

The Provisional Allotment Letter is a prescribed security pursuant to Section 14(5) of the Securities Industry (Central Depositories) Act, 1991 and therefore, the Securities Industry (Central Depositories) Act, 1991, the Securities Industry (Central Depositories) Amendment Act, 1998 and the Rules of the Malaysian Central Depository Sdn Bhd shall apply in respect of dealings in the Provisional Allotment Letter.

**BOUSTEAD HOLDINGS BERHAD**

(Company Number 3871-H)

(Incorporated in Malaysia under the Companies Act, 1965)

RENOUNCEABLE RIGHTS ISSUE OF

136,436,822 NEW ORDINARY SHARES OF RM0.50 EACH ("RIGHTS SHARES") ON THE BASIS
OF ONE (1) NEW ORDINARY SHARE FOR EVERY TWO (2) EXISTING ORDINARY SHARES
HELD AT 5.00 PM ON 1 OCTOBER 2003 AT AN ISSUE PRICE OF RM1.60 PER SHARE
PAYABLE IN FULL UPON ACCEPTANCE

Adviser and Managing Underwriter

**AFFIN MERCHANT BANK****AFFIN MERCHANT BANK BERHAD** (9999-V)To: Shareholders of **BOUSTEAD HOLDINGS BERHAD** (3871-H) ("BOUSTEAD" OR "COMPANY")**Dear Sir/Madam**

The Directors of Boustead have provisionally allotted to you, in accordance with the Ordinary Resolution passed by the Company at the Extraordinary General Meeting convened on 27 June 2003 and the approval of the Securities Commission ("SC") on 19 May 2003, the number of Rights Shares as indicated below ("Provisional Allotment").

We wish to advise that the following Rights Shares provisionally allotted to you in respect of the above exercise have been confirmed by Malaysian Central Depository Sdn Bhd ("MCD") and will be credited into your Central Depository System ("CDS") account subject to the terms and conditions stated in the Abridged Prospectus issued by the Company dated 8 October 2003.

This Provisional Allotment is made subject to the provisions in the Abridged Prospectus dated 8 October 2003 issued by the Company. The Kuala Lumpur Stock Exchange ("KLSE") has already prescribed the shares of Boustead to be listed on the Main Board of the KLSE to be deposited with the MCD. Accordingly, the Rights Shares arising from this Rights Issue are prescribed securities and as such, the Securities Industry (Central Depositories) Act, 1991, the Securities Industry (Central Depositories) (Amendment) (No.2) Act, 1998 and the Rules of MCD shall apply in respect of the dealings in the said Rights Shares.

With effect from 1 September 1998, all new issue of securities must be made by way of crediting the securities into the CDS accounts of the securities holders maintained with MCD. Furthermore, all listed companies are not permitted to issue certificates to the securities holders in respect of any new issue of securities.

CONSEQUENTLY, ALL THE 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 NO SHARE CERTIFICATES WILL BE ISSUED.

Your Directors reserve the right to allot the Rights Shares applied for under the Excess Rights Shares Application in a fair and equitable manner and in the best interest of the Company. IT IS THE INTENTION OF THE DIRECTORS TO ALLOT EXCESS RIGHTS SHARES IN SUCH MANNER THAT THE INCIDENCE OF ODD LOTS WILL BE MINIMISED. Any Rights Shares not taken up shall be dealt with in such manner as your Directors deem fit in the interest of the Company.

NAME, ADDRESS AND CDS ACCOUNT NO. OF ENTITLED SHAREHOLDER

NAME, ADDRESS AND CDS ACCOUNT NO. OF ENTITLED SHAREHOLDER		
NUMBER OF SHARES HELD AT 5.00 P.M. ON 1 OCTOBER 2003	NUMBER OF RIGHTS SHARES PROVISIONALLY ALLOTTED TO YOU	AMOUNT PAYABLE IN FULL UPON ACCEPTANCE [AT RM1.60 PER RIGHTS SHARE]

LAST DATE AND TIME FOR:-

Sale of provisional allotment of rights	:	21 October 2003 at 5.00 p.m.
Transfer of provisional allotment of rights	:	27 October 2003 at 4.00 p.m.
Acceptance and Payment	:	4 November 2003 at 5.00 p.m.*
Excess Rights Shares Application and Payment	:	4 November 2003 at 5.00 p.m.*

* or any such later date and time as may be determined and announced by the Directors of Boustead. Where the closing date of acceptance is extended from the original closing date of 4th November 2003, the notice of such extension will be made to the shareholders of Boustead by way of an announcement to the KLSE, not less than 2 market days before the original closing date.

By order of the Board
Sharifah Malek
Company Secretary

REGISTRAR FOR THE RIGHTS ISSUE
SIGNET SHARE REGISTRATION SERVICES SDN BHD (506293-D)

11TH FLOOR, TOWER BLOCK, KOMPLEKS ANTARABANGSA
JALAN SULTAN ISMAIL, 50250 KUALA LUMPUR

THIS NOTICE OF PROVISIONAL ALLOTMENT IS DATED 8 OCTOBER 2003

RIGHTS SUBSCRIPTION FORM

THIS RIGHTS SUBSCRIPTION FORM ("RSF") IS ISSUED FOR THE PURPOSE OF ACCEPTING THE RIGHTS SHARES (AS HEREINAFTER DEFINED) AND APPLYING FOR EXCESS RIGHTS SHARES PURSUANT TO THE RIGHTS ISSUE OF BOUSTEAD HOLDINGS BERHAD ("BOUSTEAD" OR "COMPANY"). THE LAST DATE AND TIME FOR ACCEPTANCE AND PAYMENT IS 5.00 P.M. ON 4 NOVEMBER 2003 OR SUCH EARLIER OR LATER DATE AND TIME AS MAY BE DETERMINED AND ANNOUNCED BY THE DIRECTORS OF BOUSTEAD.

This Rights Subscription Form together with the appropriate remittance(s) must be submitted to the Registrar for the Rights Issue at:
Signet Share Registration Services Sdn Bhd
11th Floor, Tower Block
Kompleks Antarabangsa
Jalan Sultan Ismail
50250 Kuala Lumpur



BOUSTEAD HOLDINGS BERHAD

(Company Number 3871-H)

(Incorporated in Malaysia under the Companies Act, 1965)

Affix RM10.00
Malaysian Revenue
Stamp here

RENOUNCEABLE RIGHTS ISSUE OF

136,436,822 NEW ORDINARY SHARES OF RM0.50 EACH ("RIGHTS SHARES")
ON THE BASIS OF ONE (1) NEW ORDINARY SHARE FOR EVERY TWO (2) EXISTING ORDINARY SHARES
HELD AT 5.00 PM ON 1 OCTOBER AT AN ISSUE PRICE OF RM1.60 PER SHARE
PAYABLE IN FULL UPON ACCEPTANCE

To: The Directors

BOUSTEAD HOLDINGS BERHAD
28th Floor, Menara Boustead
69 Jalan Raja Chulan
50200 Kuala Lumpur

PART I - ACCEPTANCE OF RIGHTS SHARES

In accordance with the terms of this RSF and the Abridged Prospectus dated 8 October 2003, I/We hereby irrevocably accept Rights Shares of RM0.50 each in Boustead comprised in the Notice of Provisional Allotment issued by the Company, which were provisionally allotted to me/us in accordance with and subject to the Memorandum and Articles of Association of the Company.

I/We enclose herewith Banker's Draft/Cashier's Order/Money Order/Postal Order No. for RM in favour of "BOUSTEAD RIGHTS ISSUE ACCOUNT", being the full amount payable for the said number of Rights Shares of RM0.50 each accepted, and hereby request for the said Rights Shares of RM0.50 each in Boustead accepted to be credited into my/our Central Depository System ("CDS") account as follows:

NO. OF RIGHTS SHARES ACCEPTED	TOTAL AMOUNT PAYABLE (RM)

CDS ACCOUNT NO.:

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	-	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	-	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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PART II - APPLICATION FOR EXCESS RIGHTS

In accordance with the terms of this RSF and the Abridged Prospectus dated 8 October 2003, I/We hereby irrevocably apply for excess Rights Shares of RM0.50 each in Boustead, in addition to the Rights Shares accepted by me/us stated above in accordance with and subject to the Memorandum and Articles of Association of the Company.

I/We enclose herewith Banker's Draft/Cashier's Order/Money Order/Postal Order No. for RM in favour of "BOUSTEAD EXCESS RIGHTS APPLICATION ACCOUNT", being the full amount payable for the said number of excess Rights Shares applied for, and hereby request for the said excess Rights Shares applied to be credited into my/our Central Depository System ("CDS") account as stated above.

NO. OF EXCESS RIGHTS SHARES APPLIED	TOTAL AMOUNT PAYABLE (RM)

PART III - DECLARATION

I/We hereby confirm and declare that:

- (i) all information provided by me/us are true and correct;
- (ii) all information is identical with the information in the records of Malaysian Central Depository Sdn Bhd ("MCD") and further agree and confirm that in the event the said information differs from MCD's record as mentioned earlier, the exercise of my/our rights may be rejected; and
- * I am 18 years of age or over.
- * I am/We are resident of Malaysia.
- * I am/We are resident of(country) and having citizenship.
- * I am/We are nominee of a person who is a *Bumiputera/ *Non-Bumiputera/ *Non Citizen resident in (country) and having citizenship.

I/We hereby accept all the terms and conditions set out in this RSF and the Abridged Prospectus dated 8 October 2003 and further confirm compliance with all requirements for acceptance as set out therein.

NAME OF APPLICANT (as per MCD's record)		Contact Telephone No. (during office hours)																				
ADDRESS		_____																				
If the Applicant is a natural person (as per MCD'S record) NRIC No. Old: New: Passport No. (also state country)		If the Applicant is a body corporate Company No./Registration No. :																				
Race: If Malaysian <table><tr><td><input type="checkbox"/></td><td>Malay</td><td><input type="checkbox"/></td><td>Indian</td></tr><tr><td><input type="checkbox"/></td><td>Chinese</td><td><input type="checkbox"/></td><td>Others (specify) _____</td></tr></table>		<input type="checkbox"/>	Malay	<input type="checkbox"/>	Indian	<input type="checkbox"/>	Chinese	<input type="checkbox"/>	Others (specify) _____	Type of Body Corporate <table><tr><td><input type="checkbox"/></td><td>Government Agencies/ Institutions/Statutory Bodies</td><td><input type="checkbox"/></td><td>Controlled by Non-Malaysians</td></tr><tr><td><input type="checkbox"/></td><td>Controlled by Malaysians (Malays/Natives)</td><td><input type="checkbox"/></td><td>Others (specify) _____</td></tr><tr><td><input type="checkbox"/></td><td>Controlled by Malaysians (Non-Malays/Non-Natives)</td><td colspan="2"></td></tr></table>	<input type="checkbox"/>	Government Agencies/ Institutions/Statutory Bodies	<input type="checkbox"/>	Controlled by Non-Malaysians	<input type="checkbox"/>	Controlled by Malaysians (Malays/Natives)	<input type="checkbox"/>	Others (specify) _____	<input type="checkbox"/>	Controlled by Malaysians (Non-Malays/Non-Natives)		
<input type="checkbox"/>	Malay	<input type="checkbox"/>	Indian																			
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<input type="checkbox"/>	Government Agencies/ Institutions/Statutory Bodies	<input type="checkbox"/>	Controlled by Non-Malaysians																			
<input type="checkbox"/>	Controlled by Malaysians (Malays/Natives)	<input type="checkbox"/>	Others (specify) _____																			
<input type="checkbox"/>	Controlled by Malaysians (Non-Malays/Non-Natives)																					
Nationality		Place of Incorporation																				

Note:- * Delete whichever is not appropriate

Dated this day of 2003

Signature/Authorised Signatory(ies)
(Corporate bodies must affix their Common Seal)

NOTES AND INSTRUCTIONS FOR COMPLETION OF THIS RIGHTS SUBSCRIPTION FORM ("RSF")

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 adviser immediately. All enquiries concerning the Rights Issue should be addressed to the Registrar for the Rights Issue, **Signet Share Registration Services Sdn Bhd (506293-D) at 11th Floor, Tower Block, Kompleks Antarabangsa, Jalan Sultan Ismail, 50250 Kuala Lumpur (Telephone No.: 03-2142 1341). INVESTORS SHOULD READ AND UNDERSTAND THE CONTENTS OF THE ABRIDGED PROSPECTUS DATED 8 OCTOBER 2003 ("AP") TO WHICH THIS RSF RELATES BEFORE COMPLETING THE RSF.**

Approval has been obtained from the SC on 19 May 2003 for the Rights Issue. Approval-in-principle has been obtained from the Kuala Lumpur Stock Exchange ("KLSE") on 13 August 2003 for the listing of the quotation for all the new ordinary shares in Boustead arising from this Rights Issue. Such new shares will be admitted to the Official List of the KLSE and official quotation will commence after receipt of confirmation from Malaysian Central Depository Sdn Bhd ("MCD") that all the Central Depository System accounts of the entitled shareholders have been duly credited and notices of allotment have been despatched to the entitled shareholders.

A copy of the AP has been registered with the SC. A copy of the AP, together with a copy of this RSF and the Notice of Provisional Allotment, has been lodged with the Registrar of Companies ("ROC"). Both the SC and ROC take no responsibility for the contents of the said documents. The AP is valid for 12 months from the date of issue.

Neither the KLSE or the SC takes any responsibility for the correctness of statements made or opinions expressed herein. The listing of and quotation for the said Rights Shares on the KLSE are in no way reflective of the merits of the Rights Issue.

According to the Securities Commission Act 1993, the RSF must not be circulated unless accompanied with the AP. This RSF, together with the AP, have been seen and approved by the Board of Directors of Boustead and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement in these documents false or misleading.

This RSF, together with the AP, has not been and will not be made to comply with the laws of any foreign jurisdiction, and have not been and will not be lodged, registered or approved pursuant to or under any legislation of or with or by any regulatory authorities or other relevant bodies of any foreign jurisdiction. Entitled persons who are resident in countries other than Malaysia should therefore immediately consult their legal advisers as to whether the acceptance of the Rights Shares would result in the contravention of any laws of such countries or jurisdictions. Boustead and Affin Merchant Bank Berhad shall not accept any responsibility or liability in the event that any acceptance made by entitled persons shall become illegal, unenforceable, voidable or void in such countries or jurisdiction.

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 document, unless they are otherwise defined here or the context otherwise requires.

INSTRUCTIONS:-

(i) CLOSING DATE FOR ACCEPTANCE / APPLICATION

This RSF is valid for acceptance until 5.00 p.m. on 4 November 2003, or such earlier or extended time and day as may be determined and announced by the directors of Boustead. Where the closing date of acceptance is shortened or extended from the original closing date, the notice of such reduction or extension will be made not less than 2 market days before the original closing date.

If acceptance and payment(s) in the manner specified herein are not received by the Registrar for the Rights Issue, Signet Share Registration Services Sdn Bhd (506293-D) at 11th Floor, Tower Block, Kompleks Antarabangsa, Jalan Sultan Ismail, 50250 Kuala Lumpur **by 5.00 p.m. on 4 November 2003** (or such shortened or extended time and day as may be announced) for any part of the Rights Shares provisionally allotted to you, such provisional allotment will be deemed to have been declined and will be cancelled. The Directors will then have the right to allot the Rights Shares not taken up in a fair and equitable manner and in the interest of the Company. Where the shares are allotted to excess Rights applications, priority will be given to ensure that the incidence of odd lots will be minimised.

(ii) ACCEPTANCE OF RIGHTS SHARES

If you wish to accept the Rights Shares provisionally allotted to you, please complete Part I and Part III of this RSF and return this RSF, together with the appropriate remittance made in Ringgit Malaysia by Banker's Draft/Cashier's Order/Money Order or Postal Order drawn on a Bank or Post Office in Malaysia and made payable to **"BOUSTEAD RIGHTS ISSUE ACCOUNT"** and crossed **"ACCOUNT PAYEE ONLY"** and endorsed on the reverse side with your name and address in block letters and your CDS A/C number, for the full amount payable for the Rights Shares accepted, to be received by the Registrar for the Rights Issue, Signet Share Registration Services Sdn Bhd (506293-D) at 11th Floor, Tower Block, Kompleks Antarabangsa, Jalan Sultan Ismail, 50250 Kuala Lumpur **before 5.00 p.m. on 4 November 2003** (or such shortened or extended time and day as may be determined and announced by the directors of Boustead).

The remittance must be made for the exact amount payable for the Rights Shares accepted. No acknowledgement will be issued but a Notice of Allotment will be despatched to you by ordinary post to the address stated in this RSF within fifteen (15) market days from the last date of acceptance and payment for the Rights Shares.

(iii) APPLICATION FOR EXCESS RIGHTS SHARES

If you wish to apply for the Rights Shares in addition to those provisionally allotted to you, please complete Part II of this RSF (in addition to Parts I and III) and forward this RSF, with a separate remittance made in Ringgit Malaysia by Banker's Draft/Cashier's Order/Money Order or Postal Order drawn on a Bank or Post Office in Malaysia and made payable to **"BOUSTEAD EXCESS RIGHTS APPLICATION ACCOUNT"** and crossed **"ACCOUNT PAYEE ONLY"** and endorsed on the reverse side with your name and address in block letters and your CDS A/C number, for the full amount payable for the excess Rights Shares applied for, to be received by the Registrar for the Rights Issue, Signet Share Registration Services Sdn Bhd (506293-D) at 11th Floor, Tower Block, Kompleks Antarabangsa, Jalan Sultan Ismail, 50250 Kuala Lumpur **before 5.00 p.m. on 4 November 2003** (or such shortened or extended time and day as may be determined and announced by the directors of Boustead). No acknowledgement will be issued but a Notice of Allotment will be despatched to you by ordinary post to the address shown in MCD's record within fifteen (15) market days from the last date for application for the excess Rights Shares.

If no excess Rights Shares are allotted to you, the amount paid on application therefore will be returned in full without interest by ordinary post to the address shown in RSF at your own risk within fifteen (15) market days from the last date for application for the excess Rights Shares and payments. Where an application is accepted in part only, the surplus of the application monies will be refunded without interest and shall be despatched to the applicant by ordinary post to the address shown in this RSF at the applicant's own risk within fifteen (15) market days from the last date for application and payment for the excess Rights Shares.

The Directors of Boustead reserve the right to accept any application or accept any application in part only, without assigning any reason thereof.

(iv) SALE/TRANSFER OF THE PROVISIONAL ALLOTMENT OF RIGHTS

If you wish to sell all or part of your provisional allotment of rights, you may do so through your stockbroker, for the period up to the last day for trading of the provisional allotment of rights.

You may immediately transfer your provisional allotment of rights (in accordance with the Rules of the MCD) in full or in part without first having to request the Company for a splitting of your provisional allotment of rights.

The purchaser(s)/renounee(s) can collect a copy of this RSF for the acceptance of his/her/their rights from his/her/their stockbroker, all Malaysian stockbroking companies, the Registered Office of the Company, the office of the Registrar, the office of the Registrar for the Rights Issue or the KLSE website (www.klse.com.my).

In selling all or part of your provisional allotment of rights, you need not deliver any document, including this RSF, to the stockbroker. However you must ensure that you have sufficient provisional allotment of the Rights Shares standing to the credit of your CDS account that are available for settlement of the sale.

If you have transferred only part of the provisional allotment of the Rights Share, you may still accept the balance of your provisional allotment of the Rights Share by completing Parts I and III of this RSF.

(v) GENERAL INSTRUCTIONS

- (1) All applicants must sign on the front page of this RSF. All corporate bodies must affix their Common Seals.
- (2) Malaysian Revenue Stamp (NOT POSTAGE STAMP) of Ringgit Malaysia Ten (RM10.00) must be affixed on this RSF.
- (3) Any interest or other benefit accruing on or arising from or in connection with any application monies shall be for the benefit of the Company and the Company shall not be under any obligation to account for such interest or other benefit to you.
- (4) The contract arising from the acceptance of the provisional allotment of rights 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.
- (5) The Company reserves the right to accept or reject any acceptance and/or application if the instructions hereinabove stated are not strictly adhered to.
- (6) This RSF may be used for acceptance of provisional rights standing to the credit of only one CDS account belonging to the applicant. An applicant may not request for the Rights Shares accepted for to be credited into more than one CDS account. Excess Rights Shares applied for, it allotted, will be credited into the same CDS account used for acceptance of provisionally allotted Rights Shares as stated in Part I.