

NOTICE OF PROVISIONAL ALLOTMENT

Terms defined in the Abridged Prospectus dated 26 September 2013 ("Abridged Prospectus") shall have the same meanings when used in this Notice of Provisional Allotment ("NPA") unless stated otherwise. The provisionally allotted Rights Shares with Warrants as contained in this NPA are prescribed securities pursuant to Section 14(5) of the Securities Industry (Central Depositories) Act, 1991 as amended from time to time ("SICDA"). Therefore, all dealings in the provisionally allotted Rights Shares with Warrants will be governed by the SICDA and the Rules of Bursa Malaysia Depository Sdn Bhd ("Bursa Depository").

**KARAMBUNAI CORP BHD**

(Company No.: 6461-P)

(Incorporated in Malaysia under the Companies Ordinances, 1940-1946)

RENOUNCEABLE RIGHTS ISSUE OF UP TO 507,514,920 NEW ORDINARY SHARES OF RM0.10 EACH IN KARAMBUNAI CORP BHD ("KCB") ("KCB SHARE(S)") ("RIGHTS SHARE(S)") ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FOUR (4) EXISTING KCB SHARES HELD AS AT 5.00 P.M. ON 26 SEPTEMBER 2013 TOGETHER WITH UP TO 1,015,029,840 FREE DETACHABLE WARRANTS ("WARRANT(S)") ON THE BASIS OF TWO (2) WARRANTS FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED AT AN ISSUE PRICE OF RM0.10 PER RIGHTS SHARE

Principal Adviser**RHB Investment Bank Berhad**

(Company No. 19663-P)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

To: The Shareholders of KCB**Dear Sir/ Madam,**

Our Board of Directors ("Board") has provisionally allotted to you the number of Rights Shares with Warrants as indicated below ("Provisional Rights Shares with Warrants"), in accordance with the approval of the Controller of Foreign Exchange (via Bank Negara Malaysia) and Bursa Malaysia Securities Berhad ("Bursa Securities"), vide their letters dated 18 February 2013 and 10 May 2013, respectively, as well as the ordinary resolution passed by our shareholders at the Extraordinary General Meeting held on 27 June 2013 in relation to the Rights Issue with Warrants.

We wish to advise that the following number of Provisional Rights Shares with Warrants have been confirmed by Bursa Depository and upon acceptance will be credited into your Central Depository System ("CDS") Account subject to the terms and conditions stated in the Abridged Prospectus and the Rights Subscription Form ("RSF") issued by our Company.

The Provisional Rights Shares with Warrants is made subject to the provisions in the Abridged Prospectus issued by our Company. Bursa Securities has already prescribed the securities of our Company listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Provisional Rights Shares with Warrants are prescribed securities and as such, all dealings in the Provisional Rights Shares with Warrants will be by way of book entries through the CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository.

ALL RIGHTS SHARES AND THE WARRANTS TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE WITH WARRANTS WILL BE ALLOTTED BY WAY OF CREDITING THE RIGHTS SHARES AND THE WARRANTS INTO THE CDS ACCOUNTS OF THE ENTITLED SHAREHOLDERS AND/ OR THEIR RENOUNCEE(S) (IF APPLICABLE). NO PHYSICAL SHARE OR WARRANT CERTIFICATES WILL BE ISSUED.

It is the intention of our Board to allot the Excess Rights Shares with Warrants, if any, on a fair and equitable basis and in the following priority:-

- i. firstly, to minimise the incidence of odd lots;
- ii. secondly, for all allocation to Entitled Shareholders who have applied for Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on their respective shareholdings as at the Entitlement Date;
- iii. thirdly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of Excess Rights Shares with Warrants applied for; and
- iv. finally, for allocation to renounee(s) who have applied for Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares with Warrants applied for.

Nevertheless, our Board reserves the right to allot any Excess Rights Shares with Warrants applied for under Part I(b) of the RSF in such manner as our Board deems fit and expedient in the best interest of our Company subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in (i)-(iv) above are achieved. Our Board also reserves the right to accept any application for Excess Rights Shares with Warrants in full or in part only without assigning any reason.

NAME, ADDRESS AND CDS ACCOUNT NUMBER OF ENTITLED SHAREHOLDER

NUMBER OF KCB SHARES HELD AT 5.00 P.M. ON 26 SEPTEMBER 2013	NUMBER OF RIGHTS SHARES PROVISIONALLY ALLOTTED TO YOU	NUMBER OF WARRANTS ATTACHED TO RIGHTS SHARES PROVISIONALLY ALLOTTED TO YOU	TOTAL AMOUNT PAYABLE IN FULL UPON ACCEPTANCE AT RM0.10 PER RIGHTS SHARE (RM)

IMPORTANT RELEVANT DATES AND TIME:

Entitlement Date	:	Thursday, 26 September 2013 at 5.00p.m.
Last date and time for sale of provisional allotment of rights	:	Thursday, 3 October 2013 at 5.00 p.m.
Last date and time for transfer of provisional allotment of rights	:	Tuesday, 8 October 2013 at 4.00 p.m.
Last date and time for acceptance and payment	:	Friday, 11 October 2013 at 5.00 p.m.*
Last date and time for excess application and payment	:	Friday, 11 October 2013 at 5.00 p.m.*

* or such later date and time as our Board may determine and announce not less than two (2) Market Days before the stipulated date and time.

By order of the Board
Chang Yuet Mei (MAICSA 0781552)
Yew Nyuk Kwei (MACS 01247)
 Company Secretaries

Share Registrar for the Rights Issue with Warrants
Bina Management (M) Sdn Bhd (50164-V)
 Lot 10, The Highway Centre
 Jalan 51/205
 46050 Petaling Jaya
 Selangor Darul Ehsan
 Tel: 603-7784 3922
 Fax: 603-7784 1988

THIS NOTICE OF PROVISIONAL ALLOTMENT IS DATED 26 SEPTEMBER 2013

NOTES AND INSTRUCTIONS FOR COMPLETION OF THIS RSF

THIS RSF IS NOT A TRANSFERABLE OR NEGOTIABLE INSTRUMENT. IN ACCORDANCE WITH THE CAPITAL MARKETS AND SERVICES ACT 2007, THIS RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THE ABRIDGED PROSPECTUS.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY. All enquiries concerning the Rights Issue with Warrants should be addressed to the Share Registrar for the Rights Issue with Warrants, Bina Management (M) Sdn Bhd (50164-V) at Lot 10, The Highway Centre, Jalan 51/205, 46050 Petaling Jaya, Selangor Darul Ehsan. **INVESTORS SHOULD READ AND UNDERSTAND THE CONTENTS OF THE ABRIDGED PROSPECTUS TO WHICH THIS RSF RELATES BEFORE COMPLETING THIS RSF.**

The Abridged Prospectus is issued in compliance with the laws of Malaysia only. This RSF together with the Abridged Prospectus and the Notice of Provisional Allotment ("NPA") (collectively the "Documents") are not intended to be (and will not be) issued, circulated or distributed, and the Rights Issue with Warrants will not be made or offered or deemed to be made or offered for purchase or subscription, in countries or jurisdictions other than Malaysia or to persons who are or may be subject to the laws of countries or jurisdictions other than the laws of Malaysia. No action has been or will be taken to ensure that the Rights Issue with Warrants and the Documents comply with the laws of any countries or jurisdictions other than the laws of Malaysia. The Rights Issue with Warrants to which the Documents relates is only available to persons receiving the Documents within Malaysia. Accordingly, the Documents will not be despatched to the Entitled Shareholders who do not have a registered address in Malaysia as stated in the Record of Depositors of the Company by 5.00 p.m. on 26 September 2013. Entitled Shareholders and/or their renounee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers and/or other professional advisers as to whether the acceptance and/or renunciation (as the case may be) of all or any part of their entitlements to the Rights Shares with Warrants would result in the contravention of any laws of such countries or jurisdictions. Such Entitled Shareholders and/or their renounee(s) (if applicable) should note the additional terms and restrictions as set out in Section 10.10 of the Abridged Prospectus. The Company, RHB Investment Bank Berhad ("RHBIB") or any other professional advisers shall not accept any responsibility or liability whatsoever to any party in the event that any acceptance and/or renunciation (as the case may be) of the entitlement to the Rights Shares with Warrants made by any of foreign Entitled Shareholders and/or their renounee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in any such countries or jurisdictions.

A copy of the Abridged Prospectus has been registered with the Securities Commission Malaysia ("SC"). The registration of the Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue with Warrants or takes any responsibility for the correctness of statements made or opinions expressed in the Abridged Prospectus. A copy of the Documents have also been lodged with the Registrar of Companies who takes no responsibility for the contents of the Documents.

Approval for the Rights Issue with Warrants has been obtained from our shareholders at our Extraordinary General Meeting held on 27 June 2013. Approvals have also been obtained from the Controller of Foreign Exchange (via Bank Negara Malaysia) vide its letter dated 18 February 2013 for the approval of the allotment and issuance of Warrants to our non-resident shareholders pursuant to the Rights Issue with Warrants and from Bursa Malaysia Securities Berhad ("Bursa Securities") vide its letter dated 10 May 2013 for the admission of the Warrants to the Official List and the listing of the Rights Shares and the Warrants as well as the new KCB Shares to be issued arising from the exercise of the Warrants on the Main Market of Bursa Securities. The listing of and quotation for all the new securities on the Main Market of Bursa Securities are in no way reflective of the merits of the Rights Issue with Warrants. The admission of the Warrants to the Official List and the listing of and quotation for all the new securities will commence after the receipt of confirmation from Bursa Malaysia Depository Sdn Bhd ("Bursa Depository") that all the CDS Accounts of the successful Entitled Shareholders and/or their renounee(s) (if applicable) have been duly credited and notices of allotment have been despatched to them.

Our Directors have seen and approved the documentations relating to the Rights Issue with Warrants. They collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which if omitted would make the statements in the Documents false or misleading.

Unless otherwise stated, the unit of currency used in this RSF is Ringgit Malaysia (or "RM" in abbreviation) and sen.

INSTRUCTIONS:

(I) LAST DATE AND TIME FOR ACCEPTANCE, APPLICATION AND PAYMENT

This RSF is valid for acceptance and/or application until **5.00 p.m. on Friday, 11 October 2013**, or such later date and time as may be determined and announced by our Board not less than two (2) Market Days before the stipulated date and time.

(II) FULL OR PART ACCEPTANCE AND PAYMENT

If you wish to accept all or any part of the Provisional Rights Shares with Warrants, please complete Parts I(a) and II of this RSF in accordance with the notes and instructions contained herein and return this RSF, together with the appropriate remittance made in RM for the full amount payable for the Rights Shares with Warrants accepted in the form of Banker's Draft(s), Cashier's Order(s), Money Order(s) or Postal Order(s) drawn on a bank or post office in Malaysia crossed "**A/C PAYEE ONLY**", made payable to "**KCB RIGHTS ISSUE ACCOUNT**" and endorsed on the reverse side with your name, contact number, address and CDS Account number in block letters so as to be received by our Share Registrar for the Rights Issue with Warrants by **5.00 p.m. on Friday, 11 October 2013** (or such later date and time as may be determined and announced by our Board not less than two (2) Market Days before the stipulated date and time). Cheques or any other mode(s) of payment are not acceptable.

The remittance must be made in the exact amount payable for the Rights Shares with Warrants accepted (rounded up to the nearest sen). No acknowledgement of receipt of this RSF or application monies in respect of the Rights Issue with Warrants will be issued by our Company or our Share Registrar for the Rights Issue with Warrants. However, if your application is successful, a notice of allotment will be despatched to you by ordinary post to the address as shown on our Record of Depositors provided by Bursa Depository at your own risk within eight (8) Market Days from the last date for acceptance of and payment for the Rights Shares with Warrants or such other period as may be prescribed by Bursa Securities.

(III) APPLICATION FOR EXCESS RIGHTS SHARES WITH WARRANTS

If you wish to apply for additional Rights Shares with Warrants in excess of your entitlement, please complete Part I(b) of this RSF (in addition to Parts I(a) and II) and forward this RSF with a **separate remittance made in RM** for the full amount payable in respect of the Excess Rights Shares with Warrants applied for, to our Share Registrar for the Rights Issue with Warrants. Payment for the Excess Rights Shares with Warrants applied for should be made in the same manner as described in note (II) above, and in the form of Banker's Draft(s), Cashier's Order(s), Money Order(s) or Postal Order(s) drawn on a bank or post office in Malaysia crossed "**A/C PAYEE ONLY**", made payable to "**KCB EXCESS RIGHTS ISSUE ACCOUNT**" and endorsed on the reverse side with your name, contact number, address and CDS Account number in block letters so as to be received by our Share Registrar for the Rights Issue with Warrants by **5.00 p.m. on Friday, 11 October 2013** (or such later date and time as may be determined and announced by our Board not less than two (2) Market Days before the stipulated date and time).

No acknowledgement of receipt of this RSF or application monies in respect of the Excess Rights Shares with Warrants will be issued by our Company or our Share Registrar for the Rights Issue with Warrants. However, if your application is successful, a notice of allotment will be despatched to you by ordinary post to the address as shown on our Record of Depositors provided by Bursa Depository at your own risk within eight (8) Market Days from the last date for acceptance and payment for the Excess Rights Shares with Warrants or such other period as may be prescribed by Bursa Securities.

In respect of unsuccessful or partially successful Excess Rights Shares with Warrants applications, the full amount or the balance of the application monies, as the case may be, shall be refunded without interest and despatched to the applicant by ordinary post to the address shown on our Record of Depositors provided by Bursa Depository at your own risk within 15 Market Days from the last date for application of and payment for the Excess Rights Shares with Warrants.

It is the intention of our Board to allot the Excess Rights Shares with Warrants, if any, on a fair and equitable basis and in the following priority:-

- i. firstly, to minimise the incidence of odd lots;
- ii. secondly, for all allocation to Entitled Shareholders who have applied for Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on their respective shareholdings as at the Entitlement Date;
- iii. thirdly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of Excess Rights Shares with Warrants applied for; and
- iv. finally, for allocation to renounee(s) who have applied for Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares with Warrants applied for.

Nevertheless, our Board reserves the right to allot any Excess Rights Shares with Warrants applied for under Part I(b) of the RSF in such manner as our Board deems fit and expedient in the best interest of our Company subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in (i)-(iv) above are achieved. Our Board also reserves the right to accept any application for Excess Rights Shares with Warrants in full or in part only without assigning any reason.

(IV) SALE OR TRANSFER OF PROVISIONAL ALLOTMENT

If you wish to sell or transfer all or part of your entitlement to the Provisional Rights Shares with Warrants to one (1) or more person(s), you may do so immediately through your stockbroker(s) for a period up to the last date and time for sale and transfer of such Provisional Rights Shares with Warrants without first having to request for a split of the Provisional Rights Shares with Warrants standing to the credit of your CDS Account. To sell or transfer all or part of your entitlement to the Provisional Rights Shares with Warrant, you may sell such entitlement on the open market or transfer such entitlement to such persons as may be allowed under the Rules of Bursa Depository.

If you have sold or transferred only part of the Provisional Rights Shares with Warrants, you may still accept the balance of the Provisional Rights Shares with Warrants by completing Parts I(a) and II of this RSF.

In selling or transferring all or part of your Provisional Rights Shares with Warrants, you need not deliver any document including this RSF to your stockbroker(s). However, you must ensure that there is sufficient Provisional Rights Shares with Warrants standing to the credit of your CDS Account that are available for settlement of the sale or transfer.

Purchaser(s) or transferee(s) of the Provisional Rights Shares with Warrants may obtain a copy of this RSF from his/ her/ their stockbroker(s), our Share Registrar for the Rights Issue with Warrants, our Registered Office or the website of Bursa Securities at <http://www.bursamalaysia.com>.

(V) GENERAL INSTRUCTIONS

- (a) All applicants must sign on the front page of this RSF. All corporate bodies must affix their Common Seals.
- (b) Rights Shares with Warrants subscribed by the Entitled Shareholders and/or their renounee(s) (if applicable) will be credited into their respective CDS Accounts as stated in this RSF or the exact accounts appearing on Bursa Depository's Record of Depositors.
- (c) Any interest or other benefit accruing on or arising from or in connection with any application monies shall be for the benefit of our Company and our Company shall not be under any obligation to account for such interest or other benefit to you.
- (d) The contract arising from the acceptance of the Provisional Rights Shares with Warrant by you shall be governed by and construed in accordance with the laws of Malaysia, and you shall be deemed to have irrevocably and unconditionally submitted to the exclusive jurisdiction of the courts of Malaysia in respect of any matter in connection with this RSF and the contract arising therefrom.
- (e) Our Board reserves the right not to accept or to accept any application in part only if the instructions herein stated are not strictly adhered to or which are illegal.
- (f) Malaysian Revenue Stamp (NOT POSTAGE STAMP) of RM10.00 must be affixed on this RSF Entitled Shareholders and/or their renounee(s)/ transferee(s) (if applicable) should note that the RSF and remittances so lodged with the Share Register for the Rights Issue with Warrants shall not be subsequently withdrawn.