

**ANNOUNCEMENT
TRANSACTION: CHAPTER 10**

MESB BERHAD

**ADDITIONAL INFORMATION
PROPOSED DISPOSAL OF PROPERTY BY MIROZA LEATHER (M) SDN BHD, A WHOLLY-
OWNED SUBSIDIARY OF MESB BERHAD (“PROPOSED DISPOSAL”)**

(Unless otherwise state, all definitions and terms used in this announcement shall have the same meanings as defined in the announcement dated 31 October 2013)

We refer to the Company’s earlier announcement dated 31 October 2013 in relation to the Proposed Disposal, on behalf of MESB Berhad, the Board of Directors wishes to furnish additional information/clarification on the following in relation to the Proposed Disposal:-

2. DETAILS OF THE PROPOSED DISPOSAL

2.8 Utilisation of Proceeds

The intended utilisation by Miroza / MESB Group of the total cash proceeds from the Proposed Disposal and the breakdown including the time frame for full utilisation of the proceeds are as follows:

	Amount allocated RM'000	Intended Timeframe for utilisation	Explanations
Working capital	5,050	Within 2 years from the receipt of the proceeds	The proceeds shall be utilised for working capital i.e. for the purchases by the MESB Group in ordinary course of business.

4. FINANCIAL EFFECTS

4.2 Net assets and gearing

Based on the Audited Financial Statements for the financial year ended 31 March 2013, the effect arising from the Proposed Disposal on the net assets per share and gearing of the Company is tabulated below:-

	As at 31 March 2013	After Proposed Disposal
Net Assets per share	RM1.58	Approximately RM1.82
Gearing Ratio	0.32	Approximately 0.28

4.3 Earnings

The Proposed Disposal will not have any material effect on the earnings of the Company for financial year ending 31 March 2014.

This announcement is dated 6th day of November 2013