

A. Introduction:
As per the provisions of the Directive of Bangladesh Securities and Exchange Commission bearing No. BSEC/CMR/CD/2021/2949, dated 31 January, 2021, the Dividend Distribution Policy of First Finance Limited is formulated and shall

DIVIDEND DISTRIBUTION POLICY OF FIRST FINANCE LIMITED

This Policy has been approved by the Board of Directors of First Finance Limited

C. Process for Distribution of Dividend:

1. Cash Dividend Distribution Process:

Within 10 (ten) days of declaration of cash dividend by the Board of Directors, an amount equivalent to the declared cash dividend payable for the concerned year shall be kept in a separate bank account of FFL, as follows for the purpose only. FFL shall pay off cash dividend directly to the bank account of the entitled shareholder(s) and holder as registered in the CD account maintained with the Depository Participant (DP) of the bank account as provided by the shareholder(s) or unit holder in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN).

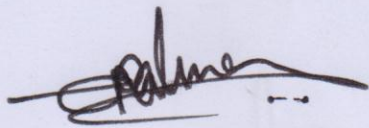
Provided that the FFL may pay off such cash dividend through any other any electronic payment system as recognized by the Bangladesh Bank if it is possible to pay off through BEFTN.

ii. FFL upon receiving the bills on cash dividend from a stock broker or a merchant banker of a portfolio manager for the margin loan or cash collateral or cash collateral or margin loan, or as per instruction of the client or stock broker or merchant banker or portfolio manager, shall pay off such cash dividend to the Candidate / Client's Bank Account (CCBA) of the stock broker or the separate Bank Account of the Merchant Banker or the Portfolio Manager through BEFTN.

Provided that upon receiving the cash dividend, the stock broker or merchant banker or portfolio manager shall immediately account for such dividend to the

Policy Name	Dividend Distribution Policy of First Finance Limited
Version	1.0
Effective Date	From the date of approval by the Board of Directors
Policy approver	Board of Directors
Policy Owner	In-Charge of Share Unit

APPROVED IN THE 352ND MEETING OF THE BOARD OF DIRECTORS HELD ON 20 MARCH, 2023



Mohammad Ekramur Rahman .
Company Secretary
First Finance Limited

A. Introduction:

As per the provisions of the Directive of Bangladesh Securities and Exchange Commission bearing No. BSEC/CMRRCD/2021-389/03, dated 14 January, 2021; the Dividend Distribution Policy of First Finance Limited is formulated and shall be disclosed in the Annual Report and also in the official website.

B. Approval history:

This Policy has been adopted by the Board of Directors of First Finance Limited (hereinafter referred to as FFL) in its 352nd Meeting held on 20 March, 2023. The policy will be reviewed by the Board of Directors as and when required.

C. Process for Distribution of Dividend:

a. Cash Dividend Distribution Process:

- i. Within 10 (ten) days of declaration of cash dividend by the Board of Directors, an amount equivalent to the declared cash dividend payable for the concerned year shall be kept in a separate bank account of FFL, dedicated for this purpose only;
- ii. FFL shall payoff cash dividend directly to the bank account of the entitled shareholder or unit holder as available in the BO account maintained with the Depository Participant (DP), or the bank account as provided by the shareholder or unit holder in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN);

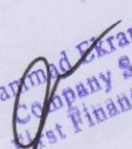
Provided that the FFL may payoff such cash dividend through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to payoff through BEFTN;

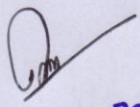
- iii. FFL, upon receiving the claim on cash dividend from a stock broker or a merchant banker or a portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of stock broker or merchant banker or portfolio manager, shall payoff such cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or the separate Bank Account of the Merchant Banker or the Portfolio Manager through BEFTN;

Provided that upon receiving the cash dividend, the stock broker of merchant banker or portfolio manager shall immediately account for such dividend in the individual client's portfolio account;

Provided further that the stock broker or merchant banker or portfolio manager shall provide detailed information (e.g. BO Account number, code number, Bank account number, intention, etc. of the client or customer including CCBA of stock broker or separate bank account of merchant banker or portfolio manager) to FFL for such claim.

- iv. FFL, in case of non-availability of bank account information or unable to distribute cash dividend through BEFTN or any electronic payment system, shall issue cash dividend warrant and shall send it by post to the shareholder or unit holder;


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Company Secretary
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SAVP & Head of GSD
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- v. FFL shall payoff cash dividend to non-resident sponsor, director, shareholder, unit holder or foreign portfolio investors (FPI) through the security custodian in compliance with the rules or regulations in this regard;
- vi. FFL immediately after disbursement of the cash dividend and issuance of certificate of tax deducted at source, if applicable, shall intimate to the shareholder or unit holder through a short message service (SMS) to the mobile number or email address as provided in the BO account or as provided by the shareholder or unit holder;
- vii. FFL will maintain detailed information of unpaid or unclaimed dividend and rationale thereof; as per BO account number-wise or name-wise or folio number-wise of the shareholder or unit holder; and shall also disclose the summary of aforesaid information in the annual report and shall also report in the statements of financial position (Quarterly/ Annually) as a separate line item 'Unclaimed Dividend Account';
- viii. Provided that the FFL shall publish the year-wise summary of its unpaid or unclaimed dividend in the websites; Provided further that any unpaid or unclaimed cash dividend including accrued interest (after adjustment of Bank Charge, if any) thereon, if remains, shall be transferred to a separate bank account of FFL as maintained for this purpose, within 1 (one) year from the date of declaration or approval or record date, as the case may be.

b. Stock Dividend or Bonus Share Distribution Policy

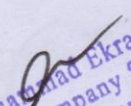
FFL, shall credit stock dividend directly to the BO account or issue the bonus share certificate of the entitled shareholder, as applicable, within 30 (Thirty) days of declaration or approval or record date, as the case may be, subject to clearance of the exchange(s) and the Central Depository Bangladesh Limited (CDBL);

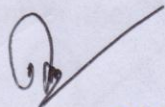
D. Process for Issuance of Stock Dividend or Bonus Share

FFL, the CDBL and the Exchanges shall follow the provisions of প্রবিধান ৪৬ of the ডিপজিটরি (ব্যবহারিক) প্রবিধানমালা, ২০০৩ for issuance of bonus Shares;

Provided that FFL shall maintain a suspense BO account for undistributed or unclaimed stock dividend or bonus shares and shall also follow the under mentioned procedures for ensuring the rightful ownership:

- (i) FFL shall send at least 3 (Three) reminders to the entitled shareholder;
- (ii) The Suspense BO Account shall be held under Block Module and such undistributed or unclaimed stock dividend or bonus shares shall not be transferred in any manner except for the purpose of allotting the bonus shares as and when the allottee approaches to FFL;
- (iii) Provided that any corporate benefit in terms of shares accrued on such undistributed or unclaimed stock dividend or bonus share shall be credited to the Suspense BO Account.
- (iv) FFL shall, upon receiving application from the allottee and after proper verification of identity and his entitlement, credit the bonus shares lying with the Suspense BO Account to the BO Account of the allottee, or issue bonus shares to the allottee, as applicable, within 15 (Fifteen) days of receiving application with an intimation to the Commission and the Exchange(s);


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- (v) Any voting rights on such undistributed or unclaimed stock dividend or Bonus shares shall remain suspended till the rightful ownership claim of the shareholder is established.

E. Compliance Report regarding Dividend Distribution

FFL shall submit a compliance report to the Commission and the Exchange(s) in a specific format at Annexure-A [sample given by the BSEC] in respect of the Clause (B), (C), (D) and (E) above, within 7 (Seven) working days of completion of dividend distribution;

Provided that FFL shall publish the compliance report in its website.

F. Forfeiture of unclaimed cash or stock dividend

FFL shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of the land in force.

G. Transferred to the Fund of the Commission for unpaid or unclaimed or unsettled cash dividend

If any cash dividend remains unpaid or unclaimed or unsettled including accrued interest (after adjustment of bank charge, if any) thereon for a period of 3 (Three) years from the date of declaration or approval or record date, as the case may be, shall be transferred by FFL to the fund as directed or prescribed by the Commission;

Provided that FFL shall provide detailed information to the manager of the fund during transfer of cash dividend as directed or prescribed by the Commission;

Provided further that if any shareholder or unit holder claims his cash dividend after transfer of such dividend to the Fund, within 15 (Fifteen) days of receiving such claim, FFL shall, after proper verification of the claim, recommend to the manager of the fund to payoff such dividend to the claimant in accordance with the provisions and procedures as directed or prescribed by the commission.

H. Transferred to the Fund of the Commission for unclaimed or unsettled stock dividend or bonus shares

If any stock dividend or bonus shares remain unclaimed or unsettled including corporate benefits in terms of bonus shares thereon for a period of 3 (Three) years from the date of declaration or approval or record date, as the case may be, shall be transferred in dematerialized form to the BO Account of the fund as mentioned at Clause No. G;

Provided that FFL shall provide detailed information to the manager of the fund during transfer of stock dividend or bonus shares as directed or prescribed by the Commission;

Provided further that if any shareholder claims his stock dividend or bonus shares after transfer of such dividend or bonus share to the BO Account of the

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Fund, within 15 (Fifteen) days of receiving such claim, FFL shall, after proper verification of the claim, recommend to the manager of the fund to payoff such dividend or bonus share to the claimant's BO Account in accordance with the provisions and procedures as directed or prescribed by the commission.

I. Maintaining Detail Information of the shareholder or unit holder for the purpose of proper distribution of cash dividend or stock dividend

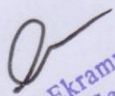
FFL, by itself or by appointing an Agent, shall maintain detailed information of BO Account, Bank Account, Mobile Phone Number, E-mail address and address of the shareholder or unit holder for the purpose of proper distribution of cash dividend or stock dividend;

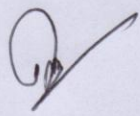
Provided that FFL or its agent or the CDBL or its DP shall keep confidentiality of information.

Provided further that FFL shall collect such detailed updated information from the CDBL or its DP from time to time as and when required for the purpose of proper distribution of cash dividend or stock dividend and other compliances. In case of holding paper shares, the FFL shall update the information at least once a year.

J. Binding clause

In the event of any confusion or difference of opinion on any matter whatsoever, FFL shall be bound to follow the decision of the Commission and shall consider the decision of the Commission is final on all concerned.


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