that everyone has 10 minutes to cast their votes when the voting begins. He announced that the voting session started. After 10 minutes, he

announced that the poll voting closed to be followed by validation of votes by Scrutineers which is expected to be completed within 30 minutes.

After 30 minutes, the Chairman welcomed everyone back to the Meeting and Meeting resumed for the declaration of results. The following results were reflected on the screen:

**Result On Voting By Poll**

Resolution(s)	Vote For				Vote Against				Total Votes			
	No of Units	%	No of P/S	%	No of Units	%	No of P/S	%	No of Units	%	No of P/S	%
Ordinary Resolution 1	116,782,119	99.999998	16	94.117647	2	0.000002	1	5.882353	116,782,121	100.000000	17	100.000000
Ordinary Resolution 2	21,539,914	99.999991	12	92.307692	2	0.000009	1	7.692308	21,539,916	100.000000	13	100.000000

Thereafter, the Chairman declared that all the resolutions for today are duly carried.