

FOCUS POINT HOLDINGS BERHAD
[Registration No. 200901041088 (884238-U)]
(Incorporated in Malaysia)

MINUTES OF THE TWELFTH ANNUAL GENERAL MEETING OF FOCUS POINT HOLDINGS BERHAD CONDUCTED ENTIRELY VIRTUAL THROUGH LIVE STREAMING FROM THE BROADCAST VENUE AT 3RD FLOOR, UNIT 7, JALAN PJU 1/37, DATARAN PRIMA 47301 PETALING JAYA, SELANGOR ON THURSDAY, 27 MAY 2021 AT 10.00 A.M.

Present at Broadcast Venue : **Directors:**
Leow Ming Fong @ Leow Min Fong - Independent Non-Executive Chairman (“Chairman”)

Present via video conferencing : **Directors:**
Dato’ Liaw Choon Liang – President/ Chief Executive Officer
Datin Goh Poi Eong – Executive Director
Datuk Md Zubir Ansori Bin Yahaya – Non-Independent Non-Executive Director
Datin Sim Swee Yoke – Independent Non-Executive Director

Management

Kenneth Chin Kah Kiong - Chief Financial Officer

External Auditors – BDO PLT

Ho Kok Khiaw
Chuk Wei Sin
Lee Jun Jeak

Company Secretary

Wong Peir Chyun (Company Secretary)
Priscilla Chan – Representative from Tricor Corporate Services Sdn Bhd

Attendance of Shareholders

The attendance of members/corporate representatives/proxies is as per the Summary of Attendance List via the Remote Participation and Voting facilities (“RPV”) provided by Tricor Investor & Issuing House Services Sdn. Bhd.

CHAIRMAN

On behalf of the Board, Leow Ming Fong @ Leow Min Fong, Chairman of the Company, welcomed all members and attendees present to the Company’s Twelfth (“12th”) Annual General Meeting (“AGM”).

Chairman informed that as part of the Company’s safety measures to curb the spread of the Covid-19 pandemic, and in compliance with the regulations set by the authorities, the Company’s 12th AGM was conducted entirely through live streaming from the Broadcast Venue.

FOCUS POINT HOLDINGS BERHAD [200901041088 (884238-U)]
MINUTES OF THE TWELFTH ANNUAL GENERAL MEETING HELD ON 27 MAY 2021

Chairman then introduced the Board members, the Chief Financial Officer, the Company Secretary and the External Auditors to the shareholders, who participated via video conferencing.

NOTICE

There being no objection, the notice convening the meeting, having been circulated earlier to all the members of the Company within the statutory period, was taken as read.

QUORUM

Chairman informed the meeting that the Constitution of the Company required the presence of at least two (2) members or proxies or corporate representatives to form a quorum. For a fully virtual general meeting, the quorum shall be determined by the number of members who logged-in at the start of the meeting.

Chairman informed that the quorum required had been met and called the meeting to order at 10.00 a.m.

ANNOUNCEMENT ON ADMINISTRATIVE MATTERS

The meeting was informed that pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 12th AGM must be voted by poll.

Pursuant to the Company's Constitution, Chairman declared that all the resolutions set out in the Notice of the 12th AGM shall be voted by poll. The poll would be conducted after all items on the agenda were dealt with. Chairman then briefed the members on the flow of the meeting.

The members were informed that the poll administrator was TIIH ("Poll Administrator") and the independent scrutineer was Asia Securities Sdn Berhad ("Scrutineer").

The guide on remote voting procedures and the manner to raise questions at the meeting using RPV was then presented to the members.

The Chairman then went on to the business of the agenda of the 12th AGM as follows:-

1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 AND THE REPORTS OF THE DIRECTORS AND AUDITORS

The Audited Financial Statements for the financial year ended 31 December 2020 ("AFS FYE 2020") together with the Reports of the Directors and Auditors, having been circulated to all the members of the Company within the statutory period, were tabled before the meeting for discussion.

Chairman informed that the AFS FYE 2020 was meant for discussion only as the Companies Act 2016 did not require a formal approval of the shareholders for the AFS. Therefore, the AFS FYE 2020 was not put forward for voting.

Chairman declared that the AFS FYE 2020 together with the Reports of the Directors and Auditors thereon be received and noted.

2. RESOLUTION 1: DIRECTORS' FEES AND BENEFITS

Chairman proceeded to Resolution 1 on payment of Directors' fees and Benefits of an amount up to RM141,750 for the period from this 12th AGM until the next AGM of the Company. The following motion was put to the meeting for consideration:-

"THAT the payment of Directors' Fees and Benefits of an amount up to RM141,750 for the period from this 12th Annual General Meeting until the next Annual General Meeting of the Company be approved."

3. RESOLUTION 2: RE-ELECTION OF DATIN GOH POI EONG AS DIRECTOR PURSUANT TO CLAUSE 76(3) OF THE COMPANY'S CONSTITUTION

Chairman moved on to Resolution 2 on re-election of Datin Goh Poi Eong. The following motion was put to the meeting for consideration:-

"THAT Datin Goh Poi Eong retiring pursuant to Clause 76(3) of the Company's Constitution, and being eligible, be hereby re-elected as Director of the Company."

4. RESOLUTION 3: RE-ELECTION OF DATIN SIM SWEE YOKE AS DIRECTOR PURSUANT TO CLAUSE 76(3) OF THE COMPANY'S CONSTITUTION

Chairman then proceeded to Resolution 3 on re-election of Datin Sim Swee Yoke. He then put the following motion to the meeting for consideration:-

"THAT Datin Sim Swee Yoke retiring pursuant to Clause 76(3) of the Company's Constitution, and being eligible, be hereby re-elected as Director of the Company."

5. RESOLUTION 4: RE-APPOINTMENT OF MESSRS BDO PLT AS AUDITORS OF THE COMPANY

Chairman proceeded to Resolution 4 on re-appointment of Auditors. Chairman informed that the Messrs BDO PLT had indicated their willingness to continue in office. He then put the following motion to the meeting for consideration:-

"THAT Messrs. BDO PLT be hereby re-appointed as Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting AND THAT THE Directors be authorised to fix their remuneration."

6. RESOLUTION 5: ORDINARY RESOLUTION - CONTINUING IN OFFICE FOR LEOW MING FONG @ LEOW MIN FONG AS AN INDEPENDENT NON-EXECUTIVE CHAIRMAN OF THE COMPANY

Chairman moved on to Resolution 5 on the continuation of office for himself. He passed the chair to Dato' Liaw to proceed with Resolution 5.

Dato' Liaw took over the chair and put forward the following motion to the members for consideration:-

“THAT authority be and is hereby given to Leow Ming Fong @ Leow Min Fong who will have serve as an Independent Non-Executive Chairman of the Company for a cumulative term of twelfth years on 31 March 2022, to continue to act as Independent Non-Executive Chairman of the Company.”

Dato' Liaw then passed the chair back to the Chairman to continue the proceedings of the meeting.

7. RESOLUTION 6: ORDINARY RESOLUTION – AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

Chairman moved on to Resolution 6 on authority to allot shares pursuant to Section 75 and 76 of the Companies Act 2016.

He informed that the Resolution, if passed, will give the Directors of the Company, from the date of this Annual General Meeting, an authority to allot ordinary shares up to maximum of 10% of the total number of issued shares of the Company for such purposes as the Directors consider would be in the interest of the Company. This authority shall, unless be revoked or varied by the Company in General Meeting, expire at the next Annual General Meeting

Chairman then put the following motion to the meeting for consideration:-

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, the Directors of the Company be and are hereby authorised to allot shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares allotted pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued from Bursa Malaysia Securities Berhad AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company after the approval was given or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by the Company at a general meeting.”

8. RESOLUTION 7: ORDINARY RESOLUTION – PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Chairman proceeded to Resolution 7 on the Proposed Renewal of Shareholders' mandate for Recurrent Related Party Transactions (“RRPT”) of a Revenue or Trading Nature.

FOCUS POINT HOLDINGS BERHAD [200901041088 (884238-U)]
MINUTES OF THE TWELFTH ANNUAL GENERAL MEETING HELD ON 27 MAY 2021

He informed that the details of the Proposed Renewal of RRPT Mandate were set out in the Circular/Statement to Shareholders dated 28 April 2021.

Chairman then put the following motion to the meeting for consideration:-

“THAT pursuant to Rule 10.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and its subsidiaries be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 1.3 of Part A of the Circular/Statement to Shareholders dated 28 April 2021 (“Related Parties”) provided that such transactions and/or arrangements are:-

- (a) necessary for the day-to-day operations;*
- (b) are undertaken in the ordinary course of business at arm’s length basis and are on normal commercial terms and transaction prices which are not more favourable to the Related Parties than those generally available to the public; and*
- (c) are not detrimental to the minority shareholders of the Company,*

(collectively known as “Proposed Shareholders’ Mandate”).

AND THAT such approval, shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting of the Company following the general meeting at which such resolution was passed, at which time, it will lapse, unless by an ordinary resolution passed at such Annual General Meeting, the authority is renewed; or*
- (b) the expiration of the period within which the next Annual General Meeting of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“the Act”) (but will not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or*
- (c) revoked or varied by resolution passed by the shareholders of the Company in general meeting,*

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Shareholders’ Mandate.”

9. RESOLUTION 8: ORDINARY RESOLUTION – PROPOSED SHAREHOLDERS’ MANDATE FOR THE AUTHORITY TO THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO TEN PER CENTUM (10%) OF THE TOTAL NUMBER OF ISSUED SHARES (“PROPOSED SHARE BUY-BACK MANDATE”)

Chairman moved on to Resolution 9 on the Proposed Share Buy-Back Mandate.

FOCUS POINT HOLDINGS BERHAD [200901041088 (884238-U)]
MINUTES OF THE TWELFTH ANNUAL GENERAL MEETING HELD ON 27 MAY 2021

Chairman informed that the details of the Proposed Share Buy-Back Mandate was set out in the Circular/Statement to Shareholders dated 28 April 2021. He then put the following motion to the meeting for consideration:-

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirement”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

- (i) the aggregate number of issued shares in the Company (“Shares”) purchased (“Purchased Shares”) and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and*
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,*

(“Proposed Share Buy-Back”).

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this ordinary resolution and will continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the general meeting at which such resolution is passed, at which time, it will lapse, unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;*
- (b) the expiration of the period within which the next AGM of the Company is required by law to be held; or;*
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,*

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force;

FOCUS POINT HOLDINGS BERHAD [200901041088 (884238-U)]
MINUTES OF THE TWELFTH ANNUAL GENERAL MEETING HELD ON 27 MAY 2021

- (i) *To cancel all or part of the Purchased Shares;*
- (ii) *To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;*
- (iii) *To distribute all or part of the treasury shares as dividends to the shareholders of the Company;*
- (iv) *To resell all or part of the treasury shares;*
- (v) *To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;*
- (vi) *To transfer all or part of the treasury shares as purchase consideration;*
- (vii) *To sell, transfer or otherwise use the shares for such other purposes as the Minister charged with responsibility for companies may by order prescribe; and/or*
- (viii) *To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.*

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991 and the entering into all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities.”

10. ANY OTHER BUSINESS

Chairman informed that the Company had not received notice for any other business pursuant to the Companies Act 2016.

QUESTION & ANSWERS (“Q&A”) SESSION

Chairman invited Dato' Liaw Choon Liang, the President/Chief Executive Officer (“CEO”) of the Company and Kenneth Chin Kah Kiong, the Chief Financial Officer (“CFO”) of the Company to address the questions submitted by the members at the AGM.

Chairman informed that questions that could not be addressed during the Q&A session would either be emailed after the 12th AGM or posted on the Company's website.

The questions raised by the members at the 12th AGM and the responses from the President/CEO and CFO are attached as Appendix A and shall form part of these minutes.

CONDUCT OF VOTING BY POLL

After having dealt with all the items on the agenda, the meeting proceeded to the voting on the Resolutions 1 to 8.

FOCUS POINT HOLDINGS BERHAD [200901041088 (884238-U)]
MINUTES OF THE TWELFTH ANNUAL GENERAL MEETING HELD ON 27 MAY 2021

Upon the closing of the voting session, the meeting adjourned at 10.50 am for counting of votes.

ANNOUNCEMENT OF POLL RESULTS

Upon the completion of the counting of votes by the Poll Administrator and verification of the results by the Scrutineer, Chairman resumed the meeting at 11.10 a.m. for the declaration of results of the poll.

The results of the poll which had been verified by the scrutineer was projected on the screen for the members' information (please refer to Appendix B as attached).

Based on the poll, result, Chairman declared that Resolutions 1 to 8 were carried.

CLOSURE OF MEETING

There being no further business, the meeting was closed at 11.15 a.m. with a vote of thanks to the Chair.

Dated: 27 May 2021

FOCUS POINT HOLDINGS BERHAD
[Registration No. 200901041088 (884238-U)]
(Incorporated in Malaysia)

QUESTIONS AND ANSWERS RAISED AND RESPONDED AT THE TWELFTH ANNUAL GENERAL MEETING (“AGM”) OF THE COMPANY HELD ON THURSDAY, 27 MAY 2021 AT 10.00 A.M.

Q1 Does the Company have any plan to transfer to Main Market of the Bursa Malaysia Securities Berhad?

A1 The Company has started the transfer the listing process whereby the Company had appointed the investment banker for the said exercise. The Company is now in the stage of due diligence and will make the necessary announcement once the application is ready for submission.

Q2 With reference to Note 8 to the Audited Financial Statements for the financial year ended 31 December 2020 (“AFS FYE 2020”), why the revenue growth rate for Food & Beverage (“F&B”) business had increased to 44% in Financial Year 2020? Is it reasonable under the current economic condition?

A2 The Company had assigned a revenue growth up to 44% for its F&B business due to the rapid increase in the corporate sales. The Company was confident that the target could be achieved if the Movement Control Order (“MCO”) is not prolonged.

Q3 (i). In the Extraordinary General Meeting (“EGM”) held in January 2021, the Company said it was in talks with convenience store chain and cafés for food supply. Any updates on this? Any pact to be materialised soon? Any guidance on potential supply volume?
(ii). The Company also said it was looking for customers including a convenience store chain in Singapore. Has the Company secured the supply pact with the convenience store chain?

A3 (i) The Company’s main customers for F&B is convenience store chain and the Company would be starting to supply the products to café chain with first delivery on 3 June 2021.

(ii) For the supply to Singapore, the Company is still waiting for its ISO 22000 certification. Once the certification is obtained, the Company should be able to start supplying to the convenience store chain in Singapore.

- Q4 (i) What are the challenges thus far in ramping up the Company's kitchen business?**
- (ii) The central kitchen/ cloud kitchen model is getting increasingly competitive. What is the Company's strategy in defending or increase the Company's market share?**

A4 (i) The Company's current key focus is to secure sufficient resources to fulfill the existing orders secured from the big corporate customers and also to cater for those new corporate customers.

(ii) The Central Kitchens will constantly develop innovative products which could be launched exclusively for certain corporate customers. This could limit the competition within the existing players in the industry.

- Q5 With reference to Note 7 to the AFS FYE 2020, could the Management elaborate what is the reassessments and modifications category related to the Right-of-use assets and Lease liabilities?**

A5 Due to the implementation of MCO by the Government, the Company had to temporarily suspend majority of its retail outlets' operations for certain periods of time during the financial year. Thus, the Company has received rent concessions from the landlords in the form of waiver of partial rental or a rental rebate. This had resulted in the reassessments and modifications category related to the Right-of-use assets and Lease Liabilities.

- Q6 (i) Given the re-imposition of MCO 3.0, is the Company still maintaining its stance to grow 10% to 20% in net profit in 2021 as per EGM guidance?**
- (ii) In view of current F&B segment growth, is the Company sees higher contribution from this segment for both revenue and profit? Would it be possible to surge pass 30% of total contribution?**

A6 (i) Yes, Management is still maintaining its stance on the targeted growth rate for 2021. The Company was doing quite well in Quarter 1 2021 and the results would be announced to the public at the end of business of the day later. Although the implementation of MCO 3.0 would have some set back to the Group but Management would attempt achieve the growth rate targeted for 2021. The Company was more prepared for this MCO 3.0 compared with MCO 1.0 as the Company is allowed to operate during MCO 3.0. Management had put in a lot of effort on the online business in January and February 2021 and the results of achieved was good.

- (ii) The corporate sales of F&B business had increased at least 15% compared to last year. The F&B business was not much affected by the MCO as the supply business to corporate customers remains stable. However, the possibility for the contribution of F&B business to surge to pass 30% of the total contribution of the Group was depending on the pandemic situation. Management is working hard to achieve the target even though MCO might affect the Company's performance. Nevertheless, Management foresaw that more income would be generated from the forthcoming corporate sales contribution.

Q7 Please clarify on the CEO's elaboration pertaining to the statement about the Company does not foresee huge impact from MCO as corporate customers' orders remained strong.

A7 CEO clarified that F&B business has lesser impact from the MCO implementation compared with Optical business. F&B business was mainly on supply where the supply to corporate customers was still remain strong during the MCO Period. As for Optical business, the Company was more prepared for this MCO 3.0 compared with the last MCO 1.0, thus, Management is optimistic on the overall performance of the Group for 2021.

Q8 Who is the Investment Banker handling the proposed transfer listing and when is the tentative timeline to complete the proposed transfer listing?

A8 It was not appropriate for the Company to reveal the name of the Investment Banker yet. The Company would make the necessary announcement on the matter in due course. Meanwhile, the tentative timeline for submission of application of the proposal was in Quarter 3 of 2021 and hope to obtain the approval from the relevant authorities on the proposal by the end of 2021.

Q9 What are the Company's positives and negatives for this year?

A9 The CEO expressed his concern over the rising Covid-19 cases. However, the Company was still optimistic that the Company would be able to weather through this challenging time. All the Group's retail outlets were allowed to operate during this MCO period, and the Company would be more aggressive to focusing on online and telemarketing business. With the commencement of the Covid-19 vaccination program, Management was confident that the business operation and economic situation would rebound in quarter 3 of 2021.

FOCUS POINT HOLDINGS BERHAD [200901041088 (884238-U)]
MINUTES OF TWELFTH ANNUAL GENERAL MEETING HELD ON 27 MAY 2021

Q10 (i) Please clarify whether the Starbucks supply is only for Starbucks Malaysia and it will start in June this year?

(ii) What is the utilisation rate for both kitchen? How much more output the company can do to reach optimum level?

Q11 What is latest utilisation rate of the kitchen operation?

A10 (i) The supply to Starbucks is only for Starbucks Malaysia and the first delivery will be on 3 June 2021.

A10 & (ii) The Company currently has two (2) Central Kitchens. Central Kitchen 1 is fully utilised, while the utilisation rate of the Central Kitchen 2 was about 20%. The Company estimated that the Central Kitchen 2 would be able to generate RM5.0 million sales if it is fully utilised.

Q12 Has CU Convenience Store get in touch with the Company on the F&B operation?

A12 The Company currently had no intention to supply products to the other convenient store chain besides the current convenient store chain.

Q13 With reference to the Key Audit Matter – Inventories, the inventories carried at NRV is only RM9,000. Why the auditors considered that it is significant enough to be a Key Audit Matter?

A13 The carrying amount of RM49.4 million of inventories at lower of cost and net realisable value is a Key Audit Matter. The Group's continued monitoring in its inventory management and system allows the Group to have the right volume in stock to fulfil its customers demand, ensures its outlets are well merchandised and at its optimum level of stockholding to maximise sales while minimising any excess or obsolete inventory.

Q14 (i) Will there be any major capex (or how much capex allocated for FY2021?

(ii) In view of challenging retail environment, is the company planning to close more store in this year? How many closure and new opening for the year?

A14 (i) Yes. We have a planned capex of RM12.7 million for financial year ended 2021 comprising of RM7.9 million allocated for optical segment and RM4.1 million allocated for F&B segment.

(ii) *The company planned to open 7 outlets and close 6 outlets for year 2021.*

Q15 Did the Company perform value-in-use calculations and assessment for the optical related products operating segment?

A15 The company is not required to perform value-in-use calculations and assessment for optical related products operating segment as there is no indication for impairment loss as it is a profit- making segment.

Q16 How much is Starbucks Malaysia's order in term of tonnage or value? How long is the supply agreement will last?

A16 There is no minimum order quantity for the client and we are not in the position to divulge the detail of the supply agreement. We appreciate your understanding of our constraint.