

THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to take, you should consult your stockbroker, solicitor, accountant, banker or other professional adviser immediately.

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KNM GROUP BERHAD

(Company No. 521348-H)
(Incorporated in Malaysia)

NOTICE TO WARRANT HOLDERS

IN RELATION TO

**THE EXPIRY AND THE LAST DATE FOR THE EXERCISE OF WARRANTS 2015/2020
("Warrants B")**

**STOCK NAME: KNM-WB
STOCK CODE: 7164WB**

IMPORTANT RELEVANT DATES

| | | |
|--|---|---------------------------------------|
| Last date and time for trading of Warrants B | : | Friday, 3 April 2020 at 5.00 p.m. |
| Date and time of suspension of trading of Warrants B | : | Monday, 6 April 2020 at 9.00 a.m. |
| Last date and time for transfer into depositor's CDS Account | : | Tuesday, 14 April 2020 at 4.30 p.m. |
| Last date and time for exercise of Warrants B | : | Tuesday, 21 April 2020 at 5.00 p.m. |
| Date and time of expiry of Warrants B | : | Tuesday, 21 April 2020 at 5.00 p.m. |
| Date and time for delisting of Warrants B | : | Wednesday, 22 April 2020 at 9.00 a.m. |

This Notice is dated 20 March 2020

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Notice:

| | | |
|----------------------------------|---|--|
| Board | : | Board of directors of KNM |
| Bursa Depository | : | Bursa Malaysia Depository Sdn Bhd (165570-W) |
| Bursa Securities | : | Bursa Malaysia Securities Berhad (635998-W) |
| CDS | : | Central Depository System |
| Deed Poll | : | The Deed Poll dated 13 March 2015 executed by KNM constituting the Warrants B |
| Exercise Period | : | The period commencing on and including the date of the issue of the Warrants B and ending at the close of business at 5.00 p.m. on the Expiry Date |
| Exercise Price | : | The sum of RM1.00 payable in respect of each new KNM Share for which a Warrant Holder is entitled to subscribe upon exercise of the Exercise Rights |
| Exercise Rights | : | The rights of a Warrant Holder to subscribe for the number of new KNM Shares arising from its Warrants B at the Exercise Price on any Market Day during the Exercise Period upon the terms and subject to the terms and conditions of the Deed Poll |
| Expiry Date | : | The date of expiry of the Warrants B, being Tuesday, 21 April 2020, in accordance with the provisions of the Deed Poll |
| KNM Shares | : | Ordinary shares of KNM |
| Market Day | : | The day on which the stock market of Bursa Securities is open for trading of securities |
| Share Registrar | : | Boardroom Share Registrars Sdn Bhd (378993-D) |
| Record of Depositors | : | The record provided by Bursa Depository to the Company under the Rules of Bursa Depository |
| RM and Sen | : | Ringgit Malaysia and sen respectively |
| Warrants 2015/2020 or Warrants B | : | 161,578,504 outstanding warrants carrying the right to subscribe for the number of new KNM Shares arising from each warrants at the Exercise Price during the Exercise Period upon the terms and subject to the terms and conditions under the Deed Poll |
| Warrant Holders | : | Any person for the time being holding Warrants B in KNM and including depositors whose name appears in the Record of Depositors as holder(s) of the Warrants B |
| KNM or the Company | : | KNM Group Berhad (521348-H) |

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Notice to any statute is a reference to that statute as for the time being amended or re-enacted. Any reference to a time of day in this Notice shall be a reference to Malaysian time, unless otherwise specified.

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KNM GROUP BERHAD
(Company No. 521348-H)
(Incorporated in Malaysia)

Registered Office
15 Jalan Dagang SB 4/1
Taman Sungai Besi Indah
43300 Seri Kembangan
Selangor Darul Ehsan

20 March 2020

Directors

Dato' Ab Halim bin Mohyiddin, *Independent Non-Executive Chairman*
Ir Lee Swee Eng, *Group Chief Executive Officer/Executive Director*
Madam Gan Siew Liat, *Senior Executive Director*
Dato' Dr Khalid bin Ngah, *Senior Independent Non-Executive Director*
Madam Soh Yoke Yan, *Independent Non-Executive Director*

To : The Warrant Holders of KNM Group Berhad

Dear Sir / Madam,

EXPIRY AND LAST DATE FOR THE EXERCISE OF WARRANTS 2015/2020 ("WARRANTS B")

NOTICE IS HEREBY GIVEN THAT pursuant to the terms and conditions stipulated in the Deed Poll governing the Warrants B, the Exercise Rights of the Warrants B will expire at 5.00 p.m. on Tuesday, 21 April 2020.

Warrant Holders should note that Warrants B which are not exercised by 5.00 p.m. on the Expiry Date will lapse and become null and void and cease to be exercisable thereafter. Accordingly, the Warrants B will be removed from the Official List of Bursa Securities with effect from 9.00 a.m. on Wednesday, 22 April 2020.

The number of outstanding Warrants B as at 6 March 2020, being the latest practicable date prior to the printing of this Notice is 161,578,504.

Warrant Holders are therefore advised to read carefully the procedures set out below:-

1. SUSPENSION OF TRADING AND LAST DAY FOR TRADING

To facilitate the exercise of the rights of the Warrants B, trading of the Warrants B on Bursa Securities will be suspended with effect from 9.00 a.m. on Monday, 6 April 2020 up to the Expiry Date. Hence, the last day of trading of the Warrants B will be at 5.00 p.m. on Friday, 3 April 2020.

2. EXERCISE PRICE

The Exercise Price of the Warrants B is RM1.00 for each new KNM Share. For example, if you exercise 100 Warrants B into 100 new KNM Shares, the aggregate exercise price will be RM100.00.

3. PAYMENT OF EXERCISE PRICE

The remittance for the Exercise Price must be made in full and payable in Ringgit Malaysia by way of banker's draft or cashier's order drawn on a bank operating in Malaysia made out in favour of "**KNM GROUP BERHAD**" crossed "A/C Payee Only" and endorsed on the reverse side with the name, address, identity/passport number/company registration number (whichever is applicable) and the CDS account number of the Warrant Holder.

4. EXERCISE OF EXERCISE RIGHTS

If you are a Warrant Holder and wish to exercise your Exercise Rights, you should:

- (i) complete and sign the enclosed Warrants B Exercise Form. Additional copies of the subscription form can be obtained from the Share Registrar as stated in Section 8 below; and
- (ii) deliver to the Company's Share Registrar, the following documents no later than 5.00 p.m. on the Expiry Date:-
 - (a) the duly completed and signed Warrants B Exercise Form;
 - (b) remittance for the full Exercise Price in accordance to instruction stated in Sections 2 and 3 above;
 - (c) remittance of a processing fee of RM10.60 (inclusive of 6% SST) for each Warrants B Exercise form submitted, payable by cheque drawn on a bank operating in Malaysia and made out in favour of "**BOARDROOM SHARE REGISTRARS SDN BHD**" crossed "A/C Payee Only"; and
 - (d) photocopy of the NRIC/passport/Certificate of Incorporation (whichever is applicable) of the Warrant Holder.

Within eight (8) Market Days of the date of receipt of the Warrants B Exercise Form together with requisite payment (or such other period as may be prescribed by Bursa Securities), the Company shall:

- (i) issue and allot the new KNM Shares arising from the exercise of the Warrants B;
- (ii) despatch the notices of allotment to the Warrant Holders; and
- (iii) make an application to Bursa Securities for the quotation of such new KNM Shares issued arising from the exercise of the Warrants B.

All the new KNM Shares arising from the exercise of the Warrants B will be credited into the CDS account of the Warrant Holders with Bursa Depository as fully paid-up and will rank in all respects *pari passu* with the existing KNM Shares except that they shall not rank for any dividends, rights, allotments and/or other distributions where the entitlement date precedes the relevant date of allotment and issuance of such new KNM Shares.

5. BOOK CLOSURE DATE

Warrant Holders should note that apart from the provisions contained in the Deed Poll, the following provisions of Bursa Depository will apply to the Warrants B:-

- (i) Bursa Depository will not accept any request for transfer of the Warrants B for the period commencing from 4.30 p.m. on Tuesday, 14 April 2020 up to the Expiry Date;
- (ii) Warrant Holders shall qualify for entitlement to subscribe for new KNM Shares only in respect of the following:

- (a) Warrants B transferred into the depositor's CDS Account before 4.30 p.m. on Tuesday, 14 April 2020 in respect of transfers; or
 - (b) Warrants B bought on Bursa Securities on or before Friday, 3 April 2020 at 5.00 p.m., being the last day of trading of the Warrants B.
- (iii) All unexercised Warrants B remaining in the depositor's CDS Account as at 5.00 p.m. on the Expiry Date, will be debited from the respective depositors' CDS Account on Wednesday, 22 April 2020.

6. EXPIRY OF EXECISE RIGHTS

Warrant Holders should note that if their Warrants B are not exercised by 5.00 p.m. on Tuesday, 21 April 2020, being the last date and time for the exercise of the Warrants B, the Warrants B will lapse and become null and void, and will thereafter cease to be exercisable thereafter.

7. DIRECTORS' RESPONSIBILITY STATEMENT

This Notice has been seen and approved by the Board, and they collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Notice false or misleading.

8. CONTACT DETAILS FOR ENQUIRIES

All enquiries concerning the above should be addressed to the Company's Share Registrar at:

Boardroom Share Registrars Sdn Bhd (378993-D)
11th Floor Menara Symphony
No. 5 Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor, Malaysia
Tel : 603 7890 4700 Fax : 603 7890 4670

Yours faithfully
For and on behalf of the Board

KNM GROUP BERHAD
IR LEE SWEE ENG
Group Chief Executive Officer/Executive Director

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EXERCISE FORM IN RESPECT OF **161,578,504**
WARRANTS 2015/2020 ("**WARRANTS B**") TO SUBSCRIBE FOR NEW SHARES IN
KNM GROUP BERHAD
(Company No. 521348-H)

Warrants' Expiry Date: 21 April 2020

Particulars of Depositor (To be completed)

| | | |
|--|---|--|
| Name of Depositor | : | |
| Old NRIC/Passport/Armed Forces/ Police Personnel/Registration No. | : | |
| New NRIC No. | : | |
| Correspondence address of Depositor | : | |
| Contact Number | : | |

Note : All information given above must be the same as information contained in the records of Bursa Malaysia Depository Sdn Bhd ("Bursa Depository")

To the Registrar : Boardroom Share Registrars Sdn Bhd (Company No. 378993-D)
11th Floor Menara Symphony
No. 5 Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor, Malaysia
Tel : 603 7890 4700 Fax : 603 7890 4670

Name of Issuer : KNM GROUP BERHAD (Company No. 521348-H)

I/We the undersigned **DO HEREBY**:

- I exercise my/our Exercise Rights in respect of Warrants B and subscribe for new ordinary shares in KNM Group Berhad as specified below in accordance with the Conditions specified in the Second Schedule of the Deed Poll relating to the Warrants B;
- II make full payment of the following:-
 - (a) Exercise Price of RM by delivering a *banker's draft/cashier's order/money order/postal order No. dated in the sum of RM and made payable to **KNM Group Berhad**; and
 - (b) Processing fee of **RM10.60 (inclusive of 6% GST)** by way of *banker's draft/cashier's order/money order/postal order No. dated made payable to **Boardroom Share Registrars Sdn Bhd**;
- III confirm and declare that all information provided by me/us herein is true and accurate;
- IV confirm and declare that the information indicated pertaining to my/our particulars as set out above is identical with the information in the records of Bursa Depository with regard to my/our CDS Account(s) and further agree and confirm that in the event the information aforesaid differs from the information in Bursa Depository's aforesaid records, the exercise of my/our rights hereunder may be rejected;
- V authorise you to instruct Bursa Depository to debit the quantity(ies) of securities specified below from my/our CDS Account(s) in the exercise of my/our rights as specified below in accordance with the Conditions specified in the Second Schedule of the Deed Poll in respect of the Warrants B;
- VI confirm that the securities specified below intended for the exercise of rights are designated as "free securities" in my/our CDS Accounts;



- VII where I/we am/are entitled to receive new shares upon the exercise of my/our rights herein, I/we authorise you to instruct Bursa Depository to credit the quantities of new shares specified below into my/our CDS Accounts stated below and for the notice of allotment to be despatched to me/us at my/our risk to the correspondence address mentioned herein;
- VIII confirm that after the submission of this form to the Issuer, I/we shall not dispose, transfer, charge or in any way deal in the securities intended for the exercise of rights herein, until the exercise is completed by the debiting of the securities from my/our CDS Account(s) or the exercise is rejected by the Issuer, whichever shall be applicable; and
- IX undertake to fully indemnify and keep the Issuer indemnified against any claims, losses, damages, liabilities, costs and expenses, including without limitation full legal costs, that may be incurred or suffered by the Issuer as a result of or arising from the Issuer acting in accordance with my/our instructions, authorisations and confirmations herein or from any breach of my/our undertakings herein.

| Source account for debiting Warrants B and crediting new shares | | | | | | | | | | | | | | | | | | | | | |
|---|---|--|---|--|---|--|---|--|---|--|--|--|--|--|--|--|--|--|--|--|--|
| Securities Code (for Warrants B) : | 7 1 6 4 W B | | | | | | | | | | | | | | | | | | | | |
| No. of Warrants B to debit : _____ from | CDS Account Number | | | | | | | | | | | | | | | | | | | | |
| No. of new shares to credit : _____ to | <table border="1" style="border-collapse: collapse; margin: auto;"> <tr> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px; text-align: center;">-</td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px; text-align: center;">-</td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px;"></td> <td style="width: 25px; height: 20px;"></td> </tr> </table> | | | | - | | | | - | | | | | | | | | | | | |
| | | | - | | | | - | | | | | | | | | | | | | | |

Signature _____
Individual Depositor
Common Seal to be affixed here if Depositor is a Corporate Member

Date _____ :

* Delete as appropriate.

Notes:

1. No scrip will be issued to the depositor as the result of any exercise of rights herein.
2. No depositor shall be allowed to instruct crediting of new shares into a CDS Account other than one of those from which the securities are to be debited.
3. Individual depositor must enclose photocopy of identity card and the latest copy of statement from Bursa Depository.
4. Corporate depositor shall affix its common seal on this Exercise Form.
5. The Exercise Period in respect of the Warrants B is the period of five (5) years commencing from and including the issue date of the Warrants B up to and ending at 5:00 pm on the Expiry Date.
6. The Exercise Price in respect of the Warrants B is Ringgit One (RM1.00) per Warrants B (subject to adjustments in accordance with the provisions of the Deed Poll), which shall be satisfied in full by way of banker's draft or cashier's order drawn on a bank in Malaysia, or a money order or postal order, issued by a Post Office in Malaysia and made payable to **KNM Group Berhad**. The depositor shall endorse on the reverse of the banker's draft, cashier's order, money order or postal order: -
 (a) the name, identity card/passport number and the address of the depositor; and
 (b) the number of the CDS Account.
7. All depositors must pay to the Registrar the processing charges of **RM10.60 (inclusive of 6% GST)** as required by the Registrar together with the delivery of this Exercise Form to the Registrar.
8. If any holder of Warrants B fails to exercise his Exercise Rights and deliver this Exercise Form to the Registrar on or before 5 p.m. on the Expiry Date, such Exercise Rights will lapse and every Warrant B will become null and void for all purposes.
9. Joint holders are not recognized under the Central Depository System.