

THIS OFFER DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

You should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately if you have any doubt about the Offer (as defined herein).

If you have sold all your ordinary shares and warrants in MESB Berhad, you should hand over this Offer Document and the accompanying Forms of Acceptance and Transfer (as defined herein) immediately to the person through whom you have effected the sale or transfer for transmission to the purchaser or transferee.

Pursuant to Paragraph 11.02(3) of the Rules on Take-overs, Mergers and Compulsory Acquisitions (“**Rules**”) issued by the Securities Commission Malaysia (“**SC**”), the SC has notified that it has no further comments to this Offer Document. However, such notification shall not be taken to suggest that the SC recommends the Offer or assumes responsibility for the correctness of any statements made or opinions or reports expressed in this Offer Document. The SC takes no responsibility for the content of this Offer Document, makes no representation as to its accuracy or completeness and expressly disclaims any liability for any loss howsoever arising from, or in reliance upon the whole or any part of the contents of this Offer Document.

CONDITIONAL MANDATORY TAKE-OVER OFFER

BY

WONG SAK KUAN AND YAU MING TECK (“JOINT OFFERORS”)

THROUGH



INVESTMENT BANK BERHAD
Registration No. 197401003530 (20657-W)

TO ACQUIRE:-

- (I) ALL THE REMAINING ORDINARY SHARES IN MESB BERHAD (“MESB”) NOT ALREADY OWNED BY THE JOINT OFFERORS AND SUCH NUMBER OF NEW ORDINARY SHARES IN MESB THAT MAY BE ISSUED AND ALLOTTED PRIOR TO THE CLOSING DATE (AS DEFINED HEREIN) ARISING FROM THE EXERCISE OF THE OUTSTANDING WARRANTS IN MESB NOT ALREADY OWNED BY THE JOINT OFFERORS (“OFFER SHARES”); AND**
- (II) ALL THE REMAINING UNEXERCISED OUTSTANDING WARRANTS IN MESB NOT ALREADY OWNED BY THE JOINT OFFERORS (“OFFER WARRANTS”),**

FOR A CASH OFFER PRICE OF RM0.315 PER OFFER SHARE AND RM0.015 PER OFFER WARRANT (“OFFER”)

Acceptances must be received by **5:00 p.m. (Malaysian time) on Monday, 23 November 2020**, being the first closing date of the Offer (“**First Closing Date**”) or such later date(s) as the Joint Offerors may decide and as may be announced by KAF Investment Bank Berhad, on behalf of the Joint Offerors, at least two (2) days before the Closing Date (as defined herein). Subject to the provisions of the Rules, the Joint Offerors may revise or extend the date and time for the acceptance of the Offer beyond the First Closing Date. Notice of such extension will be posted to you accordingly.

You should refer to **Appendix II** of this Offer Document for the procedures to accept the Offer. The Forms of Acceptance and Transfer are enclosed together with this Offer Document.

This Offer Document is dated 2 November 2020

DEFINITIONS

The following definitions shall apply throughout this Offer Document and the accompanying Forms of Acceptance and Transfer unless the context requires otherwise or where otherwise defined:-

- “Acceptance Condition” : The condition where the Joint Offerors having received Valid Acceptances by the Closing Date (provided that such acceptances are not, where permitted, subsequently withdrawn), which, together with such MESB Shares that have been acquired, held or entitled to be acquired or held by the Joint Offerors, will result in the Joint Offerors holding in aggregate more than 50.0% of the voting shares in MESB
- “Accepting Holders” : Holders who accept the Offer in accordance with the terms and conditions of this Offer Document
- “Acquisitions” : Acquisitions of a total of 29,487,104 MESB Shares, representing approximately 27.79% of the equity interest in MESB, for a total cash consideration of RM8,846,131.20 or RM0.30 per MESB Share via direct business transactions on 12 October 2020
- “ADA” : Authorised Depository Agent as defined in the Rules of Bursa Depository
- “ADM” : Authorised Direct Member as defined in the Rules of Bursa Depository
- “Board” : Board of Directors of MESB
- “Bursa Depository” : Bursa Malaysia Depository Sdn. Bhd. (198701006854 / 165570-W)
- “Bursa Depository Transfer Form” : Bursa Depository Transfer of Securities Request Form (FTF010)
- “Bursa LINK” : Bursa Securities’ Listing Information Network, an electronic platform for submission of all announcements made by listed issuers on Bursa Securities
- “Bursa Securities” : Bursa Malaysia Securities Berhad (200301033577 / 635998-W)
- “CDS” : Central Depository System
- “Closing Date” : First Closing Date or in the event the Offer is extended or revised in accordance to the Rules, such extended or revised closing date(s) as the Joint Offerors may decide and as may be announced by KAF IB, on behalf of the Joint Offerors, at least two (2) days before the closing date
- “CMSA” : Capital Markets and Services Act, 2007, as amended from time to time and any re-enactment thereof
- “Dissenting Holder” : Any Holder who does not accept the Offer and/or failed or refused to transfer the Offer Securities to the Joint Offerors in accordance with the terms and conditions set out in this Offer Document
- “Distribution” : Any dividend and/or distribution that MESB declares and/or pays to its shareholders
- “EPS” : Earnings per Share
- “First Closing Date” : 5:00 p.m. (Malaysian time) on Monday, 23 November 2020, being the day falling twenty-one (21) days from the Posting Date
- “Forms of Acceptance and Transfer” : The forms of acceptance and transfer for the Offer Shares and Offer Warrants, enclosed with the Offer Document
- “FYE” : Financial year ended 30 June

DEFINITIONS (CONT'D)

“Holder”	: A holder of the Offer Securities
“Independent Advice Circular”	: The independent advice circular to be issued by the Independent Adviser to the Holders in relation to the Offer
“Independent Adviser” or “DWA Advisory”	: DWA Advisory Sdn. Bhd. (201301002419 / 1032257-D), being the independent adviser appointed by the Board in accordance with Paragraph 3.06 of the Rules to advise the non-interested directors of MESB and the Holders in relation to the Offer
“Joint Offerors”	: Collectively, Wong Sak Kuan and Yau Ming Teck
“KAF IB” or “Principal Adviser”	: KAF Investment Bank Berhad (197401003530 / 20657-W)
“Listing Requirements”	: Main Market Listing Requirements of Bursa Securities, as amended from time to time
“LPD”	: 27 October 2020, being the latest practicable date prior to the Posting Date
“LTD”	: 9 October 2020, being the last full trading day prior to the date of the Notice
“Market Day”	: Any day on which Bursa Securities is open for trading of securities
“MESB” or “Offeree”	: MESB Berhad (199501008356 / 337554-D)
“MESB Group” or “Group”	: MESB and its subsidiary companies, collectively
“MESB Shares” or “Shares”	: Ordinary shares in MESB
“MESB Warrants” or “Warrants”	: 40,950,000 existing outstanding warrants 2017/2022 in MESB which can be exercised into 40,950,000 new MESB Shares
“NA”	: Net assets
“Non-resident Holder”	: Holder (including without limitation, any custodian, agent, representative, nominee and trustee of the Holder) who is a citizen or national of, or resident in, or has a registered address in a jurisdiction outside Malaysia, or is incorporated or registered with, or approved by any authority outside Malaysia or is a non-resident within the definition prescribed under the Financial Services Act, 2013
“Notice”	: Notice of the Offer dated 12 October 2020 issued by KAF IB, on behalf of the Joint Offerors, and served on the Board
“Offer”	: Conditional mandatory take-over offer by the Joint Offerors, through KAF IB, to acquire the Offer Securities at the Offer Price in accordance with the terms and conditions set out in this Offer Document, including any revision thereof
“Offer Document”	: This document dated 2 November 2020 which contains the details and terms and conditions of the Offer together with the Forms of Acceptance and Transfer enclosed herein
“Offer Period”	: The period commencing from 12 October 2020, being the date of the Notice and expiring on:- (i) the Closing Date; or (ii) the date on which the Offer lapses or is withdrawn with the prior written consent of the SC

DEFINITIONS (CONT'D)

“Offer Price”	: Collectively, the Shares Offer Price and Warrants Offer Price
“Offer Securities”	: Collectively, the Offer Shares and Offer Warrants
“Offer Shares”	: All the remaining MESB Shares not already owned by the Joint Offerors and such number of new MESB Shares that may be issued and allotted prior to the Closing Date arising from the exercise of the outstanding MESB Warrants not already owned by the Joint Offerors. As at the date of the Notice, the number of MESB Shares which are not already held by the Joint Offerors is 59,267,896 MESB Shares, representing approximately 55.86% of the total number of issued MESB Shares
“Offer Warrants”	: All the 40,950,000 MESB Warrants not already owned by the Joint Offerors, representing 100.0% of the total outstanding MESB Warrants as at the date of the Notice.
“Official List”	: A list specifying all securities which have been admitted for listing on Bursa Securities and not removed
“PBR”	: Price-to-book ratio
“PER”	: Price-to-earnings ratio
“Posting Date”	: 2 November 2020, being the date of despatch of this Offer Document
“Public Spread Requirement”	: The requirement pursuant to Paragraph 8.02(1) of the Listing Requirements which stipulated that a listed issuer must ensure that at least 25% of its total listed shares (excluding treasury shares) are held by public shareholders to ensure its continued listing on the Main Market of Bursa Securities
“Registrar”	: Boardroom Share Registrars Sdn. Bhd. (199601006647 / 378993-D) to whom acceptances of the Offer should be forwarded, whose address, email address and contact numbers are set out in Section 1.10 of Appendix II of this Offer Document, acting as the registrar for the Offer
“Relevant Day”	: The Market Day following the day on which the Offer is closed, becomes or declared unconditional as to acceptances, revised or extended, as the case may be
“Restricted Jurisdiction”	: Any jurisdiction where the extension or acceptance of the Offer or where the sending or making available information concerning the Offer to the Holders in such jurisdiction would or might be in contravention of local laws or regulations in that jurisdiction
“RM” and “sen”	: Ringgit Malaysia and sen
“Rules”	: Rules on Take-overs, Mergers and Compulsory Acquisitions as issued by the SC
“Rules of Bursa Depository”	: Rules of Bursa Depository as issued under the SICDA
“SC”	: Securities Commission Malaysia
“Share Offer Price”	: Cash consideration for the Offer Shares, being RM0.315 per Offer Share, subject to any adjustment, where applicable, in the manner set out in Section 2.1 of this Offer Document
“SICDA”	: Securities Industry (Central Depositories) Act, 1991
“Valid Acceptance”	: The acceptance of the Offer by a Holder in accordance with the terms and conditions of this Offer Document, which is deemed by the Joint Offerors to be valid and complete in all aspects

DEFINITIONS (CONT'D)

“VWAMP” : Volume weighted average market price

“Warrant Offer Price” : Cash consideration for the Offer Warrants, being RM0.015 per Offer Warrant

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and neuter gender and vice versa. References to persons shall include corporations, unless otherwise specified.

All references to “you” or “Holder” in this Offer Document are to each Holder of the Offer Securities, being the person to whom the Offer is being made.

All references to “we”, “us” and “our” in this Offer Document are to KAF IB, being the Principal Adviser through whom the Joint Offerors are making the Offer.

Any discrepancy in the tables included in this Offer Document between the amounts listed, the actual figures and the totals thereof are due to rounding. All references to dates and times in this Offer Document shall be references to Malaysian dates and times, unless otherwise indicated.

Any reference in this Offer Document to any provision of the statutes, rules, regulations, enactments or rules of stock exchange shall (where the context admits), be construed as a reference to provision of such statutes, rules, regulations, enactments or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactment to the statutes, rules, regulations, enactments or rules of stock exchange for the time being in force.

Where a period specified in this Offer Document ends on a day which is not a Market Day, the period is extended until the next Market Day.

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FORMS OF ACCEPTANCE AND TRANSFER..... ENCLOSED



INVESTMENT BANK BERHAD
Registration No. 197401003530 (20657-W)

2 November 2020

Correspondence address of
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Yau Ming Teck**
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Lebuh IRC
IOI Resort City
62502 Putrajaya

Registered office of
KAF Investment Bank Berhad
Level 14 Chulan Tower
No. 3 Jalan Conlay
50450 Kuala Lumpur

To:- The Holders

Dear Sir/Madam,

CONDITIONAL MANDATORY TAKE-OVER OFFER BY THE JOINT OFFERORS, THROUGH KAF IB, TO ACQUIRE THE OFFER SHARES AND OFFER WARRANTS AT A CASH CONSIDERATION OF RM0.315 PER OFFER SHARE AND RM0.015 PER OFFER WARRANT, RESPECTIVELY

1.0 INTRODUCTION

1.1 On 12 October 2020, the Joint Offerors had acquired a total of 29,487,104 MESB Shares, representing approximately 27.79% of the equity interest in MESB, for a total cash consideration of RM8,846,131.20 or RM0.30 per MESB Share. The Acquisitions were effected via direct business transactions from the following parties:-

- (i) 18,411,148 Shares, representing approximately 17.35% equity interest in MESB from Angsana Inai Sdn Bhd;
- (ii) 7,271,550 Shares, representing approximately 6.85% equity interest in MESB from Konwa Industrial Sewing Machine (M) Sdn Bhd; and
- (iii) 3,804,406 Shares, representing approximately 3.59% equity interest in MESB from Yew Kuok Yee.

In relation to the foregoing, the Joint Offerors confirmed that there isn't any arrangement or agreement entered into with the aforesaid vendors of the Acquisitions that would lead to any favourable deal.

1.2 Prior to the Acquisitions, the Joint Offerors collectively held 17,345,000 MESB Shares, representing approximately 16.35% equity interest in MESB, but they do not hold any MESB Warrants. Upon completion of the Acquisitions, the Joint Offerors collectively held 46,832,104 MESB Shares, representing an increase from approximately 16.35% to 44.14% equity interest in MESB. Although the Joint Offerors do not have any nominee on the current Board as at the LPD, they intend to nominate themselves (or any other nominated party(ies)) to be a member of the Board after closing of the Offer.

1.3 Pursuant to Section 218(2) of the CMSA and Paragraph 4.01(a) of the Rules, the Joint Offerors are extending a mandatory take-over offer for the Offer Securities. On 12 October 2020, KAF IB had, on behalf of the Joint Offerors, served the Notice on the Board in accordance with Paragraph 9.10(1)(b)(i) of the Rules. The Board had, on the same day, announced the receipt of the Notice and a copy of the Notice was subsequently despatched to the Holders on 16 October 2020.

1.4 On 13 October 2020, the Board had appointed DWA Advisory as the Independent Adviser to provide comments, opinions, information and recommendation in relation to the Offer to the non-interested directors of MESB and the Holders in accordance with Paragraph 3.06 of the Rules.

- 1.5 The Offer is conditional upon the fulfilment of the Acceptance Condition.
- 1.6 As at the LPD:-
- (i) the Joint Offerors collectively hold 46,832,104 MESB Shares, representing approximately 44.14% equity interest in MESB but they do not hold any MESB Warrants;
 - (ii) there are no persons acting in concert with the Joint Offerors in relation to the Offer that hold shares in MESB pursuant to Section 216 of the CMSA; and
 - (iii) the Joint Offerors have not received any irrevocable undertaking from any Holder to accept or reject the Offer.
- 1.7 Pursuant to Paragraph 11.02(3) of the Rules, the SC had, vide its letter dated 26 October 2020, notified that it has no further comments on this Offer Document. However, such notification shall not be taken to suggest that the SC recommends the Offer or assumes responsibility for the correctness of any statements made or opinions or reports expressed in this Offer Document.
- 1.8 The tentative timetable for the Offer is as follows:-

Event	Date
Posting Date	2 November 2020
Last day for the Independent Adviser to issue the Independent Advice Circular	12 November 2020
First Closing Date ⁽¹⁾	23 November 2020

Note (1) : The Offer will remain open for acceptances until 5:00 p.m. (Malaysian time) on the First Closing Date, unless is revised or extended in accordance with the Rules and the terms and conditions of this Offer Document as may be announced by KAF IB, on behalf of the Joint Offerors, at least two (2) days before the Closing Date. Notices of such revision or extension will be posted to you accordingly.

This Offer Document is a formal mandatory take-over offer by the Joint Offerors, through KAF IB, to acquire your Offer Securities in accordance with the terms and conditions of this Offer Documents.

You are advised to read carefully this Offer Document and the Independent Advice Circular, which will be despatched to you within ten (10) days from the Posting Date. You should consider the recommendation of the Independent Adviser carefully before making your decision regarding the Offer.

You should take note that in the event of any further restriction to movement due to the implementation of the Conditional Movement Control Order by the government of Malaysia or any other emergency, electronic documentation and service may be the only mode that can be employed. As such, it is important for you to register your e-mail address with Bursa Depository via:

- (i) **https://www.bursamalaysia.com/trade/our_products_services/central_depository_system/request_for_estatement; or**
- (ii) **Bursa Anywhere mobile application which can be downloaded from Google Play Store or Apple App Store.**

You should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately if you have any doubt about the Offer.

If you wish to accept the Offer, you should complete and sign the accompanying Forms of Acceptance and Transfer according to the instructions contained therein. Please refer to Appendix II of this Offer Document for details on the procedures for acceptance and method of settlement of the Offer. Special instructions for Non-resident Holders for acceptance of the Offer are also set out in Section 3 of Appendix II of this Offer Document.

You do not need to take any action should you decide not to accept the Offer.

2.0 TERMS AND CONDITIONS OF THE OFFER

The salient terms and conditions of the Offer, unless otherwise directed and permitted to be varied by the SC, are as set out below:-

2.1 Consideration for the Offer

The consideration of the Offer of RM0.315 for each Offer Share and RM0.015 for each Offer Warrant shall be satisfied wholly in cash in accordance with the method of settlement as stated in Section 2.4 of this Offer Document.

Notwithstanding the above, if MESB declares and/or pays any Distribution on or after the date of the Notice but prior to the Closing Date and the Holders are entitled to retain such Distributions, the Joint Offerors shall reduce the Share Offer Price by the quantum of the Distribution per Offer Share which the Holders are entitled to retain. For avoidance of doubt, any reduction in the Shares Offer Price arising from the Distribution will not result in a reduction in the Warrants Offer Price. Hence, the Warrant Offer Price will remain the same notwithstanding the Distribution.

As at the LPD, MESB has not declared any Distribution which is payable on or after the date of the Notice.

Holders may accept the Offer in respect of all or any part of their Offer Securities. The Joint Offerors will not pay fractions of a sen, if any, to the Accepting Holders. Therefore, the cash consideration payable to the Accepting Holders will be rounded down to the nearest whole sen.

2.2 Condition of the Offer

The Offer is conditional upon the Joint Offerors having received Valid Acceptances by the Closing Date (provided that such acceptances are not, where permitted, subsequently withdrawn), which, together with such MESB Shares that have been acquired, held or entitled to be acquired or held by the Joint Offerors, will result in the Joint Offerors holding in aggregate more than 50.0% of the voting shares in MESB.

The Acceptance Condition shall be fulfilled no later than 5:00 p.m. (Malaysian time) on or before the Closing Date, which shall not be later than the 60th day from the Posting Date, failing which the Offer shall lapse and all acceptances shall be returned to the Accepting Holders and the Joint Offerors will thereafter, cease to be bound by any such prior acceptances of the Offer.

2.3 Duration of the Offer

The Offer will remain open for acceptances until 5:00 p.m. (Malaysian time) on Monday, 23 November 2020, being the First Closing Date, or such later date(s) as the Joint Offerors may decide, as may be announced by KAF IB on behalf of the Joint Offerors, at least two (2) days before the Closing Date. Notice of such extension or revision will be posted to the Holders accordingly.

Please refer to Section 2 of Appendix I of this Offer Document for further details on the duration of the Offer.

2.4 Method of settlement

Except with the consent of the SC and the Joint Offerors' right to reduce the Shares Offer Price as set out in Section 2.1 of this Offer Document, the Joint Offerors will settle the consideration in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counter claim or other analogous rights to which the Joint Offerors may be entitled against the Accepting Holders. However, this is without prejudice to the Joint Offerors' right to make any claim against the Accepting Holders after such full settlement in respect of a breach of any of the warranties as set out in Section 1 of Appendix I of this Offer Document.

Subject to Valid Acceptances received under the Offer, the settlement of the consideration for the Offer will be effected via remittance in the form of cheque(s), banker's draft(s) or cashier order(s) which will be despatched by ordinary mail to the Accepting Holders (or their designated agent(s), as they may direct) at the Accepting Holders' registered Malaysian addresses last maintained with Bursa Depository at their own risk within ten (10) days from:-

- (i) the date the Offer becomes or is declared wholly unconditional, if the Valid Acceptances are received during the period the Offer is still conditional; or
- (ii) the date of receipt of the Valid Acceptances, if the Valid Acceptances are received during the period after the Offer is or has become or has been declared wholly unconditional.

Non-resident Holders are advised that the settlement for the acceptances of the Offer will be made in RM. Non-resident Holders who wish to convert the consideration received into foreign currency for repatriation may do so after the Non-resident Holders' payment of the appropriate fee and/or charges as levied by the respective financial institutions.

Please refer to Appendix I of this Offer Document for further information on the other terms of the Offer and Appendix II of this Offer Document for details on the procedures for acceptance and method of settlement of the Offer.

3.0 RATIONALE FOR THE OFFER

The Offer is a mandatory obligation pursuant to Section 218(2) of the CMSA and Paragraph 4.01(a) of the Rules following the Acquisitions, which serve to enable the Joint Offerors to increase their collective shareholdings in MESB from approximately 16.35% to 44.14% with the aim of gaining control over the MESB Group. Consequently, the Joint Offerors will have greater flexibility to plan and implement new strategies for the MESB Group, including diversification from the existing core business of the MESB Group, if appropriate, through leveraging on the experience and business interests of Wong Sak Kuan (as one of the Joint Offerors), particularly in construction, land logistics and recycling, with the aim of enhancing the overall financial performance and prospects of the MESB Group. Notwithstanding the foregoing intention of the Joint Offerors, they do not have any concrete and specific implementation plan for MESB at this juncture pending the outcome of their review of the MESB Group's business operations, as more particularly set out in Section 6.0(ii) of this Offer Document, after concluding the Offer.

Through the Offer, the Holders will also be given an equal opportunity to realise their investment in the Offer Shares at the Share Offer Price, which also represents the highest price (excluding stamp duty and commission) paid by the Joint Offerors for MESB Shares during the past six (6) months prior to the Offer Period and up to the LPD. In addition, the Share Offer Price also represents a premium of 0.70% and 1.88% over the 6-month and 1-year VWAMP of MESB Shares up to the LPD.

Nevertheless, the Holders should also monitor the prevailing market prices of the Offer Securities vis-à-vis the Offer Price before deciding on whether to accept the Offer in accordance with the terms and conditions set out in the Offer Document or to sell their Offer Securities in the open market.

4.0 LISTING STATUS OF MESB, COMPULSORY ACQUISITION AND RIGHTS OF DISSENTING HOLDERS

4.1 Listing Status of MESB

Pursuant to Paragraph 8.02(1) of the Listing Requirements, a listed issuer must ensure that it meets the Public Spread Requirement. Bursa Securities may accept a percentage lower than 25% of the total number of listed shares (excluding treasury shares) if it is satisfied that such lower percentage is sufficient for a liquid market in such shares.

A listed issuer which fails to maintain the Public Spread Requirement may request for an extension of time to rectify the situation in the manner as may be prescribed by Bursa Securities. Where no extension of time is granted by Bursa Securities to rectify the Public Spread Requirement, Bursa Securities may take or impose any type of action or penalty pursuant to Paragraph 16.19 of the Listing Requirements for a breach of Paragraph 8.02(1) of the Listing Requirements and may, at its discretion, suspend the trading in the securities of a listed issuer pursuant to Paragraph 16.02(1) of the Listing Requirements. However, the non-compliance of the Public Spread Requirement would not automatically result in the delisting of MESB from the Official List of Bursa Securities.

Pursuant to Paragraph 9.19(48) of the Listing Requirements, in the event that 90% or more of MESB Shares are being held by the Joint Offerors, an immediate announcement must be made by MESB to Bursa Securities. Upon such immediate announcement and where the Joint Offerors have announced that they intend to maintain the listing status of MESB, Bursa Securities shall suspend the trading of the MESB Shares and MESB Warrants upon the expiry of 30 market days from the date of such immediate announcement. The suspension will only be uplifted upon full compliance by MESB with the Public Spread Requirement or as may be determined by Bursa Securities.

The Joint Offerors intend to maintain the listing status of MESB on the Main Market of Bursa Securities. Accordingly, in the event MESB does not comply with the Public Spread Requirement as a result of the acceptances received under the Offer, the Joint Offerors will work together with MESB to rectify the public shareholding spread of MESB within three (3) months from the Closing Date or such extended timeframe as may be allowed by the relevant authorities. As at the date of this Offer Document, no arrangements on the above have been made.

Nevertheless, the Holders should note that any action taken to address the Public Spread Requirement may require the approvals of the relevant authorities and/or the approval of the shareholders of MESB. The actual course of action to be taken is dependent on, amongst others, the circumstances as well as the prevailing market conditions at the relevant time.

The Holders should also note that while the Joint Offerors will work together with MESB to attempt to rectify any shortfall in the public shareholding spread of MESB, there can be no assurance that the public shareholding spread of MESB can be rectified within the stipulated timeframe. In the event that MESB does not meet the Public Spread Requirement within the stipulated timeframe, the Joint Offerors and/or MESB may seek an extension of time from the relevant authorities. However, Bursa Securities reserves the absolute right to grant an extension or to reject the application.

For the avoidance of doubt, any decision to rectify the shortfall in the Public Spread Requirement will be subject to the Joint Offerors retaining a collective equity interest of more than 50% in MESB.

4.2 Compulsory acquisition

Section 222(1) of the CMSA provides that, subject to Section 224 of the CMSA, where an offeror:-

- (i) has made a take-over offer for all the shares or all the shares in any particular class in an offeree; and
- (ii) has received acceptances of not less than nine-tenths in the nominal value of the offer shares,

the offeror may, within four (4) months of the date of the take-over offer, acquire the remaining shares or remaining shares in any particular class in the offeree, by issuing a notice in the form or manner specified by the SC to such effect, to all dissenting shareholders provided that the notice:-

- (i) is issued within two (2) months from the date of achieving the conditions under Sections 222(1)(a) and 222(1)(b) of the CMSA; and
- (ii) is accompanied by a copy of a statutory declaration by the offeror that the conditions for the giving of the notice are satisfied.

Section 222(1A) of the CMSA provides that, for the purpose of Section 222(1)(b) of the CMSA, the acceptances shall not include shares already held at the date of the take-over offer by the offeror or the persons acting in concert.

In this regard, if the Joint Offerors receive acceptances of not less than nine-tenths in the value of the Offer Shares (excluding MESB Shares already held by the Joint Offerors as at the date of the Offer), **the Joint Offerors do not intend to invoke the provisions of Section 222(1) of the CMSA** to compulsorily acquire any outstanding Offer Securities for which Valid Acceptances have not been received prior to the Closing Date even if the conditions stipulated in Section 222(1) of the CMSA are fulfilled.

4.3 Rights of Dissenting Holders

Notwithstanding the above, subject to Section 224 of the CMSA, Section 223 of the CMSA provides that if the Joint Offerors receive Valid Acceptances from the Holders resulting in the Joint Offerors holding not less than nine-tenths in the value of all the shares in MESB on or before the Closing Date, a Dissenting Holder may exercise his/her/its rights under Section 223(1) of the CMSA, by serving a notice on the Joint Offerors to require the Joint Offerors to acquire his/her/its Offer Securities on the same terms as set out in the Offer Document or such other terms as may be agreed between the Joint Offerors and such Dissenting Holder.

If a Dissenting Holder invokes the provision of Section 223(1) of the CMSA, the Joint Offerors shall acquire such Offer Securities in accordance with the provisions of the CMSA, subject to the provisions of Section 224 of the CMSA. In accordance with Section 224(3) of the CMSA, when a Dissenting Holder exercises his/her/its rights under Section 223(1) of the CMSA, on an application made by such Dissenting Holder or by the Joint Offerors to a competent court, the court may order that the terms on which the Joint Offerors shall acquire such Offer Securities shall be as the court thinks fit.

Section 223(2) of the CMSA requires the Joint Offerors to give the Dissenting Holder a notice in the manner specified by the SC of the rights that are exercisable by the Dissenting Holders under Section 223(1) of the CMSA, within one (1) month from which the Joint Offerors have acquired not less than nine-tenths in the value of all the MESB Shares. Such notice may specify the period for the exercise of the rights of the Dissenting Holders and in any event, such period shall not be less than three (3) months after the Closing Date.

5.0 FINANCIAL RESOURCES OF THE JOINT OFFERORS

The Joint Offerors confirm that they have sufficient financial resources to satisfy full acceptance of the Offer and that the Offer will not fail due to insufficient financial capability and that every Holder who wishes to accept the Offer will be paid fully in cash.

KAF IB, being the Adviser to the Joint Offerors for the Offer, confirms that the Joint Offerors have sufficient financial resources to satisfy full acceptance of the Offer by every Holder and that every Accepting Holder will be paid fully in cash.

6.0 FUTURE PLANS FOR THE MESB GROUP AND ITS EMPLOYEES

As at the LPD, the Joint Offerors have no knowledge or have not entered into any negotiation or arrangement or understanding with any third party in relation to any significant change in the Group's business, assets or MESB's shareholding structure. The intention of the Joint Offerors with respect to the future plans for the MESB Group and its employees after the Closing Date are as follows:-

(i) Continuation of the Group's business

The Joint Offerors intend to continue with the Group's existing business after the completion of the Offer. However, the Joint Offerors will, from time to time, review the Group's business and operations and, if deemed appropriate, effect such appropriate rationalisation, reorganisation and/or arrangements, including diversification from the existing core business of the MESB Group, if deemed appropriate, through leveraging on the experience and business interests of Wong Sak Kuan (as one of the Joint Offerors), particularly in construction, land logistics and recycling, with the aim of improving the overall financial performance and prospects of the MESB Group.

(ii) Major changes to the Group's business

Save as disclosed in Section 6(i) above, the Joint Offerors do not have any immediate plan or intention to introduce or effect any major change to the business of the Group, liquidate any company within the Group or dispose of any major assets or re-deploy the fixed assets of the Group. Nonetheless, the Joint Offerors may, from time to time, explore potential opportunities, including diversification into new business segments, such as construction, land logistics and recycling, and effect certain changes and/or dispose of certain assets of the Group in line with any rationalisation, reorganisation and/or arrangement of the Group as the Joint Offerors consider appropriate and suitable.

(iii) Employees of the Group

The Joint Offerors have no plan to dismiss or make redundant any existing employees of the Group as a direct consequence of the Offer. Nevertheless, subject to the review of the Group's operations to be undertaken by the Joint Offerors, there may be actions taken as a result of rationalisation and/or restructuring of the business activities and/or to further improve efficiency of the operations of the Group. Such changes may include a reorganisation of the Group's senior management which may result in changes to senior personnel, including at the Board's level.

Notwithstanding the above, the Joint Offerors retain the flexibility to consider any options/opportunities, from time to time, which are deemed to be in the best interest of the Group.

7.0 FINANCIAL CONSIDERATIONS

The Share Offer Price is equal to the highest price (excluding stamp duty and commission) paid by the Joint Offerors for MESB Shares within six (6) months prior to the Offer Period in accordance with Paragraph 6.03(1) of the Rules. The transacted price of RM0.30 per MESB Share pursuant to the Acquisitions was arrived at after taking into consideration the historical market prices of MESB Shares for the past six (6) months up to the LTD.

In compliance with Paragraph 2 of Notes to Rule 8 of the Rules, the Warrants Offer Price should be determined by the "see-through" price, which is the excess of the offer price for the underlying securities over the exercise price of the convertible securities. In this regard, the Warrant Offer Price is determined at RM0.015, being the excess of the Share Offer Price of RM0.315 over the exercise price of the Warrants of RM0.30.

Save as disclosed in Section 2 of Appendix IV of this Offer Document, the Joint Offerors have not acquired or agreed to acquire any MESB Share or MESB Warrant during the past six (6) months prior to the Offer Period and up to the LPD.

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The Holders are advised to consider, amongst others, the financial considerations as set out below before deciding whether to accept or reject the Offer:-

7.1 Historical Market Prices

7.1.1 Shares Offer Price

The Share Offer Price represents a premium/(discount) to the following market prices of MESB Shares:-

	Share price (RM)	(Discount) / Premium	
		(RM)	(%)
Last transacted market price on LTD	0.3200	(0.0050)	(1.56)
Five (5)-day VWAMP up to and including the LTD	0.3296	(0.0146)	(4.43)
1-month VWAMP up to and including the LTD	0.2941	0.0209	7.11
3-month VWAMP up to and including the LTD	0.2658	0.0492	18.51
6-month VWAMP up to and including the LTD	0.2662	0.0488	18.33
1-year VWAMP up to and including the LTD	0.2790	0.0360	12.90
<u>Before the Posting Date</u>			
Last traded price as at the LPD	0.4250	(0.1100)	(25.88)
5-day VWAMP up to and including the LPD	0.4300	(0.1150)	(26.74)

(Source: Bloomberg)

The graph illustrating historical market price and volume of the MESB Shares as traded on Bursa Securities for the past twelve (12) months prior to the Offer Period and ending on the LPD are as follows:-



(Source: Bloomberg)

The closing price as at the last Market Day of each month and the highest and lowest closing prices of MESB Shares as traded on Bursa Securities from April 2020 to October 2020 (being six (6) months preceding the commencement of the Offer Period) and up to the LPD are as follows:-

Month	Highest (RM)	Lowest (RM)	Closing price at end of month (RM)
2020			
April	0.310	0.170	0.275
May	0.285	0.215	0.240
June	0.250	0.215	0.225
July	0.230	0.200	0.205
August	0.250	0.200	0.230
September	0.305	0.235	0.295
October (Up to LPD)	0.445	0.280	0.425

(Source: Bloomberg)

The highest and lowest closing prices of the Shares were RM0.445 and RM0.170 respectively, which were transacted on 19 October 2020 and 3 April 2020 respectively during the period of six (6) months before the commencement of the Offer Period and ending on the LPD.

7.1.2 Warrant Offer Price

The Warrant Offer Price represents a premium/(discount) to the following market prices of the MESB Warrants:-

	Warrant price (RM)	(Discount) / Premium	
		(RM)	(%)
Last transacted market price on LTD	0.1950	(0.1800)	(92.31)
Five (5)-day VWAMP up to and including the LTD	0.2101	(0.1951)	(92.86)
1-month VWAMP up to and including the LTD	0.1699	(0.1549)	(91.17)
3-month VWAMP up to and including the LTD	0.1536	(0.1386)	(90.23)
6-month VWAMP up to and including the LTD	0.1286	(0.1136)	(88.34)
1-year VWAMP up to and including the LTD	0.1288	(0.1138)	(88.35)
Before the Posting Date			
Last traded price as at the LPD	0.1700	(0.1550)	(91.18)
5-day VWAMP up to and including the LPD	0.1941	(0.1791)	(92.27)

(Source: Bloomberg)

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The graph illustrating historical market price and volume of the MESB Warrants traded on Bursa Securities for the past twelve (12) months prior to the Offer Period and ending on the LPD are as follows:-



(Source: Bloomberg)

The closing price as at the last Market Day of each month and the highest and lowest closing prices of MESB Warrants as traded on Bursa Securities from April 2020 to October 2020 (being six (6) months preceding the commencement of the Offer Period) and up to the LPD are as follows:-

Month	Highest (RM)	Lowest (RM)	Closing price at end of month (RM)
2020			
April	0.105	0.040	0.085
May	0.085	0.065	0.080
June	0.075	0.065	0.075
July	0.070	0.060	0.060
August	0.090	0.065	0.075
September	0.120	0.075	0.110
October (Up to LPD)	0.270	0.105	0.170

(Source: Bloomberg)

The highest and lowest closing prices of the MESB Warrants were RM0.270 and RM0.040 which were transacted on 14 October 2020 and 1 April 2020 respectively during the period of six (6) months before the commencement of the Offer Period and ending on the LPD.

7.2 PER and PBR

The PER and PBR of MESB based on the Share Offer Price, the audited consolidated EPS and NA per Share of MESB as at 30 June 2019 and unaudited consolidated EPS and NA per Share of MESB as at 30 June 2020 are set out as below:-

	EPS (sen)	NA per Share (RM)	(²)PER (times)	(²)PBR (times)
Based on latest audited financial statements of MESB for FYE 2019	9.19	1.12	3.43	0.28
Based on latest unaudited financial statements of MESB for FYE 2020	(1)-	0.79	-	0.40

Notes:-

- (1) MESB incurred losses after taxation of RM26.21 million, which represents a loss per Share of RM0.25, for the latest unaudited FYE 2020.
- (2) Based on the Shares Offer Price.

8.0 INFORMATION ON THE JOINT OFFERORS

8.1 WONG SAK KUAN

Wong Sak Kuan, a Malaysian, aged 52, holds a Diploma in Civil Engineering from the Federal Institute of Technology in 1990. In 1990, he joined Sing Foong Niap Engineering Sdn. Bhd., his family's construction company, which specialises in the construction of factories and warehouses. Over the years, he has expanded the said construction company to involve in various residential, commercial and industrial development projects in Selangor and Penang, such as Nadayu 92 in Kajang, earthwork and piling works for development of recycled pulp and packaging paper plant in Kuala Langat, construction of warehouses in Kawasan Perindustrian Bukit Angkat, and construction of coal fired boiler and coal storage area for an existing warehouse in Seberang Perai. Apart from the construction company, he also owns other businesses, such as land logistics, food and beverages as well as trading, recycling and the provision of paper roll rewinding services. Currently, he is the Non-Independent Non-Executive Director/Vice Chairman and a major shareholder (holding approximately 27.92% equity interest) of Lotus KFM Berhad, a company listed on the Main Market of Bursa Securities. He is also a director and shareholder of several other private companies.

Save for the above and MESB, Wong Sak Kuan does not hold any directorship or having any substantial shareholding in any other public listed company in Malaysia as at the date of this Offer Document.

Please refer to Section 1.1 of Appendix III of this Offer Document for further details on Wong Sak Kuan.

8.2 YAU MING TECK

Yau Ming Teck, a Malaysian, aged 49, holds a Bachelor of Economics from Monash University. He is a member of the CPA Australia and the Malaysian Institute of Accountants. He has over 25 years of experience in accounting and finance. He started his career with Coopers & Lybrand (now known as PricewaterhouseCoopers) in 1994 and thereafter, joined Promet Berhad, which was previously listed on Bursa Securities, as Executive, Special Projects in 1996 and last served as Financial Controller of Tai Wah Garments Manufacturing Berhad (now known as Versatile Creative Berhad), another public listed company on Bursa Securities, in 2003. In 2004, he started his private business practice on freelance basis in the areas of corporate finance, mergers and acquisitions, and restructuring exercises with the focus of business in China, Singapore and Australia until now. Currently, he is a Non-Independent Non-Executive Director of HLT Global Berhad and Independent Non-Executive Director of UMS-Neiken Group Berhad as well as a Non-Independent Non-Executive Director and a substantial shareholder (holding approximately 8.14% equity interest) of Lotus KFM Berhad, all listed on Bursa Securities as well as several private companies.

Save for the above and MESB, Yau Ming Teck does not hold any directorship or having any substantial shareholding in any other public listed company in Malaysia as at the date of this Offer Document.

Please refer to Section 1.2 of Appendix III of this Offer Document for further details on Yau Ming Teck.

9.0 RESPONSIBILITY STATEMENT

The Joint Offerors have individually and collectively accept full responsibility for the accuracy of the information given in this Offer Document and confirm that, after having made all reasonable enquiries and taken reasonable care, that to the best of their knowledge, the facts stated and opinions expressed in this Offer Document are fair and accurate and have been arrived at, after due and careful consideration and there are no other facts not contained in this Offer Document, the omission of which would make any statement in this Offer Document misleading.

KAF IB acknowledges that, based on all available information, this Offer Document constitutes a full and true disclosure of all material facts concerning the Offer.

Information relating to the MESB Group in this Offer Document has been obtained from Bursa Securities' website and other publicly available sources. In this regard, the responsibility of the Joint Offerors is restricted and limited to ensuring that such information has been accurately reproduced in this Offer Document.

10.0 FURTHER INFORMATION

For further information, please refer to the attached appendices which form part of this Offer Document.

YOU SHOULD CONSIDER THE CONTENTS OF THIS OFFER DOCUMENT AS WELL AS THE INDEPENDENT ADVICE CIRCULAR TO BE ISSUED WITHIN TEN (10) DAYS FROM THE POSTING DATE AND THE RECOMMENDATIONS THEREIN BEFORE DECIDING WHETHER TO ACCEPT OR REJECT THE OFFER.

IF YOU WISH TO ACCEPT THE OFFER, YOU SHOULD COMPLETE AND SIGN THE ACCOMPANYING FORMS OF ACCEPTANCE AND TRANSFER ACCORDING TO THE INSTRUCTIONS CONTAINED THEREIN.

YOU DO NOT NEED TO TAKE ANY ACTION IF YOU DECIDE NOT TO ACCEPT THE OFFER.

Yours faithfully,
For and on behalf of
KAF INVESTMENT BANK BERHAD

ROHAIZAD ISMAIL
Chief Executive Officer

YAP CHIN FATT
Director
Corporate Finance

OTHER TERMS AND CONDITIONS OF THE OFFER

1.0 WARRANTIES

The Joint Offerors will acquire the Offer Securities subject to receipt of Valid Acceptances. Such acceptances will be deemed to constitute an irrevocable and unconditional warranty by the Accepting Holders that the Offer Securities, to which such acceptances relate, are sold:-

- (i) free from all moratoriums, claims, charges, liens, pledges, encumbrances, options, rights of pre-emption, third party rights and equity from the date of Valid Acceptances; and
- (ii) with all rights, benefits and entitlements attached hereto, including the right to all Distributions of any nature whatsoever declared, made or paid on or after the date of the Notice, subject to the adjustments set out in Section 2.1 of this Offer Document.

2.0 DURATION OF THE OFFER

- (i) The Offer will remain open for acceptances until 5.00 p.m. (Malaysian time) on Monday, 23 November 2020, being First Closing Date, or such other later date(s) as the Joint Offerors may decide, as may be announced by KAF IB on behalf of the Joint Offerors, unless the Joint Offerors withdraw the Offer with the SC's prior written approval and in such event, all parties shall be released from any obligation arising from the Offer.
- (ii) If the Offer is revised after the Posting Date, it will remain open for acceptances for at least 14 days from the date of posting of the written notification of revision to the Holders. Where the terms of the Offer are revised, such terms of the revised Offer shall be made available to the Holders who had previously accepted the Offer. The Joint Offerors may not revise the Offer after 18 December 2020, being the 46th day from the Posting Date.
- (iii) If a competing take-over offer is made at any time between the Posting Date and the Closing Date, the Posting Date shall be deemed to be the date the competing take-over offer document is posted.
- (iv) Where the Offer has become or is declared unconditional as to acceptances on any day on or before the 46th day from the Posting Date, the Offer will remain open for acceptances for at least 14 days from the date on which the Offer becomes or is declared unconditional which, in any event, shall not be later than 4 January 2021, being the next Market Day after the 60th day from the Posting Date.
- (v) Where the Offer has become or is declared unconditional as to acceptances on any day after the 46th day from the Posting Date, the Offer will remain open for acceptances for at least 14 days from the date on which the Offer becomes or is declared unconditional which, in any event, shall not be later than 15 January 2021, being the 74th day from the Posting Date.
- (vi) Without prejudice to Sections 2(iv) and (v) of this Appendix I, the Joint Offerors shall give at least 14 days' notice in writing to Holders before closing the Offer.
- (vii) The Joint Offerors shall not give a written notice under Section 2(vi) of this Appendix I where a competing take-over offer has been announced, unless the competing take-over offer has been declared unsuccessful or the Holders of more than 50% of the voting shares of the Offeree have irrevocably rejected the competing take-over offer in favour of the Offer.
- (viii) Any extension of the date and time for acceptance of the Offer by the Joint Offerors will be announced by KAF IB, on behalf of the Joint Offerors, at least two (2) days before the Closing Date. Such announcement will state the next closing date of the Offer. A notice of such extension will be posted to the Holders accordingly.

OTHER TERMS AND CONDITIONS OF THE OFFER (CONT'D)

3.0 RIGHTS OF WITHDRAWAL BY AN ACCEPTING HOLDER

- (i) All Valid Acceptances of the Offer by the Holders **SHALL BE IRREVOCABLE**. However, any Accepting Holder is entitled to withdraw his/her/its acceptance if the Joint Offerors fail to comply with any of the requirements set out in Section 5(i) of this Appendix I by the close of trading at Bursa Securities on the Relevant Day.
- (ii) Notwithstanding Section 3(i) above, the SC may terminate the above right of withdrawal of an acceptance if the Joint Offerors have complied with the requirements of Section 5(i) of this Appendix I within eight (8) days from the Relevant Day provided that the expiry of the 8 days period from the Relevant Day shall not fall after 4 January 2021, being the next Market Day after the 60th day from the Posting Date.
- (iii) However, the rights of an Accepting Holder who has withdrawn his/her/its valid acceptance pursuant to Section 3(i) above shall not be prejudiced by the termination of such right of withdrawal by the SC.

4.0 WITHDRAWAL OF THE OFFER BY THE JOINT OFFERORS

The Joint Offerors may only withdraw the Offer subject to SC's prior written approval.

5.0 ANNOUNCEMENT OF ACCEPTANCES

- (i) The Joint Offerors will inform the SC in writing and announce via Bursa LINK, or by way of a press notice where relevant, before 9.00 a.m. (Malaysian time) on the Relevant Day, the following information:-
 - (a) the status of the Offer, that is, as to whether the Offer is closed, becomes or is declared unconditional as to the acceptances, extended or revised; and
 - (b) the total number of the Offer Securities:-
 - for which Valid Acceptances of the Offer have been received after the Posting Date;
 - held by the Joint Offerors as at the Posting Date; and
 - acquired or agreed to be acquired by the Joint Offerors during the Offer Period but after the Posting Date,and specifying the percentage of the total number of MESB Shares and MESB Warrants represented by these numbers.
- (ii) In computing the acceptances of the Offer Securities for announcement purposes, the Joint Offerors may include or exclude acceptances which are not in all respects in order or which are subject to verification.
- (iii) Reference to the making of an announcement or the giving of notice by the Joint Offerors shall include:-
 - (a) the release of an announcement by KAF IB or the Joint Offerors' advertising agent(s) to the press; or
 - (b) the delivery of or transmission by facsimile or Bursa LINK of an announcement to Bursa Securities.
- (iv) An announcement made otherwise than to Bursa Securities shall be notified simultaneously to Bursa Securities, if applicable.

OTHER TERMS AND CONDITIONS OF THE OFFER (CONT'D)

6.0 GENERAL

- (i) All communications, notices, documents and payments to be delivered or sent to the Holders (or their designated agent(s), as they may direct) will be despatched by ordinary mail to their registered Malaysian address last maintained with Bursa Depository at their own risk. Non-resident Holders with no registered Malaysian addresses maintained with Bursa Depository who wish to receive communications, notices and documents in relation to the Offer should ensure that they have their foreign mailing addresses changed to a registered Malaysian address. In any event, the Offer Document shall be made available on the website of Bursa Securities at www.bursamalaysia.com upon issuance.

Unless the contrary is proven, delivery of communications, notices, documents or payments shall be presumed to be effected by proper addressing, prepaying and posting by ordinary mail and such delivery shall be presumed to have been effected at the time when communications, notices, documents or payments would have been delivered in the ordinary course of the mail.

- (ii) The Offer and all Valid Acceptances received under the Offer will be construed in accordance with and governed by the laws of Malaysia. The Joint Offerors and the Holders shall submit to the exclusive jurisdiction of the courts of Malaysia in respect of any proceedings brought in relation to the Offer.
- (iii) The Holders may accept the Offer in respect of all or any part of their Offer Securities, However, the acceptance of the Holders shall not exceed his/her/its total holding of the Offer Securities, failing which the Joint Offerors have the right to treat such acceptances as invalid. Nevertheless, the Joint Offerors also reserve the right to treat any acceptance of the Holders exceeding his/her/its total holding of the Offer Securities as valid for and to the extent of their total holding of the Offer Securities.
- (iv) The Forms of Acceptance and Transfer accompanying the Offer Document will contain the following:-
- (a) provisions for the acceptance of the Offer and the transfer of the Offer Securities to the Joint Offerors or their appointed nominee(s), if any;
 - (b) instructions to complete the Forms of Acceptance and Transfer; and
 - (c) other matters incidental to the acceptance of the Offer and the transfer of the Offer Securities to the Joint Offerors or their appointed nominee(s), if any.

No acknowledgement of receipt of the Forms of Acceptance and Transfer will be issued.

- (v) All costs and expenses of or incidental to the preparation and posting of the Offer Document will be borne by the Joint Offerors (other than the professional fees and other costs relating to the Offer that the Offeree will incur). The Joint Offerors will also bear the cost of Malaysian stamp duty and Malaysian transfer fees, if any resulting from acceptances of the Offer. Accepting Holders will however, bear all costs, expenses or other requisite payments incidental to their acceptances of the Offer such as postage fee, if any. For the avoidance of doubt, the payment of any transfer fees, taxes, duties, costs, expenses or other requisite payments due in a jurisdiction outside Malaysia, or the payment of any levy for the repatriation of capital or income tax shall not be borne by the Joint Offerors.
- (vi) Any accidental omission to despatch the Offer Document and the Forms of Acceptance and Transfer to any Holder shall not invalidate the Offer in any way.

OTHER TERMS AND CONDITIONS OF THE OFFER (CONT'D)

7.0 PURCHASES IN THE OPEN MARKET

If the Joint Offerors purchase or agree to purchase any Offer Securities during the Offer Period at a higher consideration than the Offer Price, the Joint Offerors shall increase the consideration for the Offer to an amount not less than the highest price (excluding stamp duty and commission) for the Offer Securities that the Joint Offerors purchased or agreed to purchase during the Offer Period. In the event the Joint Offerors increase the Offer Price, the Holders who have accepted the Offer prior to the revision in the Offer Price will be paid the revised offer price in cash.

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PROCEDURES FOR ACCEPTANCE AND METHOD OF SETTLEMENT

1.0 PROCEDURES FOR ACCEPTANCE

1.1 To accept the Offer, you will need to take the following steps:-

(i) Step 1: Obtain transfer documents

- (a) The Forms of Acceptance and Transfer are enclosed with this Offer Document. You can also obtain a copy of the same from the Registrar, whose contact details are set out in Section 1.10 of this Appendix II. You may also download the Forms of Acceptance and Transfer from the website of Bursa Securities at www.bursamalaysia.com.
- (b) Obtain the Bursa Depository Transfer Form from your ADA/ADM.

(ii) Step 2: Complete the transfer documents

Offer Securities already credited into your CDS account	Offer Securities purchased before the Closing Date but not yet credited into your CDS account as at the Closing Date ⁽¹⁾
(a) Complete and sign the Forms of Acceptance and Transfer ⁽²⁾ .	Complete and sign the Forms of Acceptance and Transfer ⁽²⁾ .
(b) Complete and sign the Bursa Depository Transfer Form according to the instructions printed on the reverse side of the Bursa Depository Transfer Form.	

Notes:-

- (1) *If you have purchased the Offer Securities before the Closing Date but the Offer Securities have yet to be credited into your CDS account as at the Closing Date, please obtain the contract note from your ADA/ADM as evidence of your beneficial ownership to the Offer Securities as at the Closing Date. You will need to forward the contract note for the Offer Securities to the Registrar and follow the procedures set out in Section 1.1(c) of this Appendix II if you wish to accept the Offer.*
- (2) *If you are a corporation, you must affix your common seal onto the form which must be witnessed in accordance with your constitution or other applicable regulations and signed on your behalf by an authorised officer(s) or attorney(s).*

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PROCEDURES FOR ACCEPTANCE AND METHOD OF SETTLEMENT (CONT'D)

(iii) Step 3: Lodging of transfer documents

Offer Securities already credited into your CDS account	Offer Securities purchased before the Closing Date but not yet credited into your CDS account as at the Closing Date ⁽¹⁾
<p>(a) Lodge the completed and signed Bursa Depository Transfer Form with your ADA/ADM on any Market Day prior to the Closing Date. The transfer request shall be submitted by 3:30 p.m. (Malaysian time) to effect the transfer on the same Market Day provided that the request for the transfer is in compliance with the directions and Rules of Bursa Depository.</p> <p>(b) Send the following to the Registrar at the address or email address shown in Section 1.10 of this Appendix II by 5:00 p.m. (Malaysian time) on the Closing Date:-</p> <p style="padding-left: 20px;">(aa) the completed and signed Forms of Acceptance and Transfer; and</p> <p style="padding-left: 20px;">(bb) the Depositor's copy of the Bursa Depository Transfer Form duly verified and acknowledged by your ADA/ADM.</p>	<p>(a) Lodge the completed and signed Forms of Acceptance and Transfer and the contract note for the Offer Securities as evidence of beneficial ownership with the Registrar at the address or email address shown in Section 1.10 of this Appendix II by 5:00 p.m. (Malaysian time) on the Closing Date.</p> <p>(b) Once the Offer Securities have been credited into your CDS account, complete and sign the Bursa Depository Transfer Form according to the instructions printed on the reverse side of the Bursa Depository Transfer Form and lodge the completed and signed Bursa Depository Transfer Form with your ADA/ADM on any Market Day. The transfer request shall be submitted by 3:30 p.m. (Malaysian time) to effect the transfer on the same Market Day provided that the request for the transfer is in compliance with the directions and Rules of Bursa Depository.</p> <p>(c) Send the Depositor's copy of the Bursa Depository Transfer Form duly verified and acknowledged by your ADA/ADM to the Registrar at the office address or email address shown in Section 1.10 of this Appendix II so as to arrive within seven (7) days from the Closing Date.</p>

The Joint Offerors have the right to treat your acceptance as invalid if the Depositor's copy of the Bursa Depository Transfer Form is not received by the Registrar within seven (7) days from the Closing Date.

- 1.2 If you intend to accept the Offer and if for any reason your Depositor's copy of the Bursa Depository Transfer Form duly verified and acknowledged by your ADA/ADM and/or other document(s) of title is/are not readily available or lost, you should nevertheless complete and send the Forms of Acceptance and Transfer to the Registrar at the address or email address shown in Section 1.10 of this Appendix II by 5:00 p.m. (Malaysian time) on the Closing Date and you should arrange to forward within seven (7) days from the Closing Date the Depositor's copy of the Bursa Depository Transfer Form duly verified and acknowledged by your ADA/ADM and/or other document(s) of title to the Registrar.
- 1.3 You do not need to take any action if you decide not to accept the Offer.

PROCEDURES FOR ACCEPTANCE AND METHOD OF SETTLEMENT (CONT'D)

- 1.4 No acknowledgement of the receipt of the Forms of Acceptance and Transfer (or the Depositor's copy of the Bursa Depository Transfer Form or other document(s) of title or the relevant contract note for the Offer Securities) will be issued by the Joint Offerors or the Registrar. All acceptances and accompanying documents sent by post are at your own risk.
- 1.5 If you fail to comply with any of the terms or conditions set out in this Appendix II or the Forms of Acceptance and Transfer, the Joint Offerors may, at its sole and absolute discretion, elect to consider whether you have or have not accepted the Offer. The decision of the Joint Offerors is final and binding.
- 1.6 You may obtain additional copies of this Offer Document and the accompanying Forms of Acceptance and Transfer from:-
- (i) the office of the Registrar during normal business hours i.e. from 8:30 a.m. to 5:30 p.m. (Malaysian time), on Mondays to Fridays (excluding public holidays), from the Posting Date up to the Closing Date; or
 - (ii) the website of Bursa Securities at www.bursamalaysia.com
- 1.7 You should address all enquiries concerning the acceptance procedures for this Offer to the Registrar at the address, email address or contact numbers stated in Section 1.10 of this Appendix II.
- 1.9 Under Section 14(1) of the SICDA, Bursa Securities has prescribed the MESB Shares and MESB Warrants as securities required to be deposited into the CDS account. Therefore, all dealings in the Offer Securities that have been deposited into the CDS account will be carried out in accordance with the SICDA and the Rules of Bursa Depository.
- 1.10 The details of the Registrar, whose business hours are from 8:30 a.m. to 5:30 p.m. (Malaysian time), on Mondays to Fridays (excluding public holidays), are as follows:-
- Boardroom Share Registrars Sdn. Bhd.
 (Registration No. 199601006647 / 378993-D)
 11th Floor, Menara Symphony
 No. 5, Jalan Prof. Khoo Kay Kim
 Seksyen 13
 46200 Petaling Jaya, Selangor
- Telephone no. : +603- 7890 4700
 Facsimile no. : +603-7890 4670
 Email address : BSR.Helpdesk@boardroomlimited.com/Zulkernaen.Samad@boardroomlimited.com
- 1.11 Invalid acceptances will be returned by ordinary mail at your own risk within fourteen (14) days after the Closing Date or, where applicable, within fourteen (14) days of receipt of the Depositor's copy of the Bursa Depository Transfer Form duly verified by your ADA/ADM and/or other document(s) of title, whichever is later.

2.0 METHOD OF SETTLEMENT

- 2.1 Save for the Joint Offerors' right to reduce the Shares Offer Price as set out in Section 2.1 of this Offer Document and except with the consent of the SC, the Joint Offerors will settle the consideration in full accordance with the terms of the Offer without regard to any lien, right of set-off, counter claim or other analogous rights to which the Joint Offerors may be entitled against the Accepting Holders. However, this is without prejudice to the Joint Offerors' right to make any claim against the Accepting Holders after such full settlement in respect of a breach of any of the warranties as set out in Section 1 of Appendix I of this Offer Document.

PROCEDURES FOR ACCEPTANCE AND METHOD OF SETTLEMENT (CONT'D)

- 2.2 Where there are Valid Acceptances, the settlement for the Offer Securities to which such Valid Acceptances relate will be effected via remittance in the form of cheque(s), banker's draft(s) or cashier's order(s) which will be despatched by ordinary mail to Accepting Holders (or their designated agent(s), as they may direct) at the Accepting Holders' registered Malaysian address last maintained with Bursa Depository at their own risk within ten (10) days from the date of such acceptance(s). This is provided that all such acceptances are deemed by the Joint Offerors to be complete and valid in all respects in accordance with the terms and conditions set out in this Offer Document.
- 2.4 Non-resident Holders are advised that the settlement for the acceptance of the Offer will be made in RM. Non-resident Holders who wish to convert the consideration received into foreign currency for repatriation may do so after the Non-resident Holders' payment of the appropriate fee and/or charges as levied by the respective financial institutions.
- 2.5 Please refer to Appendix I of this Offer Document for further information on the other terms and conditions of the Offer.

3.0 NON-RESIDENT HOLDER

All references to "you" or "your" in this Section 3 are to a Non-resident Holder.

This Offer Document and all documents relating to the Offer have not been (and will not be) sent to you if you do not have a registered address in Malaysia. If you wish to receive this Offer Document and all documents relating to the Offer, you may provide an address in Malaysia to the Registrar for the delivery of this Offer Document. You may also collect this Offer Document from the Registrar. The Joint Offerors will not make or be bound to make any enquiry as to whether you have a registered address in Malaysia.

Details of the Registrar can be found in Section 1.10 of this Appendix II.

3.1 Responsibility of a Non-resident Holder

- (i) The Offer is being made in Malaysia only. The Offer and this Offer Document, together with the Forms of Acceptance and Transfer, have not been and will not be made to comply with the laws of any countries or jurisdictions other than the laws of Malaysia and has not been and will not be lodged, registered or approved pursuant to or under any legislation of (or with or by any regulatory authorities or other relevant bodies of) any countries or jurisdictions other than Malaysia. Accordingly, you may not treat this Offer Document, the Forms of Acceptance and Transfer and/or any other Offer-related documentation as an invitation to sell or offer to purchase securities or participate in the Offer in any jurisdiction other than Malaysia.
- (ii) Your participation in the Offer may be subject to or be limited by the laws and regulations of your relevant jurisdiction in connection with your participation in the Offer.
- (iii) If you wish to accept the Offer, you are solely responsible to satisfy yourself as to the full observance of the laws and regulations of your relevant jurisdiction and in Malaysia in connection with the acceptance of the Offer. You are also solely responsible for obtaining any governmental, exchange control or other consents which may be required, and for complying with the necessary formalities and legal and regulatory requirements.
- (iv) You will be solely responsible for the payment of any transfer fees, taxes, duties and/or other requisite payments due in such jurisdiction. The Joint Offerors, the Registrar and KAF IB shall be fully indemnified and held harmless by you for any transfer fees, taxes, duties and/or other requisite payments which you may be required to pay.

PROCEDURES FOR ACCEPTANCE AND METHOD OF SETTLEMENT (CONT'D)

- (v) If you wish to accept the Offer, you should consult the professional advisers in your relevant jurisdiction in relation to your compliance with legal and other applicable requirements with respect to the acceptance of the Offer. In accepting this Offer, you represent and warrant to the Joint Offerors, the Registrar and KAF IB that:-
- (a) you are in full observance of the laws of your relevant jurisdiction and of Malaysia;
 - (b) you have not received copies or originals of this Offer Document, the Forms of Acceptance and Transfer or any other Offer-related documentation in, into or from a Restricted Jurisdiction;
 - (c) you have not, in relation to the Offer or the execution or delivery of the Forms of Acceptance and Transfer or the Bursa Depository Transfer Form, utilised, directly or indirectly, the mails or any means or instrumentality (including, without limitation, electronic mail, facsimile transmission, telex, telephone, internet or other forms of electronic communication) of interstate or foreign commerce of, or any facility of a national securities exchange of, any Restricted Jurisdiction;
 - (d) you are not accepting the Offer from a Restricted Jurisdiction and in accepting the Offer, you are in full compliance with all necessary formalities and legal and regulatory requirements of your relevant jurisdiction; and
 - (e) you would not cause the Joint Offerors, the Registrar and KAF IB to be in breach of any of the laws and regulations of your relevant jurisdiction.

3.2 Treatment of this Offer Document and/or the Forms of Acceptance and Transfer in relation to a Non-resident Holder

- (i) The release, publication or distribution of this Offer Document, the Forms of Acceptance and Transfer and/or any other Offer-related documentation in any jurisdiction other than Malaysia may be affected by the laws or regulations of your relevant jurisdiction other than Malaysia. You should, on your own accord and at your own expense, keep yourself informed about and observe any applicable legal and regulatory requirements in your relevant jurisdiction.
- (ii) The Offer is not being extended and will not be extended directly or indirectly, in or into, or by use of mails or any means or instrumentality (including, without limitation, electronic mail, facsimile transmission, telex, telephone, internet or other forms of electronic communication) of interstate or foreign commerce of, or any facility of a national securities exchange of, any Restricted Jurisdiction and will not be capable of acceptance by any such use, means, instrumentality or facility or from within such Restricted Jurisdiction (unless otherwise determined by the Joint Offerors). Accordingly, copies of this Offer Document, the Forms of Acceptance and Transfer and/or any other Offer-related documentation are not being and must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed, despatched or sent to, into or from any Restricted Jurisdiction.
- (iii) You (including without limitation, custodians, agent, representative, nominees and trustees of Non-resident Holders) must not, in connection with the Offer, distribute, despatch or send this Offer Document, the Forms of Acceptance and Transfer and/or any other Offer-related documentation to, into or from any Restricted Jurisdiction. If you or your agent or nominee receives this Offer Document, Forms of Acceptance and Transfer and any other Offer-related documentation in such Restricted Jurisdiction, the Offer may, at the sole and absolute discretion of the Joint Offerors, be deemed invalid and may not be accepted.
- (iv) Your acceptance may be invalid and disregarded unless you have fully complied with the laws and regulations of your relevant jurisdiction. If you forward this Offer Document, the Forms of Acceptance and Transfer and any other Offer-related documentation into any Restricted Jurisdiction, whether because of a contractual or legal obligation or otherwise, you must inform the recipient of the contents of this Section. The Joint Offerors reserve the right to reject a purported acceptance of the Offer from any Non-resident Holder in any Restricted Jurisdiction.

PROCEDURES FOR ACCEPTANCE AND METHOD OF SETTLEMENT (CONT'D)

3.3 Reservation of right over acceptance by a Non-resident Holder

The Joint Offerors reserve the right, in its sole and absolute discretion, to treat any acceptance as invalid if it believes such acceptance may violate applicable legal or regulatory requirements. However, the Joint Offerors reserve the right to permit your acceptance of the Offer in circumstances in which the Joint Offerors are satisfied that your acceptance will not constitute a breach of any securities or relevant legislation or impose any obligation on the Joint Offerors not contemplated by the Offer.

3.4 Procedures for acceptance for Non-resident Holders

Subject to Sections 3.1 to 3.3 of this Appendix II, the procedures for acceptance of the Offer in this Appendix II also apply to you.

3.5 Method of settlement for a Non-resident Holder

The method of settlement as set out in Section 2 of this Appendix II applies similarly to you if you have accepted the Offer and the settlement shall be made in RM.

The Offer is made in compliance with the laws of Malaysia only. As such, the Offer and this Offer Document, together with the Forms of Acceptance and Transfer, have not been and will not be made to comply with the laws of any countries or jurisdictions other than the laws of Malaysia. The Joint Offerors, the Registrar and KAF IB shall not accept any responsibility or liability whatsoever in the event that any acceptance of the Offer by a Non-resident Holder is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions outside Malaysia.

Non-resident Holders should therefore immediately consult their professional advisers in relation to the observance of the above and any other applicable laws. Non-resident Holders shall be solely responsible for payment of any levy, fee, tax, duty, commission, cost and other requisite payment that may be required in connection with their acceptance of the Offer or remittance of any amount due to them and shall keep the Joint Offerors, the Registrar and KAF IB indemnified against the payment of such levy, fee, tax, duty, commission, cost and other requisite payment or remittance of such amount due to the Non-resident Holders. Please refer to Section 3 of this Appendix II for further information.

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INFORMATION ON THE JOINT OFFERORS

1.0 JOINT OFFERORS**1.1 WONG SAK KUAN**

- (i) **NAME** : Wong Sak Kuan
- (ii) **ADDRESS** : Unit T2-L3-1 & 3
Level 3, IOI City Tower Two
Lebuh IRC
IOI Resort City
62502 Putrajaya
- (iii) **DATE OF BIRTH** : 11 August 1968
- (iv) **PLACE OF BIRTH** : Malaysia
- (v) **NATIONALITY** : Malaysian
- (vi) **PROFILE**

Wong Sak Kuan, a Malaysian, aged 52, holds a Diploma in Civil Engineering from the Federal Institute of Technology in 1990. In 1990, he joined Sing Foong Niap Engineering Sdn. Bhd., his family's construction company, which specialises in the construction of factories and warehouses. Over the years, he has expanded the said construction company to involve in various residential, commercial and industrial development projects in Selangor and Penang such as Nadayu 92 in Kajang, earthwork and piling works for development of recycled pulp and packaging paper plant in Kuala Langat, construction of warehouses in Kawasan Perindustrian Bukit Angkat, and construction of coal fired boiler and coal storage area for an existing warehouse in Seberang Perai. Apart from the construction company, he also owns other businesses, such as land logistics, food and beverages as well as trading, recycling and the provision of paper roll rewinding services. Currently, he is the Non-Independent Non-Executive Director/Vice Chairman and a major shareholder (holding approximately 27.92% equity interest) of Lotus KFM Berhad, a company listed on the Main Market of Bursa Securities. He is also a director and shareholder of several other private companies.

Save for the above and MESB, Wong Sak Kuan does not hold any directorship or have any substantial shareholding in any other public listed company in Malaysia as at the date of this Offer Document.

(vii) DIRECTORSHIP AND/OR SUBSTANTIAL SHAREHOLDING IN OTHER PUBLIC LISTED COMPANIES

Company	Designation	Direct		Indirect	
		No. of shares	%	No. of shares	%
Lotus KFM Berhad	Non-Independent Non-Executive Director/ Vice Chairman	200,740,000	27.92	-	-

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INFORMATION ON THE JOINT OFFERORS (CONT'D)

1.2 YAU MING TECK

- (i) **NAME** : Yau Ming Teck
- (ii) **ADDRESS** : Unit T2-L3-1 & 3
Level 3, IOI City Tower Two
Lebuh IRC
IOI Resort City
62502 Putrajaya
- (iii) **DATE OF BIRTH** : 26 July 1971
- (iv) **PLACE OF BIRTH** : Malaysia
- (v) **NATIONALITY** : Malaysian
- (vi) **PROFILE**

Yau Ming Teck, a Malaysian, aged 49, holds a Bachelor of Economics from Monash University. He is a member of the CPA Australia and the Malaysian Institute of Accountants. He has over 25 years of experience in accounting and finance. He started his career with Coopers & Lybrand (now known as PricewaterhouseCoopers) in 1994 and thereafter, joined Promet Berhad, which was previously listed on Bursa Securities, as Executive, Special Projects in 1996 and last served as Financial Controller of Tai Wah Garments Manufacturing Berhad (now known as Versatile Creative Berhad), another public listed company on Bursa Securities, in 2003. In 2004, he started his private business practice on freelance basis in the areas of corporate finance, mergers and acquisitions, and restructuring exercises with the focus of business in China, Singapore and Australia until now. Currently, he is a Non-Independent Non-Executive Director of HLT Global Berhad and Independent Non-Executive Director of UMS-Neiken Group Berhad as well as a Non-Independent Non-Executive Director and a substantial shareholder (holding approximately 8.14% equity interest) of Lotus KFM Berhad, all listed on Bursa Securities as well as several private companies.

Save for the above and MESB, Yau Ming Teck does not hold any directorship or have any substantial shareholding in any other public listed company in Malaysia as at the date of this Offer Document.

(vii) DIRECTORSHIP AND/OR SUBSTANTIAL SHAREHOLDING IN OTHER PUBLIC LISTED COMPANIES

Company	Designation	Direct		Indirect	
		No. of shares	%	No. of shares	%
Lotus KFM Berhad	Non-Independent Non-Executive Director	58,500,000	8.14	-	-
HLT Global Berhad	Non-Independent Non-Executive Director	-	-	-	-
UMS-Neiken Group Berhad	Independent Non-Executive Director	-	-	-	-

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ADDITIONAL INFORMATION

1.0 DISCLOSURE OF INTERESTS IN MESB SHARES AND MESB WARRANTS**1.1 By the Joint Offerors**

Save as disclosed below, the Joint Offerors do not have any interest, direct or indirect, in MESB Shares as at the LPD:-

Name	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Wong Sak Kuan	35,507,898	33.47	-	-
Yau Ming Teck	11,324,206	10.67	-	-

The Joint Offerors do not hold any MESB Warrants as at the LPD.

1.2 By the persons acting in concert with the Joint Offerors

As at the LPD, there are no persons acting in concert with the Joint Offerors in relation to the Offer pursuant to the Section 216 of the CMSA.

1.3 By any persons who have irrevocably committed to accept or reject the Offer

As at the LPD, the Joint Offerors have not received any irrevocable undertaking from any Holder to accept or reject the Offer.

1.4 By any person with whom the Offeror have any arrangement over the Offer Securities

As at the LPD, the Joint Offerors have not entered into any arrangement including any arrangement involving rights over shares, any indemnity arrangement, and any agreement or understanding, formal or informal, of whatever nature, in relation to the Offer Securities which may be an inducement to deal or to refrain from dealing pursuant to the Offer.

1.5 Options to acquire any additional Offer Securities

As at the LPD, the Joint Offerors have not entered into any option or been granted any options to acquire any additional Offer Securities.

1.6 By any person with whom the Joint Offerors have borrowed or lent any Offer Securities

As at the LPD, the Joint Offerors have not borrowed or lent any Offer Securities from or to any Holder.

2.0 DISCLOSURE OF DEALINGS IN MESB SHARES AND MESB WARRANTS

As at the LPD, the Joint Offerors have not dealt, whether directly or indirectly, in MESB Shares and MESB Warrants during the period commencing six (6) months prior to the commencement of the Offer Period and up to and including the LPD, save as disclosed below:-

<u>MESB Shares</u>			No. of Shares	%	Average	Total
Joint Offerors	Date of transaction	Nature of transaction			price per Share (RM)	purchase consideration (RM) *
Wong Sak Kuan	24 September 2020	Private Placement	5,265,000	4.96	0.220	1,158,300
	9 October 2020	Purchase from open market	1,500,000	1.41	0.315	472,500
	9 October 2020	Direct business transaction	3,060,200	2.88	0.300	918,060
	12 October 2020	Direct business transaction	25,682,698	24.21	0.300	7,704,809
Yau Ming Teck	24 September 2020	Private Placement	3,750,000	3.53	0.220	825,000
	2 October 2020	Purchase from open market	578,500	0.55	0.275	159,088
	2 October 2020	Purchase from open market	700,000	0.66	0.280	196,000
	9 October 2020	Purchase from open market	491,300	0.46	0.315	154,760
	9 October 2020	Direct business transaction	2,000,000	1.89	0.300	600,000
	12 October 2020	Direct business transaction	3,804,406	3.59	0.300	1,141,322

Note *:- Excluding brokerage and other incidental costs.

The Joint Offerors do not hold any MESB Warrants as at the LPD.

ADDITIONAL INFORMATION (CONT'D)

3.0 GENERAL DISCLOSURES

- 3.1 As at the LPD, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of MESB as compensation for loss of office or otherwise in connection with the Offer.
- 3.2 As at the LPD, save for the Acquisitions, there is no agreement, arrangement or understanding that exists between the Joint Offerors or any persons acting in concert with them and any of the existing directors or past directors (being such person who was, during the period of six (6) months prior to the beginning of the Offer Period, a director) of MESB or any holders of voting shares or voting rights or recent holders of voting shares or voting rights (being such person who was, during the period of six (6) months prior to the beginning of the Offer Period, a shareholder) of MESB having any connection with or dependence upon the Offer.
- 3.3 As at the LPD, there is no agreement, arrangement or understanding entered into by the Joint Offerors or any persons acting in concert with them whereby any Offer Securities acquired pursuant to the Offer will be transferred to any other person.
- 3.4 All of the Offer Securities validly accepted under the Offer will be registered in the name of the Joint Offerors or their nominees. For clarity, the Joint Offerors have not decided on the eventual allocation pending final acceptances.
- 3.5 Within the knowledge of the Joint Offerors, there are no material change in the financial position or prospects of MESB since the date of the last audited financial statements of MESB for the FYE 2019 laid before MESB in its annual general meeting on 19 December 2019, save for:-
- the Movement Control Order (MCO) implemented by the Government of Malaysia since March 2020 as a result of the coronavirus-2019 pandemic;
 - periodic announcements released by MESB on Bursa Securities, such as quarterly financial results, annual report for the FYE 2020 and the convening of the 25th annual general meeting on 19 December 2019; and
 - announcement on the receipt of the Notice.

4.0 CONSENTS

KAF IB, the Principal Adviser to the Joint Offerors for the Offer, has given its consent for the inclusion of its name in the form and context in which it appears in this Offer Document and has not subsequently withdrawn its consent prior to the posting of this Offer Document.

The Independent Adviser has given its consent for the inclusion of its name in the form and context in which it appears in this Offer Document and has not subsequently withdrawn its consent prior to the posting of this Offer Document.

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ADDITIONAL INFORMATION (CONT'D)

5.0 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the office of the Registrar at Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No.5, Jalan Prof, Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor during normal business hours from 8:30 a.m. to 5:30 p.m. (Malaysian time), Mondays to Fridays (excluding public holidays) from the Posting Date up to and including the Closing Date:-

- (i) the Notice;
- (ii) the letters of consent referred to in Section 4 of this Appendix IV; and
- (iii) a copy of the letter issued by the SC dated 26 October 2020 in respect of its notification that it has no further comments on this Offer Document.

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