

**NOTICE OF PROVISIONAL ALLOTMENT OF RIGHTS SHARES**

TERMS DEFINED IN THE ABRIDGED PROSPECTUS DATED 16 MARCH 2015 ("AP") SHALL HAVE THE SAME MEANINGS WHEN USED IN THIS NOTICE OF PROVISIONAL ALLOTMENT ("NPA") UNLESS OTHERWISE STATED. THE PROVISIONALLY ALLOTTED RIGHTS SHARES (AS DEFINED HEREIN) ARE PRESCRIBED SECURITIES PURSUANT TO SECTION 14(5) OF THE SECURITIES INDUSTRY (CENTRAL DEPOSITORIES) ACT, 1991, AS AMENDED FROM TIME TO TIME ("SICDA") AND THEREFORE, SICDA AND THE RULES OF BURSA MALAYSIA DEPOSITORY SDN BHD ("BURSA DEPOSITORY") SHALL APPLY IN RESPECT OF DEALINGS IN THE PROVISIONAL RIGHTS SHARES (AS DEFINED HEREIN).



**HWA TAI INDUSTRIES BERHAD**

(Company No. 19688-V)

(Incorporated in Malaysia under the Companies Act, 1965)

**RENOUNCEABLE RIGHTS ISSUE OF UP TO 60,063,600 NEW ORDINARY SHARES OF RM0.40 EACH IN HWA TAI INDUSTRIES BERHAD ("HWA TAI") ("HWA TAI SHARE(S)") ("RIGHTS SHARE(S)") AT AN ISSUE PRICE OF RM0.40 PER RIGHTS SHARE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY TWO (2) EXISTING HWA TAI SHARES HELD AT 5.00 P.M. ON 16 MARCH 2015, BASED ON A MINIMUM SUBSCRIPTION LEVEL OF 30,031,800 RIGHTS SHARES**

*Adviser*



**PUBLIC INVESTMENT BANK BERHAD** (20027-W)

A Participating Organisation Of Bursa Malaysia Securities Berhad  
(Wholly-owned Subsidiary Of Public Bank Berhad)

**To: The Entitled Shareholders**

Dear Sir / Madam,

Our Board of Directors of Hwa Tai ("**Board**") has provisionally allotted to you the number of Rights Shares as indicated below ("**Provisional Rights Shares**"), in accordance with the approval of Bursa Malaysia Securities Berhad ("**Bursa Securities**") via its letter dated 27 May 2014 and the ordinary resolution passed by the shareholders of Hwa Tai at the Extraordinary General Meeting held on 12 November 2014 in relation to the Rights Issue.

We wish to advise you that the Rights Shares provisionally allotted to you in respect of the Rights Issue have been confirmed by Bursa Depository and will be credited into your Central Depository System ("**CDS**") Account(s) subject to the terms and conditions stated in the AP and Rights Subscription Form ("**RSF**") issued by Hwa Tai.

The Provisional Rights Shares are made subject to the terms and conditions stated in the AP. Bursa Securities has already prescribed the securities of Hwa Tai listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Rights Shares arising from the Rights Issue are prescribed securities and as such, all dealings in the Provisional Rights Shares will be by way of book entry through the CDS accounts and will be governed by the SICDA and the Rules of Bursa Depository.

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

Our Board reserves the right to accept any Excess Rights Shares application, in full or in part, without assigning any reason thereto. It is the intention of our Board to allot the Excess Rights Shares, if any, applied for under Part I(B) of the RSF on a fair and equitable basis as they deem fit and expedient and in the best interest of Hwa Tai and in the following basis of allotment:

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, after the occurrence of (i) above, for allocation to our Entitled Shareholders who have applied for the Excess Rights Shares on a pro-rata basis and in board lot, calculated based on their respective shareholdings as at the Entitlement Date;
- (iii) thirdly, after the occurrence of (i) and (ii) above, for allocation to our Entitled Shareholders who have applied for the Excess Rights Shares on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares application; and
- (iv) lastly, after the occurrence of (i), (ii) and (iii) above, for allocation to the renounee(s)/transferee(s) (if applicable) who have applied for the Excess Rights Shares on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares application.

Nevertheless, our Board reserves the right to allot any Excess Rights Shares applied for under Part I(B) of the RSF, in such manner as it deems fit and expedient in the best interest of Hwa Tai. Our Board also reserves the right to accept any Excess Rights Shares application, in full or in part, without assigning any reason thereof.

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

--

NUMBER OF SHARES HELD AS AT 5.00 P.M. ON 16 MARCH 2015	NUMBER OF RIGHTS SHARES PROVISIONALLY ALLOTTED TO YOU	AMOUNT PAYABLE IN FULL UPON ACCEPTANCE AT RM0.40 PER RIGHTS SHARE (RM)

**IMPORTANT RELEVANT DATES AND TIME**

Entitlement Date	:	Monday, 16 March 2015 at 5.00 p.m.
<b>Last date and time for:</b>		
Sale of provisional allotment of Rights Shares	:	Monday, 23 March 2015 at 5.00 p.m.
Transfer of provisional allotment of Rights Shares	:	Thursday, 26 March 2015 at 4.00 p.m.
Acceptance and payment	:	Tuesday, 31 March 2015 at 5.00 p.m.*
Excess application and payment	:	Tuesday, 31 March 2015 at 5.00 p.m.*

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

By Order of the Board

Jessica Chin Teng Li (MAICSA 7003181)  
Company Secretary

Share Registrar  
**TRICOR INVESTOR SERVICES SDN BHD (118401-V)**  
Level 17, The Gardens North Tower  
Mid Valley City, Lingkaran Syed Putra  
59200 Kuala Lumpur  
Tel No.: 603-2264 3883  
Fax No.: 603-2282 1886



## 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 DATED 16 MARCH 2015 ("AP").**

**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 should be addressed to the Share Registrar of Hwa Tai, Tricor Investor Services Sdn Bhd at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. **INVESTORS SHOULD READ AND UNDERSTAND THE CONTENTS OF THE AP TO WHICH THIS RSF RELATES BEFORE COMPLETING THIS RSF.**

Approval for the Rights Issue has been obtained from the Hwa Tai Shareholders at the EGM held on 12 November 2014. Approval has been obtained from Bursa Malaysia Securities Berhad ("Bursa Securities") via its letter dated 27 May 2014 for the listing of and quotation for the Rights Shares on the Main Market of Bursa Securities. However, this is not an indication that Bursa Securities recommends the Rights Issue. Admission to the Official List of Bursa Securities for the listing of and quotation for the Rights Shares are in no way reflective of the merits of the Rights Issue. The listing of and quotation for the Rights Shares will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS Accounts of the Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) have been duly credited with the Rights Shares allotted to them and notices of allotment have been despatched to them.

The AP, together with the Notice of Provisional Allotment ("NPA") and this RSF ("Documents") are not intended to be (and will not be) issued, circulated or distributed, and the Rights Issue is not intended to be (and will not 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. No action has been or will be taken to ensure that the Rights Issue and the Documents comply with the laws of any country or jurisdiction other than the laws of Malaysia. It shall be the sole responsibility of the Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) who are or may be subject to the laws of any country or jurisdiction other than the laws of Malaysia to consult their legal advisers and/or other professional advisers as to whether the acceptance/renunciation in any manner whatsoever of the Rights Issue would result in the contravention of any law of such country or jurisdiction. Such shareholders should note the additional terms and restrictions as set out in Section 11 of the AP. Neither Hwa Tai, the Directors, PIVB nor any other advisers to the Rights Issue shall accept any responsibility or liability in the event that any acceptance or sale/transfer of the provisional allotment of the Rights Shares made by the Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) shall become illegal, unenforceable, voidable or void in any such country or jurisdiction.

A copy of this AP has been registered with the Securities Commission Malaysia ("SC"). The registration of this AP should not be taken to indicate that the SC recommends the Rights Issue or assumes responsibility for the correctness of any statement made or opinion or report expressed in this AP. The SC has not, in any way, considered the merits of the securities being offered for investment. A copy of the Documents has also been lodged with the Registrar of Companies who takes no responsibility for the contents of the Documents.

The Documents have been seen and approved by our Board and they collectively and individually accept full responsibility for the accuracy of the information contained herein 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 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. Terms defined in the AP shall 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

This RSF is valid for acceptance until 5.00 p.m. on Tuesday, 31 March 2015 or such later date and time as our Board may decide and announce not less than two (2) market days before the stipulated date and time. Where the closing date of acceptance and payment is extended from the original closing date. If acceptance and payment(s) in the manner specified herein are not received (whether in full or in part, as the case may be) by the Share Registrar, **Tricor Investor Services Sdn Bhd at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur** by 5.00 p.m. on Tuesday, 31 March 2015 (or such later date and time as our Board may decide and announce at their absolute discretion), the said provisional allotment to you will be deemed to have been declined and will be cancelled. Our Board will then have the rights to allot such Rights Shares not taken up to applicants applying for Excess Rights Shares in the manner as set out in item (III) below.

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

If you wish to accept the Rights Shares provisionally allotted to you either in full or in part, please complete Parts I(A) and II of this RSF and submit this RSF together with the appropriate remittance made in Ringgit Malaysia by Banker's Draft(s)/Cashier's Order(s)/Money Order(s) or Postal Order(s) drawn on a bank or post office in Malaysia and made in favour of "**HWA TAI RIGHTS SHARES ACCOUNT**" and crossed "**ACCOUNT PAYEE ONLY**" and endorsed on the reverse side with your name, contact number and CDS Account number in block letters, for the full amount payable for the Rights Shares accepted, to be received by the Share Registrar, Tricor Investor Services Sdn Bhd, not later than 5.00 p.m. on Tuesday, 31 March 2015 (or such later date and time as our Board may decide and announce not less than two (2) market days before the stipulated date and time. Cheques or any other mode of payments are not acceptable.

The remittance must be made for the exact amount payable for the Rights Shares accepted. No acknowledgement of receipt of this RSF and subscription monies will be issued in respect of the Rights Shares. However, if your subscription is successful, a notice of allotment will be issued and despatched by ordinary post to you at your own risk to your registered address in Malaysia as stated in the Record of Depositors of Bursa Depository or the address in Malaysia which was provided by you to the Share Registrar for the receipt of the Documents, within eight (8) market days after the last date of acceptance and payment for the Rights Shares 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 SHARES APPLICATION

If you wish to apply for additional Rights Shares in excess of those provisionally allotted to you, you may do so by completing Part I(B) of this RSF (in addition to Parts I(A) and II of this RSF) and forwarding this RSF together with a **separate remittance** made in Ringgit Malaysia by Banker's Draft(s)/Cashier's Order(s)/Money Order(s) or Postal Order(s) drawn on a bank or post office in Malaysia and made in favour of "**HWA TAI EXCESS RIGHTS SHARES ACCOUNT**" and crossed "**ACCOUNT PAYEE ONLY**" and endorsed on the reverse side with your name, contact number and CDS Account number in block letters, for the full amount payable in respect of the Excess Rights Shares applied for, to be received by the Share Registrar, Tricor Investor Services Sdn Bhd, not later than 5.00 p.m. on Tuesday, 31 March 2015 (or such later date and time as our Board may decide and announce not less than two (2) market days before the stipulated date and time).

The remittance must be made for the exact amount payable for the Excess Rights Shares applied for. No acknowledgement of receipt of this RSF and application monies will be issued in respect of the Excess Rights Shares application. However, if your application is successful, a notice of allotment will be issued and despatched by ordinary post to you at your own risk to your registered address in Malaysia as stated in the Record of Depositors of Bursa Depository or the address in Malaysia which was provided by you to the Share Registrar for the receipt of the Documents, within eight (8) market days after the last date of acceptance and payment for the Excess Rights Shares or such other period as may be prescribed by Bursa Securities.

In respect of unsuccessful or partially successful Excess Rights Shares applications, the full amount or the balance of the application monies, as the case may be, shall be refunded without interest and shall be despatched within fifteen (15) market days after the last date for application and payment for the Excess Rights Shares by ordinary post to you at your own risk to your registered address in Malaysia as stated in the Record of Depositors of Bursa Depository or the address in Malaysia which was provided by you to the Share Registrar for the receipt of the Documents.

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

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, after the occurrence of (i) above, for allocation to the Entitled Shareholders who have applied for the Excess Rights Shares on a pro-rata basis and in board lot, calculated based on their respective shareholdings as at the Entitlement Date;
- (iii) thirdly, after the occurrence of (i) and (ii) above, for allocation to the Entitled Shareholders who have applied for the Excess Rights Shares on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares application; and
- (iv) lastly, after the occurrence of (i), (ii) and (iii) above, for allocation to the renounee(s)/transferee(s) (if applicable) who have applied for the Excess Rights Shares on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares application.

Nevertheless, our Board reserves the right to allot any Excess Rights Shares applied for under Part I(B) of this RSF, in such manner as it deems fit and expedient in the best interest of Hwa Tai. Our Board also reserves the right to accept any Excess Rights Shares application, in full or in part, without assigning any reason thereof.

#### (IV) SALE/TRANSFER OF THE PROVISIONAL ALLOTMENT

If you wish to sell or transfer all or part of your entitlement to the Rights Shares to one (1) or more person(s), you may do so through your stockbroker for the period up to the last time and day for sale or transfer of the provisionally allotted Rights Shares (in accordance with the Rules of Bursa Depository) without first having to request Hwa Tai for a split of the provisional allotment of the Rights Shares standing to the credit of your CDS Account(s). To sell or transfer all or part of your entitlement to the Rights Shares, you may sell such entitlement on the open market or transfer such entitlement to such persons as may be allowed pursuant to the Rules of Bursa Depository.

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

The renounee(s)/transferee(s) (if applicable) can collect a copy of the AP and this RSF for the acceptance of his/her/provisional allotment of Rights Shares from his/her/their stockbroker, the Registered Office of Hwa Tai or the Share Registrar's office or Bursa Securities' website at <http://www.bursamalaysia.com>.

If you have sold only part of your entitlement to the Rights Shares, you may still accept the balance of your entitlement 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) 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/application monies shall be for the benefit of Hwa Tai and Hwa Tai 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 allotment of Rights Shares 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 Company reserves the right to accept or reject any acceptance and/or application if the instructions stated above are not strictly adhered to or which are illegible.
- (f) The Rights Shares subscribed by the Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) will be credited into their respective CDS Accounts as stated on the NPA or the exact accounts appearing in Bursa Depository's records.
- (g) Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) should note that this RSF and remittances so lodged to the Share Registrar shall be irrevocable and may not subsequently be withdrawn.