

**NOTICE OF TWENTY-FIFTH ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT the Twenty-Fifth Annual General Meeting of FOCUS LUMBER BERHAD will be held at Zara's Boutique Hotel, Harbour City, Jalan Pantai Baru, Sembulan, 88100 Kota Kinabalu, Sabah on Thursday, 21 May 2015 at 11.00 a.m. to transact the following business :-

**AGENDA**

**Ordinary Business**

1. To receive the Audited Financial Statements for the financial year ended 31 December 2014 and the Reports of the Directors and Auditors thereon.  
(Please refer to Note 2)
2. To approve the payment of Directors' Fees in respect of the financial year ended 31 December 2014.  
(Resolution 1)
3. To re-elect the following Directors who retire pursuant to Article 67 of the Company's Articles of Association :-  
(i) Lin Hao Wen (Resolution 2)  
(ii) Datuk Aznam Bin Mansor (Resolution 3)
4. To re-elect Lu Kuan-Cheng who retires pursuant to Article 73 of the Company's Article of Association.  
(Resolution 4)
5. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration.  
(Resolution 5)

**Special Business**

To consider and, if thought fit, to pass the following resolutions, with or without modifications as Ordinary Resolutions of the Company :-

**6. Ordinary Resolution I  
Authority to Issue Shares Pursuant to Section 132D of the Companies Act, 1965**

"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors of the Company be and are hereby empowered to issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company unless revoked or varied by the Company at a general meeting."

(Resolution 6)

**7. Ordinary Resolution II  
Proposed Authorisation to Purchase up to 10% of the Issued and Paid-Up Ordinary Share Capital of the Company Pursuant to Section 67A of the Companies Act, 1965 ("Proposed Share Buy-Back")**

"THAT, subject always to the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company, the Main 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 authorized, to the fullest extent permitted by law, to purchase such amount of ordinary shares of RM0.50 each in the Company ("the Shares") as may be determined by the Directors of the Company from time to time through the stock market of 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 shares purchased does not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company as quoted on Bursa Securities as at the point of purchase;
- (ii) The maximum fund to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the aggregate of the retained profits and/or share premium account of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) of the Company. As at 31 December 2014, the audited retained profits and share premium account of the Company were RM65,378,472 and RM883,420 respectively; and
- (iii) The Directors of the Company may decide either to retain the shares purchases as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder or to resell the shares or distribute the shares as dividend.

AND THAT the authority conferred by this resolution will commence immediately upon passing of this resolution and will, subject to renewal thereof, expiry at the conclusion of the next Annual General Meeting of the Company following the passing of this Ordinary Resolution (unless earlier revoked or varied by an Ordinary Resolution of the shareholders of the Company in a general meeting or the expiration of the period within which the next AGM after that date is required by law to be held) but shall not prejudice the completion of purchase(s) by the Company or any person before that aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities or any other relevant authorities;

AND THAT authority be and is hereby given unconditionally and generally to the Directors of the Company 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 aforesaid purchase with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the purchased shares or to resell the shares or distribute the shares as dividends) in accordance with the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company and the requirements and/or Listing Requirements and all other relevant governmental and/or regulatory authorities."

(Resolution 7)

8. To consider any other business of which due notice shall be given in accordance with the Companies Act, 1965.

BY ORDER OF THE BOARD  
WONG WAI FOONG (MAICSA 7001358)  
WONG PEIR CHYUN (MAICSA 7018710)  
Secretaries  
Kuala Lumpur  
Date: 29 April 2015

**NOTES:**

**1. Appointment of Proxy**

- (a) A member entitled to attend and vote at the meeting is entitled to appoint proxy(ies) (or in case of a corporation, a duly authorised representative) to attend and vote in his stead. A proxy need not be a member of the Company and the provisions of Section 149(1) (b) of the Companies Act, 1965 shall not apply to the Company.
- (b) The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (c) A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting and that where the member appoint two (2) proxies, such appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
- (d) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- (e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (f) Where the authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- (g) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Share Registrar of the Company at Tricor Investor Services Sdn. Bhd. (118401-V) of Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
- (h) Only the members whose names appear on the Record of Depositors as at 13 May 2015 shall be entitled to attend and vote at this meeting or appoint proxy(ies) to attend and vote on their behalf.

**2. Audited Financial Statements for the financial year ended 31 December 2014**

The Audited Financial Statements in Agenda item 1 is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.

**3. Ordinary Resolution 3 – Re-election of Director**

The Board had carried out assessment on the contribution and performance as well as the independence of the Independent Director standing for re-election and satisfied that he meets the criteria of independence as prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

**4. Explanatory Notes on Special Business**

**(i) Resolution No. 6 - Authority to Issue Shares**

The proposed Resolution No. 6 is proposed for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors to issue shares in the Company up to an amount not exceeding in total 10% of the Issued Share Capital of the Company for such purpose as the Directors consider would be in the interest of the Company.

The authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting.

The General Mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this General Mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and / or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration.

As at the date of this notice, the Company did not issue any shares pursuant to the mandate granted to the Directors at the Twenty-Fourth Annual General Meeting because there were no investment(s), acquisition(s) or working capital that require fund raising activity.

**(ii) Resolution No. 7 - Proposed Authorisation to Purchase up to 10% of the Issued and Paid-Up Ordinary Share Capital on the Company Pursuant to Section 67A of the Companies Act, 1965**

The proposed resolution 7, if passed will empower the Directors of the Company to purchase the Company's shares up to 10% of the total issued and paid-up capital of the Company by utilising the funds allocated which shall not exceed the retained profit and/or share premium of the Company. Please refer to the Circular to Shareholders dated 29 April 2015 for further information.