

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

MINUTES OF AN EXTRAORDINARY GENERAL MEETING ("EGM") OF PARAGON GLOBE BERHAD ("PGB" OR THE "COMPANY") WHICH WILL BE CONDUCTED IN FULLY VIRTUAL MANNER THROUGH LIVE STREAMING AND ONLINE REMOTE PARTICIPATION FROM THE BROADCAST VENUE AT LEVEL 32, PARAGON RESIDENCE STRAITS VIEW, JALAN TENGKU PETERI 1, STRAITS VIEW, 80200 JOHOR BAHRU, JOHOR DARUL TAKZIM, MALAYSIA ("BROADCAST VENUE") ON TUESDAY, 15 JUNE 2021 AT 11.00 A.M

PRESENT – Video Conferencing

Dato' Sri Edwin Tan Pei Seng ("Dato' Sri Edwin") Chairman
Dato' Sri Godwin Tan Pei Poh ("Dato' Sri Godwin")
Dato' Haji Ismail Bin Karim ("Dato' Ismail")
Tan Sri Datuk Wira Dr. Hj. Mohd Shukor Bin Hj Mahfar ("Tan Sri Shukor")
Mr Tee Boon Hin ("Mr Tee")
Dato' Jeffrey Lai Jiun Jye ("Dato' Jeffrey")

IN ATTENDANCE - Video Conferencing

Ms Leong Siew Foong

Company Secretary

And as per attendance list

CHAIRMAN

The Chairman, Dato' Sri Edwin presided and welcomed everyone to today's Meeting. Today's Meeting is held fully virtual in compliance with Section 327 of the Companies Act 2016. This online meeting is necessary for the safety and health of our shareholders and employees during this Covid19 pandemic.

This year's EGM is held in a fully virtual manner, in line with the latest Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia dated 1 June 2021 where all members of the Board of Directors, Senior Management and myself are joining this EGM remotely via video conference from our respective locations. This fully virtual EGM is streaming from Tricor's TIIH Online website at <https://tiih.online>.

He reminded everyone that attendance of this EGM is restricted to Shareholders, proxies and authorized representatives of corporate shareholders who have registered to join the meeting remotely. Hence, visual or audio recording of the proceeding of this meeting is prohibited unless the Company's prior written consent is obtained.

He added that the quality of today's broadcast may be affected by respective participant's internet bandwidth connection.

QUORUM

With the presence of the requisite quorum, the Chairman called the Meeting to order. Subsequently, he introduced the members of the Board who attended this EGM via video conference to everyone.

In view that this meeting is conducted fully virtual, the Audit Committee Chairman, Mr Tee will assist the Chairman with the proceeding of today's meeting in the event the Chairman encounter unexpected interruption throughout the meeting.

The representative of UOB Kay Hian Securities (M) Sdn. Bhd, Zaid Ibrahim & Co, the Company Secretary and our management team members are also present at this EGM virtually.

The Chairman invited the Secretary to read out the procedure for the Meeting for the purpose of guiding the flow of today's Meeting.

The Secretary informed everyone that the Company received in total 5 proxy forms from shareholders for a total of 95,243,805 ordinary shares representing 51.03% of the issued share capital of the Company.

Out of those, there were 3 shareholders who have appointed the Chairman of the Meeting as proxy to vote on their behalf and the shares so represented are 95,240,205 ordinary shares representing 51.02% of the issued share capital of the Company. Shareholders are encouraged to participate at this Meeting and they are invited to ask questions in real time by clicking on the messaging icon. Questions can be submitted at any time from now until the announcement on the closure of Q&A session.

NOTICE, POLLING AND ADMINISTRATIVE GUIDE

The notice convening the Meeting was taken as read. The Chairman subsequently informed everyone on the polling and administrative details. In accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia, all the resolutions set out in the notice of today's Meeting will be voted on by poll.

Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") is appointed to conduct the poll voting electronically whilst Scrutineer Solutions Sdn. Bhd. is appointed as scrutineer to verify the poll results.

Voting session is available now until the closure of the voting session to be announced later. The results of the poll voting and declaration of resolutions will be reflected on the screen after the Scrutineers have verified the poll result upon the closure of the voting session. Shareholders are requested to view and take note of the results from the screen and will not read by the Chair and Scrutineers.

He subsequently invited the representative of Tricor, the Poll Administrator, to brief everyone on the voting procedure.

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

ORDINARY RESOLUTION

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 559,967,499 NEW ORDINARY SHARES IN PGB ("PGB SHARE(S)") ("RIGHTS SHARES") ON THE BASIS OF 3 RIGHTS SHARES FOR EVERY 1 EXISTING SHARE HELD AT AN ISSUE PRICE OF RM0.10 PER RIGHTS SHARE ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER TO RAISE PROCEEDS OF UP TO RM55,996,750 ("PROPOSED RIGHTS ISSUE")

"**THAT**, subject to the approvals of all relevant authorities and/or parties being obtained, where required, approval be and is hereby given to the Board of Directors of PGB ("**Board**") for the following:-

- i. to provisionally allot and issue by way of a renounceable rights issue of up to 559,967,499 Rights Shares to the shareholders of the Company whose names appear on the Record of Depositors of the Company as at the close of business on an entitlement date to be determined and announced later by the Board, on the basis of 3 Rights Shares for every 1 existing PGB Share held at an issue price of RM0.10 per Rights Share;
- ii. to issue such Rights Shares as may be required to give effect to the Proposed Rights Issue, including any persons entitled on renunciation of the provisional allotments; and
- ii. to do all such acts and things including but not limited to the application to Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the listing and quotation for the Rights Shares;

THAT any Rights Shares which are not taken up or validly taken up shall be made available for excess applications to the entitled shareholders and/ or their renounee(s) who have applied for the excess Rights Shares, and are intended to be allocated on a fair and equitable basis;

THAT the proceeds of the Proposed Rights Issue be utilised as set out in the circular to the shareholders dated 28 May 2021, and the Board be and is hereby authorised with full power to vary the manner and/ or purposes of utilisation of such proceeds in such manner as the Board, may at its absolute discretion, deem fit, necessary, expedient and/ or in the best interest of the Company, subject to the approval of the relevant authorities, where required;

THAT the Rights Shares shall, upon allotment and issuance, rank equally in all respects with the existing PGB Shares, save and except that the Rights Shares shall not be entitled to any dividends, rights, allotments and/ or any other forms of distribution that may be declared, made or paid for which their entitlement date precedes the date of allotment and issuance of the Rights Shares;

THAT the Board be and is hereby authorised to sign and execute all documents, enter into any arrangements, agreements and/ or undertakings with any party or parties, do all things as may be required to give effect to the Proposed Rights Issue with full powers to assent to any conditions, variations, modifications and/ or amendments including to vary the manner and/ or the purpose of the utilisation of proceeds arising from the Proposed Rights Issue, if necessary, in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all such acts and things in any manner as they may deem fit, necessary and/ or expedient to implement, finalise and give full effect to the Proposed Rights Issue in the best interest of the Company;

AND THAT this resolution constitutes a specific approval for the issuance of securities in the Company contemplated herein which is made pursuant to an offer, agreement or option and shall continue to be in full force and effect until the Rights Shares to be issued pursuant to or in connection with the Proposed Rights Issue have been duly allotted and issued in accordance with the terms of the Proposed Rights Issue."

Q1: What's the purpose of this rights issue?

Answer: The proceeds raised through this rights issue will be utilised for the partial settlement of the consideration for acquisition of the 31.1 acres freehold land located in Mukim Pulai, construction of Sepang Medical Centre and PGB Group's working capital requirements.

Q2: How much proceeds do you expect to raise through this rights issue?

Answer: Based on the issue price of RM0.10 per Rights Share and assumed that all PGB entitled shareholders subscribed in full for their respective entitlement under this Rights Issue, the Company is expected to raise total proceeds of RM55,996,750 (Fifty-five million nine hundred ninety-six thousand seven hundred and fifty Ringgit Malaysia)

Q3: What do you plan to develop on the acquired land located in Mukim Pulai?

Answer: The Management is currently still at the planning stage where the components of the development will be determined in the future stage. The acquisition of the land located in Mukim Pulai has yet to be completed where there are few condition precedents still need to be fulfilled before the completion of acquisition.

Q4: Paragon Adventure holds more than 50% shareholding in PGB, why Paragon Adventure merely undertake RM10million?

Answer: Pursuant to Paragraph 8.02(1) of the Listing Requirements, PGB will need to ensure that the public shareholding spread does not fall below 25% of the enlarged issued share capital of PGB. Hence to ensure the Minimum Subscription will not result in a breach of the public shareholding spread, Paragon Adventure has agreed to undertake RM10 million but Paragon Adventure has the intention to subscribe for the Rights Shares under its entitlement to the maximum extent possible.

Q5: What is PGB plan in the near future?

Answer: PGB will continue to focus on its existing development projects include Pekan Sentral Shop Office and development of detached factories located in Pekan Nenas, Johor. PGB will also focus on the construction of Sepang Medical Centre which is expected to be completed in fourth quarter of 2023. PGB will continue to enhance its' land bank through acquisitions of land located at Mukim Pulau where earlier it was mentioned that the Company is in the midst of development planning for this parcel of land.

Q6: How much does the company spend on this virtual EGM? Would the Board kindly consider giving us e-wallet as a token of appreciation for attending this RPV. Thank you.

Answer: The Company has spent approximately RM 20,000 for the virtual EGM. The Board noted that there are few shareholders have requested for e-wallet credit for attendance. However, the Board would like to inform that there will be no e-wallet credit or voucher being distributed for this EGM.

The Chairman announced that the Q & A session is closed. The Chairman said Management will reply a few typed text questions, which are not answered, via email to them after the meeting.

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 20 minutes.

After 20 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 Units	%	No of Units	%
Ordinary Resolution	95,247,783	99.9959	3,868	0.0041	95,251,651	100.0000

Thereafter, the Chairman declared that the resolution for today is duly carried.

TERMINATION

As there is no notice for other business is received, the Meeting concluded at 11.44 a.m. with a vote of thanks to the Chair.

Confirmed as correct records,

Chairman