

Announcement

Subject : ARTICLE ENTITLED :
"Paragon Union to double turnover and return to black"

Date Announced : 19/10/2000

Reference No. : C&-001019-85E72

Type : Reply to query

Company Name : Paragon Union Berhad

Stock Name : Paragon

Reply to Query Letter by KLSE reference ID : FM-001018-34501

Content:

We refer to your letter [Ref : FM-001018-34501] dated 18 October 2000 on the above matter.

The Board of Directors of Paragon wishes to inform the Stock Exchange that the statement contained in The Star, Business Section, on Wednesday, 18 October 2000 was inaccurate and steps will be taken to clarify the matter with The Star.

In fact what was generally conveyed to the press was that the Company was confident that the group turnover will increase by more than 50%. This statement was more accurately reported in the New Straits Times, Utusan Malaysia, The Sun and Sin Chew Jit Poh.

We can substantiate the above by our 3rd Quarterly Announcement as at 30 September 2000 which we announce to the Exchange today, 19 October 2000.

Query Letter content :

We refer to the above article appearing in The Star, Business Section, on Wednesday, 18 October 2000, a copy of which is enclosed for your reference.

In particular, we would like to draw your attention to the underlined sentence, which is reproduced as follows:-

"CARPETMAKER Paragon Union Bhd is expected to double its sales turnover of about RM26mil last year and return to the black this year."

In accordance with the Exchange's Corporate Disclosure Policy, you are requested to furnish the Exchange with an announcement for public release confirming or denying the above reported article and in particular the underlined sentence after due and diligent enquiry with all the directors, substantial shareholders and all such other persons reasonably familiar with the matters about which the disclosure is to be made in this respect. In the event you deny the above sentence or any other part of the above article, you are required to set forth facts sufficient to clarify any misleading aspects of the same. In the event you confirm the above sentence or any other part of the above article, you are required to set forth facts sufficient to support the same.

Please furnish the Exchange with your reply within one (1) market day from the date hereof.

Yours faithfully

Chong Fui Tzy
Manager, Listing Operations
ASL/TFM
cc:Securities Commission