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If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") has not perused the contents of these Circular and Statement ("Circular") prior to their issuances as they are exempt documents pursuant to Rule 2.1 of Guidance Note 22 of the ACE Market Listing Requirements of Bursa Securities.

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# FOCUS POINT

## FOCUS POINT HOLDINGS BERHAD

[Registration No. 200901041088 (884238-U)]  
(Incorporated in Malaysia)

### CIRCULAR/STATEMENT TO SHAREHOLDERS IN RELATION TO

#### PART A

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

#### PART B

#### PROPOSED SHAREHOLDERS' MANDATE FOR THE AUTHORITY TO THE COMPANY TO PURCHASE ITS OWN SHARES UP TO TEN PER CENTUM (10%) OF THE TOTAL NUMBER OF ISSUED SHARES

The resolutions in respect of the above proposals will be tabled as Special Business at the 12<sup>th</sup> Annual General Meeting ("AGM") of Focus Point Holdings Berhad ("Focus Point or the "Company") scheduled to be held at Greens III, Ballroom, Sports Wing at Level 1, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 27 May 2021 at 10.00 a.m. The Notice of the 12<sup>th</sup> AGM together with the Form of Proxy and Administrative Guide for the 12<sup>th</sup> AGM are despatched together with this Circular.

If you are unable to attend and vote at the meeting, you may appoint proxy(ies) by completing the Form of Proxy and deposit it at the Company's Share Registrar's office at Tricor Investor & Issuing House Services Sdn Bhd [Registration No. 197101000970 (11324-H)] of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia 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, Malaysia, not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.

You can also have the option to lodge the proxy appointment electronically via TIIH Online at <https://tiih.online> before the proxy form lodgement cut-off time as mentioned below. For further information on the electronic lodgement of proxy form, kindly refer to the Administrative Guide for the 12<sup>th</sup> AGM.

The lodging of the Form of Proxy will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

Last day and time for lodging the Form of Proxy: 25 May 2021 (Tuesday) at 10.00 a.m.  
Date and time of the AGM : 27 May 2021 (Thursday) at 10.00 a.m.

## DEFINITIONS

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

“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 [Registration No. 200301033577 (635998-W)]
“Circular/Statement”	:	These circular and statement to shareholders of Focus Point dated 28 April 2021
“Code”	:	Malaysian Code on Take-Overs and Mergers 2016, including any amendments that may be made from time to time
“CMSA”	:	Capital Markets and Services Act 2007 including any amendments that may be made from time to time.
“Datin Goh”	:	Datin Goh Poi Eong, a Director and Major Shareholder of Focus Point. She is the spouse of Dato’ Liaw.
“Dato’ Liaw”	:	Dato’ Liaw Choon Liang, a Director and Major Shareholder of Focus Point. He is the spouse of Datin Goh.
“Director(s)”	:	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.
“EPS”	:	Earnings per share
“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 [Registration No. 200901041088 (884238-U)]
“Focus Point Group” or “the Group”	:	Focus Point and its subsidiaries
“Focus Point Vision Care”	:	Focus Point Vision Care Group Sdn Bhd [Registration No. 199301013733 (268471-X)], a wholly-owned subsidiary of Focus Point

## DEFINITIONS (Con't)

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- “Focus Point Management” : Focus Point Management Sdn Bhd [Registration No. 199801008672 (464799-U)], a wholly-owned subsidiary of Focus Point
- “Focus Point Vision Care (HP)” : Focus Point Vision Care Group (HP) Sdn Bhd [Registration No. 199601003152 (375498-H)], a 35%-owned associate of Focus Point Vision Care
- “Interested Directors / Interested Major Shareholders” : Dato’ Liaw and Datin Goh
- “Listing Requirements” : ACE Market Listing Requirements of Bursa Securities including any amendments that may be made from time to time.
- “LPD” : 31 March 2021, being the latest practicable date prior to the printing of this Circular/Statement.
- “Major Shareholder(s)” : 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:
- (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.
- 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.
- For the purpose of this definition, “interest in shares” has the meaning given in Section 8 of the Act.
- “Multiple Reward” : Multiple Reward Sdn Bhd [Registration No. 200901015028 (858098-H)], a wholly-owned subsidiary of Focus Point
- “NA” : Net assets
- “Partner” : in relation to any person (referred to as “said Person”), means such person who falls within any one of the following categories:
- (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.
- “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;

## DEFINITIONS (Con't)

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- (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 must 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 Renewal of RRPT Mandate” : Proposed renewal of shareholders’ mandate for Focus Point Group to enter into existing Recurrent Related Party Transactions
- “Proposed Share Buy-Back Mandate” : Proposed shareholders’ mandate for the authority to the Company to purchase its own shares up to ten per centum (10%) of its total number of issued shares
- “Proposed Share Buy-Back” : Proposed purchase of up to 10% of Focus Point’s total number of issued shares
- “Purchased Shares” : Focus Point shares to be purchased by the Company pursuant to the Proposed Share Buy-Back Mandate
- “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

## DEFINITIONS (Con't)

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“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 [Registration No. 201101018910 (947043-X)]
“Share(s)”	:	Ordinary shares in Focus Point
“SC”	:	Securities Commission Malaysia
“Treasury Shares”	:	Focus Point Shares so purchased and retained in treasury

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

[Registration No. 200901041088 (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  
W.P. Kuala Lumpur

28 April 2021

### 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*)  
Datin Sim Swee Yoke (*Independent Non-Executive Director*)  
Datuk Md Zubir Ansori Bin Yahaya (*Non-Independent Non-Executive Director*)

To: **The Shareholders of Focus Point Holdings Berhad**

Dear Sir/Madam,

### **PART A - PROPOSED RENEWAL OF RRPT MANDATE PART B - PROPOSED SHARE BUY-BACK MANDATE (COLLECTIVELY REFERRED TO AS "THE PROPOSALS")**

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#### **INTRODUCTION**

At the 11<sup>th</sup> AGM of Company held on 29 July 2020, the Company had obtained our shareholders' approval for a general mandate to allow the Group to enter into RRPTs.

The RRPTs mandate shall, in accordance with the ordinary resolution passed at the 11<sup>th</sup> 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 12<sup>th</sup> AGM.

Accordingly, the Board had on 8 April 2021 announced that the Company proposed to seek approval of its shareholders at the forthcoming 12<sup>th</sup> AGM for the Proposed Renewal of RRPT Mandate.

The Board had also on 8 April 2021 announced that the Company is seeking shareholders' approval for the Proposed Share Buy-Back Mandate at the Company's forthcoming 12<sup>th</sup> AGM.

The purpose of this Circular/Statement is to provide you with the details of the the Proposals, together with the Board's recommendation, and to seek your approval for the Ordinary Resolutions pertaining to the Proposals at the forthcoming 12<sup>th</sup> AGM of the Company which will be held at Greens III Ballroom, Sports Wing at Level 1, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 27 May 2021 at 10.00 a.m. The Notice of 12<sup>th</sup> AGM together with the Form of Proxy and Administrative Guide for the 12<sup>th</sup> AGM are dispatched together with this Circular.

**SHAREHOLDERS OF FOCUS POINT ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR/STATEMENT TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE ORDINARY RESOLUTIONS TO GIVE EFFECT TO THE PROPOSALS AT THE FORTHCOMING 12<sup>TH</sup> AGM.**

**PART A**  
**PROPOSED RENEWAL OF RRPT MANDATE**



## 1. DETAILS OF THE PROPOSED RENEWAL OF RRPT MANDATE

Under Rule 10.09(2) of the Listing Requirements, a listed corporation may seek a mandate from its shareholders in respect of RRPTs 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 to or more than the following thresholds in relation to a listed corporation 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 RRPT entered into by the listed corporation, exceeds the estimated value of the RRPT 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 RRPTs 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 1.3 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 12<sup>th</sup> AGM for the Proposed Renewal of RRPT Mandate which will allow the Group to enter into RRPTs of a revenue or trading nature which are necessary for its day-to-day operations and in the ordinary course of business, and 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 and are not to the detriment of the minority shareholders.

### 1.1 Validity period for the Proposed Renewal of RRPT Mandate

The Proposed Renewal of RRPT Mandate, if approved by the shareholders of the Company at the forthcoming 12<sup>th</sup> AGM, will take effect from the date of the passing of the ordinary resolution proposed at the 12<sup>th</sup> AGM and the authority conferred under the Proposed Renewal of RRPT 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 resolution 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 must 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.

## 1.2 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:

<b>Subsidiaries</b>	<b>Effective equity interest held (%)</b>	<b>Principal activities</b>
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

**Note:**

The above table did not include the subsidiaries of Focus Point which have ceased operations and remained dormant.

### 1.3 Nature of RRPTs and estimated values

Information on existing RRPTs and their estimated values for which approval is being sought at the forthcoming AGM pursuant to the Proposed Renewal of RRPT 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 30 June 2020 (RM'000)	Actual value transacted since last AGM up to the LPD (RM'000)	Proposed Renewal of RRPT Mandate Estimated aggregate value to be incurred from 12 <sup>th</sup> 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	119	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	37	500
(iii)	Multiple Reward	Sejati Serimas	Datin Goh and Kelvin Liaw Kai Xuan are the shareholders and directors of Sejati Serimas. Kelvin Liaw Kai Xuan is the son of Dato' Liaw and Datin Goh.	Rental of detached factory from Sejati Serimas for central kitchen purpose. <sup>(1)</sup>	240	160	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) <sup>(1)</sup> Salient terms of the tenancy renewal letter dated 1 October 2020 in relation to the rental of detached factory from Sejati Serimas

Address : No. 3, Jalan Teknologi 3/5A, PUJ 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 2020 – 30 September 2022  
Current monthly rental : RM20,000.00  
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 30 June 2020 by 10% or more.

## **1.4 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 Sejati Serimas. 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.

## **1.5 Threshold of authority**

There is no specific threshold for approval of RRPTs within the Focus Point Group. However, all RRPTs are subject to the approval of the Board after being reviewed by the Audit Committee. Where any Director has any interest (direct or indirect) in any RRPT, such Director shall abstain from deliberation and voting on the matter. If it is determined that the guidelines and/or procedures stipulated in Section 1.7 of Part A of this Circular/Statement are inadequate, Focus Point will obtain a fresh shareholders' mandate and to ensure that:

- (a) RRPT(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.

## **1.6 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 2020. The payments were made within the agreed credit terms.

## 1.7 Review procedures for RRPTs

Focus Point has established procedures and guidelines to ensure that the RRPTs are undertaken on an arm's length basis, on transaction prices and normal commercial terms which are consistent with Focus Point's usual business practices and policies, 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 normal 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 Renewal of RRPT Mandate to ensure that relevant approvals have been obtained and all RRPTs are compiled for review and approval by the Audit Committee and Board respectively.
- (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 Renewal of RRPT 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 Renewal of RRPT 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 reporting 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 any member of the Board or Audit Committee has an interest (direct or indirect) in the RRPT, he shall abstain from deliberating and decision-making of the Board or Audit Committee in respect of such RRPT and continue to abstain from voting on the resolution relating to the RRPT.

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.

### **1.8 Audit Committee's Statement**

The Audit Committee has seen and reviewed the procedures mentioned in Section 1.7 above and is of the view that the procedures are sufficient to ensure that the RRPTs 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 RRPTs in a timely and orderly manner. These procedures and processes are reviewed as and when required or annually.

## **2. RATIONALE FOR AND BENEFITS OF THE PROPOSED RENEWAL OF RRPT MANDATE**

The rationale for and benefits of the Proposed Renewal of RRPT Mandate for RRPTs to Focus Point Group are as follows:

- (a) The Proposed Renewal of RRPT 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 which 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 Renewal of RRPT 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.

## **3. EFFECTS OF THE PROPOSED RENEWAL OF RRPT MANDATE**

The Proposed Renewal of RRPT 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.

## **4. APPROVAL REQUIRED**

The Proposed Renewal of RRPT Mandate is subject to the approval being obtained from the shareholders of the Company at the forthcoming 12<sup>th</sup> AGM to be convened.

## 5. 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 Renewal of RRPT 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	%
<b>Interested Directors/Interested Major Shareholders</b>				
Dato' Liaw	133,948,501	40.591	46,429,396 <sup>(1)</sup>	14.070
Datin Goh	44,429,397	13.463	135,948,500 <sup>(1)</sup>	41.197
<b>Interested Person Connected to the Directors/Major Shareholders</b>				
Liaw Choon Kuan	-	-	-	-
Kelvin Liaw Kai Xuan	1,999,999	0.606	-	-

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 Renewal of RRPT Mandate at the Board meetings. They will abstain from deliberations and voting in respect of their direct and/or indirect shareholdings in Focus Point, if any, on the Proposed Renewal of RRPT Mandate at the forthcoming 12<sup>th</sup> AGM.

The Interested Major Shareholders will also abstain from voting in respect of their direct and indirect shareholdings in Focus Point on the Proposed Renewal of RRPT Mandate at the forthcoming 12<sup>th</sup> 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 Renewal of RRPT Mandate at the forthcoming 12<sup>th</sup> 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 Renewal of RRPT Mandate.

## 6. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board (save for the Interested Directors), after having considered the Proposed Renewal of RRPT Mandate, is of the opinion that the Proposed Renewal of RRPT 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 Renewal of RRPT Mandate to be tabled at the forthcoming 12<sup>th</sup> AGM.

## **7. AGM**

The Ordinary Resolution in respect of the Proposed Renewal of RRPT Mandate will be tabled as Special Business at the Company's forthcoming 12<sup>th</sup> AGM. The Notice of the 12<sup>th</sup> AGM, Proxy Form and Administrative Guide for the 12<sup>th</sup> AGM are sent to you together with this Circular.

The 12<sup>th</sup> AGM will be held at Greens III Ballroom, Sports Wing at Level 1, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 27 May 2021 at 10.00 a.m., or any adjournment thereof.

If you are unable to attend or vote in person at the 12<sup>th</sup> AGM, you may appoint proxy(ies) by completing, sign and deposit the Proxy Form in accordance with the instructions therein, to the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia 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, Malaysia, not less than forty-eight (48) hours before the date and time set for holding the 12<sup>th</sup> AGM or any adjournment thereof. You may also submit the Proxy Form electronically via TIIH Online at <https://tiih.online> before the proxy appointment cut off time as mentioned above. For further information on electronic lodgement of Proxy Form, please refer to the Administrative Guide for the 12<sup>th</sup> AGM.

The lodging of the Proxy Form will not preclude you from attending and voting in person at the 12<sup>th</sup> AGM should you subsequently wish to do so.

## **8. FURTHER INFORMATION**

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

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**PART B**  
**PROPOSED SHARE BUY-BACK MANDATE**

## 1. DETAILS OF THE PROPOSED SHARE BUY-BACK MANDATE

The Company proposes to seek the approval from its shareholders for the Company to purchase its own shares up to ten per centum (10%) of the total number of issued shares of the Company through stockbroker(s) to be appointed at a later date, subject to the Act, Listing Requirements and any prevailing laws, rules, regulations issued by the relevant authorities at the time of purchase.

The approval from the shareholders would be effective immediately upon the passing of the ordinary resolution for the Proposed Share Buy-Back Mandate at the forthcoming AGM and shall continue to be in force until:-

- (a) the conclusion of the next AGM of the Company following the general meeting at which such resolutions is passed, at which time it will lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (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 in a general meeting;

whichever occurs first.

## 2. MAXIMUM NUMBER OR PERCENTAGE OF SHARES TO BE ACQUIRED

The maximum number of Focus Point Shares which may be purchased by the Company shall not exceed ten per centum (10%) of the total number of issued shares of the Company in compliance with Rule 12.09 of the Listing Requirements.

As at the LPD, the maximum number of Focus Point Shares that can be purchased and/or held by the Company will be as follows:-

	<u>No. of Shares</u>
Total number of issued shares of Focus Point	329,999,477
10% of the total number of issued shares	32,999,947
Maximum number of shares which may be purchased in respect of the Proposed Share Buy-Back	<u>32,999,947</u>

The actual number of Focus Point Shares to be purchased by the Company pursuant to the Proposed Share Buy-Back Mandate, the total amount of funds involved for each purchase and the timing of the purchase(s) will depend on inter-alia, the market conditions and sentiments as well as the availability of financial resources and the availability of the retained profits of the Company at the time of purchase(s).

## 3. MAXIMUM AMOUNT OF FUNDS TO BE ALLOCATED AND THE SOURCE OF FUNDS

The funding for the Proposed Share Buy-Back Mandate will be from internally generated funds or external borrowings or a combination of both, and the maximum amount of funds to be used for the purchase of Focus Point Shares pursuant to the Proposed Share Buy-Back shall not exceed the retained profits of the Company.

The retained profits if the Company based on the Audited Consolidated Financial Statements for the financial year ended 31 December 2020 is RM8,314,000.

The Proposed Share Buy-Back, if funded through internally-generated funds, is not expected to have a material impact on the cash flow position of the Company. In the event the Company purchases and holds its own Shares using external borrowings, the Board will ensure that the Company has sufficient funds to repay the external borrowings and the repayment is not expected to have a material effect on the cash flow of the Company. In addition, the Board will ensure that the Company satisfies the solvency test as stated in Section 112(2) of the Act before implementing the Proposed Share Buy-Back.

#### **4. TREATMENT OF PURCHASED SHARES**

In accordance with Section 127(4) of the Act, the Directors may, at their discretion to deal with the Purchased Shares in the following manner:-

- (a) to cancel the Purchased Shares; or
- (b) to retain the Purchased Shares in treasury which is referred to as "treasury shares"; or
- (c) to retain part of the Purchased Shares as treasury shares and cancel the remainder.

Based on Section 127(7) of the Act, where such Purchased Shares are held as treasury shares, our Directors may at their discretion:

- (a) distribute the Shares as dividends to our shareholders, such dividends to be known as "shares dividends";
- (b) resell the Shares or any of the Shares in accordance with the Listing Requirements;
- (c) transfer the Shares or any of the Shares for the purposes of or under an employees' share scheme;
- (d) transfer the Shares or any of the Shares as purchase consideration;
- (e) cancel the Shares or any of the Shares;
- (f) sell, transfer or otherwise use the Shares for such other purposes as the Minister charged with the responsibility for companies may by order prescribe; and/or
- (g) 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.

While the Purchased Shares are held as treasury shares, the treasury shares shall not be taken into account in calculating the number or percentage of shares, or of a class of shares in the Company for any purposes including, without limiting the generality of the provision of Section 127 of the Act, the provision of any law or the requirements of the Company's Constitution or the Listing Requirements on substantial shareholdings, take-overs, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting. An immediate announcement will be made to Bursa Securities in respect of the intention of the Board on the treatments of the Purchased Shares, i.e., notification of purchase, resale or transfer or cancellation of the Purchased Shares as per the Listing Requirements.

As at the date of this Statement, the Board has yet to make any decision with regards to the treatment of the Shares so purchased in the future.

Where the Directors resolve to cancel the Purchased Shares or cancel any treasury shares, the number of the Company's issued shares shall be diminished by the cancellation of the Shares so cancelled. It is pertinent to note that the cancellation of Shares made pursuant to Section 127(15) of the Act shall not be deemed to be a reduction in share capital.

#### **5. RATIONALE FOR THE PROPOSED SHARE BUY-BACK**

The Proposed Share Buy-Back will enable the Company to utilise its surplus financial resources to purchase its own Shares from the open market of Bursa Securities. It may also assist in stabilising the supply and demand as well as the market price of the Shares traded on Bursa Securities.

The Purchased Shares, whether to be held as treasury shares or subsequently cancelled, will effectively reduce the number of Shares carrying voting and participation rights. Therefore, the shareholders of the Company may enjoy an increase in the value of their investment in the Company due to improvement to the consolidated EPS and/or NA per Share, as a result of the decreased share capital base used for the computation of the EPS and NA.

The Purchased Shares can be held as treasury shares and resold on the stock market of Bursa Securities at a higher price with the intention of realising capital gain without affecting the total number of issued shares of the Company. Should any treasury shares be distributed as share dividends, this would serve to reward the shareholders of the Company.

## **6. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK**

### **(a) Advantages**

- (i) The Proposed Share Buy-Back, if implemented, will enable the Company to stabilise the supply and demand of Focus Point Shares traded on Bursa Securities and thereby support the Company's fundamental value;
- (ii) It allows the Company to take preventive measures against excessive speculation, particularly when the Shares are undervalued which would in turn stabilise the market price of Focus Point Shares to enhance investors' confidence;
- (iii) The decreased of share capital base (in respect of Purchased Shares which are then cancelled) may improve the consolidated EPS and NA per Share;
- (iv) The Board would have the opportunity to utilise its financial resources not immediately required for other use to purchase Focus Point Shares. Focus Point may have the opportunity for potential capital gains if the purchased Focus Point shares which are retained as treasury shares are resold at prices higher than their purchase price and consequently increases the NA of the Company; and
- (v) In the event that the treasury shares are distributed as share dividends by the Company, it may then serve to reward the shareholders of Focus Point.

### **(b) Disadvantages**

- (i) The Proposed Share Buy-Back, if implemented, will reduce the retained profits available for distribution as cash dividends and/or bonus issue(s) to the shareholders if the Purchased Shares are cancelled;
- (ii) The purchase of existing Shares will reduce the financial resources of the Company which may otherwise be retained in the business to generate further profits;
- (iii) The funds allocated for the Proposed Share Buy-Back may result in the Focus Point Group foregoing other investment opportunities that may emerge in the future; and
- (iv) The working capital of the Group may also be affected, as any purchase of Focus Point Shares will reduce the Group's working capital depending on the actual number of shares purchased and their purchase price.

The Proposed Share Buy-Back, however, is not expected to have any potential material disadvantages to the Company and its shareholders, as it will be implemented only after in-depth consideration of the financial resources of the Company which need to be balanced against investment opportunities and other proposals that can enhance the value to its shareholders. The Board is mindful of the interests of the Company and its shareholders with respect to the above exercise.

## 7. FINANCIAL EFFECTS TO THE PROPOSED SHARE BUY-BACK

The financial effects of the Proposed Share Buy-Back on the share capital, earnings, working capital, NA, dividends and shareholdings of Directors and Substantial Shareholders of the Company or Group are set out below:-

### 7.1 Share Capital

The effect of the Proposed Share Buy-Back on the issued share capital of the Company will depend on whether the Purchased Shares are cancelled or retained as treasury shares. The Proposed Share Buy-Back will result in a reduction of the issued shares capital of the Company if the Purchased Shares are cancelled.

In the event the Proposed Share Buy-Back is carried out in full and all the Purchased Shares are cancelled, the present issued share capital of the Company will be reduced by the number of Shares so cancelled as follows:-

	<u>No. of Shares</u>
Existing share capital as at LPD	329,999,477
Assuming all the Purchased Shares pursuant to the Proposed Share Buy-Back are cancelled	(32,999,947)
Resultant ordinary issued share capital	<u>296,999,530</u>

Conversely, if all the Focus Point Shares purchased are retained as treasury shares, the Proposed Share Buy-Back will not have any effect on the issued share capital of Focus Point. Nevertheless, certain rights attached to the Purchased Shares are suspended while they are held as treasury shares.

### 7.2 Earnings

The effect of the Proposed Share Buy-Back on the EPS of the Focus Point Group is dependent on the number and the purchase price of the Purchased Shares, the effective funding cost and/or loss in interest income foregone in connection with the funding of such Purchased Shares.

The Proposed Share Buy-Back will increase the EPS of the Focus Point Group if the effective funding cost and/or loss in income to the Focus Point Group which is attributable to every purchased share is lower than the EPS of the Focus Point Group and vice versa.

### 7.3 NA

The effect of the Proposed Share Buy-Back on the NA of the Focus Point Group is dependent on the number of Purchased Shares, the purchase price of the Focus Point Shares, the effective cost of funding and the treatment of the shares purchased.

The Proposed Share Buy-Back will reduce the NA per Share if the purchase price is more than the NA per Share at the time of purchase. On the contrary, the NA per Share will increase if the purchase price is less than the NA per Share at the time of purchase.

#### **7.4 Working Capital**

The Proposed Share Buy-Back, as and when implemented, will result in an outflow of cash and thereby reduce the working capital of Focus Point Group. The quantum of the reduction in working capital is dependent on the purchase prices and the number of Focus Point Shares purchased.

However, for the Focus Point Shares so purchased and kept as treasury shares, upon resale at a higher selling price than the initial purchase price, the working capital and cash flow of the Company will increase. The quantum of the increase in the working capital and cash flow will depend on the actual selling price of the treasury shares and the number of treasury shares resold.

#### **7.5 Dividends**

The Proposed Share Buy-Back is not expected to have any impact on the dividend payment as the Board will take into consideration the Company's profit, cash flow and the capital commitments before proposing any dividend payment.

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## 7.6 Directors' and Substantial Shareholders' Shareholdings

Based on the Register of Directors' Shareholdings and Register of Substantial Shareholders of the Company as at LPD and assuming that the Proposed Share Buy-Back is implemented up to 10% of the total number of issued shares and that the Purchased Shares are from the shareholders other than the Directors and Substantial Shareholders of Focus Point, the effect of the Proposed Share Buy-Back on the shareholdings of the Directors and Substantial Shareholders of Focus Point are set out below:-

	Number of Shares held as at LPD			After Proposed Share Buy-Back ^			
	Direct	%	Indirect	Direct	%	Indirect	%
<b>Directors</b>							
Dato' Liaw Choon Liang	133,948,501	40.591	46,429,396 (1)	133,948,501	45.101	46,429,396 (1)	15.633
Datin Goh Poi Eong	44,429,397	13.463	135,948,500 (1)	44,429,397	14.959	135,948,500 (1)	45.774
Leow Ming Fong @ Leow Min Fong	681,900	0.207	-	681,900	0.230	-	-
Datin Sim Swee Yoke	-	-	-	-	-	-	-
Datuk Md Zubir Ansori Bin Yahaya	-	-	-	-	-	-	-
<b>Substantial Shareholders</b>							
Dato' Liaw Choon Liang	133,948,501	40.591	46,429,396 (1)	133,948,501	45.101	46,429,396 (1)	15.633
Datin Goh Poi Eong	44,429,397	13.463	135,948,500 (1)	44,429,397	14.959	135,948,500 (1)	45.774
Perbadanan Nasional Berhad	49,500,000	15.00	-	49,500,000	16.667	-	-

Notes:-

- ^ Assuming the Proposed Share Buy-Back is implemented in full i.e., up to 10% of the total number of issued shares of the Company (32,999,947), are held as treasury shares and that the Directors and the substantial shareholders' shareholdings in Focus Point remain unchanged.
- (1) Deemed interested by virtue of the interest of his/her spouse and son pursuant to Section 8 of the Act.

## **8. PUBLIC SHAREHOLDING SPREAD**

As at LPD, the public shareholding spread of the Company was 30.133%. The Proposed Share Buy-Back will be carried out in accordance with the prevailing laws at the time of the purchase including compliance with 25% public shareholding spread as required under Rule 8.02(1) of the Listing Requirements.

The Board will endeavour to ensure that the Company complies with the public shareholding spread requirements and shall not buy back the Company's Shares if the purchase would result in the public shareholding spread requirements not being met.

## **9. IMPLICATION OF THE CODE**

If any one of the Directors, Substantial Shareholders and/or their respective parties acting in concert with them, as a result of the Proposed Share Buy-Back:

- (a) obtains control in the Company (which is the holding of, or entitlement to exercise or control the exercise of, more than 33% of the voting shares or voting rights of the Company); or
- (b) increases his/their existing shareholdings of the Company (which is more than 33% but not more than 50% of the voting shares or voting rights of the Company) by more than 2% in any six (6) months period,

the affected Director, Substantial Shareholder and/or parties acting in concert with them ("Affected Person(s)") would be obliged to undertake a mandatory offer for the remainder Focus Point Shares not already owned by them pursuant to the Code. However, a waiver to undertake a mandatory offer may be granted by the SC under the Code upon application by the Affected Person(s) before triggering the mandatory offer and subject to the affected Director, Substantial Shareholder and/or parties acting in concert with them complying with certain conditions.

The Board is aware of the implications of the Code and will be mindful of such implications when making any purchase of Focus Point Shares pursuant to the Proposed Share Buy-Back.

However, in the event an obligation to undertake a mandatory offer is expected to arise with respect to any party or parties resulting from the Proposed Share Buy-Back, which is an action outside its direct participation, the relevant parties will make necessary application to the SC for an exemption from undertaking a mandatory offer pursuant to the Code prior to any buy-back of the Shares.

## **10. INTERESTS OF DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND PERSONS CONNECTED TO THEM**

None of the Directors and/or Substantial Shareholders and/or persons connected to them, has any interest, direct or indirect, in the Proposed Share Buy-Back Mandate or the subsequent resale of the Treasury Shares (if any).

## **11. PURCHASE OF FOCUS POINT SHARES, RESALE OR TRANSFER AND CANCELLATION OF TREASURY SHARES IN THE PRECEDING TWELVE (12) MONTHS**

The Company has not made any purchase of its own shares, resale or cancellation of treasury shares as this is the first Proposed Share Buy-Back Mandate to be sought from the shareholders of the Company.



## 12. MARKET PRICE OF THE COMPANY'S SHARES

The following table sets out the monthly highest and lowest prices of Focus Point Shares traded on Bursa Securities for the preceding twelve (12) months from March 2020 up to February 2021:-

	<u>Highest (RM)</u>	<u>Lowest (RM)</u>
<b>2020:</b>		
March	0.39	0.36
April	0.46	0.43
May	0.45	0.43
June	0.43	0.42
July	0.43	0.40
August	0.64	0.60
September	0.52	0.51
October	0.60	0.57
November	0.71	0.69
December	0.98	0.94
<b>2021:</b>		
January	1.40	1.30
February	0.90	0.86

(Source: KLSE-I3investor)

The last transacted market price of Focus Point Shares as at the LPD was RM0.80.

## 13. APPROVAL REQUIRED

The Proposed Share Buy-Back Mandate is subject to the approval of the shareholders of the Company at the forthcoming 12<sup>th</sup> AGM to be convened.

## 14. DIRECTORS' STATEMENT AND RECOMMENDATION

The Directors having taken into consideration the Proposed Share Buy-Back Mandate stated above, are of the opinion that the Proposed Share Buy-Back Mandate is in the best interest of the Company. Accordingly, the Directors recommend that the shareholders vote in favour of the ordinary resolution pertaining to the Proposed Share Buy-Back Mandate to be tabled at the forthcoming 12<sup>th</sup> AGM.

## 15. AGM

The Ordinary Resolution in respect of the Proposed Share Buy-Back Mandate will be tabled as Special Business in the Notice of the 12<sup>th</sup> AGM contained in the Company's Annual Report 2020, which is sent to you together with this Statement. The 12<sup>th</sup> AGM will be held at Greens III Ballroom, Sports Wing at Level 1, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 27 May 2021 at 10.00 a.m., or any adjournment thereof.

If you are unable to attend or vote in person at the 12<sup>th</sup> AGM, you may appoint proxy(ies) by completing, sign and deposit the Proxy Form in accordance with the instructions therein, to the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia 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, Malaysia, not less than forty-eight (48) hours before the date and time set for holding the 12<sup>th</sup> AGM or any adjournment thereof. You may also submit the Proxy Form electronically via TIIH Online at <https://tiih.online> before the proxy appointment cut off time as mentioned above. For further information on electronic lodgement of Proxy Form, please refer to Administrative Guide for the 12<sup>th</sup> AGM.

The lodging of the Proxy Form will not preclude you from attending and voting in person at the 12<sup>th</sup> AGM should you subsequently wish to do so.

**16. FURTHER INFORMATION**

Shareholders are advised to refer to the Appendices in this Statement for further information.

Yours faithfully  
For and on behalf of the Board of Directors  
**FOCUS POINT HOLDINGS BERHAD**

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

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**FURTHER INFORMATION**

**1. DIRECTORS' RESPONSIBILITY STATEMENT**

These Circular and Statement have been seen and approved by the Directors of the Company who collectively and individually, accepts full responsibility for the accuracy of the information contained in this Circular and Statement and confirm that, after making all reasonable enquiries 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**

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.

**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/Statement up to and including the date of the AGM:

- (a) Constitution of Focus Point; and
- (b) The audited consolidated financial statements of Focus Point for the past two (2) financial years ended 31 December 2019 and 31 December 2020.

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**EXTRACT OF THE ORDINARY RESOLUTIONS TO BE TABLED AT THE 12TH AGM OF FOCUS POINT IN RELATION TO THE PROPOSALS**

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**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 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 ("AGM") 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 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 must 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."

## 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")**

**"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;

- 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.”

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