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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 independent professional adviser immediately.

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PARAGON GLOBE BERHAD

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194801000095 (1713-A)

(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The resolution in respect of the above proposal will be tabled as Special Business at the Annual General Meeting (AGM) of the Company. The AGM will be held at Level 2, Grand Paragon Hotel, No. 18, Jalan Harimau, Taman Century, 80250 Johor Bahru, Johor Darul Takzim, Malaysia on **Tuesday, 2 September 2025 at 10.00 a.m.**, or at any adjournment thereof. The Notice of AGM together with the Form of Proxy, are set out in the Annual Report 2025 of the Company which are published at the Company's website at www.pgbgroup.com.my or Bursa Securities' website at www.bursamalaysia.com.

A member of the Company entitled to attend, participate, speak and vote at the AGM is entitled to appoint a proxy or proxies to attend, participate, speak and vote on his/her behalf. The Form of Proxy shall be deposited with the Company's Share Registrar, 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 in the drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, to submit proxy appointment electronically via TIIH Online at <https://tiih.online> not less than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof or no later than **Sunday, 31 August 2025 at 10.00 a.m.** Please follow the procedures as set out in the Administrative Guide for the 78th AGM for the electronic lodgement of the Form of Proxy. The lodging of the Form of Proxy will not preclude you from participating and voting at the AGM should you subsequently decide to do so.

Date and time of the AGM	: Tuesday, 2 September 2025 at 10.00 a.m. or at any adjournment thereof
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Last date and time for lodging the Form of Proxy	: Sunday, 31 August 2025 at 10.00 a.m.
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This Circular is dated 30 July 2025

DEFINITIONS

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

Act	: Companies Act 2016
AGM	: Annual General Meeting
Board	: Our Board of Directors
Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
Circular	: This circular to the shareholders of our Company dated 30 July 2025
CMSA	: Capital Market Securities Act 2007
Dato' Sri Edwin Tan	: Dato' Sri Edwin Tan Pei Seng, Executive Chairman of our Company
Dato' Sri Godwin Tan	: Dato' Sri Godwin Tan Pei Poh, Group Executive Director of our Company
Directors	: Directors of our Company have the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a director of our Company, its subsidiaries or holding company
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
LPD	: 1 July 2025, being the latest practicable date prior to the printing of this Circular
Major Shareholder(s)	: A person who has an interest or interests in one or more voting shares in our Company and the number or the aggregate of those shares, is: (a) 10% or more of the total number of voting shares in the corporation; or (b) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation For the purpose of this definition, "interest in shares" shall have the meaning given in Section 8 of the Act. A major shareholder includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a major shareholder of our Company, its subsidiaries or holding company.
Person	: Includes a body of persons, corporate or unincorporated (including a trust)

DEFINITIONS (Cont'd)

Person(s) Connected	: In relation to any person (referred to as "said Person") means such person who falls under any one of the following categories: (a) a family member of the said Person; (b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary; (c) a partner of the said Person; (d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person; (e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act; (f) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or (g) a body corporate which is a related corporation of the said Person
PGB Group or Group	: Collectively, our Company and our subsidiaries
PGB or Company	: Paragon Globe Berhad (Registration No. 194801000095 (1713-A))
PGB Share(s) or Share(s)	: Ordinary shares in PGB
Proposed Shareholders' Mandate	: Proposed renewal of Shareholders' Mandate for RRPT to be entered into by our Group from the date of the forthcoming 78 th AGM until the conclusion of the next AGM
Related Party(ies)	: Directors, Major Shareholder(s) or Person(s) Connected with such Directors or Major Shareholder(s) of our Company
Related Party Transaction(s) ("RPT")	: Transaction(s) entered into by our Group which involve(s) the interest, direct or indirect, of the Related Party(ies) of our Company
Recurrent Related Party Transaction(s) ("RPT")	: Related Party Transaction(s) involving recurrent transactions of a revenue or trading nature that are necessary for the day-to-day operations and are in the ordinary course of business of our Group

DEFINITIONS *(Cont'd)*

RM and sen : Ringgit Malaysia and sen respectively

Shareholders' Mandate : The existing shareholders' mandate granted to our Group to enter into RRPT with Related Parties in the ordinary course of business which are necessary for the day-to-day operations of our Group

Substantial Shareholder : A person who has an interest in one or more voting shares in our Company and the number or the aggregate number of such shares is not less than 5% of the total number of all voting shares in our Company as defined in Section 136(2) of the Act

All references to "you" or "Shareholder" in this Circular are to the shareholders of PGB. All references to "we", "us", "our" and "ourselves" are in respect of PGB or the PGB Group, where relevant. References to persons shall include corporations, unless otherwise specified.

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine shall, where applicable, include the feminine and/or neuter gender, and vice versa.

Any reference in this Circular to any enactment, rules and regulations is a reference to that enactment, rules and regulations as may be amended or re-enacted from time to time.

Any reference to time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated.

Any discrepancy in the tables between the amount listed, actual figures and the totals in this Circular are due to rounding.

This Circular includes forward-looking statements. Forward-looking statements may contain estimates and assumptions made by the Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. All statements other than statements of historical facts included in this Circular including, without limitation, those regarding our Group's financial position, business strategies, prospects, plans and objectives of our Company for future operations, are forward-looking statements. There can be no assurance that such forward-looking statements will materialise, be fulfilled or be achieved.

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PARAGON GLOBE BERHAD

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194801000095 (1713-A)

(Incorporated in Malaysia)

Registered Office:
Level 10-02, Grand Paragon Hotel,
No. 18, Jalan Harimau,
Taman Century,
80250 Johor Bahru,
Johor Darul Takzim

30 July 2025

Board of Directors

Dato' Sri Edwin Tan Pei Seng (*Executive Chairman*)

Dato' Sri Godwin Tan Pei Poh (*Group Executive Director*)

Leong Siew Foong (*Executive Director*)

Tee Boon Hin (*Senior Independent Non-Executive Director*)

Dato' Haji Ismail Bin Karim (*Independent Non-Executive Director*)

Tan Sri Datuk Wira Dr. Hj. Mohd Shukor Bin Hj. Mahfar (*Independent Non-Executive Director*)

Dato' Jeffrey Lai Jiun Jye (*Non-Independent Non-Executive Director*)

To: Our Shareholders

Dear Sir/Madam,

PROPOSED SHAREHOLDERS' MANDATE

1. INTRODUCTION

On 28 August 2024, our Company obtained a Shareholders' Mandate for our Group to enter into RRPT on terms that are not more favourable to the Related Parties than those generally available to the public. In accordance with the Listing Requirements, the authority conferred by the Shareholders' Mandate shall, unless renewed, lapse at the conclusion of the forthcoming 78th AGM of our Company.

In relation thereto, our Company had, on 21 July 2025, announced its intention to seek shareholders' approval at the forthcoming 78th AGM for the Proposed Shareholders' Mandate to allow our Group to continue entering into existing RRPT with the Related Parties.

Further details of the Proposed Shareholders' Mandate are set out in the ensuing sections of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED SHAREHOLDERS' MANDATE AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION TO BE TABLED AT OUR FORTHCOMING 78th AGM. THE NOTICE OF THE 78th AGM TOGETHER WITH THE FORM OF PROXY ARE ENCLOSED IN THE ANNUAL REPORT 2025.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSAL MANDATE AT THE FORTHCOMING 78th AGM.

2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

2.1 Introduction

Pursuant to Part E, Paragraph 10.09(2) of Chapter 10 of Listing Requirements, our Company may seek a mandate from our shareholders for RRPT subject to the following:

- (a) the transactions are in the ordinary course of business of our Group and are on terms not more favourable to the Related Party than those generally available to the public;
- (b) the Shareholders' Mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the financial year where:
 - (i) the consideration, value of the assets, capital outlay or costs of the RRPT is RM1 million or more; or
 - (ii) the percentage ratio of such RRPT is 1% or more,whichever is the higher;
- (c) the Circular to shareholders for the Shareholders' Mandate includes the information as may be prescribed by Bursa Securities.
- (d) in a meeting to obtain shareholders' mandate, where the interested Director, interested Major Shareholder or interested Person Connected to a Director or Major Shareholder and where the interest of an interested Person Connected to a Director or Major Shareholder is involved, such Director or Major Shareholder, must not vote on the resolution approving the transactions and an interested Director or interested Major Shareholder must ensure that Persons Connected with him abstain from voting on the resolution approving the transactions; and
- (e) our Company immediately announces to Bursa Securities when the actual value of a RRPT entered into by our Company, exceeds the estimated value of the RRPT disclosed in this Circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Where a listed issuer has procured shareholders' mandate pursuant to Paragraph 10.09(2), the provisions of Paragraph 10.08 will not apply.

It is anticipated that the RRPT are conducted in the ordinary course of our Group's business and are likely to occur and are necessary for the day-to-day operations.

In this respect, our Company is currently seeking approval from our shareholders for the Proposed Shareholders' Mandate to allow our Group, in our ordinary course of business, to enter into RRPT listed in Section 2.4 of this Circular with the Related Parties where the transactions are revenue or trading in nature and on normal commercial terms which on terms not more favourable to the Related Parties than those generally available to the public and not to the detriment of the minority shareholders of our Company.

The Proposed Shareholders' Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed Shareholders' Mandate shall take effect from and including 2 September 2025, being the date of the forthcoming 78th AGM, and shall continue to be in force until:

- (a) the conclusion of the next AGM following the 78th AGM, at which such Proposed Shareholders' Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- (b) the expiration of the period within which the next AGM after this date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by our shareholders in general meeting,

whichever is the earlier.

If the Proposed Shareholders' Mandate is approved, we are required to disclose the aggregate value of the RRPT conducted during the financial year pursuant to the Proposed Shareholders' Mandate in our Annual Report 2026. In making such disclosure, we will provide a breakdown of the aggregate value of the RRPT made during the financial year pursuant to the Proposed Shareholders' Mandate based on the following information:

- (a) type of RRPT made; and
- (b) names of the Related Parties involved in each type of the RRPT made and their relationship with our Company.

Details of the RRPT of our Group which is in accordance with Paragraph 10.09(1) of the Listing Requirements are set out in the ensuing paragraphs.

The RRPT of our Group contemplated under the Proposed Shareholders' Mandate comply with Paragraph 10.09(2) of the Listing Requirements as well as the relevant provisions under Paragraphs 3.1 and 3.2 of Practice Note 12 of the Listing Requirements.

2.2 Principal Business

The principal activity of our Company is an investment holding company whilst the principal activities of our subsidiaries comprise the following:

No.	Name of Company	Principal Activities	Effective Ownership Interest (%)
1.	Paragon Bizhub Sdn. Bhd.	Properties development	100.00
2.	PGBG Construction Sdn. Bhd.	Properties development and building contractors	100.00
3.	Builtech Acres Sdn. Bhd.	Properties investment	99.06
4.	Paragon Globe Properties Sdn. Bhd.	Properties development	100.00
5.	Paragon Platinum Sdn. Bhd.	Properties development and properties investment	100.00
6.	Paragon Business Hub Sdn. Bhd.	Properties development	100.00
7.	PGB Innovation Sdn. Bhd. (Formerly known as Paragon Workers Hostel Sdn. Bhd.)	Properties development	100.00
8.	PGB Iconic Sdn. Bhd.	Properties development	100.00
9.	PGB Landmark Sdn. Bhd.	Properties development	100.00
10.	PGB Desa Heights Sdn. Bhd. (Date of incorporation: 14 May 2024)	Properties development	100.00
11.	PGB Gardens Sdn. Bhd. (Date of incorporation: 20 September 2024)	Dormant, intended activity is properties development	100.00
12.	PGB Parkland Sdn. Bhd. (Date of incorporation: 6 June 2025)	Dormant, intended activity is properties development	51.00

2.3 Classes of Related Parties

The Proposed Shareholders' Mandate will apply to the following classes of Related Parties:

- (a) Interested Directors;
- (b) Interested Major Shareholders; and
- (c) Persons Connected with our Directors and/or Major Shareholders.

2.4 Class and Nature of the RRPT for the Proposed Shareholders' Mandate

The details of RRPT contemplated under the Proposed Shareholders' Mandate are as follows:

No.	Nature of Recurrent Related Party Transaction	Parties Involved	Related Parties	Interested Directors, Interested Major Shareholders and Person Connected	Estimated value from 28 August 2024 to our 78 th AGM on 2 September 2025 (RM'000)	Actual value from 28 August 2024 till LPD (RM'000)	Estimated value ^{*5} from 78 th AGM on 2 September 2025 till the next AGM (RM'000)
1	Rental of Office Premises ^{*1}	PGB	Castle Inn Realty Sdn. Bhd.	Dato' Sri Edwin Tan Dato' Sri Godwin Tan	620	501	620
2	Administration Support Services ^{*2}	PGB Group	Hotel Grand Paragon Sdn. Bhd.	Dato' Sri Edwin Tan Dato' Sri Godwin Tan	450	222	700
3	Construction and Related Services ^{*3}	PGBG Construction Sdn. Bhd.	Paragon Earth Sdn. Bhd.	Dato' Sri Edwin Tan Dato' Sri Godwin Tan Dato' Jeffrey Lai Jiun Jye	90,000	-	90,000
4	Tenancy Agreement for Office Premises ^{*4}	PGB	Dato' Sri Edwin Tan	Dato' Sri Edwin Tan	200	144	200

Notes:

^{*1} PGB entered into a tenancy agreement with Castle Inn Realty Sdn. Bhd. for the rental office space located at Level 10-02, Grand Paragon Hotel, No. 18, Jalan Harimau, Taman Century, 80250 Johor Bahru, Johor. The office space has a net floor area of approximately 5,327.38 square feet, at a rental rate of RM9.40 per square foot, for a monthly rental of RM50,077.

The original tenancy was for a period of three (3) years, commencing on 1 May 2022 and expiring on 30 April 2025. PGB has exercised its option to renew the tenancy for a further term of three (3) years, from 1 May 2025 to 30 April 2028, with the monthly rental remaining unchanged for the duration of the further term.

^{*2} PGB Group receives administrative support services from Hotel Grand Paragon Sdn. Bhd. ("**Grand Paragon Hotel**"). These services may vary depending on the specific needs and arrangements between our Group and Grand Paragon Hotel. Common administrative support services provided include meeting and conference facilities, accommodation services, catering and food services, parking services and other related services.

^{*3} The subsidiary of PGB, PGBG Construction Sdn. Bhd. ("**PGBG**"), provides a range of construction and related services to Paragon Earth Sdn. Bhd., which may include site preparation, building construction, project management, structural works and other related services. The transactions are in the ordinary course of PGBG's businesses and are likely to occur and are necessary for the day-to-day operations.

^{*4} PGB entered into a tenancy agreement with Dato' Sri Edwin Tan for the rental of all that premises located at No. 9, Lorong Gurney, Off Jalan Semarak, 54100 Kuala Lumpur, erected on GRN 27901 Lot 300, Seksyen 87A, Mukim Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan. The premises has an approximately built-up area of 990.183 square meters, at a rental rate of RM14.11 per square meter, for a monthly rental of RM13,980.

The original tenancy was for a period of two (2) years, commencing on 15 April 2023 and expiring on 14 April 2025. PGB has exercised its option to renew the tenancy for a further term of two (2) years, from 15 April 2025 to 14 April 2027, with the monthly rental of RM15,738 for the duration of the further term.

^{*5} The estimated value is subject to actual transaction value, which may vary from the estimated value disclosed, as the actual value cannot be ascertained at this juncture. However, in accordance with Paragraph 3.3 of Practice Note 12 of the Listing Requirement, the value of such transaction shall not exceed 10% of the percentage ratio as defined in Paragraph 10.02(g) of the Listing Requirements.

All transacted values are excluded from Sales and Services Tax or any other prevailing taxes applicable at the time of transaction.

^{*6} The details of the service providers and recipients of all the above transactions are as follows:

No.	Nature of Recurrent Related Party Transaction	Provider	Recipient
1	Rental of Office Premises	Castle Inn Realty Sdn. Bhd.	PGB
2	Administration Support Services	Hotel Grand Paragon Sdn. Bhd.	PGB Group
3	Construction and Related Services	PGBG Construction Sdn. Bhd.	Paragon Earth Sdn. Bhd.
4	Tenancy Agreement for Office Premises	Dato' Sri Edwin Tan	PGB

2.5 Nature and Extent of Interest

The nature and extent of the interests of the interested Directors and Major Shareholders as stated in the preceding table are as follows:

- (a) Dato' Sri Edwin Tan is the Executive Chairman of PGB. He is also a director and substantial shareholder of both Castle Inn Realty Sdn. Bhd. and Hotel Grand Paragon Sdn. Bhd. through his 50% direct shareholding in each company.

Additionally, Dato' Sri Edwin Tan is a director and substantial shareholder of Paragon Earth Sdn. Bhd., with a 64% deemed interest held through Paragon Link Sdn. Bhd. and 1% deemed interest held through T&T Enterprise Sdn. Bhd.

- (b) Dato' Sri Godwin Tan is the Group Executive Director of PGB. He is a director and shareholder of Castle Inn Realty Sdn. Bhd. through his 20% direct shareholding. He also acts as the director for Hotel Grand Paragon Sdn. Bhd.

Furthermore, Dato' Sri Godwin Tan is a director and substantial shareholder of Paragon Earth Sdn. Bhd., with a 64% deemed interest held through Paragon Link Sdn. Bhd.

- (c) Dato' Jeffrey Lai Jiun Jye is the Non-Independent Non-Executive Director of PGB. He is a director and shareholder of Paragon Earth Sdn. Bhd., with a 35% deemed interest held through Kuopacific Properties Sdn. Bhd.

2.6 Amount Due and Owing by Related Parties

As at the LPD, there were no amounts due and owing to our Group under the RRPT which exceeded the credit limit.

2.7 Review Procedures in relation to Recurrent Related Party Transactions

Our Group has established various procedures to ensure that the RRPT are undertaken at arm's length basis and on normal commercial terms consistent with our Group's normal business practices and policies, which are no more favourable to the Related Parties than those extended to third parties/public and are not to the detriment of the minority shareholders.

The RRPT will be undertaken based on prevailing rates according to normal commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms/considerations.

The procedures established by our Group are as follows:

- (a) All Related Party of our Group are responsible to provide "Conflict of Interest Declaration Form" to the Audit Committee of any potential RPT, RRPT and/or any conflict of interest involving him/her or Person Connected to him/her, including any additional information about the transaction that the Audit Committee may reasonably request subsequently. The Audit Committee will determine whether the transaction does, in fact, constitute RPT, RRPT and/or conflict of interest, and may engage professional or third-party opinion on the matter as required;
- (b) All Substantial Shareholders, Directors, employees of our Group are required to complete the Conflict of Interest Declaration Form in an annual basis, by disclosing the names of companies in which he/she and/or their Person Connected hold directorships and/or substantial shareholding, any potential RPT, RRPT and/or conflict of interest, if any to the Compliance Function;
- (c) Sales and marketing department's personnel and project and purchasing department's personnel are required to submit Conflict of Interest Declaration Form whereby the owner, director and/or shareholder of the prospective customer or newly appoint supplier is required to disclose and declare whether the owner, director and/or its shareholder is the Substantial Shareholder, Director or employee of our Group or Person Connected with such substantial shareholder, Director or employee. Sales and marketing department and project and purchasing department are required to inform the Compliance Function in the event the owner, director and/or the shareholder of the prospective customer or newly appoint supplier is a Substantial Shareholder, Director or employee of our Group or Person Connected with the Substantial Shareholder, Director or employee;
- (d) The Compliance Function will review all RPTs, RRPTs and/or the conflict of interest monthly, compile a listing of Related Party, nature of RPT, RRPT and/or the conflict of interest, estimated value of annual transactions and controls put in place to the transactions, subject to the update from time to time and subject to review by the Head of Compliance Function without the participation of the interested Related Party. It is the responsibility of the Head of Compliance Function to notify the Audit Committee of new RPT, RRPT and/or conflict of interest with details in written communication and/or electronic communication and report to the Audit Committee for review at least once every quarter during the quarterly Audit Committee meeting;

(In the event the Head of Compliance Function has interest whether directly or indirectly in the RPT, RRPT and/or the conflict of interest, other Director not interested in the RPT, RRPT and/or the conflict of interest shall review the details of the relevant RPT, RRPT and/or the conflict of interest and notify the Audit Committee.)

- (e) For the avoidance of doubt, significant transaction involving Related Party for annual transaction value (based on financial year) of more than RM1,000,000.00 must subject to a formal review and approval by the Audit Committee, supported by information and documentations per Section 2.7(g) and Section 2.7(h) of this Circular, prior to the commencement of the transaction. Whilst Head of Compliance Function will notify the Audit Committee for annual transaction value if less than RM1,000,000.00 during Audit Committee Meeting;

- (f) Any member of the Audit Committee who has an actual conflict of interest, potential conflict of interest or perceived conflict of interest, whether directly or indirectly in any RPT, RRPT and/or any conflict of interest will recuse himself or herself and abstain from voting on the review and approval or ratification for all of the RPT, RRPT and/or conflict of interest and must not participate in the Audit Committee's discussions of the RPT, RRPT and/or any conflict of interest. Thereafter such member of the Audit Committee, if he/she is an Independent Director, shall be subject to independency and objectivity assessment by the Board to determine his/her independency and objectivity to continue his/her holding of office as Independent Director;
- (g) In order for the Audit Committee to review any RPT, RRPT and/or any conflict of interest, the Compliance Function shall provide the Audit Committee with all relevant material information of the RPT, RRPT and/or any conflict of interest, including but not limited to:
 - (i) the terms of the transaction and its commercial reasonableness;
 - (ii) the description and business purpose of the transaction;
 - (iii) the extent of the Related Party's interest in the RPT, RRPT and/or any conflict of interest, if applicable;
 - (iv) the controls put in place;
 - (v) the benefits to the Company and/or to the Related Party;
 - (vi) the materiality of the RPT, RRPT and/or any conflict of interest to the Company and the percentage ratio pursuant to Chapter 10 of Listing Requirements;
 - (vii) justification as to why the transaction must be undertaken with the Related Party; and
 - (viii) any other relevant information as the Audit Committee deems necessary.
- (h) In determining whether to recommend the RPT, RRPT and/or any conflict of interest to the Board to approve or its recommendation to the shareholders for approval at general meeting, the Audit Committee shall consider the following factors:
 - (i) whether the terms of the RPT, RRPT and/or the conflict of interest are at arms-length basis, on terms not more favourable to Related Party than those generally available to the public and in the best interest of our Company, fair, reasonable and not detriment to the interest of our Company or its subsidiary or its minority shareholders and/or would apply on the same basis if the transaction did not involve a Related Party;
 - (ii) whether there are quotations provided by a non-Related Party for comparison and if no, justification for no price comparison;
 - (iii) whether there are any compelling business reasons for our Company or its subsidiary to enter into the RPT, RRPT and/or the conflict of interest and the nature of alternative transactions, if any;

- (iv) whether the RPT, RRPT and/or the conflict of interest would impair the independence of an otherwise Independent Director or Director of our Company or its subsidiary (as the case maybe);
 - (v) whether the Audit Committee was notified about the RPT, RRPT and/or the conflict of interest before its commencement and if not, why pre-approval was not sought and whether subsequent ratification would be detrimental to our Company or its subsidiary;
 - (vi) whether the RPT, RRPT and/or the conflict of interest would present an improper conflict of interest for Related Party or the employee of our Company or its subsidiary, taking into account the size of the transaction, the overall financial materiality of RPT, RRPT and/or the conflict of interest to the Related Party or the employee of our Company or its subsidiary, the direct or indirect nature of the Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Audit Committee deems relevant; and
 - (vii) at least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities are compared, wherever possible, to determine the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of produces/services and/or quantities. In the event that quotation or comparative pricing from unrelated third parties cannot be obtained (for instance, if there are no unrelated third-party vendors/customers of similar products or services, or if the product/service is a proprietary item), transaction price will be offered to/by at a margin that will not be detrimental to our Company or our Group.
- (i) If in any event, the Audit Committee decides not to recommend RPT, RRPT and/or the conflict of interest to the Board to approve or its recommendation to the shareholders for approval at general meeting that has been commenced without approval, the Audit Committee may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction or modification of the transaction to make it acceptable for ratification. In connection with any review of a RPT, RRPT and/or the conflict of interest, the Audit Committee has the authority to modify or waive any procedural requirements of this policy.
 - (j) All RPTs, RRPTs and/or any conflict of interest reviewed by the Audit Committee are to be reported and recommended to the Board for deliberation and approval. The considerations set forth above shall apply to the Board with such modifications as may be necessary or appropriate under the circumstances.
 - (k) Any member of the Board who has an actual interest, potential interest or perceived interest in any of the RPT, RRPT and/or conflict of interest will recuse himself or herself and abstain from voting on the approval or ratification of the RPT, RRPT and/or the conflict of interest and must not participate in the Board discussions of the RPT, RRPT and/or the conflict of interest.

2.8 Audit Committee Statement

The Audit Committee of our Company shall review the procedures and is of the view that the said procedures are sufficient to ensure that the RRPT are conducted at arm's length and on normal commercial terms which are consistent with our Group's normal business practices and policies and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of our Group.

The Audit Committee is also in the view that our Group has put in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner. The procedures will be reviewed whenever the need arises and any recommendations will be proposed when necessary.

3. RATIONALE AND BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATE

The RRPT that are set out in Section 2.4 of this Circular are in the ordinary courses of business and intended to meet the business needs of our Group on the best possible terms. The RRPT would create mutual benefits for our Group, such as expediency and increased efficiency necessary for day-to-day operations. Additionally, our Group benefits from the close working relationship with the Related Party and the prompt and reliable services from them.

These transactions may be time-sensitive in nature and it may be impractical to seek shareholders' approval on a case-by-case basis before entering into such Related Party Transactions. Hence, the Board is seeking approval from shareholders on the Proposed Shareholders' Mandate to enter into such transactions which would substantially reduce administrative time, inconvenience and additional expenses associated with the convening of a separate meeting for approval of each transaction. This will improve the administrative efficiency, resources allocation and time effectiveness to be focused on attaining our Company's corporate objectives and business opportunities.

The Proposed Shareholders' Mandate is to ensure the RRPT will be transacted at arm's length basis and the terms entered is not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of our Company.

4. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate will not have any effect on the share capital and the Substantial Shareholders' shareholdings in our Company, and is not expected to have material effect on the net assets, gearing and earnings of our Group for the financial year ending 31 March 2026.

5. APPROVAL REQUIRED

The Proposed Shareholders' Mandate is subject to the approval from our shareholders at the forthcoming 78th AGM to be convened.

6. INTERESTS OF THE INTERESTED DIRECTORS, INTERESTED MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

The direct and indirect interests in PGB Shares of the interested Directors and Major Shareholders as of the LPD are as follows:

Interested Directors and Major Shareholders	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Dato' Sri Edwin Tan	175,200	0.023	424,048,100 ^{*1}	56.794
Dato' Sri Godwin Tan	8,000	0.001	424,048,100 ^{*1}	56.794
Dato' Jeffrey Lai Jiun Jye	-	-	-	-

Note:

^{*1} Deemed interest by virtue of his substantial indirect interest in Paragon Adventure Sdn. Bhd.

The above interested Directors and interested Major Shareholders have and will continue to abstain from the Board deliberations and voting of the Proposed Shareholders' Mandate in respect of their direct and/or indirect shareholdings in our Company at the forthcoming 78th AGM to be convened.

In addition, the interested Directors and interested Major Shareholders have undertaken to ensure that Persons Connected with them shall abstain from voting in respect of their direct and indirect shareholdings in our Company in relation to the resolution pertaining to the Proposed Shareholders' Mandate to be tabled in the forthcoming 78th AGM.

7. OPINION AND RECOMMENDATION FROM DIRECTORS

Save for the interested Directors namely, Dato' Sri Edwin Tan, Dato' Sri Godwin Tan and Dato' Jeffrey Lai Jiun Jye, the Board has considered all aspects of the Proposed Shareholders' Mandate and is of the opinion that it is in the best interest of our Company and shareholders. Accordingly, the Board would recommend you to vote in favour of the resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming 78th AGM.

8. ANNUAL GENERAL MEETING

The 78th AGM of will be held at Level 2, Grand Paragon Hotel, No. 18, Jalan Harimau, Taman Century, 80250 Johor Bahru, Johor Darul Takzim, Malaysia on **Tuesday, 2 September 2025 at 10.00 a.m.** or at any adjournment thereof for the purpose of considering and if thought fit, passing, with or without modification, the resolution to give effect to the Proposed Shareholders' Mandate.

If you are unable to attend, participate, speak and vote in person at the 78th AGM, please complete, sign and return the Form of Proxy which is attached together with the Annual Report 2025 of PGB in accordance with the instructions contained therein as soon as possible and, in any event, so as to arrive at the office of our Company's share registrar, 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 in the drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, to submit proxy appointment electronically via TIIH Online at <https://tiih.online> not less than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof. Please follow the procedures as set out in the Administrative Guide for the 78th AGM for the electronic lodgement of Form of Proxy.

The lodging of the Form of Proxy will not preclude you from attending and voting in person at the 78th AGM should you subsequently wish to do so.

9. FURTHER INFORMATION

Shareholders are advised to refer to the attached appendix for further information.

Yours faithfully,
For and on behalf of the Board of
PARAGON GLOBE BERHAD

Dato' Haji Ismail Bin Karim
Independent Non-Executive Director

FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information contained in this Circular and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no material facts, the omission of which would make any statement in this Circular false or misleading.

2. MATERIAL CONTRACTS

Neither PGB nor its subsidiaries have entered into any contracts that are or may be material, other than those entered into in the ordinary course of business, during the past two (2) years preceding the date of this Circular except for the following:

1. On 3 July 2023, PGB Iconic Sdn. Bhd., a wholly-owned subsidiary of our Company, entered into a sale and purchase agreement with Surelead Sdn. Bhd. to purchase two (2) parcels of freehold land held under GRN 85942 Lot 2942 and GRN 85947 Lot 2943, both in the Township of Johor Bahru, District of Johor Bahru, State of Johor, measuring approximately 5,670.66 square meters at a purchase price of RM12,207,690. The transaction was completed on 17 October 2023, pursuant to the terms of the sale and purchase agreement.
2. On 3 November 2023, PGB Iconic Sdn. Bhd., a wholly-owned subsidiary of our Company, entered into a sale and purchase agreement with Besview Holdings Sdn. Bhd. to purchase one (1) parcel of freehold land held under HS(D) 135013 PTB 17989, in the Township of Johor Bahru, District of Johor Bahru, State of Johor, measuring approximately 5,297.90 square meters at a purchase price of RM16,538,120. The transaction was completed on 22 April 2024, pursuant to the terms of the sale and purchase agreement.
3. On 17 November 2023, PGB Landmark Sdn. Bhd., a wholly-owned subsidiary of our Company, entered into eight (8) conditional sale and purchase agreements ("SPAs") with Nusajaya Rise Sdn. Bhd. and Nusajaya Heights Sdn. Bhd. (collectively known as "Vendors"), as well as Symphony Hills Sdn. Bhd. ("Proprietor"), to purchase seven (7) parcels of freehold lands located in the Mukim of Tanjung Kupang and one (1) parcel of freehold land in the Mukim of Pulai, all in the District of Johor Bahru, State of Johor measuring approximately 46.90 hectares at a purchase price of RM146,071,898.47 ("Purchase Price").

The deposit as part payment towards the account of the Purchase Price was payable upon execution of the SPAs. The balance of the Purchase Price shall be paid to the Vendors' Solicitor on or before the last day of three (3) months from the date of the SPAs becoming unconditional. Subject to the terms and conditions stipulated in the SPAs, the acquisition of six (6) out of the total eight (8) parcels of land was completed on 13 June 2024, 19 July 2024 and 6 September 2024, respectively. The acquisition of the remaining two (2) parcels of land is still pending completion as of the LPD.

4. On 2 February 2024, Paragon Globe Berhad ("PGB") entered into a Memorandum of Understanding ("MOU") with Solarvest Holdings Berhad ("SLV") with the intention to jointly develop and operate green industrial townships in Desa Cemerlang, State of Johor, to support the sustainable development goals of both Parties and the region ("Project"). PGB and SLV (collectively known as "Parties") agreed that the MOU would be effective upon execution and remain valid for two (2) years ("Term"). Subject to mutual agreement by the Parties to extend the Term, the MOU shall expire upon the occurrence of any events stated in the MOU.

Following PGB's strategic restructuring of the Project in Desa Cemerlang, specifically the disposal of 47.86 acres and 19.76 acres of freehold lands by PGB to Bridge Data Centres Malaysia IV Sdn. Bhd. and Bridge Data Centres Malaysia VI Sdn. Bhd., respectively, for a total of 67.62 acres, both Parties mutually agreed to terminate the MOU on 9 December 2024.

5. On 3 April 2024, Paragon Business Hub Sdn. Bhd., a wholly-owned subsidiary of our Company, entered into a sale and purchase agreement with Ng Kok Kiang, Ng Kok Seng and Ng Lo Meng to purchase one (1) parcel of freehold agriculture land held under GM 462 Lot 94 in the Mukim of Plentong, District of Johor Bahru, State of Johor, measuring approximately 3.98 hectares at a purchase price of RM13,500,000. The transaction was completed on 2 July 2024, pursuant to the terms of the sale and purchase agreement.
6. On 8 May 2024, Paragon Business Hub Sdn. Bhd., a wholly-owned subsidiary of our Company, entered into a conditional sale and purchase agreement with Bridge Data Centres Malaysia IV Sdn. Bhd. to dispose part of a parcel of freehold agriculture land held under Geran 80943 Lot 2699, in the Mukim of Plentong, District of Johor Bahru, State of Johor, measuring approximately 47.86 acres for a cash consideration of RM238,317,195.60. Subject to the terms and conditions stipulated in the sale and purchase agreement, the transaction has not been completed as of the LPD.
7. On 30 May 2024, Paragon Business Hub Sdn. Bhd., a wholly-owned subsidiary of our Company, entered into a conditional sale and purchase agreement with Semenang Realty Sdn. Bhd. to purchase one (1) parcel of freehold industrial land held under HSD 631308 PTD 250799, in the Mukim of Plentong, District of Johor Bahru, State of Johor, measuring approximately 14.85 acres at a purchase price of RM28,563,133.20. The transaction was completed on 31 December 2024, pursuant to the terms of the sale and purchase agreement.
8. On 29 July 2024, Paragon Business Hub Sdn. Bhd., a wholly-owned subsidiary of our Company, entered into a conditional sale and purchase agreement with EKL Holdings Sdn. Bhd. to purchase two (2) parcels of freehold agriculture land held under GM 757 Lot 90 and GM 1083 Lot 923, both in the Mukim Plentong, District of Johor Bahru, State of Johor measuring 4.49 hectares (approximately 11.09 acres) and 3.34 hectares (approximately 8.24 acres) respectively at a purchase price of RM34,957,133.78. The transaction was completed on 20 January 2025, pursuant to the terms of the sale and purchase agreement.

9. On 2 August 2024, Paragon Business Hub Sdn. Bhd., a wholly-owned subsidiary of our Company, entered into a conditional sale and purchase agreement with Bridge Data Centres Malaysia VI Sdn. Bhd. to dispose part of a parcel of freehold agriculture land held under Geran 80943 Lot 2699, in the Mukim of Plentong, District of Johor Bahru, State of Johor, measuring approximately 19.76 acres for a cash consideration of RM98,980,734.60. Subject to the terms and conditions stipulated in the SPA, the transaction has not been completed as of the LPD.
10. On 14 August 2024, PGB Desa Heights Sdn. Bhd., a wholly-owned subsidiary of our Company, entered into a conditional development rights agreement with Tropicana Danga Bay Sdn. Bhd. ("TDBSB") in relation to the development of two (2) parcels of freehold land held under HS(D) 577114 PTB 24234 and HS(D) 577113 PTB 24233, both in the Township of Johor Bahru, District of Johor Bahru, State of Johor owned by TDBSB, measuring 14,213.58 square meters (approximately 3.51 acres) and 14,630.85 square meters (approximately 3.62 acres) respectively. Subject to the terms and conditions stipulated in the development rights agreement, the transaction has not been completed as of the LPD.
11. On 12 November 2024, Paragon Globe Properties Sdn. Bhd., a wholly-owned subsidiary of our Company, entered into a conditional development rights agreement with Iskandar Capital Sdn. Bhd. ("ICSB") in relation to the development of three (3) parcels of freehold lands held under HS(D) 609000 PTD 217844, HS(D) 609004 PTD 217850 and HS(D) 609024 PTD 217881, all in the Mukim of Pulai, District of Johor Bahru, State of Johor owned by ICSB, measuring 16,596 square meters (approximately 4.10 acres), 46,535 square meters (approximately 11.50 acres) and 19.429 hectares (approximately 48.01 acres), respectively. Subject to the terms and conditions stipulated in the development rights agreement, the transaction has not been completed as of the LPD.

3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, our Group is not engaged in any material litigation, claims and arbitration, either as a plaintiff or defendant, and the Board is not aware of any proceedings pending or threatened against our Group, or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of our Group.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are made available for inspection at our registered office at Level 10-02, Grand Paragon Hotel, No. 18, Jalan Harimau, Taman Century, 80250 Johor Bahru, Johor during normal business hours between Monday and Friday (except public holidays), from the date of this Circular up to and including the date of the forthcoming 78th AGM:

- (a) Our Company's constitution;
- (b) Material contracts as set out in Section 2 of Appendix 1 of this Circular; and
- (c) Our Company's audited consolidated financial statements for the past two (2) financial years ended 31 March 2024 and 31 March 2025.