



PARAGON GLOBE BERHAD

百丽环球

194801000095 (1713-A)

PARAGON GLOBE BERHAD

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

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Seventy-Seventh Annual General Meeting ("77th AGM") of the Company will be held at Level 2, Grand Paragon Hotel, No. 18, Jalan Harimau, Taman Century, 80250 Johor Bahru Johor, Malaysia on Wednesday, 28 August 2024 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following Ordinary Resolutions: -

AGENDA

ORDINARY BUSINESS

- To lay before the meeting the Audited Financial Statements of the Group and the Company for the financial year ended 31 March 2024 together with the Reports of the Directors and Auditors thereon.
- To re-elect the following Directors who retire during the year in accordance with the Company's Constitution and being eligible, offer themselves for re-election:
 - Dato' Sri Godwin Tan Pei Poh
 - Tee Boon Hin
- To approve the proposed payment of Non-Executive Directors' Fees totaling RM282,000 for the financial year ending 31 March 2025 in the following manner:
 - RM72,000 to Tee Boon Hin
 - RM72,000 to Tan Sri Datuk Wira Dr. Hj. Mohd Shukur Bin Hj. Mahfar
 - RM72,000 to Dato' Haji Ismail Bin Karim
 - RM66,000 to Dato' Jeffrey Lai Jiu Jye
- To approve the payment of Non-Executive Directors' Allowances up to an amount of RM100,000 for the period from 28 August 2024 to the next AGM of the Company.
- To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

Please refer
Explanatory Note A

Resolution 1
Resolution 2

Resolution 3
Resolution 4
Resolution 5
Resolution 6
Resolution 7
Resolution 8

AGENDA

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions: -

- RENEWAL OF THE AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75(1) AND 76(1) OF THE COMPANIES ACT 2016 ("RENEWAL MANDATE")**
"THAT pursuant to Sections 75(1) and 76(1) of the Companies Act 2016, the Constitution of the Company and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time at such price and upon such terms and conditions and for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion, deem fit, including in pursuance of offers, agreements, rights or options to be made or granted by the Directors while this approval is in force and that the Directors be and are hereby further authorised to make or grant offers, agreements, rights or options in respect of shares in the Company including those which would or might require shares in the Company to be issued after the expiration of the approval hereof provided always that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares) ["New Shares"] for the time being without first offering the New Shares to the holders of the existing shares and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad, and that such authority conferred by this resolution shall commence upon passing this ordinary resolution and continue to be in force until the conclusion of the next AGM of the Company."

Resolution 9

- PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")**

Resolution 10

"THAT approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with the related parties mentioned under Section 2.4 of the Circular to Shareholders dated 30 July 2024 which are necessary in the course of business of the Company and/or its subsidiaries for day-to-day operations and on normal commercial terms which are not more favourable to the related parties than those available to the public and not detrimental to the minority shareholders of the Company and such approval shall continue to be in force until:-

- the conclusion of the next Annual General Meeting of the Company at which such Proposed Shareholders' Mandate is passed, at which time will lapse, unless by ordinary resolution passed at the Annual General Meeting whereby the authority is renewed, either unconditionally or subject to conditions; or
 - the expiration of the period within the next Annual General Meeting of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016, ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - revoked or varied by resolution passed by the shareholders in general meeting, whichever is earlier."
- To transact any other business appropriate to an Annual General Meeting, due notice of which shall have been previously given in accordance with the Companies Act 2016 and the Company's Constitution.

BY ORDER OF THE BOARD

LEONG SIEW FOONG

MAICSA No. 7007572 (CCM PC No.: 202008001117)

Company Secretary

Johor Bahru

30 July 2024

Notes:

- A member entitled to attend, speak and vote at the 77th AGM is entitled to appoint a proxy or proxies to attend, speak and vote at the 77th AGM. Each member entitled to vote may vote in person or by proxy or by attorney or in case of a corporation, to appoint a duly authorised representative to attend, speak and vote in his/her place.
- Where a member entitled to vote on a resolution has appointed more than one (1) proxy, the appointment shall be invalid unless the member specifies the proportion of his/her shareholdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the member or of his attorney duly authorised in writing or if the member is a corporation, shall either be executed under its common seal or under the hand of two (2) authorised officers, one of whom shall be a director, or of its attorney duly authorised in writing.
- Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which holds ordinary shares in the Company for Omnibus Account, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Accounts it holds. Where a member is an authorised nominee as defined under SICDA, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Every member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, speak and vote instead of him at the meeting of members and that such proxy need not be a member.
- The Form of Proxy shall be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre 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 TIH Online at <https://tih.online> not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof. Please follow the procedures as set out in the Administrative Guide for the 77th AGM for the electronic lodgement of Form of Proxy.
- For the purpose of determining who shall be entitled to attend and vote at the meeting, the Company shall request the Record of Depositors as at 22 August 2024 and only a depositor whose name appears on such Record of Depositors shall be entitled to attend and vote at this meeting and appoint proxy(ies).

ORDINARY BUSINESS:

Audited Financial Statements for financial year ended 31 March 2024 - Explanatory Note A

- This Agenda item is meant for discussion only as the audited financial statements do not require formal approval of shareholders pursuant to Section 340(1)(a) of the Companies Act 2016. Hence, the matter will not be put for voting.

Re-election of Directors who retire in accordance with Articles 106 of the Company's Constitution

- Article 106 of the Company's Constitution provides that one-third (1/3) or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company. With the current Board size of seven (7), two (2) Directors are to retire in accordance with Article 106 of the Company's Constitution provided that all Directors shall retire from office once at least in every three (3) years and shall be eligible for re-election. The Company has also complied with the minimum requirement of Independent Directors, ie one-third (1/3) of its Board composition consists of Independent Directors. In the event of any vacancy in the Board of Directors, resulting in non-compliance of minimum Independent Director requirement, such vacancy must be filled within three (3) months.

For the purpose of determining the eligibility of the Directors to stand for re-election at the 77th AGM, the Nomination Committee ("NC") has considered the following:

- The assessment of the individual Director's level of contribution to the Board through each of their skills, experience and strength in qualities;
 - The level of independence demonstrated by each of the Non-Executive Directors ("NEDs"), and their ability to act in the best interests of the Company in decision-making, to ensure that they are independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company; and
 - Fit and Proper Policy.
- In line with the Malaysian Code on Corporate Governance ("MCCG"), the Board has conducted an assessment of independence of the NEDs, and also other criteria i.e. character, integrity, competence, experience and time commitment in effectively discharging their respective roles as Directors of the Company. The individual Directors were assessed based on performance criteria set in the areas of Board dynamics and participation, competency and capability, independence and objectivity, probity and personal integrity, contribution and performance together with their ability to make analytical inquiries and offer advice and guidance. In addition, the retiring Directors have been assessed and evaluated individually by the Board based on fit and proper criteria. Directors' conflict of interest or potential conflict of interest are disclosed in Audit Committee Report.

Premised on the annual assessment results, the individual Directors (including retiring Director) met the performance criteria required of the Company. Hence, the Board accepted the NC's recommendation that the Directors who retire in accordance with Article 106 of the Company's Constitution are eligible to stand for re-election at the relevant Board meeting. Retiring Directors had consented to their re-election, abstained from deliberations and decisions on their own eligibility and suitability to stand for re-election at Board meeting. Profiles of the retiring Directors are set out on pages 5 to 12 of the Company's Annual Report for the financial year ended 31 March 2024. In addition, the retiring Directors have satisfied the Company's Directors' Fit and Proper Policy. Retiring Directors will abstain from voting on the resolution in respect of their re-election at the 77th AGM.

Directors' remuneration

- Resolutions 3 to 7, pursuant to Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. Guidance 7.2 of Malaysian Code on Corporate Governance requires each and every Non-Executive Director's fee and benefit to be table individually in the forthcoming AGM. In this respect, the Board agreed that the shareholders' approval shall be sought at 77th AGM on the Directors remuneration in two (2) separate resolutions as below: -
 - Resolutions 3 to 6 on payment of Directors' fees in respect of the financial year ending 31 March 2025 ("FY2025"); and
 - Resolution 7 on the payment of Directors' benefits from 77th AGM to the next AGM in 2025 ("Relevant Period").

Directors' fees

- The Board decided to increase the NEDs' fees nominally for FY2025 in view of the performance of the Company and the current global economy. The detailed NEDs' fees are contained in page 136 of Corporate Governance Overview Statement.

Directors' remuneration (excluding Directors' fees)

- The Directors' remuneration (excluding Directors' fees) comprises the allowances and other emoluments payable to NEDs. Benefits are to reimburse NEDs' travelling expenses to attend meetings of Company. In addition, benefits comprise meeting allowances that are payable to all the NEDs. Payment of benefits to the NEDs will be made by the Company as and when incurred, after they have discharged their responsibilities and rendered their services to the Company of the Relevant Period, based on the proposed benefits, if the proposed Resolution 7 is passed at the forthcoming Annual General Meeting. The Board is of the view that it is just and equitable for the Directors to be paid the Directors' benefits (excluding Directors' fees) as and when incurred, particularly after they have discharged their responsibilities and rendered their services to the Company in the respective financial year. The total amount of benefits payable to NEDs is estimated to be up to RM100,000 for the Relevant Period after taking into account of several factors including the number of scheduled meetings to be held during the Relevant Period.

Based on the schedule of meetings held in FY2024, an amount of RM12,000 has been utilised to pay the benefits to the Directors.

NEDs who are shareholders of the Company will abstain from voting on Resolution 7 at the 77th AGM.

Appointments of Auditors

- Pursuant to Section 273(b) of the Act, the term of office of the present Auditors, Messrs BDO PLT ("BDO"), shall lapse at the conclusion of this AGM unless they are re-appointed by the shareholders to continue in office. BDO, have indicated their willingness to continue their service until the conclusion of the 77th AGM.

An annual assessment on the suitability and independence of BDO and the results were made known to Audit Committee. Amongst the criteria considered in the assessment,

- the adequacy of the experience and resources of BDO in terms of the firm and the professional staff assigned to the audit;
- independence of BDO and the level of non-audit services to be rendered by BDO to Company for FY2024, the number and experience of supervisory and professional staff assigned to the particular audit.

Audit Committee took into account the openness in communication and interaction with the lead audit engagement partner and engagement team through discussions at the private meetings, which demonstrated their independence, objectivity and professionalism. BDO also presented to Audit Committee its Annual Transparency Report. Audit Committee was satisfied with the suitability of BDO and recommended to the Board the re-appointment of BDO as Auditors has been considered against the relevant criteria prescribed by Paragraph 15.21 of the MMLR. Audit Committee was also satisfied in its review that the provisions of non-audit services by BDO to the Company and the Group for the financial year ended 31 March 2024 did not in any way impair their objectivity and independence as external auditors of the Group. The Board at its meeting held on 17 July 2024 accepted Audit Committee's recommendation and subsequently recommended the same for shareholders' approval to be sought at the 77th AGM on the re-appointment of BDO as external auditors of the Company for FY2025 under Resolution 8. Once it is passed, it will also give the Directors of the Company, the authority to determine the remuneration of the Auditors.

SPECIAL BUSINESS:

Renewal of authority to allot and issue shares pursuant to Sections 75(1) and 76(1) of the Companies Act 2016 ("Renewal Mandate")

- The Resolution 9 is for the purpose of renewing the General Mandate for issuance of shares by the Company pursuant to Sections 75(1) and 76(1) of the Companies Act 2016. The Resolution 9, if passed, is primarily to give flexibility to the Board of Directors of the Company, from the date of 77th AGM, to allot and issue shares or to make or grant offers, agreements, rights or options in respect of shares to such persons in their absolute discretion including to make or grant offers, agreements, rights or options which would or might require shares in the Company to be issued after the expiration of the approval, without having to convene a general meeting, provided that the aggregate number of shares issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being ("General Mandate"). As at the date of this Notice, the Directors have not utilised the General Mandate granted to the Directors at the 77th AGM and hence, no proceed was raised therefrom. This authority, unless revoked or varied by the Company in a general meeting, will expire at the next Annual General Meeting. The authority will provide flexibility to the Company for allotment and issuance of shares for any possible fund-raising activities, including but not limited to placement of shares for purpose of funding of future investment projects, working capital, capital expenditures, general corporate purposes, settlement of trade and non-trade creditors, repayment of banking facilities or as consideration for strategic opportunities involving equity deals which may require the allotment of new shares. In addition, any delay arising from and cost involved in convening general meeting to approve such issuance of shares should be eliminated.

Proposed Renewal Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")

- The Proposed Shareholders' Mandate under Resolution 10 is seeking for shareholders' approval at the forthcoming Annual General Meeting of the Company. The Proposed Shareholders' Mandate is to facilitate transactions in the normal course of business of the Company and its subsidiaries ("the Group") which are transacted from time to time with the specified classes of related parties, provided that they are carried out on an arm's length basis and on the Group's normal commercial terms and are not prejudicial to the shareholders 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. By obtaining the shareholders' mandate on an annual basis, the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such recurrent related party transactions occur would not arise. This would reduce substantial administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group. Further information on Proposed Shareholders' Mandate is set out in the Circular to Shareholders of the Company which is published on the Company website at <https://pbggroup.com.my/>.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.