

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Eighteenth Annual General Meeting of **MESB Berhad** will be held at Swan 1, 7th Floor, Pearl International Hotel, Batu 5, Jalan Klang Lama, 58000 Kuala Lumpur on Wednesday, 18 September 2013 at 9.30 a.m. for the following purposes:

AGENDA

1. To lay the Audited Financial Statements for the financial year ended 31 March 2013 together with the Reports of the Directors and Auditors thereon. *Please refer to Note A*
2. To re-elect the following Directors who are retiring pursuant to Article the Articles of Association of the Company:
 - (i) Ng Chee Leong – Article 78 *Ordinary Resolution 1*
 - (ii) Tan Yew Kim – Article 78 *Ordinary Resolution 2*
 - (iii) Tan Sok Gim – Article 85 *Ordinary Resolution 3*
 - (iv) Yam Sing Lam @ Yam Seng Lam – Article 85 *Ordinary Resolution 4*
3. To approve the payment of Directors' fees amounting to RM107,000 for the financial year ended 31 March 2013. *Ordinary Resolution 5*
4. To re-appoint Messrs Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration. *Ordinary Resolution 6*

AS SPECIAL BUSINESS

To consider and if thought fit, pass the following Ordinary / Special Resolutions with or without modifications:

5. **ORDINARY RESOLUTION**
- **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposal")** *Ordinary Resolution 7*

"**THAT**, subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiary companies to enter into all arrangements and/or transactions as specified in Section 2.4 of the Circular to Shareholders dated 27 August 2013, provided that such arrangements and/or transactions are:

 - (i) recurrent transactions of a revenue or trading nature;
 - (ii) necessary for the day-to-day operations;
 - (iii) carried out on arm's length basis, in the ordinary course of business and on terms which are not more favourable to the related parties than those generally available to the public; and
 - (iv) are not to the detriment of the minority shareholders.

AND THAT the authority conferred by this resolution shall commence immediately upon the passing of this resolution and shall continue to be in force until:

 - (a) the conclusion of the next Annual General Meeting of the Company at which time it will lapse, unless by a resolution passed by the shareholders of the Company in a general meeting;
 - (b) the expiration of the period within which the next Annual General Meeting of the Company after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965); or
 - (c) revoked or varied by resolution passed by shareholders in general meeting, whichever is the earlier.

AND THAT the Directors of the Company be and are hereby empowered and authorised to complete and to do all such acts, deeds and things as they may consider expedient or necessary or in the best interest of the Company to give effect to the Proposal, with full power to assent to any condition, modification, variation and/or amendment (if any) as may be imposed or permitted by the relevant authorities."

6. **ORDINARY RESOLUTION**
- **Continuing in Office as Independent Non-Executive Director** *Ordinary Resolution 8*

"**THAT** the authority be and is hereby given to Encik Saffie bin Bakar who had served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years to continue act as an Independent Non-Executive Director of the Company."
7. **SPECIAL RESOLUTION**
- **Proposed Amendments to the Articles of Association of the Company** *Special Resolution*

"**THAT** the proposed amendments to the Articles of Association of the Company as contained in the Appendix A attached to the 2013 Annual Report be and are hereby approved and adopted **AND THAT** the Directors and Secretary of the Company be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all acts and things and take all steps as may be considered necessary to give full effect to the Proposed Amendments to the Articles of Association of the Company."

By Order of the Board

LIM LEE KUAN (MAICSA 7017753)
PANG CHIA TYNG (MAICSA 7034545)
Company Secretaries

Kuala Lumpur
27 August 2013

Notes:

- A. This Agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders and hence, is not put forward for voting.
1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. The provisions of Section 149(1)(b) of the Act shall not apply to the Company and there shall be no restriction as to the qualification of the proxy.
2. A member shall be entitled to appoint more than one proxy (subject always to a maximum of two (2) proxies at each meeting) to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportions of his holdings to be represented by each proxy.
3. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint only one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the company is an exempt authorised nominee which holds ordinary shares in the company for multiple beneficial owners in 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. If no name is inserted in the space provided for the name of your proxy, the Chairman of the meeting will act as your proxy.
6. The instrument appointing a proxy must be deposited at Symphony Share Registrars Sdn Bhd, Level 6 Symphony House, Block D13, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
7. If the appointor is a corporation, the instrument appointing a proxy must be executed under its Common Seal or under the hand of its attorney.
8. The Date of Record of Depositors for the purpose of determining Members' entitlement to attend, vote and speak at the meeting will be Wednesday, 11 September 2013.
9. Explanatory Notes on Special Business:
 - (i) **Ordinary Resolution 7**
- **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposal")**

Further information on the Proposal is set out in the Circular to Shareholders dated 27 August 2013 which is circulated together with the 2013 Annual Report of the Company.
 - (ii) **Ordinary Resolution 8**
- **Continuing in Office as Independent Non-Executive Director**

The Nomination Committee and the Board of Directors had assessed the independence of Encik Saffie bin Bakar who had served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, and recommended Encik Saffie bin Bakar to continue act as an Independent Non-Executive Director of the Company based on the following justifications:

 - a. he fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Securities, and thus, he would be able to provide check and balance and bring an element of objectivity to the Board;
 - b. he was not appointed by the current controlling shareholder and hence the issue on special relationship with or loyalty to the controlling shareholder does not arise;
 - c. he had devoted sufficient time and attention to his professional obligations for informed and balanced decision making by actively participated in board discussion and provided an independent voice to the Board; and
 - d. he had exercised due care during his tenure as Independent Non-Executive Director of the Company and carried out his professional duties in the best interest of the Company and the shareholders.
 - (iii) **Special Resolution**
- **Proposed Amendments to the Articles of Association of the Company**

The proposed Special Resolution, if passed, will streamline the Company's Articles of Association to be in line with the latest Main Market Listing Requirements of Bursa Malaysia Securities Berhad, prevailing regulatory requirements and market practices as well as to render clarity and consistency throughout.