



RHB Investment Bank Berhad 19663-P
(A Participating Organisation of Bursa Malaysia Securities Berhad)
Level 12, Tower 3, RHB Centre, Jalan Tun Razak
50400 Kuala Lumpur, Malaysia
TEL +603 9287 3888 FAX +603 9287 2233/3355/4770

7 October 2014

The Board of Directors
LAY HONG BERHAD
No. 9, Jalan Bayu Tinggi
2A/KS6 Taipan 2
Batu Unjur
41200, Klang
Selangor

Dear Sir,

LAY HONG BERHAD ("LHB" OR THE "COMPANY")

CONDITIONAL TAKE-OVER OFFER BY RHB INVESTMENT BANK BERHAD ("RHB INVESTMENT BANK") ON BEHALF OF QL RESOURCES BERHAD ("QL" OR "OFFEROR") TO ACQUIRE ALL THE REMAINING ORDINARY SHARES OF RM1.00 EACH IN LHB ("LHB SHARE(S)") NOT ALREADY HELD BY THE OFFEROR ("OFFER SHARE(S)") FOR A CASH CONSIDERATION OF RM3.50 PER OFFER SHARE ("OFFER")

We refer to the notice of the Offer dated 24 September 2014 served on the Board of LHB on even date ("**Notice**").

As a result of the recent purchases of 3,463,500 LHB Shares made by QL from 24 September 2014 to 7 October 2014, we, RHB Investment Bank, on behalf of the Offeror wishes to notify you that the shareholding of the Offeror in LHB has exceeded 33% of the issued and paid-up share capital of LHB as at 7 October 2014. Pursuant thereto, the Offeror has triggered the mandatory take-over offer obligation under the Malaysian Code on Take-Overs and Mergers, 2010 ("**Code**").

In view of the above, the present voluntary take-over offer has become a mandatory take-over offer ("**MGO**") in accordance to Paragraph 14.1 of Practice Note 9 of the Code. The Offeror wishes to confirm that the terms and conditions of the Offer as set out in the Notice will remain the same under the MGO.

Yours faithfully,
For and behalf of
RHB INVESTMENT BANK BERHAD

JAIMIE SIA
Executive Director
Head, Group Investment Banking

TOMMY HAR
Director
Co-Head, Corporate Finance

c.c.

QL Resources Berhad

Bursa Malaysia Securities Berhad
Attention : *Inderjit Singh*
Senior Executive Vice President
Listing Division
Regulation
Fax No. : *03-2026 0197*

Securities Commission Malaysia
Attention : *Datuk Ranjit Ajit Singh*
Pengerusi
Fax No. : *03-6201 5158*

Company : *The News Straits Times*
Attention : *The Editor, Business Section*
Fax No. : *03-2056 7151*

Company : *The Star*
Attention : *The Editor, Business Section*
Fax No. : *03-7955 4039/ 6949*

Company : *Berita Harian*
Attention : *The Editor, Business Section*
Fax No. : *03-2059 7081 / 2056 7082*

Company : *Utusan Melayu / Utusan Malaysia*
Attention : *The Editor, Business Section*
Fax No. : *03-9222 7876*

Company : *The Sun*
Attention : *The Editor, Business Section*
Fax No. : *03-7785 2624 / 2625*

Company : *Bernama*
Attention : *The Editor, Business Section*
Fax No. : *03-2694 9636*

Company : *The Edge*
Attention : *The Editor*
Fax No. : *03-7721 8018*

Company : *Nanyang Siang Pau*
Attention : *The Editor, Business Section*
Fax No. : *03-7872 6993*