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FOCUS POINT

FOCUS POINT HOLDINGS BERHAD

(Company No. 884238-U)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The 9th Annual General Meeting ("AGM") of Focus Point Holdings Berhad ("Focus Point or the "Company") has been scheduled to be held at Greens II Function Room, Main Wing at Level 1, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 24 May 2018 at 10.00 a.m. The Notice of the AGM together with the Form of Proxy are set out in the 2017 Annual Report.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to vote for and on his/her behalf. In such event, the Form of Proxy should be lodged at the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd (11324-H) of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, on or before the date and time indicated below. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

Last day and time for lodging the Form of Proxy : 22 May 2018 (Tuesday) at 10.00 a.m.

Date and time of the AGM : 24 May 2018 (Thursday) at 10.00 a.m.

This Circular is dated 25 April 2018

DEFINITIONS

Unless otherwise stated, the following definitions shall have the following meanings:

- “2017 Annual Report” : The annual report of Focus Point for the financial year ended 31 December 2017
- “Act” : Companies Act 2016 as amended from time to time and any re-enactment thereof (including the corresponding previous written law)
- “AGM” : Annual General Meeting
- “Board” : Board of Directors of Focus Point
- “Bursa Securities” : Bursa Malaysia Securities Berhad (635998-W)
- “Circular” : This circular to shareholders of Focus Point dated 25 April 2018
- “Care Point Optical” : Care Point Optical Sdn Bhd (1018636-P)
- “CMSA” : Capital Markets and Services Act, 2007
- “Datin Goh” : Datin Goh Poi Eong, a Director and Major Shareholder of Focus Point. She is the spouse of Dato’ Liaw and mother of Kelvin Liaw Kai Xuan
- “Dato’ Liaw” : Dato’ Liaw Choon Liang, a Director and Major Shareholder of Focus Point. He is the spouse of Datin Goh and father of Kelvin Liaw Kai Xuan
- “Director(s)” : For the purposes of the Proposed Shareholders’ Mandate, a director has the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transactions were agreed upon:
- (a) a director of Focus Point or any other company which is its subsidiary or holding company; or
 - (b) a chief executive (as defined under Rule 1.01 of the Listing Requirements) of Focus Point, its subsidiary or holding company.
- “Family” : in relation to a person means such person who falls within any one of the following categories:
- (a) spouse;
 - (b) parent;
 - (c) child including an adopted child and step-child;
 - (d) brother or sister; and
 - (e) spouse of the person referred to in sub-Rules (c) and (d) above.
- “Focus Point” or “the Company” : Focus Point Holdings Berhad (884238-U)

DEFINITIONS (Cont'd)

“Focus Point Group” or “the Group”	:	Focus Point and its subsidiaries
“Focus Point Vision Care”	:	Focus Point Vision Care Group Sdn Bhd (268471-X), a wholly-owned subsidiary of Focus Point
“Focus Point Management”	:	Focus Point Management Sdn Bhd (464799-U), a wholly-owned subsidiary of Focus Point
“Focus Point Vision Care (HP)”	:	Focus Point Vision Care Group (HP) Sdn Bhd (375498-H), a 35%-owned associate of Focus Point Vision Care
“Interested Directors / Interested Major Shareholders”	:	Dato’ Liaw, Datin Goh and Kelvin Liaw Kai Xuan
“Listing Requirements”	:	ACE Market Listing Requirements of Bursa Securities
“LPD”	:	29 March 2018, being the latest practicable date prior to the printing of this Circular
“Major Shareholder(s)”	:	<p>A person who has an interest or interests in one (1) or more voting shares in Focus Point and the number or aggregate number of those shares, is:</p> <ul style="list-style-type: none">(a) ten percent (10%) or more of the total number of voting shares in Focus Point; or(b) five percent (5%) or more of the total number of the voting shares in Focus Point where such person is the largest shareholder of Focus Point. <p>This includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a major shareholder of Focus Point as defined above or any other company which is a subsidiary or holding company of Focus Point.</p> <p>For the purpose of this definition, “interest in shares” has the meaning given in Section 8 of the Act.</p>
“Multiple Reward”	:	Multiple Reward Sdn Bhd (858098-H), a wholly-owned subsidiary of Focus Point
“Partner”	:	<p>in relation to any person (referred to as “said Person”), means such person who falls within any one of the following categories:</p> <ul style="list-style-type: none">(a) a person with whom the said Person, is in or proposes to enter into partnership with. “Partnership” for this purpose refers to a “partnership” as defined in section 3 of the Partnership Act 1961 or “limited liability partnership” as defined in section 2 of the Limited Liability Partnerships Act 2012, as the case may be; or(b) a person with whom the said Person has entered or proposes to enter into a joint venture, whether incorporated or not.

DEFINITIONS (Cont'd)

- "Person(s) Connected" : in relation to any person (referred to as "said Person") means such person who falls under any one of the following categories:
- (a) a family member of the said Person;
 - (b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;
 - (c) a partner of the said Person;
 - (d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;
 - (e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;
 - (f) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
 - (g) a body corporate which is a related corporation of the said Person.
- "Proposed Mandate Period" : The period during which the Recurrent Related Party Transactions are to be entered into for which the Proposed Shareholders' Mandate is being sought. This period shall commence immediately upon the passing of the resolution in respect of the Proposed Shareholders' Mandate during the forthcoming AGM until:
- (a) the conclusion of the next AGM of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
 - (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of 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 in general meeting,
- whichever is the earlier.
- "Proposed Shareholders' Mandate" : Proposed renewal of shareholders' mandate for Focus Point Group to enter into existing Recurrent Related Party Transactions

DEFINITIONS (Cont'd)

“Recurrent Related Party Transaction(s)” or “RRPT(s)”	:	Related party transaction(s) which is/are recurrent, of a revenue or trading nature and which is/are necessary for the day-to-day operations of Focus Point Group and in the ordinary course of business of Focus Point Group
“Related Party(ies)”	:	Director(s), Major Shareholder(s) and/or Person(s) Connected with such Director(s) or Major Shareholder(s)
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“Sejati Serimas”	:	Sejati Serimas Sdn Bhd (947043-X)
“Share(s)”	:	Ordinary issued shares in Focus Point

References to “we”, “us”, “our” and “ourselves” are to our Company and where the context requires, shall include our subsidiaries. All references to “you” in this Circular are to our shareholders.

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of a day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

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FOCUS POINT

FOCUS POINT HOLDINGS BERHAD

(Company No. 884238-U)

(Incorporated in Malaysia)

Registered Office:

Unit 30-01, Level 30, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

25 April 2018

Board of Directors:

Leow Ming Fong @ Leow Min Fong (*Independent Non-Executive Chairman*)

Dato' Liaw Choon Liang (*President / Chief Executive Officer*)

Datin Goh Poi Eong (*Executive Director*)

Kelvin Liaw Kai Xuan (*Executive Director*)

Datin Sim Swee Yoke (*Independent Non-Executive Director*)

Dato' Syed Kamarulzaman bin Dato' Syed Zainol Khodki Shahabudin

(*Non-Independent Non-Executive Director*)

To: The Shareholders of Focus Point Holdings Berhad

Dear Sir/Madam,

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

1. INTRODUCTION

At the 8th AGM of Company held on 23 May 2017, the Company had sought and obtained our shareholders' approval for a general mandate to enter into recurrent related party transactions of a revenue or trading nature which were necessary for the day-to-day operations and were in the ordinary course of business of Focus Point Group.

The recurrent related party transactions mandate shall, in accordance with the ordinary resolution passed at the 8th AGM, lapse at the conclusion of the forthcoming AGM unless authority for its renewal is obtained from the shareholders of the Company at the forthcoming AGM.

Accordingly, the Board had on 12 April 2018 announced that the Company proposed to seek approval of its shareholders at the forthcoming 9th AGM for the Proposed Shareholders' Mandate.

The purpose of this Circular is to provide you with the details and information on the Proposed Shareholders' Mandate, together with the Board's recommendation, and to seek your approval for the Ordinary Resolution to be tabled at the forthcoming 9th AGM of the Company to be held at Greens II Function Room, Main Wing at Level 1, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 24 May 2018 at 10.00 a.m. The Notice of 9th AGM together with the Form of Proxy are enclosed in the 2017 Annual Report.

SHAREHOLDERS OF FOCUS POINT ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE ORDINARY RESOLUTION TO GIVE EFFECT TO THE PROPOSED SHAREHOLDERS' MANDATE AT THE FORTHCOMING 9TH AGM.

2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

Under Rule 10.09(2) of the Listing Requirements, a listed corporation may seek a mandate from its shareholders in respect of Recurrent Related Party Transactions subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal or more than the following thresholds in relation to a listed issuer with an issued share capital which is less than RM60 million:
 - (i) the consideration, value of the assets, capital outlay or costs of the Recurrent Related Party transactions is RM1 million or more; or
 - (ii) the percentage ratios of such Recurrent Related Party Transactions is one percent (1%) or more,

whichever is the lower;

- (c) the listed corporation's circular to shareholders for the shareholder mandate includes the information as may be prescribed by Bursa Securities;
- (d) in a meeting to obtain a shareholders' mandate, the interested Director, interested Major Shareholder or interested Person Connected with the Director or Major Shareholder; and where it involves the interest of an interested Person Connected with a Director or Major Shareholder, such Director or Major Shareholder must not vote on the resolution in respect of the RRPT. An interested Director or interested Major Shareholder must ensure that persons connected with him/her/it abstain from voting on the resolution in respect of the RRPT; and
- (e) the listed corporation immediately announces to Bursa Securities when the actual value of a Recurrent Related Party Transaction entered into by the listed corporation, exceeds the estimated value of the Recurrent Related Party Transaction disclosed in the circular by ten percent (10%) or more and must include the information as may be prescribed by Bursa Securities in its announcement.

In the ordinary course of its business, the Group has entered into certain Recurrent Related Party Transactions and it is anticipated that the companies within the Focus Point Group would, in the ordinary course of business, continue to enter into such transactions with the Related Parties, details of which are set out in Section 2.3 below. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

In compliance with Rule 10.09(2) of the Listing Requirements, the Company now proposes to seek the approval of its shareholders at the forthcoming 9th AGM for the Proposed Shareholders' Mandate to enter into arrangements or transactions with the Related Parties, which are necessary for the day-to-day operations and in the ordinary course of business of the Focus Point Group as well as are based on normal commercial terms and transaction prices that are not more favourable to the Related Parties than those generally available to the public.

2.1 Validity period for the Proposed Shareholders' Mandate

The Proposed Shareholders' Mandate, if approved by the shareholders of the Company at the forthcoming 9th AGM, will take effect from the date of the passing of the ordinary resolution proposed at the 9th AGM and the authority conferred under the Proposed Shareholders' Mandate shall continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless the authority is renewed by a resolution passed at the next AGM;
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of 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 in a general meeting,

whichever is earlier.

Thereafter, the approval of the shareholders of the Company will be sought for the renewal of the shareholders' mandate at each subsequent AGM of the Company.

2.2 Principal activities of Focus Point Group

Focus Point is principally an investment holding company. As at LPD, the principal activities of its subsidiaries are as follows:

Subsidiaries	Effective equity interest held (%)	Principal activities
Excelview Laser Eye Centre Sdn Bhd	100	Provision of medical eye care services
Focus Point Management	100	Management of franchised professional eye care centres
Focus Point Vision Care	100	Operation of professional eye care centres, trading of eyewear and eye care products and investment holding
Sound Point Hearing Solution Sdn Bhd	100	Trading of hearing aid solutions and related accessories
Multiple Reward	100	Provision of food and beverages services
Excellent Reward Japanese Restaurants Sdn Bhd	100	Dormant

	Effective equity interest held (%)	Principal activities
<u>Subsidiaries of Focus Point Vision Care</u>		
Esprit Shoppe Sdn Bhd	100	Ceased operations and has since remained dormant
Focus Point Vision Care Group (OC) Sdn Bhd	100	Ceased operations and has since remained dormant
Opulence Optometry Sdn Bhd	100	Ceased operations and has since remained dormant.
Radiant Attraction Sdn Bhd	100	Ceased operations and has since remained dormant
Eye-Zed Sdn Bhd	100	Ceased operations and has since remained dormant
Truesight Eyewear Optical Sdn Bhd	100	Retailing of optical and related products and ceased operation in April 2016
Care Point Optical	100	Ceased operation and has since remained dormant

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2.3 Nature of Recurrent Related Party Transactions and estimated values

Information on existing Recurrent Related Party Transactions and their estimated values for which approval is being sought at the forthcoming AGM pursuant to the Proposed Shareholders' Mandate are set out in the table below:

	Transacting parties		Nature of relationship	Nature of transaction	Estimated value as disclosed in the preceding year's circular dated 28 April 2017 (RM'000)	Actual value transacted since last AGM up to the LPD (RM'000)	Proposed Shareholders' Mandate Estimated aggregate value to be incurred from 9 th AGM to the next AGM* (RM'000)
	Focus Point Group	Related Party					
(i)	Focus Point Vision Care	Focus Point Vision Care (HP)	Focus Point Vision Care (HP), in which Dato' Liaw's brother, Liaw Choon Kuan has substantial shareholdings, is a 35%-owned associate company of Focus Point Vision Care. Dato' Liaw and Liaw Choon Kuan are directors of Focus Point Vision Care (HP).	Sales of eyewear and eye care products to Focus Point Vision Care (HP).	3,000	1,268	3,000
(ii)	Focus Point Management	Focus Point Vision Care (HP)	Focus Point Vision Care (HP), in which Dato' Liaw's brother, Liaw Choon Kuan has substantial shareholdings, is a 35%-owned associate company of Focus Point Vision Care. Dato' Liaw and Liaw Choon Kuan are directors of Focus Point Vision Care (HP).	Licensing fees received from Focus Point Vision Care (HP) for granting "Focus Point" licensed outlets.	500	157	500
(iii)	Multiple Reward	Sejati Serimas	Datin Goh and Kelvin Liaw Kai Xuan are shareholders and directors of Sejati Serimas. They are also directors and shareholders of Focus Point.	Rental of detached factory from Sejati Serimas for central kitchen purpose. ⁽¹⁾	240	240	240

Notes:

(a) * *These estimated values have been arrived at by the Group after taking into account management's forecasts and anticipated business volume for the Proposed Mandate Period. Nevertheless, the above estimates may vary from the actual amounts and are subject to changes.*

(b) ⁽¹⁾ *Salient terms of the tenancy renewal letter dated 13 October 2016 in relation to the rental of detached factory from Sejati Serimas*

Address : No. 3, Jalan Teknologi 3/5A, PJU 5, Pusat Teknologi Sinar Damansara, Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan

Gross floor area : 9,425 square feet

Tenancy period : Two (2) years

Commencement date : 1 October 2016 – 30 September 2018

Current rental monthly : RM20,000

Remark : The Company has intention to renew the tenancy agreement upon expiry of the existing tenancy term

(c) *There was no deviation where the actual value transacted for each RRPT from the date on which the existing mandate was obtained up to the LPD exceeds the estimated value of each RRPT as disclosed in the preceding year's circular to shareholders dated 28 April 2017 by 10% or more.*

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2.4 Relationship with Focus Point Vision Care (HP) and Sejati Serimas

Focus Point Vision Care (HP)

Focus Point Vision Care (HP) was incorporated in Malaysia under the Act on 26 January 1996 as a private limited company. It commenced operations in January 1996. Focus Point Vision Care (HP) has an issued share capital of RM80,003 comprising 80,003 ordinary shares. Focus Point Vision Care (HP) is principally engaged in the operation of professional eye care centres, which includes the provision of eye care and refraction series, dispensing of prescription eyewear, provision of ophthalmic laboratory services and retailing of eyewear and eye care products.

Focus Point Vision Care (HP) is a 35%-owned associate company of Focus Point Vision Care. The other shareholders of Focus Point Vision Care (HP) are Liaw Choon Kuan and Chong Thiam Woon whose shareholdings in Focus Point Vision Care (HP) are 35% and 30% respectively. Liaw Choon Kuan is a Related Party as he is the brother of Dato' Liaw and a Director and shareholder of Focus Point Vision Care (HP). Dato' Liaw, who is a Director and Major Shareholder of Focus Point is a Related Party as he is the brother of Liaw Choon Kuan as well as a Director and Major Shareholder of Focus Point.

Sejati Serimas

Sejati Serimas was incorporated in Malaysia under the Act on 1 June 2011 as a private limited company. It commenced operations in June 2011. Sejati Serimas has an issued share capital of RM50,000 comprising 50,000 ordinary shares. Sejati Serimas is a property investment holding company.

The Directors of Sejati Serimas are Datin Goh and Kelvin Liaw Kai Xuan, son of Dato' Liaw and Datin Goh, whose shareholdings in Sejati Serimas are 99.998% and 0.002% respectively. Datin Goh is a Related Party as she is a Director and Major Shareholder of both Focus Point and Sejati Serimas. Kelvin Liaw Kai Xuan is a Related Party as he is the son of Dato' Liaw and Datin Goh as well as a Director and shareholder of both Sejati Serimas and Focus Point. Dato' Liaw is a Related Party as he is the spouse of Datin Goh and father of Kelvin Liaw Kai Xuan and a Director and Major Shareholder of Focus Point.

2.5 Threshold of authority

There is no specific threshold for approval of the Recurrent Related Party Transactions within the Focus Point Group. However, all Recurrent Related Party Transactions are subject to the approval of the Board, after the review by the Audit Committee, and the provisions in the Listing Requirements. Where any Director has any interest (direct or indirect) in any Recurrent Related Party Transaction, such Director shall abstain from deliberation and voting on the matter. If it is determined that the guidelines and/or procedures stipulated in Section 2.7 of this Circular are inadequate, Focus Point will obtain a fresh shareholders' mandate and to ensure that:

- (a) Recurrent Related Party Transaction(s) will be conducted on an arms' length basis and on normal commercial terms and transaction prices which are not more favourable to the Related Parties than those generally available to the public; and
- (b) such transaction will not be detriment to the minority shareholders of the Company.

2.6 Amount due from Related Parties

There was no amount owing by Related Parties to Focus Point Group pursuant to the RRPTs as at 31 December 2017. The payments were made within the agreed credit terms.

2.7 Review procedures for Recurrent Related Party Transactions

Focus Point has methods and procedures to ensure that the Recurrent Related Party Transactions are undertaken on an arm's length basis and on transaction prices and normal commercial terms consistent with Focus Point's usual business practices and policies, which are not more favourable to the interested Related Parties than those extended to third parties/public and are not to the detriment of the minority shareholders. The management of Focus Point will ensure that the Recurrent Related Party Transactions with interested Related Parties will only be transacted at the prevailing market rates/prices for the services or products on the usual commercial terms, or otherwise in accordance with applicable industry norms, after taking into account the pricing, level of services, quality of products and other related factors.

Wherever practicable and/or feasible, at least two (2) other contemporaneous transactions with unrelated third parties for similar products or services and/or quantities will be used as comparison to determine whether the transaction price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities.

In the event that quotations or comparative pricing from unrelated third parties cannot be obtained for the proposed transactions, the Audit Committee shall review the transaction price based on their knowledge and usual business practices of the Group to ensure that the Recurrent Related Party Transactions are not detrimental to Focus Point Group.

The review procedures established by the Board for RRPT are as follows:

- (a) The transaction price for the sale and purchase of products and services shall be determined based on the prevailing market rates/prices for the products and services on the usual commercial terms, or otherwise in accordance with applicable industry norms, after taking into account the pricing, level of services, quality and delivery of the products.
- (b) Records will be maintained by the Company to capture all RRPTs entered into pursuant to the Proposed Shareholders' Mandate to ensure that relevant approvals have been obtained and all RRPTS are disclosed to the Audit Committee and Board and in accordance with the Listing Requirements.
- (c) Disclosures shall be made in the Company's Annual Report of a breakdown of the aggregate value of all RRPTs conducted pursuant to the Proposed Shareholders' Mandate during the financial year and, amongst others, based on the type of the RRPT made and the names of the Related Parties involved in each type of the RRPTs made and their relationship with the Company, to which the Annual Report relates, for so long as the shareholders' mandate remains in force.

In addition, if the actual value of the RRPTs entered into by the Group exceeds the estimated value of the RRPTs as disclosed in the circular to shareholders on the Proposed Shareholders' Mandate by 10% or more, the Company will make an immediate announcement to Bursa Securities.

- (d) The Audit Committee has the responsibility for reviewing the RRPT procedures and guidelines and reports the same to the Board.
- (e) In the review of RRPT, the Audit Committee may, as it deems fit, requests for additional information pertaining to the transactions from independent sources and advisers.
- (f) If a member of the Board or Audit Committee has an interest (direct or indirect) in the RRPT, he shall abstain from deliberating and decision-making by the Board

or Audit Committee in respect of such transactions and continue to abstain from voting on the resolution approving the transactions.

If during the annual review, the Audit Committee and Board are of the view that the review procedures and processes are no longer appropriate, adequate or sufficient to monitor, track and identify RRPTs as well as to ensure that the RRPTs are made on arm's length basis, on terms and transaction prices not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders, the Audit Committee will recommend to the Board to revise the existing procedures and processes to ensure the Group has in place adequate procedures and processes at all times.

2.8 Audit Committee's statement

The Audit Committee of the Company has seen and reviewed the procedures mentioned in Section 2.7 and is of the view that the procedures are sufficient to ensure that Recurrent Related Party Transactions are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.

The Audit Committee is of view that Focus Point Group has in place adequate procedures and processes to monitor, track and identify Recurrent Related Party Transaction in a timely and orderly manner. These procedures and processes are reviewed on quarterly basis.

3. RATIONALE FOR AND BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATE

The rationale for and benefits of the Proposed Shareholders' Mandate for Recurrent Related Party Transactions to Focus Point Group are as follows:

- (a) the Proposed Shareholders' Mandate will empower the Group to enter into transactions with the Related Parties which are necessary in the day-to-day operations and in the ordinary course of business of the Group, at arm's length, on normal commercial terms and transaction prices, as well as are based on terms that are not more favourable to the Related Party than those generally made available to the public and are not detrimental to the minority shareholders;
- (b) the Proposed Shareholders' Mandate will substantially reduce the expenses associated with convening of general meetings on an ad hoc basis and hence will reduce the expenses associated therewith; and
- (c) the Recurrent Related Party Transactions entered into by the Group are intended to meet business needs at the best possible terms and also enhance the Group's ability to explore beneficial business opportunities and to promote cross-selling within the Focus Point Group and the Related Parties, which will be of benefit to all the companies within the Focus Point Group.

4. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate will not have any effect on the issued share capital, net assets per share, earnings per share, gearing and shareholdings of the substantial shareholders of Focus Point Group.

5. APPROVAL REQUIRED

The Proposed Shareholders' Mandate is subject to the approval being obtained from the shareholders of the Company at the forthcoming 9th AGM to be convened.

6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSON(S) CONNECTED TO THEM

The direct and indirect interests of the Interested Directors and/or Interested Major Shareholders of the Company and Persons Connected to them who are interested in respect of the Proposed Shareholders' Mandate, based on the Register of Directors' Shareholdings and Register of Substantial Shareholders' Shareholdings of the Company as at LPD are as follows:

	Shareholdings in Focus Point as at LPD			
	< -----Direct----- >		< -----Indirect----->	
	No. of Shares	%	No. of Shares	%
Interested Directors/Interested Major Shareholders				
Dato' Liaw	75,843,001	45.965	22,464,699 ⁽¹⁾	13.615
Datin Goh	21,464,699	13.009	76,843,001 ⁽¹⁾	46.571
Kelvin Liaw Kai Xuan	1,000,000	0.606		
Interested Person Connected to the Directors/Major Shareholders				
Liaw Choon Kuan	-	-	-	-

Notes:

(1) Deemed interested by virtue of the interest of his/her spouse and son pursuant to Section 8 of the Act.

The Interested Directors have abstained and will continue to abstain from deliberations and voting on resolution in relation to the Proposed Shareholders' Mandate at the Board meetings. They abstain from deliberations and voting in respect of their direct and/or indirect shareholdings in Focus Point, if any, on the Proposed Shareholders' Mandate at the forthcoming 9th AGM.

The Interested Major Shareholders will abstain from voting in respective of their direct and indirect shareholdings in Focus Point on the Proposed Shareholders' Mandate at the forthcoming 9th AGM.

The Interested Directors and Interested Major Shareholders of the Company have also undertaken to ensure that the Persons Connected to them (if any) will abstain from voting in respect of their direct and/or indirect shareholdings in Focus Point on the resolution relating to Proposed Shareholders' Mandate at the forthcoming 9th AGM.

Save as disclosed above, none of the other Directors, Major Shareholders and/or persons connected to them has any interest, whether directly or indirectly, in the Proposed Shareholders' Mandate.

7. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board (save for the Interested Directors), after having considered the Proposed Shareholders' Mandate, is of the opinion that the Proposed Shareholders' Mandate is fair, reasonable and in the best interest of the Company.

Accordingly, the Board (save for the Interested Directors) recommends that you vote in favour of the Ordinary Resolution in relation to the Proposed Shareholders' Mandate to be tabled at the forthcoming 9th AGM.

8. AGM

The Ordinary Resolution to approve the Proposed Shareholders' Mandate is set out as Special Business in the Notice of 9th AGM contained in the 2017 Annual Report, which is sent to you together with this Circular. The AGM will be held at Greens II Function Room, Main Wing at Level 1, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 24 May 2018 at 10.00 a.m., for the purpose of considering and, if thought fit, passing the resolution to give effect to the Proposed Shareholders' Mandate.

If you are unable to attend or vote in person at the 9th AGM, you are requested to complete, sign and return the Form of Proxy as enclosed in the 2017 Annual Report in accordance with the instructions contained therein, to be deposited at the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd (11324-H), Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the date and time set for the 9th AGM or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the 9th AGM should you subsequently wish to do so.

9. FURTHER INFORMATION

Shareholders are requested to refer to the enclosed appendix for further information.

Yours faithfully,
For and on behalf of the Board of
FOCUS POINT HOLDINGS BERHAD (884238-U)

LEOW MING FONG @ LEOW MIN FONG
Independent Non-Executive Chairman

ADDITIONAL INFORMATION**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Board who collectively and individually, accepts full responsibility for the accuracy of the information contained in this Circular and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. MATERIAL CONTRACTS

Save as disclosed below, as at the date of this Circular, neither the Company nor any of its subsidiaries have entered into any material contract (not being contracts entered into in the ordinary course of business) within two (2) years immediately preceding the date of this Circular:

- (a) On 3 May 2016, Multiple Reward entered into a Share Sale Agreement with Ong Hung Heng and Lim Kim Sow for the disposal of Multiple Reward's entire investment in Original Reward comprising 51,000 ordinary shares, representing 51% equity shares in Original Reward at a cash consideration of RM1.00.
- (b) On 12 May 2016, Focus Point Vision Care entered into a Sale and Purchase Agreement with LTN Resources Sdn Bhd to acquire of a 5-storey shop office situated at Block 1, Jalan PJU 1/37, Dataran Prima, 47301 Petaling Jaya, Selangor Darul Ehsan measuring in area approximately 660 square metres, a freehold property at a total purchase price of RM3,400,000.00 in cash.
- (c) On 1 March 2017, Esprit Shoppe Sdn Bhd, a wholly owned subsidiary of Focus Point Vision Care which in turn is a wholly-owned subsidiary of the Company, entered into a Share Sale and Purchase Agreement with Ng Weng Leong and Foo Tee Kheng for the disposal of Esprit Shoppe Sdn Bhd's entire investment in Optolab Sdn Bhd comprising 30,000 ordinary issued shares, representing 60% of the equity shares in Optolab Sdn Bhd, at a cash consideration of RM30,000.00.

3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the date of this Circular, neither the Company nor any of its subsidiaries are engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, and the Board is not aware and does not have any knowledge of any proceedings pending or threatened against the Company and/or its subsidiaries, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the financial position or business of the Company and/or its subsidiaries.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia during normal business hours (except public holiday) for a period from the date of this Circular up to and including the date of the AGM:

- (a) Constitution of the Company;
- (b) The audited consolidated financial statements of Focus Point for the past two (2) financial years ended 31 December 2016 and 31 December 2017; and
- (c) The material contracts referred in Section 2 above.

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FOCUS POINT

FOCUS POINT HOLDINGS BERHAD

(Company No. 884238-U)

(Incorporated in Malaysia)

EXTRACT OF RESOLUTION TO BE TABLED AT THE ANNUAL GENERAL MEETING OF FOCUS POINT HOLDINGS BERHAD

ORDINARY RESOLUTION

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"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 2.3 of the Circular to Shareholders dated 25 April 2018 ("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 ("AGM") of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by an ordinary resolution passed at such AGM, the authority is renewed; or
- (b) the expiration of the period within which the next AGM 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 a 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."