

SALIENT TERMS OF RCPS B

- Issuer : FIHB
- Issue Size : 170,000,000 units of RCPS B
- Issue Price : RM0.10 per RCPS
- Conversion Price : RM0.50 per ordinary share
- Issue Date : 24 April 2018
- Dividend : FFHB shall have the sole and absolute discretion to decide whether to annually declare any non-cumulative preferential dividend at the rate to be determined by FFHB provided always:
- that such dividend shall not be more than 8% per annum calculated based on the issue price of the RCPS B; and
- if FFHB shall declare any dividend on the FFHB Shares, no dividend whether in cash, in property or in shares or securities of FFHB, may be paid on any FFHB Shares until after FFHB has fully paid to the holders of the RCPS B the dividend payable in respect of the RCPS B.
- The RCPS B that have already been converted into new FFHB Shares shall not be entitled to any dividend payable for RCPS B.
- Tenure : 120 months from the date upon which the RCPS B is issued by FFHB ("**Issue Date**")
- Maturity Date : The date occurring on the day immediately precedes the expiry of the Tenure or if such date is not a market day, the next market day following such date.
- Listing of the RCPS B : The RCPS B will be admitted to the Official List of Bursa Securities. The RCPS B and the new FFHB Shares arising from the conversion of the RCPS B will be listed and quoted on the Main Market of Bursa Securities.
- Redemption Right : FFHB may at any time from the 3rd anniversary of the Issue Date and up to the Maturity Date (both dates inclusive) give not less than 30 days' prior notice in writing ("**Redemption Notice**") to the holders of its intention to redeem all or any part of the RCPS B which have been issued on a date which shall be specified in the Redemption Notice ("**Redemption Date**").
- On the Redemption Date, FFHB shall be entitled and bound to redeem the RCPS B specified in the Redemption Notice at RM0.10 for each RCPS B and to pay the Dividend which shall have accrued on them down to the Redemption Date.
- All RCPS B which are redeemed or purchased by FFHB shall be cancelled immediately and cannot be resold.
- Redemption Price : RM0.10 for each RCPS B together with the Dividend for the RCPS B, accruing up to and including the date of the redemption.
- If FFHB shall fail to pay the Redemption Price and the Dividend on its due date, FFHB shall pay to the holders interest at the rate of 8% per annum on such portion of the Redemption Price and the Dividend remaining unpaid calculated on a daily basis based on a 365-day year from the date it is due to the date of full payment thereof.

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Conversion Right : The RCPS B shall be convertible, at the option of the holders, at any time during the Conversion Period (as defined below) without the payment of additional consideration by the holders thereof, into new FFHB Shares (rounded down to the nearest whole number of new FFHB Shares) as is determined by dividing the Issue Price by the Conversion Price (as defined below) in effect at the time of conversion.

In the event the holders intend to convert any of the RCPS B, it shall issue a Notice to Convert to FFHB. After issuance of the Notice to Convert by the holders, the holders shall further furnish to FFHB such supporting documents or information as may be prescribed by FFHB or as may be required under any applicable laws or regulations from time to time.

Once the Notice to Convert has been submitted to FFHB, the holders shall not sell, transfer, dispose or otherwise encumber the RCPS B in respect of which the Conversion Right has been exercised.

Subject to all applicable laws, rules and regulations, within 8 market days from the date of receipt by FFHB of the Notice to Convert (or if such date falls on a date on which the Record of Depositors/Register of Member is closed, the next following market day on which the Record of Depositors/Register of Member is opened) or such other period as may be prescribed or allowed by the Bursa Securities or under any applicable laws and regulations, FFHB shall:-

allot and issue to the holders, such number of FFHB Shares to which the holders are entitled to receive by virtue of the exercise of the Conversion Rights ("**Conversion Shares**"), and shall cause the securities account of the holders to be credited with such number of Conversion Shares; and

despatch a notice of allotment to the holders in respect of the Conversion Shares.

Any fraction of a new FFHB Share resulting from the exercise of the Conversion Right shall be disregarded and FFHB shall not be required to make cash payment of the value of such fractions to the holders or cause the securities account of the holders to be credited for such fractions.

Any RCPS B not converted or redeemed prior to the Maturity Date shall be mandatorily converted into new FFHB Shares on the Maturity Date.

Once converted, the RCPS B shall not be capable of reissuance.

Conversion Period : The period commencing from the Issue Date and up to the Maturity Date (both dates inclusive).

Conversion Ratio : For the avoidance of doubt, the number of Conversion Shares to be issued to the RCPS B holder upon conversion shall be calculated in accordance with the following formula:

$$\text{Number of Conversion Shares} = \frac{\text{Number of RCPS B} \times \text{Issue Price}}{\text{Conversion Price}}$$

Adjustments to Conversion Price : The Conversion Price may be adjusted from time to time at the determination of the Board in the event of alteration to the share capital of FFHB on or before the Maturity Date, in all or any of the following circumstances:

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an alteration of the issued share capital of FFHB Shares by reason of consolidation or subdivision;

a bonus issue of FFHB Shares;

a capital distribution to shareholders made by FFHB whether on a reduction on capital or otherwise, but excluding any cancellation of capital which is lost or unrepresented by assets;

a rights issue involving FFHB Shares; or

any other circumstances that the Board of Directors of FFHB deems necessary provided always that any adjustment shall not prejudice the interest of the holders or result in any dilutive effect;

provided that any adjustment to the Conversion Price will be rounded to the nearest 1 sen. No adjustment to the Conversion Price shall be made unless it has been certified by the external auditors of FFHB.

Transferability : Each unit of RCPS B shall be freely transferable.

Voting rights : The holders shall have the right to receive notices, reports and audited financial statements and attend meetings of FFHB, but shall not be entitled to vote in person or by proxy or by attorney in a general meeting of FFHB except at such meeting in each of the following circumstances:

when the Dividend or part thereof on the RCPS B is in arrears for more than 6 months;

on a proposal to reduce FFHB's share capital;

on a proposal for the disposal of the whole of FFHB's property, business and undertaking;

on a proposal that affects the rights attached to the RCPS B;

on a proposal to wind up FFHB; and

during the winding up of FFHB.

Whenever the holders have the right to vote at a general meeting, they have the same right to vote (both on a show of hands and on a poll) as the holder of 1 FFHB for each RCPS B held.

Changes in capital : FFHB may create and issue further preference shares ranking in all respects *pari passu* with RCPS B only, but not ranking in priority to the RCPS B and RCPS A, save with the prior approval of the holders of RCPS B and RCPS A.

Rights of the Holder in the event of winding up or liquidation : In the event of any liquidation, dissolution or winding up of FFHB, whether voluntary or involuntary ("**Liquidation Event**") or upon a reduction of capital or other return of capital (other than a conversion, purchase or redemption of any RCPS B or any share of any other class of redeemable shares), the RCPS B shall rank in subordination to RCPS A, rank *pari passu* among themselves and rank in priority to the FFHB Shares,

In the event of the abovementioned Liquidation Event, reduction of capital or other return of capital, the funds and assets that may be legally distributed to FFHB's shareholders ("**Distributable Assets**") shall be distributed to the shareholders in the following manner:

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the holders of RCPS B shall be entitled to be paid, in priority to the holders of the FFHB Shares but in subordination to the holders of RCPS A, any declared and unpaid Dividend in respect of the RCPS B;

after payment of any Dividend payable above, the holders of RCPS B shall be entitled to be paid, prior and in preference to any payment or distribution (or any setting apart of any payment or distribution) of any Distributable Assets on any FFHB Shares, but in subordination to any payment or distribution of the same on RCPS A, an amount per share equal to the original Issue Price for each RCPS B, respectively; and

if there are any Distributable Assets remaining after the payment or distribution (or the setting aside for payment or distribution) to the holder of its full preferential amounts described above, then all such remaining Distributable Assets shall be distributed among the holders of the FFHB Shares then in issue pro rata according to the number of FFHB Shares held by each holder thereof.

Ranking : The RCPS B shall rank *pari passu* among themselves and will rank in priority to the FFHB Shares but will rank in subordination to RCPS A in respect of the right to receive dividends out of distributable profits.

The Conversion Shares shall rank *pari passu* in all respects with all the then existing issued share capital of FFHB, except that the Conversion Shares shall not be entitled to any dividends, rights, allotments and/or any other distributions, where the entitlement date precedes the date of allotment and issuance of the Conversion Shares.

Governing Law : Laws of Malaysia