

Announcement

Subject : PARAGON UNION BERHAD ("PUB" or "the Company")
 -Sale of Properties by Paragon Expression Sdn. Bhd., a wholly-owned subsidiary of PUB to the Directors and persons connected to Directors/Substantial Shareholder of PUB

Date Announced : 20/04/2005

Reference No. : CC-050420-36DF5

Type : Announcement

Company Name : Paragon Union Berhad

Stock Name : Paragon

Content:

1. INTRODUCTION

Pursuant to Paragraph 10.08 of the Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors of PUB wishes to announce that the following Directors and the persons connected to Directors/Substantial Shareholder have entered into Sale and Purchase Agreements on 19 April 2005 with Paragon Expression Sdn. Bhd. ("PESB"), which is the developer of the housing development known as Paragon Heights in Bukit Jalil, to purchase the properties as set out in the following table ("Transactions"):

Purchasers	Related Party	Description of Property (Paragon Heights)	Consideration (RM)
Tan Hong Kien	Executive Director of PUB	1 corner unit of 3 storey terrace house	562,950.00
Dato' Zainol Abidin Bin A. Hamid	Independent Non-Executive Director of PUB	1 unit of 3 storey terrace house	388,000.00
Michael Lim Hee Kiang	Independent Non-Executive Director of PUB	1 unit of 3 storey terrace house	388,000.00
Tan Hong Li	Son of Mr. Tan Onn Poh, Managing Director and Substantial Shareholder of PUB	1 corner unit of 3 storey terrace house	569,490.00
Teoh Tek Siong	Independent Non-Executive Director of PUB	1 unit of 3 storey terrace house	388,000.00
Ng How Fong	Spouse of Mr. Teoh Tek Siong, Independent Non-Executive Director of PUB	1 corner unit of 3 storey terrace house	562,950.00
Yap Kiang Siang	Executive Director of PUB	1 corner unit of 3 storey terrace house	562,950.00
Total			3,422,340.00

2. BACKGROUND INFORMATION

PESB is a company incorporated in Malaysia and having its registered office at Unit 07-02, Level 7, Menara Luxor, 6B Persiaran Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan with an authorised capital of Ringgit Malaysia Five Million (RM5,000,000.00) only divided into Five Million Ordinary Shares of Ringgit Malaysia One (RM1.00) each and a paid-up and issued share capital of Ringgit Malaysia Two Million (RM2,000,000.00) only divided into Two Million Ordinary Shares of Ringgit Malaysia One (RM1.00) each. The principal activity of PESB is that of investment holding and property development related activities. PESB is presently developing a 3 storey premium hill house in Bukit Jalil known as Paragon Heights.

3. THE TRANSACTIONS

The Transactions are in the ordinary course of business of PESB and are on terms not more favourable to the above mentioned Directors and persons connected to Directors/Substantial Shareholder than those available to the public.

4. FINANCIAL EFFECTS ON THE TRANSACTIONS

The Transactions are not expected to have a material effect on the earnings per share, net tangible assets, share capital and shareholdings of Substantial Shareholders of PUB.

5. APPROVAL REQUIRED

The Transactions are not subject to the approvals of the shareholders of PUB and the government authorities.

6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Save as disclosed above, none of the Directors, Substantial Shareholders and persons connected to them have any interest, direct or indirect, in the Transactions.

7. STATEMENT BY DIRECTORS

The Directors, having taken into consideration all aspect of the Transactions, are of the opinion that the terms and conditions of the Transactions are fair and reasonable. The sale of the above property to the Directors and persons connected to Directors/Substantial Shareholder of PUB reflects their confidence in and commitment to the PUB Group's own property development projects.