

NOTICE OF PROVISIONAL ALLOTMENT OF RIGHTS RCULS

THE PROVISIONAL RIGHTS RCULS (AS DEFINED BELOW) AS CONTAINED IN THIS NOTICE OF PROVISIONAL ALLOTMENT (“NPA”) ARE PRESCRIBED SECURITIES PURSUANT TO SECTION 14(5) OF THE SECURITIES INDUSTRY (CENTRAL DEPOSITORIES) ACT 1991 (“SICDA”) AND, THEREFORE, THE SICDA (INCLUDING ALL AMENDMENTS THEREOF) AND THE RULES OF BURSA MALAYSIA DEPOSITORY SDN BHD (“BURSA DEPOSITORY”) SHALL APPLY IN RESPECT OF DEALINGS IN THE PROVISIONAL RIGHTS RCULS.



A Member of the Hong Leong Group

RENOUNCEABLE RIGHTS ISSUE OF UP TO RM172,473,768 NOMINAL VALUE OF 5-YEAR 5.0% REDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS (“RIGHTS RCULS”) AT 100.0% OF ITS NOMINAL VALUE OF RM1.00 ON THE BASIS OF 36 RIGHTS RCULS FOR EVERY 100 EXISTING ORDINARY SHARES HELD IN HUME INDUSTRIES BERHAD (“HIB” OR THE “COMPANY”) (“SHARES”) AS AT 5.00 P.M. ON 30 APRIL 2019 (“ENTITLEMENT DATE”) (“RIGHTS ISSUE OF RCULS”)

Principal Adviser



Hong Leong Investment Bank Berhad (10209-W)

(A Participating Organisation of Bursa Malaysia Securities Berhad)
(A Trading Participant of Bursa Malaysia Derivatives Berhad)

To: The entitled shareholders of HIB

Dear Sir/Madam,

Our board of directors (“Board”) has provisionally allotted to you the nominal value of Rights RCULS as indicated below (“Provisional Rights RCULS”), in accordance with the approvals of the Securities Commission Malaysia dated 13 March 2019, Bursa Malaysia Securities Berhad (“Bursa Securities”) dated 21 February 2019 and the ordinary resolution passed by our shareholders at our extraordinary general meeting held on 12 April 2019.

We wish to advise that the Provisional Rights RCULS have been confirmed by Bursa Depository and will be credited into your Central Depository System (“CDS”) account as stated below, subject to the terms and conditions stated in the Abridged Prospectus dated 30 April 2019 and the accompanying rights subscription form (“RSF”) issued by our Company.

Bursa Securities has prescribed the securities of HIB listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Provisional Rights RCULS and Rights RCULS are prescribed securities and, as such, all dealings in the Provisional Rights RCULS and Rights RCULS will be by way of book entry through CDS accounts and will be subject to the SICDA (including all amendments thereof) and the Rules of Bursa Depository.

ALL RIGHTS RCULS TO BE ISSUED UNDER THE RIGHTS ISSUE OF RCULS WILL BE ALLOTTED BY WAY OF CREDITING THE RIGHTS RCULS INTO THE CDS ACCOUNTS OF THE SUCCESSFUL APPLICANTS. NO PHYSICAL RCULS CERTIFICATES WILL BE ISSUED.

It is the intention of our Board to allocate the excess Rights RCULS whose entitlements under the Rights Issue of RCULS are not taken up or not validly taken up by members whose names appear in our Company’s record of depositors on the Entitlement Date (“Entitled Shareholders”) and their renounees and transferees (if applicable) (“Excess Rights RCULS”), if any, in a fair and equitable manner to the Entitled Shareholders and their renounees and transferees (if applicable) who have applied for Excess Rights RCULS in the following priority:

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, for allocation to our Entitled Shareholders who have applied for Excess Rights RCULS, on a pro-rata basis and in board lots, calculated based on their respective shareholdings in our Company as at the Entitlement Date; and
- (iii) thirdly, for allocation to our Entitled Shareholders and their renounees and transferees (if applicable) who have applied for Excess Rights RCULS, on a pro-rata basis and in board lots, calculated based on the quantum of their respective Excess Rights RCULS applied for.

Nevertheless, our Board reserves the right to allot any Excess Rights RCULS applied for under the RSF in such manner as our Board deems fit or expedient and in the best interest of HIB, subject always to such allocation being made on a fair and equitable basis and that the intention of our Board set out in (i) to (iii) above is achieved. Our Board also reserves the right at its absolute discretion not to accept any Excess Rights RCULS application, in full or in part, without assigning any reason thereof.

NAME, ADDRESS AND CDS ACCOUNT NUMBER OF ENTITLED SHAREHOLDER

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NUMBER OF SHARES HELD AS AT 5.00 P.M. ON 30 APRIL 2019	NOMINAL VALUE OF RIGHTS RCULS PROVISIONALLY ALLOTTED TO YOU (RM)	AMOUNT PAYABLE IN FULL UPON ACCEPTANCE AT RM1.00 FOR EACH RIGHTS RCULS (RM)

IMPORTANT RELEVANT DATES AND TIMES:

Entitlement Date for the Rights Issue of RCULS.....	Tuesday, 30 April 2019 at 5.00 p.m.
Last date and time for the sale of Provisional Rights RCULS.....	Friday, 10 May 2019 at 5.00 p.m.
Last date and time for the transfer of Provisional Rights RCULS.....	Tuesday, 14 May 2019 at 4.00 p.m.
Last date and time for acceptance and payment.....	Tuesday, 21 May 2019 at 5.00 p.m.
Last date and time for application for Excess Rights RCULS and payment.....	Tuesday, 21 May 2019 at 5.00 p.m.

By Order of our Board

JOANNE LEONG WEI YIN (MAICSA 0877466)
VALERIE MAK MEW CHAN (MAICSA 7017944)
Company Secretaries

Share Registrar:
HONG LEONG SHARE REGISTRATION SERVICES SDN BHD
Level 25, Menara Hong Leong
No. 6, Jalan Damanlela, Bukit Damansara
50490 Kuala Lumpur
Tel. no.: +603 2088 8818
Fax no.: +603 2088 8990

NOTES AND INSTRUCTIONS FOR COMPLETING THIS RSF

THIS RSF IS NOT A TRANSFERABLE OR NEGOTIABLE INSTRUMENT. IN ACCORDANCE WITH THE REQUIREMENTS OF 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, LEGAL ADVISER, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY. YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE ABRIDGED PROSPECTUS TO WHICH THIS RSF RELATES BEFORE COMPLETING AND SIGNING THIS RSF. All enquiries concerning the Rights Issue of RCULS should be addressed to our Share Registrar, **Hong Leong Share Registration Services Sdn Bhd**, at Level 25, Menara Hong Leong, No. 6, Jalan Damania, Bukit Damansara, 50490 Kuala Lumpur.

The Abridged Prospectus together with the notice of provisional allotment and this RSF (collectively, the "**Documents**") are despatched only to our Entitled Shareholders who have a registered address or an address for service in Malaysia as registered in our record of depositors on the Entitlement Date. The Documents have not been (and will not be) made to comply with the laws of any foreign country or jurisdiction, and have not been (and will not be) lodged, registered or approved under any applicable securities or equivalent legislation (or with or by any regulatory authority or other relevant body) of any jurisdiction other than Malaysia. The Documents are not intended to be (and will not be) issued, circulated or distributed, and the Rights Issue of RCULS will not be made or offered or deemed to be made or offered for purchase or subscription, in any country or jurisdiction other than Malaysia or to persons who are or may be subject to the laws of any country or jurisdiction other than the laws of Malaysia. Entitled Shareholders and their renounees and transferees (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers as to whether the acceptance or renunciation (as the case may be) of the Provisional Rights RCULS, application for the Excess Rights RCULS, or the subscription, offer, sale, resale, pledge or other transfer of the Provisional Rights RCULS would result in the contravention of any law of such countries or jurisdictions. Our Company, our directors and officers and our Principal Adviser or any other advisers will not accept any responsibility or liability whatsoever to any party in the event that any acceptance or renunciation or transfer made by the Entitled Shareholders and their renounees and transferees (if applicable) is or becomes unlawful, unenforceable, voidable or void in such countries or jurisdictions.

Our shareholders approved the Rights Issue of RCULS at the extraordinary general meeting held on 12 April 2019. The Securities Commission Malaysia ("**SC**"), through its letter dated 13 March 2019, approved the issuance of the Rights RCULS. Bursa Malaysia Securities Berhad ("**Bursa Securities**"), through its letter dated 21 February 2019, approved the admission of the Rights RCULS to the Official List of Bursa Securities and the listing of and quotation for the Rights RCULS and up to 345,000,000 new Shares to be issued upon conversion of the Rights RCULS on the Main Market of Bursa Securities. Admission of the Rights RCULS to the Official List of Bursa Securities and the listing of and quotation for the Rights RCULS and the new Shares to be issued upon the conversion of the Rights RCULS on the Main Market of Bursa Securities are not to be taken as an indication of the merits of the Rights Issue of RCULS. The admission of the Rights RCULS to the Official List of Bursa Securities and the listing of and quotation for the Rights RCULS and the new Shares to be issued upon the conversion of the Rights RCULS will commence after the receipt of confirmation from Bursa Depository that all CDS accounts of the successful Entitled Shareholders and their renounees and transferees (if applicable) have been duly credited and notices of allotment have been despatched to them.

The Abridged Prospectus has been registered by the SC. The registration of the Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue of RCULS or assumes responsibility for the correctness of any statement made or opinion or report expressed in the Abridged Prospectus. The SC has not, in any way, considered the merits of the Rights Issue of RCULS. A copy of the Abridged Prospectus, together with the RSF, has also been lodged with the Registrar of Companies of Malaysia, who takes no responsibility for its contents.

Our Board has seen and approved all the documentation relating to the Rights Issue of RCULS including the Documents. Our Board collectively and individually accepts full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of its knowledge and belief, our Board confirms there is no false or misleading statements or other facts which if omitted, would make any statement in the Abridged Prospectus false or misleading.

Unless otherwise stated, the unit of currency used in this RSF is Ringgit Malaysia (or "**RM**" in abbreviation). Terms defined in the Abridged Prospectus have the same meanings when used in this RSF, unless they are otherwise defined here or the context otherwise requires.

INSTRUCTIONS:

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

This RSF is valid for acceptance and excess application until 5.00 p.m. on Tuesday, 21 May 2019 ("**Closing Date**").

(II) ACCEPTANCE OF THE PROVISIONAL RIGHTS RCULS

If you wish to accept your entitlement to the Provisional Rights RCULS, either in full or in part, please complete Parts I(A) and II of this RSF in accordance with these notes and instructions. Each acceptance application must be accompanied by remittance in RM for the full and exact amount payable for the Provisional Rights RCULS accepted, in the form of banker's drafts, cashier's orders, money orders or postal orders drawn on a bank or post office in Malaysia and made payable to "**HIB RIGHTS RCULS ACCOUNT**", crossed "**A/C PAYEE ONLY**" and **endorsed on the reverse side with your name and address in block letters, your contact number and your CDS account number**, to be received by our Share Registrar, **Hong Leong Share Registration Services Sdn Bhd**, by 5.00 p.m. on the Closing Date.

The payment must be made for the full and exact amount payable for the Provisional Rights RCULS accepted. Any acceptance accompanied by excess or insufficient payment or payment in the manner other than prescribed above may or may not be accepted at the absolute discretion of our Board. If acceptance and payment for the Provisional Rights RCULS allotted to you are not received (whether in full or in part) by our Share Registrar at the address set out above by 5.00 p.m. on the Closing Date, such Provisional Rights RCULS will be deemed to have been declined and will be cancelled. Our Board will then have the right to allot such Rights RCULS not taken up to applicants who have applied for the Excess Rights RCULS in the manner as set out in Note (III) below.

No acknowledgement will be issued for the receipt of this RSF or the accompanying subscription monies for your acceptance of the Provisional Rights RCULS. However, if your acceptance is successful, a notice of allotment will be despatched to you by ordinary post to the address shown in Bursa Depository's record at your own risk within 8 Market Days from the Closing Date or such other period as may be prescribed by Bursa Securities.

(III) APPLICATION FOR EXCESS RIGHTS RCULS

If you wish to apply for Excess Rights RCULS in excess of your entitlement to the Provisional Rights RCULS, please complete Part I(B) of this RSF (in addition to Parts I(A) and II) in accordance with these notes and instructions. Each excess application must be accompanied by a **separate remittance in RM** for the full and exact amount payable for the Excess Rights RCULS applied, in the form of banker's drafts, cashier's orders, money orders or postal orders drawn on a bank or post office in Malaysia and made payable to "**HIB EXCESS RIGHTS RCULS ACCOUNT**", crossed "**A/C PAYEE ONLY**" and **endorsed on the reverse side with your name and address in block letters, your contact number and your CDS account number**, to be received by our Share Registrar, **Hong Leong Share Registration Services Sdn Bhd**, by 5.00 p.m. on the Closing Date.

The payment must be made for the full and exact amount payable for the Excess Rights RCULS applied. Any application accompanied by excess or insufficient payment or payment in the manner other than prescribed above may or may not be accepted at the absolute discretion of our Board.

No acknowledgement will be issued for the receipt of this RSF or the accompanying application monies for the Excess Rights RCULS. However, if your application for Excess Rights RCULS is successful, a notice of allotment will be despatched to you by ordinary post to the address shown in Bursa Depository's record at your own risk within 8 Market Days from the Closing Date or such other period as may be prescribed by Bursa Securities. In respect of unsuccessful or partially successful Excess Rights RCULS applications, the full amount or the surplus application monies, as the case may be, will be refunded without interest and will be despatched to you by ordinary post to the address shown in Bursa Depository's record at your own risk within 15 Market Days from the Closing Date.

It is the intention of our Board to allot the Excess Rights RCULS, if any, in a fair and equitable manner to the Entitled Shareholders and their renounees and transferees (if applicable) who have applied for Excess Rights RCULS in the following priority:

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, for allocation to our Entitled Shareholders who have applied for Excess Rights RCULS, on a pro-rata basis and in board lots, calculated based on their respective shareholdings in our Company as at the Entitlement Date; and
- (iii) thirdly, for allocation to our Entitled Shareholders and their renounees and transferees (if applicable) who have applied for Excess Rights RCULS, on a pro-rata basis and in board lots, calculated based on the quantum of their respective Excess Rights RCULS applied for.

Nevertheless, our Board reserves the right to allot any Excess Rights RCULS applied for under Part I(B) of this RSF in such manner as our Board deems fit or expedient and 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 set out in (i) to (iii) above is achieved. Our Board reserves the right at its absolute discretion not to accept any application for Excess Rights RCULS, in full or in part, without assigning any reason thereof.

(IV) SALE OR TRANSFER OF THE PROVISIONAL RIGHTS RCULS

If you wish to sell or transfer all or part of your Provisional Rights RCULS to one or more persons, you may do so through your stockbrokers for the period up to the last date and time for the sale or transfer of Provisional Rights RCULS in accordance with the Rules of Bursa Depository without first having to request for a split of the Provisional Rights RCULS standing to the credit in your CDS account. To sell or transfer all or part of your Provisional Rights RCULS, you may sell such entitlement on the open market or transfer such Provisional Rights RCULS to such persons as may be allowed under the Rules of Bursa Depository.

In selling or transferring all or part of your Provisional Rights RCULS, you need not deliver any document (including this RSF) to your stockbroker. However, you must ensure that you have sufficient Provisional Rights RCULS standing to the credit in your CDS account before such sale or transfer.

Renounees and transferees of the Provisional Rights RCULS may obtain a copy of the Abridged Prospectus and this RSF from their stockbrokers, our Share Registrar or our registered office. This Abridged Prospectus and the RSF are also available on Bursa Securities' website at <http://www.bursamalaysia.com>. If you have sold or transferred only part of your entitlement to the Provisional Rights RCULS, you may still accept the balance of your Provisional Rights RCULS by completing Parts I(A) and II of this RSF.

(V) GENERAL INSTRUCTIONS

- (a) All applicants must sign on the front page of this RSF. All corporate bodies must affix their Common Seals.
- (b) A Malaysian Revenue Stamp (NOT POSTAGE STAMP) of Ringgit Malaysia Ten (RM10.00) must be affixed on this RSF.
- (c) Any interest or other benefit accruing on or arising from or in connection with any subscription and application monies shall be for the benefit of HIB and HIB shall not be under any obligation to account for such interest or other benefit to you.
- (d) The contract arising from your acceptance of the Provisional Rights RCULS 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) HIB reserves the right to accept or reject any acceptance or application if the instructions stated above are not strictly adhered to or which are illegible.
- (f) The Rights RCULS subscribed by the Entitled Shareholders and their renounees and transferees, if applicable, will be credited into their respective CDS accounts as stated in this RSF.
- (g) You should note that all RSFs and remittances lodged with our Share Registrar will be irrevocable and cannot be subsequently withdrawn.