

## FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)

### CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (The figures have not been audited)

	Individual quarter		Cumulative quarter	
	30-09-18 RM'000	30-09-17 RM'000	30-09-18 RM'000	30-09-17 RM'000
Revenue	46,146	41,051	129,059	122,173
Cost of sales	(18,089)	(17,166)	(50,768)	(50,442)
Gross profit	28,057	23,885	78,291	71,731
Other income	1,006	1,152	3,243	3,399
Selling and distribution expenses	(8,706)	(8,585)	(25,842)	(25,261)
Administrative and general expenses	(16,452)	(16,383)	(48,671)	(48,355)
Interest expense	(604)	(671)	(1,844)	(1,922)
Interest income	42	48	112	130
Share of profit in associates	115	122	307	324
Share of loss in joint venture	(9)	-	(37)	(39)
Profit/(loss) before tax	3,449	(432)	5,559	7
Tax expense	(1,630)	(638)	(2,914)	(1,391)
Profit/(loss) for the period	1,819	(1,070)	2,645	(1,384)
<b>Profit/(loss) attributable to:</b>				
Owners of the Parent	1,819	(1,070)	2,645	(1,385)
Non-controlling interests	-	-	-	1
	1,819	(1,070)	2,645	(1,384)
<b>Total comprehensive profit/(loss) attributable to:</b>				
Owners of the Parent	1,819	(1,070)	2,645	(1,385)
Non-controlling interests	-	-	-	1
	1,819	(1,070)	2,645	(1,384)
<b>Earnings/(loss) per share attributable to owners of the Parent:</b>				
Basic (sen)	1.10	(0.65)	1.60	(0.84)
Diluted (sen)	N/A	N/A	N/A	N/A

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial report.

# FOCUS POINT

## FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)

### CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(The figures have not been audited)

	As at 30-09-18 RM'000 (Unaudited)	As at 31-12-17 RM'000 (Audited)
<b><u>ASSETS</u></b>		
<b>Non-current assets</b>		
Property, plant and equipment	46,812	48,530
Investment in associates	729	632
Investment in joint venture	226	263
Deferred tax assets	250	250
Trade and other receivables	1,143	553
	<u>49,160</u>	<u>50,228</u>
<b>Current assets</b>		
Inventories	47,250	45,098
Trade and other receivables	23,051	24,518
Current tax assets	2	74
Cash and bank balances	7,498	9,900
	<u>77,801</u>	<u>79,590</u>
<b>TOTAL ASSETS</b>	<u>126,961</u>	<u>129,818</u>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	40,096	40,096
Reserves	12,219	12,248
<b>TOTAL EQUITY</b>	<u>52,315</u>	<u>52,344</u>
<b>Non-current liabilities</b>		
Borrowings	10,959	14,124
Deferred income	2,156	1,390
Deferred tax liabilities	1,706	2,042
	<u>14,821</u>	<u>17,556</u>
<b>Current liabilities</b>		
Borrowings	29,740	29,207
Trade and other payables	26,826	29,487
Current tax liabilities	1,657	687
Deferred income	1,602	535
Derivative liabilities	-	2
	<u>59,825</u>	<u>59,918</u>
<b>TOTAL LIABILITIES</b>	<u>74,646</u>	<u>77,474</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>126,961</u>	<u>129,818</u>
<b>Net assets per share attributable to owners of the Parent (sen)</b>	31.71	31.72

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial report.

# FOCUS POINT

## FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)

### CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (The figures have not been audited)

	← Attributable to owners of the Parent →					
	← Non-distributable →			Distributable		
	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>At 1 January 2018</b>	40,096	-	12,248	52,344	-	52,344
Impact arising from adoption of MFRS 15	-	-	(1,024)	(1,024)	-	(1,024)
<b>At 1 January 2018, as restated</b>	40,096	-	11,224	51,320	-	51,320
Profit for the period	-	-	2,645	2,645	-	2,645
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	2,645	2,645	-	2,645
<b>Transactions with owners</b>						
Dividend paid	-	-	(1,650)	(1,650)	-	(1,650)
Total transaction with owners	-	-	(1,650)	(1,650)	-	(1,650)
<b>At 30 September 2018</b>	40,096	-	12,219	52,315	-	52,315

	← Attributable to owners of the Parent →					
	← Non-distributable →			Distributable		
	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>At 1 January 2017</b>	33,000	7,096	12,706	52,802	(6)	52,796
Effects of the adoption of Companies Act 2016	7,096	(7,096)	-	-	-	-
<b>At 1 January 2017, as restated</b>	40,096	-	12,706	52,802	(6)	52,796
(Loss)/profit for the period	-	-	(1,385)	(1,385)	1	(1,384)
Other comprehensive (loss)/income	-	-	-	-	-	-
Total comprehensive (loss)/income	-	-	(1,385)	(1,385)	1	(1,384)
<b>Transactions with owners</b>						
Disposal of non-controlling interest of a subsidiary	-	-	-	-	5	5
Total transactions with owners	-	-	-	-	5	5
<b>At 30 September 2017</b>	40,096	-	11,321	51,417	-	51,417

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial report.

# FOCUS POINT

## FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)

### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(The figures have not been audited)

	For the 9 months ended 30 September 2018 RM'000	For the 9 months ended 30 September 2017 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	5,559	7
Adjustments for:		
Depreciation	6,055	6,002
Other non-cash items	2,827	2,649
Operating profit before working capital changes	14,441	8,658
Changes in inventories	(2,806)	1,818
Changes in trade and other receivables	703	1,084
Changes in trade and other payables	(2,177)	(4,424)
Cash generated from operations	10,161	7,136
Tax refunded	-	25
Income taxes paid	(1,884)	(1,416)
<b>Net cash generated from operating activities</b>	<b>8,277</b>	<b>5,745</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2,453)	(2,318)
Proceeds from disposal of property, plant and equipment	134	549
Interest received	112	130
Dividend received from an associate	210	315
Net cash inflow from disposal of a subsidiary	-	21
Investment in a joint venture	-	(300)
<b>Net cash used in investing activities</b>	<b>(1,997)</b>	<b>(1,603)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(1,844)	(1,922)
Uplift of fixed deposits pledged to licensed banks	1,165	3,271
Net drawdown/(repayment) of banker's acceptance	788	(6,020)
Net repayment of hire purchase	(2,373)	(3,625)
Net repayment of term loan	(1,056)	(818)
(Repayment)/drawdown of revolving credit	(374)	2,336
Dividend paid	(1,650)	-
<b>Net cash used in financing activities</b>	<b>(5,344)</b>	<b>(6,778)</b>
<b>Net increase in cash and cash equivalents</b>	<b>936</b>	<b>(2,636)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>(1,359)</b>	<b>(2,230)</b>
<b>Cash and cash equivalents at end of period</b>	<b>(423)</b>	<b>(4,866)</b>

# FOCUS POINT

## FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)

### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (cont'd) (The figures have not been audited)

	For the 9 months ended 30 September 2018 RM'000	For the 9 months ended 30 September 2017 RM'000
<i>Cash and cash equivalents comprise:</i>		
Cash and bank balances	2,541	1,931
Fixed deposits with licensed banks	4,957	6,082
	<hr/>	<hr/>
	7,498	8,013
Less : Bank overdraft included in borrowings	(3,644)	(7,477)
	<hr/>	<hr/>
	3,854	536
Less : Fixed deposits pledged to licensed banks	(4,277)	(5,402)
	<hr/>	<hr/>
	(423)	(4,866)
	<hr/>	<hr/>

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial report.

## FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)

### Notes to the Interim Financial Report for the third quarter ended 30 September 2018

#### Part A - Explanatory notes pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 : Interim Financial Reporting

##### A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134 : *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2017.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 31 December 2017, except for the adoption of the following standards applicable to the Group's financial year beginning 1 January 2018.

<b>Title</b>	<b>Effective Date</b>
Amendments to MFRS 1 <i>Annual Improvements to MFRS Standards 2014 - 2016 Cycle</i>	1 January 2018
MFRS 9 <i>Financial Instruments (IFRS 9 as issued by IASB in July 2014)</i>	1 January 2018
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
Clarifications to MFRS 15	1 January 2018
Amendments to MFRS 2 <i>Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
Amendments to MFRS 128 <i>Annual Improvements to MFRS Standards 2014 - 2016 Cycle</i>	1 January 2018
Amendments to MFRS 140 <i>Transfers of Investment Property</i>	1 January 2018
IC Interpretation 22 <i>Foreign Currency Transactions and Advance Consideration</i>	1 January 2018
Amendments to MFRS 4 <i>Applying MFRS 9 Financial Instruments with MFRS 4 Insurance contracts</i>	See MFRS 4 Paragraphs 46 and 48

The initial application of the aforesaid applicable standards, amendments or interpretations, except for MFRS 15 Revenue from Contracts with Customers the impact of which has been disclosed in this announcement, are not expected to have any material financial impact to the current financial year upon their initial adoption.

The following are standards issued by MASB which are not yet effective and have not been early adopted by the Group:

<b>Title</b>	<b>Effective Date</b>
MFRS 16 <i>Leases</i>	1 January 2019
Amendments to MFRS 3 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 9 <i>Prepayment Features with Negative Compensation</i>	1 January 2019
Amendments to MFRS 11 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 112 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 119 <i>Plan Amendment, Curtailment or Settlement</i>	1 January 2019
Amendments to MFRS 123 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 128 <i>Long-term Interests in Associates and Joint Ventures</i>	1 January 2019
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
MFRS 17 <i>Insurance Contracts</i>	1 January 2021
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associates or Joint Venture</i>	Deferred

## FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)

### Notes to the Interim Financial Report for the third quarter ended 30 September 2018

#### Part A - Explanatory notes pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 : Interim Financial Reporting

##### A1. Basis of preparation (cont'd)

The Group is in the process of assessing the impact of implementing these Standards since the effect would only be observable for future financial years.

##### A2. Auditors' reports

The auditors' report on the audited financial statements of the Group for the financial year ended 31 December 2017 was not subject to any qualification.

##### A3. Seasonal or cyclical factors

The business operations of the Group were not materially affected by any seasonal or cyclical factors.

##### A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There was no unusual item because of its nature, size or incidence that has affected the assets, liabilities, equity, net income or cash flows of the Group during the current quarter.

##### A5. Material changes in estimates

There was no change in the estimates of amounts reported that have had a material effect in the current quarter.

##### A6. Changes in debts and equity securities

There were no issuance, cancellation, repurchase, resale or repayment of debt and/or equity securities, share buy-back, share cancellation, shares held as treasury shares and/or resale of treasury shares during the current quarter.

##### A7. Dividend paid

A single-tier interim dividend of 1.0 sen per share amounting to RM1,650,000 for the financial year ending 31 December 2018 was paid on 24 July 2018 to the shareholders of the Company whose names appear in the Record of Depository on 10 July 2018.

##### A8. Segmental reporting

The Group has three (3) reportable segments, as described below, are the Group's strategic business units.

The following summary described the operations of each of the reportable segment:

- **Optical and related products** : Retailing of optical and related products
- **Franchise management** : Management of franchised professional eye care centres
- **Food and beverage** : Provision of food and beverage services

Other operating segments that do not constitute reportable segments mainly comprise investment holding, laser eye surgery treatment activities as well as retailing of hearing solutions and related accessories.

# FOCUS POINT

## FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)

### Notes to the Interim Financial Report for the third quarter ended 30 September 2018

#### Part A - Explanatory notes pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 : Interim Financial Reporting

##### A8. Segmental reporting (cont'd)

The segmental information for the financial period ended 30 September 2018 is as follows:-

	<b>Optical and related products RM'000</b>	<b>Franchise management RM'000</b>	<b>Food and beverage RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>					
Total revenue	115,352	2,353	10,335	2,686	130,726
Inter-segment revenue	-	-	(17)	(1,650)	(1,667)
<b>External revenue</b>	<b>115,352</b>	<b>2,353</b>	<b>10,318</b>	<b>1,036</b>	<b>129,059</b>
<b>Segment results</b>					
Interest income	74	1	28	9	112
Interest expense	(1,709)	-	(135)	-	(1,844)
Share of profit in associates	307	-	-	-	307
Share of loss in joint venture	-	-	(37)	-	(37)
<b>Profit/(Loss) before tax</b>	<b>6,235</b>	<b>912</b>	<b>(1,606)</b>	<b>18</b>	<b>5,559</b>
<b>Assets</b>					
Segment assets	113,430	997	9,719	1,608	125,754
Investment in associates	729	-	-	-	729
Investment in joint venture	-	-	226	-	226
<b>Total assets</b>	<b>114,159</b>	<b>997</b>	<b>9,945</b>	<b>1,608</b>	<b>126,709</b>
<b>Liabilities</b>					
Segment liabilities	62,810	2,010	6,326	137	71,283
<b>Total liabilities</b>	<b>62,810</b>	<b>2,010</b>	<b>6,326</b>	<b>137</b>	<b>71,283</b>

The segmental information for the financial period ended 30 September 2017 is as follows:-

	<b>Optical and related products RM'000</b>	<b>Franchise management RM'000</b>	<b>Food and beverage RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>					
Total revenue	107,173	2,399	11,816	4,843	126,231
Inter-segment revenue	(48)	-	(10)	(4,000)	(4,058)
<b>External revenue</b>	<b>107,125</b>	<b>2,399</b>	<b>11,806</b>	<b>843</b>	<b>122,173</b>
<b>Segment results</b>					
Interest income	38	4	79	9	130
Interest expense	(1,739)	-	(183)	-	(1,922)
Share of profit in associates	324	-	-	-	324
Share of loss in joint venture	-	-	(39)	-	(39)
<b>Profit/(Loss) before tax</b>	<b>2,238</b>	<b>(56)</b>	<b>(1,995)</b>	<b>(180)</b>	<b>7</b>
<b>Assets</b>					
Segment assets	110,212	1,284	10,982	1,292	123,770
Investment in associates	705	-	-	-	705
Investment in joint venture	-	-	261	-	261
<b>Total assets</b>	<b>110,917</b>	<b>1,284</b>	<b>11,243</b>	<b>1,292</b>	<b>124,736</b>
<b>Liabilities</b>					
Segment liabilities	63,447	2,348	5,599	121	71,515
<b>Total liabilities</b>	<b>63,447</b>	<b>2,348</b>	<b>5,599</b>	<b>121</b>	<b>71,515</b>

## FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)

### Notes to the Interim Financial Report for the third quarter ended 30 September 2018

#### Part A - Explanatory notes pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 : Interim Financial Reporting

**A8. Segmental reporting (cont'd)**

Geographical information

The Group operates only in Malaysia.

**A9. Valuation of property, plant and equipment**

There was no valuation of property, plant and equipment in the current quarter as the Group has not adopted a revaluation policy on its property, plant and equipment.

**A10. Commitment**

**(a) Operating lease commitment**

The Group entered into non-cancellable lease agreements for business premises, hence resulting in future rental commitment. The Group has aggregate future minimum lease commitment as at the end of the current quarter as follows :-

	<b>As at 30-09-18 RM'000</b>	<b>As at 31-12-17 RM'000</b>
<b>Branches</b>		
Not later than one (1) year	29,450	30,583
Later than one (1) year and not later than five (5) years	23,367	23,665
	52,817	54,248
<b>Franchisees</b>		
Not later than one (1) year	5,243	5,612
Later than one (1) year and not later than five (5) years	2,521	3,907
	7,764	9,519

The Group has back-to-back arrangements with its franchisees on the rented business premises whereby the Group enters into rental agreements with the respective landlords and thereafter sub-leases these business premises to its franchisees. The rental expense for these business premises are borne by its franchisees. Furthermore, it should be noted that in the event of any default in any rental payment by the Group's franchisees, the franchisees are bound and the Group's interests are protected by the terms and conditions stated in the respective franchise agreements.

**(b) Capital commitment**

	<b>As at 30-09-18 RM'000</b>	<b>As at 31-12-17 RM'000</b>
Capital expenditure in respect of purchase of property, plant and equipment		
- Contracted but not provided for	1,338	1,622
- Approved but not contracted for	-	-
	1,338	1,622

This represents capital commitment in respect of properties and optical equipment.

**A11. Subsequent event**

There was no material event subsequent to the end of the current quarter up to the date of this report that has not been reflected in the interim financial report.

**FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)****Notes to the Interim Financial Report for the third quarter ended 30 September 2018****Part A - Explanatory notes pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 : Interim Financial Reporting****A12. Change in composition of the Group**

There was no change in composition of the Group during the current quarter.

**A13. Change in contingent liability**

There was no material change in contingent liability during the current quarter.

**A14. Related party transactions**

The Group entered into the following transactions with related parties:-

	<b>Individual quarter</b>		<b>Cumulative quarter</b>	
	<b>30-09-18</b>	<b>30-09-17</b>	<b>30-09-18</b>	<b>30-09-17</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Sale of eyewear and eye care products	343	338	934	913
Licensing fee	41	40	119	119
Rental of premises	60	60	180	180

The Directors of the Group are of the opinion that, other than the transactions disclosed above which were established on a negotiated basis, all the transactions have been entered into in the normal course of business and have been established at arm's length under terms no more favourable than those transacted with third parties.

## FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)

### Notes to the Interim Financial Report for the third quarter ended 30 September 2018

#### Part B - Explanatory notes pursuant to Paragraph 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

##### B1. Review of performance

###### 9-month ended 30 September 2018

Group revenue at RM129.1 million was 6% higher compared with RM122.2 million of the corresponding period. The increase in Group revenue was mainly attributed to higher sales attained by the optical and related products business. The Group recorded profit before tax ("PBT") at RM5.559 million, tremendously higher compared with RM0.007 million of the corresponding period. The improved performance was due to improvement in operating results of all the three (3) businesses. Consequently, the Group also recorded profit after tax of RM2.6 million, 291% higher compared with loss after tax of RM1.4 million of the corresponding period.

###### **Optical and related products segment**

Optical and related products segment recorded revenue at RM115.4 million compared with RM107.1 million of the corresponding period, representing an increase of 8%. Revenue contribution from the new outlets was amounted to RM4.4 million, representing 4% of total retail outlet revenue. On existing outlets, revenue was 3% higher as compared with the corresponding period. Profit before tax ("PBT") at RM6.2 million was 179% higher compared with RM2.2 million of the corresponding period. The increase in PBT was attributed to the attainment of higher revenue and rebate income.

###### **Franchise management segment**

Revenue at RM2.35 million was lower by 2% compared with RM2.40 million of the corresponding period. The segment recorded profit before tax at RM0.912 million, tremendously higher compared with loss before tax at RM0.056 million of the corresponding period due mainly to lower management fee incurred.

###### **Food and beverage segment**

The segment recorded revenue at RM10.3 million, 13% lower compared with RM11.8 million of the corresponding period. The decline in revenue was mainly attributed to closure of two (2) outlets since November 2017 resulting in lower retail sales coupled with lower sales of products/materials to franchise outlets.

Owing to lower operating expenses incurred, loss before tax at RM1.6 million was 19% lower compared with RM2.0 million of the corresponding period.

###### 3-month ended 30 September 2018

Group revenue at RM46.1 million was 12% higher compared with RM41.1 million of the corresponding quarter, attributed mainly to higher revenue attained by the optical and related products business. For Group profit before tax, it was recorded at RM3.4 million, tremendously higher compared with loss before tax of RM0.4 million of the corresponding quarter, attributed mainly to improved performance of the optical and related products business.

##### B2. Comparison with immediate preceding quarter's results

Group revenue at RM46.1 million was 10% higher compared with RM41.9 million of the immediate preceding quarter. The increase in Group revenue was mainly attributed to higher sales attained by the optical and related products business. The Group registered profit before tax at RM3.4 million, 139% higher compared with RM1.4 million of the immediate preceding quarter in view of better performance attained by the optical and related products business.

## FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)

### Notes to the Interim Financial Report for the third quarter ended 30 September 2018

#### Part B - Explanatory notes pursuant to Paragraph 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

##### B3. Prospect

As far as the optical business is concerned, much emphasis will be placed on tactical branding and advertising & promotional activities for long-term sustainability as well as productivity. Expanding our doors at the right locations and at the same time consolidating non-performing outlets would continue to be carried out. Coming out with different store concepts to compete is also a necessity to stay relevant. The Group will also be watchful on spending to maintain profitability.

As to the food & beverage business, much emphasis would be placed on strengthening its operation and cost saving to further improve its performance. The Group is also active in expanding Komugi licensing business in overseas market and wholesale business.

Premised upon the above, the Group expects to deliver a better performance for 2018.

##### B4. Financial estimate, forecast, projection or internal target

This is not applicable to the Group.

##### B5. Profit before tax

Profit before tax for the current quarter and current year is arrived at after charging/(crediting):-

	Individual quarter		Cumulative quarter	
	30-09-18 RM'000	30-09-17 RM'000	30-09-18 RM'000	30-09-17 RM'000
Depreciation	1,993	2,018	6,055	6,002
Bad debts written off	-	-	-	-
Impairment loss on trade and other receivables	115	-	171	-
Inventories written off	102	81	308	275
Inventories written down	116	99	347	333
Loss/(gain) on disposal of quoted or unquoted investments	-	-	-	-
Gain on disposal of a subsidiary	-	-	-	(68)
Loss/(gain) on disposal of property, plant and equipment	98	(76)	107	(98)
Impairment loss on property, plant and equipment	-	-	151	-
Property, plant and equipment written-off	62	418	280	608
Realised loss/(gain) on foreign currency transactions (net)	58	14	(50)	128
Net fair value (gain)/loss on derivative	-	-	(2)	39
Exceptional items	-	-	-	-

## FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)

Notes to the Interim Financial Report for the third quarter ended 30 September 2018

**Part B - Explanatory notes pursuant to Paragraph 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad**

**B6. Income tax expense**

	Individual quarter		Cumulative quarter	
	30-09-18 RM'000	30-09-17 RM'000	30-09-18 RM'000	30-09-17 RM'000
<b>Current tax:</b>				
Current	1,293	289	2,570	1,041
Prior year	356	349	356	350
	1,649	638	2,926	1,391
<b>Deferred tax:</b>				
Current	(19)	-	(12)	-
Prior year	-	-	-	-
	(19)	-	(12)	-
<b>Total</b>	1,630	638	2,914	1,391

The Group effective current tax rates for 2018 and 2017 were higher than prima facie tax rate due principally to absence of full group relief, certain capital expenditure not qualified for tax purpose and certain expenses non deductible for tax purpose.

**B7. Status of corporate proposals**

There was no corporate proposal announced but not completed as at the date of this interim financial report.

**B8. Borrowings**

	As at 30-09-18 RM'000	As at 31-12-17 RM'000
<b>Short term</b>		
Secured:		
Banker's acceptance	13,882	13,094
Bank overdraft	3,644	5,817
Term loan	3,408	1,384
Hire purchase	5,795	5,527
Revolving credit	3,011	3,385
	29,740	29,207
<b>Long term</b>		
Secured:		
Term loan	7,259	9,448
Hire purchase	3,700	4,676
	10,959	14,124
<b>Total borrowings</b>	40,699	43,331

The above borrowings were denominated in Ringgit Malaysia.

**B9. Material litigation**

There was no material litigation (including any pending material litigation) as at the date of this interim financial report.

**B10. Dividend**

No dividend was declared in the current quarter.

**FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)****Notes to the Interim Financial Report for the third quarter ended 30 September 2018****Part B - Explanatory notes pursuant to Paragraph 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad****B11. Earnings/(loss) per share**

Basic earnings/(loss) per share is calculated by dividing profit/loss for the quarter/period attributable to owners of the Parent by the weighted average number of ordinary shares in issue during the quarter.

	<b>Individual quarter</b>		<b>Cumulative quarter</b>	
	<b>30-09-18</b>	<b>30-09-17</b>	<b>30-09-18</b>	<b>30-09-17</b>
Profit/(loss) attributable to owners of the Parent (RM'000)	1,819	(1,070)	2,645	(1,385)
Weighted average number of ordinary shares in issue ('000)	165,000	165,000	165,000	165,000
Basic earnings/(loss) per share (sen)	1.10	(0.65)	1.60	(0.84)

**B12. Authorisation for issue**

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Board of Directors on 27 November 2018.