

Announcement

TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) : RECURRENT RELATED PARTY TRANSACTIONS PARAGON UNION BERHAD ("PUB" OR "THE COMPANY") – RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

Type	Announcement
Subject	TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) RECURRENT RELATED PARTY TRANSACTIONS
Description	PARAGON UNION BERHAD ("PUB" OR "THE COMPANY") – RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

Pursuant to Paragraph 10.09(1)(a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board of Directors of Paragon Union Berhad ("PUB" or "the Company") wishes to announce that the Company, through its 51% owned subsidiary, namely Metahub Industries Sdn. Bhd. ("Metahub"), in the ordinary course of business entered into recurrent related party transactions of a revenue or trading nature ("RRPTs") with the companies related to Mr Koon Hoi Chun, the Director and major shareholder of the Company, details of which as disclosed below, and the total consideration of which by way of aggregation, is RM 1 million or more or exceed the percentage ratio of 1%, whichever is higher, for the period from 31 December 2024 to 8 January 2025.

Please refer to the attachment for further details of the RRPTs.

This announcement is dated 8 January 2025.

Announcement Info

Company Name	PARAGON UNION BERHAD
Stock Name	PARAGON
Date Announced	08 Jan 2025
Category	General Announcement for PLC
Reference Number	GA1-08012025-00033

PARAGON UNION BERHAD [Registration No. 199401000779 (286457-V)]
(“PUB” OR “THE COMPANY”)

**TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS): RECURRENT RELATED PARTY
TRANSACTIONS OF A REVENUE OR TRADING NATURE**

1. INTRODUCTION

Pursuant to Paragraph 10.09(1)(a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Board of Directors of Paragon Union Berhad (“PUB” or “the Company”) wishes to announce that the Company, through its 51% owned subsidiary, namely Metahub Industries Sdn. Bhd. (“Metahub”), in the ordinary course of business entered into recurrent related party transactions of a revenue or trading nature (“RRPTs”) with the companies related to Mr Koon Hoi Chun, the Director and major shareholder of the Company, details of which as disclosed below, and the total consideration of which by way of aggregation, is RM 1 million or more or exceed the percentage ratio of 1%, whichever is higher, for the period from 31 December 2024 to 8 January 2025.

2. NATURE OF RELATIONSHIP BETWEEN PUB GROUP AND THE RELATED PARTIES

Related Party	PUB Group - Transacting Party	Nature of Transaction	Amount of Transactions (RM)
Technovate Trading Sdn Bhd	Metahub	Purchase of metal and related materials (mainly carbon block) by Metahub Industries from Technovate Trading	RM1,604,348
TOTAL (RM)			RM1,604,348

Related Party	Interested Director and Major Shareholder
Technovate Trading Sdn Bhd	Koon Hoi Chun is our Executive Chairman and major shareholder. He is also director and shareholder holding 45% equity interest in Technovate Holdings Sdn Bhd which wholly-owns Technovate Trading Sdn Bhd

3. RATIONALE FOR THE RRPTs

The RRPTs are necessary for the day to day operations of the Company and are intended to meet the business needs on the best possible terms. The RRPTs are made in the ordinary course of business at arm’s length and on normal commercial terms which are not more favorable to the related parties than those generally available to the public. The transactions are not detrimental to the interest of the minority shareholders of the Company.

4. FINANCIAL EFFECTS OF THE RRPTs

Share Capital and Substantial Shareholders’ shareholdings

The RRPTs will not have any effect on the issued and paid-up share capital and substantial shareholders’ Shareholdings of the Company as the proposed RRPTs does not involve any issuance of shares of PUB.

Net Assets per share and earnings per share

The RRPTs are not expected to have any material impact on the consolidated earnings and earnings per share of PUB for the financial year ending 31 December 2025.

Net Asset and Gearing

The RRPTs are not expected to have any material effect on the consolidated Net Asset per share and gearing of the Group.

5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

Save as disclosed in the item 2 above, none of the other Directors and/or Major Shareholders of the Company and/or persons connected with them have any interest, direct or indirect in the RRPTs.

Accordingly, Mr Koon Hoi Chun ("Interested Director and Interested Major Shareholder") and all the person connected to them have abstained and will continue to abstain from all deliberations and voting in respect of the RRPTs.

6. STATEMENT BY AUDIT COMMITTEE

The Audit Committee having considered the rationale for the RRPTs and all aspects of the RRPTs, was of the view that the RRPTs is in the best interests of the Group, fair, reasonable and on normal commercial terms and not detrimental to the interests of the minority shareholders.

7. STATEMENT BY BOARD OF DIRECTORS

Save for the interested Director, Koon Hoi Chun, the Board having considered all aspects of the RRPTs and is of opinion that the RRPTs is in the best interest of the Group and not detrimental to the interest of the minority shareholders of the Company.

8. APPROVAL REQUIRED

As at the date of this announcement, the highest percentage ratio of the value transacted is 2.10%. Therefore, no shareholders' approval is required. However, shareholders' mandate will be sought if the percentage ratio exceeds 5%.

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