



PARAGON GLOBE BERHAD

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CORPORATE DISCLOSURE POLICY

(VERSION 1.0)

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1. INTRODUCTION

The Corporate Disclosure Policy (“this Policy” or “CDP”) of Paragon Globe Berhad (“PGB” or “the Company”) sets out the requirements for disclosure including the quality of disclosure to provide shareholders and investing public with comprehensive, accurate and quality information on a timely basis.

This Policy applies to all Directors, Management and employees of PGB and its subsidiary as defined in the Companies Act 2016 (“the Group”). It outlines the Group’s approach toward the determination and dissemination of material information, the circumstances under which the confidentiality of information will be maintained, and restrictions on insider trading. It also provides guidelines in order to achieve consistent disclosure practices across the Group.

In formulating this Policy, the Company has taken into account the recommendation contained in the Malaysia Code on Corporate Governance (“MCCG”), its disclosure obligations contained in the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the Corporate Disclosure Guide issued by Bursa Securities.

2. PURPOSE AND OBJECTIVE

2.1 The purposes of the CDP are as follows: -

- (a) to raise the awareness among the Directors, Management and employees of the Company on the disclosure requirements and practices;
- (b) to reinforce the Company’s commitment in compliance with legal and regulatory requirements on disclosure; and
- (c) to provide guidance and structure in disseminating corporate information to, and in dealing with shareholders, stakeholders, analysts, media, regulators and the investing public.

2.2 With the CDP in place, the Company is confident that the following objectives can be achieved: -

- (a) the quality and timeliness of the Company’s disclosures are improved and there is greater parity in the standards of disclosure in the marketplace;
- (b) the Company will have in place efficient procedures for management of information which at the same time, promotes accountability for the disclosure of material information; and
- (c) the Company will build good investor relations with the investing public that inspires trust and confidence.

3. APPLICABILITY

3.1 The CDP applies to all employees (including full time, probationary, contract and temporary staff) (“Employees”) and Directors of the Group, and covers all disclosure made by the Group, including but not limited to: -

- (a) documents filed with the regulators, written statements, annual reports, quarterly and/or interim reports, news releases, letters to shareholders, slides or presentation, speeches by Senior Management, e-mail communication and other electronic communications, and the information on the Company’s website; and
- (b) oral statements made in group and individual meetings, telephone conversations, speeches, interviews and press conferences, and any other dealings with the general public.

3.2 The CDP does not apply to communication made in the ordinary course of business of the Company and its subsidiaries not involving material information.

4. ADMINISTRATION OF POLICY

4.1 General

The Board is ultimately responsible for ensuring that this Policy is implemented and the disclosure requirements are fulfilled.

Subject to the applicable laws and any developments determined by the Board as requiring immediate public disclosure, this Policy shall be administered and interpreted by a committee (hereinafter defined as the “**Corporate Disclosure Committee**” or “**CDC**”) to be headed by the Executive Chairman (“Chairman”).

4.2 Corporate Disclosure Committee (“CDC”)

4.2.1 The members of the Corporate Disclosure Committee shall consist of:

- (a) Executive Chairman (“Chairman”);
- (b) Group Executive Director (“GED”);
- (c) Executive Director (“ED”);
- (d) Finance Director (“FD”);
- (e) Company Secretary (“Co Sec”);
- (f) Head of Legal Department (“Legal”); and
- (g) Corporate Communication Officer (“CCO”).

4.2.2 CCO shall serve as the primary contact person for CDC and will engage other members as necessary and appropriate to the matter at hand. In his or her absence, other members can be contacted for matters referred to in this Policy. Decisions of the CDC shall be made by a majority of its members. Where however, at least two members of the CDC are not reasonably available for consultation on a particular issue in the time required to make a determination on such issue, the remaining members of the CDC are authorised to make any determination required to be made by CDC in this Policy.

4. ADMINISTRATION OF POLICY (continued)

4.2 CDC (continued)

4.2.3 CDC shall be responsible for:

- (a) maintaining an awareness and understanding of the disclosure rules and guidelines contained in MMLR;
- (b) ascertaining whether corporate developments constitute material information, and if so, ensuring the procedures outlined in the Policy are fully adhered to;
- (c) implementing and monitoring of compliance with the Policy and undertaking reviews of any violations, including assessment and implementation of appropriate consequences and remedial actions; and
- (d) reviewing and updating the Policy from time to time to ensure compliance with the MMLR of Bursa Securities and other regulatory requirements.

4.3 Authorised Spokesperson

- (a) The authorised spokespersons for the Company are the Executive Chairman, GED, ED and any other officers (“Authorised spokesperson”) as may be authorised by the Chairman.
- (b) Authorised spokespersons shall not disclose any material information that has not been previously made public.
- (c) The Employee or Director, other than Authorised Spokesperson, should not respond to requests for Company’s information from the investing public unless specifically authorised to do so by an Authorised Spokesperson. Any such requests should be referred to an Authorised Spokesperson.
- (d) ED, FD and CCO will be involved in communication and presentation for all meetings with the investment community and media.
- (e) If there is any doubt about the appropriateness of supplying information to an outside party, an Employee should contact the Authorised Spokesperson for advice.
- (f) It is not the purpose of this Policy to restrain Employees from speaking to outside parties where doing so serves a legitimate business purpose. However, when doing so, Employees must ensure that any Company’s information so provided is in compliance with this Policy and should contact any one (1) of the Authorised Spokespersons if in doubt about the appropriateness of supplying certain information.

5. CORE AREAS

5.1 The six (6) specific core areas concerning corporate disclosure are as follows: -

- (a) immediate disclosure of material information;
- (b) thorough public dissemination;
- (c) clarification, confirmation or denial of rumours or reports;
- (d) response to unusual market activity;
- (e) unwarranted promotional disclosure activity; and
- (f) insider trading.

The guidance for corporate disclosure for the six (6) specific core areas is provided under Clauses 5.2 to 5.7 of this Policy.

5.2 Immediate Disclosure of Material Information

5.2.1 Disclosure of Material Information

5.2.1.1 Pursuant to paragraph 9.03 of the MMLR of Bursa Securities, material information is generally considered to be any information relating to the business, operations and financial performance of the Company that results in, or would reasonably be expected to result in a significant change in or would reasonably be expected to have a material effect on the following: -

- (a) the market price, value or market activity of any of the securities of the Company;
or
- (b) the decision of a holder of securities or an investor in determining his choice of action, and may include information which: -
 - (i) concerns the Company's assets and liabilities, business, financial condition or prospects;
 - (ii) relates to proposed corporate exercises;
 - (iii) relates to dealings with Employees, suppliers, customers and others;
 - (iv) relates to any events affecting the present or potential dilution of the rights or interests of the Company's securities; or
 - (v) relates to any event materially affecting the size of the public holding of its securities.

5.2.1.2 The following guidelines will be followed by the Company to fulfill its obligation to make immediate announcement of material information: -

- (a) for the prescribed events as set out in Paragraph 9.19 of the MMLR of Bursa Securities, the Company will immediately announce the event upon its occurrence;

5. CORE AREAS (continued)

5.2 Immediate Disclosure of Material Information (continued)

5.2.1 Disclosure of Material Information (continued)

5.2.1.2 The following guidelines will be followed by the Company to fulfill its obligation to make immediate announcement of material information: - (continued)

- (b) where the materiality for an event or transaction can be quantified, the decision on materiality will be in accordance with the threshold of the percentage ratio as set out under the MMLR of Bursa Securities. An announcement will be made if the transaction triggers the prescribed percentage ratio applicable for that type of transaction; and
- (c) where the materiality for an event or transaction cannot be quantified, the Company will undertake a materiality assessment of the information before making an announcement. In making the assessment of whether an event of information is material for the purpose of an announcement, the Company will take into account the relevant factors as follows: -
 - (i) the anticipated impact of the information on the Group's entire scope of activities;
 - (ii) the anticipated impact of the information on the Group's financial position or performance; or
 - (iii) the relevance of the information on the factors that determine the price of the listed securities of the Company.

5.2.2 Responsibilities and Procedures on Disclosure of Material Information

- (a) Once the CDC determines that a development is material and must be disclosed, the issuance of an announcement will be authorised. In addition to an announcement made pursuant to the requirements of the Main Market LR, a press release may also be issued. Board will be made known and give their approval via email/fax/any other form of communication for their approval prior to any announcement/disclosures being made by the authorised person(s) at all times.
- (b) Finance Director or the Managers of the Finance Department will review and validate all financial data contained in the announcement to ensure that disclosures are consistent with the prevailing accounting standards and guidelines.
- (c) The Company Secretary or the appointed adviser shall release the announcement to Bursa Securities once the announcement is approved by the Board.
- (d) After the release of the announcement to Bursa Securities, the Corporate Communication Department will ensure the announcement will be made available on the website of the Group.
- (e) For press releases, include the name of CCO and contact number.

5. CORE AREAS (continued)

5.2 Immediate Disclosure of Material Information (continued)

5.2.3 Withholding and Maintaining Confidentiality of Material Information

There are exceptional circumstances when the Company can withhold or delay disclosure of material information temporarily, provided that the strictest confidentiality is maintained. The exceptional circumstances where disclosure may be temporarily withheld are as follows: -

- (a) when immediate disclosure will prejudice the ability of the listed issuer to pursue its corporate objectives; or
- (b) when the facts are in a state of flux; or
- (c) where laws prohibit the disclosure of such information.

5.2.4 Responsibilities and Procedures on Maintaining Confidentiality of Information

5.2.4.1 If the material information is being withheld from the public, the Company has or will take the following precautions and measures to maintain the confidentiality of the information to minimise leakage of information: -

(a) Document Management

Having and/or putting in place a reliable document management by: -

- (i) ensuring physical copies of confidential documents are securely stored in locked cabinets when not in use, with access restricted to authorised Employees only; and
- (ii) reminding Employees regularly not to read confidential documents or have discussion in public places.

(b) Secured Information Technology ("IT") System

Having and/or putting in place a secured IT system for communication and document management purposes by: -

- (i) using dedicated printers and email accounts;
- (ii) keeping confidential information on protected drives and tightly controlling access through password protection and blocking mechanism; and
- (iii) installing password protection mechanisms for electronic equipment such as desktops, laptops and other storage media containing confidential information, and activating automatic locking system on such equipment after a stipulated period.

5. CORE AREAS (continued)

5.2 Immediate Disclosure of Material Information (continued)

5.2.4 Responsibilities and Procedures on Maintaining Confidentiality of Information (continued)

5.2.4.1 If the material information is being withheld from the public, the Company has or will take the following precautions and measures to maintain the confidentiality of the information to minimise leakage of information: - (continued)

(c) Internal Control Policies

Having and/or putting in place internal control policies on confidentiality as follows: -

- (i) implementation of the “Code of Ethics and Conduct” to ensure Employees exercise caution and due care to safeguard any confidential information;
- (ii) dissemination and access of price-sensitive information to a limited number of people, such as the Board of Directors, Senior Management, advisors, credit rating agencies, External Auditors and the controlling shareholders, in the necessary course of business, and on a “need to know” basis;
- (iii) Confidentiality Agreements may be used to ensure protection and confidentiality of the information by third parties;
- (iv) reminding all Directors and Principal Officers on the restriction on dealings pursuant to the MMLR;
- (v) regularly reminding all parties involved on the importance of maintaining confidentiality of the information; and
- (vi) implementation of the “Whistle-blowing Policy” to facilitate Employees to report misconduct or wrongdoings.

5.2.4.2 The Company will immediately announce the information withheld to Bursa Securities in accordance with the MMLR, if the following circumstances occur: -

- (a) unusual market activity in the Company’s securities which signifies that a “leak” of the information may have occurred;
- (b) rumours or reports concerning the information have appeared; or
- (c) where the Company learns that there are signs that insider trading may be taking place.

5. CORE AREAS (continued)

5.3 Thorough Public Dissemination

5.3.1 Equal Access to Material Information

- (a) The Company shall release material information to the public in a manner designed to obtain its fullest possible public dissemination.
- (b) No disclosure of material information is made on an individual or selective basis to journalists, analysts, fund managers or other persons unless such information has previously been fully disclosed and disseminated to the public.
- (c) Any public disclosure of material information must be made by an announcement first to Bursa Securities or simultaneously to Bursa Securities, the press and the newswire services.

5.3.2 Communicating with Journalists, Analysts and Fund Managers

- (a) The Company may provide information relating to the business, operations or financial performance of the Company and/or Group to the journalists, analysts and/or fund managers provided that such information is not undisclosed material information.
- (b) Similarly, when responding to questions from journalists, analysts and fund managers, or when commenting on their reports, the Company can provide any information, as long as it does not include any undisclosed material information.
- (c) In the event that the non-public material information has been inadvertently disclosed when responding to questions or commenting on the reports, the Company shall immediately announce to Bursa Securities.
- (d) Copies of presentations made during investor and industry conferences will be made available on the Company's website after the conference or when material information in the presentation becomes superseded by a more recent event.
- (e) Analysts may from time to time request the Company to review draft analysts' reports and only Authorised Spokespersons will comment on such reports. Comments will be limited to identifying publicly disclosed factual information that could affect the analyst's model and to pointing out inaccuracies or omissions with reference to publicly available information.
- (f) The Company shall not attempt to influence an analyst's conclusions.
- (g) The Company will not externally distribute analyst's research reports but, if requested, will advise which analysts follow the Company, accompanied by an appropriate disclaimer that the view expressed in any reports, including all forward-looking information, are the views of the analysts and not of the Company.
- (h) CCO shall provide an advance copy of all presentation materials to the CDC who will review the presentation material, handouts and speaking notes for accuracy and consistency with other public disclosures. The CDC will confirm with the CCO whether the contents or remarks are acceptable from a disclosure perspective.

5. CORE AREAS (continued)

5.3 Thorough Public Dissemination (continued)

5.3.2 Communicating with Journalists, Analysts and Fund Managers (continued)

- (i) All the Company's publicly disclosed material information and presentations to analysts and at conferences will be made available through the company's website for a reasonable period of time. CCO is responsible to ensure that the Company's website be kept up-to-date within reasonable time.

5.3.3 Electronic Communication

5.3.3.1 Electronic Mail System and Internet Access

- (a) The Company will disseminate and notify the release of the announcement to all those registered under the email notification service of PGB, including but not limited to journalists, analysts and fund managers.
- (b) The Company ensures the appropriate use of the e-mail facility by all Employees through the IT Policy, which prohibits the Employees to: -
 - (i) submit, publish or transmit information or data that contain false, abusive, discriminatory, obscene or illegal material;
 - (ii) distribute or propagate unsolicited or unauthorised messages, whether voluntary or involuntary; and
 - (iii) intercept, disclose or view e-mail messages that are not addressed to them.
- (c) The IT Policy also provides that access to internet via the PGB's networking infrastructure is confined to Employees whose duties require it for their normal business activities. At all times, the Employees are prohibited to disclose or disseminate any sensitive information of the Company over the network, whether voluntary or involuntary.

5.3.3.2 Website

- (a) The Company has a website (www.pgbgroup.com.my) which acts as a channel to disseminate information and to allow access to information about the Group by the shareholders and public. The website also distinguishes an "Investor" section containing disclosure and information of interest to the investors.

5. CORE AREAS (continued)

5.3 Thorough Public Dissemination (continued)

5.3.3 Electronic Communication (continued)

5.3.2.1 Website (continued)

- (b) The contents of the “Investor” section of the website shall include but not limited to the following: -
 - (i) announcement to Bursa Securities including periodic financial statements, annual reports and circulars to shareholders;
 - (ii) documents to shareholders including minutes and administrative guide in relation to general meetings;
 - (iii) prospectus; and
 - (iv) changes of the Company's Information.
- (c) Besides that, the website also contains the email address, names of the designated persons and their contact numbers to enable the public to forward queries to the Company.

5.4 Clarification, Confirmation or Denial of Rumours or Reports

- (a) Whenever the Company becomes aware of a rumour or report (true or false) that contains material information, the Company will make due enquiry and immediately publicly clarify, confirm or deny the rumour or report circulated by any means including by word of mouth, an article published in a newspaper, newswire, magazine, a broker's market report or any other publication.
- (b) The Company will respond to a rumour or report by making an announcement to Bursa Securities which should contain sufficient facts to support the clarification, confirmation or denial of the rumour or report.
- (c) Any follow-up notifications to the regulatory authorities will be circulated to the Board, if deemed necessary.

5.5 Response to Unusual Market Activity (“UMA”)

- (a) Where unusual trading activity, price movement, or both occurs on the securities of the Company, the Company will immediately undertake a due enquiry to seek the cause of the UMA.
- (b) If the Company determines that the UMA results from material information that has already been publicly disclosed pursuant to the MMLR, no further announcement is required. However, if the UMA indicates that such material information may have been misinterpreted, the Company will issue a clarifying announcement to the Bursa Securities. Appropriate measures will be taken to inform the Board, if deemed necessary, on such further clarifications.

5. CORE AREAS (continued)

5.5 Response to Unusual Market Activity (“UMA”) (continued)

- (c) If the UMA results from a “leak” of previously undisclosed information, the Company will publicly disclose the information in question in accordance with the MMLR.
- (d) If the cause of the UMA cannot be determined, the Company will announce that there have been no undisclosed developments which would account for the UMA.

5.6 Unwarranted Promotional Disclosure Activity

The Company will refrain from any form of promotional disclosure activity which may mislead investors or cause unwarranted price movement and trading activity in the Company’s securities. Such activity includes news releases, public announcements, predictions, reports or advertisements, which are unjustifiable, exaggerated, flamboyant, overstated or over-zealous.

5.7 Insider Trading

- (a) Pursuant to the Capital Markets and Services Act 2007 (“CMSA”), a person is an “insider” if that person: -
 - (i) possesses information that is not generally available which on becoming generally available a reasonable person would expect it to have a material effect on the price or value of the securities; and
 - (ii) knows or ought reasonably to know that the information is not generally available.
- (b) The restriction of insider trading is governed by Section 188 of CMSA and Paragraph 9.14 and 9.15 of the MMLR. An insider must not: -
 - (i) acquire or dispose of the securities of the Company, or enter into an arrangement for or with a view to the acquisition or disposal of the securities of the Company, on the basis of the material information which is not known to the investing public; or
 - (ii) procure, directly or indirectly, an acquisition or disposal of, or the entering into an agreement for or with a view to the acquisition or disposal of the securities of the Company, on the basis of the material information which is not known to the investing public; or
 - (iii) inform or tip any other person of undisclosed material information unless the sharing of that information is in the necessary course of business.
- (c) Employees or Directors who possess undisclosed material information are prohibited from dealing directly or indirectly in the Company's securities unless the information has been publicly disclosed at least one (1) full market day from the date of the announcement of material information.

5. CORE AREAS (continued)

5.8 Trading Restrictions

It is prohibited for anyone with knowledge of material information affecting the Company which has not been publicly disclosed, to purchase or sell securities of the Company. Except in the necessary course of business, it is also illegal for anyone to inform or tip any other person of material non-public information. Questions as to whether information is material, potentially material or whether such information has previously been disclosed in accordance with this Policy should be directed to the CDC for their deliberation.

5.9 Closed Periods

5.9.1 The Group subscribes to the Closed Period as stated in the Main Market LR, defined as a period commencing 30 calendar days before the targeted date of announcement up to the date of the announcement of PGB's quarterly results to Bursa Malaysia. During these Closed Periods, all Authorised Spokespersons are prohibited from commenting on current period earnings estimates and financial assumptions, other than to cite or refer to existing public guidance. Communications must be limited to commenting on publicly available or non-material information.

5.9.2 All Authorised Spokespersons must also avoid initiating meetings (in person or by phone) with investment analysts, security holders, potential investors and the media on items significant to investors, other than responding to unsolicited inquiries concerning factual information.

5.9.3 The Company does not, however, have to stop all communications with analysts or investors during this period and may, for example, participate in investment meetings and conferences organised by other parties, as long as material information which has not been publicly disclosed, is not selectively disclosed.

5.10 Forward-Looking Information

5.10.1 From time to time, the Company may convey its future direction to the public in order to assist the market to accurately value the Company's securities. The Company shall only discuss general trends, events, commitments and uncertainties that are reasonably expected based on historical and currently known data.

5.10.2 Documents containing forward-looking information shall be accompanied by a "Cautionary Statement" which cautions the reader on the risks and uncertainties that could cause actual results and developments to differ materially from those envisaged in the forward-looking information. It includes a statement to disclaim the Company's intention or obligation to update the forward-looking information, whether as a result of new information, future events or otherwise.

6. MAINTAINING CONFIDENTIALITY

6.1 Any Employee privy to confidential corporate information is prohibited from communicating such information to anyone else, unless it is necessary to do so in the course of business or required by law or authorised by CDC. Efforts will be made to limit access to such confidential information to only those on the “need to know” basis. Outside party’s privy to undisclosed material information concerning the Company/Group shall be told that they are not to divulge such information to anyone else. Senior Management shall ensure that such outside parties confirm their commitment to non-disclosure under a written confidentiality agreement.

6.2 For prevention of misuse or inadvertent disclosure of material information, the following general procedures shall be observed at all times: -

(a) No discussion in Public Places

Confidential matters should not be discussed in places where the discussion may be overheard, including but not limited to, elevators, hallways, restaurants, bars, restrooms, canteen, airplanes or taxis. If confidential matters must, of necessity or urgency, be discussed on wireless devices in public places, caution should be exercised by the participants. In such cases, the identity of any relevant party should be cryptic or in code.

One must exercise caution when reading of confidential documents in public places and/or use blackberries, smart phones or other personal digital assistant devices in public places.

(b) Accompanying visitors

Visitors shall at all times be accompanied by the Company’s personnel to ensure that they are not left alone in offices or sites containing confidential information.

(c) Non-participation in social media on matters relating to Company

To mitigate the risk of inadvertently disclosing or publishing material and non-public information, employees are strictly prohibited from participating in Internet blogs, chat rooms, similar social media forums (such as Twitter, LinkedIn or Facebook) or newsgroup discussions on matters pertaining to the Company’s business and affairs or its listed securities unless authorised to do so by an Authorised Spokesperson.

7. DISCLOSURE RECORD

CCO shall maintain a file containing all public information about the Company (other than information that is already electronically filed with Bursa Malaysia), including all press releases, analysts’ reports commented on, transcripts or tape recordings of conference calls, investor presentations, executive speeches, and as much as practicable, significant media articles on the Company.

8. ENFORCEMENT

Each Employee has a duty to read and understand the CDP and each Employee shall be bound by it. Ignorance of this policy will not be a reason for non-compliance by any Employee. Violation of the CDP can result in disciplinary action, including termination of employment. The violation of the CDP may also violate certain securities laws, and if a Director or Employee has violated such securities laws, the Company may refer the matter to the appropriate regulatory authorities. If any Employees has any doubts as to their responsibilities under this Policy, they **MUST** seek clarification and guidance from the CDC.

Any revision to this Policy will be made known to all Employees in accordance with the foregoing methods of information dissemination on significant changes made.

9. REVIEW OF POLICY

The CDP has been adopted by the Board on 22 November 2022. Any subsequent amendment to the CDP can only be approved by the Board.

The CDP will be periodically reviewed by the Board at least once for every three years, to ensure that it remains current and effective in accordance with the needs of the Company and any new regulations that may have an impact on the disclosure obligations and practices.

The CDP is made available for reference in the Company's website at www.pgbgroup.com.my.



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