

FORM OF CONVERSION NOTICE

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

Registered Office: Suite 16-1 (Penthouse Upper), Menara Penang Garden, 42A Jalan Sultan Ahmad Shah, 10050 Penang

CONVERSION NOTICE

RINGGIT MALAYSIA FIFTY TWO MILLION SIX HUNDRED AND TWO THOUSAND TWO HUNDRED AND FIFTY (RM52,602,250) NOMINAL VALUE OF FIVE(5)-YEAR 5% IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS (“ICULS”)

- TENURE OF ICULS : Five (5) years from and inclusive the date of issue of the ICULS.
- MATURITY DATE : The date occurring on the fifth (5th) anniversary of the date of issue of the ICULS, being the 10 day of October, 2019, provided that where such date falls on a date that is not a Market Day, it shall be deemed to fall on the Market Day immediately preceding such date.
- CONVERSION PRICE : Subject to Condition 9 of the Trust Deed, the Conversion Price of the ICULS is RM1.00 nominal amount of ICULS for one (1) New Share in the Company. The Conversion Price shall be satisfied in the manner set out in Condition 8 of the Second Schedule of the Trust Deed.
- CONVERSION PERIOD : The ICULS shall be convertible into New Shares of the Company on any Market Day from and including the date of the second (2nd) anniversary of the date of issuance of the ICULS and up to and including the Maturity Date.

Terms defined in the Trust Deed but not specifically defined herein shall, unless the context otherwise requires, have the same meanings when used in this Conversion Notice.

PARTICULARS OF ICULS HOLDER

- Name of Depositor :
- Old NRIC/Passport./Armed Forces/
Police Personnel/Company No. :
- New NRIC No. : - -
- Address :
- Telephone/Contact No. : Office Home:

All information given above must be as per information in the records of Bursa Malaysia Depository Sdn. Bhd. (165570-W) (“Bursa Depository”).

TO : THONG GUAN INDUSTRIES BERHAD (the “Company”)

I/We, the undersigned, being the registered holder(s) of the ICULS:-

- i. hereby confirm and declare that all information provided by me/us herein are true and correct;
- ii. hereby confirm and declare that my/our aforesaid information is identical with the information in the records of Bursa Depository with regard to my/our Securities Account and further agree and confirm that in the event the information aforesaid differs from the information in Bursa Depository’s records as mentioned earlier, the exercise of my/our rights hereunder may be rejected;
- iii. hereby exercise my/our Conversion Rights in respect of Ringgit Malaysia _____ (RM _____) nominal amount of the ICULS in accordance with the Trust Deed;
- iv. hereby agree to accept all the New Shares in the Company upon the exercise of the Conversion Rights subject to the Memorandum and Articles of Association of the Company;
- v. hereby authorize you to instruct Bursa Depository to debit the quantity(ies) of the ICULS specified above from my/our Securities Account(s) as specified below and credit the New Shares respectively into my/our Securities Account as specified below in exercise of my/our Conversion Rights.

**SOURCE ACCOUNT FOR DEBITING ICULS
AND TARGETED ACCOUNT FOR CREDITING NEW SHARES**

Number of ICULS to be debited

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|--|--|--|--|--|--|--|--|--|--|--|--|--|

Number of New Shares to be credited

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|--|--|--|--|--|--|--|--|--|--|--|--|--|
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|--|--|--|--|--|--|--|--|--|--|--|--|--|

CDS Account Number

| | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
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* Please refer to Note 2 below

- vi. hereby confirm that the ICULS intended for the exercise of the Conversion Rights are or have been designated as "free securities" in my/our Securities Account;
- vii. hereby authorize you to despatch the notice of allotment to me/us within eight (8) Market Days (subject to the requirements of the relevant authorities) at my/our risk to the correspondence address mentioned herein;
- viii. hereby confirm that after lodging of this Conversion Notice to the Company, I/we shall not dispose, transfer or charge the ICULS intended for the exercise of the Conversion Rights herein, until the exercise is completed by the debiting of the ICULS from my/our Securities Account(s) or the exercise is rejected by the Company, whichever shall be applicable.

I/We hereby make payment in full for the New Shares by utilizing Ringgit Malaysia _____
_____ "NOT APPLICABLE" _____ (RM _____.)
nominal amount of the ICULS standing to the credit of my Securities Account and the payment of balance for the New Shares by way of a Banker's Cheque or Cashier's Order or Postal Order for Ringgit Malaysia _____,
being the cash amount for the conversion.

I/We declare and agree that I/we have complied with all exchange control requirements, and other legal requirements applicable to the exercise of the Conversion Rights.

Signature of ICULS Holder:-

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Date:

Notes:-

- 1. No ICULS certificate will be issued to the ICULS Holder as a result of the exercise of the Conversion Rights herein.
- 2. No ICULS Holder will be allowed to instruct crediting of new ordinary shares into a Securities Account other than those from which the ICULS/securities are to be debited.
- 3. In the case of a corporation, this notice must be under the common seal or the hand of an officer or attorney of the corporation duly authorized on that behalf.
- 4. In the case of joint holding, all joint holders must sign. Bursa Depository does not recognise joint account holders. In view of this, kindly indicate the number of New Shares to be deposited in the respective Securities Account(s) of the individual joint holders. For the avoidance of doubt, if no Securities Account number is provided, any exercise or purported exercise of the Conversion Rights shall be deemed to be invalid.
- 5. All ICULS the Conversion Rights of which are not exercised by 5:00 p.m. on the last day of the Conversion Period shall be automatically converted into New Shares in accordance with Condition 8 of Second Schedule of the Trust Deed.
- 6. All ICULS Holders are required to pay a service charge to "AGRITEUM Share Registration Services Sdn Bhd" of **RM21.20** (including GST) for debiting of the ICULS and crediting of the New Shares.

REGISTRAR AND TRANSFER OFFICE: - AGRITEUM Share Registration Services Sdn Bhd (Company No. 578473-T),
2nd Floor, Wisma Penang Garden
42, Jalan Sultan Ahmad Shah
10050 Penang
Tel No: 04-2282321