

MESB BERHAD
Registration No. 199501008356 (337554-D)
(Incorporated in Malaysia)
("the Company")

Minutes of the **Twenty-Ninth Annual General Meeting** ("29th AGM" or "the Meeting") of the Company held on a fully virtual basis and entirely via remote participation and electronic voting through live streaming and online remote voting using Remote Participation and Electronic Voting (RPV) facilities via <https://sshsb.net.my/> (Domain registration number with MYNIC: D4A004360) on **Monday, 9 December 2024 at 3:03 p.m.**

PRESENT

Directors : Mr Chua Jin Kau (Chairman)
Mr Loke Lee Ping (Chief Executive Officer)
Mr Lee Kok Heng
Datuk Wong Sak Kuan
Mr Chen, Jianhua
Mr Wong Yu Perng
Ms Low Koon Min
Dr Nohanim Binti Mat Sari

Company Secretary : Ms Khoo Ming Siang

ABSENT

Director : Dato' Lee Ban Seng

BY INVITATION

Invitee : Ms Julie Ho (Representative from Crowe Malaysia PLT, External Auditors)

Shareholders and Proxies : As per attendance list provided by SS E Solutions Sdn. Bhd.

1. OPENING REMARKS BY CHAIRMAN

Mr Chua Jin Kau, the Executive Chairman of the Company, was in the Chair. He then welcomed all present to the Meeting.

The Chairman made a brief introduction of the members of the Board and Company Secretary who were present at the broadcast venue and the representative from Messrs Crowe Malaysia PLT who participated the Meeting remotely.

The Chairman informed that Dato' Lee Ban Seng, the Independent Non-Executive Director was not able to join the Meeting virtually due to technical glitches.

The Chairman then reminded those present that photography, screenshot or any form of audio or video recording was not allowed for the live streamed Meeting.

2. QUORUM AND PROXIES

With the requisite quorum being present pursuant to the Constitution of the Company, the Meeting was called to order.

The Chairman informed that the Company had received proxy forms from 15 shareholders for a total of 57,743,155 ordinary shares, representing 40.02% of the total number of issued ordinary shares of the Company within the prescribed time.

In addition, for shareholders who were unable to participate in the Meeting and had appointed the Chairman to vote on their behalf, accordingly, the Chairman will vote as a proxy in accordance with their voting instructions.

3. NOTICE OF MEETING

The notice convening the Meeting dated 30 October 2024 ("**Notice of Meeting**") having been circulated within the prescribed period was taken as read.

4. VOTING PROCEDURES

The Meeting was informed that:

- (a) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and Clause 74 of the Constitution of the Company, all resolutions as set out in the Notice of Meeting must be voted by poll.
- (b) The Company had appointed SS E Solutions Sdn. Bhd. as the Poll Administrator for the Meeting and results of the poll shall be validated by Commercial Quest Sdn. Bhd., the Independent Scrutineer appointed by the Company.
- (c) The voting module has been made accessible to all shareholders and proxies from the start of the Meeting and shall close upon the closure of the voting session to be announced later. Alternatively, they may also cast and submit their votes after all the questions and answers in relation to each agenda item are dealt with.
- (d) The Company had made its best efforts to ensure smooth live streaming, however, the quality of the Meeting was dependent on the internet bandwidth connection and stability of the participants.

After a short video presentation on the online remote voting procedures, the Chairman continued to state that shareholders were welcomed to submit questions that are related to the resolutions tabled at the Meeting. All questions submitted would be responded to after all items on the Agenda have been dealt with. Similar or repetitive questions would not be repeated to allow other shareholders the opportunity to raise other questions. If the Board was unable to answer all of the questions, the Board would respond to the shareholders by email after the Meeting.

The Chairman then proceeded with the following business at hand.

5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON ("AFS 2024")

The Chairman informed that the AFS 2024 which had been circulated earlier to all shareholders within the statutory period were tabled and laid before the Meeting for discussion only, and would not be put forward for voting.

The Chairman further informed that the Company had received a list of questions from the Minority Shareholders Watch Group ("**MSWG**").

Mr Loke Lee Ping, the Executive Director/Chief Executive Officer of the Company, presented to the shareholders, the questions received from MSWG along with the responses from the Board, as summarised in **Appendix 1**.

Thereafter, the Chairman declared that the AFS 2024 be received.

6. RESOLUTIONS OF THE MEETING

A total of 9 ordinary resolutions and 1 special resolution were tabled at the Meeting for voting by shareholders, as follows:

- (i) **Ordinary Resolution 1** – To approve the payment of Directors' fees amounting to RM270,000.00 for the financial year ending 30 June 2025.
- (ii) **Ordinary Resolution 2** – To approve the payment of Directors' benefits of up to RM68,000.00 for the period commencing from the date immediately after the 29th AGM until the date of the next Annual General Meeting of the Company.
- (iii) **Ordinary Resolution 3** – To re-elect Datuk Wong Sak Kuan who is retiring in accordance with Clause 97 of the Company's Constitution.
- (iv) **Ordinary Resolution 4** – To re-elect Mr Wong Yu Perng who is retiring in accordance with Clause 97 of the Company's Constitution.
- (v) **Ordinary Resolution 5** – To re-elect Dr Norhanim Binti Mat Sari who is retiring in accordance with Clause 104 of the Company's Constitution.
- (vi) **Ordinary Resolution 6** – To re-appoint Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration.

The Chairman informed that the retiring Auditors, Crowe Malaysia PLT had indicated their willingness to continue in office.

- (vii) **Ordinary Resolution 7** – General authority for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 and waiver of pre-emptive rights.

The Chairman stated that this resolution was regarding the authority for Directors to issue and allot shares not exceeding 10% of the total number of issued shares of the Company for the time being pursuant to Sections 75 and 76 of the Companies Act 2016. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

- (viii) **Ordinary Resolution 8** – Proposed renewal of existing shareholders' mandate for Recurrent Related Party Transactions ("RRPTs")

The Chairman advised the shareholders to consider the proposed renewal of existing shareholders' mandate for RRPTs to be entered between the Group and the related parties as set out in Section 2.8 of Part A of the Circular to Shareholders dated 30 October 2024. This mandate, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

Datuk Wong Sak Kuan, Mr Wong Yu Perng and Ms Lee Wai Fun, being the interested parties in this proposal, had abstained from voting in respect of their direct shareholdings in the Company on this resolution. They had also undertaken to ensure that persons connected to him will abstain from voting on their direct and/or indirect shareholdings in the Company, if any, on this resolution.

- (ix) **Ordinary Resolution 9** – Proposed retention of Mr Lee Kok Heng as Independent Non-Executive Director.

The Chairman informed that this resolution was referring to the proposed retention of Mr Lee Kok Heng as Independent Non-Executive Director of the Company, who had served the Company for more than nine (9) years.

Pursuant to Practice 5.3 of the Malaysian Code on Corporate Governance 2021, this resolution shall be voted upon through a two-tier voting process.

- (x) **Special Resolution 1** – Proposed change of name of the Company from “MESB Berhad” to “Lotus Circular Berhad”.

The Chairman informed that this resolution was regarding the proposed change of name of the Company from “MESB Berhad” to “Lotus Circular Berhad”. The name change reflects a pivotal transformation in the business operations of the Group, shifting from apparel retail business towards waste recycling business, which has now become the new core business of the Group. Since the conclusion of the acquisitions of key waste recycling subsidiaries, the waste recycling business has contributed over 70% of the Group's profit after tax for the financial year ended 30 June 2024, reflecting its importance as the new core business.

7. ANY OTHER BUSINESS

The Chairman informed that there was no other business to be transacted at the Meeting of which due notice had been given in accordance with the Companies Act 2016 and the Company's Constitution.

8. QUESTIONS AND ANSWERS (“Q&A”) SESSION

The Meeting then moved on to the Q&A session. The questions/comments raised at the Meeting are attached in **Appendix 2**.

9. VOTING BY WAY OF POLL

After addressing the questions raised by the shareholders and/or proxies, the Chairman proceeded with the formalities of taking a poll. He reminded the shareholders or proxies who had not cast their votes to complete their voting, as the voting process will be ended in 10 minutes.

10. ADJOURNMENT OF MEETING FOR POLL VERIFICATION

Once the designated timeframe had passed, the Chairman announced that the poll voting session had ended and the Meeting was adjourned to facilitate the verification of the votes.

11. DECLARATION OF POLL RESULTS

Upon receipt of the poll results duly verified by the Independent Scrutineer, the Chairman called the Meeting to order, for announcement of poll results as summarised in the table below.

	Voted For		Voted Against	
	No. of Shares	% of votes	No. of Shares	% of votes
Ordinary Resolution 1	21,981,131	99.9084	20,155	0.0916
Ordinary Resolution 2	21,980,967	99.9076	20,319	0.0924
Ordinary Resolution 3	21,981,141	99.9084	20,143	0.0916
Ordinary Resolution 4	21,981,128	99.9084	20,156	0.0916
Ordinary Resolution 5	60,389,018	99.9666	20,166	0.0334
Ordinary Resolution 6	60,389,041	99.9667	20,143	0.0333
Ordinary Resolution 7	60,388,866	99.9664	20,316	0.0336

Ordinary Resolution 8	15,876,169	99.8722	20,316	0.1278
Ordinary Resolution 9 - Tier 1 (Large Holders)	38,407,898	100.0000	0	0.0000
Ordinary Resolution 9 - Tier 2 (Other Holders)	21,980,879	99.9072	20,407	0.0928
Special Resolution 1	59,984,016	99.2962	425,166	0.7038

Details of the poll results were shown at the Meeting for shareholders' notation.

With the above results, the Chairman declared that all resolutions were carried.

The Meeting **RESOLVED**:

ORDINARY RESOLUTION 1

- **DIRECTORS' FEES AMOUNTING TO RM270,000.00 FOR THE FINANCIAL YEAR ENDING 30 JUNE 2025**

"THAT the Directors' fees amounting to RM270,000.00 for the financial year ending 30 June 2025, be approved for payment."

ORDINARY RESOLUTION 2

- **DIRECTORS' BENEFITS OF UP TO RM68,000.00 FOR THE PERIOD COMMENCING FROM THE DATE IMMEDIATELY AFTER THIS 29TH AGM UNTIL THE DATE OF THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY**

"THAT the Directors' benefits of up to RM68,000.00 for the period commencing from the date immediately after this 29th AGM until the date of the next Annual General Meeting of the Company, be approved for payment."

ORDINARY RESOLUTION 3

- **RE-ELECTION OF DATUK WONG SAK KUAN WHO IS RETIRING IN ACCORDANCE WITH CLAUSE 97 OF THE COMPANY'S CONSTITUTION**

"THAT Datuk Wong Sak Kuan who is retiring in accordance with Clause 97 of the Company's Constitution, be and is hereby re-elected as Director of the Company."

ORDINARY RESOLUTION 4

- **RE-ELECTION OF MR WONG YU PERNG WHO IS RETIRING IN ACCORDANCE WITH CLAUSE 97 OF THE COMPANY'S CONSTITUTION**

"THAT Mr Wong Yu Perng who is retiring in accordance with Clause 97 of the Company's Constitution, be and is hereby re-elected as Director of the Company."

ORDINARY RESOLUTION 5

- **RE-ELECTION OF DR NOHARNIM BINTI MAT SARI WHO IS RETIRING IN ACCORDANCE WITH CLAUSE 104 OF THE COMPANY'S CONSTITUTION**

"THAT Dr Norhanim Binti Mat Sari who is retiring in accordance with Clause 104 of the Company's Constitution, be and is hereby re-elected as Director of the Company."

ORDINARY RESOLUTION 6

- **RE-APPOINTMENT OF CROWE MALAYSIA PLT AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

"THAT Crowe Malaysia PLT be and is hereby re-appointed as Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Directors.

ORDINARY RESOLUTION 7

- GENERAL AUTHORITY FOR THE DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 (“ACT”) AND WAIVER OF PRE-EMPTIVE RIGHTS

“THAT subject always to the Constitution of the Company, the Act, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant governmental/regulatory authorities, where required, the Directors of the Company, be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot new ordinary shares in the Company (“Shares”) to such persons, at any time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares) at any point of time (“Mandate”) AND THAT the Directors be and also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting (“AGM”) of the Company held next after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is the earlier.

THAT pursuant to Section 85 of the Act read together with the Constitution of the Company, approval be given to waive the statutory pre-emptive rights conferred upon the shareholders of the Company AND THAT the Board is exempted from the obligation to offer such new Shares first to the existing shareholders of the Company in respect of the issuance and allotment of new Shares pursuant to the Mandate.

AND FURTHER THAT the new Shares to be issued pursuant to the Mandate, shall upon issuance and allotment, rank *pari passu* in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new Shares.”

ORDINARY RESOLUTION 8

- PROPOSED RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE”)

“THAT, authority be and is hereby given in line with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Securities, for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.8 of the Circular to Shareholders dated 30 October 2024 which are necessary for the day-to-day operations of the Company and/or its subsidiaries within the ordinary course of business of the Company and/or its subsidiaries, made on an arm’s length basis and on normal commercial terms which are those generally available to the public and are not detrimental to the minority shareholders of the Company;

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

- (i) the conclusion of the next AGM of the Company following the general meeting at which the ordinary resolution for the Proposed Renewal of Shareholders’ Mandate was passed, at which time it shall lapse, unless the authority is renewed by a resolution passed at the next AGM; or
- (ii) the expiration of the period within which the next AGM after that date it is required by law to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier.

AND FURTHER THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may be deemed fit, necessary, expedient and/or appropriate in order to implement the Proposed Renewal of Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed Renewal of Shareholders' Mandate in the best interest of the Company."

ORDINARY RESOLUTION 9

- PROPOSED RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT approval be and is hereby given to Mr. Lee Kok Heng to be retained as Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company."

SPECIAL RESOLUTION 1

PROPOSED CHANGE OF NAME OF THE COMPANY FROM "MESB BERHAD" TO "LOTUS CIRCULAR BERHAD" ("PROPOSED CHANGE OF NAME")

RESOLVED:

"THAT subject to the approvals of the relevant authorities and/or parties being obtained (where applicable), the name of the Company be and is hereby changed from "MESB Berhad" to "Lotus Circular Berhad" with effect from the date of the Notice of Registration of New Name to be issued by the Companies Commission of Malaysia and that all references in the Constitution of the Company in relation to the name "MESB Berhad", wherever the same may appear, be and is hereby be deleted and substituted with "Lotus Circular Berhad".

AND THAT the Directors and/or the Secretary of the Company be and are hereby authorised to take all necessary steps to give effect to the Proposed Change of Name and to carry out all the necessary formalities in effecting the Proposed Change of Name."

12. CONCLUSION

There being no other business, the Meeting concluded at 4:10 p.m. with a vote of thanks to the Chair and all present thereat.

CONFIRMED AS A CORRECT RECORD

(duly signed on original)

CHUA JIN KAU

Chairman

Dated: 14 January 2025