

**NOTICE OF PROVISIONAL ALLOTMENT**

Terms defined in the Abridged Prospectus dated 17 September 2014 (“Abridged Prospectus”) shall have the same meanings when used in this Notice of Provisional Allotment (“NPA”) unless stated otherwise.

The provisional allotted Rights ICULS 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 provisional allotted Rights ICULS with Warrants will be subject to the SICDA and the Rules of Bursa Malaysia Depository Sdn Bhd (“Bursa Depository”).



**THONG GUAN INDUSTRIES BERHAD**  
(Company No. 324203-K)  
(Incorporated in Malaysia under the Companies Act, 1965)

**RENOUNCEABLE RIGHTS ISSUE OF UP TO RM52,602,250 NOMINAL VALUE OF 5-YEAR 5.00% IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCK AT 100% OF ITS NOMINAL VALUE OF RM1.00 EACH (“ICULS”) ON THE BASIS OF ONE (1) RM1.00 NOMINAL VALUE OF ICULS FOR EVERY TWO (2) ORDINARY SHARES OF RM1.00 EACH (“RIGHTS ICULS”) IN THONG GUAN INDUSTRIES BERHAD (“TGIB” OR “COMPANY”) (“TGIB SHARE(S)”) HELD AT 5.00 P.M. ON 17 SEPTEMBER 2014 (“ENTITLEMENT DATE”) TOGETHER WITH UP TO 26,301,125 FREE NEW WARRANTS (“WARRANT(S)”) ON THE BASIS OF ONE (1) WARRANT FOR EVERY TWO (2) RIGHTS ICULS SUBSCRIBED FOR PAYABLE IN FULL UPON ACCEPTANCE BASED ON A MINIMUM SUBSCRIPTION OF 27,031,787 RIGHTS ICULS (“RIGHTS ISSUE OF ICULS WITH WARRANTS”)**

Principal Adviser



**RHB Investment Bank Berhad**  
(Company No. 19663-P)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

**To: The Shareholders of Thong Guan Industries Berhad**

Dear Sir/ Madam,

Our Board of Directors (“Board”) has provisionally allotted to you the number of Rights ICULS with Warrants as indicated below (“Provisional Allotment”), in accordance with the approval of the Bursa Malaysia Securities Berhad (“Bursa Securities”) vide its letter dated 21 April 2014, the Securities Commission Malaysia (“SC”) vide its letter dated 12 June 2014 and the ordinary resolution passed by our shareholders at the Extraordinary General Meeting held on 28 May 2014 in relation to the Rights Issue of ICULS with Warrants.

We wish to advise that the following number of Provisional Allotment in respect of the Rights Issue of ICULS 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 dated 17 September 2014 (“RSF”) issued by the Company.

The Provisional Allotment 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 Allotment are prescribed securities and as such, all dealings in the Provisional Allotment will be by way of book entries through CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository.

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

Our Board reserves the right to allot any Excess Rights ICULS with Warrants applied for under Part II of the RSF and on a fair and equitable basis and in such manner as it deems fit or expedient in the best interest of our Company. As such, it is the intention of our Board to allot the Excess Rights ICULS with Warrants in the following priority:

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, for allocation to Entitled Shareholders who have applied for the Excess Rights ICULS 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 the Excess Rights ICULS with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of Excess Rights ICULS with Warrants applied for; and
- (iv) finally, for allocation to the renounees who have applied for the Excess Rights ICULS with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of Excess Rights ICULS with Warrants applied for.

Subject always to (i), (ii), (iii) and (iv) above are achieved, our Board also reserves the right not to accept or to accept any application for Excess Rights ICULS with Warrants in part only, without assigning any reasons.

**NAME, ADDRESS AND CDS ACCOUNT NUMBER OF ENTITLED SHAREHOLDER**

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NUMBER OF TGIB SHARES HELD AT 5.00 P.M. ON 17 SEPTEMBER 2014	NUMBER OF RIGHTS ICULS PROVISIONALLY ALLOTTED TO YOU	NUMBER OF WARRANTS PROVISIONALLY ALLOTTED TO YOU	AMOUNT PAYABLE IN FULL UPON ACCEPTANCE AT 100 % NOMINAL VALUE OF RM1.00 PER RIGHTS ICULS WITH WARRANTS (RM)

**IMPORTANT RELEVANT DATES AND TIME:**

Entitlement Date .....: Wednesday, 17 September 2014 at 5.00 p.m.  
 Commencement date and time for sale of provisional allotment of rights .....: Thursday, 18 September 2014 at 9.00 a.m.  
 Last date and time for sale of provisional allotment of rights .....: Wednesday, 24 September 2014 at 5.00 p.m.  
 Last date and time for transfer of provisional allotment of rights .....: Monday, 29 September 2014 at 4.00 p.m.\*  
 Last date and time for acceptance and payment .....: Thursday, 2 October 2014 at 5.00 p.m.\*  
 Last date and time for excess application and payment .....: Thursday, 2 October 2014 at 5.00 p.m.\*

\* or such later date and time as the Board may determine and announce not less than two (2) market days before the stipulated date and time.

By Order of the Board  
**Ong Tze-En (MAICSA 7026537)**  
**Lau Yoke Leng (MAICSA 7034778)**  
 Joint Company Secretaries

Share Registrar  
**AGRITEUM Share Registration Services Sdn Bhd (578473-T)**  
 2<sup>nd</sup> Floor, Wisma Penang Garden,  
 42 Jalan Sultan Ahmad Shah,  
 10050 Penang  
 Tel: 604-228 2321  
 Fax: 604-227 2391

**THIS NOTICE OF PROVISIONAL ALLOTMENT IS DATED 17 SEPTEMBER 2014**

**WARNING: DO NOT DETACH ANY PART OF THIS DOCUMENT AND PLEASE SEND THIS DOCUMENT IN ITS ENTIRETY TO THE SHARE REGISTRAR**



**THIS RSF IS NOT A TRANSFERABLE OR NEGOTIABLE INSTRUMENT.**

**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 procedures for acceptance, payment and excess application for the Rights Issue of ICULS with Warrants should be addressed to the Share Registrar of the Company, AGRITEUM Share Registration Services Sdn Bhd at 2<sup>nd</sup> Floor, Wisma Penang Garden, 42 Jalan Sultan Ahmad Shah, 10050 Penang. **INVESTORS SHOULD READ AND UNDERSTAND THE CONTENTS OF THE ABRIDGED PROSPECTUS TO WHICH THIS RSF RELATES BEFORE COMPLETING THIS RSF IN ACCORDANCE WITH THE CAPITAL MARKETS AND SERVICES ACT 2007, THIS RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THE ABRIDGED PROSPECTUS DATED 17 SEPTEMBER 2014.**

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") is not intended to be (and will not be) issued, circulated or distributed, and the Rights Issue of ICULS 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 of ICULS with Warrants and the Abridged Prospectus, together with the NPA and the RSF comply with the laws of any countries or jurisdictions other than the laws of Malaysia. The Rights Issue of ICULS with Warrants to which the Abridged Prospectus, together with the NPA and the RSF relates, is only available to persons receiving these documents within Malaysia. Accordingly, these documents will not be despatched to entitled shareholders who do not have a registered address in Malaysia as stated in the Record of Depositors of the Company on the Entitlement Date. Any 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 renounee (as the case may be) of all or any part of their entitlements to the Rights ICULS 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 3.10 of the Abridged Prospectus. Neither the Company, RHB Investment Bank Berhad ("RHBIB") nor any other professional advisers shall accept any responsibility or liability whatsoever to any party in the event that any acceptance and/or renounee (as the case may be) of the entitlement to the Rights ICULS with Warrants made by the entitled shareholders and/or their renounee(s) (if applicable) (as the case may be) is or shall become illegal, unenforceable, voidable or void in any such countries or jurisdictions in which the entitled shareholders and/or their renounee(s) are residents.

A copy of the Abridged Prospectus has been registered with the Securities Commission Malaysia ("SC"). A copy of the Abridged Prospectus together with the NPA and the RSF has also been lodged with the Registrar of Companies who takes no responsibility for the contents of these documents.

Approvals for the Rights Issue of ICULS with Warrants have been obtained from the SC vide its letter dated 12 June 2014 and from the shareholders of TGIB through the ordinary resolution passed at the Extraordinary General Meeting held on 28 May 2014. Approval has been obtained from Bursa Malaysia Securities Berhad ("Bursa Securities") vide its letter dated 21 April 2014 for the admission of the ICULS and Warrants on the official list of Bursa Securities and for the listing of and quotation for the ICULS, Warrants and the new TGIB Shares to be issued upon the conversion of the ICULS and the exercise of Warrants on the Main Market of Bursa Securities. The official listing of and quotation for ICULS and Warrants will commence after receipt of confirmation from Bursa Malaysia Depository Sdn Bhd ("Bursa Depository") that all the Central Depository System ("CDS") accounts of the entitled shareholders and/or their renounees (if applicable) have been duly credited and notices of allotment have been despatched to the successful applicants.

Neither the SC nor Bursa Securities takes any responsibility for the correctness and accuracy of any statements made or opinions expressed herein. Admission for the said new securities to the Official List and quotation of the said securities on the Bursa Securities are in no way reflective of the merits of the Rights Issue of ICULS with Warrants.

Our Directors have seen and approved all the documentations relating to the Rights Issue of ICULS with Warrants, including the Abridged Prospectus, together with the NPA and RSF. They collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable inquiries 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 these documents false or misleading.

The provisionally allotted Rights ICULS with Warrants are prescribed securities pursuant to Section 14(5) of the Security Industry (Central Depositories) Act, 1991 and therefore, the Securities Industry (Central Depository) Act, 1991, Security Industry (Central Depositories) (Amendment) Act, 1998 and the Rules of the Bursa Depository shall apply in respect of dealings of the provisionally allotted Rights ICULS with Warrants. Unless otherwise stated, the unit of currency used in this RSF is Ringgit Malaysia ("RM") and sen. Terms defined in the Abridged Prospectus shall have the same meanings when used in this documents, unless they are otherwise defined here or other context otherwise requires.

**INSTRUCTIONS:****(I) LAST DATE AND TIME FOR ACCEPTANCE, APPLICATION FOR EXCESS RIGHTS ICULS WITH WARRANTS AND PAYMENT**

This RSF is valid for acceptance and/or application until **5.00 p.m. on Thursday, 2 October 2014**, or such later date and time as may be determined and announced by our Board. Where the closing date for acceptance is extended from the original closing date, an announcement of such extension will be made not less than two (2) market days before the stipulated date and time.

**(II) FULL OR PART ACCEPTANCE AND PAYMENT**

If you and/or your renounee(s) wish to accept all or any part of the Rights ICULS with Warrants, please complete Parts I and III of this RSF in accordance with the notes and instructions contained in this RSF, and despatch the completed and signed RSF together with the relevant remittance in RM for the full amount payable in the form of Banker's Draft(s) or Cashier's Order(s) or Money Order(s) or Postal Order(s) drawn on a bank or post office in Malaysia and must be payable to "**TGIB RIGHTS ICULS ACCOUNT**" and crossed "**ACCOUNT PAYEE ONLY**", and endorsed on the reverse side with your name in block letters together with your CDS account number, to be received by our Share Registrar, AGRITEUM Share Registration Services Sdn Bhd at 2<sup>nd</sup> Floor, Wisma Penang Garden, 42 Jalan Sultan Ahmad Shah, 10050 Penang, not later than 5.00 p.m. on Thursday, 2 October 2014 (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). The remittance must be made in the exact amount payable for the Rights ICULS with Warrants accepted (ROUNDED UP TO THE NEAREST SEN). Cheques or any other mode(s) of payment are not acceptable.

If acceptance of and payment for the Provisional Allotment are not received by our Share Registrar by 5.00 p.m. on Thursday, 2 October 2014 (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), the provisional entitlement made to you or the remainder thereof (as the case may be) will be deemed to have been declined and will be cancelled. Our Board will then reserve the right to allot such Rights ICULS with Warrants to the applicants who have applied for the Excess Rights ICULS with Warrants in the manner as set out in note (III) below.

No acknowledgement will be issued for the receipt of this RSF or application monies in respect of the acceptance of the Rights ICULS with Warrants. Notices of allotment will be despatched to the successful applicants by ordinary post at the address shown in the Record of Depositors of Bursa Depository at their own risk within eight (8) market days from the last date for acceptance and payment for the Rights ICULS with Warrants or such other period as may be prescribed by Bursa Securities. Proof of time of postage shall not constitute proof of time of receipt by our Share Registrar or our Company.

**(III) EXCESS RIGHTS ICULS WITH WARRANTS APPLICATION**

If you and/or your renounee(s)/ transferee(s) (if applicable) wish to apply for additional Rights ICULS with Warrants in excess of those provisionally allotted to you, please complete Part II of this RSF (in addition to Part I and Part III) and forward this RSF with a **separate remittance made in RM** for the full amount payable in respect of the Excess Rights ICULS with Warrants applied for, to our Share Registrar, AGRITEUM Share Registration Services Sdn Bhd at 2<sup>nd</sup> Floor, Wisma Penang Garden, 42 Jalan Sultan Ahmad Shah, 10050 Penang. Payment for the Excess Rights ICULS with Warrants applied for should be made in the same manner as described in note (II) above, with remittance in RM made in the form of Banker's Draft(s) or Cashier's Order(s) or Money Order(s) or Postal Order(s) drawn on a bank or post office in Malaysia and must be payable to "**TGIB EXCESS RIGHTS ICULS ACCOUNT**" and crossed "**ACCOUNT PAYEE ONLY**", and endorsed on the reverse side with your name in block letters together with your CDS account number, to be received by our Share Registrar not later than 5.00 p.m. on Thursday, 2 October 2014 (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). Cheques or any other mode(s) of payment are not acceptable.

No acknowledgement will be issued for receipt of this RSF or application monies in respect of the Excess Rights ICULS with Warrants application. Notices of allotment will be despatched to the successful applicants by ordinary post at the address shown in the Record of Depositors of Bursa Depository at their own risk within eight (8) market days from the last date for application and payment for the Excess Rights ICULS with Warrants or such other period as may be prescribed by Bursa Securities. Proof of time of postage shall not constitute proof of time of receipt by our Share Registrar or our Company.

In respect of unsuccessful or partially successful Excess Rights ICULS with Warrants applications, the full amount or the surplus application monies (as the case may be) will be refunded without interest and shall be despatched to you within fifteen (15) market days from the last date for application and payment for the Excess Rights ICULS with Warrants by ordinary post to the address shown in the Record of Depositors of Bursa Depository at your own risk.

Our Board reserves the right to allot any Excess Rights ICULS with Warrants applied for under Part II of the RSF and on a fair and equitable basis and in such manner as it deems fit or expedient in the best interest of our Company. As such, it is the intention of our Board to allot the Excess Rights ICULS with Warrants in the following priority:

- firstly, to minimise the incidence of odd lots;
- secondly, for allocation to Entitled Shareholders who have applied for the Excess Rights ICULS with Warrants on a pro-rata basis and in board lot, calculated based on their respective shareholdings as at the Entitlement Date;
- thirdly, for allocation to Entitled Shareholders who have applied for the Excess Rights ICULS with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of Excess Rights ICULS with Warrants applied for; and
- finally, for allocation to the renounees who have applied for the Excess Rights ICULS with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of Excess Rights ICULS with Warrants applied for.

Subject always to (a), (b), (c) and (d) above are achieved, our Board also reserves the right not to accept or to accept any application for Excess Rights ICULS with Warrants in part only, without assigning any reasons.

**(IV) SALE OR TRANSFER OF PROVISIONAL ALLOTMENT**

The Provisional Allotment is renouneable. If you wish to sell or transfer all or part of your entitlement to the Provisional Allotment to one (1) or more person(s), you may do so through your stockbroker(s) without first having to request for a split of the Provisional Allotment standing to the credit of your CDS Accounts. To sell or transfer all or part of your entitlement to the Provisional Allotment, you may sell such entitlement in the open market or transfer such entitlement to such persons as may be allowed under the Rules of Bursa Depository.

In selling or transferring all or part of your Provisional Allotment, you need not deliver this RSF or any document to your stockbroker. You are however advised to ensure that there is sufficient Provisional Allotment standing to the credit of your CDS Accounts before selling or transferring.

Renounee(s) or transferee(s) of the Provisional Allotment may obtain a copy of the Abridged Prospectus and this RSF from their stockbroker(s), our Share Registrar, our Registered Office or the website of Bursa Securities (<http://www.bursamalaysia.com>).

If you have sold or transferred only part of your Provisional Allotment, you may still accept the balance of the Provisional Allotment by completing Part I and Part III of this RSF and deliver the completed and signed RSF together with the relevant remittance to our Share Registrar in the manner as set out in note (II) above.

**(V) GENERAL INSTRUCTIONS**

- All applicants must sign on the front page of this RSF. All corporate bodies must affix their Common Seal.
- Rights ICULS with Warrants subscribed by you and/or your renounee(s)/ transferee(s) (if applicable) will be credited into your and/or your renounee(s)/ transferee(s)' respective CDS Accounts as stated in this RSF or the exact accounts appearing on Bursa Depository's Record of Depositors.
- 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.
- The contract arising from the acceptance of the Provisional Allotment and the Excess Rights ICULS with Warrants 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.
- Our Company reserves the right to accept or reject any acceptance and/or application if the instructions hereinabove stated are not strictly adhered to or which are illegible.
- You and/or your renounee(s)/ transferee(s) (if applicable) should note that all RSF and remittances lodged with our Share Registrar shall be irrevocable and cannot be subsequently withdrawn.
- Malaysian Revenue Stamp (NOT POSTAGE STAMP) of RM10.00 must be affixed on this RSF.