

**NOTICE OF PROVISIONAL ALLOTMENT**

TERMS DEFINED IN THE ABRIDGED PROSPECTUS DATED 21 FEBRUARY 2018 ("ABRIDGED PROSPECTUS") SHALL HAVE THE SAME MEANINGS WHEN USED IN THIS NOTICE OF PROVISIONAL ALLOTMENT ("NPA") UNLESS OTHERWISE STATED. THE PROVISIONAL RIGHTS WITH BONUS ISSUE AND WARRANTS AS CONTAINED IN THIS 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 WITH BONUS ISSUE AND WARRANTS.



**ENGINEERS**

**HSS ENGINEERS BERHAD**

*(Company No.: 1128564-U)*

*(Incorporated in Malaysia under the Companies Act 1965 and deemed registered under the Companies Act 2016)*

RENOUNCEABLE RIGHTS ISSUE OF UP TO 31,908,101 NEW ORDINARY SHARES IN HSS ENGINEERS BERHAD ("HEB") ("HEB SHARES") ("RIGHTS SHARES") ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TEN (10) HEB SHARES HELD AS AT 5.00 P.M. ON 21 FEBRUARY 2018 AT AN ISSUE PRICE OF RM1.30 PER RIGHTS SHARE TOGETHER WITH A BONUS ISSUE OF UP TO 15,954,050 NEW HEB SHARES ("BONUS SHARES") ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY TWO (2) RIGHTS SHARES SUBSCRIBED AND UP TO 47,862,151 FREE DETACHABLE WARRANTS ("WARRANTS") ON THE BASIS OF THREE (3) WARRANTS FOR EVERY TWO (2) RIGHTS SHARES SUBSCRIBED ("RIGHTS WITH BONUS ISSUE AND WARRANTS")

*Principal Adviser*



Maybank Investment Bank Berhad (19638-H)  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

*Financial Adviser*



NEWFIELDS

**Newfields Advisors Sdn Bhd (296051-V)**

*(A Corporate Finance Adviser licensed by Securities Commission Malaysia)*

**To: The Shareholders of HEB**

Dear Sir/Madam,

The Board of Directors of HEB ("Board") has provisionally allotted to you the number of Rights with Bonus Issue and Warrants as indicated below ("Provisional Rights with Bonus Issue and Warrants"), in accordance with the approval of Bursa Malaysia Securities Berhad ("Bursa Securities") vide its letter dated 11 January 2018, and the resolutions passed by the shareholders of HEB at the extraordinary general meeting ("EGM") held on 30 January 2018.

We wish to advise that the Provisional Rights with Bonus Issue and Warrants in respect of the Rights with Bonus Issue and Warrants 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 as stated in the Abridged Prospectus and the accompanying Rights Subscription Form. Bursa Securities has prescribed the Rights Shares, Bonus Shares and Warrants to be listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Provisional Rights with Bonus Issue and Warrants are prescribed securities and as such, all dealings in the Provisional Rights with Bonus Issue and Warrants will be by book entries through the CDS accounts and will be governed by the SICDA and the Rules of Bursa Depository.

**ALL RIGHTS SHARES, BONUS SHARES AND WARRANTS TO BE ISSUED PURSUANT TO THE RIGHTS WITH BONUS ISSUE AND WARRANTS WILL BE ALLOTTED BY WAY OF CREDITING THE RIGHTS SHARES, BONUS SHARES AND WARRANTS INTO THE CDS ACCOUNTS OF THE SHAREHOLDERS OF HEB WHOSE NAMES APPEAR IN THE RECORD OF DEPOSITORS OF HEB ON THE ENTITLEMENT DATE ("ENTITLED SHAREHOLDERS") AND/OR THEIR RENOUNCEE(S) AND/OR TRANSFEREE(S), IF APPLICABLE. NO PHYSICAL SHARE OR WARRANT CERTIFICATES WILL BE ISSUED.**

It is the intention of the Board to allot the Excess Rights with Bonus Issue and Warrants, if any, in a fair and equitable manner in the following order of priority:

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, to the Entitled Shareholders who have applied for the Excess Rights with Bonus Issue and Warrants, on a pro-rata basis and in board lots, calculated based on their respective shareholdings as per their CDS Accounts on the Entitlement Date;
- (iii) thirdly, to the Entitled Shareholders who have applied for the Excess Rights with Bonus Issue and Warrants, on a pro-rata basis and in board lots, calculated based on the quantum of Excess Rights with Bonus Issue and Warrants, applied for; and
- (iv) lastly, to the renounees/transferees who have applied for the Excess Rights with Bonus Issue and Warrants, on a pro-rata basis and in board lots, calculated based on the quantum of Excess Rights with Bonus Issue and Warrants, applied for.

In the event of any balance of Excess Rights with Bonus Issue and Warrants after steps (i), (ii), (iii) and (iv) are completed, steps (ii), (iii) and (iv) will be repeated to allocate the balance Excess Rights with Bonus Issue and Warrants until such balance is exhausted.

Nevertheless, the Board reserves the right to allot the Excess Rights with Bonus Issue and Warrants applied for in such manner as the Board deems fit and expedient, and in the best interest of the Company, subject always to such allocation being made in a fair and equitable manner, and that the intention of the Board as set out in steps (i) to (iv) above is achieved.

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

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NUMBER OF HEB SHARES HELD AS AT 5.00 P.M. ON 21 FEBRUARY 2018	NUMBER OF RIGHTS SHARES PROVISIONALLY ALLOTTED TO YOU	NUMBER OF BONUS SHARES ATTACHED TO RIGHTS SHARES PROVISIONALLY ALLOTTED TO YOU	NUMBER OF WARRANTS ATTACHED TO RIGHTS SHARES PROVISIONALLY ALLOTTED TO YOU	AMOUNT PAYABLE IN FULL UPON ACCEPTANCE AT RM1.30 PER RIGHTS SHARE (RM)

**IMPORTANT RELEVANT DATES AND TIME:**

Entitlement Date for the Rights with Bonus Issue and Warrants ..... : Wednesday, 21 February 2018 at 5.00 p.m.

**Last date and time for:**

Sale of the Provisional Rights with Bonus Issue and Warrants ..... : Wednesday, 28 February 2018 at 5.00 p.m.

Transfer of the Provisional Rights with Bonus Issue and Warrants ..... : Monday, 5 March 2018 at 4.00 p.m.

Acceptance and payment for the Provisional Rights with Bonus Issue and Warrants ..... : Thursday, 8 March 2018 at 5.00 p.m.

Excess application and payment for the Excess Rights with Bonus Issue and Warrants ..... : Thursday, 8 March 2018 at 5.00 p.m.

By Order of the Board

**TAI YIT CHAN (MAICSA 7009143)**  
**TAN AI NING (MAICSA 7015852)**  
**NG KUAN YEE (MIA 17693)**  
 Company Secretaries

Registrar:

**Tricor Investor & Issuing House Services Sdn Bhd (11324-H)**  
 Unit 32-01, Level 32  
 Tower A, Vertical Business Suite  
 Avenue 3, Bangsar South  
 No. 8, Jalan Kerinchi  
 59200 Kuala Lumpur  
 Tel no.: 03 - 2783 9299  
 Fax no.: 03 - 2783 9222



## NOTES AND INSTRUCTIONS FOR COMPLETION OF 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, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY. ALL ENQUIRIES CONCERNING THE RIGHTS WITH BONUS ISSUE AND WARRANTS SHOULD BE ADDRESSED TO THE REGISTRAR, TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD, UNIT 32-01, LEVEL 32, TOWER A, VERTICAL BUSINESS SUITE, AVENUE 3, BANGSAR SOUTH, NO. 8, JALAN KERINCHI, 59200 KUALA LUMPUR OR ALTERNATIVELY, AT TRICOR CUSTOMER SERVICE CENTRE AT UNIT G-3, GROUND FLOOR, VERTICAL PODIUM, AVENUE 3, BANGSAR SOUTH, NO. 8, JALAN KERINCHI, 59200 KUALA LUMPUR. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE ABRIDGED PROSPECTUS TO WHICH THIS RSF RELATES BEFORE COMPLETING AND SIGNING THIS RSF.**

The Abridged Prospectus together with the notice of provisional allotment and this RSF (collectively referred to as the "Documents") are only despatched to the shareholders of HEB who have a registered address in Malaysia and whose names appear in the Record of Depositors at 5.00 p.m. on 21 February 2018. Entitled Shareholders who do not have a registered address in Malaysia and wish to provide their Malaysian address, should inform their respective stockbrokers or Tricor to effect the change of address by 21 February 2018. The Documents are not intended to be (and will not be) issued, circulated or distributed in any country or jurisdiction other than Malaysia and no action has been or will be taken to ensure that either the Rights with Bonus Issue and Warrants or the Documents comply with the laws related to public offerings of any country or jurisdiction where action for such purpose is required, other than the laws of Malaysia. Entitled Shareholders and/or their renounee(s) and/or transferee(s), 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 with Bonus Issue and Warrants, application for the Excess Rights with Bonus Issue and Warrants or the subscription, offer, sale, resale, pledge or other transfer of the Provisional Rights with Bonus Issue and Warrants would result in the contravention of any laws of such countries or jurisdictions. HEB, the Principal Adviser or any other advisers to the Rights with Bonus Issue and Warrants shall not accept any responsibility or liability in the event that any acceptance or renunciation (as the case may be) of the Provisional Rights with Bonus Issue and Warrants, application for the Excess Rights with Bonus Issue and Warrants, or the subscription, offer, sale, resale, pledge or other transfer of the Provisional Rights with Bonus Issue and Warrants made by any Entitled Shareholders and/or their renounee(s) and/or transferee(s), if applicable, is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions in which the said Entitled Shareholders and/or their renounee(s) and/or transferee(s), if applicable, are residents.

The shareholders have approved, among others, the Rights with Bonus Issue and Warrants at the EGM held on 30 January 2018. Bursa Securities had, vide its letter dated 11 January 2018, approved the admission and initial listing and quotation of the Warrants and the listing of and quotation for the Rights Shares, Bonus Share and new HEB Shares to be issued upon exercise of the Warrants on the Main Market of Bursa Securities. The approval from Bursa Securities is in no way reflective of the merits of the Rights with Bonus Issue and Warrants and does not indicate that Bursa Securities recommends the Rights with Bonus Issue and Warrants. The listing of and quotation for the Rights Shares, Bonus Share and Warrants will commence after, among others, receipt of confirmation from Bursa Depository that all CDS accounts of the successful Entitled Shareholders and/or their renounee(s) and/or transferee(s), if applicable, have been duly credited with the Rights Shares, Bonus Share and Warrants allotted to them and notices of allotment have been despatched to them.

The Abridged Prospectus has been registered by the Securities Commission Malaysia ("SC"). The registration of the Abridged Prospectus should not be taken to indicate that the SC recommends the Rights with Bonus Issue and Warrants 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 securities being offered for investment. A copy of the Documents have also been lodged with the Registrar of Companies who takes no responsibility for the contents of the Documents.

The Board has seen and approved the Documents. The Board collectively and individually accepts full responsibility for the accuracy of the information given and confirms that, after having made all reasonable enquiries and to the best of the Board's knowledge and belief, there are no false or misleading statements or other facts which, if omitted, would make any statement in the Documents 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 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 8 March 2018 ("Closing Date").

If acceptance and payment for the Provisional Rights with Bonus Issue and Warrants in the manner specified in this RSF are not received (whether in full or in part) by the Registrar for the Rights with Bonus Issue and Warrants as detailed below, by 5.00 p.m. on the Closing Date, your and/or your renounee(s) and/or transferee(s), if applicable, Provisional Rights with Bonus Issue and Warrants will be deemed to have been declined and will be cancelled. Such Provisional Rights with Bonus Issue and Warrants not taken up will be allotted to the applicants applying for the Excess Rights with Bonus Issue and Warrants, if the Rights with Bonus Issue and Warrants are not fully taken up in the manner as set out in Note (III) below.

**Tricor Investor & Issuing House Services Sdn Bhd** or alternatively at **Tricor Customer Service Centre**  
Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur No. 8, Jalan Kerinchi, 59200 Kuala Lumpur  
Telephone No: 03-2783 9299, Facsimile No: 03-2783 9222

#### (II) FULL OR PART ACCEPTANCE OF THE PROVISIONAL RIGHTS WITH BONUS ISSUE AND WARRANTS

If you wish to accept your entitlement to the Provisional Rights with Bonus Issue and Warrants, either in full or in part, please complete Parts I(A) and II of this RSF in accordance with the notes and instructions contained in the RSF. Each completed RSF must be accompanied by remittance in RM for the full and exact amount payable in respect of the Provisional Rights with Bonus Issue and 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 and made payable to "HEB RIGHTS ACCOUNT", crossed "A/C PAYEE ONLY" and endorsed on the reverse side with your name, contact number and CDS Account number, to be received by the Registrar for the Rights with Bonus Issue and Warrants at the address set out above, on or before the Closing Date.

If acceptance and payment for the Provisional Rights with Bonus Issue and Warrants allotted to you (whether in full or in part) are not received by the Registrar for the Rights with Bonus Issue and Warrants by 5.00 p.m. on the Closing Date, such Provisional Rights with Bonus Issue and Warrants will be deemed to have been declined and will be cancelled. The Board will then have the right to allot such Rights with Bonus Issue and Warrants not taken up to applicants applying for Excess Rights with Bonus Issue and Warrants in the manner as stated in Note (III) below.

The payment must be made for the exact amount payable for the Provisional Rights with Bonus Issue and Warrants accepted. Any acceptance accompanied by excess or insufficient payment or payment in the manner other than stated above may or may not be accepted at the absolute discretion of the Board. No acknowledgement will be issued for the receipt of this RSF or the accompanying subscription monies in respect of the Rights with Bonus Issue and Warrants. However, if your subscription 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 WITH BONUS ISSUE AND WARRANTS

If you wish to apply for Excess Rights with Bonus Issue and Warrants in addition to your Provisional Rights with Bonus Issue and Warrants, please complete Part I(B) of this RSF (in addition to Parts I(A) and II). Each completed application for Excess Rights with Bonus Issue and Warrants must be accompanied by a **separate remittance** in RM for the full and exact amount payable in respect of the Excess Rights with Bonus Issue and Warrants applied for, 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 and made payable to "HEB EXCESS ACCOUNT", crossed "A/C PAYEE ONLY" and endorsed on the reverse side with your name, contact number and CDS Account number, to be received by the Registrar for the Rights with Bonus Issue and Warrants at the address set out above, on or before the Closing Date.

The payment must be made for the exact amount payable for the Excess Rights with Bonus Issue and Warrants applied for. Any application accompanied by excess or insufficient payment or payment in the manner other than stated above may or may not be accepted at the absolute discretion of the Board. No acknowledgement will be issued for the receipt of this RSF or the accompanying application monies in respect of the Excess Rights with Bonus Issue and Warrants. However, if your application for Excess Rights with Bonus Issue and Warrants 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 acceptance of the Provisional Rights with Bonus Issue and Warrants and Excess Rights with Bonus Issue and Warrants applications, the full amount or the surplus of the application monies, as the case may be, will be refunded without interest and shall 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 the Board to allot the Excess Rights with Bonus Issue and Warrants, if any, in a fair and equitable manner in the following order of priority:

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, to the Entitled Shareholders who have applied for the Excess Rights with Bonus Issue and Warrants, on a pro-rata basis and in board lots, calculated based on their respective shareholdings as per their CDS Accounts on the Entitlement Date;
- (iii) thirdly, to the Entitled Shareholders who have applied for the Excess Rights with Bonus Issue and Warrants, on a pro-rata basis and in board lots, calculated based on the quantum of Excess Rights with Bonus Issue and Warrants, applied for; and
- (iv) lastly, to the renounees/transferees who have applied for the Excess Rights with Bonus Issue and Warrants, on a pro-rata basis and in board lots, calculated based on the quantum of Excess Rights with Bonus Issue and Warrants, applied for.

In the event of any balance of Excess Rights with Bonus Issue and Warrants after steps (i), (ii), (iii) and (iv) are completed, steps (ii), (iii) and (iv) will be repeated to allocate the balance Excess Rights with Bonus Issue and Warrants until such balance is exhausted.

Nevertheless, the Board reserves the right to allot the Excess Rights with Bonus Issue and Warrants applied for in such manner as the Board deems fit and expedient, and in the best interest of the Company, subject always to such allocation being made in a fair and equitable manner, and that the intention of the Board as set out in steps (i) to (iv) above is achieved.

#### (IV) SALE OR TRANSFER OF THE PROVISIONAL RIGHTS WITH BONUS ISSUE AND WARRANT

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

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

Renounee(s) and/or transferee(s), if applicable, of the Provisional Rights with Bonus Issue and Warrants may obtain a copy of the Abridged Prospectus and this RSF from their stockbrokers, the Registrar for the Rights with Bonus Issue and Warrants, the Head Office of HEB or Bursa Securities' website at <http://www.bursamalaysia.com>.

If you have sold or transferred only part of your Provisional Rights with Bonus Issue and Warrants, you may still accept the balance of your Provisional Rights with Bonus Issue and Warrants 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 may 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/or application monies shall be for the benefit of HEB and HEB 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 with Bonus Issue and Warrants 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) HEB 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 with Bonus Issue and Warrants subscribed by the Entitled Shareholders and/or their renounee(s) and/or transferee(s), if applicable, will be credited into their respective CDS accounts where the Provisional Rights with Bonus Issue and Warrants have been credited.
- (g) Entitled Shareholders and/or their renounee(s) and/or transferee(s), if applicable, should note that this RSF and remittances so lodged with the Registrar for the Rights with Bonus Issue and Warrants will be irrevocable and cannot be subsequently withdrawn.