

Summary of Key Financial Information for the period ended 30 June 2021

		INDIVIDUAL		Individual changes		CUMULATIVE		Cumulative changes	
		3 MONTHS ENDED 30/06/2021 RM'000	3 MONTHS ENDED 30/06/2020 RM'000	Amount RM'000	%	3 MONTHS ENDED 30/06/2021 RM'000	3 MONTHS ENDED 30/06/2020 RM'000	Amount RM'000	%
1	Revenue	13,106	1,051	12,055	1147.0%	13,106	1,051	12,055	1147.0%
2	Loss before tax	(697)	(892)	195	-21.9%	(697)	(892)	195	-21.9%
3	Loss for the period	(717)	(1,189)	472	-39.7%	(717)	(1,189)	472	-39.7%
4	Loss attributable to the ordinary equity holders of the parent	(710)	(1,189)	479	-40.3%	(710)	(1,189)	479	-40.3%
5	Basic loss per share (sen)	(0.38)	(0.64)	0.26	-40.3%	(0.38)	(0.64)	0.26	-40.3%
6	Proposed / Declared dividend per share (sen)	-	-	-		-	-	-	

Summary of Financial review for current quarter compared with immediate preceding quarter

		INDIVIDUAL		Individual changes	
		3 MONTHS ENDED 30/06/2021 RM'000	3 MONTHS ENDED 31/03/2021 RM'000	Amount RM'000	%
1	Revenue	13,106	13,235	(129)	-1.0%
2	(Loss)/Profit before tax	(697)	1,782	(2,479)	-139.1%
3	(Loss)/Profit for the period	(717)	2,872	(3,589)	-125.0%
4	(Loss)/Profit attributable to the ordinary equity holders of the parent	(710)	2,877	(3,587)	-124.7%
5	Basic (loss)/earnings per share (sen)	(0.38)	1.54	(1.92)	-124.7%
6	Proposed / Declared dividend per share (sen)	-	-	-	

		As At End of Current Quarter	As At Preceding Financial Year End
8	Net assets per share attributable to ordinary equity holders of the parent (RM)	1.27	1.28

ADDITIONAL INFORMATION

		INDIVIDUAL		Individual changes		CUMULATIVE		Cumulative changes	
		3 MONTHS ENDED 30/06/2021 RM'000	3 MONTHS ENDED 30/06/2020 RM'000	Amount RM'000	%	3 MONTHS ENDED 30/06/2021 RM'000	3 MONTHS ENDED 30/06/2020 RM'000	Amount RM'000	%
1	Gross interest income	1	37	(36)	-97.3%	1	37	(36)	-97.3%
2	Gross interest expense	159	369	(210)	-56.9%	159	369	(210)	-56.9%

PARAGON GLOBE BERHAD (194801000095 (1713-A))
 CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30
 JUNE 2021



(The figures have not been audited)

	INDIVIDUAL		CUMULATIVE	
	3 MONTHS ENDED 30/06/2021 RM'000	3 MONTHS ENDED 30/06/2020 RM'000	3 MONTHS ENDED 30/06/2021 RM'000	3 MONTHS ENDED 30/06/2020 RM'000
Revenue	13,106	1,051	13,106	1,051
Cost of sales	(10,248)	(566)	(10,248)	(566)
Gross profit	2,858	485	2,858	485
Gross profit margin	21.8%	46.1%	21.8%	46.1%
Other items of income				
Other income	306	1,083	306	1,083
Other items of expense				
Marketing & distribution expenses	(1,405)	(225)	(1,405)	(225)
Administrative expenses	(2,297)	(1,865)	(2,297)	(1,865)
Finance costs	(159)	(369)	(159)	(369)
Other expenses	-	(1)	-	(1)
Loss before tax	(697)	(892)	(697)	(892)
Taxation	(20)	(297)	(20)	(297)
Loss for the year	(717)	(1,189)	(717)	(1,189)
Other comprehensive loss, net of tax	-	(36)	-	(36)
Total comprehensive loss	(717)	(1,225)	(717)	(1,225)
Loss attributable to:				
Owners of the parent	(710)	(1,189)	(710)	(1,189)
Non-controlling interest	(7)	-	(7)	-
	(717)	(1,189)	(717)	(1,189)
Total comprehensive loss attributable to:				
Owners of the parent	(710)	(1,225)	(710)	(1,225)
Non-controlling interest	(7)	-	(7)	-
	(717)	(1,225)	(717)	(1,225)
Loss per share attributable to owners of the parent (sen per share)				
Basic	(0.38)	(0.64)	(0.38)	(0.64)

The Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Report for the year ended 31 March 2021.

PARAGON GLOBE BERHAD (194801000095 (1713-A))
 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 30 JUNE 2021



	AS AT 30/06/2021 RM'000 (Unaudited)	AS AT 31/03/2021 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	240	236
Right-of-use assets	1,715	1,876
Investment properties	63,277	63,273
Intangible assets	123	135
Inventories	36,664	36,637
	<u>102,019</u>	<u>102,157</u>
Current Assets		
Inventories	90,791	97,208
Other investments	33,661	38,657
Trade and other receivables	22,805	23,574
Tax recoverable	1,572	1,571
Contract assets	6,158	5,657
Cash and bank balances	3,672	2,775
	<u>158,659</u>	<u>169,442</u>
Total Assets	<u>260,678</u>	<u>271,599</u>
EQUITIES AND LIABILITIES		
Equity Attributable To Owners Of The Parent		
Share capital	203,227	203,227
Retained earnings	32,012	32,722
Other reserves	2,257	2,257
	<u>237,496</u>	<u>238,206</u>
Shareholders' Equity	237,496	238,206
Minority interest	505	512
Total Equity	<u>238,001</u>	<u>238,718</u>
Current Liabilities		
Trade and other payables	11,616	11,527
Lease liabilities	501	512
Total Current Liabilities	<u>12,117</u>	<u>12,039</u>
Net Current Assets	<u>146,542</u>	<u>157,403</u>
Non Current Liabilities		
Term loan	4,655	14,720
Deferred tax	4,750	4,841
Lease liabilities	1,155	1,281
Total Non Current Liabilities	<u>10,560</u>	<u>20,842</u>
Total Liabilities	<u>22,677</u>	<u>32,881</u>
Net Assets	<u>238,001</u>	<u>238,718</u>
TOTAL EQUITY AND LIABILITIES	<u>260,678</u>	<u>271,599</u>
Net assets per share (RM)	1.27	1.28

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Report for the year ended 31 March 2021.

PARAGON GLOBE BERHAD (194801000095 (1713-A))
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2021

(The figures have not been audited)



	2021	2020
	3 months ended	3 months ended
	30 June	30 June
	RM'000	RM'000
Cash flow from operating activities		
Loss before tax	(697)	(892)
Adjustments for non-cash flow items :-		
Non-cash items	188	140
Non-operating items	44	(524)
Operating loss before changes in working capital	<u>(465)</u>	<u>(1,276)</u>
Changes in working capital		
Net change in assets	6,653	15,022
Net change in current liabilities	89	(89)
Net cash generated from operations	<u>6,277</u>	<u>13,657</u>
Income distribution from investment fund	111	580
Interest received	1	37
Tax paid	(110)	(302)
Interest paid	(159)	(369)
Net cash generated from operating activities	<u>6,120</u>	<u>13,603</u>
Cash flow from investing activities		
Withdrawal in investment deposit	4,999	45,204
Net cash flow on acquisition of subsidiary	-	(52,896)
Net cash outflow from disposal of subsidiaries	-	132
Purchase of property, plant and equipment	(19)	(10)
Proceeds from disposal of investment properties	-	1,200
Net cash (used in)/generated from investing activities	<u>4,980</u>	<u>(6,370)</u>
Cash flow from financing activities		
Redemption of term loan	(10,065)	(5,541)
Repayment of finance lease liabilities	(119)	(10)
Repayment of operating lease liabilities	(19)	(75)
Proceeds from exercise of warrants	-	3
Net cash used in financing activities	<u>(10,203)</u>	<u>(5,623)</u>
Net change in cash & cash equivalents	897	1,610
Cash & cash equivalents at beginning of the year	<u>2,647</u>	<u>5,108</u>
Cash & cash equivalents at end of the year	<u>3,544</u>	<u>6,718</u>
Cash & cash equivalents comprise:		
Cash & bank balances	3,672	6,844
Less: Short term fixed income instruments pledged	(128)	(126)
Total cash and cash equivalents	<u>3,544</u>	<u>6,718</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Report for the year ended 31 March 2021.

PARAGON GLOBE BERHAD (194801000095 (1713-A))
 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE PERIOD ENDED 30 JUNE 2021

(The figures have not been audited)



	Attributable to owners of the Parent			Other Reserves RM'000	Share Capital RM'000	Distributable Retained Earnings RM'000	Sub Total Equity RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
	Non-distributable								
	Capital Reserves RM'000	Fair value Adjustment reserve RM'000	Warrant Reserves RM'000						
Opening balance at 1 April 2021	2,257	-	-	2,257	203,227	32,722	238,206	512	238,718
Loss for the year	-	-	-	-	-	(710)	(710)	(7)	(717)
Total comprehensive loss	-	-	-	-	-	(710)	(710)	(7)	(717)
Closing balance at 30 June 2021	2,257	-	-	2,257	203,227	32,012	237,496	505	238,001
Opening balance at 1 April 2020	2,257	(14)	14,486	16,729	203,224	20,082	240,035	-	240,035
Issuance of shares - exercise of warrants 2010/2020	-	-	-	-	3	-	3	-	3
Expiration of warrants 2010/2020	-	-	(14,486)	(14,486)	-	14,486	-	-	-
Fair value changes in finance assets at fair value through other comprehensive income	-	(36)	-	(36)	-	-	(36)	-	(36)
Acquisition of subsidiaries	-	-	-	-	-	2,128	2,128	-	2,128
Loss for the period	-	-	-	-	-	(1,189)	(1,189)	-	(1,189)
Total comprehensive income/(loss)	-	(36)	-	(36)	-	939	903	-	903
Closing balance at 30 June 2020	2,257	(50)	-	2,207	203,227	35,507	240,941	-	240,941

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Report for the year ended 31 March 2021.

PART A. NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRSs") 134: Interim Financial Reporting in Malaysia and Para 9.22 of the Bursa Malaysia Berhad Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2021. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company since the financial year ended 31 March 2021.

The Company's financial statements was prepared in accordance with MFRSs, which is in line with International Financial Reporting Standards as issued by the International Accounting Standards Board. The adoptions of new and revised MFRSs, Amendments/Improvements to MFRSs, IC Interpretations and Amendments to IC Interpretations in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2021.

- a) During the current financial year, the Company has adopted the following new accounting standards and interpretations (including the consequential amendments):-

MFRSs and IC Interpretations (including the Consequential Amendments)

Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)

Amendment to MFRS 16 Covid-19-Related Rent Concessions beyond 30 June 2021

The adoption of the above MFRSs either not relevant or do not have significant financial impact to the Group financial statements.

- b) The Standards, Amendments, Annual Improvements and IC Interpretation that have been issued but not yet effective up to the date of issuance of the Company's financial report are disclosed below. The Company intend to adopt these Standards, Amendments, Annual Improvements and IC Interpretations, if applicable, when they become effective.

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective Date
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2023
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2023
Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes)	1 January 2023
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The directors are of opinion that the Standards, Amendments, Annual Improvements and IC Interpretations above would not have any material impact on the financial statements in the year of initial adoption.

PART A. NOTES TO THE INTERIM FINANCIAL REPORT**2. Auditors' report**

The auditor's report on the annual financial statements of the Company for the financial year ended 31 March 2021 was not qualified.

3. Seasonality of operation

The Company's business operations in the current quarter have not been materially affected by seasonal or cyclical factors.

4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flow during the financial quarter under review.

5. Material changes in estimates

There were no significant changes in estimates that have a material effect on the results for the quarter.

6. Dividend Paid

No dividend was paid in the financial quarter under review.

7. Segmental information

The Group's reportable segments comprise of investments segment, property development segment, and construction segment.

Quarter Ended 30 June 2021

	Investment RM'000	Property development RM'000	Construction RM'000	Adjustments and eliminations RM'000	Total RM'000
Revenue					
External sales	111	12,995	-	-	13,106
Inter-segment sales	435	-	4,158	(4,593)	-
Total revenue	546	12,995	4,158	(4,593)	13,106
Results					
Segmental results	(1,159)	339	502	(379)	(697)

PART A. NOTES TO THE INTERIM FINANCIAL REPORT

7. Segmental information (Cont'd)

Quarter Ended 30 June 2020

	Investment RM'000	Property development RM'000	Construction RM'000	Adjustments and eliminations RM'000	Total RM'000
Revenue					
External sales	519	184	348	-	1,051
Inter-segment sales	476	-	853	(1,329)	-
Total revenue	995	184	1,201	(1,329)	1,051
Results					
Segmental results	414	(1,048)	(176)	(82)	(892)

Cumulative Quarter Ended 30 June 2021

	Investment RM'000	Property development RM'000	Construction RM'000	Adjustments and eliminations RM'000	Total RM'000
Revenue					
External sales	111	12,995	-	-	13,106
Inter-segment sales	435	-	4,158	(4,593)	-
Total revenue	546	12,995	4,158	(4,593)	13,106
Results					
Segmental results	(1,159)	339	502	(379)	(697)

Cumulative Quarter Ended 30 June 2020

	Investment RM'000	Property development RM'000	Construction RM'000	Adjustments and eliminations RM'000	Total RM'000
Revenue					
External sales	519	184	348	-	1,051
Inter-segment sales	476	-	853	(1,329)	-
Total revenue	995	184	1,201	(1,329)	1,051
Results					
Segmental results	414	(1,048)	(176)	(82)	(892)

PART A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

8. Changes in group composition

There were no changes in the composition of the Group during the financial quarter under review.

9. Commitments

The material commitments for the Company as at the date of this report is as follows:

	Unaudited As at 30 June 2021 RM'000	Audited As at 31 March 2021 RM'000
(i) <u>Capital commitments</u>		
Capital expenditure in respect of investment property under construction:		
- Approved but not contracted for	91,613	93,913
- Contracted but not provided for	7,062	4,762
	98,675	98,675
(ii) <u>Commitment</u>		
Commitment in respect of purchase of land held for property development:		
- Contracted but not provided for	48,770	48,770

10. Contingent assets and liabilities

	Unaudited 30 June 2021 RM'000	Audited 31 March 2021 RM'000
Secured		
Bank guarantee given to third parties	147	147
Unsecured		
Corporate guarantee given by the Company to licensed financial institutions for banking facilities granted to the subsidiary		
- Current exposure	4,655	14,720

11. Significant related party transaction

There was no significant related party transaction entered by the Company for the first quarter ended 30 June 2021.

12. Subsequent Events

On 2 September 2021, the Company had entered into a Memorandum of Understanding with Selgate Properties Sdn Bhd (collectively referred to as the "Parties") with the intention and understanding of the Parties with respect to their cooperation to collaborate, discuss, negotiate and formalise the scope of the terms of the cooperation and collaboration (in such form and manner to be mutually agreed by the Parties) to develop several private specialist hospitals in the agreed territory of Malaysia and to make available and provide healthcare services according to the generally accepted standard of private hospital practice in accordance to with the provisions of laws and regulations of Malaysia.

PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

1. Performance review

(RM'000)	Current Quarter Ended		Cumulative Quarter Ended	
	<u>30 June</u> <u>2021</u>	<u>30 June</u> <u>2020</u>	<u>30 June</u> <u>2021</u>	<u>30 June</u> <u>2020</u>
<u>Segment Revenue</u>				
Investments	111	519	111	519
Property development	12,995	184	12,995	184
Construction	-	348	-	348
	<u>13,106</u>	<u>1,051</u>	<u>13,106</u>	<u>1,051</u>

(RM'000)	Current Quarter Ended		Cumulative Quarter Ended	
	<u>30 June</u> <u>2021</u>	<u>30 June</u> <u>2020</u>	<u>30 June</u> <u>2021</u>	<u>30 June</u> <u>2020</u>
<u>Segment Result</u>				
Investments	(1,594)	(62)	(1,594)	(62)
Property development	988	(613)	988	(613)
Construction	(91)	(217)	(91)	(217)
	<u>(697)</u>	<u>(892)</u>	<u>(697)</u>	<u>(892)</u>

Property development segmentCurrent quarter and Year to date

The property segment reported revenue of RM13.00 million and profit before tax of RM988,000 for the first quarter of FY2022 compare to revenue of RM184,000 and loss before tax of RM 613,000 for previous year corresponding quarter. The significant increase in revenue attributable to the recovery of market and economic activities and boosted by the higher sales of completed inventories and driven by progressive revenue recognition of new launch of Detached Factories project located in Pekan Nenas Industrial Park. While, the financial performance in Q1 of FY 2021 was mainly impacted by halted business operations and site progress of Pekan Sentral projects during the Movement Control Order (“MCO”) and Conditional Movement Control Order (“CMCO”).

Construction segmentCurrent quarter and Year to date

The Group’s construction arm largely provides intercompany construction services to the Group’s property development companies. Hence, the revenue from these intercompany services is eliminated at consolidation and resulted no revenue generated during this quarter as compared to RM348,000 in the preceding year corresponding quarter. However, the result has improved from a loss before tax of RM217,000 to RM91,000. In current quarter, the cost incurred was mainly on the administration expenses.

Investment segmentCurrent quarter and Year to date

The investment segment reported revenue of RM111,000 for first quarter of FY2022 compared to revenue of RM519,000 for preceding year corresponding quarter is mainly due to decrease in dividend income distribution from investment fund. The loss before tax has increased from RM62,000 in the preceding year corresponding quarter to RM1.59 million in current quarter is mainly due to gain on disposal of asset held for sales in Q1 of FY2021 and addition administration expenses derived from a subsidiary, Builtech Acres Sdn Bhd, which is currently in the progress to build the Sepang Medical Centre and expected to be completed within two years.

PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)**2. Comparison with preceding quarter's results**

The Company registered a revenue and loss before tax of RM13.11 million and RM697,000 respectively for the current quarter under review as compared to the revenue and profit before tax of RM13.24 million and RM1.78 million in the preceding quarter. Higher result in preceding quarter is mainly due to recognition of goodwill on the share subscription in subsidiary, Builtech Acres Sdn Bhd.

3. Prospects

The Malaysia economy has expanded by 16.1% in the second quarter of 2021 where the growth was supported mainly by the improvement in domestic demand and continued robust exports performance. The Malaysian economy is expected to be on the path to recovery. Bank Negara Malaysia is forecasting the Malaysia's gross domestic products to grow within the range of 5.5% to 8.0% in 2021. However, the resurgence of COVID-19 cases has necessitated the re-imposition of nationwide containment measures, which would weigh on growth. As such, the property market performance is expected to remain cautious and soft in year 2021 due to the current prolonged COVID-19 pandemic and the foreseeable impact on the overall economy. The property market performance in year 2021 is much dependant on the country's economic and financial outlook. The availability and rolling out of COVID-19 vaccine throughout the country is seen as fundamental to deter any new wave of infection spread. This will help boost business confidence as well as general economy, which will likely see a soft upturn in the property market.

The Group remains cautious and vigilant in view of the new impact and challenges arising including the existing continued stringent lending requirements by the financial institutions, the intense competition among developers and weak market sentiments. However, the Company believe that property with right concept, products, pricing and location will still maintain favourable response from the owner occupiers. Bank Negara Malaysia has announced on 08 Jul 2021 that the Overnight Policy Rate (OPR) to maintain at 1.75 per cent as the country's economic activity is projected to improve further. This bodes well for the property industry as lower interest rates environment would improve the affordability for buyers.

The Company will continue to focus on the launches of the Pekan Nenas Business Park project in the established townships of Johor, ensure the construction work progress of its existing development projects as per schedule and organize marketing campaigns to promote the development projects. In the meantime, the Company will continue to expand landbanks of the Company through land acquisition from Iskandar Capital Sdn Bhd. Nevertheless, taking into consideration the outlook of the property section in Malaysia on the back of the prolonged impact of the COVID-19 pandemic, the Company will exercise caution for its existing and future development projects to ensure the development projects' success without compromising on quality while improving operational efficiency.

4. Variance on profit forecast

Not applicable.

PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)

5. Items included in the Statement of Income

Loss before tax from the continuing operations is after charging/(crediting) the following:

	Individual Quarter		Cumulative Quarter	
	30/06/2021	30/06/2020	30/06/2021	30/06/2020
	RM'000	RM'000	RM'000	RM'000
Interest income	(1)	(37)	(1)	(37)
Other income	(303)	(1,149)	(303)	(1,149)
Interest expense	159	369	159	369
Depreciation and amortisation	188	140	188	140
(Reversal)/Provision for and write off of receivables	-	-	-	-
(Reversal)/Provision for and write off of inventories	-	-	-	-
(Gain)/loss on disposal of properties, plant and equipment	-	-	-	-
(Gain)/loss on disposal of investment	(3)	89	(3)	89
Impairment of assets	-	-	-	-
Foreign exchange (gain)/loss	-	-	-	-
(Gain)/loss on derivatives	-	-	-	-
(Gain)/loss on disposal of subsidiary	-	501	-	501
(Gain)/loss on disposal of associate	-	-	-	-
Exceptional items	-	-	-	-

6. Taxation

	Current Quarter	Year to date
	RM'000	RM'000
Income tax:		
- Current year	(111)	(111)
- Over provision of taxation in prior year	-	-
Deferred tax:		
- Current year	91	91
	(20)	(20)

Current income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the quarter.

PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)

7. Borrowings and debt securities

The Company's borrowings, all are repayable in Ringgit Malaysia and secured, as of the end of the quarter are as follows:

	Unaudited 30 June 2021 RM'000	Audited 31 March 2021 RM'000
Non-Current:		
Lease liabilities owing to financial institutions	166	186
Term loan	4,655	14,720
	<u>4,821</u>	<u>14,906</u>
Current:		
Lease liabilities owing to financial institutions	<u>76</u>	<u>76</u>

8. Material litigation

There is no material litigation since the date of the last annual statements of financial position.

9. Dividend

No dividend was recommended for this financial quarter under review.

10. Corporate Proposals

Save from the following, there were no corporate proposals announced but not completed as at 27 August 2021, being the last practicable date from the date of the issuance of this report:

- i) On 05 December 2019, the Company's wholly owned subsidiary, Paragon Globe Properties, had on even date, entered into a conditional sale and purchase agreement with Iskandar Capital Sdn Bhd for the proposed acquisition of part of the freehold land held under Geran 507162 Lot 149989 (formerly held under HS(D) 484311 PTD 175988), PTD 175989, Geran 507161 Lot 149991 (formerly held under HS(D) 484312 PTD 175990), all in Mukim of Pulau, District of Johor Bahru, State of Johor measuring approximately 31.1 acres in area known as Plot ED-5A and Plot ED-5B for a total cash consideration of Ringgit Malaysia Sixty Million Nine Hundred Sixty Two Thousand Two Hundred and Twenty (RM60,962,220.00) only. Subsequently, Paragon Globe Properties had entered into a supplemental agreement on the variation of the terms of sales and purchase agreement on 30 April 2021.
- ii) On 21 October 2020, the Company proposed to undertake a private placement of up to 20% of the total number of issued shares of Paragon Globe Berhad (excluding treasury shares) to third party investor(s) to be identified later and at an issue price to be determined later. On 23 April 2021, the Company has submitted the application to Bursa Malaysia Securities Berhad to seek its approval on extension of time for the Company to implement and complete the private placement. Bursa Malaysia Securities Berhad had, vide its letter dated 4 May 2021, resolved to grant the Company an extension of time until 9 November 2021 to complete the implementation of the private placement.

PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)

10. Corporate Proposals (cont'd)

- iii) On 7 April 2021, the Company proposed to undertake a renounceable rights issue of new ordinary shares in Paragon Globe Berhad to raise proceeds of up to RM56,000,000. Subsequently, the Board had on 26 April 2021 resolved to fix the entitlement basis for the Proposed Rights Issue at 3 Rights Shares for every 1 existing PGB Share held on an entitlement date to be determined and announced later. The entitlement basis was arrived at after taking into consideration the Minimum Subscription Level and the issue price of the Rights Shares set at RM 0.10 per Rights Share. The issue price of the Rights Shares represents a discount of RM0.1576 or approximately 61.2% to the theoretical ex-rights price (TERP) of PGB Shares of RM0.2576, calculated based on the 5-day volume weighted average market price (VWAP) of PGB Shares up to and including 23 April 2021, being the last trading day immediately preceding the price-fixing date. The proposed rights issue would entail the issuance of up to 559,967,499 Rights Shares based on the total issued shares of the Company of 186,655,833 PGB Shares.

The application for the Proposed Rights Issue has been submitted to Bursa Malaysia Securities on 6 May 2021 where the approval has been obtained on 12 May 2021. A virtual EGM has been held on 15 June 2021 where the shareholders approval has been obtained. The Abridged Prospectus in relation to the Rights Issue has been announced to Bursa Malaysia Securities on 27 August 2021.

11. Loss per share

Basic loss per share

	Individual Quarter		Cumulative Quarter	
	30/06/2021 RM'000	30/06/2020 RM'000	30/06/2021 RM'000	30/06/2020 RM'000
Net loss attributable to owners of the parent	(710)	(1,189)	(710)	(1,189)
Weighted average number of ordinary shares	186,656	186,656	186,656	186,656
Basic loss per share (sen)	(0.38)	(0.64)	(0.38)	(0.64)

12. Comparative Figures

The following comparative figures in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income has been reclassified to conform with the current period's presentation:

	As previously reported RM	As reclassified RM
Individual		
Revenue	954	1,051
Other Income	1,180	1,083
Cumulative		
Revenue	954	1,051
Other Income	1,180	1,083

PARAGON GLOBE BERHAD (194801000095 (1713-A))



**BY ORDER OF THE BOARD
PARAGON GLOBE BERHAD**

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

**Johor Bahru
03/09/2021**