



# FEDERAL FURNITURE HOLDINGS (M) BERHAD

(Company No. 97092-W)  
(Incorporated in Malaysia)

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting ("EGM") of Federal Furniture Holdings (M) Berhad ("FFHB" or the "Company") will be held at Level P1, Menara Choy Fook On, No. 1B, Jalan Yong Shook Lin, Section 7, 46050 Petaling Jaya, Selangor Darul Ehsan on Friday, 20 April 2018 at 3.00 p.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:

### ORDINARY RESOLUTION 1

**PROPOSED ACQUISITION OF THE REMAINING 300,000 ORDINARY SHARES IN PEMBINAAN MASTERON SDN BHD ("PMSB") ("PMSB SHARES"), REPRESENTING 40% OF THE TOTAL ISSUED SHARE CAPITAL IN PMSB, FROM DATO' DR. CHOY FOOK ON, DATIN TAN GEOK FOONG, DATO' CHOY WAI HIN, DATUK CHOY WAI CEONG AND DR. CHOY SOOK KUEN FOR A PURCHASE CONSIDERATION OF RM27,000,000 ("PROPOSED ACQUISITION")**

**THAT** subject to the provisions under the Companies Act 2016 ("the Act") and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), and the approvals of the relevant authorities being obtained for the Proposed Acquisition, approval be and is hereby given to FFHB to acquire the remaining 300,000 PMSB Shares representing 40% of the total issued share capital in PMSB from Dato' Dr. Choy Fook On, Datin Tan Geok Foong, Dato' Choy Wai Hin, Datuk Choy Wai Ceong and Dr. Choy Sook Kuen (collectively referred to as the "Vendors") for a total purchase consideration of RM27,000,000 to be settled via a combination of cash amounting to RM10,000,000 and issuance of 170,000,000 new class B redeemable convertible preference shares ("RCPS B") at an issue price of RM0.10 each, subject to and upon such terms and conditions as stipulated in the sale and purchase agreement dated 15 January 2018 entered into between the Company and the Vendors ("SSA").

**AND THAT** the Directors of the Company be and are hereby authorised to act for and on behalf of the Company and to take all such steps and do all such acts, matters and things (including entering into all such deeds, agreements, arrangements, transactions, undertakings, transfers and indemnities) as they deem fit or may consider necessary, desirable, appropriate or expedient to implement, finalise and give full effect to the Proposed Acquisition with full power to give all or any notices, directions, consents and authorisations in respect of any matter arising under or in connection with the Proposed Acquisition and to assent to any conditions, modifications, variations and/or amendments relating to the Proposed Acquisition as may be approved/required by the relevant regulatory authorities and/or as the Directors of the Company deem fit and to do all such things as they may consider necessary, desirable, appropriate or expedient in the best interests of the Company.

### ORDINARY RESOLUTION 2

**PROPOSED ISSUANCE OF 170,000,000 RCPS B IN FFHB AT AN ISSUE PRICE OF RM0.10 PER RCPS B TO THE VENDORS ("PROPOSED ISSUANCE OF RCPS B")**

**THAT** subject to the passing of Ordinary Resolution 1 and Special Resolution 1, and approvals and consents being obtained from all relevant authorities and/or parties (where applicable) including but not limited to the approval being obtained from Bursa Securities for the listing of and quotation for the RCPS B and all the new ordinary shares of FFHB ("FFHB Shares") to be issued arising from the conversion of the RCPS B, approval be and is hereby given to the Directors of the Company to:

- (i) allot and issue 47,600,000 RCPS B at an issue price of RM0.10 per RCPS B as settlement for the purchase consideration due to Dato' Dr. Choy Fook On, a Non-Independent Non-Executive Chairman and major shareholder of FFHB, for the sale of 84,000 PMSB Shares in accordance to the terms and conditions of the SSA and such new RCPS B shall confer on the RCPS B holder those rights as stated in the Articles of Association of the Company;
- (ii) allot and issue 22,100,000 RCPS B at an issue price of RM0.10 per RCPS B as settlement for the purchase consideration due to Datin Tan Geok Foong, an Executive Director and major shareholder of FFHB, for the sale of 39,000 PMSB Shares in accordance to the terms and conditions of the SSA and such new RCPS B shall confer on the RCPS B holder those rights as stated in the Articles of Association of the Company;
- (iii) allot and issue 39,100,000 RCPS B at an issue price of RM0.10 per RCPS B as settlement for the purchase consideration due to Dato' Choy Wai Hin, the Managing Director and major shareholder of FFHB, for the sale of 69,000 PMSB Shares in accordance to the terms and conditions of the SSA and such new RCPS B shall confer on the RCPS B holder those rights as stated in the Articles of Association of the Company;
- (iv) allot and issue 39,100,000 RCPS B at an issue price of RM0.10 per RCPS B as settlement for the purchase consideration due to Datuk Choy Wai Ceong, an Executive Director and major shareholder of FFHB, for the sale of 69,000 PMSB Shares in accordance to the terms and conditions of the SSA and such new RCPS B shall confer on the RCPS B holder those rights as stated in the Articles of Association of the Company;
- (v) allot and issue 22,100,000 RCPS B at an issue price of RM0.10 per RCPS B as settlement for the purchase consideration due to Dr. Choy Sook Kuen, a shareholder of FFHB and person connected with Dato' Dr. Choy Fook On, Datin Tan Geok Foong, Dato' Choy Wai Hin and Datuk Choy Wai Ceong, for the sale of 39,000 PMSB Shares in accordance to the terms and conditions of the SSA and such new RCPS B shall confer on the RCPS B holder those rights as stated in the Articles of Association of the Company;
- (vi) allot and issue such number of new FFHB Shares credited as fully paid up arising from the conversion of the RCPS B by the RCPS B holders for the duration of the tenure of the RCPS B;

**THAT** all FFHB Shares arising from the conversion of the RCPS B shall, upon allotment and issuance, rank *pari passu* in all respects with the existing FFHB Shares except that the holders of such new FFHB Shares shall not be entitled to any dividends, rights, allotments and/or any other distributions declared, made or paid to the shareholders of FFHB of which the entitlement dates are prior to the date of allotment of the said new FFHB Shares from the conversion of the RCPS B; and

**THAT** the Directors of the Company be and are hereby authorised to do all acts, deeds, things, execute all necessary documents and take all such steps as they think fit, necessary, expedient and/or appropriate in order to implement, finalise and give full effect to the Proposed Issuance of RCPS B, with full powers to assent to or make any conditions, modifications, variations and/or amendments in any manner as may be required or permitted by the relevant authorities and/or parties and to deal with all matters relating thereto in the best interests of the Company.

### SPECIAL RESOLUTION 1

**PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF FFHB ("PROPOSED AMENDMENTS")**

**THAT** subject to the passing of Ordinary Resolutions 1 and 2, approval be and is hereby given to the Company to amend its Memorandum and Articles of Association in the manner as set out in Appendix IV of the Circular to Shareholders dated 28 March 2018.

**AND THAT** the Directors of the Company be and are hereby authorised to do all acts, deeds, things, execute all necessary documents and take all such steps as they think fit, necessary, expedient and/or appropriate in order to implement, finalise and give full effect to the Proposed Amendments, with full powers to assent to or make any conditions, modifications, variations and/or amendments in any manner as may be required or permitted by the relevant authorities and/or parties and to deal with all matters relating thereto in the best interests of the Company.

### SPECIAL RESOLUTION 2

**PROPOSED CHANGE OF NAME OF THE COMPANY FROM "FEDERAL FURNITURE HOLDINGS (M) BERHAD" TO "FEDERAL INTERNATIONAL HOLDINGS BERHAD" ("PROPOSED CHANGE OF NAME")**

**THAT** the name of the Company be changed from "Federal Furniture Holdings (M) Berhad" to "Federal International Holdings Berhad", with effect from the date of issuance of the Notice of Registration of New Name by the Companies Commission of Malaysia, and the Memorandum and Articles of Association of the Company be hereby amended accordingly, wherever the name of the Company appears.

**AND THAT** the Board of Directors of the Company be and is hereby authorised to carry out all the necessary formalities in affecting the Proposed Change of Name.

### BY ORDER OF THE BOARD

Chua Siew Chuan (MAICSA No. 0777689)  
Mak Chooi Peng (MAICSA No. 7017931)  
Company Secretaries

Selangor Darul Ehsan  
28 March 2018

#### Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 13 April 2018 ("General Meeting Record of Depositors") shall be eligible to attend the Meeting.
2. A member entitled to attend and vote at this Meeting is entitled to appoint any person as his proxy to attend and vote instead of him. A proxy appointed to attend and vote at this Meeting shall have the same rights as the member to speak at the Meeting.
3. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
6. If a corporation is a member of the Company, it may vote by any person authorised by resolution of its directors or other governing body to act as its representative at any meeting in accordance with Article 67 of the Company's Articles of Association.
7. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if such appointor be a corporation, under its common seal or under the hand of an officer or attorney of the corporation duly authorised, and shall be deposited at the registered office or at such other place as is specified for that purpose in the notice convening the meeting, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default, the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution.