

## NOTICE OF TWENTY-EIGHTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Twenty-Eighth (“28<sup>th</sup>”) Annual General Meeting (“AGM”) of Paragon Union Berhad (“Paragon” or “the Company”) will be held and conducted on a fully virtual basis at Broadcast Venue at Board Room, Lot 14, Jalan CJ 1/1, Kawasan Perindustrian Cheras Jaya, Batu 11, Cheras, 43200 Selangor Darul Ehsan entirely through live streaming and online remote voting via Cloud AGM Platform operated by ARB Wemeet Sdn Bhd at <https://member.arbwemeet.com> (Domain registration numbers with MYNIC: D1A457700) on Wednesday, 29 June 2022 at 10.30 a.m. for the transaction of the following businesses:

### AGENDA

#### AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2021 together with the Reports of the Directors and Auditors thereon. *Please refer to Explanatory Note 1*
2. To approve the payment of Directors’ fees and other benefits payable of up to RM210,000.00 for the financial year ending 31 December 2022. *Ordinary Resolution 1 (Please refer to Explanatory Note 2)*
3. To re-elect the following Director, who retires by rotation in accordance with Clause 97 of the Company’s Constitution and who being eligible, has offered himself for re-election: *Ordinary Resolution 2 (Please refer to Explanatory Note 3)*
  - (a) Koon Hoi Chun.
4. To re-elect the following Directors, who retire by rotation in accordance with Clause 104 of the Company’s Constitution and who being eligible, have offered themselves for re-election: *(Please refer to Explanatory Note 4)*
  - (a) Tan Vei Teck;
  - (b) Tong Siut Moi; and
  - (c) Wong Ee-Coln. *Ordinary Resolution 3  
Ordinary Resolution 4  
Ordinary Resolution 5*
5. To re-appoint Messrs. Kreston John & Gan as auditors of the Company and to authorise the Directors to fix their remuneration. *Ordinary Resolution 6 (Please refer to Explanatory Note 5)*

#### AS SPECIAL BUSINESS:

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

6. **AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** *Ordinary Resolution 7 (Please refer to Explanatory Note 6)*

“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the capital of the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time

being and the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad.

AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

7. To transact any other business for which due notice shall have been given.

**BY ORDER OF THE BOARD**

**Tan Tong Lang (MAICSA 7045482 / SSM PC No. 202208000250)**

Company Secretary

Selangor Darul Ehsan

Dated this 29 April 2022

Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy(ies) to attend and vote on his(her) behalf.
2. A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at a meeting of a Company shall have the same rights as the member to speak at the meeting.
3. A member may appoint more than one (1) proxy to attend the same meeting. Where a member appoints two (2) or more proxies, he(she) shall specify the proportion of his(her) shareholdings to be represented by each proxy.
4. Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in the one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.
5. The Form of Proxy shall be signed by the appointor or his(her) attorney duly authorised in writing or, if the member is a corporation, it must be executed under its common seal or by its duly authorised attorney or officers.
6. The instrument appointing a proxy must be deposited at the office of the Share Registrar of the Company situated at Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor, not less than twenty-four (24) hours before the time appointed for the taking of poll at the meeting or adjourned meeting.
7. In respect of deposited securities, only members whose names appear on the Record of Depositors on 20 June 2022 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the meeting or appoint proxy(ies) to attend and/or vote on his(her) behalf.

## **EXPLANATORY NOTES TO ORDINARY BUSINESS:**

### **1. Audited Financial Statements for the financial year ended 31 December 2021**

This Agenda No. 1 is meant for discussion only as Section 340(1)(a) of the Companies Act, 2016 (the “Act”) provide that the audited financial statements are to be laid in the general meeting and does not require a formal approval of the shareholders. Hence, this Agenda item is not put forward to the shareholders for voting.

### **2. Ordinary Resolution 1: To approve the payment of Directors’ fees and other benefits payable**

Pursuant to Section 230(1) of the Act, fees and benefits payable to the Directors of public company or a listed company and its subsidiaries shall be approved by shareholders at a general meeting. The Directors’ benefits payable comprises of meeting attendance allowances and other claimable benefits.

In determining the estimated total amount of Directors’ fees and benefits, the Board has considered various factors, among others, the estimated claimable benefits and estimated number of meetings for the Board and Board Committees held for the financial year ending 31 December 2022.

In the event the proposed amount is insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for additional fees to meet the shortfall.

### **3. Ordinary Resolution 2: Re-election of Director who retires in accordance with Clause 97 of the Company’s Constitution**

Clause 97 of the Company’s Constitution states that an election of Director shall take place each year at the annual general meeting of the Company, where one-third of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third shall retire from office and be eligible for re-election PROVIDED ALWAYS that Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

Mr. Koon Hoi Chun is standing for re-election as Director of the Company and being eligible, has offered himself for re-election.

For the purpose of determining the eligibility of the Director to stand for re-election at the 28<sup>th</sup> AGM, the Nomination and Remuneration Committee has considered the requirements under Paragraph 2.20A of the Main Market Listing Requirements of Bursa Securities and recommended Mr. Koon Hoi Chun for re-election as Director pursuant to Clause 97 of the Company’s Constitution.

**4. Ordinary Resolutions 3,4 and 5: Re-election of Directors who retire in accordance with Clause 104 of the Company's Constitution**

Clause 104 of the Company's Constitution states that any Directors so appointed either to fill a casual vacancy or as an addition to the existing Directors, shall hold office only until the next following AGM, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Mr. Tan Vei Teck, Miss Tong Siut Moi and Mr. Wong Ee-Coln are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election as Directors pursuant to Clause 104 of the Company's Constitution.

**5. Ordinary Resolution 6: Re-appointment of Auditors**

The Audit Committee and the Board have considered the re-appointment of Messrs. Kreston John & Gan ("Kreston John") as auditors of the Company and collectively agreed that Kreston John have met the relevant criteria prescribed by Paragraph 15.21 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

**6. Ordinary Resolution 7: Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016**

The Ordinary Resolution 7, if passed, is a renewal of general mandate to empower the Directors to issue and allot shares up to an amount not exceeding 10% of the total number of issued shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM.

The general mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s) workings capital and/or acquisitions at any time without convening a general meeting as it would be both costs and time consuming to organise a general meeting.

As at the date of this Notice, a total of 13,829,652 ordinary shares were issued and allotted pursuant to the authority granted to the Directors at the 27<sup>th</sup> Annual General Meeting held on 31 May 2021 and the said authority will lapse at the conclusion of the forthcoming 28<sup>th</sup> Annual General Meeting.

## **STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING**

No notice of nomination has been received to date from any member nominating any individual for election as a Director at the AGM of the Company. There is therefore no individual standing for election as Director, save for the above Directors who are standing for re-election.

Further details of Directors standing for re-election as Directors at the 28<sup>th</sup> AGM are set out in their respective profiles which appear in the Directors' Profile of this Annual Report and the details of their interests in the securities of the Company are disclosed in the Analysis of Shareholdings of this Annual Report.

The Company will seek shareholders' approval on the general mandate for issue of securities in accordance with Paragraph 6.04 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Please refer to the proposed Ordinary Resolution 7 as stated in the Notice of Annual General Meeting of the Company for the details.