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If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

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MERIDIAN

MERIDIAN BERHAD

[Registration No. 200001005180 (507785-P)]
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

in relation to the

PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The above proposal will be tabled at the Company's Twenty-Second ("22nd") Annual General Meeting ("AGM"). The Notice of the AGM together with the Form of Proxy are set out in the Company's Annual Report 2022.

The Form of Proxy should be completed and returned in accordance with the instructions therein as soon as possible and should reach the Company's Secretariat, Acclime Corporate Services Sdn. Bhd. at Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia not less than twenty-four (24) hours before the time of the AGM. The lodging of the Form of Proxy will not preclude you from attending the meeting and voting in person should you subsequently wish to do so.

Day, date and time of AGM : Friday, 16 December 2022 at 10.00 a.m.

Fully Virtual via Online Meeting Platform : <https://bit.ly/3qlaegZ>

This Circular is dated 31 October 2022.

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**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

Act	:	Companies Act 2016, as amended from time to time and any re-enactment thereof
AGM	:	Annual General Meeting
Audit Committee	:	Audit Committee of Meridian
Board	:	Board of Directors of Meridian
Bursa Securities	:	Bursa Malaysia Securities Berhad
Circular	:	This circular dated 31 October 2022 in relation to the Proposed Renewal of Shareholders' Mandate
CMSA	:	The Capital Markets and Services Act 2007
Dato' Yap	:	Dato' Yap Ting Hau
Director	:	Shall have the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Director of the Company, its subsidiary or holding company; or chief executive officer of the Company, its subsidiary or holding company
EPS	:	Earnings per Share
FY	:	Financial year ended/ending, as the case may be
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities, including any amendment that may be made from time to time and any Practice Notes issued in relation thereto
LPD	:	7 October 2022, being the latest practicable date prior to the printing of this Circular
Major Shareholder	:	A person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is:- (i) 10% or more of the total number of voting shares in the Company; or (ii) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company; and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of Meridian or any other company which is its subsidiary or holding company

For the purpose of this definition, "interest in shares" shall have the meaning given in Section 8 of the Act.

DEFINITIONS (Con'd)

M101 Bukit Bintang	: M101 Bukit Bintang Sdn. Bhd. [Registration No. 201301024114 (1053943 X)]
M101 Entity	: M101 Entity Sdn. Bhd. [Registration No. 201401021083 (1097169-V)]
Mandated Related Parties	: M101 Bukit Bintang, Sirocco Hospitality, M101 Entity details of which are set out in Section 2.4 of this Circular
Meridian or the Company	: Meridian Berhad [Registration No. 200001005180 (507785-P)]
Meridian Group or Group	: Meridian and its subsidiaries
NA	: Net Assets
Proposed Renewal of Shareholders' Mandate	: Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature
Recurrent Related Party Transactions or RRPT	: Related party transactions which are recurrent, of a revenue or trading nature and which are necessary for the day-to-day operations of the Group and are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders
Related Party(ies)	: A Director, CEO, Major Shareholder or Persons Connected with such Director, CEO, or Major Shareholder. For the purpose of this definition, "Director", "CEO" and "Major Shareholder" shall have the meaning given in Paragraph 10.02 of the Listing Requirements
RM and sen	: Ringgit Malaysia and sen respectively
Sirocco Hospitality	: Sirocco Hospitality Group Sdn. Bhd. [Registration No. 201401006885 (1082963-V)]

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

Any discrepancies in the tables included in this Circular between the amount listed, actual figures and the totals thereof are due to rounding.

Any reference in this Circular to any provision of a statute, rule, regulation, enactment, or rule of a stock exchange shall (where the context admits) be construed as a reference to the provision of such statute, rule, regulation, enactment or rule of a stock exchange (as the case may be) as modified by any written law, or, if applicable, any amendment of re-enactment to the statute, rule, regulation, enactment or rule of a stock exchange for the time being in force.

All references to "you" in this Circular are to the shareholders of Meridian.



MERIDIAN

MERIDIAN BERHAD

[Registration No. 200001005180 (507785-P)]
(Incorporated in Malaysia)

Registered Office:
Suite 20.08 – 20.09, Plaza 138
Jalan Ampang
50450 Kuala Lumpur

Date: 31 October 2022

Board of Directors

Dato' Yap Ting Hau	<i>(Executive Director / Chief Executive Officer)</i>
Tang Boon Koon	<i>(Executive Director)</i>
Chew Shin Yong, Mark	<i>(Independent Non-Executive Director)</i>
Ng Kok Hok	<i>(Independent Non-Executive Director)</i>

To: The Shareholders of Meridian Berhad

Dear Sir/Madam,

PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

1. INTRODUCTION

At the AGM held on 17 December 2021, the Company had obtained a general mandate from its shareholders for the Company and its subsidiaries to enter into Recurrent Related Party Transactions in the ordinary course of business of a revenue or trading nature which are necessary for the day-to-day operations based on commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of minority shareholders of the Company.

The said general mandate for Recurrent Related Party Transactions shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming AGM unless authority for its renewal is obtained from the shareholders of the Company.

The Company had on 28 October 2022 announced that it proposes to seek a renewal of the existing Shareholders' Mandate for the Recurrent Related Party Transactions.

The purpose of this Circular is to provide you with details of the Proposed Renewal of Shareholders' Mandate, to set your Board's recommendation thereon and to seek your approval for the Ordinary Resolution thereto to be tabled at the forthcoming 22nd AGM to be convened on Friday, 16 December 2022 at 10.00 a.m. The Notice of the 22nd AGM together with the Form of Proxy are set out in the Meridian's Annual Report 2022, which is sent to you together with this Circular.

SHAREHOLDERS OF MERIDIAN ARE ADVISED TO READ THE CONTENTS AND APPENDIX OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE.

2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

2.1 Provisions Under the Listing Requirements

The Company proposes to seek a general mandate from its shareholders for the Company and/or its subsidiaries to enter into arrangements or transactions with the Mandated Related Parties, which are necessary for the day-to-day operations of the Group and are based on normal commercial terms that are not more favourable to the Mandated Related Parties than those generally made available to the public.

2.2 Paragraph 10.09, Part E of Chapter 10 of the Listing Requirements

Under Paragraph 10.09 Part E of Chapter 10 and Practice Note 12 of the Listing Requirements, a listed company may seek a Shareholders' Mandate in respect of Recurrent Related Party Transactions, i.e., transactions entered into by the Company and/or its subsidiary companies involving the interest, direct or indirect, of related parties involving recurrent transactions of a revenue or trading nature which are necessary for its day-to-day operations subject to the following:-

- i) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;
- ii) the Shareholders' Mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09 (1) of the Listing Requirements as stated below:-
 - (a) the consideration, value of the assets, capital outlay or costs of the Recurrent Related Party Transactions is RM1.0 million or more; or
 - (b) the percentage ratio of such Recurrent Related Party Transactions is 1% or more,whichever is the higher;
- iii) the listed company's circular to shareholders for the Shareholders' Mandate includes the information as may be prescribed by Bursa Securities.
- iv) in a meeting to obtain the Shareholders' Mandate, interested Director, interested Major Shareholder or interested person connected with a Director or Major Shareholder; and where it involves the interest of an interested person connected with a Director or Major Shareholder, such Director or Major Shareholder, must not vote on the resolution approving the transactions. An interested Director or interested Major Shareholder must also ensure that persons connected with him abstain from voting on the resolution approving the transactions; and
- v) the listed company immediately announces to the Bursa Securities when the actual value of a Recurrent Related Party Transaction entered into by the listed company, exceeds the estimated value of the Recurrent Related Party Transaction disclosed in the Circular by 10% or more and must include information as may be prescribed by Bursa Securities in its announcement.

Where the Company has procured the Shareholders' Mandate pursuant to the above, the provision of Paragraph 10.08 of the Listing Requirements shall not apply during the period of validity of the Shareholders' Mandate.

2.3 Principal Activities of the Meridian Group

The principal activity of the Company is that of investment holding. The subsidiary companies of Meridian and their principal activities are set out below:-

Name of Companies	Ownership Interest (%)	Principal Activities
Gaya Pustaka Sdn. Bhd.	100	Property investment
Meda Project Management Sdn. Bhd.	100	Project management services
MIB Construction Sdn. Bhd.	100	Building contractor
Meridian Adventure Camp Sdn. Bhd.	100	Investment holding
Meridian Theme Park Sdn. Bhd.	100	Dormant
Meridian Luasempit Sdn. Bhd.	100	Property development
Nandex Land Sdn. Bhd.	100	Property development
Sri Lingga Sdn. Bhd.	100	Property development and cultivation of oil palm
Virtue Property Sdn. Bhd.	100	Property investment
ZKP Development Sdn. Bhd.	100	Property investment and operation of car park
Pinnacle Equity Sdn. Bhd.	100	Real property holding and investment holding
Strategic Century Sdn. Bhd.	100	Real property holding and investment holding
<u>Subsidiary of Sri Lingga Sdn. Bhd.</u>		
Nusarhu Sdn. Bhd.*	40	Dormant

Note:-

- * *The Group holds a 40% equity interest in Nusarhu Sdn. Bhd. and the remaining 60% equity interest was held by its trustee. Nusarhu Sdn. Bhd. has been treated as a subsidiary of the Group in accordance with MFRS 10 Consolidated Financial Statements.*

It is envisaged that in the normal course of the Meridian Group's businesses, transactions of a revenue or trading nature between companies in the Meridian Group and the Related Parties are likely to occur, and which are necessary for its day-to-day operations. It is likely that such transactions will occur with some degree of frequency and could arise at any time. Such transactions include, but are not limited to those described in Section 2.5 below.

In view of the time-sensitive, confidential and frequent nature of such Recurrent Related Party Transactions, the Board is seeking approval from the shareholders at the forthcoming 22nd AGM for a renewal of the Shareholders' Mandate for the Meridian Group to enter into transactions in the normal course of business with the classes of Related Party set out in Section 2.4 below, provided such transactions are entered into at arm's length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and which will not be detrimental to the minority shareholders. The Recurrent Related Party Transactions will also be subject to the review procedures set out in Section 2.7 below.

2.4 The Class of the Related Party with whom the Transactions will be carried out

The Mandated Related Parties to which the Proposed Renewal of Shareholders' Mandate is applicable are as follows:-

Mandated Related Parties	Principal Activities	Relationship with the Related Parties
M101 Bukit Bintang	The principal activity is that of properties development and construction of residential and commercial lots.	Dato' Yap is the Executive Director and Chief Executive Officer of Meridian. Dato' Yap is also the Director and Major Shareholder of M101 Bukit Bintang.
M101 Entity	Principally the company is involved in the business of real property, housing development and investment holdings.	Dato' Yap is the Executive Director and Chief Executive Officer of Meridian. Dato' Yap is also the Director and Major Shareholder of M101 Entity.
Sirocco Hospitality	The principal activity is to provide hotel lodging services.	Dato' Yap is the Executive Director and Chief Executive Officer of Meridian. Dato' Yap is also the Director and Major Shareholder of Sirocco Hospitality.

2.5 Nature of Recurrent Transactions Contemplated under the Proposed Renewal of Shareholders' Mandate

The Recurrent Transactions which will be covered by the Proposed Renewal of Shareholders' Mandate and the benefits to be derived from them are the general transactions by Meridian Group relating to the provision of, or obtaining from the Mandated Related Parties, contracts, products and services in the normal course of business of Meridian Group.

The Proposed Renewal of Shareholders' Mandate will facilitate the transactions in the normal course of business of Meridian Group which are/will be transacted from time to time with the Mandated Related Parties, provided that they are consistent with Meridian Group's normal business practices and policies and are on transaction prices and terms which not more favourable to the Mandated Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

The details of the nature and estimated value of the Recurrent Transactions in respect of which the Meridian Group is seeking mandate from its shareholders as contemplated under the Proposed Renewal of Shareholders' Mandate are as follows:-

Meridian Group with the following Related Parties	Nature of Transactions	#Existing Mandate		*Estimated Value of the transaction during the validity period of mandate from the forthcoming 22 nd AGM to the next AGM
		Estimated Value as disclosed in preceding year Circular dated 29 October 2021	Actual Value transacted since last AGM till LPD	
M101 Bukit Bintang	Construction and interior designing works	RM25,000,000	Nil	RM25,000,000
M101 Entity	Construction works and sales of building materials	RM50,000,000	Nil	RM50,000,000
Sirocco Hospitality	Hotel services i.e. rental of hotel function rooms, meeting rooms, food catering and other hospitality management and services	RM10,000,000	Nil	RM10,000,000

Notes:-

- (a) Meridian Group, in its ordinary course of business, will bid for construction contracts from M101 Bukit Bintang as and when the opportunity arises.
- (b) Meridian Group, in its ordinary course of business, will bid for construction contracts from M101 Entity as and when the opportunity arises.
- (c) Meridian Group will be engaging hotel services like renting of meeting rooms and function rooms from Sirocco Hospitality for meetings and other functions.

2.6 Amounts due and owing by Related Parties

Total outstanding amount due and owing pursuant to RRPT to the Group which exceeded the credit term for the period as at 30 June 2022 are as follows:-

Period	Principal Sum
A period of 1 year or less	Nil
A period of more than 1 to 3 years	RM262,282
A period of more than 3 to 5 years	Nil
A period of more than 5 years	Nil
Total	RM262,282

There was no late payment charges imposed because the parties have mutually agreed not to impose any late payment charges. The Management has and will continuously meet and discuss with the Related Parties for early settlement of the outstanding amounts due which are trade in nature.

The Board of the opinion that the outstanding amounts due can be recovered as there have been collections from the Related Parties during the financial year.

2.7 Review Procedures in relation to Recurrent Transactions

Meridian Group will establish various procedures to ensure that recurrent related party transactions are undertaken at arm's length basis and on normal commercial terms which are consistent with Meridian Group's normal business practices and policies, on transaction prices and terms not more favourable to the related party than those generally available to the public and are not to the detriment of the minority shareholders.

The proposed review and disclosure procedures with regard to recurrent related party transactions are as follows:-

- (i) All companies within Meridian Group will be notified of the related party with whom Meridian Group may transact in accordance with the shareholders' mandate. The relevant personnel or division head will be required, prior to entering into such transactions, to ensure that all recurrent related party transactions are transacted on terms which are consistent with Meridian Group's normal business practices and policies, are not more favourable to the related party than those generally available to the public and are not to the detriment of the minority shareholders;
- (ii) Records will be maintained by Meridian Group to capture all the recurrent related party transactions which are entered into pursuant to the shareholders' mandate for monitoring purposes;
- (iii) The Audit Committee and the Board shall ensure that the internal audit function of the Group incorporates the review of the guidelines and procedures for monitoring of recurrent related party transactions into the Group's internal audit plans. Annual review of the said guidelines and procedures will also be carried out to ascertain that the guidelines and procedures established to monitor recurrent related party transactions have been complied with and are adequate;
- (iv) The Audit Committee and the Board shall have the overall responsibility for the determination of the review procedures including addition of new review procedures, where applicable. The Audit Committee and the Board may also appoint individuals and committees within the Meridian Group to examine the recurrent related party transactions, as they may deem appropriate. If a member of the Audit Committee or the Board has an interest in a particular transaction, he or she will abstain from any deliberation and decision-making by the Board and/or the Audit Committee in respect of the said transaction; and
- (v) Disclosure will be made in the annual report of the aggregate value of recurrent related party transactions conducted pursuant to the shareholders' mandate during the financial year in accordance with the requirements prescribed by Bursa Securities.

There is no specific threshold for approval of recurrent related party transactions to be entered into by the Meridian Group with the Mandated Related Parties, so long that such recurrent related party transactions are determined at arm's length and based on normal commercial terms which are not more favourable to the related party than those generally available to the public and consistent with the Meridian Group's procedures and policies established for monitoring of recurrent related party transactions. Where necessary, the Audit Committee and the Board will review the need to impose a threshold for approval of recurrent related party transactions, based on market practice and at the same time protecting the interests of the minority shareholders.

Where practical and/or feasible, at least 2 other contemporaneous transactions with unrelated third parties for similar products and/or quantities will be used as comparison for determining the price and terms offered by the Mandated Related Parties are fair and reasonable as compared with those offered by unrelated third parties. In the event that the quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined based on those offered by other unrelated parties for substantially similar types of transactions to ensure that the Recurrent Transactions are not detrimental to Meridian Group.

2.8 Audit Committee Statement

The Audit Committee has seen and reviewed the procedures set out in Section 2.7 above and is of the view that the procedures are sufficient to ensure that the Recurrent Transactions are not more favourable to the Mandated Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.

The Audit Committee is of the further view that Meridian Group has in place adequate procedures and processes to monitor, track and identify Recurrent Transactions in a timely and orderly manner and of which the procedures and processes would be reviewed annually or whenever the need arises.

3. RATIONALE AND BENEFITS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate will allow Meridian Group to continue seeking construction related business opportunities and hotel services from M101 Bukit Bintang, M101 Entity and Sirocco Hospitality. Such opportunities may arise at any time and the Proposed Renewal of Shareholders Mandate will allow Meridian Group to pursue such business opportunities which may be time-sensitive in nature.

The Proposed Renewal of Shareholders' Mandate will eliminate the need to convene separate general meetings on each occasion to seek shareholders' prior approval for the entry by the Group into such transactions. Apart from reducing the expenses associated with convening of general meetings, it will improve administrative efficiency and allowing manpower, resources and time to be better channeled by Meridian Group towards achieving other corporate objectives.

4. VALIDITY PERIOD FOR THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate, if approved at the forthcoming 22nd AGM, will continue to be in force until:-

- (i) the conclusion of the next AGM of the Company, at which time it will lapse, unless renewed by a resolution passed at the meeting;
- (ii) the expiration of the period within which the next AGM of the Company is required 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 resolution passed by the shareholders in a general meeting,

whichever is earlier.

5. EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate does not have any effect on the issued share capital of the Company and substantial shareholders' shareholdings in the Company. It is also not expected to have any material effect on the NA per share, gearing and EPS of the Group.

Nevertheless, the Proposed Renewal of Shareholders' Mandate is in relation to transactions which relate to Meridian Group's day-to-day operation and hence may contribute positively to the Meridian Group's financial performance.

6. APPROVALS REQUIRED

The Proposed Renewal of Shareholders' Mandate is subject to approval being obtained from shareholders of the Company at the forthcoming 22nd AGM.

7. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

Save for Dato' Yap, none of the other Directors, Major Shareholders of Meridian and/or persons connected to him has any interest, direct and/or indirect, in the Proposed Renewal of Shareholders' Mandate.

Dato' Yap has abstained and will continue to abstain from all deliberations and decision at the relevant Board meetings relating to the Proposed Renewal of Shareholders' Mandate in which he has an interest as set out in Section 2.5 above.

Dato' Yap will abstain from voting in respect of his direct and indirect shareholdings in Meridian on the resolution to be tabled in relation to the Proposed Renewal of Shareholders' Mandate at the forthcoming 22nd AGM of Meridian and shall undertake to ensure that persons connected to him shall abstain from voting in respect of his direct and indirect interests on the resolution pertaining to the Proposed Renewal of Shareholders' Mandate to be tabled at the forthcoming 22nd AGM of Meridian.

The shareholdings of the Interested Party in Meridian as at LPD are shown in the table below:-

<u>Interested Party</u>	<u>Direct</u>		<u>Indirect</u>	
	<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>
Dato' Yap Ting Hau	32,195,199	3.561	-	-

8. DIRECTORS' RECOMMENDATION

The Board (save for Dato' Yap), having considered all aspects of the Proposed Renewal of Shareholders' Mandate, is of the opinion that the Proposed Renewal of Shareholders' Mandate is in the best and long term interests of Meridian Group and its shareholders.

Accordingly, the Board (save for Dato' Yap), recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Renewal of Shareholders' Mandate to be tabled at the forthcoming 22nd AGM.

9. TWENTY-SECOND ANNUAL GENERAL MEETING

The 22nd AGM, the notice of which is enclosed in the Annual Report 2022, will be conducted fully virtual from the Online Meeting Platform at <https://bit.ly/3qlaegZ> provided by Acclime Corporate Services Sdn. Bhd. on Friday, 16 December 2022 at 10.00 a.m. for the purposes of considering and if thought fit, passing the resolution to give effect to the Proposed Renewal of Shareholders' Mandate.

If you are unable to attend and vote in person at the AGM, please complete, sign and send the enclosed Proxy Form in accordance with the instructions therein as soon as possible in any event so as to arrive at the Company's Secretariat, Acclime Corporate Services Sdn. Bhd. at Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia at least twenty-four (24) hours before the time set for the AGM. The lodgement of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

10. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix for further information.

Yours faithfully,
For and on behalf of the Board
MERIDIAN BERHAD

DATO' YAP TING HAU
Chief Executive Officer

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information given and have taken reasonable care to ensure the facts stated and opinions expressed herein are fair and accurate. The Board hereby confirms that after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements contained in this Circular, or other facts the omission of which would make any information herein false or misleading.

2. MATERIAL CONTRACT

Save as disclosed below, Meridian Group has not entered into any material contract (not being contract entered into in the ordinary course of business), during the 2 years preceding the LPD:-

- (i) Meridian Berhad (“Meridian”) had on 28 June 2021 entered into a Share Sale Agreement with Sunita A/P Jeganathan for the disposal of its wholly-owned subsidiary, Pesona Alfa Sdn. Bhd. for a cash consideration of RM1,000 (“the Disposal”), in turn Maju Puncakbumi Sdn. Bhd. ceased to be the sub-subsi-dary of Meridian upon the completion of the Disposal.
- (ii) On 17 August 2021, Warrants 2011/2021 (Warrant ‘A’) convert into shares by issuance of 12,300 no. of shares issued at price RM0.50 with a total amount of RM6,150.
- (iii) On 19 November 2021, Meridian had announced to undertake a Private Placement of up to 20% of the total number of issued shares of Meridian Berhad.
- (iv) On 29 December 2021, the Proposed Private Placement has been completed following the listing of 150,695,909 Placement Shares at a price of RM0.0571 with total proceeds of RM8,604,736.
- (v) On 2 August 2022, Meridian had announced to undertake the following:-
 - i. proposed collaboration between Meridian and M101 Holdings Sdn Bhd (“M101”) to facilitate the License Agreement for Meridian’s development and operation of a water park (“Proposed Collaboration”);
 - ii. proposed consolidation of every 4 ordinary shares in Meridian (“Meridian Shares” or “Shares”) into 1 consolidated Meridian Share (“Consolidated Share”) (“Proposed Share Consolidation”);
 - iii. proposed renounceable rights issue of up to 1,190,746,395 new Meridian Shares (“Rights Shares”) together with up to 595,373,197 free detachable warrants (“Warrants D”) to the entitled shareholders of Meridian (“Entitled Shareholders”), on the basis of 10 Rights Shares together with 5 Warrants D for every 2 Consolidated Shares held by the entitled shareholders on an entitlement date to be determined (“Proposed Rights Issue with Warrants”);
 - iv. proposed diversification of the existing principal activities of Meridian and its subsidiaries (“Meridian Group” or the “Group”) to include leisure and hospitality businesses; and
 - v. proposed establishment of an employees’ share options scheme (“Scheme”) involving up to 15% of the total issued Shares (excluding treasury shares) at any point in time during the duration of the Scheme (“Proposed ESOS”).

3. MATERIAL LITIGATION

As at the LPD, Meridian Group is not engaged in any material litigation, claims and/or arbitration, either as plaintiff or defendant, which may materially and adversely affect the financial position or business of Meridian Group. The Board is not aware of proceedings, pending or threatened, or of any facts likely to rise to any proceedings which may materially and adversely affect the financial position or business of Meridian Group.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of Meridian during office hours from Monday to Friday (except public holidays) at Suite 20.08 – 20.09, Plaza 138, Jalan Ampang, 50450 Kuala Lumpur, Malaysia from the date of this Circular up to and including the date of the 22nd AGM to be convened:-

- (i) the Constitution of Meridian;
- (ii) the audited consolidated financial statements of Meridian for the past two financial years ended 30 June 2020 and 30 June 2021;
- (iii) the material contract referred to Section 2 above; and
- (iv) the relevant cause paper in respect of material litigation referred to in Section 3 above.