

PROSPECTUS



FOCUS POINT HOLDINGS BERHAD

(Company No. 884238-U)
(Incorporated in Malaysia under the Companies Act, 1965)

INITIAL PUBLIC OFFERING IN CONJUNCTION WITH OUR LISTING ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") COMPRISING:

- (I) PUBLIC ISSUE OF 41,200,000 NEW ORDINARY SHARES OF RM0.20 EACH ("SHARES") ALLOCATED IN THE FOLLOWING MANNER:
- 10,000,000 SHARES MADE AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, ELIGIBLE EMPLOYEES AND FRANCHISEES WHO HAVE CONTRIBUTED TO OUR SUCCESS AND DEVELOPMENT;
 - 22,950,000 SHARES MADE AVAILABLE FOR APPLICATION BY WAY OF PRIVATE PLACEMENT TO IDENTIFIED INVESTORS; AND
 - 8,250,000 SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC
- (II) OFFER FOR SALE OF UP TO 15,800,000 SHARES MADE AVAILABLE FOR APPLICATION BY WAY OF PRIVATE PLACEMENT TO IDENTIFIED INVESTORS

AT AN ISSUE/OFFER PRICE OF RM0.39 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

PRINCIPAL ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT

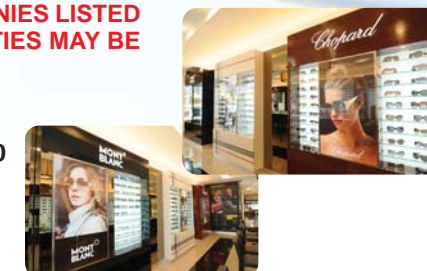
OSK

OSK Investment Bank Berhad (14152-V)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. THERE ARE CERTAIN RISK FACTORS WHICH YOU SHOULD CONSIDER. TURN TO SECTION 4 HEREIN FOR "RISK FACTORS".

YOU ARE ADVISED TO NOTE THAT COMPANIES LISTED ON THE ACE MARKET OF BURSA SECURITIES MAY BE OF HIGH INVESTMENT RISK.

THIS PROSPECTUS IS DATED 30 JUNE 2010



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

PROSPECTUS



Unit 1,3 & 5-1, Jalan PJU 1/37, Dataran Prima
47301 Petaling Jaya Selangor, Malaysia
Tel: 03-7880 5520 Fax: 03-7880 5530
Website: www.focus-point.com

RESPONSIBILITY STATEMENTS

Our Directors, Promoters and Selling Shareholder have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

OSK Investment Bank Berhad (14152-V) (“**OSK**”), being our Principal Adviser, Sponsor, Underwriter and Placement Agent, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the IPO (as defined herein).

STATEMENTS OF DISCLAIMER

A copy of this Prospectus has been registered with the Securities Commission of Malaysia (“**SC**”). The registration of this Prospectus should not be taken to indicate that the SC recommends the offering or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Prospectus. The SC has not, in any way, considered the merits of the securities being offered for investment.

The SC is not liable for any non-disclosure on our part and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

Approval has been obtained from Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the listing of and quotation for the securities being issued and/or offered. Our admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of the invitation, our company or our securities. Bursa Securities shall not be liable for any non-disclosure on our part and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

A copy of this Prospectus, together with the accompanying application forms, has also been lodged with the Registrar of Companies of Malaysia, who takes no responsibility for its contents.

OTHER STATEMENTS

Companies listed on the ACE Market of Bursa Securities may have limited operating history or may not have any profit track record prior to listing. Such companies may be of high investment risk. As with all investments, you should be aware of all potential risks in investing in such companies and should make the decision to invest after giving due and careful consideration by referring to, amongst others, the Prospectus, latest financial statements and corporate announcements. You are strongly recommended to seek advice from a securities professional/adviser.

The IPO is an exempt transaction under Section 213 of the Capital Markets and Services Act, 2007 (“**CMSA**”) and is therefore not subject to the approval of the SC.

You are advised to note that recourse for false or misleading statements or acts made in connection with this Prospectus is directly available through Sections 248, 249 and 357 of the CMSA.

Securities listed on Bursa Securities are offered to the public premised on full and accurate disclosure of all material information concerning the issue for which any of the persons set out in Section 236 of the CMA, e.g. directors and advisers, are responsible.

Our securities are classified as Shariah compliant by the Shariah Advisory Council of the SC (“SAC”) based on the audited financial statements of our Company and our subsidiaries for the financial year ended 31 December 2009. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review undertaken by the SAC. The new status is released in the updated list of Shariah-compliant securities, on the last Friday of May and November.

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or with or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

We will not, prior to acting on any acceptance in respect of the IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith.

It shall be your sole responsibility if you are or may be subject to the laws of countries or jurisdictions other than Malaysia, to consult your legal and/or other professional advisers as to whether the IPO would result in the contravention of any law of such countries or jurisdictions.

Further, it shall also be your sole responsibility to ensure that your application for the IPO would be in compliance with the terms of the IPO as stated in this Prospectus and the Application Forms (as defined herein) and would not be in contravention of any law of countries or jurisdictions other than Malaysia to which you may be subjected to. We will further assume that you had accepted the IPO in Malaysia and will at all applicable times be subjected only to the laws of Malaysia in connection therewith. However, we reserve the right, in our absolute discretion to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

No action has been or will be taken to ensure that this Prospectus complies with the laws of any country or jurisdiction other than the laws of Malaysia. It shall be your sole responsibility to consult your legal and/or other professional adviser on the laws to which the IPO or you are or might be subjected to. Neither us nor our Principal Adviser nor any other advisers in relation to the IPO shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, avoidable or void in any country or jurisdiction.

ELECTRONIC PROSPECTUS

The contents of the Electronic Prospectus and the copy of this Prospectus registered with the SC are the same. This Prospectus can also be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com.

You may also obtain a copy of the Electronic Prospectus from the website of CIMB Investment Bank Berhad at www.eipocimb.com, the website of CIMB Bank Berhad at www.cimbclicks.com.my, the website of Malayan Banking Berhad at www.maybank2u.com.my and the website of Affin Bank Berhad at www.affinOnline.com.

You are advised that the internet is not a fully secured medium, and that your Internet Share Application (as defined herein) may be subject to risks in data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institution (as defined herein). These risks cannot be borne by the Internet Participating Financial Institutions.

If you are in doubt about the validity or integrity of an Electronic Prospectus, you should immediately request from us or our Issuing House, a paper printed copy of the Prospectus. In the event of any discrepancy arising between the contents of the Electronic Prospectus and the paper printed copy of the Prospectus for any reason whatsoever, the contents of the paper printed copy of the Prospectus, which is identical to the copy of the Prospectus registered with the SC, shall prevail. The Electronic Prospectus submitted to the SC and Bursa Securities is the same as the registered paper printed copy.

In relation to any reference in this Prospectus to third party internet sites (referred to as "**Third Party Internet Sites**"), whether by way of hyperlinks or by way of description of the Third Party Internet Sites, you acknowledge and agree that:

- (I) we and our Principal Adviser do not endorse and are not affiliated in any way with the Third Party Internet Sites. Accordingly, we and our Principal Adviser are not responsible for the availability of, or the content or any data, files or other materials provided on the Third Party Internet Sites. You bear all risks associated with the access to or use of the Third Party Internet Sites;
- (II) we and our Principal Adviser are not responsible for the quality of products or services in the Third Party Internet Sites, particularly in fulfilling any of the terms of any of your agreements with the Third Party Internet Sites. We and our Principal Adviser are also not responsible for any loss or damage or cost that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance on any data, files or other materials provided by such parties; and
- (III) any data, files or other materials downloaded from the Third Party Internet Sites is done at your own discretion and risk. We and our Principal Adviser are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, information, files or other materials.

Where an Electronic Prospectus is hosted on the website of the Internet Participating Financial Institutions, you are advised that:

- (I) the Internet Participating Financial Institutions are only liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the content of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions which may be viewed via your web browser or other relevant software. The Internet Participating Financial Institutions is not responsible in any way for the integrity of the contents of an Electronic Prospectus, which has been obtained from the web server of the Internet Participating Financial Institutions, and subsequently communicated or disseminated in any manner to you or other parties; and
- (II) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of an Electronic Prospectus cannot be guaranteed because the Internet is not a fully secured medium.

The Internet Participating Financial Institutions are not liable (whether in tort or contract or otherwise) for any loss, damage or costs, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracy, change, alteration, deletion or omission in respect of the information provided in an Electronic Prospectus which may arise in connection with or as a result of any fault with web browsers or other relevant software, any fault on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institutions, and/or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

INDICATIVE TIMETABLE

The following events are intended to take place on the following tentative dates:

Events	Date
Issuance of this Prospectus/Opening of applications for the IPO	30 June 2010
Closing of applications for the IPO	15 July 2010
Balloting of applications for the IPO Shares	19 July 2010
Allotment of the Public Issue Shares and transfer of Offer Shares to successful applicants	22 July 2010
Listing (as defined herein)	27 July 2010

This timetable is indicative and is subject to changes which may be necessary to facilitate the implementation procedures. Our Directors and our Underwriter may mutually decide, at their absolute discretion, to extend the closing date and time for application of the IPO to any later date or dates.

If the closing date of the application for IPO is extended, we will advertise a notice of the extension in a widely-circulated English and Bahasa Malaysia daily newspaper prior to the original closing date of applications for the IPO. Following this, the dates for the balloting of applications for the IPO Shares, allotment of the Public Issue Shares and transfer of the Offer Shares as well as Listing would be extended accordingly.

All terms used are defined under the "Definitions" section commencing on page vii.

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PRESENTATION OF INFORMATION

All references to "Focus Point" and "our Company" in this Prospectus are to Focus Point Holdings Berhad, references to "our Group" are to our Company and our subsidiaries taken as a whole and references to "we", "us", "our" and "ourselves" are to our Company and our subsidiaries, save where the context otherwise requires. Unless the context otherwise requires, references to "Management" are to our Directors and key management as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

The word "approximately" used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest hundredth or two (2) decimal places. Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding.

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 a corporation, unless otherwise specified.

Any reference in this Prospectus 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 Prospectus shall be reference to Malaysian time, unless otherwise specified.

This Prospectus includes statistical data provided by us and various third parties and cites third-party projections regarding growth and performance of the industry in which we operate. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originates from us. In particular, certain information in this Prospectus is extracted or derived from report(s) prepared by the Independent Business and Market Research Consultants (named in this Prospectus). We believe that the statistical data and projections cited in this Prospectus are useful in helping you understand the major trends in the industry in which we operate. However, neither we nor our advisers have independently verified these data. Neither we nor our advisers make any representation as to the correctness, accuracy or completeness of such data and accordingly, you should not place undue reliance on the statistical data cited in this Prospectus. Similarly, third-party projections, including the projections from the Independent Business and Market Research Consultants, cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. Hence, you should not place undue reliance on the third-party projections cited in this Prospectus.

The information on our website, or any website directly or indirectly linked to such website does not form part of this Prospectus and you should not rely on it.

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FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements other than those of historical facts included in this Prospectus, including, without limitation, those regarding our Group's financial position, business strategies, plans and objectives of our Management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties, contingencies and other factors which may cause our actual results, our performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Group's present and future business strategies and the environment in which our Group will operate in the future. Such forward-looking statements reflect our Management's current view with respect to future events and are not a guarantee of future performance.

Some of these forward-looking statements can be identified by the use of forward-looking terminology such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast" or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- (a) demand for our products and services;
- (b) our business strategies;
- (c) plans and objectives of our Management for future operations;
- (d) our financial position; and
- (e) our future earnings, cash flows and liquidity.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, without limitation:

- (a) the economic, political and investment environment in Malaysia and globally; and
- (b) government policy, legislation or regulation.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to those discussed in Section 4 – "Risk Factors" and Section 12.2 – "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Prospectus. Due to these and other uncertainties, we cannot assure you that the forward-looking statements included in this Prospectus will be realised.

The forward-looking statements in this Prospectus are based on information available to us as at the date of this Prospectus. You will be deemed to have read and understood the descriptions of the assumptions and uncertainties underlying the forward-looking statements that are contained herein.

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DEFINITIONS

The following terms in this Prospectus bear the same meanings as set out below unless the term is defined otherwise or the context requires otherwise:

"Act"	:	Companies Act, 1965
"Acquisition"	:	The acquisition of the entire issued and paid-up share capital of Focus Point Vision Care together with its subsidiaries and associates from the Vendors, for a total purchase consideration of RM24,760,395 satisfied by the issuance of 123,799,990 new Shares credited as fully paid-up at an issue price of approximately RM0.20 per Share
"ADA"	:	Authorised Depository Agent
"Application Form(s)"	:	The printed application form(s) for the application for the IPO Shares
"ATM"	:	Automated Teller Machine
"Board"	:	Our Board of Directors
"Bursa Depository" or "Depository"	:	Bursa Malaysia Depository Sdn Bhd (165570-W)
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (635998-W)
"CDS"	:	Central Depository System
"CMSA"	:	Capital Markets and Services Act, 2007
"CEO"	:	Chief Executive Officer
"Datin Goh"	:	Datin Goh Poi Eong, the wife of Dato' Liaw
"Dato' Liaw"	:	Dato' Liaw Choon Liang
"Director"	:	Either an executive director or a non-executive director of our Company within the meaning of Section 4 of the Act
"EBITDA"	:	Earnings before interest, taxation, depreciation and amortisation
"Electronic Share Application"	:	An application for the IPO Shares through Participating Financial Institution's ATM
"Eligible Persons"	:	Our eligible Directors, employees and franchisees who have contributed to our success and development
"EPS"	:	Earnings per share
"Excelview Laser Eye Centre"	:	Excelview Laser Eye Centre Sdn Bhd (508833-K)
"Esprit Shoppe"	:	Esprit Shoppe Sdn Bhd (584685-D)
"Eye-Zed"	:	Eye-Zed Sdn Bhd (812085-D)
"Flotation Exercise"	:	The Acquisition, Internal Restructuring, Public Issue, Offer for Sale and Listing, collectively
"FYE"	:	Financial year ended 31 December

DEFINITIONS (Cont'd)

"Focus Point" or our "Company"	:	Focus Point Holdings Berhad (884238-U)
"Focus Point Group" or our "Group"	:	Focus Point and its subsidiaries
"Focus Point Management"	:	Focus Point Management Sdn Bhd (464799-U)
"Focus Point Vision Care"	:	Focus Point Vision Care Group Sdn Bhd (268471-X)
"Focus Point Vision Care (HP)"	:	Focus Point Vision Care Group (HP) Sdn Bhd (375498-H)
"Focus Point Vision Care (OC)"	:	Focus Point Vision Care Group (OC) Sdn Bhd (493579-M)
"Green Ace"	:	Green Ace Formation Sdn Bhd (761725-M)
"GDP"	:	Gross domestic product
"Initial Public Offering" or "IPO"	:	Initial public offering of the IPO Shares
"Internal Restructuring"	:	Restructuring of the composition of our Group into three (3) core business segments, being the operation of its own professional eye care centres, franchising of professional eye care centres and provision of medical eye care services, in such manner as set out in Section 9.2 of this Prospectus
"Internet Participating Financial Institution(s)"	:	Participating organisations in the Internet Share Application as listed in Section 17 of this Prospectus
"Internet Share Application"	:	An application for the IPO Shares through an Internet Participating Financial Institution
"IPO Share(s)"	:	The Public Issue Share(s) and Offer Share(s) collectively
"Issuing House" or "MIH"	:	Malaysian Issuing House Sdn Bhd (258345-X)
"Listing"	:	Listing of and quotation for our entire enlarged issued and paid-up share capital of RM33,000,000 comprising 165,000,000 Shares on the ACE Market of Bursa Securities
"Listing Requirements"	:	ACE Market Listing Requirements of Bursa Securities
"LPD"	:	1 June 2010, being the latest practicable date prior to the printing of this Prospectus
"Market Day(s)"	:	Any day between Monday to Friday (inclusive), excluding public holidays, and a day on which Bursa Securities is open for trading of securities
"MI"	:	Minority interest
"Multiple Reward"	:	Multiple Reward Sdn Bhd (858098-H)
"NA"	:	Net assets

DEFINITIONS (Cont'd)

"Offer for Sale"	:	Offer for sale of up to 15,800,000 Offer Shares at the Offer Price by the Selling Shareholder by way of private placement to identified investors
"Offer Price"	:	RM0.39 for each Offer Share
"Offer Share(s)"	:	Up to 15,800,000 existing Share(s) being offered by our Selling Shareholder pursuant to the Offer for Sale
"Offeror" or "Selling Shareholder"	:	Datin Goh
"Official List"	:	The list specifying all securities which have been admitted for listing on Bursa Securities and not removed
"Opulence Optometry"	:	Opulence Optometry Sdn Bhd (713107-P)
"OSK"	:	OSK Investment Bank Berhad (14152-V)
"Participating Financial Institution(s)"	:	Participating financial institution(s) for Electronic Share Application as listed in Section 17 of this Prospectus
"PAT"	:	Profit after taxation
"PBT"	:	Profit before taxation
"PE Multiple"	:	Price-to-earnings multiple
"Placement Agent"	:	OSK
"PRC"	:	People's Republic of China
"Principal Adviser" or "Sponsor"	:	OSK
"Promoters"	:	Promoters of our Company, namely Dato' Liaw and Datin Goh
"Public Issue"	:	Public issue of 41,200,000 new Shares at the Issue Price payable in full upon application, subject to the terms and conditions of this Prospectus
"Public Issue Price" or "Issue Price"	:	RM0.39 for each Public Issue Share
"Public Issue Share(s)" or "Issue Share(s)"	:	The 41,200,000 new Share(s) to be issued pursuant to the Public Issue and subject to the terms and conditions of this Prospectus
"Radiant Attraction"	:	Radiant Attraction Sdn Bhd (683734-D)
"ROC"	:	Registrar of Companies
"SAC"	:	Shariah Advisory Council of the SC
"SC"	:	Securities Commission Malaysia
"Seen@International"	:	Seen@International Pte Ltd (200917461H)
"Share(s)"	:	Ordinary share(s) of RM0.20 each in our Company
"Underwriter"	:	OSK

DEFINITIONS (Cont'd)

"Underwriting Agreement"	:	Underwriting agreement dated 22 June 2010 entered into between us and the Underwriter
"USA"	:	United States of America
"Vital Factor"	:	Vital Factor Consulting Sdn Bhd (266797-T)
"Vendors"	:	The vendors of Focus Point Vision Care, namely Dato' Liaw and Datin Goh
"Zania (M)"	:	Zania (M) Sdn Bhd (748929-X)

CURRENCIES

"HKD"	:	Hong Kong Dollar
"RM" or "sen"	:	Ringgit Malaysia and sen respectively
"SGD"	:	Singapore Dollar
"USD"	:	United States Dollar

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GLOSSARY OF TERMS

- "Accommodative dysfunction" : A situation in which the eye has problems in focusing. Symptoms include blurred vision, tiredness of the eye and headache
- "Amblyopia" : Visual impairment in one eye caused by poor transmission of visual signals to the brain. Also known as lazy eye
- "Asthenopia" : Weakness or straining of the eye associated with uncorrected vision
- "Astigmatism" : Visual impairment related to the inability to focus a point object into a sharp focused image on the retina
- "Binocular dysfunction" : A situation in which both eyes are unable to align accurately to focus on an object to produce a single image to provide depth
- "Binocular vision anomalies" : Inability to use both eyes simultaneously to produce a focused image and to provide perception of depth
- "Cataract" : An eye disease that involves the clouding of the lens of the eye, which decreases vision, but is usually removable and vision correctable by use of an implant. Cataracts are particularly common among older people
- "Conjunctivitis" : An inflammation of the conjunctiva, which is the thin clear membrane that covers the inner surface of the eyelids and the outer surface of the eye. As the conjunctiva is exposed to the environment, the inflammation is commonly caused by infection, irritants or result of an allergy reaction
- "Cornea" : The cornea is a transparent outer eye tissue that covers the iris and pupil. The cornea functions in refracting light coming into the eye
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- "Corneal flap" : A thin tissue layer of the cornea
- "Eye care" : Ophthalmic and ophthalmology services including eye health, diseases of the eye, vision correction options including eyeglasses, contact lenses, laser eye surgery and other types of eye surgery. In the context of this Prospectus, eye care primarily refers to ophthalmic services and vision correction incorporating eyeglasses and contact lenses
- "Eyewear" : Devices worn for protection of the eyes or improvement of vision. In the context of the report it includes prescription glasses, contact lenses and sunglasses
- "Franchised centre" : In the context of this Prospectus, it refers to a professional eye care centre that is operated under our proprietary "Focus Point" brand name and owned by our franchisees under the franchising agreement. Our "Focus Point" brand name is registered with the Malaysian Franchise Association
- "Glaucoma" : An eye disease that damages the optic nerve due to elevated pressure in the eye. If left untreated, it may lead to blindness
- "Hyperopia" : Inability to focus on objects that are near. Also known as longsightedness

GLOSSARY OF TERMS (Cont'd)

"Implant"	:	A surgical process to incorporate specific objects such as a tissue into the eye for medical enhancement or corrective purposes
"Intraocular"	:	Refers to the interior section of the eye
"LASIK"	:	LASIK (laser-assisted in situ keratomileusis) is a method of eye surgery that uses laser to cut thin flaps in the cornea and to alter its shape to correct blurred vision
"Lesion"	:	Disfigurement of tissue caused by a disease or an injury
"Licensed centre"	:	In the context of this Prospectus, it refers to a professional eye care centre that is operated under our proprietary "Opulence" brand name by a third party under a licensing agreement. Our "Opulence" brand name is yet to be registered with the Malaysian Franchise Association
"Macular degeneration"	:	A form of visual impairment due to damage to the retina that causes the loss of vision in the centre of the visual field (macula). Commonly affects older adults
"Medical eye care"	:	Eye care services provided by a medical doctor or ophthalmic medical practitioner
"Microkeratome"	:	A device used in LASIK surgery that cuts a thin layer of the surface of the cornea, thus creating a flap
"Molecule"	:	A tiny particle made up of a combination of at least two (2) atoms
"Myopia"	:	Inability to focus on distant objects. Also known as shortsightedness
"Ocular"	:	Pertaining to the eye
"Oculomotor"	:	Relating to the movement of the eyeball
"Ophthalmic"	:	Pertaining to the eye
"Ophthalmologist"	:	A medical doctor who specialises in the treatment of diseases and ailments of the eye. According to the Optical Act, 1991, an "Ophthalmologist" is a person who is registered under the Medical Act, 1971
"Ophthalmology"	:	A branch of medicine that specialises on the eye and its diseases
"Ophthalmoscope"	:	A medical instrument that used for examining the interior of the eye especially the retina
"Optician"	:	Opticians are eye care professionals authorised to provide fitting and fabrication services of spectacle frames and lenses, and dispense eyewear products. However in Malaysia, opticians are also allowed to undertake eye examinations and prescribe eyewear products including glasses or contact lenses. In the Malaysian context, an optician is a person who is registered under section 18 of the Optical Act, 1991. Generally, an optician is a person who has at least one (1) year of experience in prescribing and dispensing ophthalmic lenses or undertaken successfully an approved course of study not amounting to a university degree. An optician would be required to meet certain conditions as listed under the Optical Act, 1991 before obtaining written permission from the Malaysian Optical Council to prescribe and dispense contact lenses

GLOSSARY OF TERMS (Cont'd)

"Optometrist"	:	Optometrists are eye care professionals authorised to conduct eye diagnostic tests, manage and treat visual or ocular problems, undertake eye examination, and prescribe and dispense eyewear products including corrective glasses or contact lenses. In the Malaysian context, an optometrist is a person who is registered under Section 19 of the Optical Act, 1991. Generally, an optometrist is a person who has successfully undertaken a course of tertiary study in optometry in a recognised university
"Optometry"	:	According to the Optical Act, 1991, "Optometry" is the employment of methods for the measurement of vision or refractive error correction, or the adaptation of ophthalmic lenses or prisms for the aid of the correction of vision, or both
"Papillary"	:	A small growth, protuberance or swelling
"Partially-owned centre"	:	In the context of this Prospectus, it refers to a professional eye care centre that is operated and owned by our non wholly-owned subsidiary and/or associate
"Polymethyl Methacrylate" (PMMA)	:	A transparent plastic commonly used as a substitute for glass due to its optical clarity
"Presbyopia"	:	Gradual lost of ability of the eye to focus on objects that are nearby, and is commonly associated with aging
"Prescription eyewear"	:	Prescription eyewear products are corrective glasses, which includes prescription frames and lenses, and contact lenses prescribed by qualified professionals like optometrists, opticians and ophthalmologists for the purpose of correcting blurred vision
"Professional eye care centre"	:	In the context of this Prospectus, it refers to a retail outlet having a registered optometrist or optician to provide refraction services, and dispensing of prescription eyewear. The retail outlet would also have fashion eyewear and accessories for sale to consumers
"Pupil"	:	A small dark opening in the centre of the eye that changes in size to regulate the amount of light that enters the eye to be projected onto the retina
"Refraction services"	:	A process of eye examination to determine the prescription for corrective eyewear to improve vision
"Refractory surgery"	:	Surgical procedure primarily to reshape the curvature of the cornea to correct visual defect. Refractory surgery is commonly undertaken to reduce or eliminate dependency on prescription glasses or contact lenses
"Retina"	:	Light sensitive nerve tissue that converts images from the eye's optical system (consisting of the cornea, iris, pupil and lens) into electrical impulses that are sent along the optic nerve to the brain
"Retinoscopy"	:	A method of examining the refractive conditions of the eye. Through the use of a retinoscope, light is reflected into the eye to observe of the movement of the lighted area on the retina surface and of the refraction by the eye
"Saline solution"	:	A sterile salt solution used to clean and store contact lenses

GLOSSARY OF TERMS (Cont'd)

- "Stock Keeping Unit" (SKU) : A distinct product or service that can be purchased
- "Strabismus" : Imbalanced alignment of both pair of eyes to focus accurately and comfortably on an object
- "Slit lamp biomicroscope" : An instrument that combines a low-power microscope with a high-intensity light source that can be focused into a thin beam to examine the inside of the eye, for example the retina, optic nerve and others
- "Tonometry" : A method used to measure the pressure in the eye (intraocular), commonly by applying a puff of pressurised air and sensing the resultant deflections of the cornea
- "Wholly-owned centre" : In the context of this Prospectus, it refers to a professional eye care centre that is operated and owned by our wholly-owned subsidiary

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CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Address	Nationality	Profession
Dato' Hamzah bin Mohd Salleh <i>(Independent Non-Executive Chairman)</i>	No. 196, Jalan Ara Bukit Bandaraya 59100 Kuala Lumpur	Malaysian	Company Director
Dato' Liaw <i>(President/CEO)</i>	Lot 106, Sierramas Resort Homes Jalan Jermerlang Kuning 47000 Sungai Buloh Selangor Darul Ehsan	Malaysian	Company Director
Datin Goh <i>(Non-Independent Executive Director)</i>	Lot 106, Sierramas Resort Homes Jalan Jermerlang Kuning 47000 Sungai Buloh Selangor Darul Ehsan	Malaysian	Company Director
Dr Choo Wei Chong <i>(Non-Independent Non-Executive Director)</i>	J80, Jalan Perkasa 8 Salak South Garden 57100 Kuala Lumpur	Malaysian	Company Director
Leow Ming Fong @ Leow Min Fong <i>(Independent Non-Executive Director)</i>	No. 17, Lorong Yap Kwan Seng 50450 Kuala Lumpur	Malaysian	Company Director

AUDIT COMMITTEE

Name	Designation	Directorship
Leow Ming Fong @ Leow Min Fong	Chairman	Independent Non-Executive Director
Dato' Hamzah bin Mohd Salleh	Member	Independent Non-Executive Chairman
Dr Choo Wei Chong	Member	Non-Independent Non-Executive Director

NOMINATION AND REMUNERATION COMMITTEE

Name	Designation	Directorship
Leow Ming Fong @ Leow Min Fong	Chairman	Independent Non-Executive Director
Dato' Hamzah bin Mohd Salleh	Member	Independent Non-Executive Chairman
Dato' Liaw	Member	President/CEO

CORPORATE DIRECTORY (Cont'd)

- COMPANY SECRETARY** : Tan Enk Purn (*MA/CSA 7045521*)
Level 18, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Telephone No.: (03) 2264 8888
- Teoh Kok Jong (*LS 04719*)
Level 18, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Telephone No.: (03) 2264 8888
- REGISTERED OFFICE** : Level 18, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Telephone No.: (03) 2264 8888
- HEAD/MANAGEMENT OFFICE** : Unit 1, 3 & 5-1, Jalan PJU 1/37
Dataran Prima
47301 Petaling Jaya
Selangor Darul Ehsan
Telephone No.: (03) 7880 5520
Website: www.focus-point.com
E-mail address: fp@focus-point.com
- PRINCIPAL ADVISER, SPONSOR,
UNDERWRITER AND PLACEMENT
AGENT** : OSK Investment Bank Berhad (*14152-V*)
20th Floor, Plaza OSK
Jalan Ampang
50450 Kuala Lumpur
Telephone No.: (03) 2333 8333
- AUDITORS AND REPORTING
ACCOUNTANTS** : BDO (*AF0206*)
Chartered Accountants
12th Floor, Menara Uni.Asia
No. 1008, Jalan Sultan Ismail
50250 Kuala Lumpur
Telephone No.: (03) 2616 2888
- SOLICITORS FOR THE IPO** : Cheang & Ariff
39 Court @ Loke Mansion
No. 273A, Jalan Medan Tuanku
50300 Kuala Lumpur
Telephone No.: (03) 2691 0803

CORPORATE DIRECTORY (Cont'd)

- PRINCIPAL BANKERS** : United Overseas Bank (Malaysia) Berhad (271809-K)
No. 39 - 45, Jalan Othman
46000 Petaling Jaya
Selangor Darul Ehsan
Telephone No.: (03) 7788 3333
- Alliance Bank Malaysia Berhad (88103-W)
29th Floor, Menara Multi-Purpose, Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur
Telephone No.: (03) 2730 2300
- EON Bank Berhad (92351-V)
No. 1 & 3, Jalan Pandan 3/5
Pandan Jaya
55100 Kuala Lumpur
Telephone No.: (03) 9206 5238
- ISSUING HOUSE** : Malaysian Issuing House Sdn Bhd (258345-X)
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
Telephone No.: (03) 7841 8000
- REGISTRAR** : Tricor Investor Services Sdn Bhd (*formerly known as
Tenaga Koperat Sdn Bhd*) (118401-V)
Level 17, The Gardens North Tower
Mid Valley City, Llingkaran Syed Putra
59200 Kuala Lumpur
Telephone No.: (03) 2264 3883
- INDEPENDENT BUSINESS AND
MARKET RESEARCH
CONSULTANTS** : Vital Factor Consulting Sdn Bhd (266797-T)
No. 75C & 77C, Jalan SS22/19
Damansara Jaya
47400 Petaling Jaya
Selangor Darul Ehsan
Telephone No.: (03) 7728 0248
- LISTING SOUGHT** : ACE Market of Bursa Securities
- SHARIAH STATUS** : Approved by the SAC

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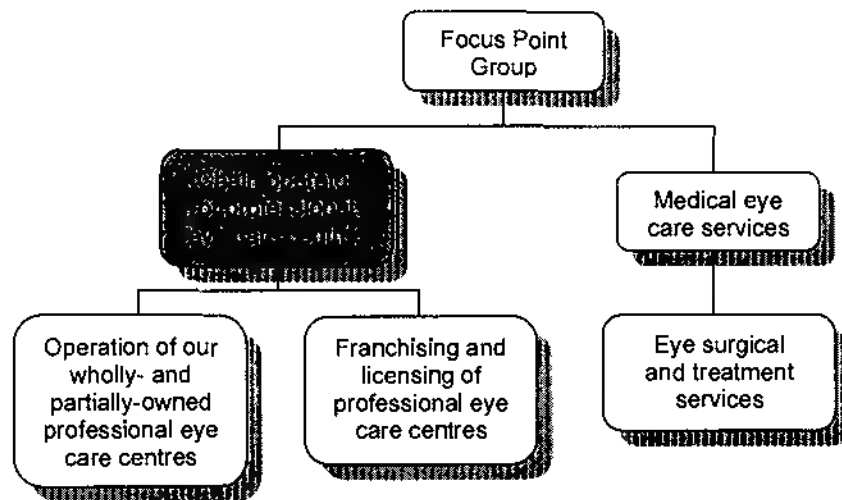
1. INFORMATION SUMMARY

This section is only a summary of the salient information about us and the IPO, and does not purport to be complete and should be read in conjunction with, and is qualified in its entirety by the detailed information appearing elsewhere in this Prospectus. You should read and understand this section together with the entire Prospectus before you decide as to whether or not to invest in our Company.

1.1 Who We Are

We were incorporated in Malaysia under the Act on 30 December 2009 as a private limited company under the name Focus Point Holdings Sdn Bhd. Subsequently, on 25 January 2010, we converted our status from a private limited company to a public limited company to facilitate our listing on the ACE Market of Bursa Securities. We are principally an investment holding company.

Our core business activities are illustrated below:



Our "Focus Point" brand name has been in the Malaysian market since 1989 when our founders, namely Dato' Liaw and his brother, Liaw Choon Kuan started our first professional eye care centre in Muar, Johor Darul Takzim. Since then, we have expanded our chain of professional eye care centres to a total of 144 professional eye care centres in Malaysia as at LPD (includes wholly- and partially-owned centres, as well as franchised and licensed centres). As at LPD, we were **the largest chain of professional eye care centres in Malaysia**. (Source: *Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor*)

As at LPD, our professional eye care centres operate under seven (7) of our proprietary brand names, namely "Focus Point", "Focus Point Optical City", "Opulence", "Zania", "Eyefont", "ExcelView" and "Solariz". Each serves a different target market ranging from medium to higher income group of consumers, family and younger consumers.

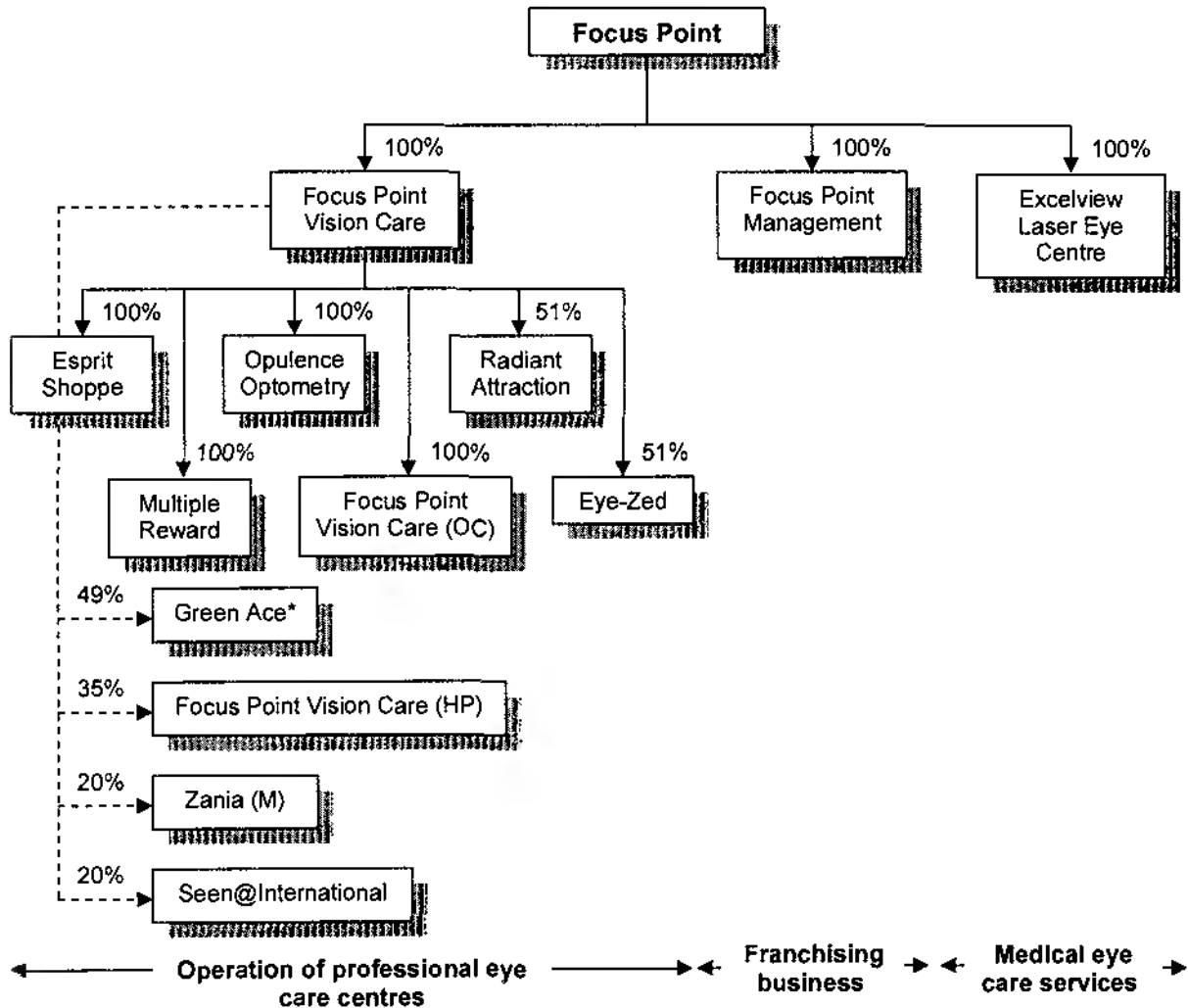
While we have our own professional eye care centres, we have also leveraged on our core competency in the operation of professional eye care centres to extend our business to incorporate franchising. As at LPD, we have 74 franchised professional eye care outlets located in Malaysia operating under our own "Focus Point" brand name.

We also provide medical eye care services, through our wholly-owned subsidiary, Excelview Laser Eye Centre. Our medical eye care centre currently provides refractive surgery using LASIK method and cataract surgery.

Please refer to Section 6 of this Prospectus for further information on our business.

1. INFORMATION SUMMARY (Cont'd)

Our corporate group structure is as follows:



Note:

* In members' voluntary winding up.

The details of our subsidiaries are summarised as follows:

Name of company	Date and country of incorporation	Issued and paid-up capital	Effective interest (%)	Principal activities
Focus Point Vision Care (268471-X)	30.06.1993 Malaysia	RM10,000,000	100	Operation of professional eye care centres and investment holding
Focus Point Management (464799-U)	27.06.1998 Malaysia	RM50,000	100	Management of franchised professional eye care centres
Excelview Laser Eye Centre (508833-K)	24.03.2000 Malaysia	RM300,000	100	Provision of medical eye care services

1. INFORMATION SUMMARY (Cont'd)

Name of company	Date and country of incorporation	Issued and paid-up capital	Effective interest (%)	Principal activities
Subsidiaries of Focus Point Vision Care				
Esprit Shoppe (584685-D)	29.06.2002 Malaysia	RM100	100	Operation of professional eye care centres
Multiple Reward (858098-H)	22.05.2009 Malaysia	RM100,000	100	Operation of professional eye care centres
Opulence Optometry (713107-P)	19.10.2005 Malaysia	RM2	100	Ceased operation of professional eye care centres since 2009 in order to consolidate its operations under Focus Point Vision Care*
Focus Point Vision Care (OC) (493579-M)	10.09.1999 Malaysia	RM300,000	100	Ceased operation since 2006 in order to consolidate its operations under Focus Point Vision Care and has remained dormant*
Radiant Attraction (683734-D)	09.03.2005 Malaysia	RM250,000	51	Operation of professional eye care centres
Eye-Zed (812085-D)	02.04.2008 Malaysia	RM300,000	51	Operation of professional eye care centres

Nota:

* In order to manage all information and operations of our chain of professional eye care centres from a shared data store, the operations of professional eye care centres of these companies were consolidated under Focus Point Vision Care.

The details of our associates are summarised as follows:

Name of company	Date and country of incorporation	Issued and paid-up capital	Effective interest (%)	Principal activities
Green Ace (761725-M)	05.02.2007 Malaysia	RM100,000	49	In the process of members' voluntary winding up
Focus Point Vision Care (HP) (375498-H)	26.01.1996 Malaysia	RM80,003	35	Operation of professional eye care centres
Zania (M) (748929-X)	28.09.2006 Malaysia	RM100	20	Ceased operation since 2007 in order to consolidate its operations under Focus Point Vision Care and has remained dormant*
Seen@ International (200917461H)	18.09.2009 Singapore	SGD350,000	20	Operation of professional eye care centres

Nota:

* In order to manage all information and operations of our chain of professional eye care centres from a shared data store, the operation of professional eye care centres of Zania (M) Sdn Bhd were consolidated under Focus Point Vision Care.

Please refer to Section 5 of this Prospectus for further information on our subsidiaries and associates.

1. INFORMATION SUMMARY (Cont'd)

1.2 Our Strengths

We believe that our competitive strengths lie in the following areas:

- (a) largest chain of professional eye care centres in Malaysia;
- (b) established brand name and reputation;
- (c) economies of scale;
- (d) franchising business;
- (e) strong representation in shopping centres and specialised retail centres;
- (f) extensive brands of eyewear products, especially international brands;
- (g) exclusive distributorship of prominent eyewear products in Malaysia; and
- (h) financial strength.

Please refer to Section 6.5 of this Prospectus for further information on our competitive strengths.

1.3 Our Strategy

Our strategy is to continue to build on our brand names as the largest chain of professional eye care centres in Malaysia and to continue to capture a significant market share in the professional eye care industry.

The principal elements of our strategy will be as follows:

- (a) expansion of professional eye care centres;
- (b) market expansion;
- (c) upgrading and refurbishment of existing outlets; and
- (d) expansion of branded eyewear products range.

Please refer to Section 6.22 of this Prospectus for further information on our strategy.

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1. INFORMATION SUMMARY (Cont'd)

1.4 Salient Information on the IPO

- IPO : The Public Issue and Offer for Sale, collectively.
- Public Issue : The Public Issue will be allocated in the following manner:
- (a) 10,000,000 Public Issue Shares will be made available for application by Eligible Persons;
 - (b) 22,950,000 Public Issue Shares will be made available for application by way of private placement to identified investors; and
 - (c) 8,250,000 Public Issue Shares will be made available for application by the Malaysian public.
- Offer for Sale : Up to 15,800,000 Offer Shares to be made available for application by way of private placement to identified investors.
- Issue/Offer Price : RM0.39 per Share

Please refer to Section 3 of this Prospectus for further information on the IPO.

1.5 Utilisation of Proceeds from the Public Issue

Our Company will not receive any proceeds from the Offer for Sale. The gross proceeds of up to approximately RM6.16 million arising from the Offer for Sale of up to 15,800,000 Offer Shares at the Offer Price will accrue entirely to the Selling Shareholder.

Our Company will only receive proceeds of approximately RM16.07 million from the Public Issue of 41,200,000 Public Issue Shares at the Issue Price. We intend to use the proceeds within two (2) years from the date of Listing as follows:

	RM'000	% of total proceeds
Expansion of new outlets	7,744	48.20
Upgrade and refurbishment of existing outlets	1,200	7.47
Repayment of bank borrowings	1,500	9.33
Working capital	3,824	23.80
Estimated listing expenses	1,800	11.20
	16,068	100.00

There is no minimum subscription to be raised from the IPO.

Please refer to Section 3.10 of this Prospectus for further details on the intended utilisation.

1. INFORMATION SUMMARY (Cont'd)

1.6 Risk Factors

Before investing in our Shares, you should carefully consider, along with other matters in this Prospectus, the risks that we currently face or that may develop in the future. The list is not exhaustive. Additional risks, whether known or unknown, may in the future have a material adverse effect on our Shares or us.

1.6.1 Risks relating to the industry that we operate in

- (a) We face continuous competition in our industry;
- (b) We rely on and are vulnerable to the imports of eyewear and eye care products;
- (c) We are dependent on registered optometrists and/or opticians; and
- (d) We are exposed to stock obsolescence due to changes in consumer preferences.

1.6.2 Risks relating to our operations

- (a) We may face difficulties in maintaining customer loyalty due to the unpredictable nature of consumer spending;
- (b) We are exposed to negative publicity;
- (c) Our operations may be affected by changes in the conditions of the places where our outlets are located;
- (d) Our operations may be affected by the performance of our franchisees;
- (e) Any revocation of exclusive distributorship may affect our financial performance;
- (f) There is no assurance that our business expansion plans would be successfully implemented, and that they would contribute positively to our profitability;
- (g) There is no assurance that our proposed geographical expansion would contribute positively to our profitability;
- (h) We are dependent on our President/CEO and key management;
- (i) There can be no assurance that there would be no unauthorised use of our brand names;
- (j) We are exposed to foreign exchange risks;
- (k) We are exposed to borrowing risks and restrictive covenants;
- (l) There is no assurance that our insurance coverage would be adequate;
- (m) Our controlling substantial shareholders will have control over certain matters which require shareholders' approval; and
- (n) We are exposed to the risk of pilferage of cash and products from our professional eye care centres by our employees.

1.6.3 Risks relating to the IPO

- (a) Our Shares have never been publicly traded before and the IPO may not result in an active or liquid market for our Shares;
- (b) Our Share price may be volatile, which could result in substantial losses for investors subscribing for our Shares; and
- (c) There may be a delay or abortion of our Listing.

1. INFORMATION SUMMARY (Cont'd)

1.6.4 Other risks

- (a) We are affected by political, economical and regulative factors that are beyond our control; and
- (b) Actual results, performance and/or achievements may vary significantly from those expressed or implied in forward-looking statements.

Please refer to Section 4 of this Prospectus for further information on the risks involved in investing in our Company.

1.7 Financial Information

1.7.1 Pro forma consolidated income statements

We have prepared our pro forma consolidated income statements for each of the past three (3) financial years up to the FYE 2009 below. Our pro forma consolidated income statements for each of the past three (3) financial years up to the FYE 2009 were prepared for illustrative purposes only, based on our Company's and our subsidiaries' respective audited financial statements for the past three (3) financial years up to the FYE 2009, on the assumption that our current Group structure had been in existence throughout the past three (3) financial years up to the FYE 2009.

You should read the summary of our financial data regarding our business for the past three (3) financial years up to the FYE 2009 that we have presented below together with our Management's Discussion and Analysis of Financial Condition and Results of Operations as set out in Section 12.2 of this Prospectus, the Reporting Accountants' letter on our Pro forma Consolidated Financial Information enclosed in Section 12.3 of this Prospectus and the accompanying notes and assumptions included in the Reporting Accountants' Report enclosed in Section 13 of this Prospectus.

	←----- Pro forma -----→		
	FYE 2007	FYE 2008	FYE 2009
	(RM'000)	(RM'000)	(RM'000)
Revenue	82,615	92,193	99,192
Less: Cost of sales	(37,695)	(41,234)	(40,766)
Gross profit	<u>44,920</u>	<u>50,959</u>	<u>58,426</u>
Other operating income	887	1,021	1,121
Selling and distribution costs	(16,372)	(18,218)	(17,451)
Administrative expenses	(25,247)	(26,112)	(29,469)
Finance costs	(853)	(717)	(749)
Share of profits of associates	23	51	(8)
PBT	<u>3,358</u>	<u>6,984</u>	<u>11,870</u>
Taxation	(2,780)	(1,988)	(3,541)
PAT	578	4,996	8,329
MI	(113)	(55)	(15)
Profit attributable to the equity holders for the financial year	<u>465</u>	<u>4,941</u>	<u>8,314</u>
EBITDA	6,183	10,167	15,338
No. of ordinary shares of RM0.20 each in issue ('000) ⁽¹⁾	123,800	123,800	123,800

1. INFORMATION SUMMARY (Cont'd)

	<----- Pro forma ----->		
	FYE 2007 (RM'000)	FYE 2008 (RM'000)	FYE 2009 (RM'000)
<u>Profit margin</u>			
Gross profit margin (%)	54.37	55.27	58.90
P&T margin (%)	4.06	7.58	11.97
Net profit margin (%)	0.70	5.42	8.40
<u>Basic EPS</u>			
Gross EPS (sen) ⁽²⁾	2.62	5.60	9.58
Net EPS (sen) ⁽³⁾	0.38	3.99	6.72
Effective tax rate (%)	⁽⁴⁾ 82.79	28.47	29.83

Notas:

- (1) *The number of Shares assumed in issue is the number of issued and paid-up share capital of RM0.20 each immediately prior to the IPO.*
- (2) *The gross EPS is calculated based on the PBT attributable to our shareholders for the respective financial years divided by the number of Shares in issue.*
- (3) *The net EPS is calculated based on the PAT attributable to our shareholders for the respective financial years divided by the number of Shares in issue.*
- (4) *The non-deductible bad debt written-off amounting to approximately RM2.05 million, as well as tax payment made for tax which was under-provided in year 2001, 2002 and 2006 amounting to approximately RM531,000 resulted in an exceptionally high effective tax rate of 82.79%.*

Inter-company transactions between the companies within our Group for each of the financial years under review have been eliminated on consolidation.

No exceptional or extraordinary item was recorded during the financial years under review.

Please refer to Sections 12 and 13 of this Prospectus for further information on our financial performance throughout the years under review.

The financial statements of our Group for the financial years under review were not subjected to any audit qualification save for the emphasis of matter by the auditors as disclosed in Section 12.1 of this Prospectus.

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1. INFORMATION SUMMARY (Cont'd)

1.7.2 Pro forma consolidated balance sheets

We have prepared our pro forma consolidated balance sheets below for illustrative purposes only, based on our audited balance sheets as at 31 December 2009 to show the effects of our Flotation Exercise and the use of proceeds arising from the IPO on the assumptions that the transactions had been effected on that date.

We advise you to read the pro forma consolidated balance sheets together with the accompanying notes and assumptions included in the Reporting Accountants' letter on our Pro forma Consolidated Financial Information enclosed in Section 12.3 of this Prospectus.

	As at 31 December 2009 (RM'000)	Pro forma I After the Acquisition (RM'000)	Pro forma II After Pro forma I and the Public Issue (RM'000)	Pro forma III After Pro forma II and utilisation of proceeds (RM'000)
Non-current assets				
Property, plant and equipment	-	17,147	17,147	26,091
Investment in associates	-	428	428	428
Other investments	-	500	500	500
Goodwill on consolidation	-	247	247	247
Trade and other receivables	-	1,044	1,044	1,044
Deferred tax assets	-	182	182	182
	-	19,548	19,548	28,492
Current assets				
Inventories	-	18,883	18,883	18,883
Trade receivables and other receivables	-	16,531	16,531	16,531
Current tax assets	-	58	58	58
Cash and bank balances	(1)	8,081	24,149	11,905
	(1)	43,553	59,621	47,377
Total assets	(1)	63,101	79,169	75,869
Equity attributable to equity holders of the Company				
Share capital	(1)	24,760	33,000	33,000
Share premium	-	(2)	7,828	7,020
Accumulated losses	(6)	(6)	(6)	(998)
	(6)	24,754	40,822	39,022
MI	-	522	522	522
	(6)	25,276	41,344	39,544
Non-current liabilities				
Deferred tax liabilities	-	696	696	696
Borrowings	-	4,161	4,161	4,161
Trade and other payables	-	822	822	822
	-	5,679	5,679	5,679
Current liabilities				
Trade payables and other payables	6	18,388	18,388	18,388
Borrowings	-	12,481	12,481	10,981
Current tax liabilities	-	1,277	1,277	1,277
	6	32,146	32,146	30,646

1. INFORMATION SUMMARY (Cont'd)

	As at 31 December 2009 (RM'000)	Pro forma I After the Acquisition (RM'000)	Pro forma II After Pro forma I and the Public Issue (RM'000)	Pro forma III After Pro forma II and utilisation of proceeds (RM'000)
Total liabilities	6	37,825	37,825	36,325
Total equity and liabilities	(1)	63,101	79,169	75,869
No. of ordinary shares assumed in issue ('000)	(3)	123,800	165,000	165,000
Par value (RM)	0.20	0.20	0.20	0.20
NA (RM'000)	(1)	24,754	40,822	39,022
NA per Share (RM)	0.20	0.20	0.25	0.24

Notes:

(1) Represents RM2.

(2) Represents RM397.

(3) Represents ten (10) ordinary shares of RM0.20 each.

* The Internal Restructuring and Offer for Sale will not have any effect on our balance sheets.

1.7.3 Dividend policy

Going forward, our ability to pay dividends or make other distributions to our shareholders is subject to various factors such as:

- (a) the level of our cash, marketable financial assets and level of indebtedness;
- (b) our required and expected interest expense, cash flows, profits, return on equity and earnings;
- (c) our expected results of operations; and
- (d) our projected levels of capital expenditure and other investment plans.

1.7.4 Auditors' qualification

None of the financial statements of the companies within our Group for the financial years under review was subject to any audit qualification, save for the emphasis of matter by auditors as disclosed in Section 12.1 of this Prospectus.

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2. INTRODUCTION

This Prospectus is dated 30 June 2010.

We have registered a copy of this Prospectus together with the Application Forms with the SC. We have also lodged a copy of this Prospectus together with the Application Forms with the ROC. Neither the SC nor the ROC takes any responsibility for the contents of this Prospectus.

On 30 April 2010, our securities are classified as Shariah compliant by the SAC based on the audited financial statements of our Company and our subsidiaries for the FYE 2009 for the purpose of our IPO and Listing. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review undertaken by the SAC. The new status is released in the updated list of Shariah-compliant securities, on the last Friday of May and November. However, the classification of our securities as Shariah compliant by the SAC shall not be taken to indicate that the SAC recommends our Listing.

We have obtained the approval from Bursa Securities on 17 June 2010 for the admission of our Company to the Official List of the ACE Market of Bursa Securities and for permission to deal in and for the listing of and quotation for our entire enlarged issued and paid-up share capital, including the IPO Shares, which are the subject of this Prospectus, on the ACE Market of Bursa Securities. Our Shares will be admitted to the Official List of the ACE Market of Bursa Securities and official quotation will commence upon receipt of confirmation from Bursa Depository that all the IPO Shares have been credited into the respective CDS accounts of the successful applicants and the notices of allotment have been issued and despatched to all successful applicants.

Bursa Securities assumes no responsibility for the correctness of any statement made or of any opinion or report expressed in this Prospectus. Our admission to the Official List of the ACE Market of Bursa Securities shall not be taken as an indication of the merits of our Company, our Shares or our Flotation Exercise.

Pursuant to Section 14(1) of the Securities Industries (Central Depositories) Act, 1991, Bursa Securities has prescribed our Shares as prescribed securities. Therefore, we will deposit our Shares directly with Bursa Depository. Any dealing in our Shares will be carried out in accordance with the aforesaid Act and the Rules of Bursa Depository. We will not issue any share certificate to the successful applicants.

Persons submitting applications by way of Application Forms or by way of Electronic Share Application or Internet Share Application must have a CDS account. If you do not presently have a CDS account, you must open a CDS account at an ADA before making an application for the IPO Shares.

- In the case of an application by way of Application Form, you should state your CDS account number in the space provided in the Application Form; or
- In the case of an application by way of Electronic Share Application, only an applicant who has a CDS account number can make an Electronic Share Application and you shall furnish your CDS account number to the Participating Financial Institution by way of keying in your CDS account number if the instructions on the ATM screen at which you submit your Electronic Share Application require you to do so; or
- In the case of an application by way of Internet Share Application, only an applicant who has a CDS account opened with the Internet Participating Financial Institution can make an Internet Share Application. Arising therewith, your CDS account number will automatically appear in the electronic IPO online application form.

2. INTRODUCTION (Cont'd)

A corporation or institution cannot apply for the IPO Shares by way of Electronic Share Application or Internet Share Application.

Pursuant to the Listing Requirements, at least 25% of the total number of our Shares for which listing is sought must be held by a minimum number of 200 public shareholders holding not less than 100 Shares each at the point of Listing. We expect to meet this public shareholding spread requirement at the point of Listing. If we do not meet the public shareholding requirement, we may not be allowed to proceed with the Listing. In such an event, we will return in full, without interest, monies paid in respect of all applications, in compliance with Section 243(2) of the CMSA.

You should rely only on the information contained in this Prospectus or any applicable Prospectus supplement. Neither we nor our advisers has authorised anyone to provide you with information that is different and which is not contained in this Prospectus. The delivery of this Prospectus or any issue made in connection with this Prospectus shall not, under any circumstance, constitute a representation or create any implication that there has been no change in our affairs since the date of this Prospectus. Nonetheless, should we become aware of any material change or development affecting a matter disclosed in this Prospectus from the date of registration of this Prospectus with the SC up to the date of the Listing, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provision of Section 238 of the CMSA.

The distribution of this Prospectus and the sale of the IPO Shares in other jurisdictions outside Malaysia may be restricted by the law. If you have come into possession of this Prospectus, we require you to inform yourself of and to observe such restrictions. This Prospectus does not constitute and may not be used for the purpose of an offer to sell or invitation to buy any IPO Share in any jurisdiction or circumstance in which such an offer or invitation is not authorised or unlawful, or to any person to whom it is unlawful to make such offer or invitation.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE FLOTATION EXERCISE AND YOUR INVESTMENT IN OUR SHARES. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY BEFORE APPLYING FOR OUR SHARES.

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3. PARTICULARS OF THE IPO

3.1 Opening and Closing of Applications

Opening of the application: 10.00 a.m. on 30 June 2010

Closing of the application: 5.00 p.m. on 15 July 2010

or at such other later time and date or dates as our Directors and Underwriter may mutually decide, at their absolute discretion.

Our Directors and Underwriter may mutually decide, at their absolute discretion, to extend the closing date and time of application of the IPO to any later date or dates. Should the closing date of the application for the IPO be extended, we will advertise a notice of the extension in a widely-circulated English and Bahasa Malaysia daily newspaper prior to the original closing date of applications for the IPO. Following this, the dates for the balloting of applications for the IPO Shares, allotment of the Public Issue Shares and transfer of the Offer Shares, as well as the Listing would be extended accordingly.

3.2 Our IPO

Our IPO comprises:

(a) Public Issue

A Public Issue of 41,200,000 Public Issue Shares at the Issue Price, payable in full on application upon such terms and conditions as set out in this Prospectus, and will be allocated in the following manner:

- (i) 10,000,000 Public Issue Shares representing 6.06% of our enlarged issued and fully paid-up share capital, will be made available for application by our 640 eligible directors, employees and franchisees who have contributed to our success and development;
- (ii) 22,950,000 Public Issue Shares representing 13.91% of our enlarged issued and fully paid-up share capital, will be placed with identified investors by OSK in its capacity as the Placement Agent; and
- (iii) 8,250,000 Public Issue Shares representing 5.00% of our enlarged issued and fully paid-up share capital, will be made available for application by the Malaysian public, to be allocated via ballot, of which at least 50% is to be set aside for Bumiputera individuals, companies, societies, co-operatives and institutions.

(b) Offer for Sale

An Offer for Sale of up to 15,800,000 Offer Shares, representing 9.57% of our enlarged issued and fully paid-up share capital, at the Offer Price to be offered by the Selling Shareholder to identified investors.

3. PARTICULARS OF THE IPO (Cont'd)

In summary, the IPO Shares will be allocated in the following manner:

	Public Issue		Offer for Sale		Total	
	No. of Shares	% of enlarged share capital	No. of Shares	% of enlarged share capital	No. of Shares	% of enlarged share capital
Eligible Persons	10,000,000	6.06	-	0.00	10,000,000	6.06
Identified investors (by way of placement)	22,950,000	13.91	15,800,000	9.58	38,750,000	23.49
Malaysian public	8,250,000	5.00	-	0.00	8,250,000	5.00
	41,200,000	24.97	15,800,000	9.58	57,000,000	34.55

Our Underwriter will fully underwrite the Public Issue Shares made available for application by the Eligible Persons and Malaysian public. The Public Issue Shares and Offer Shares available for application by identified investors shall be placed out by our Placement Agent.

In the event of an under-subscription of the Public Issue Shares by the Eligible Persons, the unsubscribed Public Issue Shares will be made available to the Malaysian public. Any Public Issue Shares which are not taken up by the Malaysian public will be made available for application by identified investors via private placement if the private placement is oversubscribed and vice versa. Any further Public Issue Shares not subscribed for will be made available for subscription by our Underwriter as specified in the Underwriting Agreement. Please refer to Section 3.11 of this Prospectus for further information on our underwriting arrangements.

The basis of allocation for the Public Issue Shares shall take into account the desirability of distributing the Public Issue Shares to a reasonable number of applicants with a view of broadening our shareholding base, to meet the public spread requirements of Bursa Securities, as well as to establish a liquid and adequate market for our Shares. Applicants will be selected in a fair and equitable manner to be determined by our Directors.

The number of shares offered under the IPO will not be increased via any over-allotment or "greenshoe" option.

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3. PARTICULARS OF THE IPO (Cont'd)

3.3 Details of Allocation of Shares to Eligible Persons

As mentioned in the preceding section, 10,000,000 Public Issue Shares will be reserved for our eligible Directors, employees and franchisees who have contributed to our success and development based on the following allocation:

	Note	No. of eligible persons	Aggregate number of Public Issue Shares allocated
Eligible Directors of our Group	1	4	3,000,000
Eligible employees of our Group	1	581	3,000,000
Eligible franchisees	2	55	4,000,000
		640	10,000,000

Notes:

- (1) *The criteria for allocation to our eligible Directors and employees is based on amongst others, length of service, recent and past performances and respective contributions towards our Group, their respective role, responsibility and accountability of the positions, as approved by our Board.*

Further details of the eligible Directors' pink form shares allocation are as follows:

	No. of Public Issue Shares allocated
Dato' Hamzah bin Mohd Salleh	500,000
Dato' Liew	1,825,000
Dr Choo Wei Chong	175,000
Leow Ming Fong @ Laow Min Fong	500,000
	3,000,000

- (2) *The criteria for allocation to eligible franchisees who have contributed to our success and development is based on amongst others, the number of outlets, the business performance of the respective franchisees and the duration of their respective relationship with our Group, as approved by our Board.*

3.4 Selling Shareholder

Datin Goh, our Non-Independent Executive Director, who has been one of our substantial shareholders since our incorporation, is offering her existing 15,800,000 Shares under the Offer for Sale.

The table below sets out her interest in our Company before and after the IPO:

<-- Before the IPO -->		<----- Shares offered pursuant to -----> the Offer for Sale			<----- After the IPO ----->	
No. of Shares	%	No. of Offer Shares	% of our existing share capital ⁽¹⁾	% of the enlarged share capital ⁽²⁾	No. of Shares	%
30,950,000	25.00	15,800,000	12.76	9.58	15,150,000	9.18

Notes:

- (1) *Based on our existing issued and paid-up share capital of 123,800,000 Shares.*
 (2) *Based on our enlarged issued and paid-up share capital of 165,000,000 Shares.*

Please refer to the Corporate Directory Section of this Prospectus for the address of Datin Goh.

3. PARTICULARS OF THE IPO (Cont'd)**3.5 Share Capital**

	No. of Shares	(RM)
Authorised share capital	<u>250,000,000</u>	<u>50,000,000</u>
Issued and fully paid-up share capital		
Existing Shares	123,800,000	24,760,000
To be issued pursuant to the Public Issue	41,200,000	8,240,000
Enlarged share capital upon Listing	<u>165,000,000</u>	<u>33,000,000</u>
To be offered pursuant to the Offer for Sale	<u>15,800,000</u>	<u>3,160,000</u>

We have only one (1) class of shares, namely ordinary shares of RM0.20 each, all of which rank *pari passu* with one another. The IPO Shares will, upon allotment and issue, rank *pari passu* in all respects with our existing issued and fully paid-up ordinary shares including voting rights and will be entitled to all rights, dividends and distributions that may be declared subsequent to the date of allotment of the IPO Shares. There is no over-allotment or 'greenshoe' option that will result in an increase in the amount of the IPO Shares.

Subject to any special right attaching to any of our Shares which we may issue in the future, our shareholders shall, in proportion to the amount paid-up on the shares held by them, be entitled to share the whole of the profits paid out by us in the form of dividends and other distributions and the whole of any surplus in the event of our liquidation, such surplus to be distributed amongst the members in proportion to the capital paid-up at the commencement of the liquidation, in accordance with our Articles of Association.

At any of our general meetings, each of our shareholders shall be entitled to vote in person, by proxy or by attorney or, being a corporation, by a representative. On a show of hands, every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote, and on a poll, every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for each Share held. A proxy may but need not be a member of our Company.

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3. PARTICULARS OF THE IPO (Cont'd)

3.6 Purposes of our IPO

The purposes of our IPO are as follows:

- (a) to enhance our business profile and future prospects through the listing of and quotation for our entire enlarged issued and paid-up share capital on the ACE Market of Bursa Securities;
- (b) to enable us to have access to the capital markets for cost effective capital raising to provide us with the financial flexibility to pursue growth opportunities. See Section 3.10 of this Prospectus for further information on how we plan to utilise the proceeds from the Public Issue of our Shares;
- (c) to enable our existing and continuing shareholders to realise all or part of their investments;
- (d) to enhance the liquidity of our Shares;
- (e) to enhance the transparency and discipline of our corporate management; and
- (f) to provide an opportunity for the investing community, including the Malaysian public, eligible directors, employees and franchisees who have contributed to our success and development, to participate in the equity and continuing growth of our Group.

3.7 Basis of Pricing the Issue/Offer Price

Our Directors, Selling Shareholder together with OSK as our Principal Adviser, have determined and agreed on the Issue/Offer Price of RM0.39 per Share, after taking into consideration the following factors:

- (a) our operating and financial history and conditions as outlined in Sections 6, 12 and 13 of this Prospectus. Based on the pro forma profit attributable to our equity holders of approximately RM8.31 million for the FYE 2009 and our issued and paid-up share capital of 123,800,000, we recorded a net EPS of approximately 6.72 sen, which translates to a historical net PE Multiple of approximately 5.80 times based on the Issue/Offer Price of RM0.39 per Share;
- (b) our competitive advantages, future plans, strategies and prospects as outlined in Sections 6.5, 6.22 and 6.23 of this Prospectus;
- (c) our pro forma consolidated NA per Share of approximately RM0.24 based on our enlarged issued and paid-up share capital of 165,000,000 Shares upon listing and after the proposed utilisation of proceeds as set out in Section 3.10 of this Prospectus; and
- (d) the prevailing market conditions in terms of the positive outlook of the Malaysian economy, improving consumer confidence which leads to better purchasing power as well as the demonstrated growth in retail sales during normal economic conditions. Further details of the Malaysian economy condition are set out in Sections 7 and 14 of this Prospectus.

Prior to the IPO, there has been no public market for our Shares within or outside Malaysia. You should also note that the market price of our Shares upon the Listing is subject to the vagaries of market forces and other uncertainties which may affect the market price of our Shares. You should form your own views of the valuation of our Shares before deciding on an investment decision. You are also reminded to consider carefully the risk factors as set out in Section 4 of this Prospectus.

3. PARTICULARS OF THE IPO (Cont'd)**3.8 Market Capitalisation upon Listing**

Based on our Issue/Offer Price and the enlarged issued and paid-up share capital of 165,000,000 Shares, our market capitalisation upon Listing will be RM64,350,000.

3.9 Dilution

Dilution is the amount by which the Issue/Offer Price to be paid for our IPO Shares under the IPO exceeds our pro forma consolidated NA per Share after the IPO. The pro forma consolidated NA per Share as at 31 December 2009 (after adjusting the effects of the Acquisition) based on the issued and paid-up share capital of 123,800,000 Shares before the IPO is approximately RM0.20.

Subsequent to the implementation of the IPO, our pro forma consolidated NA per Share after adjusting the effects of the IPO and utilisation of proceeds raised from the Public Issue, as well as based on the enlarged issued and paid-up share capital of 165,000,000 Shares, would be RM0.24.

Pursuant thereto, this represents an immediate increase in the pro forma consolidated NA per share to our existing shareholders of RM0.04, and an immediate dilution in the pro forma consolidated NA per Share of RM0.15 to our new investors. The following table illustrates such dilution on a per Share basis:

	(RM)
Issue/Offer Price	0.39
Our pro forma consolidated NA per Share as at 31 December 2009 (after adjusting the effects of the Acquisition)	0.20
Increase in the pro forma consolidated NA per Share attributable to existing shareholders	0.04
Our pro forma consolidated NA per Share after the IPO*	0.24
Dilution in pro forma consolidated NA per Share to our new investors	0.15
Dilution in pro forma consolidated NA per Share to our new investors as a percentage of the Issue/Offer Price	38.46%

Note:

* After adjusting the effects of the utilisation of proceeds raised from the Public Issue.

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3. PARTICULARS OF THE IPO (Cont'd)

The following table summarises the total number of Shares received by our Directors/substantial shareholders from the Acquisition and the cost per Share to them and to the new public investors who subscribe for and/or purchase the IPO Shares pursuant to the IPO:

	Total number of Shares received from the Acquisition	Total consideration	Cost per Share
	No. of Shares	(RM'000)	(RM)
Directors/Substantial shareholders			
Dato' Liaw	92,849,995	18,570	0.20
Datin Goh	30,949,995	6,190	0.20
Total number of IPO Shares			
	No. of Shares	Total consideration (RM'000)	Cost per Share (RM)
New investors	57,000,000	22,230	0.39

Save for the Shares received by our Directors/substantial shareholders pursuant to the Acquisition, there is no acquisition of any existing securities in our Company by our Directors, key management, substantial shareholders and/or persons connected to them or which they have the right to acquire.

3.10 Utilisation of Proceeds

We expect to raise gross proceeds of approximately RM16.07 million from the Public Issue and each principal intended use of the proceeds is set out below:

	Section	RM'000	% of total proceeds	Expected utilisation period after our Listing
Expansion of new outlets	3.10.1	7,744	48.20	Within two (2) years
Upgrade and refurbishment of existing outlets	3.10.2	1,200	7.47	Within one (1) year
Repayment of bank borrowings	3.10.3	1,500	9.33	Within one (1) year
Working capital	3.10.4	3,824	23.80	Within one (1) year
Estimated listing expenses	3.10.5	1,800	11.20	Upon completion of our Listing
		16,068	100.00	

We will bear all expenses and fees incidental to the listing of and quotation for our entire enlarged issued and paid-up share capital on the ACE Market of Bursa Securities, which include professional fees, fees to the authorities, underwriting commission, brokerage and placement fees for the Public Issue Shares, printing, advertising and other fees, the aggregate of which is estimated to be RM1.80 million.

The Offer for Sale will raise proceeds of up to RM6.16 million. This amount shall accrue entirely to the Selling Shareholder and we will not receive any of the proceeds. The Selling Shareholder shall bear all expenses, such as management fee, brokerage and placement fees, registration fee and share transfer fee relating to the Offer Shares, the aggregate of which is estimated to be approximately RM125,000.

There is no minimum subscription to be raised from the IPO as all the Public Issue Shares, save for the 22,950,000 Shares to be placed out to identified investors, are fully underwritten.

3. PARTICULARS OF THE IPO (Cont'd)

3.10.1 Expansion of new outlets

As our strength lies in the provision of professional eye care services and retailing of eyewear and eye care products, we plan to increase the number of our outlets to 200 outlets by 2011, with the aim to increase our market share within the professional eye care industry.

As at LPD, we have 144 outlets operating in Malaysia under our "Focus Point", "Focus Point Optical City", "Opulence", "Zania", "Eyefont", "ExcelView" and "Solariz" brand names, each serving different target markets. We plan to increase the number of our outlets to 200 outlets by 2011 by setting up 22 of our own outlets and the remaining 34 outlets through our franchising programme in high pedestrian traffic areas.

Currently, we have identified the locations for 18 new outlets, of which 9 outlets are to be set up through our franchising programme. The total estimated costs for the setting up of these 18 new outlets are approximately RM3.74 million. The locations and the estimated costs for the setting up the remaining 38 outlets have yet to be identified and ascertained as at the date of this Prospectus.

In total, we intend to utilise approximately RM7.74 million of the total gross proceeds from the Public Issue to fund this expansion, with the remaining being funded through internally-generated funds.

3.10.2 Upgrade and refurbishment of existing outlets

We also intend to upgrade and refurbish our existing professional eye care centres to improve the overall image of our brands, cater for future business expansion plans as well as to expand the range and brands of eyewear products we offer at our professional eye care centres, with the aim to attract new customers and to improve our Group's revenue. We intend to utilise approximately RM1.20 million of the total gross proceeds from the Public Issue for this purpose, with the remaining being funded through internally-generated funds.

We have commenced upgrading and refurbishment activities, which include renovation as well as replacement of furniture and fittings in ten (10) of our existing wholly-owned outlets, which is expected to be completed by 2010. Furthermore, we plan to upgrade and refurbish an additional twenty (20) wholly-owned outlets by 2012. The upgrading and refurbishment activities are to be carried out in stages and will be an ongoing process.

3.10.3 Repayment of bank borrowings

In support of our day-to-day operations, we have obtained bank borrowings in the form of, amongst others, bankers' acceptances and term loans. These borrowings are undertaken to finance our working capital which includes the purchase of eyewear and eye care products as well as payment of salaries, and capital expenditure requirements, such as the upgrading of our existing operating systems to an integrated computer-based system and renovation of our outlets.

We intend to utilise approximately RM1.50 million of the total gross proceeds from the Public Issue to repay some of our outstanding bank borrowings, the details of which are set out below:

▪ Lender	:	Alliance Bank Malaysia Berhad
▪ Type of borrowing	:	Term loan
▪ Limit	:	RM3,000,000
▪ Outstanding balance as at LPD	:	RM2,805,605
▪ Interest rate	:	Base lending rate + 1.25%

3. PARTICULARS OF THE IPO (Cont'd)

- Terms of repayment : 36 instalments commencing from 1 September 2009
- Purpose of borrowings : To finance our franchising business and the implementation of the new Enterprise Resource Planning System for our operations
- Amount to be settled using the proceeds from the Public Issue : RM1.5 million

At the prevailing interest rates, we expect to enjoy interest savings of approximately RM109,500 per annum from this repayment of our bank borrowings.

3.10.4 Working capital

The utilisation of the proceeds raised from the Public Issue for working capital purposes is consistent with our businesses and strategies. As we aim to strengthen our position via enhancing our market penetration, an adequate level of working capital is imperative to support the higher level of purchases of eyewear and eye care products and greater amount of marketing expenses. We intend to allocate approximately RM1.00 million of the total gross proceeds from the Public Issue for marketing expenses whilst the remaining will be utilised for the purchase of eyewear and eye care products.

We intend to enhance our market penetration through the expansion of new outlets, upgrading and refurbishment of our existing outlets and expansion of branded eyewear products. Please refer to Section 6.22 of this Prospectus for further information on our strategy.

3.10.5 Estimated listing expenses

The estimated listing expenses for the listing of and quotation for our enlarged issued and paid-up share capital on the ACE Market of Bursa Securities are as follows:

	RM
Professional fees ⁽¹⁾	1,070,000
Fees to authorities	65,500
Underwriting commission, brokerage and placement fees	393,000
Printing and advertising fees	240,000
Miscellaneous ⁽²⁾	31,500
	<u>1,800,000</u>

Notes:

(1) Includes fees for, amongst others, the Principal Adviser, Solicitors, Reporting Accountants and Independent Business and Market Research Consultants.

(2) Other incidental or related expenses in connection with the IPO.

In the event of an excess/deficit in the actual quantum of listing expenses, such amount will be adjusted against the amount allocated for working capital purposes accordingly.

Underwriting Commission

The Underwriter has agreed to underwrite up to 18,250,000 Public Issue Shares made available for application by the Eligible Persons and the Malaysian public. We are obligated to pay the Underwriter underwriting commission at the rate of 2.00% of the total value of the underwritten Shares at the Issue Price of RM0.39 per Share.

3. PARTICULARS OF THE IPO (Cont'd)

Placement Fees

The Placement Agent has agreed to place out the 38,750,000 Shares in our Company to be offered to identified investors. We are obligated to pay the Placement Agent a placement fee at the rate of 2.00% and 1.00% of the value of the Shares placed out to investors identified by our Promoters and the Placement Agent respectively, at the Issue Price of RM0.39 per Share.

Brokerage Fees

Brokerage is payable in respect of the Public Issue Shares at the rate of 1.00% of the Issue Price in respect of successful applicants which bear the stamp of member companies of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association in Malaysia or Issuing House. No brokerage is payable on the Public Issue Shares to be placed out by the Placement Agent.

Pending the deployment of the proceeds raised from the Public Issue as aforementioned, the funds will be placed in short-term deposits with financial institutions, used to invest in short-term money market instruments and/or used for working capital requirements as our Directors may deem appropriate.

3.11 Salient Terms of Underwriting Agreement

We had on 22 June 2010 entered into an underwriting agreement with our Underwriter to underwrite up to 18,250,000 Public Issue Shares ("**Underwritten Shares**") subject to clawback and reallocation. The Underwriter has agreed to underwrite the Public Issue Shares described in Section 3.2(a)(i) and (iii) of this Prospectus at the rate set out in Section 3.10.5 of this Prospectus.

The salient terms of the Underwriting Agreement as extracted from the Underwriting Agreement are set out below:

(a) Conditions

The obligations of the Underwriter to underwrite the Underwritten Shares under the Underwriting Agreement are conditional on the performance by the Company of their obligations under the Underwriting Agreement and on:

- (i) The Underwriter being provided with the reports or confirmation in writing and the Underwriter being satisfied on the last date for the acceptance of and payment for the Public Issue Shares or such later date as may be extended from time to time by the Company subject to the Underwriter prior written consent ("**Closing Date**") that:
 - there has been no material change or any development likely to result in a material adverse change in the financial position, business operations or conditions (financial or otherwise) of the Company or Group, taken as a whole from that subsequent to the date of the Underwriting Agreement; or
 - there has not occurred any event or the discovery of any fact or circumstance which would render any representation, warranty or undertaking in Clause 8 (Representations, Warranties and Undertakings) of the Underwriting Agreement which is materially untrue or inaccurate or result in a material breach of the Underwriting Agreement by the Company;

3. PARTICULARS OF THE IPO (Cont'd)

- (ii) The Underwriter receiving a certificate in the form or substantially in the form contained in Schedule 3 (Certificate) of the Underwriting Agreement dated the Closing Date, signed by a Director of the Company for and on behalf of the Board stating that, to the best of their knowledge and belief, having made all reasonable enquiries, there has been no such change, development or occurrence as referred to in Clause 8 (Representations, Warranties and Undertakings) of the Underwriting Agreement;
- (iii) The Prospectus being issued not later than thirty (30) Market Days from the date of the Underwriting Agreement ("**Agreement Date**") or such date the Company and Underwriter may agree in writing;
- (iv) The registration of the Prospectus with the SC and the issue by the SC of the relevant certificate of registration and the lodgement of the Prospectus with the Companies Commission of Malaysia on or before the date of issue of the Prospectus ("**Issue Date**");
- (v) The approvals of the respective relevant authorities referred to in Clause 2.5 (Approvals) of the Underwriting Agreement, remain in full force and effect and that all conditions precedent to the approvals have been complied with;
- (vi) The application to Bursa Securities for the admission of the Company to the Official List of the ACE Market of Bursa Securities, and for the listing of and quotation for the entire enlarged issued and paid-up share capital of the Company on the ACE Market of Bursa Securities being made and remain in full force and effect, and that all conditions precedent for the IPO have been completed and complied with;
- (vii) The Underwriter being satisfied with the arrangements of the Company to pay the expenses referred to in Clause 7 (Underwriting Commission) of the Underwriting Agreement;
- (viii) The Underwriter receiving the Company's Board of Directors Resolution, which shall be in full force and effect and duly certified by the Director and/or Secretary of the Company as true and accurate and in the form and substance acceptable to the Underwriter in respect of the following:
 - approving the Prospectus together with the Application Form and ("**Issue Documents**"), the Underwriting Agreement and the transactions contemplated by them;
 - authorising a person to sign and deliver the Underwriting Agreement on behalf of the Company;
 - authorising the issuance of the Issue Documents;
- (ix) The Underwriting Agreement being duly signed by all parties and stamped;
- (x) The IPO not being prohibited or impeded by any statute, order, rule, directive or regulation promulgated by any legislative, executive or regulatory body or authority of Malaysia and all consents, approvals, authorisations or other orders required by the Company under such laws for or in connection with the IPO and/or listing of and quotation for the entire enlarged issued and paid-up share capital of the Company on the ACE Market of Bursa Securities have been obtained and are in force on the Closing Date or the Underwriter being reasonably satisfied that the same will be in force on the Closing Date; and

3. PARTICULARS OF THE IPO (Cont'd)

- (xi) The Underwriter being satisfied that the Company has complied with the policies, guidelines and requirements of the SC, Bursa Securities and other relevant authorities and all revisions, amendments and/or supplements thereto.

(b) Waiver

The Underwriter, without prejudice to any of its rights, may waive in writing all or any of the conditions as set out in Section 3.11(a) above, except for those required by rule of law or governmental, public or regulatory authorities in connection with the Underwriting Agreement. Any waiver granted shall not preclude the Underwriter from insisting that such condition waived be subsequently complied with at a later date.

(c) Non-satisfaction

Subject to Clause 4.2 (Waiver) of the Underwriting Agreement, in the event any of the conditions as set out in Section 3.11(a) above, are not fulfilled or complied with to the satisfaction of the Underwriter on or before the Closing Date, the Underwriter shall be entitled to terminate the Underwriting Agreement by notice in writing to the Company and in such event the provisions of Clause 11 (Termination) of the Underwriting Agreement shall apply but without prejudice to the rights of the Underwriter under Clause 7 (Underwriting Commission), Clause 8.4 (Indemnity provision in favour of the Underwriter) and Clause 9 (Costs and Expenses) of the Underwriting Agreement.

(d) Termination

Notwithstanding anything contained in the Underwriting Agreement, Underwriter may, after consultation with the Company in such manner as the Underwriter shall reasonably determine, by notice in writing to the Company given at any time before the Closing Date, terminate, cancel and withdraw its commitment to underwrite the Underwritten Shares under the provision of the Underwriting Agreement ("**Underwriting Commitment(s)**") if:

- (i) there is any breach by the Company of any of the representations, warranties or undertakings contained in Clause 10 (Representations, Warranties and Undertakings) of the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied within thirty (30) days from the date of receipt by the Company of the written notice of such breach;
- (ii) there is failure on the part of the Company to perform any of its obligations contained in the Underwriting Agreement;
- (iii) there is withholding of information of a material nature from the Underwriter which is required to be disclosed pursuant to the Underwriting Agreement which, in the opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Group or the success of the IPO;
- (iv) there shall have occurred, or happened any material and adverse change in the business or financial condition of the Company or the Group;
- (v) any matter which arose immediately before the date of the Prospectus, would have constituted a material and adverse omission in the context of the IPO;
- (vi) any event, act or omission which gives or is likely to give rise to any liability which will have a material and adverse effect on the Company pursuant to the indemnities contained under the Underwriting Agreement;

3. PARTICULARS OF THE IPO (Cont'd)

- (vii) there shall have occurred, or happened any of the following circumstances:
- any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or
 - any event or series of events beyond the reasonable control of the Underwriter, including (without limitation) national disorder, declaration of a state of national emergency, acts of terrorism, respiratory or virus outbreak, acts of government, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, tsunami, civil commotion, sabotage, acts of war or accidents;
 - any change in laws, regulations, directives, policies or rulings in any jurisdiction; or
 - the FTSE Bursa Malaysia Kuala Lumpur Composite Index falling below 1,000 points and has stayed below 1,000 points for at least five (5) consecutive Market Days between the date of the Underwriting Agreement and the Closing Date, both dates inclusive;

which, in the reasonable opinion of the Underwriter would have or can reasonably be expected to have, a material adverse effect on, and/or materially prejudice the business or the operations of the Group as a whole, or the success of the IPO, or market conditions generally or which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms.

Upon any such notice(s) being given pursuant to Clause 11.1 (Termination) of the Underwriting Agreement, the Underwriter shall be released and discharged of its obligations without prejudice to their rights under the Underwriting Agreement, and where the Underwriter has terminated or withdrawn its Underwriting Commitments pursuant to Clause 11.1 (Termination) of the Underwriting Agreement, the Underwriting Agreement shall be of no further force or effect, save and except that the Company shall remain liable in respect of its obligations and liabilities under Clause 7 (Underwriting Commission), Clause 8.4 (Indemnity provision in favour of the Underwriter) and under Clause 9 (Costs and Expenses) of the Underwriting Agreement for the payment of costs and expenses already incurred up to the date of or in connection with such termination and under Clause 5.3.2 (Prospectus) of the Underwriting Agreement for the payment of any taxes, duties or levies, and for any antecedent breach.

The Underwriter shall have the rights to terminate the Underwriting Agreement by notice in writing served on the Company in the event that the approval of Bursa Securities for the admission of the Company to the Official List of ACE Market of Bursa Securities, and for the listing of and quotation for the entire enlarged issued and paid-up share capital of the Company on the ACE Market of Bursa Securities is withdrawn or procured but subject to conditions not acceptable to the Underwriter and upon such termination, the obligations of the Company and the Underwriter shall become null and void and none of the parties shall have a claim against each other and that each party shall return any moneys paid to the other or others under the Underwriting Agreement save for those paid and remaining payable under Clauses 7 (Underwriting Commission), Clause 8.4 (Indemnity provision in favour of the Underwriter) and 9 (Costs and Expenses) within five (5) Market Days of the receipt of such notice.

4. RISK FACTORS

Notwithstanding the prospects of our Group as outlined in this Prospectus, our business is subject to a number of risk factors, many of which are outside our control. Prior to making an investment decision, you should carefully consider the risk factors set out below (which may not be exhaustive) that may have a significant impact on the future performance of our Group, together with other information contained in this Prospectus.

If you are unsure about any of the information contained under this Section on "Risk Factors", you should consult your stockbrokers, bank managers, solicitors, accountants or other professional advisers.

4.1 Risks Relating to the Industry that We Operate in

4.1.1 We face continuous competition in our industry

The professional eye care industry is subject to competition and low barriers of entry. Our competitors include chain operators to smaller single operators offering professional eye care products and services. Failure to compete and differentiate our products, services and operations against these competitors will result in lower market share, which will adversely and materially affect our revenue and hence, our profitability.

We believe that we can leverage on our competitive strengths to mitigate the competition from the existing and potential competitors. Our competitive strengths include, amongst others, our ability to achieve economies of scale attributable to the size of our operations, our established brand name and market reputation, our ability to provide extensive brands of eyewear products to meet the needs of our customers, as well as our experience in providing good quality of professional eye care services to our customers. Please refer to Section 6.5 of this Prospectus for further information on our competitive strengths.

4.1.2 We rely on and are vulnerable to the imports of eyewear and eye care products

As a one-stop operator of professional eye care centres, apart from providing eye care services, we also market a wide range of eyewear and eye care products which include, amongst others, prescription frames and lenses, contact lenses, sunglasses and contact lens solutions. As such, the ability to provide an extensive range of eyewear and eye care brands at competitive prices is crucial to our business.

However, the local production of prescription frames and lens, and sunglasses is relatively small along with the absence of contact lens manufacturers in our country. As such, we rely highly on overseas sources such as the USA, Italy, Germany, Japan, Hong Kong and the PRC for the supply of exclusive and non-exclusive brands of eyewear and eye care products. Any interruption in the supply of eyewear and eye care products would adversely affect our outlets' operations and thereafter our profitability. In view of the above, we are also exposed to exchange rate fluctuations as the majority of our purchases are in USD, Euro and HKD. Please refer to Section 4.2.10 of this Prospectus for further details on our exposure to foreign exchange risks.

Nevertheless, there are numerous sources of supply of eyewear products overseas. (Source: *Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor*) As such, there is a low likelihood of a worldwide shortage of eyewear products to the extent that it may materially affect our operations.

4. RISK FACTORS (Cont'd)

4.1.3 We are dependent on registered optometrists and/or opticians

Under the Optical Act, 1991, only optometrists and opticians registered with the Malaysian Optical Council are allowed to prescribe and dispense eyewear in Malaysia. As such, the operation of professional eye care centres is highly dependent on the experience and technical skills of registered optometrists and/or opticians.

We believe that our continued success will depend, to a significant extent, upon the abilities, capabilities and continued efforts of our optometrists and opticians. Accordingly, any shortage of optometrists and opticians may adversely affect our continued ability to compete in the industry.

As such, we strive to ensure that we have the ability to retain and recruit new registered optometrists and opticians by:

- (a) creating a conducive and attractive working environment;
- (b) providing a clear career path to recognise and reward experience, skills and work performances; and
- (c) ensuring compensation packages are in-line with prevailing market levels.

In addition, we collaborate closely with local universities for the employment of graduates majoring in optometry programmes to support our operations. Through this arrangement, our Board believes that we should be able to mitigate the risk of any shortage of registered optometrists and/or opticians.

Furthermore, there were 779 registered optometrists and 2,692 registered opticians in Malaysia during 2009. The number of registered optometrists grew by an average annual rate of 10.2% whilst the number of registered opticians grew by an average annual rate of 6.1% between 2005 and 2009.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

4.1.4 We are exposed to stock obsolescence due to changes in consumer preferences

We are exposed to changes in consumer preferences due to the frequent changes in fashions and trends of eyewear products. As a result, we may face the risk of holding obsolete stocks which may financially affect our operational results if these obsolete stocks are written-off or sold at large discounts. Eyewear and eye care products are deemed to be obsolete if, amongst others, these products remain as inventories for more than three (3) years and/or are phased out by suppliers of eyewear and eye care products from the retail market.

In view of this, we have in place a centralised inventory management system to monitor the eyewear and eye care products of various brands and designs for distribution of surplus stocks to other outlets throughout Malaysia. Nevertheless, despite our efforts, there can be no assurance that the operations and financial position of our Group will not be affected by stock obsolescence and/or slow-moving stocks.

4. RISK FACTORS (Cont'd)

4.2 Risks Relating to our Operations

4.2.1 We may face difficulties in maintaining customer loyalty due to the unpredictable nature of consumer spending

Professional eye care services and prescription eyewear are viewed to be essential services and products for individuals with blurred vision and therefore, is expected to be less affected by changes in consumer spending.

Nevertheless, as a one-stop operator of professional eye care centres, our revenue generated from the sales of eyewear and eye care products, especially non-prescription eyewear are affected by changes in consumers' spending behaviour. This includes, amongst others, changes in consumers' preferences and tastes due to changes in fashion trends and styles, changes in the level of disposable incomes, spending alternatives, as well as product and services substitutes and differentiation (including branding, quality and pricing). Due to the unpredictable nature of consumer spending, our continued growth and success depend on, inter alia, our ability to meet customers' preferences and tastes, and understand customers' spending behaviour.

In order to mitigate this risk, we endeavour to increase our market recognition as a one-stop eye care operator by providing extensive range of eyewear brands, improving on our marketing and promotional strategies, improving the quality of our professional eye care services, and reacting swiftly to the changes in consumer preferences and the fashion industry.

4.2.2 We are exposed to negative publicity

As we are principally involved in the provision of professional eye care services, we are sensitive to any negative publicity regarding the quality of our eye care services, as well as eyewear and eye care products. Any change resulting in unfavourable perception of our customers or any adverse publicity towards our brand names will affect our brand equity, hamper customers' confidence in our professional eye care services, as well as eyewear and eye care products, resulting in reduced patronage to our outlets and therefore, possibly adversely and materially affecting our business and financial results.

To maintain the goodwill of our brand names, we have in place various quality processes and controls, to ensure the quality of our products and products provided by our wholly- and partially-owned centres, as well as franchised and licensed centres.

4.2.3 Our operations may be affected by changes in the conditions of the places where our outlets are located

There is no assurance that the shopping centres and specialised retail centres where most of our outlets are located will continue to be in operation and will not be closed down or be demolished. Should we be required to relocate any of our outlets, there is also a risk that we may not be able to find suitable alternative locations and this may lead to a loss of income. Furthermore, any compensation received may not be sufficient to cover our losses and this in turn may have an adverse effect on our earnings.

4. RISK FACTORS (Cont'd)

We may also be affected by any change in tenancy mix and poor maintenance of the shopping centres and specialised retail centres where our outlets are located, which may lead to reduce patronage, therefore affecting our business. We lease the premises of all our operating outlets from third parties. Upon expiry of the existing leases, the landlords have the right to change the terms and conditions of the lease agreement or even decide not to renew the lease agreement. The non-renewal of the leases or the imposition of conditions which are unfavourable to us may have a material effect on our operations and financial results.

4.2.4 Our operations may be affected by the performance of our franchisees

Our financial performance is to a certain extent, affected by the performance of our franchisees. Any wrong-doing of our franchisees will not only affect our brand equity, but could also result in litigation brought against us by third parties for the wrongdoings of our franchisees.

While our franchisees have been compliant in their financial and business obligations to-date, we are exposed to the possibility that our franchisees may default on future payments of royalty fees, franchisee fees and rental payment to us due to various reasons. Details of the back-to-back arrangements with our franchisees on the rented business premises and our contingent liabilities are set out in Section 12.5.6 of this Prospectus. The loss of our franchisees will also result in a drop in our revenue in that market or geographical area and this may present an opportunity to our competitors to increase their market share in that market or geographical area. Nevertheless, as stated in the franchise agreements, in the event of any default in payment by our franchisees and any non-compliance to the terms of the franchise agreements, it should be noted that our franchisees are bound and our interests are protected by the terms and conditions stated in the respective franchise agreements.

It should be highlighted that we place strong emphasis on the credibility of our franchisees before we agree to accept their appointments. The appointment of new franchisees shall satisfy the following criteria:

- (a) preferably have experience in running an optical business;
- (b) must be able to invest at least 30% of his/her own money into the outlet; and
- (c) preferably to be able to manage the business on a full time basis.

Furthermore, we grant franchise licenses primarily to our current branch managers, optometrists and/or opticians. Nevertheless, there is no assurance that our franchisees will continue to be successful in their operations, will not engage in any wrong-doing or will not default in future payments of royalty fees to us.

4.2.5 Any revocation of exclusive distributorship may affect our financial performance

We are the exclusive distributor in Malaysia for 16 brands of eyewear products, which amongst others, include Converse, Davidoff, Hush Puppies, Mikli, Jaguar, Koali, Too Inch and Loewe. Our exclusive distributorship rights for the abovementioned brands of eyewear products are secured through exclusive distribution agreements entered into between our Group and the respective suppliers.

Based on our pro forma financial results for the FYE 2009, sales arising from the exclusive brands of eyewear products accounted for approximately 11.24% of our total revenue. As such, any revocation of these sole distributorships may adversely affect our business. However, we are not highly dependent on the abovementioned exclusive distributorship rights as we carry a wide range of brands of eyewear products comprising 163 third party brands, two (2) licensed brands and 16 own brands.

4. RISK FACTORS (Cont'd)

Furthermore, we are of the opinion that with our established brand name and reputation, strong representation in shopping centres and specialised retail centres, as well as our strong presence in the professional eye care industry as **the largest chain of professional eye care centres in Malaysia as at LPD** (Source: *Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor*), we are able to secure our existing distributorships and procure new distributorships. Our Directors have also confirmed that there has not been such revocation in the past.

4.2.6 There is no assurance that our business expansion plans would be successfully implemented, and that they would contribute positively to our profitability

As our business expansion plans involve setting up additional new outlets, we may face difficulties in identifying suitable and strategic outlet locations in shopping centres and specialised retail centres, or if identified, it may involve high rental costs. As rental forms one of our major operating expenses and given that it is also subject to fluctuation of property prices, our operating profit margin can be adversely affected if we are unable to improve our revenue should there be any increase in the rental cost of our outlets.

Our Group has vast experience in identifying and negotiating the rental of outlets with the management of shopping centres and specialised retail centres within Malaysia. Furthermore, we plan to place more emphasis on our franchising business model where at least 60% of our proposed outlets will be franchised to our franchisees. This will enable us to expand our operations with minimum capital investments, and reduce our exposure to risks and our operating expenses, i.e. rental expenses.

Nevertheless, there can be no assurance that our Group will be able to successfully identify and set up outlets at high pedestrian traffic areas.

4.2.7 There is no assurance that our proposed geographical expansion would contribute positively to our profitability

We intend to intensify our marketing efforts to penetrate into other geographical markets. As there can be no assurance that our geographical expansion plans would result in an increase in revenue, any cost or investment incurred in such efforts may not be recovered.

There are various inherent risks in business activities in foreign markets, such as the costs of localising products and services for foreign markets may be high. As such, we intend to minimise these costs and risks associated with our attempt of geographical expansion through our franchising model and/or forming strategic alliances with local entities in target countries. By doing so, we can tap into their knowledge of local conditions and their goodwill to secure good locations for the further expansion of our business. In late 2009, we expanded our operations by setting up a "SEEN" outlet in Singapore through a strategic alliance with our local partner. We have also participated in local and international trade shows and exhibitions, such as Small and Medium Industries Exhibition (SMIDEX) organised by the Small and Medium Industries Development Corporation (SMIDEC) and the Ministry of International Trade and Industry, as well as the International Autumn Trade Fair in Dubai, United Arab Emirates.

4. RISK FACTORS (Cont'd)

4.2.8 We are dependent on our President/CEO and key management

To a large extent, our business depends on the abilities and continued efforts of our President/CEO and key management team. Our Group is led by our experienced President/CEO, Dato' Liaw and is managed by a team of qualified key personnel who have extensive knowledge and experience in their relevant disciplines.

As such, our Board recognises the importance of our Group's ability to attract and retain our Directors and key management, and has in place human resource strategies which include, inter alia, the followings:

- (a) providing required skills and services to support our Group's operations;
- (b) grooming the younger members of the management to support senior management and/or to shoulder further responsibilities in preparation for long-term expansion, as well as to ensure the continuity and the competency of the management team; and
- (c) allocation of the Public Issue Shares as recognition for their contribution to the success of our Group.

Our Directors have taken efforts to promote long-term commitment among the key management to ensure a smooth and uninterrupted succession in the management team of our Group. Please refer to Section 8.11 of this Prospectus for further details of our Group's management succession plan.

Although we seek to limit our dependence on our President/CEO and key management, there can be no assurance that we will be able to retain the services of our President/CEO and key management, or in ensuring smooth transitions, should changes occur.

4.2.9 There can be no assurance that there would be no unauthorised use of our brand names

We place great emphasis on the goodwill of our brand names, as negative connotations to a brand name would invariably adversely affect the market share of that particular brand. Hence, as set out in Section 6.14 of this Prospectus, we have registered certain brand names used for our outlets. Nevertheless, even when brand names have been registered, there can be no assurance that there would not be unauthorised third party copying, using or exploiting of our brand names.

4.2.10 We are exposed to foreign exchange risks

We are exposed to foreign exchange risks as a portion of our business transactions are carried out in foreign currencies. Our overseas purchases, i.e. eyewear and eye care products are primarily in USD, Euro and HKD. Our plans to expand into other international markets may also further increase our exposure to foreign exchange risks.

We currently adopt prudent foreign currency management procedures in hedging against foreign currency fluctuations through the locking in of foreign currency rates at the time of order placement. As all our receivables and assets are denominated in local currency, we only monitor our trade payables which are payable in foreign currencies on a monthly basis to provide us with the basis on the amount of foreign currencies to be locked in. This gives us an indication as to the appropriate payment methods to adopt, i.e. through bank transfer to the respective suppliers at the prevailing spot rates or hedge against the foreign currencies through forward contract(s) maintained with financial institution(s). The payment method is dependent on the prevailing foreign exchange rates as well as our forecast on foreign exchange fluctuations in the future.

4. RISK FACTORS (Cont'd)

Nevertheless, there can be no assurance that any future change in exchange rates will not have an impact on our revenue and earnings streams.

4.2.11 We are exposed to borrowing risks and restrictive covenants

Our total borrowings as at 31 December 2009 amounted to approximately RM16.64 million, all of which are domestic borrowings and are interest-bearing. As such, any additional borrowings and/or increase in interest rates may result in an increase in interest expense, which may affect our profitability. There can be no assurance that current interest rates will be maintained in the future and/or that any increase in our borrowings will not have any material effect on our performance.

Our credit facilities may also be subject to periodic review by the banks or financiers and contain certain covenants which may limit our operating and financial flexibility. Any act or omission by us that breaches such covenants may give rise to rights by the banks or financiers to terminate the relevant credit facilities and/or enforce any security granted in relation to those credit facilities. This may in turn cause a cross default of other credit facility agreements. These covenants are commonly contained in credit facility agreements in Malaysia. We will endeavour to monitor the compliance with all such covenants. There can be no assurance that our performance will not be adversely affected should we breach such covenants of any of our facility agreements. Notwithstanding the above, we have not experienced such risk of a material nature in the past five (5) years.

4.2.12 There is no assurance that our insurance coverage would be adequate

We maintain general insurance policies where practicable, covering both our assets and employees in line with general business practices in the professional eye care industry, with policy specifications and insured limits which we believe are reasonable. However, in the event that the amount of such claims exceed the coverage of general insurance policies which we have taken up, we may be liable for shortfalls in the amounts claimed. In such events, our business and financial position will be adversely and materially affected. Our Directors have confirmed that there has not been any claim which has exceeded the coverage of our general insurance policies in the past.

In ensuring such risks are kept to a minimum level, we review and ensure adequate coverage for our assets on a continuous basis. Furthermore, all assets such as inventories, machineries and equipments are sufficiently insured under fire and burglary policies. Although we have taken necessary steps to ensure that our assets are adequately insured, there can be no assurance that our insurance coverage would be adequate to compensate the replacement costs of the assets or any consequential losses arising thereof.

4.2.13 Our controlling substantial shareholders will have control over certain matters which require shareholders' approval

Upon completion of the IPO, Dato' Liaw and Datin Goh are expected to collectively control approximately 66.56% of our enlarged issued and paid-up share capital. Together, unless they are required to abstain from voting by law and/or the relevant authorities, they will be able to effectively control the outcome of certain matters which require the vote of shareholders.

In the event of related party transactions involving these shareholders, they would be required to abstain from voting. In addition, we have appointed two (2) independent non-executive directors, as a step towards good corporate governance and protecting the interest of minority shareholders.

4. RISK FACTORS (Cont'd)

4.2.14 We are exposed to the risk of pilferage of cash and products from our professional eye care centres by our employees

We are primarily an operator of professional eye care centres, where a considerable portion of our transactions are based on cash payment. In addition, our business deals with retailing of eyewear and eye care products. As such, there is a risk of pilferage of cash and products from our centres by employees, which may materially affect our financial performance.

Nevertheless, we have put in place various operational procedures and controls to mitigate the risk mentioned above, amongst others, as follows:

- (a) all our confirmed orders are computer generated with payment amount stated on official receipts. This is to ensure that all customers' payments are captured by our computer systems, which are linked to our head office;
- (b) we maintain financial accounting controls for each of our outlets through a centralised accounting system. This system allows us to access each outlet's sales data on a daily basis, thereafter enabling us to respond promptly to minimise potential pilferages;
- (c) all cash collected are deposited into banks on alternate working days, i.e Monday, Wednesday and Friday, by the respective branch manager. Should the total collection for the day exceed RM10,000, it must be deposited on the same day irrespective whether it is Tuesday or Thursday. Bank-in slips and summaries of bank-in slips are faxed to our head office on alternate days. These are then verified against the sales summary report generated by the computerised retail system;
- (d) all daily cash sales are reconciled to the amount stated in our daily collection report on a daily and weekly basis. Furthermore, a large proportion of our sales are transacted through credit card payments. This will also minimise potential pilferage of cash;
- (e) we perform surprise cash counts which are reconciled by our daily collection report. Any discrepancy will be investigated; and
- (f) each of our outlets performs daily and weekly reconciliation of our total number of eyewear and eye care products at the outlet to our inventory records. Any discrepancy must be declared to our head office, which will conduct reviews on a case-by-case basis.

Notwithstanding the above, there is no assurance that cash as well as eyewear and eye care products pilferages may not occur and hence, may not affect our future financial performance.

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4. RISK FACTORS (Cont'd)

4.3 Risks Relating to the IPO

4.3.1 Our Shares have never been publicly traded before and the IPO may not result in an active or liquid market for our Shares

There has been no public market for our Shares prior to the IPO. We have received approval from Bursa Securities to have our Shares listed and quoted on the ACE Market of Bursa Securities. The listing of and quotation for our Shares does not, however, guarantee that a trading market for our Shares will develop or, if a market does develop, the liquidity of that market of our Shares, the ability of holders to sell their Shares or the prices at which holders would be able to sell their Shares. Therefore, we cannot predict whether a trading market for our Shares will be developed or how liquid that market might become.

There also can be no assurance that the Issue/Offer Price which has been determined after taking into consideration of the factors as set out in Section 3.7 of this Prospectus will correspond to the price at which our Shares will be traded on the ACE Market of Bursa Securities upon or subsequent to our Listing.

4.3.2 Our Share price may be volatile, which could result in substantial losses for investors subscribing for our Shares

The market price of our Shares may be highly volatile and could be subject to wide fluctuations in response to, inter alia, the following factors, some of which are beyond our control:

- (a) variation in our operating results;
- (b) success or failure of our management team in implementing business and growth strategies;
- (c) changes in securities analysts' recommendations, perceptions or estimates of our financial performance;
- (d) changes in conditions affecting the industry, general economic conditions or stock market sentiments or other events or factors;
- (e) changes in market valuations and share prices of companies with similar businesses to our Company that may be listed in Malaysia or anywhere else in the world;
- (f) additions or departures of key management;
- (g) fluctuations in stock market prices and volume; or
- (h) involvement in litigation.

In addition, our Share price may be under downward pressure if certain of our Directors, management staff, employees or franchisees sell their Shares immediately after the IPO or upon expiry of the moratorium period, as the case may be.

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4. RISK FACTORS (Cont'd)

4.3.3 There may be a delay in or abortion of our Listing

Our Listing is exposed to the risk of potential failure or delay should the following events, amongst others, occur:

- (a) the Eligible Persons fail to subscribe for the portion of Public Issue Shares allocated to them;
- (b) our Company or the Underwriter fails to honour its obligations under the Underwriting Agreement;
- (c) the Underwriter, in honouring its obligations, becomes a substantial shareholder of our Company;
- (d) identified investors fail to acquire the portion of the Public Issue Shares allotted to them; and
- (e) we are unable to meet the public spread requirements of the Listing Requirements, i.e. at least 25% of our issued and paid-up capital for which listing is sought must be held by a minimum number of 200 public shareholders holding not less than 100 Shares each, at the time of Listing.

In the event we fail to fulfill the any of the events above, we will return in full, without interest, monies paid in respect of all applications, in compliance with Section 243(2) of the CMSA.

Nevertheless, we would endeavour to ensure compliance of the various listing requirements for our successful listing on the ACE Market of Bursa Securities.

4.4 Other Risks

4.4.1 We are affected by political, economical and regulative factors that are beyond our control

Adverse developments in political, economic and regulatory conditions in Malaysia and other countries where we operate in and market our products and services or obtain our supplies of eyewear and eye care products could adversely and materially affect our financial and business prospects.

Our business, to a large extent, is subject to the general economic conditions in Malaysia. More cautious consumer spending behaviour is observed during any period of economic downturn, which in turn will affect the overall demand for our eyewear and eye care products. In view of this, our high-end and exclusive outlets which are established to target the middle to upper class consumers namely, "Opulence", "Eyefont" and "Solariz", may not be able to gain a wide level of market acceptance during the economic downturn.

Nevertheless, our Group has formulated a mixture of outlet concepts which target various categories of consumers to benefit our Group during the boom times and to leverage during economic downturns. As an example, our "Focus Point" outlets are established and positioned as family-friendly outlets which offer eye care services along with a wide range of own, exclusive and non-exclusive brands of eyewear and eye care products to meet consumers' various preferences and tastes. The said outlets are also believed to be more popular and less volatile in view of their practicality and value-for-money compared to our other high-end outlets that offer exclusive services and fashionable, exclusive and branded eyewear products.

4. RISK FACTORS (Cont'd)

Other political and economic uncertainties include but are not limited to risks of war, expropriation, nationalisation, methods of taxation and incentives, and currency exchange controls.

Whilst we will continue to take effective measures such as financial management and efficient operating procedures, there can be no assurance that any adverse political, economic and regulatory condition will not materially affect our operations.

4.4.2 Actual results, performance and/or achievements may vary significantly from those expressed or implied in forward-looking statements

This Prospectus contains forward-looking statements, which are statements other than statements of historical facts. These include, without limitation, those regarding our financial position, business strategies, plans and objectives of our Management for future operations. These forward-looking statements are subject to uncertainties and contingencies.

All forward-looking statements are based on estimates and assumptions made by our Directors on their current view with respect to future events. While we may believe them to be reasonable, they are subject to known and unknown risks, uncertainties, contingencies and other important factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied in such forward-looking statements.

Such factors include, among other things, general economic and business conditions, competition, the impact of new laws and regulations affecting us and the industry in which we operate, as well as changes in the foreign exchange and interest rates. In light of these uncertainties, we wish to caution you that the inclusion of forward-looking statements in this Prospectus should not be regarded as a representation or warranty by our advisers or us in the achievability of our future plans and objectives.

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5. INFORMATION ON OUR GROUP

5.1 Information on Focus Point

5.1.1 Background and history

We were incorporated in Malaysia under the Act on 30 December 2009 as a private limited company under the name Focus Point Holdings Sdn Bhd. Subsequently, on 25 January 2010, we converted our status from a private limited company to a public limited company to facilitate our listing on the ACE Market of Bursa Securities.

5.1.2 Principal activity and products/services

We are principally an investment holding company.

5.1.3 Share capital and changes in share capital

As at LPD, our authorised and issued and paid-up share capital are as follows:

	Number of shares	Par value (RM)	Amount (RM)
Authorised	250,000,000	0.20	50,000,000
Issued and fully paid-up	123,800,000	0.20	24,760,000

The changes in our issued and paid-up share capital since our incorporation are as follows:

Date of allotment	Number of shares	Par value (RM)	Consideration	Total (RM)
30.12.2009	2	1.00	Subscriber's shares	2.00
01.04.2010	10	0.20	Subdivision of shares from RM1.00 each to RM0.20 each	2.00
14.04.2010	123,800,000	0.20	Full purchase consideration for the Acquisition	24,760,000

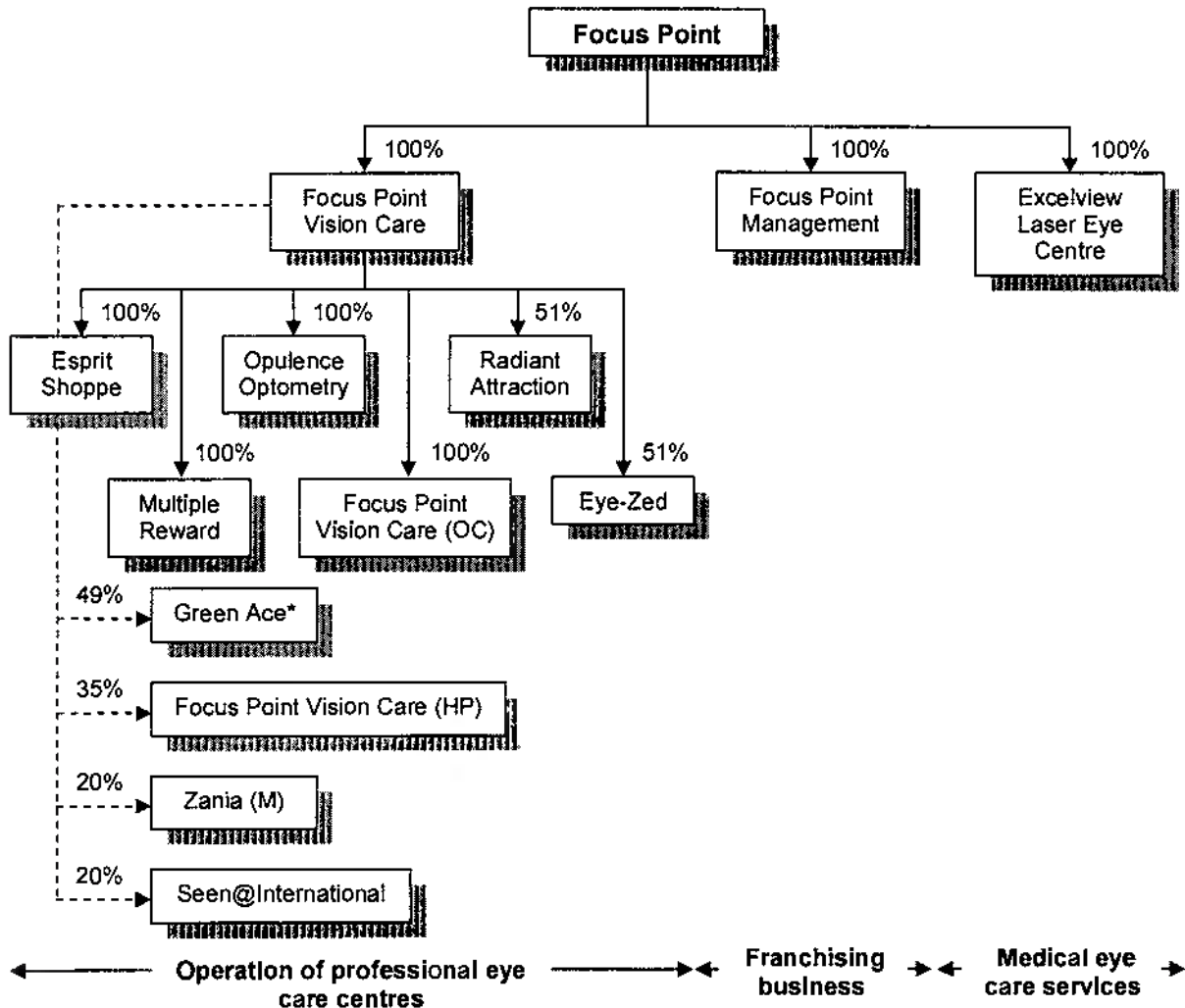
As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Focus Point.

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5. INFORMATION ON OUR GROUP (Cont'd)

5.1.4 Subsidiary and associate

As at LPD, our corporate group structure is set out below:



Note:

* In members' voluntary winding up.

Details of our subsidiaries are summarised as follows:

Name of company	Date and country of incorporation	Issued and paid-up capital	Effective interest (%)	Principal activities
Focus Point Vision Care (268471-X)	30.06.1993 Malaysia	RM10,000,000	100	Operation of professional eye care centres and investment holding
Focus Point Management (464799-U)	27.06.1998 Malaysia	RM50,000	100	Management of franchised professional eye care centres
Excelview Laser Eye Centre (508833-K)	24.03.2000 Malaysia	RM300,000	100	Provision of medical eye care services

5. INFORMATION ON OUR GROUP (Cont'd)

Name of company	Date and country of incorporation	Issued and paid-up capital	Effective interest (%)	Principal activities
Subsidiaries of Focus Point Vision Care				
Esprit Shoppe (584685-D)	29.06.2002 Malaysia	RM100	100	Operation of professional eye care centres
Multiple Reward (858098-H)	22.05.2009 Malaysia	RM100,000	100	Operation of professional eye care centres
Opulence Optometry (713107-P)	19.10.2005 Malaysia	RM2	100	Ceased operation of professional eye care centres since 2009 in order to consolidate its operations under Focus Point Vision Care*
Focus Point Vision Care (OC) (493579-M)	10.09.1999 Malaysia	RM300,000	100	Ceased operations since 2006 in order to consolidate its operations under Focus Point Vision Care and has remained dormant*
Radiant Attraction (683734-D)	09.03.2005 Malaysia	RM250,000	51	Operation of professional eye care centres
Eye-Zed (812085-D)	02.04.2008 Malaysia	RM300,000	51	Operation of professional eye care centres

Note:

* In order to manage all information and operations of our chain of professional eye care centres from a shared data store, the operations of professional eye care centres of these companies were consolidated under Focus Point Vision Care.

The details of our associates are summarised as follows:

Name of company	Date and country of incorporation	Issued and paid-up capital	Effective interest (%)	Principal activities
Green Ace (761725-M)	05.02.2007 Malaysia	RM100,000	49	In the process of members' voluntary winding up
Focus Point Vision Care (HP) (375498-H)	26.01.1996 Malaysia	RM80,003	35	Operation of professional eye care centres
Zania (M) (748929-X)	28.09.2006 Malaysia	RM100	20	Ceased operations since 2007 in order to consolidate its operations under Focus Point Vision Care and has remained dormant*
Seen@ International (200917461H)	18.09.2009 Singapore	SGD350,000	20	Operation of professional eye care centres

Note:

* In order to manage all information and operations of our chain of professional eye care centres from a shared data store, the operation of professional eye care centres of Zania (M) Sdn Bhd were consolidated under Focus Point Vision Care.

5. INFORMATION ON OUR GROUP (Cont'd)

5.2 Information on Focus Point Vision Care

5.2.1 Background and history

Focus Point Vision Care commenced its business under a partnership arrangement in July 1989 under the name of Focus Vision Care Centre in Muar, Johor Darul Takzim. Subsequently, on 30 June 1993, Focus Point Vision Care was incorporated under the Act as a private limited company under its present name. Over the years, Focus Point Vision Care has successfully expanded its operations to a total of 144 eye care outlets operating under our "Focus Point", "Focus Point Optical City", "Opulence", "Zania", "Eyefont", "ExcelView" and "Solariz" brand names.

5.2.2 Principal activity and products/services

Focus Point Vision Care is principally engaged in the operation of professional eye care centres and is an investment holding company. It provides professional eye care services which include eye care and refraction services, dispensing of prescription eyewear and retailing of eyewear and eye care products.

5.2.3 Substantial shareholder

As at LPD, Focus Point Vision Care is our wholly-owned subsidiary.

5.2.4 Share capital and changes in share capital

As at LPD, the authorised and issued and paid-up share capital of Focus Point Vision Care are as follows:

	Number of shares	Par value (RM)	Amount (RM)
Authorised	10,000,000	1.00	10,000,000
Issued and fully paid-up	10,000,000	1.00	10,000,000

The changes in the issued and paid-up share capital of Focus Point Vision Care since its date of incorporation are as follows:

Date of allotment	Number of shares	Par value (RM)	Consideration	Total (RM)
30.06.1993	2	1.00	Subscribers' shares	2
23.08.1994	237,648	1.00	Cash	237,650
17.07.1997	107,000	1.00	Cash	344,650
28.08.1998	155,350	1.00	Cash	500,000
11.11.1999	500,000	1.00	Bonus issue on the basis of one (1) new share for every one (1) existing share held	1,000,000
21.11.2000	1,000,000	1.00	Bonus issue on the basis of one (1) new share for every one (1) existing share held	2,000,000
02.12.2003	500,000	1.00	Bonus issue on the basis of one (1) new share for every four (4) existing shares held	2,500,000
01.08.2005	3,500,000	1.00	Bonus issue on the basis of seven (7) new shares for every five (5) existing shares held	6,000,000

5. INFORMATION ON OUR GROUP (Cont'd)

Date of allotment	Number of shares	Par value (RM)	Consideration	Total (RM)
08.10.2008	4,000,000	1.00	Bonus issue on the basis of two (2) new shares for every three (3) existing shares held	10,000,000

As at LPD, there is no outstanding warrant, option, convertible security or uncalled capital in Focus Point Vision Care.

5.2.5 Subsidiaries and associates

As at LPD, the subsidiaries and associates of Focus Point Vision Care are as follows:

Name of company	Date and country of incorporation	Issued and paid-up capital	Effective interest (%)	Principal activities
Subsidiaries				
Esprit Shoppe (584685-D)	29.06.2002 Malaysia	RM100	100	Operation of professional eye care centres
Multiple Reward (858098-H)	22.05.2009 Malaysia	RM100,000	100	Operation of professional eye care centres
Opulence Optometry (713107-P)	19.10.2005 Malaysia	RM2	100	Ceased operations of professional eye care centres since 2009 in order to consolidate its operations under Focus Point Vision Care*
Focus Point Vision Care (OC) (493579-M)	10.09.1999 Malaysia	RM300,000	100	Ceased operations since 2006 in order to consolidate its operations under Focus Point Vision Care and has remained dormant*
Radiant Attraction (683734-D)	09.03.2005 Malaysia	RM250,000	51	Operation of professional eye care centres
Eye-Zed (812085-D)	02.04.2008 Malaysia	RM300,000	51	Operation of professional eye care centres

Note:

* In order to manage all information and operations of our chain of professional eye care centres from a shared data store, the operations of professional eye care centres of these companies were consolidated under Focus Point Vision Care.

5. INFORMATION ON OUR GROUP (Cont'd)

Name of company	Date and country of incorporation	Issued and paid-up capital	Effective interest (%)	Principal activities
Associates				
Green Ace (761725-M)	05.02.2007 Malaysia	RM100,000	49	In the process of members' voluntary winding up
Focus Point Vision Care (HP) (375498-H)	26.01.1996 Malaysia	RM80,003	35	Operation of professional eye care centres
Zania (M) (748929-X)	28.09.2006 Malaysia	RM100	20	Ceased operations since 2007 in order to consolidate its operations under Focus Point Vision Care and has remained dormant*
Seen@ International (200917461H)	18.09.2009 Singapore	SGD350,000	20	Operation of professional eye care centres

Nota:

* In order to manage all information and operations of our chain of professional eye care centres from a shared data store, the operation of professional eye care centres of Zania (M) Sdn Bhd were consolidated under Focus Point Vision Care.

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5. INFORMATION ON OUR GROUP (Cont'd)

5.3 Information on Focus Point Management

5.3.1 Background and history

Focus Point Management was incorporated in Malaysia under the Act on 27 June 1998 as a private limited company under its present name. On 14 April 2010, our Group undertook an internal restructuring exercise which resulted in Focus Point Management becoming a direct subsidiary of Focus Point. Details of our internal restructuring exercise are set out in Section 9.2 of this Prospectus.

Focus Point Management was incorporated and commenced its operations in June 1998 to provide management services to our Group's eye care centres. In 2002, Focus Point Management was registered with the Registrar of Franchise in Malaysia, and commenced the franchising of our professional eye care centres under our own "Focus Point" brand name.

5.3.2 Principal activity and products/services

Focus Point Management is principally engaged in the provision of management services to franchised professional eye care centres.

5.3.3 Substantial shareholder

As at LPD, Focus Point Management is our wholly-owned subsidiary.

5.3.4 Share capital and changes in share capital

As at LPD the authorised and issued and paid-up share capital of Focus Point Management are as follows:

	Number of shares	Par value (RM)	Amount (RM)
Authorised	100,000	1.00	100,000
Issued and fully paid-up	50,000	1.00	50,000

The changes in the issued and paid-up share capital of Focus Point Management since its date of incorporation are as follows:

Date of allotment	Number of shares	Par value (RM)	Consideration	Total (RM)
27.06.1998	2	1.00	Subscribers' shares	2
27.03.2002	49,998	1.00	Bonus issue on the basis of 24,999 new shares for every one (1) existing share held	50,000

As at LPD, there is no outstanding warrant, option, convertible security or uncalled capital in Focus Point Management.

5.3.5 Subsidiary and associate

As at LPD, Focus Point Management does not have any subsidiary or associate.

5. INFORMATION ON OUR GROUP (Cont'd)

5.4 Information on Excelview Laser Eye Centre

5.4.1 Background and history

Excelview Laser Eye Centre was incorporated in Malaysia under the Act on 24 March 2000 as a private limited company under its present name. On 14 April 2010, our Group undertook an internal restructuring exercise which resulted in Excelview Laser Eye Centre becoming a direct subsidiary of Focus Point. Details of our internal restructuring exercise are set out in Section 9.2 of this Prospectus.

Excelview Laser Eye Centre was incorporated and commenced its operations in March 2000 to provide medical eye care services, focusing on refractive surgery using LASIK method and cataract surgery, through its medical eye care clinic located in Mid Valley Megamall, Kuala Lumpur.

5.4.2 Principal activity and products/services

Excelview Laser Eye Centre is principally engaged in the provision of medical eye care services, focusing on refractive surgery using LASIK method and cataract surgery.

5.4.3 Substantial shareholder

As at LPD, Excelview Laser Eye Centre is our wholly-owned subsidiary.

5.4.4 Share capital and changes in share capital

As at LPD, the authorised and issued and paid-up share capital of Excelview Laser Eye Centre are as follows:

	Number of shares	Par value (RM)	Amount (RM)
Authorised	500,000	1.00	500,000
Issued and fully paid-up	300,000	1.00	300,000

The changes in the issued and paid-up share capital of Excelview Laser Eye Centre since its date of incorporation are as follows:

Date of allotment	Number of shares	Par value (RM)	Consideration	Total (RM)
24.03.2000	2	1.00	Subscribers' shares	2
19.10.2001	149,998	1.00	Cash	150,000
18.10.2005	150,000	1.00	Bonus issue on the basis of one (1) new share for every one (1) existing share held	300,000

As at LPD, there is no outstanding warrant, option, convertible security or uncalled capital in Excelview Laser Eye Centre.

5.4.5 Subsidiary and associate

As at LPD, Excelview Laser Eye Centre does not have any subsidiary or associate.

5. INFORMATION ON OUR GROUP (Cont'd)

5.5 Information on Esprit Shoppe

5.5.1 Background and history

Esprit Shoppe was incorporated in Malaysia under the Act on 29 June 2002 as a private limited company under its present name. It commenced operations in June 2002.

5.5.2 Principal activity and products/services

Esprit Shoppe is principally involved in the operation of professional eye care centres, which includes the provision of eye care and refraction services, dispensing of prescription eyewear, provision of ophthalmic laboratory services and retailing of eyewear and eye care products.

5.5.3 Substantial shareholder

As at LPD, Esprit Shoppe is a wholly-owned subsidiary of Focus Point Vision Care.

5.5.4 Share capital and changes in share capital

As at LPD, the authorised and issued and paid-up share capital of Esprit Shoppe are as follows:

	Number of shares	Par value (RM)	Amount (RM)
Authorised	100,000	1.00	100,000
Issued and fully paid-up	100	1.00	100

The changes in the issued and paid-up share capital of Esprit Shoppe since its date of incorporation are as follows:

Date of allotment	Number of shares	Par value (RM)	Consideration	Total (RM)
29.06.2002	2	1.00	Subscribers' shares	2
17.04.2006	98	1.00	Cash	100

As at LPD, there is no outstanding warrant, option, convertible security or uncalled capital in Esprit Shoppe.

5.5.5 Subsidiary and associate

As at LPD, Esprit Shoppe does not have any subsidiary or associate.

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5. INFORMATION ON OUR GROUP (Cont'd)

5.6 Information on Multiple Reward

5.6.1 Background and history

Multiple Reward was incorporated in Malaysia under the Act on 22 May 2009 as a private limited company under its present name. It commenced operations in May 2009.

5.6.2 Principal activity and products/services

Multiple Reward is principally engaged in the operation of professional eye care centres, which includes the provision of eye care and refraction services, dispensing of prescription eyewear, provision of ophthalmic laboratory services and retailing of eyewear and eye care products.

5.6.3 Substantial shareholders

As at LPD, Multiple Reward is a wholly-owned subsidiary of Focus Point Vision Care.

5.6.4 Share capital and changes in share capital

As at LPD, the authorised and issued and paid-up share capital of Multiple Reward are as follows:

	Number of shares	Par value (RM)	Amount (RM)
Authorised	100,000	1.00	100,000
Issued and fully paid-up	100,000	1.00	100,000

The changes in the issued and paid-up share capital of Multiple Reward since its date of incorporation are as follows:

Date of allotment	Number of shares	Par value (RM)	Consideration	Total (RM)
22.05.2009	2	1.00	Subscribers' shares	2
31.10.2009	99,998	1.00	Cash	100,000

As at LPD, there is no outstanding warrant, option, convertible security or uncalled capital in Multiple Reward.

5.6.5 Subsidiary and associate

As at LPD, Multiple Reward does not have any subsidiary or associate.

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5. INFORMATION ON OUR GROUP (Cont'd)

5.7 Information on Opulence Optometry

5.7.1 Background and history

Opulence Optometry was incorporated in Malaysia under the Act on 19 October 2005 as a private limited company under the name of Reliance Preference Sdn Bhd. It subsequently adopted its present name on 31 March 2006. It commenced operations in October 2005.

Opulence Optometry was established to operate our eye care centres operating under the "Opulence" brand name. However, we have then consolidated the operations of Opulence Optometry under Focus Point Vision Care in 2009 in order to manage all information and operations of our chain of professional eye care centres from a shared data store.

5.7.2 Principal activity and products/services

Opulence Optometry has ceased its operation of professional eye care centre since 2009.

5.7.3 Substantial shareholder

As at LPD, Opulence Optometry is a wholly-owned subsidiary of Focus Point Vision Care.

5.7.4 Share capital and changes in share capital

As at LPD, the authorised and issued and paid-up share capital of Opulence Optometry are as follows:

	Number of shares	Par value (RM)	Amount (RM)
Authorised	100,000	1.00	100,000
Issued and fully paid-up	2	1.00	2

There has been no change in the issued and paid-up share capital of Opulence Optometry since its date of incorporation.

As at LPD, there is no outstanding warrant, option, convertible security or uncalled capital in Opulence Optometry.

5.7.5 Subsidiary and associate

As at LPD, Opulence Optometry does not have any subsidiary or associate.

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5. INFORMATION ON OUR GROUP (Cont'd)

5.8 Information on Focus Point Vision Care (OC)

5.8.1 Background and history

Focus Point Vision Care (OC) was incorporated in Malaysia under the Act on 10 September 1999 as a private limited company under the name of Dutavis Ventures Sdn Bhd. It subsequently adopted its present name on 27 October 1999. It commenced operations in October 1999.

Focus Point Vision Care (OC) was established to operate our eye care centres operating under the "Focus Point Optical City" brand name. However, we have then consolidated the operations of Focus Point Vision Care (OC) under Focus Point Vision Care in 2006 in order to manage all information and operations of our chain of professional eye care centres from a shared data store.

5.8.2 Principal activity and products/services

Focus Point Vision Care (OC) has ceased its operation since 2006 and has remained dormant.

5.8.3 Substantial shareholder

As at LPD, Focus Point Vision Care (OC) is a wholly-owned subsidiary of Focus Point Vision Care.

5.8.4 Share capital and changes in share capital

As at LPD, the issued and paid-up share capital Focus Point Vision Care (OC) is as follows:

	Number of shares	Par value (RM)	Amount (RM)
Authorised	500,000	1.00	500,000
Issued and fully paid-up	300,000	1.00	300,000

The changes in the issued and paid-up share capital of Focus Point Vision Care (OC) since its date of incorporation are as follows:

Date of allotment	Number of shares	Par value (RM)	Consideration	Total (RM)
10.09.1999	2	1.00	Subscribers' shares	2
28.05.2001	99,998	1.00	Bonus issue on the basis of 49,999 new shares for every one (1) existing share held	100,000
28.04.2003	100,000	1.00	Bonus issue on the basis of one (1) new share for every one (1) existing share held	200,000
12.02.2004	100,000	1.00	Bonus issue on the basis of one (1) new share for every two (2) existing shares held	300,000

As at LPD, there is no outstanding warrant, option, convertible security or uncalled capital in Focus Point Vision Care (OC).

5. INFORMATION ON OUR GROUP (Cont'd)

5.8.5 Subsidiary and associate

As at LPD, Focus Point Vision Care (OC) does not have any subsidiary or associate.

5.9 Information on Radiant Attraction

5.9.1 Background and history

Radiant Attraction was incorporated in Malaysia under the Act on 9 March 2005 as a private limited company under its present name. It commenced operations in March 2005.

5.9.2 Principal activity and products/services

Radiant Attraction is principally engaged in the operation of professional eye care centres, which includes the provision of eye care and refraction services, dispensing of prescription eyewear, provision of ophthalmic laboratory services and retailing of eyewear and eye care products.

5.9.3 Substantial shareholders

As at LPD, the substantial shareholders of Radiant Attraction are as follows:

	<----- Direct ----->		<----- Indirect ----->	
	No. of shares held	%	No. of shares held	%
Focus Point Vision Care	127,500	51.00	-	0.00
Truoptics Sdn Bhd	122,499	49.00	-	0.00
Sim Ah Heng	1	(1)	(2)122,499	49.00

Notes:

(1) Less than 0.01%.

(2) Deemed interested by virtue of his substantial interests in Truoptics Sdn Bhd pursuant to Section 6A of the Act.

Truoptics Sdn Bhd is owned by Sim Ah Heng and Hoe Wei Ying, who are also the directors of Truoptics Sdn Bhd.

5.9.4 Share capital and changes in share capital

As at LPD, the authorised and issued and paid-up share capital of Radiant Attraction are as follows:

	Number of shares	Par value (RM)	Amount (RM)
Authorised	500,000	1.00	500,000
Issued and fully paid-up	250,000	1.00	250,000

5. INFORMATION ON OUR GROUP (Cont'd)

The changes in the issued and paid-up share capital of Radiant Attraction since its date of incorporation are as follows:

Date of allotment	Number of shares	Par value (RM)	Consideration	Total (RM)
09.03.2005	2	1.00	Subscribers' shares	2
30.06.2006	99,998	1.00	Cash	100,000
03.03.2009	150,000	1.00	Cash	250,000

As at LPD, there is no outstanding warrant, option, convertible security or uncalled capital in Radiant Attraction.

5.9.5 Subsidiary and associate

As at LPD, Radiant Attraction does not have any subsidiary or associate.

5.10 Information on Eye-Zed

5.10.1 Background and history

Eye-Zed was incorporated in Malaysia under the Act on 2 April 2008 as a private limited company under its present name. It commenced operations in April 2008.

5.10.2 Principal activity and products/services

Eye-Zed is principally engaged in the operation of professional eye care centres, which includes the provision of eye care and refraction services, dispensing of prescription eyewear, provision of ophthalmic laboratory services and retailing of eyewear and eye care products.

5.10.3 Substantial shareholders

As at LPD, the substantial shareholders of Eye-Zed are as follows:

	<----- Direct ----->		<----- Indirect ----->	
	No. of shares held	%	No. of shares held	%
Focus Point Vision Care	153,000	51.00	-	0.00
Liong Ah Fong	147,000	49.00	-	0.00

5.10.4 Share capital and changes in share capital

As at LPD, the authorised and issued and paid-up share capital of Eye-Zed are as follows:

	Number of shares	Par value (RM)	Amount (RM)
Authorised	500,000	1.00	500,000
Issued and fully paid-up	300,000	1.00	300,000

5. INFORMATION ON OUR GROUP (Cont'd)

The changes in the issued and paid-up share capital of Eye-Zed since its date of incorporation are as follows:

Date of allotment	Number of shares	Par value (RM)	Consideration	Total (RM)
02.04.2008	2	1.00	Subscribers' shares	2
25.06.2008	299,998	1.00	Cash	300,000

As at LPD, there is no outstanding warrant, option, convertible security or uncalled capital in Eye-Zed.

5.10.5 Subsidiary and associate

As at LPD, Eye-Zed does not have any subsidiary or associate.

5.11 Information on Green Ace

5.11.1 Background and history

Green Ace was incorporated in Malaysia under the Act on 5 February 2007 as a private limited company under its present name. It was established and has commenced its operations as a training provider to all outlets in August 2007. However, as the training programmes were then conducted under Focus Point Vision Care directly with effective from the last quarter of 2007, Green Ace has remained dormant since then and is in the process of members' voluntary winding up.

5.11.2 Principal activity and products/services

Green Ace is in the process of members' voluntary winding up.

5.11.3 Substantial shareholders

As at LPD, the substantial shareholders of Green Ace are as follows:

	<----- Direct ----->		<----- Indirect ----->	
	No. of shares held	%	No. of shares held	%
Focus Point Vision Care	49,000	49.00	-	0.00
Oasis College Sdn Bhd	51,000	51.00	-	0.00

Oasis College Sdn Bhd is owned by Tan Sri Datuk Ng Teck Fong and Mohd Azahar bin Md Disa, who are also the directors of Oasis College Sdn Bhd.

5.11.4 Share capital and changes in share capital

As at LPD, the authorised and issued and paid-up share capital of Green Ace are as follows:

	Number of shares	Par value (RM)	Amount (RM)
Authorised	100,000	1.00	100,000
Issued and fully paid-up	100,000	1.00	100,000

The changes in the issued and paid-up share capital of Green Ace since its date of incorporation are as follows:

5. INFORMATION ON OUR GROUP (Cont'd)

Date of allotment	Number of shares	Par value (RM)	Consideration	Total (RM)
05.02.2007	2	1.00	Subscribers' shares	2
05.07.2007	9,998	1.00	Cash	10,000
20.09.2007	90,000	1.00	Cash	100,000

As at LPD, there is no outstanding warrant, option, convertible security or uncalled capital in Green Ace.

5.11.5 Subsidiary and associate

As at LPD, Green Ace does not have any subsidiary or associate.

5.12 Information on Focus Point Vision Care (HP)**5.12.1 Background and history**

Focus Point Vision Care (HP) was incorporated in Malaysia under the Act on 26 January 1996 as a private limited company under its present name. It commenced operations in January 1996.

5.12.2 Principal activity and products/services

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 services, dispensing of prescription eyewear, provision of ophthalmic laboratory services and retailing of eyewear and eye care products.

5.12.3 Substantial shareholders

As at LPD, the substantial shareholders of Focus Point Vision Care (HP) are as follows:

	<----- Direct ----->		<----- Indirect ----->	
	No. of shares held	%	No. of shares held	%
Focus Point Vision Care	28,001	35.00	-	0.00
Liaw Choon Kuan	28,001	35.00	-	0.00
Chong Thiam Woon	24,001	30.00	-	0.00

5.12.4 Share capital and changes in share capital

As at LPD, the authorised and issued and paid-up share capital of Focus Point Vision Care (HP) are as follows:

	Number of shares	Par value (RM)	Amount (RM)
Authorised	100,000	1.00	100,000
Issued and fully paid-up	80,003	1.00	80,003

5. INFORMATION ON OUR GROUP (Cont'd)

The changes in the issued and paid-up share capital of Focus Point Vision Care (HP) since its date of incorporation are as follows:

Date of allotment	Number of shares	Par value (RM)	Consideration	Total (RM)
26.01.1996	3	1.00	Subscribers' shares	3
10.12.1997	80,000	1.00	Cash	80,003

As at LPD, there is no outstanding warrant, option, convertible security or uncalled capital in Focus Point Vision Care (HP).

5.12.5 Subsidiary and associate

As at LPD, Focus Point Vision Care (HP) does not have any subsidiary or associate.

5.13 Information on Zania (M)**5.13.1 Background and history**

Zania (M) was incorporated in Malaysia under the Act on 28 September 2006 as a private limited company under its present name. It commenced operations in September 2006.

Zania (M) was established to operate our eye care centre operating under the "Zania" brand name. However, we have then consolidated the operations of Zania (M) under Focus Point Vision Care in 2007 in order to manage all information and operations of our chain of professional eye care centres from a shared data store.

5.13.2 Principal activity and products/services

Zania (M) has ceased its operation since 2007 and has remained dormant.

5.13.3 Substantial shareholders

As at LPD, the substantial shareholder of Zania (M) is as follows:

	<----- Direct ----->		<----- Indirect ----->	
	No. of shares held	%	No. of shares held	%
Dato' Liaw	80	80.00	⁽¹⁾ 20	20.00
Focus Point Vision Care	20	20.00	-	0.00

Note:

(1) Deemed interested by virtue of his substantial interests in Focus Point Vision Care pursuant to Section 6A of the Act.

5. INFORMATION ON OUR GROUP (Cont'd)

5.13.4 Share capital and changes in share capital

As at LPD, the authorised and issued and paid-up share capital of Zania (M) are as follows:

	Number of shares	Par value (RM)	Amount (RM)
Authorised	100,000	1.00	100,000
Issued and fully paid-up	100	1.00	100

The changes in the issued and paid-up share capital of Zania (M) since its date of incorporation are as follows:

Date of allotment	Number of shares	Par value (RM)	Consideration	Total (RM)
28.09.2006	2	1.00	Subscribers' shares	2
26.10.2006	98	1.00	Cash	100

As at LPD, there is no outstanding warrant, option, convertible security or uncalled capital in Zania (M).

5.13.5 Subsidiary and associate

As at LPD, Zania (M) does not have any subsidiary or associate.

5.14 Information on Seen@International

5.14.1 Background and history

Seen@International was incorporated in Singapore under the laws of Singapore on 18 September 2009 as a private limited company under its present name. It commenced operations in October 2009.

5.14.2 Principal activity and products/services

Seen@International is principally engaged in the operation of professional eye care centres, which includes the provision of eye care and refraction services, dispensing of prescription eyewear, provision of ophthalmic laboratory services and retailing of eyewear and eye care products.

5.14.3 Substantial shareholders

As at LPD, the substantial shareholders of Seen@International are as follows:

	<----- Direct ----->		<----- Indirect ----->	
	No. of shares held	%	No. of shares held	%
Focus Point Vision Care	70,000	20.00	-	0.00
Per Ola Eskil Friberg	280,000	80.00	-	0.00

5. INFORMATION ON OUR GROUP (Cont'd)

5.14.4 Share capital and changes in share capital

The changes in the issued and paid-up share capital of Seen@International since its date of incorporation are as follows:

Date of allotment	Number of shares	Consideration	Total (SGD)
18.09.2009	20,000	Cash	20,000
05.10.2009	330,000	Cash	350,000

As at LPD, there is no outstanding warrant, option, convertible security or uncalled capital in Seen@International.

5.14.5 Subsidiary and associate

As at LPD, Seen@International does not have any subsidiary or associate.

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6. OUR BUSINESS

6.1 Our History

We are primarily a chain operator of professional eye care centres. As at LPD, we have 144 professional eye care centres in Malaysia, which includes wholly- and partially-owned centres, as well as franchised and licensed centres.

The history of our business can be traced back to 1989 when our founders, namely Dato' Liaw and his brother, Liaw Choon Kuan opened our first professional eye care centre, namely Focus Vision Care Centre under a partnership in Muar, Johor Darul Takzim. In 1993, we converted the partnership to a private company under the name of Focus Point Vision Care. During the same year, we expanded our business to five (5) professional eye care centres in Johor Darul Takzim, operating under the "Focus Point" brand name.

In 1997, we ventured into the Klang Valley and established our first professional eye care centre in Kuala Lumpur. Subsequently in 1998, Focus Point Management was incorporated to provide management services for our own chain of professional eye care centres. In 2002, Focus Point Management was registered with the Registrar of Franchise in Malaysia. From then onwards, we commenced the franchising of our professional eye care centres which operate under the "Focus Point" brand name.

In 1999, we opened our largest professional eye care centre in Mid Valley Megamall, Kuala Lumpur, which operates under the "Focus Point Optical City" brand name. With a total space of 15,000 square feet, it was recognised as Malaysia's largest optical store in the Malaysia Book of Records in 2000. As at LPD, we have four (4) professional eye care centres in Malaysia operating under the "Focus Point Optical City" brand name.

As part of our marketing strategy to bring our services closer to our customers, we started our first mobile professional eye care service in 2000. We operated our mobile professional eye care service from a 16-foot long commercial vehicle equipped with a range of optical equipment such as auto-refractometers, manual eye examination equipment and tools, optical laboratory, as well as eyewear products including prescription frames, sunglasses and accessories.

In 2000, as part of our Group strategy to build our own brands of eyewear products to complement our total product range, we launched our first in-house brand of prescription lenses under the "HOSHI" brand name. Since then, we have about 21 active in-house brands of eyewear and eye care products as at LPD, covering a cross section of products including prescription lenses, frames, contact lenses and contact lens care solutions. Our in-house brands of eyewear and eye care products includes "Clarris Micado", "Collect D", "Divanchi Ivano", "Episode", "EyeOne", "Eze Clip", "Feziro", "Gapp", "I LIK", "Issey Mitoki", "John Mikli", "Oasis", "Onxy", "O'yes", "Shane Miyaki", "Totti", "Multisol Eyecont 39", "Eyecont 38", "HOSHI", "Klar" and "Casa Spray".

During the same year, we incorporated Excelview Laser Eye Centre to provide medical eye care services, specialising in refractive surgery using LASIK method. Subsequently in 2007, we extended our medical eye care services to provide cataract surgery. Our medical eye care centre is operated by a qualified ophthalmologist registered with the Ministry of Health, Malaysia.

In 2002, we commenced the operations of our first franchised professional eye care centre in Masai, Johor Darul Takzim. Since then, we have expanded our franchising business and as at LPD, we have 74 franchised professional eye care centres located in Malaysia operating under the "Focus Point" brand name.

6. OUR BUSINESS (Cont'd)

In 2004, as part of our strategy of implementing target marketing, we commenced operations of our first "Opulence" professional eye care centre in the Klang Valley, which is aimed at meeting the needs of the higher income group of consumers. As at LPD, we have 10 professional eye care centres in Malaysia operating under the "Opulence" brand name.

In 2007, we established and commenced operations of a new brand name of professional eye care centres, namely "Zania", which is aimed at meeting the needs of younger consumers. As at LPD, we have two (2) professional eye care centres operating under the "Zania" brand name. Subsequently in 2009, we opened one (1) additional new eye care centre in Bangsar, Kuala Lumpur under the "Eyefont" brand name. Our "Eyefont" outlet offers additional eye testing services to meet the needs of a discerning higher income group of consumers. Through our associate company, Seen@International, we also expanded and established our first professional eye care centre in Singapore under the "Seen" brand name in 2009.

During the first quarter of 2010, we opened three (3) additional professional eye care centres under the new "ExcelView" brand name in Malacca and "Solariz" brand name in the Klang Valley. "ExcelView" was established to meet the needs of the general population whilst "Solariz" is positioned as a professional eye care centre providing fashion eyewear which targets the discerning group of consumers.

Since the opening of our first professional eye care centre in Muar, Johor Darul Takzim in 1989, our chain of professional eye care centres has expanded to 144 professional eye care centres in Malaysia as at LPD, operating under our "Focus Point", "Focus Point Optical City", "Opulence", "Zania", "Eyefont", "ExcelView" and "Solariz" brand names. These comprise 63 wholly-owned, six (6) partially-owned, 74 franchised and a licensed professional eye care centres. As at LPD, we were **the largest operator of professional eye care centres in Malaysia**. (Source: *Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor*) Having the largest number of professional eye care centres in Malaysia enables us to attain economies of scale, particularly in our marketing and administration functions, as well as in obtaining bulk discounts from our eyewear and eye care products manufacturers and suppliers.

We carry a wide range of popular brands as part of our total portfolio of eyewear products. As at LPD, we carry approximately 181 brands of prescription frames and fashion eyewear. Some of the international brands include, amongst others, "GUCCI", "DIOR", "PRADA", "Emporio Armani", "HUGO BOSS", "Dolce & Gabbana", "BURBERRY", "LOEWE", "TOM FORD", "BVLGARI", "Chopard", "Christian Dior", "ESPRIT", "ESCADA", "FCUK", "FENDI", "Ermenegildo Zegna", "LINDBERG", "Ray-Ban", "Rodenstock", "MONT BLANC", "GIORGIO ARMANI", "DKNY", "Marc by Marc Jacobs", "alain mikli" and "Oakley".

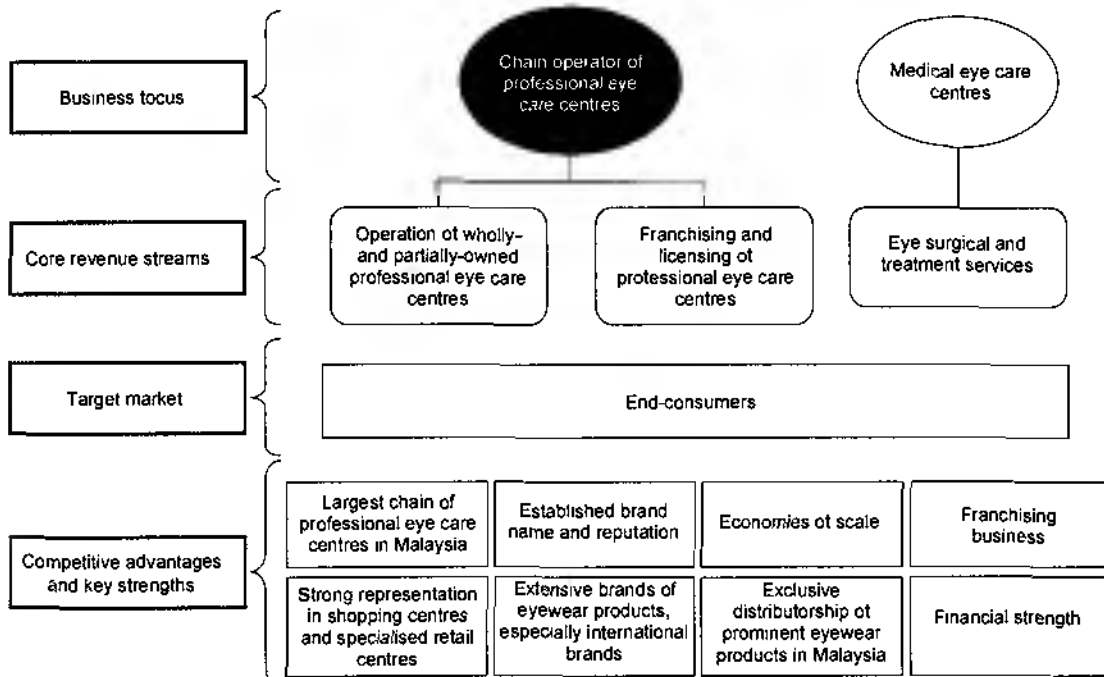
Over the years, we have obtained numerous awards which serve as testaments of our success, the details of which are set out in Section 6.6 of this Prospectus.

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6. OUR BUSINESS (Cont'd)

6.2 Our Business Model and Principal Activities

In summary, our business model and principal activities are aptly represented by the following diagram:



Business focus and core revenue streams

Our business is focused on the operation of a chain of professional eye care centres, which includes the provision of eye care and refraction services, dispensing of prescription eyewear, ophthalmic laboratory services and retailing of eyewear and eye care products. As at LPD, we have a total of 144 professional eye care centres in Malaysia, which includes wholly- and partially-owned centres, as well as franchised and licensed centres.

As at LPD, our professional eye care centres operate under seven (7) of our proprietary brand names, namely "Focus Point", "Focus Point Optical City", "Opulence", "Zania", "Eyefont", "ExcelView" and "Solariz". Each serves a different target market ranging from medium to higher income group of consumers, family and younger consumers.

While we have our own professional eye care centres, we also have leveraged on our core competency in the operation of professional eye care centres to extend our business to incorporate franchising. As at LPD, we have 74 franchised professional eye care centres located in Malaysia operating under our own "Focus Point" brand name.

Revenue contributed by our franchising model mainly comprises sales of eyewear and eye care products to our franchisees, royalty fees which are based on five percent (5%) of the gross turnover of the respective franchisee's outlets, and franchise fees payable by our franchisees which amount to RM30,000 for a period of five (5) years. The franchise agreements signed between our Group and our franchisees are valid for a period of five (5) years, with an option to renew for another five (5) years with the same franchise fees of RM30,000 payable over the extended five (5)-year period. We also record revenue from the sales of optical equipment, furniture and fittings, as well as renovation costs incurred in the setting up of franchisees' outlets. In support of our franchisees in setting up their outlets, we grant initial investment funding and extended credit terms to our franchisees on a case-by-case basis, which range from one (1) year to three (3) years, and varies among franchisees.

6. OUR BUSINESS (Cont'd)

The granting of the abovementioned facilities are subject to, amongst others, an assessment of the franchisee by our Franchise Development Department, a location survey on the outlet operated by the franchisee, the franchisee's outlet historical track record and financial forecast, as well as the franchisee's payment history.

We also provide medical eye care services, through our wholly-owned subsidiary, Excelview Laser Eye Centre. Our medical eye care centre currently provides refractive surgery using LASIK method and cataract surgery.

Target market

Our target market is mainly the end-consumers of eyewear and eye care products. As such, our professional eye care centres are situated at strategic locations with high pedestrian traffic, which include shopping centres and specialised retail centres, namely hypermarkets.

Competitive advantages and key strengths

Our competitive advantages and key strengths provide us with a strong platform to compete against other business operators, as well as to facilitate our business sustenance and growth. Further details on our competitive advantages and key strengths are set out in Section 6.5 of this Prospectus.

6.3 Our Products and Services

6.3.1 Operation of a chain of professional eye care centres

Our core competency is in the operation of professional eye care centres, which comprise wholly- and partially-owned centres, as well as franchised and licensed centres. As at LPD, these centres operate under seven (7) of our proprietary brand names, namely "Focus Point", "Focus Point Optical City", "Opulence", "Zania", "Eyefont", "ExcelView" and "Solariz".

The operation of our professional eye care centres comprise four (4) major functions, which are categorised as follows:

(a) Eye care and refraction services

Our professional eye care services are provided by our optometrists and/or opticians who are registered with the Malaysian Optical Council and are allowed under the Optical Act, 1991 to undertake refraction services. Refraction service is the process of examining the eye of individuals to determine the prescription for corrective eyewear to improve and/or correct their blurred vision.

In addition, our in-house optometrists also provide primary eye care services which include, amongst others, the following:

- examination of the eye for simple ailments such as cataract, glaucoma, conjunctivitis and other abnormalities;
- undertake tonometry to measure intraocular pressure;
- examine if there are any abnormalities of the retina;
- conduct test visual field to detect any lesion on the retina and the visual pathway;
- conduct test for external abnormalities using slit lamp biomicroscope;
- check the health of the cornea using slit lamp biomicroscope;
- check the health of the internal of the eye using an ophthalmoscope;
- check for any binocular vision anomalies;

6. OUR BUSINESS (Cont'd)

- undertake oculomotor balance test to check the eye muscle, co-ordination and vision at all distances; and
- examine the pupils' reflexes to check its reaction to light.

If our optometrists notice any health issue regarding the eyes, they would advise the customer to seek medical attention from eye care specialists.

The provision of refraction services are mainly focused on four (4) areas of refractive problems which are as follows:

- **Myopia** (also known as nearsightedness or short-sightedness), is a refractive error condition where an individual has difficulty seeing distant objects clearly;
- **Hyperopia** (also known as far-sightedness or long-sightedness), is another type of refractive error where an individual has difficulty seeing near objects clearly. Individuals with hyperopia may also experience blurred vision, asthenopia, accommodative dysfunction, binocular dysfunction, amblyopia and strabismus;
- **Presbyopia** is an age-related refractive error condition where an individual experiences a gradual loss of ability to see near objects; and
- **Astigmatism** is a condition where vision is distorted due to the irregular curvature of the cornea. This irregular condition can cause blurred vision.

The type of refraction services which involves prescription of eyeglasses or contact lenses carried out by our optometrists and opticians are as follows:

- Visual acuity test which includes distance visual acuity, near visual acuity, acuity at identified vocational or avocational working distances, which is undertaken using a vision chart to determine the visual acuity;
- Preliminary test which includes observation of the external ocular and facial areas, pupil size and papillary responses, version and duction tests, cover tests and others;
- Measurement of refractive error through a computer automated refractor to examine the eye to obtain an objective measurement of the individual's refractive error; and
- Subjective measurement of the monocular and binocular refractive status at a distance to check on the reflex conditions on one (1) eye (monocular) and both eyes (binocular), and near or at other specific working distances.



As we do not charge for our eye care and refraction services, our services are recovered through the sales of prescription eyewear.

6. OUR BUSINESS (Cont'd)

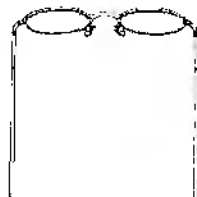
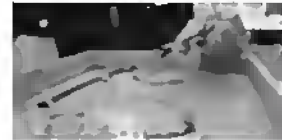
(b) Dispensing of prescription eyewear

Once a prescription has been determined subsequent to the completion of the refraction process, it is followed by the dispensing of prescription eyewear, which could be in the form of prescription glasses or contact lenses. Further details of the prescription eyewear are set out below:

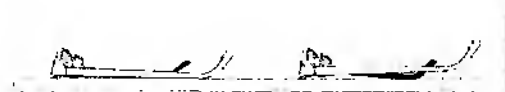
Prescription glasses

The dispensing of prescription glasses includes the following procedures:

- determining the types of lenses to be used, for example the material (glass or polymer), tinted or lens coating;
- assisting in selecting the design of the prescription frame to match the individual's facial features;
- once the prescription frames and types of lenses are selected, the specifications are sent to the laboratory to procure the lenses as well as to fit the lenses onto the prescription frame;
- once the eyeglasses are ready, they are checked against the prescription before dispensing it to the customers. This includes inspection of the lenses with a lensmeter to check the prescription power of the lenses;
- check the fittings and adjustment of the prescription frame to suit the contour of the customer's head to provide maximum comfort. This includes ensuring the temples of the prescription frame when opened are equally angled to the front of the prescription frame, and that the temple tips and both corners of the front lie on the same plane;



Frames that are equally angled to the front

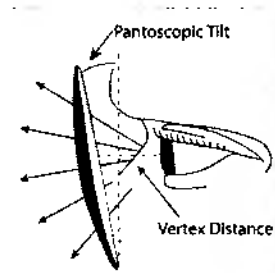


The temple tips and both corners of the front lie on the same plane

6. OUR BUSINESS (Cont'd)

- pre-adjusting the eyewear frame including pantoscopic and retroscopic tilt, adjustment of vertex distance and face form tilt, the explanations of which are set out below:

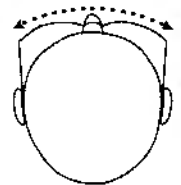
Pantoscopic tilt refers to the alignment of the prescription frame in the up and down position using angling pliers to bend the temples down from the frame front. This will usually provide maximum benefit from the reading portion of the lens. The picture below illustrates the pantoscopic tilt:



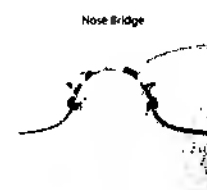
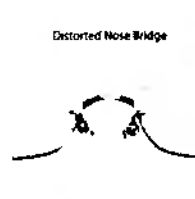
Retroscopic tilt is where the frame is tilted away from the cheek, which is the opposite of pantoscopic tilt. This is commonly adjusted on the prescription frames of individuals with full cheeks.

Vertex distance is the distance from the front of the cornea to the back of the lens. The vertex distance is controlled by adjusting the nose pads on the prescription frame to bring the frame front closer or further away from the face. The picture above illustrates the vertex distance.

Face form tilt is the adjustment that matches the frame front to the individual's facial shape. The picture below illustrates the face form tilt:



- adjusting the nose pads of the prescription frame to ensure that they sit flush against each side of the nose to provide even distribution of weight of the prescription frame. Both nose pads should also look symmetrical unless the customers' nose is asymmetric. Generally, there are three (3) angles to consider during the adjustment namely frontal, splay and vertical angles. The pictures below illustrate the adjustment of the nose pads of the prescription frame:



6. OUR BUSINESS (Cont'd)

- conduct reading test with the customer wearing the newly-prescribed eyewear.

Contact lenses

Generally, contact lenses are an alternative to eyeglasses for refraction corrective purposes.

The dispensing of contact lenses includes the following procedures:

- measuring the shape and size of the eyes;
- observing customers' eyes, corneas, lids and contact lenses with the relevant optical instruments and microscope;
- consult the customer on the type of contact lens material, frequency of replacement and selection of contact lens' brands; and
- prepare work order specifying the prescription and lens size (if required).

Our optometrists and opticians also provide proper guidance and steps to our customers in using the contact lenses, including insertion, removal and care for contact lenses.

(c) **Ophthalmic laboratory services**

Our ophthalmic laboratory primarily undertakes cutting and grinding processes on prescription lenses (either glass or polymer) and fits them onto the prescription frames. Most of our wholly-owned professional eye care centres have an in-house ophthalmic laboratory whilst those centres without an in-house laboratory will send prescription lenses to our centralised ophthalmic laboratory for the cutting and grinding processes. As at LPD, fifty (50) of our wholly-owned and two (2) of our partially-owned outlets located in the Central, Northern and Southern regions in Malaysia have an in-house ophthalmic laboratory.

In some situations, particularly for expensive lenses, we would request the lens suppliers to undertake the cutting and grinding of the lenses. This is primarily for insurance purposes whereby if we were to undertake the cutting and grinding process and thereafter make a mistake, we would need to pay for the replacement. For the lens suppliers, any mistakes they make will be borne by them.

The cutting process involves aligning the prescription lenses on a lens template using a machine called an edger. Then, the computerised lens edger will accurately cut the prescription lenses based on the lens template to ensure perfect fitting. Subsequently, the prescription lenses will undergo grinding process to smoothen the sides of the prescription lenses.

Currently, we have in-house facilities to undertake a wet edging process. It is performed using a specialised machine equipped with diamond-impregnated wheels with different abrasive grits to grind the sides of the prescription lenses. During this process, a coolant is sprayed on the diamond-impregnated wheels to reduce the heat generated.

6. OUR BUSINESS (Cont'd)

We also undertake edge polishing and surfacing processes on the prescription lenses subsequent to the grinding process, to remove the frosted sides of the prescription lenses and to create smoother and thinner lenses. Thereafter, the prescription lenses will undergo a grooving process where a groove is drawn on the edges of the lens so the lens will fit snugly onto the prescription frame.

Many prescription frames have a groove extending around the inner circumference of the openings. The groove interlocks with a complementarily shaped bevel formed about the peripheral edge of the lens. The interlock between the complementary groove and bevel helps to secure the lens within the frame opening. The cut and grinded lenses will then be fitted to their corresponding prescription frames.

As at LPD, we have 52 units of edging machines (edgers), 49 units of polishing machines, and 51 units of automated grooving machines.

(d) Retailing

As our target market is mainly the end-consumers of eyewear and eye care products, retailing is a key component of our total product and service offerings. We primarily retail our prescription and fashion eyewear, and eye care products. As such, our professional eye care centres are specially-designed to provide the right image and to appeal to customers as a one-stop operator of professional eye care centres. We also undertake various advertising and marketing activities to attract new customers and to encourage our existing customers to spend more with us.

One of our marketing strategies involves locating our professional eye care centres at densely-populated centres with high pedestrian traffic. As such, our professional eye care centres are located in shopping centres like Suria KLCC, Sungai Wang Plaza, Pavilion, Mid Valley Megamall, IOI Mall Puchong, Sunway Pyramid Megamall, 1-Utama, The Curve, 1-Borneo, Ipoh Parade, Gurney Plaza, Queensbay Mall, Jaya Jusco shopping malls, as well as in specialised retail centres such as Ikano Power Centre, Carrefour, Giant and Tesco.

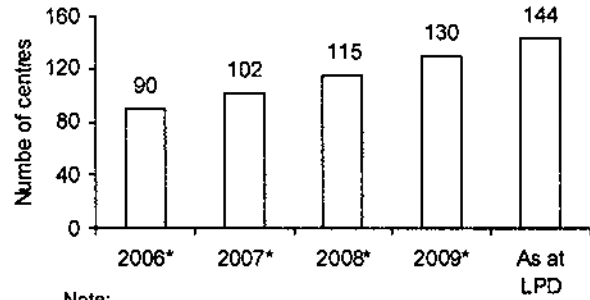
Network of outlets

As at LPD, we have 144 professional eye care centres in Malaysia, of which 63 are wholly-owned centres, six (6) are partially-owned centres, 74 are franchised centres and a licensed centre. Our professional eye care centres operate under seven (7) of our proprietary brand names, namely "Focus Point", "Focus Point Optical City", "Opulence", "Zania", "Eyefont", "ExcelView" and "Solariz" as at LPD. Each serves a different target market ranging from medium to higher income group of consumers, family and younger consumers.

6. OUR BUSINESS (Cont'd)

Between 2006 and 2009, our chain of professional eye care centres grew from 90 to 130 centres, representing an average annual growth of 13.04%.

As at LPD, we have 144 professional eye care centres in Malaysia, representing an increase of 10.77% from 130 centres in 2009.



Note:

* As at 31 December

Number of professional eye care centres from 2006 to LPD

Some of our professional eye care centres are depicted as follows:



One of our "Focus Point" professional eye care centres



One of our "Focus Point Optical City" professional eye care centres

6. OUR BUSINESS (Cont'd)



One of our "Opulence" professional eye care centres



One of our "Zania" professional eye care centres



Our "ExcelView" professional eye care centre

6. OUR BUSINESS (Cont'd)



Our "Eyefont" professional eye care centre



One of our "Solariz" professional eye care centres

Our professional eye care centres can be further segmented by the following regions and brand names:

Brand name	Malaysia					Total
	Central	Northern	Southern	East Malaysia	East Coast	
Wholly-owned outlets						
Focus Point	26	14	4	1	-	45
Focus Point Optical City	3	1	-	-	-	4
Opulence	4	3	1	-	-	8
Zania	1	1	-	-	-	2
Eyefont	1	-	-	-	-	1
ExcelView	-	-	1	-	-	1
Solariz	2	-	-	-	-	2
Sub-total	37	19	6	1	-	63

6. OUR BUSINESS (Cont'd)

Brand name	Malaysia					Total
	Central	Northern	Southern	East Malaysia	East Coast	
Partially-owned outlets						
Focus Point	*3	-	^2	-	-	5
Opulence	-	-	^1	-	-	1
Sub-total	*3	-	^3	-	-	6
Franchised outlets						
Focus Point	35	6	26	1	6	74
Licensed outlet						
Opulence	1	-	-	-	-	1
Total	76	25	35	2	6	144

Notes:

* Two (2) of our partially-owned outlets are held by Radiant Attraction, our 51%-owned subsidiary, whilst the remaining one (1) partially-owned outlet is held by Eye-Zed, our 51%-owned subsidiary.

^ All the three (3) partially-owned outlets are held by Focus Point Vision Care (HP), our 35%-owned associate.

Retail format

We operate our professional eye care centres based on three (3) retail formats:

- retail outlets;
- retail kiosks; and
- mobile outlet.

As at LPD, the number of professional eye care centres based on the different retail formats is as follows:

Outlet format	No. of centres
Retail outlets	141
Retail kiosks	3
	144



One of our professional eye care centre kiosks

6. OUR BUSINESS (Cont'd)

Our kiosks operate just like any other retail outlet professional eye care centres with the exception that they carry a smaller range of eyewear products and accessories due to the limited size of their retail areas.

As part of our marketing strategy to bring our services closer to our customers, we started our first mobile professional eye care centre in 2000. Our mobile outlet does not generate any revenue. Sales that are initiated through our mobile outlet are completed and recorded as revenue in the respective professional eye care centre selected by the customers.



Our mobile professional eye care centre

Types of eyewear products

We retail various types of eyewear products in our professional eye care centres, the details of which are as follows:

(a) Prescription frames

Prescription frames are primarily used for refraction corrective purposes where the ophthalmic lenses and prescription frames are assembled and fitted together into prescription eyeglasses which are used to correct blurred vision.

Our professional eye care centres carry an extensive range of prescription frames to provide our customers with a wide range of choices, with the intention to maximise sales. As at LPD, we have approximately 31,295 store keeping units ("SKU") of prescription frames comprising various eyewear brands.

6. OUR BUSINESS (Cont'd)

(b) Prescription lenses

We offer a wide range of lenses for prescription eyeglasses, which include the following:

- corrective lenses including single, bifocal and multifocal lenses;
- different lens materials including glass, plastics, polycarbonate, and high index plastics; and
- different lens treatments such as scratch-resistant coating, anti-reflective coating, ultraviolet (UV) coating and tinting.

We source our prescription lenses from third party manufacturers and suppliers including, amongst others, "HOYA", "Carl Zeiss", "Rodenstock", "Essilor" and "Nikon".

(c) Contact lenses

Contact lenses are alternatives to prescription eyewear for refraction corrective purposes. The prescription and dispensing of contact lenses at our professional eye care centres are provided by our in-house opticians and optometrists. The types of contact lenses available at our professional eye care centres are as follows:

- spherical contact lenses for single vision, either myopia or hyperopia and presbyopia;
- bifocal contact lenses for presbyopia that contain two (2) power segments including myopia and hyperopia; and
- toric contact lenses to correct astigmatism, which also can accompany either myopia or hyperopia.

We offer a wide range of brands of contact lenses at our professional eye care centres, which also include coloured contact lenses that contain refraction corrective function. The third party brands of contact lenses offered by us include, amongst others, "ACUVUE" by Johnson & Johnson, "PureVision" and "Softlens" by Bausch & Lomb, "AIR OPTIX", "O2 OPTIX", "FRESHLOOK" and "FOCUS DAILIES" by Ciba Vision and "Freshkon" by Oculus. We also retail our own brands of contact lenses, namely "Multisol Eyecont 39" and "Eyecont 38 Advance". Our extensive range of brands provides convenience and variety of choices to our customers.

During the contact lens prescription process, our optometrists and/or opticians will discuss with our customers various factors which should be taken into consideration which include, amongst others, the following:

- frequency of replacement, i.e. daily, weekly, fortnightly, monthly or quarterly, and conventional reusable lenses which are discarded every six (6) months or yearly; and
- types of contact lens materials, including:
 - soft lenses which are made of hydrogel, silicone hydrogel and water containing plastics;
 - hard lenses which are made of polymethyl methacrylate (PMMA); and
 - rigid gas permeable (RGP) lenses which are made of breathable and rigid plastics, and are commonly used to correct the vision of individual with high astigmatism.

6. OUR BUSINESS (Cont'd)

(d) Sunglasses

Sunglasses are primarily worn as a protection from glare and ultraviolet radiation, and are sometimes viewed as a fashion accessory.

We offer a wide range of sunglasses comprising various brands, as well as types of frames and lenses at our professional eye care centres, where we also provide advice on dispensing prescription and non-prescription sunglasses. Sunglasses come in various styles of frames, whereby some of the common ones are as follows:

Wraps: The sunglasses' frame curves around the face and extends past the eye to the temple. Wraps style of sunglasses commonly offer extra sun protection as the lenses usually hug the face and protect the eyes.



Shield: A large pair of sunglasses which comprises one (1) piece of lens and is usually partially-rimmed or rimless.

Aviator: The shape of an aviator style of sunglasses is like a teardrop with metal frame and commonly comes with tinted lenses.



Clip-on style: This is used to easily convert prescription eyeglasses to sunglasses with the aid of clip-on shades which are attached on the eyeglasses frame using either clips or magnets.

The lens materials of the sunglasses are commonly made of plastics or glass. Some of the common types of treated lenses for sunglasses are as follows:

- mirrored lens, where a thin layer of metallic film is applied to the lens to reduce visible light reaching the eyes;
- gradient lens, where the lens has a gradual fade from a dark to light colour and the colour usually fades from top down;
- polarised lens, which is used to cut the glare from smooth surfaces such as water, snow or pavement;
- photochromatic lens, which is a sub-sensitive lens where the colour of the lens changes from light to dark according to the environment lighting conditions. As the environment light intensity increases, the lens becomes darker and provides protection from glare and ultraviolet rays; and
- tinted lens, where shades of colours are applied to the sunglasses' lenses to absorb light as it passes through them. Some of the colours for tinted lens include, amongst others, grey, brown, amber, yellow, green, and rose.

6. OUR BUSINESS (Cont'd)

As at LPD, we carry approximately 27,249 SKU of sunglasses. Some of the international brands include, among others, "GUCCI", "DIOR", "PRADA", "Emporio Armani", "HUGO BOSS", "Dolce & Gabbana", "BURBERRY", "LOEWE", "TOM FORD", "BVLGARI", "Chopard", "Christian Dior", "ESPRIT", "ESCADA", "FCUK", "FENDI", "Ermenegildo Zegna", "LINDBERG", "Ray-Ban", "Rodenstock", "MONT BLANC", "GIORGIO ARMANI", "DKNY", "Marc by Marc Jacobs", "alain mikli" and "Oakley".

Brands of eyewear products

As at LPD, our professional eye care centres carry a total of 144,013 SKU of eyewear products including prescription frames and lenses, contact lenses, fashion eyewear, and other eye care products and accessories.

As at LPD, we carry approximately 181 brands of prescription frames and fashion eyewear which are segmented as follows:

	Third party brands	Licensed brands	Own brands	Total
Number of brands	163	2	16	181

Among the 163 third party brands of eyewear products, 16 brands of eyewear products are exclusively sold at our professional eye care centres only, and the remaining 147 brands of eyewear products are non-exclusive products which are also sold in other professional eye care centres. We are the exclusive distributor of the following brands of eyewear products in Malaysia:

- "Bolle"	- "Converse"
- "Davidoff"	- "Eyefunc"
- "Fiorrucci"	- "Hush Puppies"
- "Jaguar"	- "Koali"
- "Lightec"	- "Loewe"
- "Mikli"	- "Morgan"
- "Nomad"	- "Oga"
- "Serengeti"	- "Too Inch"

In addition, we are the distributor of two (2) licensed brands of eyewear products, namely "Cheetah" and "Poney". The "Cheetah" brand of eyewear products is positioned to target adult consumers whilst the "Poney" brand of eyewear products is positioned to target younger consumers.

In addition to the distribution of the two (2) licensed brands of eyewear products at our professional eye care centres, we are also involved in in-house design activities for the said brands, which include the following:

- creating and developing the overall concept of the eyewear, primarily prescription frames and sunglasses to meet functionality and aesthetic requirements, as well as comfort; and
- selection of colour and materials (such as metal, specialised metallic materials, plastics and other polymer-based materials), and components such as nose pads and temple ends.

Based on the licensing agreements for the abovementioned brands that have been entered into between our Group and the respective licensors, we are obliged to pay a fixed licensing fee each year for each licensed brand. As the licensee for the said brands, revenue generated from the sales of products carrying these brands are fully recognised by our Group.

6. OUR BUSINESS (Cont'd)

As at 31 December 2009, we have 21 active own brands of eyewear products which are as follows:

Type of eyewear products	Own brands
Frames and sunglasses	"Clariss Micado", "Collect D", "Divanchi Ivano", "Episode", "EyeOne", "Eze Clip", "Feziro", "Gapp", "LIK", "Issey Mitoki", "John Mikli", "Oasis", "Onxy", "O'yes", "Shane Miyaki" and "Totti"
Prescription lenses	"HOSHI" and "Klar"
Contact lenses	"Multisol EyeCont 39" and "Eyecont 38"
Solution Products	"Casa Spray"

Our licensed and own brands of eyewear products are specifically for use as prescription frames and sunglasses. The designs and specifications of these eyewear products are determined by our in-house team of designers, and are then sent to the appointed third party manufacturers for mass production.

6.3.2 Provision of medical eye care services

We also provide medical eye care services, through our wholly-owned subsidiary namely, Excelview Laser Eye Centre. Our medical eye care centre is located in Mid Valley Megamall, Kuala Lumpur and is operated by a registered and qualified ophthalmologist.

Our medical eye care centre provides refractive surgery using LASIK method and cataract surgery, further details of which are as follows:

(a) LASIK surgery

Laser-assisted in situ keratomileusis (LASIK) is a surgical procedure performed by our ophthalmologist (or eye doctor) to improve an individual's vision by correcting refractory errors such as myopia, hyperopia and astigmatism.

The procedures for LASIK surgery involve cutting a tiny flap on the top of the cornea, removing the underlying tissue with an excimer laser, and subsequently putting the flap back in place. The procedures can be completed within one (1) minute for each eye.

(b) Cataract surgery

Cataract occurs mainly due to aging where the molecules in the lens of the eye combine to form clouds on the lens. This may obstruct light from reaching the retina and hence, diminish the vision of the individual.

We have in-house facilities to perform a laser cataract removal, and this surgery can be completed within 20 minutes. The procedures for cataract surgery involve a small incision on the cornea where the clouded lens is replaced with an artificial lens implant.

6. OUR BUSINESS (Cont'd)

6.4 Seasonality/Cyclical Effects

Generally, we are not subject to any seasonality effect as our eyewear and eye care products, as well as professional eye care services, including prescription frames and lenses, contact lenses and sunglasses are used on a daily or regular basis. However, our business commonly experiences some peaks in business activities during the end of calendar year due to the festive and holiday season.

6.5 Our Competitive Strengths

We believe that our competitive strengths lie in the following areas:

(a) Largest chain of professional eye care centres in Malaysia

As at LPD, we operated 144 professional eye care centres making us **the largest chain of professional eye care centres in Malaysia**. *(Source: Independent Assessment of the Professional Eye Care Industry prepared by Vital Factor)* As at LPD, our chain of professional eye care centres has expanded to 144 professional eye care centres in Malaysia, operating under our "Focus Point", "Focus Point Optical City", "Opulence", "Zania", "Eyefont", "ExcelView" and "Solariz" brand names. In a consumer-oriented industry, an extensive network of professional eye care centres is important to ensure our products and services reach as many consumers as possible. In this respect, our wide network of professional eye care centres provides convenience to our customers, as they are located in many of the densely-populated areas in Malaysia including Central, Northern, Southern, East Malaysia and the East Coast.

Our large and extensive network is our key competitive advantage that enables us to cover wider markets to provide us with opportunities for business growth.

(b) Established brand name and reputation

Our "Focus Point" brand name has been in Malaysia's professional eye care industry since 1989 when we started our first professional eye care centre in Muar, Johor Darul Takzim. Since then, we have expanded our chain of professional eye care centres to a total of 144 professional eye care centres in Malaysia as at LPD. These professional eye care centres operate under seven (7) of our proprietary "Focus Point", "Focus Point Optical City", "Opulence", "Zania", "Eyefont", "ExcelView" and "Solariz" brand names and includes wholly- and partially-owned centres, as well as franchised and licensed centres. Our extensive chain of professional eye care centres has enabled us to increase our profile and awareness of our brands among consumers in Malaysia.

Our established brand names and reputation provide us with a distinct competitive advantage, especially in the consumer market, by assisting us to create brand loyalty, which is key to our business sustainability and growth.

(c) Economies of scale

We enjoy economies of scale from our wide network of professional eye care centres in Malaysia. These economies of scale enable us to spread our fixed and operating costs across a large number of professional eye care centres, particularly in terms of head office personnel and centralised functions including administration, procurement, training, advertising and promotional costs.

6. OUR BUSINESS (Cont'd)

Our large number of professional eye care centres enables us to have stronger bargaining power to obtain better commercial terms from our suppliers including product costs, credit terms, logistics arrangements and others. In some situations, we are able to purchase our stocks directly from the manufacturers due to our larger purchase volume, which makes our eyewear and eye care products more cost competitive.

Economies of scale represent a strong competitive advantage as this helps us to reduce our unit cost of operation and improve our profit margins.

(d) Franchising business

We grant franchise licenses primarily to our current branch managers, optometrists and/or opticians. In support of our franchisees in setting up their outlets, we grant initial investment funding and extended credit terms to our franchisees on a case-by-case basis, which range from one (1) to three (3) years, and varies among franchisees. The granting of the abovementioned facilities are subject to, amongst others, an assessment of the franchisee by our Franchise Development Department, a location survey on the outlet operated by the franchisee, the franchisee's outlet historical track record and financial forecast, as well as the franchisee's payment history.

As at LPD, we have 74 franchised professional eye care centres in Malaysia. Our ability to franchise our business will provide us with the key business advantage of deriving incremental income from franchising whilst minimising capital expenditure in setting-up new outlets. The expansion in the number of our professional eye care centres will also enable us to increase our economies of scale.

In addition, our franchising business model will provide a platform for our geographic expansion overseas.

(e) Strong representation in shopping centres and specialised retail centres

In line with our marketing strategy of focusing on densely-populated centres and locating our professional eye care centres in high pedestrian traffic areas, we have focused our professional eye care outlets in major shopping centres and specialised retail centres namely hypermarkets. Our professional eye care centres are located in major shopping centres including, among others, Suria KLCC, Sungei Wang Plaza, Pavilion, Mid Valley Megamall, IOI Mall Puchong, Sunway Pyramid Megamall, 1-Utama, The Curve, 1-Borneo, Ipoh Parade, Gurney Plaza, Queensbay Mall, Jaya Jusco shopping malls, as well as in specialised retail centres such as Ikan Power Centre, Carrefour, Giant and Tesco.

(f) Extensive brands of eyewear products, especially international brands

As at LPD, we carry approximately 181 brands of prescription frames and fashion eyewear. The main rationale for carrying such a large variety and an extensive range of brands of eyewear products are as follows:

- the extensive brands of eyewear products provide us with enormous opportunities for growth; and
- it also enables us to provide convenience to our customers as a one-stop operator of professional eye care centres for different target group of consumers by offering a wide range of eyewear brands and products. This creates significant customer loyalty within our existing customers and at the same time attracts new customers.

6. OUR BUSINESS (Cont'd)

One of our key competitive advantages is that we carry a large range of international brands of prescription frames and fashion eyewear. Some of these international brands include, amongst others, "GUCCI", "DIOR", "PRADA", "Emporio Armani", "HUGO BOSS", "Dolce & Gabbana", "BURBERRY", "LOEWE", "TOM FORD", "BVLGARI", "Chopard", "Christian Dior", "ESPRIT", "ESCADA", "FCUK", "FENDI", "Ermenegildo Zegna", "LINDBERG", "Ray-Ban", "Rodenstock", "MONT BLANC", "GIORGIO ARMANI", "DKNY", "Marc by Marc Jacobs", "alain mikli" and "Oakley".

Our wide range of international brands of eyewear is a strong attraction to many consumers who prefer international brands of prescription frames and fashion eyewear.

(g) Exclusive distributorship of prominent eyewear products in Malaysia

We are the exclusive distributor of 16 brands of eyewear products in Malaysia and these are only available at our professional eye care centres. These brands include the following:

- "Bolle"	- "Converse"
- "Davidoff"	- "Eyefunc"
- "Fiorruci"	- "Hush Puppies"
- "Jaguar"	- "Koali"
- "Lightec"	- "Loewe"
- "Mikli"	- "Morgan"
- "Nomad"	- "Oga"
- "Serengeti"	- "Too Inch"

Being an exclusive distributor of the international brands above enables us to offer a wider range of eyewear brands to our customers.

(h) Financial strength

Our financial strength as depicted by our strong balance sheet, as well as improving profitability, allows us to purchase a wide range of eyewear products and offer choice to our customers. As prescription and fashion eyewear are largely fashion accessories, a key success factor and a competitive advantage is our ability to offer customers a wide range of eyewear products, especially international brands. Financial strength is therefore important, as most manufacturers and suppliers of eyewear products do not provide goods on consignment. As such, the inventory cost is high for professional eye care centres which intend to stock a wide range of eyewear products.

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6. OUR BUSINESS (Cont'd)

6.6 Our Key Achievements/Milestones/Awards

Our key milestones over the years are as follows:

Year	Key milestones
1989	We started our first professional eye care centre under a partnership in Muar, Johor Darul Takzim.
1993	<ul style="list-style-type: none"> ▪ We converted the partnership to a private company under the name of Focus Point Vision Care. ▪ We expanded our business to five (5) professional eye care centres in Johor Darul Takzim.
1997	We opened our first professional eye care centre in Kuala Lumpur.
1999	Our Focus Point Optical City outlet in Mid Valley Megamall, Kuala Lumpur with a total space of 15,000 square feet, was opened and was subsequently recognised as Malaysia's largest optical store in the Malaysia Book of Records in 2000.
2000	<ul style="list-style-type: none"> ▪ We commenced operations of our first mobile eye care services operation through a 16-foot long commercial vehicle. ▪ We launched the first of our own brand of prescription lenses under the "HOSHI" brand name. ▪ We incorporated Excelview Laser Eye Centre, specialising in refractive surgery using LASIK method.
2002	<ul style="list-style-type: none"> ▪ Focus Point Management, our wholly-owned subsidiary was successfully registered with the Registrar of Franchise in Malaysia and commenced our franchising business under the "Focus Point" brand name. ▪ We established our first franchised professional eye care centre in Masai, Johor Darul Takzim.
2004	We established and commenced operations of a new brand name of professional eye care centres namely "Opulence", which is aimed at meeting the needs of the higher income group of consumers.
2005	We were awarded the Fair Price Shop Award 2005-2006 under the category of optical products and glasses by the Ministry of Domestic Trade and Consumer Affairs, Malaysia.
2007	<ul style="list-style-type: none"> ▪ We extended our medical eye care services to provide cataract surgery through our wholly-owned subsidiary, Excelview Laser Eye Centre. ▪ We established and commenced operation of a new brand name of professional eye care centre namely "Zania", which is aimed at meeting the needs of younger consumers.
2008	We opened our 100 th professional eye care outlet in Pavilion shopping centre in Kuala Lumpur.

6. OUR BUSINESS (Cont'd)

Year	Key milestones
2009	<ul style="list-style-type: none"> ▪ We established and commenced operation of a new brand name of professional eye care centre namely "Eyefont", which targets the higher income group of consumers. ▪ Through our associate company, Seen@International, we established our first professional eye care centre in Singapore under the "Seen" brand name.
2010	<ul style="list-style-type: none"> ▪ We established and commenced operation of our new brand names of professional eye care centres namely "ExcelView" and "Solariz", which targets the general population and discerning group of consumers respectively. ▪ As at LPD, we have 144 professional eye care centres in Malaysia operating under our proprietary brand names. This includes 63 wholly-owned centres, six (6) partially-owned centres, 74 franchised centres and a licensed centre, making us the largest operator of professional eye care centres in Malaysia.

Over the years, we have attained the following awards for our efforts and accomplishments within the industry:

Year	Key achievements/awards	Awarded by
2000	Our Focus Point Optical City outlet in Mid Valley Megamall, Kuala Lumpur with a total space of 15,000 square feet was recognised as Malaysia's largest optical store in the Malaysia Book of Records.	Malaysia Book of Records
2001	Focus Point Vision Care was the winner of the "Enterprise 50 Award" by Small and Medium Development Corporation and Accenture.	Small and Medium Development Corporation and Accenture
2005	Focus Point Vision Care was awarded the Fair Price Shop Award 2005-2006 under the category of optical products and glasses.	Ministry of Domestic Trade and Consumer Affairs
2006	Focus Point Management was a finalist under the Best Local Franchisor category.	Malaysian Franchise Association
2007	Focus Point Management was a finalist under the Best Local Franchisor category.	Malaysian Franchise Association
2008	<ul style="list-style-type: none"> ▪ Focus Point Management was a finalist under the Best Local Franchisor category. ▪ Focus Point Management was a finalist under the Best Achievement - Best Outlets Growth category. ▪ Focus Point Management a finalist under the Best Achievement - Best Sales Growth category. 	Malaysian Franchise Association

6. OUR BUSINESS (Cont'd)

Year	Key achievements/awards	Awarded by
2009	<ul style="list-style-type: none"> ▪ Focus Point Management was a finalist under the Best Local Franchisor category. ▪ Focus Point Management was a finalist under the Best Achievement - Best Sales Growth category. ▪ Focus Point Management was a finalist under the Best Achievement - Best Outlets Growth category. ▪ Focus Point Management was a finalist under the Best Local and International Franchisor category. 	Malaysian Franchise Association
	<ul style="list-style-type: none"> ▪ Focus Point Management was the Winner under the Best Local Franchisor category. ▪ Focus Point Management was the Winner under the Best Outlet Growth category. ▪ Focus Point Management was awarded as "Franchise of the Year". 	Malaysian Franchise Association

6.7 Corporate Social Responsibility

As part of our corporate social responsibilities and corporate citizenship, we have endeavoured to contribute positively towards the betterment of the local community.

Prior to the establishment of our "Caring Hearts Charity Foundation", our contributions include the following:

- On 8 October 2008, we provided free eye checks in Mersing, Johor Darul Takzim together with the Mersing District Ministry of Health;
- On 3 June 2009, we visited the Ti-Ratana Welfare Society and offered free eye checks, prescription glasses, utensils, toiletries, food items and a cash donation amounting to RM5,000;
- On 15 November 2009, we organised the "Focus Point Blood Donation Drive" at The Curve shopping centre in Petaling Jaya, Selangor Darul Ehsan. A total of 161 bags of blood were collected for the National Blood Centre; and
- In 2009, we donated 243 pairs of eyeglasses to the poor and needy including orphanages and old folks homes in the Klang Valley.

On 1 January 2010, we established our "Caring Hearts Charity Foundation", which operates under a trust deed. Our "Caring Hearts Charity Foundation" will undertake all of our future charity programmes. In the first quarter of 2010, we donated a total of RM45,000 to various local charity homes, namely Desa Amal Jireh, Ti-Ratana Welfare Society, Yayasan Anak Warisan Alam and Yayasan Latihan Insan Istimewa Ipoh, Perak under our "Caring Hearts Charity Foundation".

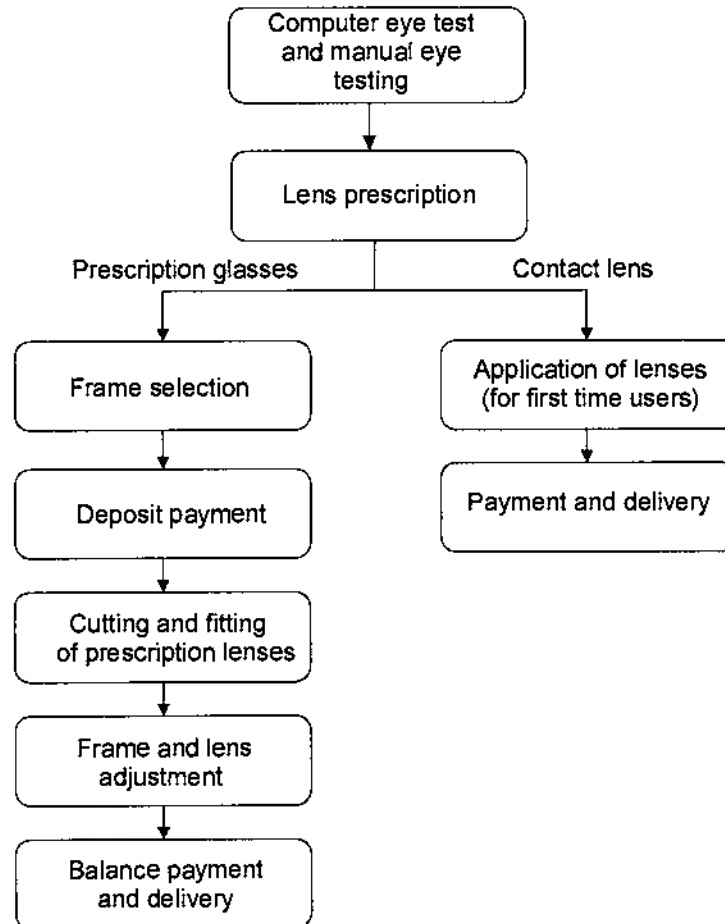
We are also looking towards minimising our business' impact on the environment through various "Green" initiatives under our "Focus on the Green, Point to the Green" campaign.

6. OUR BUSINESS (Cont'd)

6.8 Process Flow

6.8.1 Process flow for the prescription of eyewear under our operation of professional eye care centres

The process flow for the prescription of eyewear is as follows:



The sales procedure for prescription eyewear begins with serving our walk-in customers and accessing their eye care requirements.

Our optometrists and/or opticians then proceed to conduct an eye test on the customer's eyes to assess the refractive power in order to determine the type of lenses to prescribe. The customer can choose either prescription lenses for eyeglasses or contact lenses.

A separate computer eye test is performed using an optical testing instrument or ophthalmoscope, which is an instrument used to view the interior of the eye and/or to examine the retina through retinoscopy. A computer-controlled digital imaging instrument that utilises a digital retinal camera is also used to record digital images of the retina at the back of the eye.

The prescription or contact lenses are then prescribed to correct refractive errors of the eyes including myopia, hyperopia, astigmatism and presbyopia. The tests are performed using a phoropter, an instrument containing interchangeable lenses to measure refractive errors in the eyes and to determine the correct eyeglass or contact lenses prescription.

6. OUR BUSINESS (Cont'd)

(a) For prescription glasses

The eye test is followed by the selection of prescription frames by the customer. Subsequently, the customer is required to place a deposit, preferably 30% of total purchase price of the prescribed eyewear, before the cutting and fitting of the lenses can be carried out.

The prescribed ophthalmic lenses are cut in an 'edging' process before being fitted onto the frame. The process and apparatus for edging and polishing ophthalmic lenses is carried out on lens materials such as polycarbonate, CR39 (allyl diglycol carbonate (ADC)) or glass, where the lens is edged and polished with the machine to a finish substantially equal to the finish on the optical surface of the lens.

The completed prescribed eyeglasses are then manually and visually tested on the customer for correct vision. Adjustments and fitting of the frames including alignment and comfort are manually performed on the customer at this stage of the process before the customer proceeds to pay the remaining balance of the total purchase price of the eyewear for the delivery of the eyewear.

(b) For contact lens

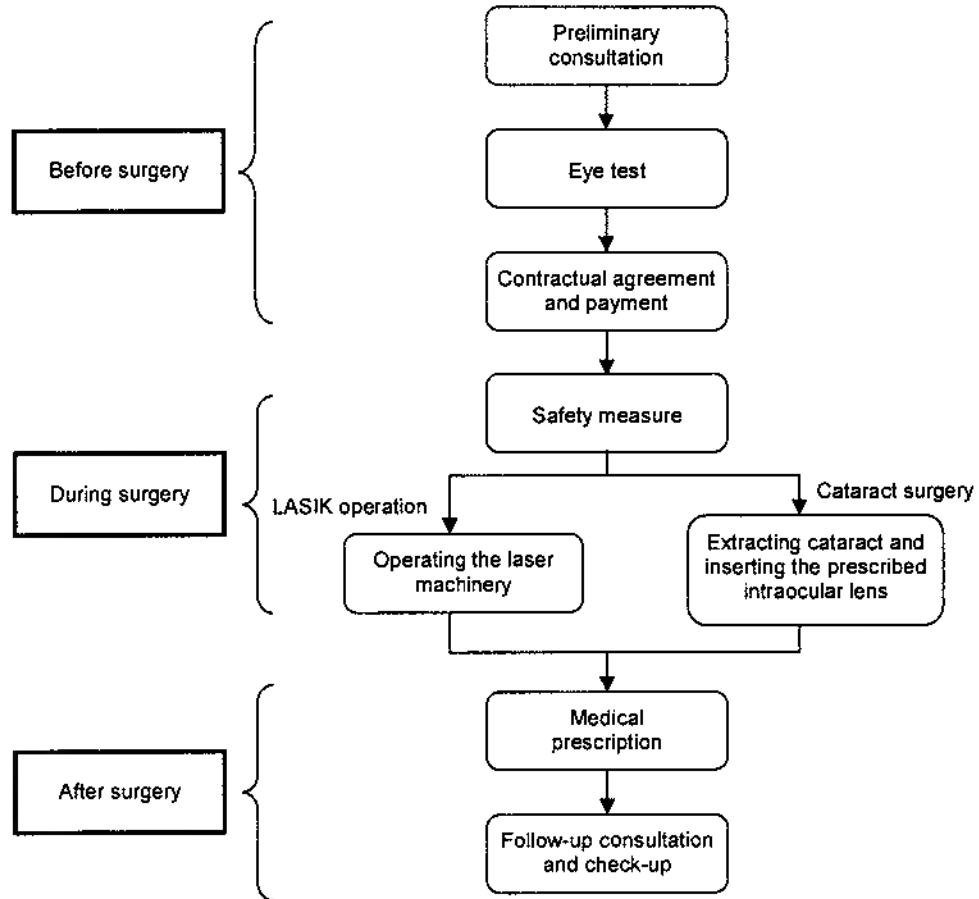
Our optometrists and/or opticians also provide proper guidance and steps in using the contact lenses, including insertion, removal and care for contact lenses. The customer proceeds to make payment for the delivery of the contact lenses.

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6. OUR BUSINESS (Cont'd)

6.8.2 Process flow for our medical eye care services

The procedure involved in LASIK operation and cataract surgery is depicted in the diagram below:



Prior to the surgery, prospective patients are encouraged to consult our ophthalmologist at our medical eye care centre. Our ophthalmologist will provide extensive advice on the benefits and complications that might arise from the surgery, as well as measures to be taken by the patient in preparation for the surgery, such as the discontinuation of the usage of contact lenses for a certain number of days.

An eye test will be carried out to determine the suitability of the prospective patient's eyes to undergo LASIK operation or cataract surgery, as the case may be. In the event the prospective patient's eyes are not suitable, the LASIK operation or cataract surgery will not be carried out. A contract agreement will be signed and payment has to be made by the prospective patient before undergoing the operation.

During the surgery, some patients will be given a mild sedative depending on their condition. In addition, a few drops of anaesthetic are applied onto the eyes. These precautions minimise the occurrence of distractions to our ophthalmologist during the operation.

6. OUR BUSINESS (Cont'd)

For LASIK operation, a corneal flap is created and folded temporarily using a microkeratome, while a laser machine is used to reshape the cornea. For cataract surgery, the cataract is removed using a phacoemulsifier (a device which emits ultrasonic waves that softens and breaks up the cataract lens), which is replaced by a prescribed artificial lens, also known as intraocular lens, which is implanted into the eye.

After the operation, patients are given proper medication and are advised to minimise the risk of infection. Patients are also advised to attend follow-ups and check-ups to enable our ophthalmologist to check the status and health of their eyes.

6.9 Our Production/Operating Capabilities and Output

We are primarily an operator of a chain of professional eye care centres, hence the production capacity and output is not relevant to our operation of professional eye care centres.

6.10 Types, Sources and Availability of Resources

We purchase finished products, such as frames, sunglasses, contact lenses and ophthalmic lenses for our wholly- and partially-owned centres, as well as franchised and licensed centres. As a one-stop operator of a chain of professional eye care centres, we purchase all our frames, sunglasses, contact lenses and ophthalmic lenses from overseas countries, including imports through local stockists and distributors. Thus far, we have not experienced any shortage in sourcing the above products for our operations.

As these finished products comprising frames, sunglasses, contact lenses and ophthalmic lenses are not commodities, they are subject to normal price changes resulting from supply and demand situations. As such, the prices of these finished products are not volatile.

6.11 Our Technology

As part of our operation of professional eye care centres, we employ the following technologies during the eye examination and vision assessment process:

(a) Automated refraction system

Automated refraction system is used during the eye examination process to determine refractive errors and the need for eyeglasses or contact lenses. The refraction of the eye is measured using an automated screening instrument called an auto refractor. The auto refractors are so accurate and efficient that the process takes only a few minutes to refine the refraction of each individual eye.

This test can also be performed using a phoropter, an instrument containing interchangeable lenses to measure refractive errors in the eye lens to determine the correct eyeglass prescription where lenses are then prescribed to correct refractive errors in the eyes including myopia, hyperopia, astigmatism and presbyopia.

Other devices used include a Snellen chart to help determine visual acuity. The chart contains rows of alphabets of varying sizes. The individual is asked to read progressively smaller rows of alphabets at a fixed distance from the chart until they become indistinguishable.

6. OUR BUSINESS (Cont'd)

(b) Tonometry

Tonometry is a method used to measure the pressure in the eye (also known as intraocular pressure) to determine the tone or firmness of the eye's surface. The measurement is determined by finding the resistance of the cornea to pressure or indentation.

Some of the common methods used in tonometry include:

- **non-contact tonometry** (also known as the air puff method): The individual is asked to look into an instrument and a puff of air is blown into the eye. This method does not have any instrumental contact with the eye.
- **applanation tonometry**: This method uses a small probe to gently flatten part of the cornea to measure eye pressure and a slit lamp microscope is used to look at the eye. Pressure in the eye is measured by how much force is needed to flatten the cornea.
- **electronic indentation tonometry**: This method uses a pen-like digital instrument placed directly on the cornea to measure the pressure in the eye.
- **indentation tonometry**: This method uses a plunger that is gently pushed on the cornea. The intraocular pressure is measured by how much force is needed to flatten the cornea.

(c) Ophthalmoscope

A separate computer eye test is also performed using an optical testing instrument or ophthalmoscope.

An ophthalmoscope is a device used to examine the interior structure of the eye, which include the optic disc, retina, retinal veins and arteries. This method is commonly used to detect changes in the retina caused by eye diseases. The eye test using an ophthalmoscope is performed by directing a tiny beam of light through the pupil to detect abnormalities or signs of disease on the retina and the lens of the eye through the technique of retinoscopy.

This instrument is equipped with multiple lenses that allow the eye to be examined at different depths and magnifications. This type of ophthalmoscope is most commonly used during a routine eye examination.

Various types of ophthalmoscopes include:

- **direct ophthalmoscope**, which is similar to a small flashlight equipped with magnifying lenses. A technical personnel uses the instrument to shine light into the eye for examination purposes. A beam of light is directed into the person's inner eye and is viewed and examined through the attached lens.
- **indirect ophthalmoscope**, which is a commonly used device to obtain further analysis of the eye. It is similar to a binocular device that allows the technical personnel to obtain a three (3) dimensional rendition of the interior of the eye. An indirect ophthalmoscope is commonly mounted on the head and a hand-held lens is used in front of the eye to focus inside the eye.
- **a computer-controlled digital imaging instrument using a digital retinal camera** is sometimes also used to record digital images of the retina at the back of the eye.

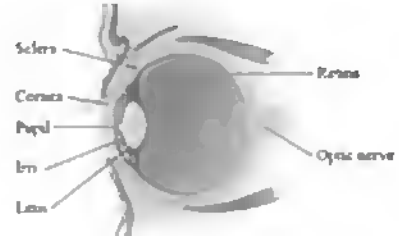
6. OUR BUSINESS (Cont'd)

(d) Slit lamp technique

We also employ a slit lamp technique for eye examination. This method utilises a biomicroscope to perform eye examinations and vision assessments.

The slit lamp eye examination uses a microscope to examine the eye under high magnification. This method is used to assess and examine the anterior structures of the eye including:

- eyelids;
- cornea including clear and outer covering;
- iris, which is the coloured portion of the eye that regulates the opening of the pupil;
- lens;
- vitreous gel, which is the front section of gel-like fluid that fills the large space in the middle of the eye; and
- the back of the eye such as optic nerve and retina.



The slit lamp biomicroscope is commonly employed in professional eye care centres for the following purposes:

- routine eye examination to evaluate the eye and for vision testing;
- monitors signs and symptoms of anterior segment conditions;
- detects abnormalities in the eyes including disorders in the structures in the front of the eye, eye injuries or infection to the cornea;
- detects and monitors glaucoma or macular degeneration;
- helps to establish if the individual is suitable for contact lens wear;
- checks for foreign objects on or in the eye, for example metal fragments and glass particles; and
- others, including monitoring complications such as bleeding from eye injury, formation of cataracts, and eye problems caused by other diseases.

(e) Edging machine

A device that is used to grind the edges of prescription lenses. The machine enables the lenses to be shaped to fit onto the frame according to the proper size and structure of the frame. The edging machinery is fitted with a grinding wheel, either a cutter or blade, which is rotated in circular motion to grind the edges of the lenses and a shaft that is adjustable to hold the lenses. These fittings are supported by a bearing stand.

(f) Lensmeter

A lensmeter is used to accurately measure and identify the refractive power of the prescription lenses. This device is used before the cutting and fitting stage to ensure that the correct lenses are prescribed.

6. OUR BUSINESS (Cont'd)

Steps involved in determining the refractive power of prescription lenses using a lensmeter are as follows:

- the selected lens is mounted on the viewing platform of the lensmeter;
- a range of light source patterns is positioned at different optical distances from the lens and is projected along an axis through the lens;
- the images of the projected patterns are captured and stored in a camera-imaging device located along the axis; and
- a comparison of the projected patterns is made using a processor to identify the refractive power of the lenses.

6.12 Quality Assurance Management

We have in place various quality processes and control to further ensure the quality of our products. This is reflected by the following approaches that we adopt in our operations:

- in-coming materials and products such as frames, lenses, contact lenses and sunglasses undergo visual inspections to ensure that eyeglasses are in good condition, and that lenses and contact lenses are supplied based on prescriptions;
- internal checks on the completed prescription eyeglasses prior to dispensing include checking on the frame style, colour, size, tint, coating as well as inspection with the lensmeter for optical correctness to measure the power of existing lens; and
- obtain feedback from our customers pertaining to the quality of products and services.

As part of our internal control procedures for our chain of professional eye care centres, we have common practices and standards that have to be adhered to by all our centres including franchised centres. Some of the internal procedures in place are:

- proper dressing such as uniforms to ensure a professional and standard appearance in our staff;
- upkeep the cleanliness of the centres; and
- others include preparation of schedule sales and stock reports.

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6. OUR BUSINESS (Cont'd)

6.13 Approvals, Major Licences and Permits

Details of the approvals that we have obtained for the Listing from the relevant authorities, together with the conditions imposed by these authorities and status of compliance, are set out in Section 9.6 of this Prospectus.

We are currently operating under the following approvals, licences and permits:

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
Focus Point Vision Care	Majlis Perbandaran Petaling Jaya	26.01.2010/ (31.12.2010)	Trading, business and industrial licence for warehouse/storage, licence plate and advertisement signboard Premises location: No. 1 & 3, Jalan PJU 1/37 Dataran Prima, 47301 Selangor Darul Ehsan	Nil	-
			Licence no.: SN:LPN020958 SN:LPN020957 SN:LPN020956		
	Dewan Bandaraya Kuala Lumpur	01.05.2010/ (30.04.2011)	Advertisement licence: <ul style="list-style-type: none"> ▪ advertisement signboard (3.65m x 0.35m); ▪ advertisement signboard (3.65m x 0.35m); ▪ advertisement signboard (4.87m x 0.60m); ▪ advertisement signboard (3.65m x 0.35m); ▪ advertisement signboard (3.65m x 0.35m); and ▪ advertisement signboard (3.65m x 0.35m). 	Nil	-
			Premises location: Lot No. 3A, Carrefour Hypermarket, No 81, Anchor Tenant 1, Mid Valley City, 58000 Kuala Lumpur		
			Licence no.: 021078907		

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
Dewan Bandaraya Kuala Lumpur		16.04.2010/ (15.04.2011)	Premises licence for optical shop Premises location: Lot 3A, Carrefour Hypermarket, No. 81, Anchor Tenant 1, Mid Valley City, 58000 Kuala Lumpur Licence no.: 01074852010	Nil	-
Dewan Bandaraya Kuala Lumpur		01.03.2010/ (28.02.2011)	Premises and advertisement licence Premises location: P5.02.00, Tingkat 5, Pavilion Kuala Lumpur, 168, Jalan Bukit Bintang, 55100 Kuala Lumpur Licence No: 25038432010	Nil	-
Dewan Bandaraya Kuala Lumpur		01.01.2010/ (31.12.2010)	Premises licence for optical shop Premises location: Lot No. C28A, Concourse Floor, Suria KLCC, Jalan Pinang, 50450 Kuala Lumpur Licence no.: 1000110793	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
Dewan Bandaraya Kuala Lumpur		01.01.2010/ (31.12.2010)	Advertisement licence for illuminated signboard (1.52m x 1.21m) Premises location: Lot No. C28A, Concourse Floor, Suria KLCC, Jalan Pinang, 50450 Kuala Lumpur Licence no.: 1000102057	Nil	-
Dewan Bandaraya Kuala Lumpur		01.01.2010/ (31.12.2010)	Premises and advertisement licence for optical shop Premises location: No. 11, Jalan Telawi 3, Bangsar Baru, 59100 Kuala Lumpur Licence no.: 25008512010	Nil	-
Dewan Bandaraya Kuala Lumpur		01.09.2009/ (31.08.2010)	Premises and advertisement licence: <ul style="list-style-type: none"> ▪ optical shop; ▪ illuminated signboard (7.92mx0.90m); and ▪ illuminated signboard (4.26mx0.60m). Premises location: Lot No. 23A, Ground Floor, Wangsa Walk Mall, Wangsa Avenue, No. 9, Jalan Wangsa Perdana, Bandar Wangsa Maju, 53300 Kuala Lumpur Licence no.: 25173902009	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
Dewan Bandaraya Kuala Lumpur		19.05.2010/ (18.05.2011)	<p>Premises and advertisement licence:</p> <ul style="list-style-type: none"> optical shop; and signboard (6.00m x 1.00m) <p>Premises location: No. 6, Ground Floor, Jalan 1A/27A, Wangsa Maju, Seksyen 1, 53300 Kuala Lumpur</p> <p>Licence no.: 25099662010</p>	Nil	-
Dewan Bandaraya Kuala Lumpur		01.07.2009/ (31.07.2010)	<p>Business licence:</p> <ul style="list-style-type: none"> optical shop; illuminated signboard (2.43m x 1.21m); and illuminated signboard (7.00m x 1.21m). <p>Premises location: Lot No. 19, Level 2, Carrefour Kepong, Jalan Kepong, 52000 Kuala Lumpur</p> <p>Licence no.: 25141622009</p>	Nil	-
Dewan Bandaraya Kuala Lumpur		21.06.2010/ (20.06.2011)	<p>Premises licence for optical shop</p> <p>Premises location: No. 26, Jalan 2/21D, Medan Idaman Gombak, Kuala Lumpur</p> <p>Licence no.: 1000170532</p>	Nil	-
Dewan Bandaraya Kuala Lumpur		27.06.2010/ (26.06.2011)	<p>Advertisement licence for illuminated signboard (1.21m x 6.09m)</p> <p>Premises location: No. 26, Jalan 2/21D, Medan Idaman Gombak, Kuala Lumpur</p> <p>Licence no.: 1000151741</p>	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
	Dewan Bandaraya Kuala Lumpur	27.06.2010/ (26.06.2011)	Advertisement licence for illuminated signboard (0.60m x 4.57m) Premises location: No. 26, Jalan 2/21D, Medan Idaman Gombak, Kuala Lumpur Licence no.: 1000151742	Nil	-
	Perbadanan Putrajaya	15.12.2009/ (14.12.2010)	Business licence for optical shop Premises location: Lot No. G11, Ground Floor, Alamanda, Jalan Alamanda, Parcel Z, Precinct 1, 62000 Putrajaya Licence no.: 0000007376	Nil	-
	Perbadanan Putrajaya	05.04.2010/ (05.04.2011)	Business licence for optical shop Premises location: Lot No. G20, Ground Floor, Alamanda Shopping Centre, 62000 Putrajaya Licence no.: 0000007757	Nil	-
	Dewan Bandaraya Kuala Lumpur	01.01.2010/ (31.12.2010)	Premises licence for optical shop Premises location: Lot No. G138, Plaza Sungai Wang, Jalan Bukit Bintang, 55100 Kuala Lumpur Licence no.: 1000135603	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
Dewan Bandaraya Kuala Lumpur		01.01.2010/ (31.12.2010)	Advertisement licence for non-illuminated signboard (1.21m x 2.43m) signboard Premises location: Lot No. G138, Plaza Sungai Wang, Jalan Bukit Bintang, 55100 Kuala Lumpur Licence no.: 1000139045	Nil	-
Majlis Bandaraya Petaling Jaya		01.01.2010/ (31.12.2010)	Trading, business and industrial licence for optical shop and licence plate Premises location: Lot No. F6, Ikano Power Centre, No. 2, Jalan PJU 7/2, Mutiara Damansara, 47800 Petaling Jaya, Selangor Darul Ehsan Licence no.: SN:LPN013590	Nil	-
Majlis Bandaraya Petaling Jaya		01.01.2010/ (31.12.2010)	Trading, business and industrial licence: <ul style="list-style-type: none"> ▪ illuminated horizontal signboard (1.21m x 6.09m); ▪ non-illuminated horizontal signboard (3.81m x 1.00m); and ▪ illuminated horizontal signboard (1.21m x 6.09m). Premises location: Lot No. F6, Ikano Power Centre, No. 2, Jalan PJU 7/2, Mutiara Damansara, 47800 Petaling Jaya, Selangor Darul Ehsan Licence no.: SN:LPN013591	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
Majlis Bandaraya Petaling Jaya		01.01.2010/ (31.12.2010)	<p>Trading, business and industrial licence:</p> <ul style="list-style-type: none"> ▪ optical shop; ▪ illuminated signboard (1.21m x 6.09m); ▪ illuminated vertical signboard (0.81m x 4.84m); and ▪ licence plate. <p>Premises location: No. 20, Jalan SS6/3, 47301 Petaling Jaya, Selangor Darul Ehsan</p> <p>Licence no.: SN:LPN020918</p>	Nil	-
Majlis Bandaraya Petaling Jaya		01.01.2010/ (31.12.2010)	<p>Trading, business and industrial licence:</p> <ul style="list-style-type: none"> ▪ optical shop; ▪ illuminated horizontal signboard (6.7m x 0.75m); and ▪ licence plate. <p>Premises location: Lot 174, The Curve, Mutiara Damansara, 47800 Petaling Jaya</p> <p>Licence no.: SN:LPN013581</p>	Nil	-
Majlis Perbandaran Subang Jaya		01.01.2010/ (31.12.2010)	<p>Business licence for optical shop and illuminated horizontal signboard</p> <p>Premises location: Lot No. F4 13, F4 15 & F4 16, Carrefour Shopping Centre Subang Jaya, 47500 Subang Jaya, Selangor Darul Ehsan</p> <p>Licence no.: 2119990100011</p>	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
	Majlis Perbandaran Subang Jaya	08.03.2010/ (02.03.2011)	Business licence for optical shop and illuminated signboard Premises location: F2-18 Carrefour Shopping Centre Subang Jaya, 47500 Subang Jaya, Selangor Darul Ehsan Licence no.: 2120100300013	Nil	-
	Majlis Perbandaran Subang Jaya	01.01.2010/ (31.12.2010)	Business licence for optical shop and illuminated signboard Premises location: Lot No. LL2.06(A), Sunway Pyramid Shopping Mall, No. 3, Jalan PJS 11/15, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan Licence no.: 212003120023	Nil	-
	Majlis Perbandaran Subang Jaya	01.01.2010/ (31.12.2010)	Business licence for optical shop and illuminated signboard Premises location: Lot No. G1.75, Ground Floor, Sunway Pyramid Shopping Mall, No. 3, Jalan PJS 11/15, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan Licence no.: 2120090700055	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
	Majlis Perbandaran Subang Jaya	01.01.2010/ (31.12.2010)	Business licence for optical shop and illuminated horizontal signboard Premises location: Lot No. F1.AV.05, First Floor, Sunway Pyramid Shopping Mall, No. 3, Jalan PJS 11/15, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan Licence no.: 2120071100228	Nil	-
	Majlis Perbandaran Subang Jaya	01.01.2010/ (31.12.2010)	Business licence: <ul style="list-style-type: none"> ▪ optical shop; ▪ illuminated horizontal signboard; and ▪ illuminated vertical signboard. Premises location: Lot No. LGC09, Lower Ground Floor, Subang Parade Shopping Centre, No. 5, Jalan SS16/1, 47500 Subang Jaya, Selangor Darul Ehsan Licence no.: 2120080900017	Nil	-
	Majlis Perbandaran Subang Jaya	01.01.2010/ (31.12.2010)	Business licence: <ul style="list-style-type: none"> ▪ optical shop; ▪ illuminated horizontal signboard; and ▪ illuminated vertical signboard. Premises location: No. 10G, Jalan USJ 10/1, 47620 Subang Jaya, Selangor Darul Ehsan Licence no.: 2120000100003	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
Majlis Perbandaran Subang Jaya		16.03.2010/ (02.03.2011)	Business licence for optical shop and illuminated horizontal signboard Premises location: No. 20G, Jalan USJ 10/1, 47620 Subang Jaya, Selangor Darul Ehsan Licence no.: 2120100300008	Nil	-
Majlis Perbandaran Subang Jaya		29.12.2009/ (31.12.2010)	Business licence for optical shop and illuminated horizontal signboard Premises location: Lot No. FK1, First Floor, IOI Mall, Batu 9, Jalan Puchong, Bandar Puchong Jaya, 47000 Puchong, Selangor Darul Ehsan Licence no.: 2120040100005	Nil	-
Majlis Perbandaran Subang Jaya		01.01.2010/ (31.12.2010)	Business licence for optical shop and illuminated horizontal signboard Premises location: Lot No. EG17, Ground floor, IOI Mall, Batu 9, Jalan Puchong, Bandar Puchong Jaya, 47100 Puchong, Selangor Darul Ehsan Licence no.: 2120090400130	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
Majlis Perbandaran Kajang		01.01.2010/ (31.12.2010)	Business licence for optical products and illuminated signboard (8 square meter) Premises location: Lot No. F-33, Aeon Cheras Selatan, Lebuh Tun Hussein Onn, 43200 Balaikong, Selangor Darul Ehsan Licence no.: L-21775	Nil	-
Majlis Perbandaran Kajang		01.01.2010/ (31.12.2010)	Business licence: <ul style="list-style-type: none"> ▪ optical products; ▪ two (2) illuminated signboards (less than eight (8) square metres); ▪ licence plate; and ▪ sale of <i>Petil</i>. Premises location: Lot No. GF-19, Ground Floor, Carrefour Tun Hussein Onn, 43200 Cheras, Selangor Darul Ehsan Licence no.: L-29908	Nil	-
Majlis Perbandaran Kajang		01.01.2010/ (31.12.2010)	Business licence for optical products and illuminated signboard (less than eight (8) square metres) Premises location: Lot No. A3, Giant Superstore Kajang, Plot 8, Jalan Prima Saujana 2/F, Taman Prima Saujana, Seksyen 2, 43000 Kajang, Selangor Darul Ehsan Licence no.: L-16830	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
	Majlis Perbandaran Selayang	01.01.2010/ (31.12.2010)	Business licence for optical shop and illuminated signboard Premises location: Lot No. B4, Giant Hypermarket Batu Caves, Lot 10243, Bandar Selayang, 68100 Batu Caves, Selangor Darul Ehsan Licence no.: L-26597	Nil	-
	Majlis Perbandaran Selayang	01.01.2010/ (31.12.2010)	Business licence for optical shop and illuminated signboard Premises location: Lot No. G43-44, Tingkat Bawah, Selayang Mall, 68100 Batu Caves, Selangor Darul Ehsan Licence no.: L-10761	Nil	-
	Majlis Perbandaran Selayang	01.01.2010/ (31.12.2010)	Business licence for optical shop and illuminated signboard Premises location: G24, Ground Floor, Bangunan Tesco Rawang, No. 1, Jalan Rawang, Rawang, Selangor Darul Ehsan Licence no.: 201000036191	Nil	-
	Majlis Perbandaran Klang	21.04.2010/ (31.12.2010)	Premises and advertisement licence for sale of optical products/ provision of optical-related services Premises location: Lot No. G6, Bukit Raja Shopping Centre, Bandar Baru Klang, 41150 Klang, Selangor Darul Ehsan Licence no.: 10874	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
	Majlis Perbandaran Klang	21.04.2010/ (31.12.2010)	Premises and advertisement licence for sale of optical products/ provision of optical-related services Premises location: Lot No. G28, Ground Floor, Kompleks Klang Parade, No. 2112, Jalan Meru, 41050 Klang, Selangor Darul Ehsan Licence no.: 10873	Nil	-
	Majlis Perbandaran Kuala Langat	01.01.2010/ (31.12.2010)	Trading licence and advertisement licence for illuminated advertisement signboard and optical shop Premises location: Lot No. 10, Ground Floor, AIM Point Plaza, Jalan Emas 15, Bandar Sungai Emas, 42700 Banting, Selangor Darul Ehsan Licence no.: L030407015100611	Nil	-
	Majlis Bandaraya Melaka Bersejarah	02.03.2010/ (31.08.2010)	Business and advertisement licence for optical shop and illuminated signboard. Premises location: F52, 1st Floor, Aeon Bandaraya Melaka Shopping Centre, No. 2, Jalan Iagenda, Taman 1-Lagenda, 75400, Melaka Licence no.: 6-09041-13351-2010	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
	Majlis Bandaraya Melaka Bersejarah	28.01.2010/ (31.12.2010)	Business and advertisement licence for optical shop and illuminated signboard. Premises location: No G-6, Giant Hypermarket, Taman Bachang Utama, 75350, Melaka Licence no.: 6-09059-10723-2007	Nil	-
	Majlis Perbandaran Seremban	01.01.2010/ (31.12.2010)	Business licence for optical products and advertisement signboard Premises location: Lot No. G30, Tingkat Bawah, Jusco Seremban 2, No. 112, Persiaran S2 B1, Seremban 2, 70310 Seremban, Negeri Sembilan Darul Khusus Licence no.: 02/019826/81	Nil	-
	Majlis Perbandaran Seremban	01.01.2010/ (19.07.2010)	Business licence for optical products and advertisement signboard Premises location: Lot No. G13A, Tingkat Bawah, Seremban Parade, Lot 4973, Jalan Dato Bandar Tunggal, 70000 Seremban, Negeri Sembilan Darul Khusus Licence no.: 02/026753/91	Nil	-
	Majlis Perbandaran Seremban	01.01.2010/ (31.12.2010)	Business licence for optical shop and advertisement signboard Premises location: Lot No. B10 and B11, Giant Hypermarket, Jalan Senawang, 70450 Senawang, Negeri Sembilan Darul Khusus Licence no.: 02/013004/54	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
	Majlis Perbandaran Nilai	01.01.2010/ (31.12.2010)	Business licence for optical shop and advertisement licence Premises location: Lot No. G21, Giant Superstore, Bandar Baru Nilai, 71800 Nilai, Negeri Sembilan Darul Khusus Licence no.: L0012432-2	Nil	-
	Majlis Bandaraya Johor Bahru	01.01.2010/ (31.12.2010)	Business licence for sale of optical products and advertisement licence Premises location: Lot No. M3-20 & M3-21, Johor Bahru City Square, Jalan Wong Ah Fook, 80000 Johor Bahru, Johor Darul Takzim Licence no.: B48-99481144	Nil	-
	Majlis Perbandaran Kulai	01.01.2010/ (31.12.2010)	Business licence for sale of optical products Premises location: Lot No. F04, 1st Floor, Tesco Kulai, 81000 Kulai Jaya, Johor Darul Takzim Licence no.: L9805351	Nil	-
	Majlis Perbandaran Kulai	01.01.2010/ (31.12.2010)	Advertisement licence for horizontal signboard Premises location: Lot No. F04, 1st Floor, Tesco Kulai, 81000 Kulai Jaya, Johor Darul Takzim Licence no.: I9805457	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
Majlis Perbandaran Johor Bahru Tengah		01.01.2010/ (31.12.2010)	Business licence for sale of optical products and advertisement licence for illuminated signboard Premises location: Lot No. G67, Jusco Terbau City, Taman Desa Tebrau, 81100 Johor Bahru, Johor Darul Takzim Licence no.: L0223900054	Nil	-
Majlis Perbandaran Johor Bahru		01.01.2010/ (31.12.2010)	Business licence for optical shop and advertisement licence for signboard Premises location: Lot No. 34, Jalan Masai Baru, 81750 Masai, Johor Bahru, Johor Darul Takzim Licence no.: MPJB(L)/NO/47/62/13	Nil	-
Majlis Perbandaran Taiping		01.01.2010/ (31.12.2010)	Business licence for optical shop and advertisement licence for signboard Premises location: Lot No. 4, 2 nd Floor, Tesco Store Taiping, Jalan Istana Larut, 34000 Taiping, Perak Darul Ridzuan Licence no.: 010311	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
	Majlis Bandaraya Ipoh	01.01.2010/ (31.12.2010)	Advertisement licence for signboard at optical shop Premises location: Lot No. F02-04, Ipoh Parade, Jalan Sultan Abdul Jalil, 30450 Ipoh, Perak Darul Ridzuan Licence no.: L0058915-01	Nil	-
	Majlis Bandaraya Ipoh	01.01.2010/ (31.12.2010)	Advertisement licence for signboard at optical shop Premises location: Lot No. A6, Giant Superstore Tambun, Sunway City Ipoh, 31150 Ipoh, Perak Darul Ridzuan Licence no.: L0065694-01	Nil	-
	Majlis Bandaraya Ipoh	01.01.2010/ (31.12.2010)	Advertisement licence for signboard at optical shop Premises location: Lot No. 12, Tesco Ipoh, No. 2, Jalan Jambu, Taman Teh Teng Seng, 31400 Ipoh, Perak Darul Ridzuan Licence no.: L0066158-01	Nil	-
	Majlis Bandaraya Ipoh	01.01.2010/ (31.12.2010)	Advertisement licence for signboard at optical shop Premises location: No. 2, Jalan Jambu, Taman Teh Teng Seng, 31400 Ipoh, Perak Darul Ridzuan Licence no.: L0062725-01	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
Majlis Bandaraya Ipoh		01.01.2010/ (31.12.2010)	Advertisement licence for signboard at optical shop Premises location: No. 27, Tesco Extra Ipoh, Laluan Tasek Timur 6, Taman Tasek Indra, 31400 Ipoh, Perak Darul Ridzuan Licence no.: L0070988-01	Nil	-
Majlis Bandaraya Ipoh		01.01.2010/ (31.12.2010)	Advertisement licence for signboard at optical shop Premises location: PT 221119, Lot No. G-07, Tesco Station 18, Station 18, 31650 Ipoh, Perak Darul Ridzuan Licence no.: L0074916-01	Nil	-
Majlis Bandaraya Ipoh		01.01.2010/ (31.12.2010)	Advertisement licence for signboard at optical shop Premises location: Lot No. G-09, Tesco, PT 221119 Station 18, 31650 Ipoh, Perak Darul Ridzuan Licence no.: L0074923-01	Nil	-
Majlis Perbandaran Pulau Pinang		29.01.2010/ (31.12.2010)	Business licence for illuminated advertisement signboard and optical products Premises location: Lot No. 170-G-73A, Plaza Gurney, Persiaran Gurney, 10250 Penang Licence no.: 201495553351	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
	Majlis Perbandaran Pulau Pinang	03.03.2010/ (31.12.2010)	Business licence for illuminated advertisement signboard and optical products Premises location: Lot No. 170-1-43A, Plaza Gurney, Persiaran Gurney, 10250 Penang Licence no.: 201495315201	Nil	-
	Majlis Perbandaran Pulau Pinang	29.01.2010/ (31.12.2010)	Business licence for optical shop Premises location: Lot No. 100-GF-51, Queensbay Mall, Persiaran Bayan Indah, Sungai Nibong, 11900 Bayan Lepas, Penang Licence no.: 207210344359	Nil	-
	Majlis Perbandaran Pulau Pinang	15.03.2010/ (31.12.2010)	Business licence for optical shop Premises location: Lot No. 100-1F52 & 53, Queensbay Mall, Persiaran Bayan Indah, Sungai Nibong, 11900 Bayan Lepas, Penang Licence no.: 207210378353	Nil	-
	Majlis Perbandaran Pulau Pinang	29.01.2010/ (31.12.2010)	Business licence for optical shop Premises location: Lot No. 1-2-05, Tesco Penang, Lebuhr Tunku Kudin 1, 11700 Penang Licence no.: 207518020358	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
	Majlis Perbandaran Pulau Pinang	25.05.2010/ (31.12.2010)	Business licence for optical shop Premises location: Lot No. 5A, Ground Floor, Tesco Extra Pulau Pinang, Jalan Sungai Dua, 11700 Sungai Dua, Penang Licence no.: 207418396368	Nil	-
	Majlis Perbandaran Seberang Perai	03.03.2010/ (31.12.2010)	Business licence for optical shop and licence plates Premises location: Lot No. G-52, Megamall Pinang, No. 2828, Jalan Batu. Bandar Perai Jaya Perai Licence no.: 60123372615	Nil	-
	Majlis Perbandaran Seberang Perai	01.01.2010/ (31.12.2010)	Business licence for optical shop and licence plates Premises location: Lot No. F2-05, Ground Floor, Carrefour Shopping Centre, 2929, Jalan Kelisa Emas, 13700 Seberang Jaya, Penang Licence no.: 50123337456	Nil	-
	Majlis Perbandaran Seberang Perai	01.01.2010/ (31.12.2010)	Business licence for optical shop and licence plate Premises location: Lot No. LG-K3, Sunway Carnival Mall, No. 3068, Jalan Todak, Pusat Bandar Seberang Jaya, 13700 Perai, Penang Licence no.: 50122486378	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
	Majlis Perbandaran Seberang Perai	01.01.2010/ (31.12.2010)	Business licence for optical shop and licence plate Premises location: Lot No. UG-06A, Sunway Carnival Mall, No. 3068, Jalan Todak, Pusat Bandar Seberang Jaya, 13700 Perai, Penang Licence no.: 50131475704	Nil	-
	Majlis Perbandaran Alor Setar	01.01.2010/ (31.12.2010)	Business licence for optical shop Premises location: Lot G-11, Ground Floor, Tesco Mergong, 05350 Alor Setar, Kedah Darul Aman Licence no.: C2/109 and L-20628	Nil	-
	Dewan Bandaraya Kota Kinabalu	28.01.2010/ (31.12.2010)	Business licence for optical shop Premises location: Unit No. C-219, Concourse Floor, 1 Borneo Hypermail, Jalan Sulaiman, Kota Kinabalu. Licence no: 0000078112 T	Nil	-
Focus Point Management	Ministry of Entrepreneur and Cooperative Development	Effective from 22.03.2002	Notice of registration as a franchisee Licence no.: 20/171/1/230/(11)	Nil	-

6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
Excelview Laser Eye Centre	Ministry of Health	Effective from 12.09.2007	Certificate for incorporation or maintenance or management or provision of private medical clinic situated at S-068, 2 nd Floor, Midvalley Megamall, 58000 Wilayah Persekutuan Kuala Lumpur with registration no. 231401-04696-11. Licence no.: 005163	Nil	-
Esprit Shoppe	Dewan Bandaraya Kuala Lumpur	01.01.2010/ (31.12.2010)	Premises licence for optical shop Premises location: Lot No. F2-21(A), Level F2, Carrefour Shopping Centre Wangsa Maju, No. 6, Jalan 8/27A, Section 5, Wangsa Maju, 55300 Kuala Lumpur Licence no.: 1000095007	Nil	-
Multiple Reward	Majlis Perbandaran Alor Setar	13.04.2010/ (31.03.2011)	Business licence for optical shop Premises location: Lot No. 38, 39, 42 & 43, Ground Floor, City Plaza, Alor Setar, Kedah Darul Aman Licence no.: C2/125 and L-23758-8	Nil	-
Radiant Attraction	Majlis Bandaraya Shah Alam	01.01.2010/ (31.12.2010)	Business licence: <ul style="list-style-type: none"> ▪ optical shop (more than seventy (70) square metres); ▪ illuminated signboard (less than eight (8) square metres); and ▪ licence plate. Premises location: No. F35, Tingkat 1, Tesco Setia Alam, No. 2, Jalan Setia Prima U13/5, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan Licence no.: U13021420080002-(LS)	Nil	-



6. OUR BUSINESS (Cont'd)

Name of subsidiary	Authority	Date of commencement/ (Expiry date)	Licences/permits/approvals	Equity conditions and other major conditions attached	Status of compliance
	Majlis Bandaraya Shah Alam	15.04.2010/ (31.12.2010)	Business licence: <ul style="list-style-type: none"> ▪ optical shop (less than seventy (70) square metres); ▪ illuminated signboard (less than eight (8) square metres); and ▪ licence plate. Premises location: Lot No. 15, Tesco Shah Alam, Persiaran Akuatik Seksyen 13, 40100 Shah Alam, Selangor Darul Ehsan Licence no.: 013021420050001-(LS)	Nil	-
Eye-Zed	Majlis Perbandaran Klang	21.04.2010/ (31.12.2010)	Premises and advertisement licence for sale of optical products/ provision of optical-related services Premises location: Lot No. GL-11 & GL-12, Ground Floor, Shaw Centre Point, Jalan Raja Hassan, 41400 Klang, Selangor Darul Ehsan Licence no.: 10884	Nil	-




6. OUR BUSINESS (Cont'd)

6.14 Our Brand Names, Patents, Trademarks, Technical Assistant Agreement, Franchisees and Intellectual Property Rights



Our Directors have confirmed that our business operation is not trading under any trademark, other than the trademarks as disclosed below. As at LPD, we have registered the following trademarks with the relevant authorities in Malaysia and other various foreign countries:

Trademark	Trademark registration no.	Registration date/ (Expiry date)	Country of registration	Authority/Regulatory guidelines	Description of trademark
	0400686	19.01.2004/ (19.01.2014)	Malaysia	Perbadanan Harta Intelek Malaysia	Class 44 on optician and optometrists services; consultancy services relation to the aforesaid services
	T0507789H	10.05.2005/ (10.05.2015)	Singapore	Intellectual Property Office of Singapore	Class 44 on optical and optometrical services
	36.572	04.10.2004/ (04.10.2014)	Brunei Darussalam	Attorney General's Chambers	Class 42 on optical and optometrical services
	99002672	31.03.2009/ (31.03.2019)	Malaysia	Perbadanan Harta Intelek Malaysia	Class 44 on optical and optometrical services

6. OUR BUSINESS (Cont'd)

Trademark	Trademark registration no.	Registration date/ (Expiry date)	Country of registration	Authority/Regulatory guidelines	Description of trademark
	01008386 01008384	05.07.2001/ (05.07.2011) 05.07.2001/ (05.07.2011)	Malaysia Malaysia	Perbadanan Harta Intelek Malaysia Perbadanan Harta Intelek Malaysia	Class 5 on pharmaceutical and sanitary preparations, and contact lens solutions Class 9 on optical apparatus and instrumental spectacles (optics), contact lenses, frames of spectacles, spectacle cases, spectacle glasses and spectacle chain
	04004331 04004332	05.04.2004/ (05.04.2014) 05.04.2004/ (05.04.2014)	Malaysia Malaysia	Perbadanan Harta Intelek Malaysia Perbadanan Harta Intelek Malaysia	Class 5 on pharmaceutical and sanitary preparations, and contact lens solutions Class 9 on optical apparatus and instrumental spectacles (optics), contact lenses, frames of spectacles, spectacle cases, spectacle glasses and spectacle chain
	04004328 04004330	05.04.2004/ (05.04.2014) 05.04.2004/ (05.04.2014)	Malaysia Malaysia	Perbadanan Harta Intelek Malaysia Perbadanan Harta Intelek Malaysia	Class 44 on optical and optometrical services Class 5 on pharmaceutical and sanitary preparations, and contact lens solutions Class 44 on optical and optometrical services

6. OUR BUSINESS (Cont'd)



Trademark	Trademark registration no.	Registration date/ (Expiry date)	Country of registration	Authority/Regulatory guidelines	Description of trademark
<i>optical mood</i>	02000672	18.01.2002/ (18.01.2012)	Malaysia	Perbadanan Harta Intelekt Malaysia	Class 44 on optical and optometrical services
ECEES	99003647	29.04.1999 / (29.04.2019)	Malaysia	Perbadanan Harta Intelekt Malaysia	Class 5 on pharmaceutical and sanitary preparations, and contact lens solutions
HOSHI	03015099	06.11.2003 / (06.11.2013)	Malaysia	Perbadanan Harta Intelekt Malaysia	Class 5 on pharmaceutical and sanitary preparations, and contact lens solutions
	03007256	17.06.2003/ (17.06.2013)	Malaysia	Perbadanan Harta Intelekt Malaysia	Class 9 on optical apparatus and instrumental spectacles (optics), contact lenses, frames of spectacles, spectacle cases, spectacle glasses and spectacle chain
	01008385	05.07.2001/ (05.07.2011)	Malaysia	Perbadanan Harta Intelekt Malaysia	Class 9 on optical apparatus and instrumental spectacles (optics), contact lenses, frames of spectacles, spectacle cases, spectacle glasses and spectacle chain

6. OUR BUSINESS (Cont'd)



Trademark	Trademark registration no.	Registration date/ (Expiry date)	Country of registration	Authority/Regulatory guidelines	Description of trademark
焦点眼镜集团	01016248	21.12.2001/ (21.12.2011)	Malaysia	Perbadanan Harta Intelek Malaysia	Class 35 on management and consultancy services, business services, and servicing relating to the wholesale and retail of eyewear and eye care products

The trademarks above are renewable upon expiry and will be renewed prior to its expiry date.



We have also filed the registration of the following trademarks with the relevant authorities in Malaysia and other various foreign countries where the certificates of registration are pending:

Logo	Trademark application no.	Application date	Country of registration	Authority/ Regulatory guidelines	Description of trademark
	08006586	04.04.2008	Malaysia	Perbadanan Harta Intelek Malaysia	Class 35*
	T0911452F	09.10.2009	Singapore	Intellectual Property Office of Singapore	Class 35*
	08006587	04.04.2008	Malaysia	Perbadanan Harta Intelek Malaysia	Class 35*



6. OUR BUSINESS (Cont'd)

Logo	Trademark application no.	Application date	Country of registration	Authority/ Regulatory guidelines	Description of trademark
	Not applicable	09.10.2009	PRC	<p>Trademark office of the State Administration for Industry and Commerce under the State Council of the PRC</p>	<p>Class 44 on optician and optometrists services, medical services, veterinary services, hygienic and beauty care for human beings or animals, agriculture, horticulture and forestry services</p>
	Not applicable	09.10.2009	PRC	<p>Trademark office of the State Administration for Industry and Commerce under the State Council of the PRC</p>	<p>Class 16 on paper, cardboard and goods made from these materials, not included in other classes; printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks</p>



6. OUR BUSINESS (Cont'd)

Logo	Trademark application no.	Application date	Country of registration	Authority/ Regulatory guidelines	Description of trademark
	09016938	30.09.2009	Malaysia	Perbadanan Harta Intelek Malaysia	Class 16 on paper, cardboard and goods made from these materials, not included in other classes; printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks
	09017483	07.10.2009	Malaysia	Perbadanan Harta Intelek Malaysia	Class 35*
	09017482	07.10.2009	Malaysia	Perbadanan Harta Intelek Malaysia	Class 44 on optical and optometrical services
	09000141	06.01.2009	Malaysia	Perbadanan Harta Intelek Malaysia	Class 5 on pharmaceutical and sanitary preparations, and contact lens solutions
	09000142	06.01.2009	Malaysia	Perbadanan Harta Intelek Malaysia	Class 9 on optical apparatus and instruments and parts and fittings; eyewear; eyeshades; glasses for optical use; spectacles; bars, cases, containers, chains, cords, frames and lenses for spectacles; devices for supporting spectacles; spectacle glasses, holders and mountings; contact lenses; blanks. cases, containers and holder for contact lenses

6. OUR BUSINESS (Cont'd)

Logo	Trademark application no.	Application date	Country of registration	Authority/ Regulatory guidelines	Description of trademark
	09000144	06.01.2009	Malaysia	Perbadanan Harta Intelek Malaysia	Class 42 on scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software
	09000143	06.01.2009	Malaysia	Perbadanan Harta Intelek Malaysia	Class 44 on optical and optometrical services
	2010003408	01.03.2010	Malaysia	Perbadanan Harta Intelek Malaysia	Class 35*
	09022862	29.12.2009	Malaysia	Perbadanan Harta Intelek Malaysia	Class 5 on pharmaceutical and sanitary preparations, and contact lens solution
	09022863	29.12.2009	Malaysia	Perbadanan Harta Intelek Malaysia	Class 9 on optical apparatus and instruments and parts and fittings; eyewear; eyeshades; glasses for optical use; spectacles; bars, cases, containers, chains, cords, frames and lenses for spectacles; devices for supporting spectacles; spectacle glasses, holders and mountings; contact lenses; blanks, cases, containers and holder for contact lenses
	09022864	29.12.2009	Malaysia	Perbadanan Harta Intelek Malaysia	Class 35*
	09022865	29.12.2009	Malaysia	Perbadanan Harta Intelek Malaysia	Class 44 on optical and optometrical services

6. OUR BUSINESS (Cont'd)

Logo	Trademark application no.	Application date	Country of registration	Authority/ Regulatory guidelines	Description of trademark
	2010007674	30.04.2010	Malaysia	Perbadanan Harta Intelek Malaysia	Class 35* Class 44 on opticians' services; optometric services; optometry' sight-testing (opticians) services; consultancy services in relation to the aforesaid services
	2010007675	30.04.2010	Malaysia	Perbadanan Harta Intelek Malaysia	Class 35* Class 44 on opticians' services; optometric services; optometry' sight-testing (opticians) services; consultancy services in relation to the aforesaid services
	2010007672	30.04.2010	Malaysia	Perbadanan Harta Intelek Malaysia	Class 35* Class 44 on opticians' services; optometric services; optometry' sight-testing (opticians) services; consultancy services in relation to the aforesaid services
	2010007673	30.04.2010	Malaysia	Perbadanan Harta Intelek Malaysia	Class 35* Class 44 on opticians' services; optometric services; optometry' sight-testing (opticians) services; consultancy services in relation to the aforesaid services

Note:

* Class 35 on the bringing together for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods in retail outlets. wholesale outlets and departmental stores the bringing together, for the benefit of others, of a variety of goods. enabling customers to conveniently view and purchase those goods vide internet websites edvertising, business management/business administration; sales, promotional end marketing services; import and exportagency services; provision of business information; selection and procurement of goods; retail, wholesale end distributing services for eyewear and eye care such as spectacles, spectacle frames end lenses, sunglasses, sunglasses frames end lenses; contact lenses; cases end containers for spectacles, sunglasses and contact lenses; cleaning and polishing preparations for use with eyewear, spectacles end contact lenses; solutions for contact lenses and eye wash; eye glasses and cases, chains, cords and frames thereof; eye pieces and instruments containing eye pieces magnifying glasses; pince-nez and cases, chains, cords and mountings thereof; retail, wholesale and distributing services for scientific, medical, surgical and optical apparatus and instruments end parts.

Save as disclosed above, we do not have any other brand names, patents, trademarks, technical assistant agreements, franchisees and other intellectual property rights.

6. OUR BUSINESS (Cont'd)

6.15 Dependency on any Contract, Arrangement, Document or Other Matter

Save for the major licences and trademarks as disclosed in Sections 6.13 and 6.14 of this Prospectus respectively, we are not highly dependent on any contract, arrangement, document or other matter. The salient terms of the business licences are set out in Section 6.13 of this Prospectus. However, there are no salient terms imposed on the trademarks granted to us by the relevant authorities.

6.16 Regulatory Requirements and Environmental Issue

Save as disclosed in Section 7.4 of this Prospectus, our Directors are not aware of any other regulatory requirements or environmental regulations that are relevant to and which may materially affect our operations.

6.17 Our R&D

We are primarily an operator of a chain of professional eye care centres and hence, we do not undertake any R&D activity. As such, we did not recognise any R&D expenditure during the three (3) financial years under review.

6.18 Business Interruption

Our business has not experienced any interruption which may have had a significant effect on our operations during the twelve (12) months preceding LPD.

6.19 Principal Markets and Marketing Strategies

Our target market is mainly the end-consumers of eyewear and eye care products. In order to reach out to them, our network of 144 professional eye care centres are set out in most of the states in Malaysia and situated at strategic locations with high pedestrian traffic, which include shopping centres like Suria KLCC, Sungai Wang Plaza, Pavilion, Mid Valley Megamall, IOI Mall Puchong, Sunway Pyramid Megamall, 1-Utama, The Curve, 1-Borneo, Ipoh Parade, Gurney Plaza, Queensbay Mall, Jaya Jusco shopping malls as well as in specialised retail centres such as Ikano Power Centre, Carrefour, Giant and Tesco.

The principal markets of our Group can be divided into the following regions:

By countries/regions	No. of outlets as at 31 December 2009	< ----- Revenue for the FYE 2009 ----- >	
		(RM'000)	%
Malaysia			
Central ⁽¹⁾	72	63,958	64.48
Northern ⁽²⁾	24	21,001	21.17
Southern ⁽³⁾	36	10,471	10.56
East Coast ⁽⁴⁾	6	2,204	2.22
East Malaysia ⁽⁵⁾	2	1,140	1.15
Overseas			
Singapore	-	418	0.42
	140	99,192	100.0

6. OUR BUSINESS (Cont'd)

Notes:

- (1) *Comprising Kuala Lumpur, Selangor and Negeri Sembilan.*
- (2) *Comprising Penang, Perak and Kedah.*
- (3) *Comprising Johor and Malacca.*
- (4) *Comprising Pahang, Kelantan and Terengganu.*
- (5) *Comprising Sabah.*

Further details of the number of our professional eye care centres segmented by the respective regions are set out in Section 6.3.1 of this Prospectus.

Our marketing strategies

Marketing and promotions play a key role in creating brand awareness, product awareness, as well as building brand equity and corporate image of our professional eye care centres.

We adopt the following strategies to sustain and expand our business:

- position ourselves as an one-stop operator of professional eye care centres as well as medical eye care services;
- provide a comprehensive range of quality products and brands to meet the total eye care requirements of our customers;
- employ target marketing strategies to enable us to address opportunities within the younger, higher income and more discerning group of consumers where we have utilised different branding of our professional eye care centres that are catered to these groups' requirements, from the range of brands of eyewear products to professional eye services offered;
- provide accessibility and convenience to our customers by locating our professional eye care centres covering highly visible areas in major shopping centres and specialised retail centres; and
- focus on brand building and product branding to cultivate customer loyalty and awareness.

We adopt the following marketing and promotional activities to create brand awareness as well as to build our corporate brand equity:

- undertake advertisements and promotions on various mediums including free-to-air television, pay television, radio, billboard, magazines and newspapers;
- tying up with third parties such as credit card and loyalty card companies to gain access to customer databases for direct marketing;
- provide free leaflets, bulletins to customers to inform them of promotional campaigns;
- in-house magazine that is published quarterly which provides customers with detailed product information and articles on eye care related information, which are available at our professional eye care centres;
- we also market our eyewear products and services to selected companies by providing special discounts to their employees. Currently, we have 38 companies that have signed up to our corporate membership programme, which provides benefits to their employees; and
- other marketing and promotional activities include brand image building, product promotions, in-store promotions, road shows, eye care carnivals as well as events such as fashion shows at shopping centres such as Sungei Wang Plaza and 1-Utama for new product launches.

6. OUR BUSINESS (Cont'd)

Our distribution network

Our distribution channel strategy is principally based on direct distribution to maximise on our market coverage.

We service our customers directly, which mainly comprise end-consumers of eyewear and eye care products, through our wholly-owned, partially-owned, franchised and licensed centres operating under our various brand names. As at LPD, we have a total of 144 professional eye care centres in Malaysia, which includes wholly- and partially-owned centres, as well as franchised and licensed centres.

We also service customers through e-commerce where our customers can select and purchase non-prescription eyewear products through our website, namely www.focus-point2u.com. Our direct sales approach enables us to work closely with our customers to undertake proper examination and assessment, as well as to attain a better understanding of our customers' requirements. In addition, this approach serves as a feedback mechanism for continuous improvements of our professional eye care products and services.

6.20 Major Customers

Our target customers are mainly end-consumers of eyewear and eye care products. In order to reach out to them, our network of 144 professional eye care centres are set out in most of the states in Malaysia and are situated at strategic locations with high pedestrian traffic.

Our customers are mainly walk-in customers whose individual annual expenditure at our professional eye care centres do not contribute a substantial percentage of our revenue. Apart from sales to end-consumers, we also mainly derive revenue from the sales of eyewear and eye care products to our franchisees, which are bound by the terms and conditions of the franchisee agreements signed between our franchisees and us. We also receive royalty fees which are based on five percent (5%) of the gross turnover of the respective franchisee's outlets and franchise fees payable by our franchisees which amount to RM30,000 for a period of five (5) years. The franchise agreements signed between our Group and our franchisees are valid for a period of five (5) years, with an option to renew for another five (5) years with the same franchise fees of RM30,000 payable over the extended five (5)-year period.

For the FYE 2009, revenue derived directly from our customers comprised 79.98% of our total revenue, while the remaining 20.02% was derived from product sales to franchisees and franchise related fees.

Nevertheless, revenue contributed by the sales to each of our individual franchisees comprises less than ten percent (10%) of our revenue. As such, we do not have any customers that contributed ten percent (10%) or more to our revenue for the past three (3) financial years up to FYE 2009.

6.21 Major Suppliers

Our major suppliers from whom we have purchased ten percent (10%) or more of our Group's total purchases, all of whom we have been dealing with for more than ten (10) years, for the past three (3) financial years up to the FYE 2009 are set out below:

Suppliers	Item supplied	% of total purchases		
		FYE 2007	FYE 2008	FYE 2009
Safilo Optical Sdn Bhd ("Safilo Optical")	Frames and sunglasses	14.49	13.36	18.88
Focus Preference Sdn Bhd* ("Focus Preference")	Ophthalmic lens	17.12	13.73	11.44
Sima Marketing Sdn Bhd	Frames and sunglasses	6.11	6.36	10.57

6. OUR BUSINESS (Cont'd)

Note:

- * *Focus Preference is principally involved in the production of lenses. This company was previously a subsidiary of Focus Point Vision Care. In order to be focused as an operator of professional eye care centres, Focus Point Vision Care disposed Focus Preference to Malaysian HOYA Lens Sdn Bhd, an independent third party in December 2007. Since then, Focus Preference has been a wholly-owned subsidiary of Malaysian HOYA Lens Sdn Bhd.*

We are fairly dependent on Safilo Optical, our supplier of eyewear frames and sunglasses, as well as Focus Preference, our supplier of ophthalmic lenses, as our purchases from these suppliers comprise more than ten percent (10%) of our Group's total for the past three (3) financial years up to FYE 2009. This is mainly to enjoy the cash rebates or discounts from the bulk purchase.

The following factors help to mitigate our dependency on our top two (2) suppliers:

- Safilo Optical and Focus Preference have been our suppliers for frames, sunglasses and ophthalmic lenses for the last five (5) years, which indicates a stable business relationship;
- Safilo Optical mainly supplies frames and sunglasses to our professional eye care centres. In addition, we also source frames and sunglasses from 18 other alternative suppliers of frames and/or sunglasses that are within our top 20 suppliers list. This helps us to reduce our dependency on any single supplier of frames and sunglasses;
- Focus Preference mainly supplies ophthalmic lenses to our professional eye care centres. In addition, we also source our ophthalmic lenses from one (1) other supplier within our top 20 suppliers list. This provides us with an alternative source of supply of ophthalmic lenses; and
- we are able to easily source frames, ophthalmic lenses and sunglasses through local suppliers and/or imports from overseas sources, if the need arises. The availability of the materials above from local production and imports are demonstrated through the following statistics:

Local production

- In 2009, the sales value of the manufacture of spectacle lenses (including frames and ophthalmic lenses) amounted to RM37.4 million.

Imports

- In 2009, imports of spectacle lenses (including lenses made of glass and other materials) increased by 0.8% to reach RM74.7 million. In 2009, some of the major import sources of spectacle lenses made of glass include, amongst others, the PRC, Thailand, Korea, France and the Philippines. Malaysia also imports its spectacle lenses made of other materials other than glass from various countries, including the PRC, Thailand, Japan, Korea and Hong Kong.
- In 2009, the import value of frames and mountings made of plastic and other materials for spectacles and other eye care goods decreased by 22.4% to RM80.3 million. Some of the major import sources of frames and mountings made of plastic for spectacles and other eye care goods were Taiwan, Vietnam, Hong Kong, Singapore and the PRC in 2009. In 2009, some of the major sources of imports of frames and mounting made of materials other than plastic for spectacles and other eye care goods were Hong Kong, the PRC, Japan, Singapore and Korea.
- In 2009, the import value of sunglasses increased by 23.9% to reach RM109.3 million. Some of the major sources of imports were the PRC, Singapore, Italy, Hong Kong and the Philippines.

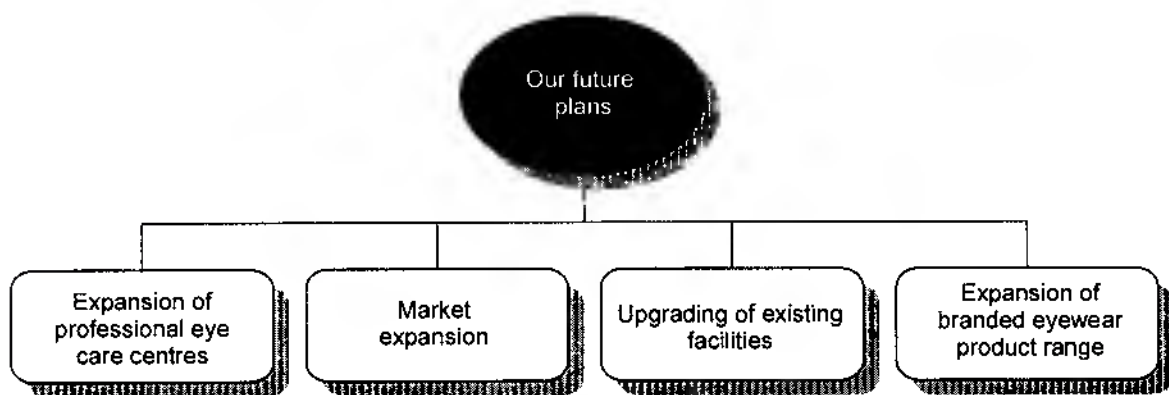
(Source: Independent Assessment of the Professional Eye Care Industry prepared by Vitel Factor)

6. OUR BUSINESS (Cont'd)

We have established and have maintained good rapport and reputation with our suppliers and have not experienced any difficulty in obtaining their material supplies. All of our top 20 suppliers have been dealing with us for five (5) or more years. Of this, five (5) of our top 20 suppliers have been dealing with us since the commencement of our business in 1989. Hence, our Directors are of the opinion that our Group is not dependent on any particular supplier.

6.22 Our Future Plans and Strategies

In view of our competitive strengths as detailed in Section 6.5 of this Prospectus as well as the outlook of the professional eye care industry as set out in Section 7.11 of this Prospectus and the Independent Assessment of the Professional Eye Care Industry under Section 14 of this Prospectus, we are optimistic about our business prospects in the long-term and shall continue to strive to be at the forefront of the industry that we are involved in. We aim to capitalise on market opportunities and trends through the roll-out of the following plans:



(a) Expansion of professional eye care centres

Part of our future plans is to expand our local market coverage of professional eye care centres under our existing brand names. As at LPD, we have a total of 144 professional eye care centres in Malaysia, which includes wholly- and partially-owned, as well as franchised and licensed centres. We plan to increase the number of our outlets to 200 outlets by 2011, with the aim to increase our market share within the professional eye care industry.

In addition to setting up our own outlets, we also aim to expand our presence in the professional eye care industry through the expansion of our franchising business. This will help us to increase our market penetration through the continuing establishment of new professional eye care centres with minimum capital outlay. We plan to increase the number of our outlets to 200 outlets by 2011 by setting up 22 of our own outlets and the remaining 34 outlets through our franchising programme in high pedestrian traffic areas.

Our franchising business model also enables us to capitalise on our core competency in the operation and management of professional eye care centres whilst leveraging on our established brand name and track record in the industry. Through our franchising business, we plan to expand locally by venturing into Perlis and Sarawak by 2011.

6. OUR BUSINESS (Cont'd)

We believe that our expansion plans can be materialised based on the following grounds:

- as at LPD, we have identified and confirmed approximately 32% of the total new potential outlets, i.e. 18 out of the 56 outlets mainly at the Central and Northern regions of Malaysia, and the remaining potential outlets are in the pipeline. Being the leading professional eye care operator in Malaysia, we are typically offered potential shoplots in new shopping complexes and hypermarkets;
- our anticipation of a higher outlets growth rate, with 56 outlets expected to be opened within the next two (2) years coincides with the recovery of the economy, and hence an expected improvement in consumer purchasing power. Over the past three (3) years, we had adopted a more conservative growth strategy due to the global economy crisis with an expansion of 50 outlets; and
- we will be funding our expansion plans from the proceeds that we will be raising from the Public Issue, as well as from internally-generated funds from the operation of our existing outlets.

(b) Market expansion

In addition to our efforts to expand further in the domestic market, we also aim to broaden our customer base by gradually expanding into the South East Asian region especially into Singapore, Cambodia and Vietnam within the next (2) years, i.e. by 2011. Our Directors are of the opinion that the Singaporean economy would provide an opportunity for us to venture into the high-end market of the professional eye care services. The anticipated improving economies of highly populated countries such as Cambodia and Vietnam would also provide business opportunities as the spending power of the consumers increases.

Our overseas expansion will be driven by our franchising model and/or by forming strategic alliances with local entities in target countries. By doing so, we can tap into the knowledge and goodwill of local partners in understanding the local markets as well as in securing good locations for the further expansion of our business.

In late 2009, we expanded our operations by setting up a "SEEN" outlet in Singapore through a strategic alliance with our local partner. Our penetration into Singapore through our franchising programme serves as a testament for us to venture into other foreign markets through our franchising programme.

We had also, on 13 April 2010, entered into a Memorandum of Understanding with our local counterpart in Cambodia, who will be appointed as our master franchisee in setting up franchised outlets in Cambodia.

(c) Upgrading and refurbishment of existing outlets

As at LPD, we have a chain of 144 professional eye care centres in Malaysia. We intend to upgrade and refurbish our existing professional eye care centres to improve the overall image of our brands, cater for future business expansion plans as well as to expand the range and brands of eyewear products we offer at our professional eye care centres, with the aim to attract new customers and to improve our Group's revenue.

The upgrading and refurbishment activities, which will include the renovation of our outlets as well as the replacement of furniture and fittings, will be carried out in various stages as an ongoing process. We plan to complete our first stage of upgrading and refurbishment activities for ten (10) of our professional eye care centres by the end of 2010, and additional twenty (20) of our professional eye care centres by 2012.

6. OUR BUSINESS (Cont'd)

(d) Expansion of branded eyewear product range

As at LPD, we carry a total of approximately 181 brands of prescription frames and sunglasses, of which 16 are our own brands, 163 are third party brands and two (2) are licensed brands. Of the 163 third party brands, we also hold exclusive distributorship for 16 third party brands.

Through our existing chain of 144 professional eye care centres, we intend to expand the range of eyewear products that we offer at our professional eye care centres by carrying new third party and licensed brands of eyewear products. Licensed brands provide us with the flexibility to create our own designs of prescription frames and sunglasses to meet the requirements of our customers.

The new brands of eyewear products will target the middle income to high income group of consumers. We plan to introduce the new brands of eyewear products in stages, which will commence in mid-2010.

6.23 Our Prospects

We are of the opinion that the prospects of our Group are favourable in light of the following factors:

(a) Good business performance

Our business performance is supported by the following financial achievements during the FYE 2009:

- our revenue grew by approximately 7.59% amounting to RM99.19 million as compared to previous financial year;
- our PBT grew by 69.96% as compared to previous financial year; and
- our PBT margin was 11.97% which has improved from 7.58% in the previous financial year.

Between the FYE 2007 and 2009, our financial performance was as follows:

- our revenue grew at an average annual rate of 9.57%;
- our PBT grew by an average annual rate of 88.01%; and
- our PBT margin grew from 4.06% for the FYE 2007 to 11.97% for the FYE 2009.

We believe that the strength of our financial performance over the last three (3) financial years will provide us with a platform for the continued growth and success of our business.

(b) Competitive advantages

We are primarily a chain operator of professional eye care centres. As at LPD, we have a total of 144 professional eye care centres in Malaysia, which includes wholly- and partially-owned centres, as well as franchised and licensed centres. All of our professional eye care centres operate under our proprietary "Focus Point", "Focus Point Optical City", "Opulence", "Zania", "Eyefont", "ExcelView" and "Solariz" brand names, which cater to all income and age groups.

6. OUR BUSINESS (Cont'd)

Our success as a chain operator of professional eye care centres in Malaysia is demonstrated by the fact that, we were **the largest operator of professional eye care centres in Malaysia based on the number of professional eye care centres as at LPD**. (Source: *Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor*) Our large number of professional eye care centres provides us with extensive market coverage to reach our end-consumers in Malaysia. In addition, we operate in a relatively large industry where the market size for professional eye care centres in Malaysia was estimated at RM1.3 billion (Source: *Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor*), which provides us with a platform for business growth.

We operate in markets where there are many players. As such, we have had to build up our competitive advantages and key strengths over the years in order to compete effectively. Our competitive advantages will provide a platform for our continued growth and success. They include but are not limited to the following:

- largest chain of professional eye care centres in Malaysia;
- established brand name and reputation;
- economies of scale;
- franchising business;
- strong representation in shopping centres and specialised retail centres;
- extensive brands of eyewear products, especially international brands;
- exclusive distributorship of prominent eyewear products in Malaysia; and
- financial strength.

Further details of our competitive advantages are set out in Section 6.5 of this Prospectus.

(c) Future plans to provide sustainable growth

We have in place a sound business plan for moving forward, and are focused in the following areas:

- expansion of our professional eye care centres to increase our geographical coverage, thus providing ease of accessibility and convenience to our customers;
- expansion of our franchising business to accelerate market penetration and to derive incremental income; and
- expansion of our branded eyewear product range to provide a wide range of choices to our customers, which is part of our strategy to cultivate customer loyalty and attract new customers to contribute to the growth of our business.

We believe that our future plans would provide us with a platform for the continued growth and success of our business.

(d) Favourable industry outlook

The outlook for the professional eye care industry is favourable in light of, amongst others, the positive outlook of the Malaysian economy, improving consumer confidence which leads to better purchasing power as well as the demonstrated growth in retail sales during normal economic conditions. Further details on the prospects and outlook of the professional eye care industry are set out in Section 7.11 of this Prospectus.

7. INDUSTRY OVERVIEW

7.1 Socio-economic Performance of Malaysia

Malaysia's real GDP has been growing every year from 2005 to 2008. The Malaysian economy registered a growth of 4.6% in 2008, amidst the international financial turmoil and sharp deterioration in the global economic environment. Robust domestic demand, in particular private consumption and strong public spending, supported the growth during the year.

While external demand was strong in the first half of 2008, the sharp and rapid deterioration in the global economic conditions as well as major correction in the commodity prices in the second half of 2008 led to a contraction in Malaysia's export performance in the latter part of the second half of 2008.

As for 2009, Malaysia's real GDP for the first quarter of 2009 contracted by 6.2% compared to the same period in the previous year. However, the implementation of fiscal stimulus measures by the Malaysian government has led to the subsequent recovery in the second half of 2009. Overall, Malaysia's real GDP for 2009 contracted moderately by 1.7%.

The Malaysian economy registered a real GDP growth of 10.1% in the first quarter of 2010, led by a continuing expansion in domestic demand and stronger external demand. The expansion in domestic demand was supported by higher private consumption and sustained public sector spending. The robust external demand provided further impetus to domestic growth through its spillover effects on production, employment and overall sentiments. All economic sectors recorded positive growth during the first quarter of 2010, led by the strong growth in the manufacturing and service sectors.

During the fourth quarter of 2008, the consumer sentiment index ("CSI") slumped to 71.4 points. The decline in current and expected incomes, and the weak consumer outlook contributed to the decline in the CSI. While the CSI rose to 78.9 points during the first quarter of 2009, it remained below the benchmark 100-point level. Household's current income deteriorated, and the financial and job outlook was tame. Fears of inflation subsided, and consumers continued to reign in their spending plans.

After the CSI fell below the benchmark of 100 points for three (3) consecutive quarters, the CSI gained 26.9 points in the second quarter of 2009 to reach 105.8 points. This was contributed by higher employment opportunities, which improved household finances, and the expectations of increases in household income in the future. In the fourth quarter of 2009, the CSI increased by 4.0% to 109.6 points compared to the third quarter of 2009. Consumers continued to remain optimistic, albeit cautiously. Favourable current and expected finances, and employment expectations contributed to the growth in the CSI.

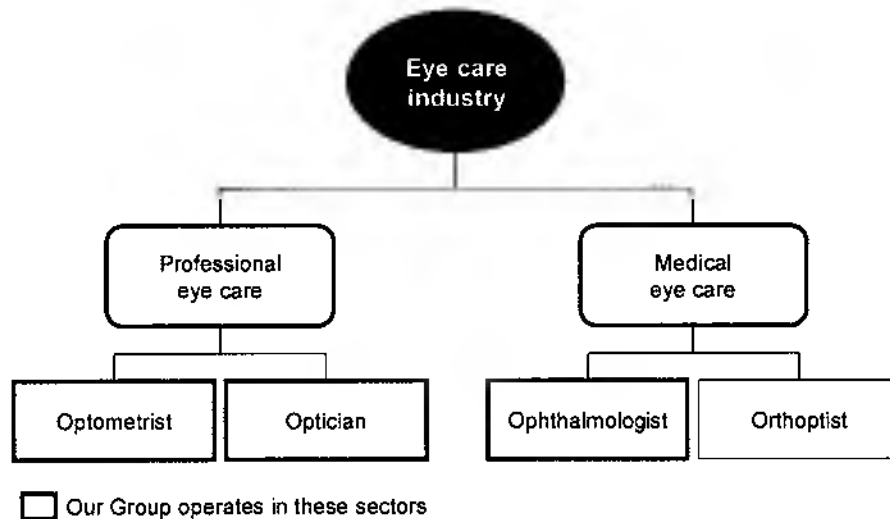
The CSI registered a growth of 4.2% to reach 114.2 points in the first quarter of 2010. The growth is attributable to the continued improvement in current and expected finances, and employment expectations.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

7. INDUSTRY OVERVIEW (Cont'd)

7.2 Overview of the Eye Care Industry

The eye care industry is generally segmented into the professional eye care and medical eye care sectors. This is depicted in the figure below:



The professional eye care sector refers to the optometrists and opticians that prescribes and dispense eyewear products in the form of eyeglasses or contact lenses.

- **Optometrists** are eye care professionals authorised to conduct eye diagnostic tests, manage and treat visual or ocular problems, undertake eye examination, and prescribe and dispense eyewear products including eyeglasses or contact lenses.
- **Opticians** are eye care professionals authorised to provide fitting and fabrication services of spectacle frames and lenses, and dispense eyewear products. However, in Malaysia, opticians are also allowed to undertake eye examinations and prescribe eyewear products including eyeglasses or contact lenses.

The medical eye care sector refers to the ophthalmologists and orthoptists who are healthcare care specialists concerned with assessing and treating eye problems.

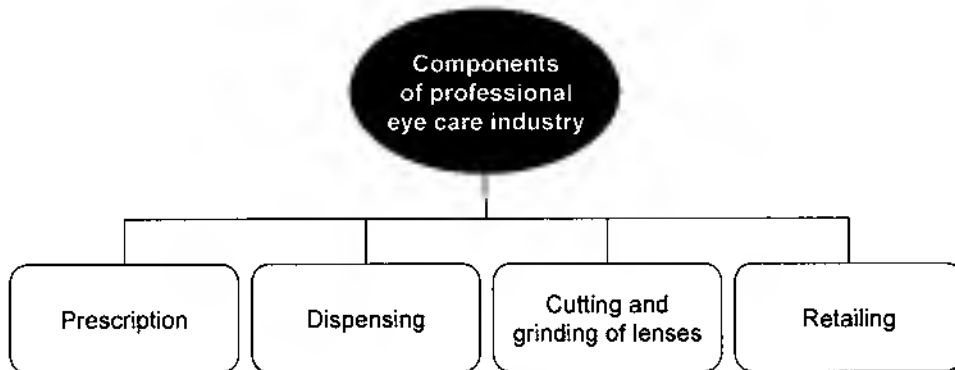
- **Ophthalmologists** are medically qualified doctors specialising in the medical and surgical care of the eyes and visual system covering the full spectrum of eye examination and diagnosis, medical treatment, prescription, surgery and management of eye problems.
- **Orthoptists** specialise in the diagnosis and treatment of visual system dysfunctions involving vision, eye movement, eye alignment and binocularity (the ability to focus on an object with both eyes). Orthoptists normally work alongside with ophthalmologists.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

7. INDUSTRY OVERVIEW (Cont'd)

7.3 Overview of the Professional Eye Care Sector

The components that make-up the professional eye care sector are as follows:



Prescription: This concerns eye examinations conducted to determine the appropriate prescription to correct blurred vision. This component is only undertaken by registered optometrists and opticians, and sometimes ophthalmologists.

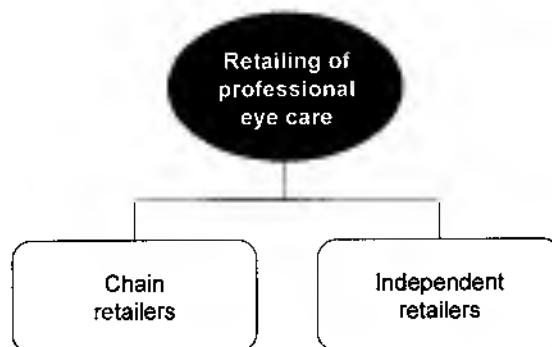
Dispensing: This concerns the delivery of prescribed products, which may be in the form of prescription eyeglasses or contact lenses.

Cutting and grinding of lenses: This is commonly undertaken by an in-house trained personnel or laboratory from the lens suppliers. This component is commonly associated with the dispensing function.

Retailing: This component covers the retailing of professional services (prescription and dispensing) as well as prescription and fashion eyewear products and accessories. In Malaysia, it is common for a professional eye care centre to undertake all the four (4) components of professional eye care industry. However, some professional eye care centres would outsource the cutting and grinding of lenses to third parties, mainly to lens suppliers.

Retailing of professional eye care

Retailing is a key component of the professional eye care industry. The general structure of the retailing of professional eye care may be depicted as follows:

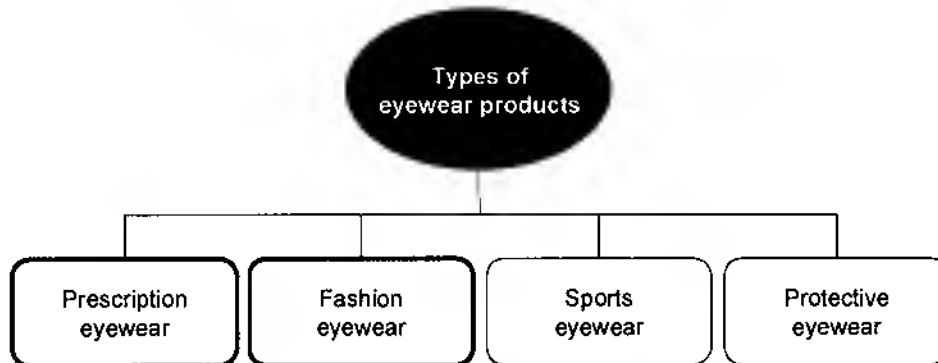


Chain retailers are operators of professional eye care centres that share a common brand name. Chain retailers are defined as those with two (2) or more centres operating under common brand names, whilst independent retailers are primarily operators of single professional eye care centres.

7. INDUSTRY OVERVIEW (Cont'd)

Types of eyewear products

There are generally four (4) main categories of eyewear products. This is as depicted in the diagram below:



Our Group mainly sells these types of eyewear

The types of eyewear products that are commonly sold in professional eye care centres are prescription eyewear and fashion eyewear, details of which are as follows:

- **Prescription eyewear** refers to eyewear designed for corrective vision. Prescription eyewear can only be prescribed and dispensed by registered optometrists and opticians. Prescription eyewear includes frames, corrective lenses and contact lenses.
- **Fashion eyewear** is primarily worn for aesthetic purposes and also commonly for protection against glare and ultraviolet rays. As such, most fashion eyewear are focused on sunglasses. However, fashion eyewear also includes various colour tinted glasses and coloured contact lenses.

Sports eyewear is commonly sold in specialist retail outlets and protective eyewear for industrial use. They are usually available from hardware retail outlets or industrial material suppliers.

- **Sports eyewear** represents specially designed eyewear worn during sporting activities including among others, swimming, running, cycling, motorcycling, snow sports, surfing and shooting. It is commonly sold in specialist retail outlets.
- **Protective eyewear** refers to specially designed eyewear which are primarily worn to prevent eye injuries. This type of eyewear is more for industrial use in sectors such as building and construction, manufacturing or outdoor activities and is usually available from hardware retail outlets or industrial material suppliers. Protective eyewear includes dust goggles, cutting goggles, welding glasses and face shields or visors.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vitel Factor)

7. INDUSTRY OVERVIEW (Cont'd)

7.4 Relevant Laws and Regulations Governing the Industry and Peculiarities of the Industry

(a) Registration of optometrists

Any person is entitled to be registered as an optometrist as long as the person holds a qualification from a recognised university or institution listed under the Second Schedule of the Optical Act, 1991. The Malaysian Optical Council may also authorise the registration of any person as an optometrist if the person holds qualifications that are not listed under the Second Schedule of the Optical Act, 1991 but is deemed suitable by the Ministry of Health, Malaysia, after consulting the Malaysian Optical Council.

(b) Registration of opticians

Any person is entitled to be registered as an optician as long as the person holds a qualification from a recognised university or institution listed under the First Schedule of the Optical Act, 1991.

The Malaysian Optical Council may also authorise the registration of any person as an optician if he or she satisfies the following criteria:

- holds a qualification which is not specified in the First Schedule of the Optical Act, 1991 but is deemed suitable by the Ministry of Health, Malaysia, after consulting the Malaysian Optical Council;
- was engaged in the practice of prescribing and dispensing ophthalmic lenses for a period of not less than one (1) year immediately prior to the coming into force of the Optical Act, 1991;
- is attending a course leading to any qualifications specified in the First Schedule of the Optical Act, 1991; and
- is required to undergo practical training as part of such course, albeit provisionally registered.

(c) Annual practicing certificate

According to the Optical Act, 1991, a registered optometrist or optician who intends to practise as an optometrist or optician must have a valid practising certificate which is renewable yearly.

(d) Prescribing and dispensing of contact lenses

According to the Optical Act, 1991, registered optometrists and opticians are allowed to prescribe and dispense contact lenses. However, opticians have to fulfil certain conditions as listed under the Optical Act, 1991 before obtaining written permission from the Malaysian Optical Council to prescribe and dispense contact lenses.

(e) Registration of franchise

According to the Franchise Act, 1998, it is a requirement to register with the Registrar of Franchise in Malaysia before one is allowed to carry out a franchising business.

(f) Trademark

In Malaysia, trademarks are governed by the Trade Marks Act, 1976 and Trade Marks Regulation, 1997 (Amendment 2001). Trademark registration is not compulsory in Malaysia. Trademark registration provides trademark owners with exclusive rights to use their marks in trading.

7. INDUSTRY OVERVIEW (Cont'd)

The Registrar of Trade Marks is the issuing authority for the registration of trademarks in Malaysia. Registration of trademarks is valid for a period of ten (10) years and may be renewed from time to time.

(Source: Independent Assessment of the Professional Eye Care Industry in Meleaysia prepared by Vital Factor)

7.5 Demand Conditions

7.5.1 Demand

Revenue generated from the professional eye care industry is mainly from the sales of eyewear products including prescription eyeglasses, fashion eyewear and contact lenses. However, as there are no specific statistics and data available on the retailing of eyewear products, the assessment of the retailing industry and imports of eyewear products will be used as a proxy to assess the demand for this industry.

Retailing industry

Between 2005 and 2009, the GDP of the wholesale and retail industry based on current prices grew at an average annual rate of 9.6%. In the first quarter of 2010, Malaysia's GDP of the wholesale and retail industry based on current prices grew by 13.3% to RM20.6 billion compared to the corresponding period in 2009.

Between 2005 and 2009, retail trade value grew at an average annual rate of 19.8%. In 2009, retail trade value increased by 5.5% to reach RM122.5 billion compared to RM116.1 billion in 2008.

In 2006 (based on the latest available data), the retail sales of photographic, optical and precision equipment grew by 22.1% to reach RM1.3 billion compared to the previous year.

Imports of frames and mountings for spectacles

Between 2005 and 2009, the import value of frames and mountings for spectacles, goggles and the like increased at an average annual rate of 8.5%. In 2009, import value of this category declined by 22.4% to RM80.3 million compared to the previous year.

Between 2005 and 2009, the import value of plastic frames and mountings (a sub-sector of frames and mountings for spectacles, goggles or the like) increased at an average annual rate of 11.1%. In 2009, the import value of this category declined by 33.8% to RM7.7 million compared to the previous year.

Between 2005 and 2009, the import value of frames and mountings, of other materials (a sub-sector of frames and mountings for spectacles, goggles or the like) increased at an average annual rate of 8.2%. However, in 2009, the import value of this category declined by 21.0% to RM72.6 million compared to the previous year.

Imports of prescription lenses

Between 2005 and 2009, the import value of spectacle lenses grew at an average annual rate of 4.2%. In 2009, the import value of spectacle lenses increased by 0.8% to reach RM74.7 million compared to the previous year.

7. INDUSTRY OVERVIEW (Cont'd)

Between 2005 and 2009, the import value of spectacle lenses made of glass (a sub-sector of spectacle lenses) increased at an average annual rate of 27.9%. In 2009, the import value of this category grew by 1.8% to reach RM23.1 million compared to the previous year.

Between 2005 and 2009, the import value of spectacle lenses made of other materials (a sub-sector of spectacle lenses) decreased at an average annual rate of 1.4%. However, in 2009, the import value of this category grew slightly by 0.3% to reach RM51.6 million compared to the previous year.

Imports of sunglasses

Between 2005 and 2009, the import value of sunglasses increased at an average annual rate of 18.6%. In 2009, the import value of sunglasses grew by 23.9% to reach RM109.3 million compared to the previous year.

Imports of contact lenses

Between 2005 and 2009, the import value of contact lenses increased at an average annual rate of 41.6%. In 2009, the import value of contact lenses grew by 10.8% to reach RM185.8 million compared to the previous year.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

7.5.2 Demand dependencies

As the demand for eyewear products is ultimately dependent on end-consumers, the following factors will have an impact on the professional eye care industry:

- (a) population growth;
- (b) growth in household income; and
- (c) average monthly household expenditure.

The increase in Malaysia's population will continue to spur the demand for eyewear products:

- (a) the population of Malaysia is forecasted to grow at an average annual rate of 2.0% between 2005 and 2009. The population of Malaysia reached 28.3 million in 2009; and
- (b) the population of Malaysia is projected to grow at an average rate of 1.6% per annum between 2006 and 2010. It is forecasted that the population in Malaysia will reach approximately 29 million by 2010.

The increase in the affluence of Malaysian households determined by household income will mean greater affordability, thus stimulating demand and expenditure on consumer products and services such as eyewear products and services:

- (a) between 2007 and 2009, per capita income in Malaysia grew at an average annual rate of 0.8%;
- (b) between 2004 and 2007, the mean monthly gross household income in Malaysia increased from RM3,249 to RM3,686, which represented an average annual growth rate of 4.3%; and

7. INDUSTRY OVERVIEW (Cont'd)

- (c) between 1998/99 and 2004/05, the average monthly expenditure per household in Malaysia increased at an average annual rate of 3.0% to reach RM1,953 in 2004/05.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

7.6 Supply Conditions

Professional eye care services

Professional eye care centres are dependent on the availability of registered optometrists and opticians, as only they are allowed to prescribe and dispense corrective eyeglasses and contact lenses.

The availability of registered optometrists and opticians is particularly pertinent to operators of chain professional eye care centres. It may affect their ability to expand the number of professional eye care centres, as each centre will require at least one (1) registered optometrist or optician.

In 2009, there were 779 registered optometrists in Malaysia, representing an increase of 12.2% from the previous year. Between 2005 and 2009, the number of registered optometrists in Malaysia grew at an average annual rate of 10.2%.

In 2009, there were 2,692 registered opticians in Malaysia, representing an increase of 6.8% from the previous year. Between 2005 and 2009, the number of registered opticians in Malaysia grew at an average annual rate of 6.1%.

Eyewear products

The professional eye care industry is dependent on the supply of the following eyewear products including:

- (a) prescription frames (also referred to as spectacle frames);
- (b) prescription lenses (also referred to as spectacle lenses);
- (c) sunglasses; and
- (d) contact lenses.

As such, the supply of these eyewear products would be crucial to ensure the continuous operation of professional eye care centres.

However, as eyewear is a consumer-based item, they are available from sources locally as well as overseas. Nevertheless, the local production of prescription frames and lenses is relatively small. The majority of prescription frames, lenses, sunglasses and contact lenses in Malaysia are imported from overseas.

Between 2005 and 2009, the sales value of the manufacture of spectacle lenses (including frames and lenses) in Malaysia declined at an average annual rate of 13.4%. In 2009, the sales value of the manufacture of spectacle lenses (including frames and lenses) in Malaysia decreased by 19.8% to RM37.4 million compared to the previous year.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

7. INDUSTRY OVERVIEW (Cont'd)

7.7 Industry's Reliance on and Vulnerability to Imports

The main products used in professional eye care centres are prescription frames and lenses, contact lenses and sunglasses.

Local production of prescription frames and lenses, and sunglasses is relatively small, while there is no contact lens manufacturer in Malaysia. The majority of prescription frames and lenses, as well as sunglasses, and all contact lenses in Malaysia are imported from overseas.

As such, there is a high reliance on imports for prescription frames and lenses, contact lenses and sunglasses. Nevertheless, there are numerous sources of supply of eyewear products overseas.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vitel Factor)

7.8 Product and Services Substitute

The provision of eye examination and dispensing of prescription eyeglasses and contact lenses are regarded as essential components within the professional eye care industry.

However, there are various substitutes for prescription eyeglasses and contact lenses and these are mainly involved in undertaking various surgical procedures used for correcting impairment of vision such as myopia, hyperopia and astigmatism. This includes the following types of refractive eye surgeries, which are usually performed by ophthalmologists:

- (a) LASIK (laser-assisted in situ keratomileusis);
- (b) LASEK (laser sub-epithelial keratomileusis);
- (c) PRK (photorefractive keratectomy);
- (d) Epi-LASIK;
- (e) RK (radial keratotomy);
- (f) corneal ring implant; and
- (g) intraocular lens implant.

LASIK is a method of eye surgery that uses laser to cut thin flaps in the cornea and alter its shape to correct blurred vision.

LASEK is a surgical procedure in which the outer layer of the cornea is loosened with an alcohol solution and then folded back so that the laser can reshape the exposed cornea. The flap is replaced after the laser applications.

PRK is a surgical procedure in which laser is applied directly to the eye's surface to reshape the cornea. In the process, the outer layer of the eye (epithelium) is destroyed, but it will eventually regrow.

Epi-LASIK is a surgical procedure similar to LASEK but uses different instruments and does not require an alcohol solution to loosen the flap of the epithelium.

RK is a surgical procedure in which tiny incisions are made in the cornea, which flattens it and thus reduces nearsightedness and astigmatism.

Corneal ring implant is a surgical procedure where two (2) half circle clear plastics are implanted into the clear dome-shaped area of the cornea (front of the eye) in each eye. The two (2) implants in each eye do not cover the central portion of the cornea. Corneal ring implants are used to treat certain diseases of the cornea and also to correct refractive problems (particularly mild nearsightedness).

7. INDUSTRY OVERVIEW (Cont'd)

Intraocular lens implant is a surgical procedure to replace the eye's natural lens with a plastic lens. This procedure is normally undertaken to treat cataract (clouding of the natural eye lens) or to change the eye's optical power to improve vision.

Corneal ring implants and intraocular lens implants are rarely used for the sole purpose of correcting myopia, hyperopia and astigmatism.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

7.9 Industry Players and Competition

7.9.1 Nature of competition in the industry

All operators in the professional eye care industry in Malaysia face normal competitive conditions, which is similar to a free enterprise environment characterised by the following:

- (a) there is no undue government regulation or licensing requirement with the exception that practising optometrists and opticians must be qualified and registered with the government;
- (b) the industry is not dominated by a single or a small number of operators;
- (c) operators may enter and leave the industry freely; and
- (d) no single or small group of operators is large enough to dictate pricing.

In such an environment, the industry is subjected to normal supply and demand conditions moderated by the price mechanism. Operators compete on product and service differentiations, and other factors of competition.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

7.9.2 Factors of competition

As with most free enterprise environments, competition within the professional eye care industry is based on a number of factors, including:

- (a) brand name and reputation;
- (b) track record;
- (c) wide choice of eyewear products;
- (d) exclusive and international eyewear brands;
- (e) convenience of location; and
- (f) economies of scale.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

7. INDUSTRY OVERVIEW (Cont'd)

7.9.3 Factors of competition on our Group

(a) Brand name and market reputation

As the target market for the professional eye care industry are consumers, brand name and market reputation are key competitive factors in this industry. As such, an established brand name with a strong market reputation that appeals to target customer groups will be able to garner higher customer loyalty from existing customers as well as attract new customers through strong brand equity. In addition, a recognised brand name will be in a stronger position to command higher pricing compared to less prominent brand name operators in the industry.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

As at LPD, we operate primarily using our "Focus Point" brand name and six (6) other brand names in Malaysia. Over the years, we have invested significant resources to build our brands to create high brand awareness and a strong market reputation.

(b) Track record

Track record is a competitive factor, as operators with a longer track record would likely have accumulated a larger customer base compared to those that have a shorter track records. A larger customer base would provide an operator with more repeat sales. This is because customers would normally be required to re-examine their eyesight, purchase new eyewear or to buy consumables for their contact lenses. In addition, a longer track record would help build operators' brand name and market reputation to attract new customers.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

We have been in operation since 1989. Our long track record has helped us to create a very large customer base for us to enjoy significant repeated sales as well as to obtain the benefit of word-of-mouth promotion to win new customers.

(c) Wide choice of eyewear products

As eyewear in the form of prescription eyeglasses and sunglasses are also considered fashion accessories, having a wide choice of eyewear products is a distinct competitive advantage. A wide choice of eyewear has the advantage of being able to meet diverse consumer preferences. As the cost of carrying a wide range of eyewear products is high, not all operators are able to provide a wide range of eyewear products.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

We carry a wide range of eyewear products. As at LPD, we have 144,013 store keeping units (SKU) including 181 brands of prescription frames and sunglasses.

7. INDUSTRY OVERVIEW (Cont'd)

(d) Exclusive and international eyewear brands

As eyewear products are considered fashion accessories, operators that carry international and high profile brands like "GUCCI", "DIOR", "PRADA", "Emporio Armani", "HUGO BOSS", "Christian Dior", "ESCADA", "FENDI", "Ermenegildo Zegna", "LINDBERG", "Ray-Ban", "DKNY", "alain mikl" and "Oakley", would be able to meet the preferences of brand-conscious consumers. In addition, if an operator has the exclusive distribution rights to any of these brands, it would enhance its competitive position. As these products are expensive to stock, not many operators would be able to stock a wide range of such international and high profile brands.

(Source: Independent Assessment of the Professional Eye Care Industry in Meleaysia prepared by Vital Factor)

We carry an extensive range of international and high profile brands in most of our professional eye care centres. In addition, we carry 16 exclusive brands in Malaysia.

(e) Convenience of location

The professional eye care industry is primarily a consumer-based industry. As such, operators with professional eye care centres located in high pedestrian traffic like shopping centres or major retail centres would have a competitive advantage.

(Source: Independent Assessment of the Professional Eye Care Industry in Meleaysia prepared by Vital Factor)

Our professional eye care centres are mainly located in major shopping centres as well as specialised retail centres, namely hypermarkets. Our professional eye care centres are located in major shopping centres including, amongst others, Suria KLCC, Sungei Wang Plaza, Pavilion, Mid Valley Megamall, IOI Mall Puchong, Sunway Pyramid Megamall, 1-Utama, The Curve, 1-Borneo, Ipoh Parade, Gurney Plaza, Queensbay Mall, Jaya Jusco shopping malls, as well as in specialised retail centres such as Ikano Power Centre, Carrefour, Giant and Tesco.

(f) Economies of scale

Operators who have capabilities to operate a number of professional eye care centres would have stronger negotiation power to obtain better commercial terms from suppliers in terms of product costs, credit terms, logistics arrangement and others. Economies of scale would provide operators with higher profit margins to compete more effectively and also to invest in advertising and promotional activities.

(Source: Independent Assessment of the Professional Eye Care Industry in Meleaysia prepared by Vital Factor)

We enjoy economies of scale from our network of professional eye care centres in Malaysia. As at LPD, we have 144 professional eye care centres in Malaysia. Economies of scale enable us to spread our fixed and operating costs across a number of professional eye care centres. This is particularly pertinent in terms of human resources and centralised functions including procurement, administration, training, advertising and promotional costs.

7. INDUSTRY OVERVIEW (Cont'd)

7.9.4 Competitive intensity

Competition among operators of professional eye care centres within Malaysia is based on the following observations:

- (a) the overall level of competition among operators in the professional eye care industry in Malaysia is high as there are many players competing in the industry. Nevertheless, the professional eye care industry in Malaysia is sufficiently large to accommodate the many operators in the industry;
- (b) barriers to entry into the operation of professional eye care centres are relatively low for operators with only one (1) outlet. This is substantiated by the large number of operators in the industry. However, operators with a network of chain professional eye care centres will have an advantage over smaller players due to their economies of scale, thereby reducing operating costs and improving profit margins; and
- (c) an established brand name and good market reputation can also help to reduce the competitive intensity in the professional eye care industry. Operators who have successfully developed their brand name and market reputation, and have gained recognition will be in a better position to compete in the industry.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

7.9.5 Players in the industry

Some of the players in the professional eye care industry in Malaysia, as listed in alphabetical order, are as follows:

- A-LOOK Eyewear Sdn Bhd;
- Alpha Optical Group Sdn Bhd;
- Axis Eyewear Group (M) Sdn Bhd;
- Bolton Visioncare Group Sdn Bhd;
- Bright Optical & Contact Lens Centre Sdn Bhd;
- BV Eye Care (M) Sdn Bhd;
- Cambridge Optical & Contact Lens Centre Sdn Bhd;
- Capital Optical Sdn Bhd;
- England Optical Group (M) Sdn Bhd;
- Eyeshop Sdn Bhd;
- **Focus Point Holdings Berhad;**
- Malaya Optical Sdn Bhd;
- Menara Optometry Centre Sdn Bhd;
- Metro Optical Group (Metro Designer Eyewear Sdn Bhd and MOG Eyewear Sdn Bhd);
- New Mega Optics Sdn Bhd;
- Optical 88 Eye Care (M) Sdn Bhd;
- Optique Paris Miki (M) Sdn Bhd;
- Pro Eyes Optics Sdn Bhd; and
- Yes Optical (M) Sdn Bhd.

The above is not an exhaustive list.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

7. INDUSTRY OVERVIEW (Cont'd)

7.10 Market Coverage, Position and Share

7.10.1 Market coverage

In 2009, the market size of the Professional Eye Care Industry in Malaysia was estimated at **RM1.3 billion**. This was based on retail sales of "optical equipment", which according to the Department of Statistics, Malaysia refers to eyewear products.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vitel Fector)

7.10.2 Market position

As at LPD, Focus Point Group had a total of 144 professional eye care centres in Malaysia. Based on the number of professional eye care centres, Focus Point Group ranked **first** compared to other operators of professional eye care centres in Malaysia.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vitel Fector)

7.10.3 Market share

In 2009, revenue derived from the Focus Point Group's operations of professional eye care centres which comprised retail sales revenue from wholly- and partially-owned, as well as franchised and licensed centres was approximately RM136 million
(Source: The management of Focus Point Group).

In 2009, the Focus Point Group had a market share of approximately **10%** of the professional eye care industry in Malaysia based on the Group's **retail sales** derived from all of its professional eye care centres, which comprised retail sales revenue from wholly- and partially-owned centres, as well as franchised and licensed centres.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vitel Fector)

7.11 Prospects and Outlook

7.11.1 Overall industry prognosis

The medium-term outlook for the professional eye care industry is favourable, supported by the following observations:

- (a) positive outlook of the Malaysian economy in the near term based on the forecasted improving GDP;
- (b) improving consumers' confidence as demonstrated in the first quarter of 2010, to sustain the retail sector including that of the professional eye care industry;
- (c) demonstrated growth for the retail sector during normal economic conditions;
- (d) the professional eye care industry provides necessary products and services to many consumers with the need to correct blurred vision; and
- (e) competition is constrained by the number of registered optometrists and opticians in Malaysia.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vitel Fector)

7. INDUSTRY OVERVIEW (Cont'd)

7.11.2 GDP forecast and consumer confidence

In light of the global financial crisis that has affected Malaysia, there are strong indications that economic conditions in Malaysia are improving and the outlook for the near term, especially 2010, will be better than 2009. This is supported by the following observations:

- (a) while real GDP for 2009 has been revised to -1.7%, real GDP for 2010 is projected to grow by an estimated 4.5% to 5.5%. In the first quarter of 2010, Malaysia's real GDP registered a growth of 10.1%. *(Source: Bank Negara Meaysia); and*
- (b) consumer confidence for the first quarter of 2010 has improved by 45% compared to the first quarter of 2009 in Malaysia. *(Source: Consumer Sentiments Quarterly Report – Various Issues, Malaysian Institute of Economic Research).*

These improved economic conditions combined with stronger consumer confidence will help sustain operators within the professional eye care industry.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

7.11.3 Historical sales performance of retail sales

Retail sales have demonstrated growth during normal economic conditions prior to the global financial crisis. Between 2005 and 2007, the wholesale and retail sectors of the Malaysian economy experienced an average annual growth rate of 11.4%.

According to the Department of Statistics, Malaysia, retail sales of spectacles and other optical goods are classified under the "other retail trade of new goods in specialised stores" category. Between 2005 and 2007, the other retail trade of new goods in specialised stores increased at an average annual growth rate of 23.3%. In 2006 (based on the latest available data), the retail sales of photographic, optical and precision equipment grew by 22.1% to reach RM1.271 billion.

In 2008, the GDP of the wholesale and retail industry based on current prices registered a growth of 17.7%. However, in 2009, the Malaysia's GDP of the wholesale and retail industry based on current prices declined by 1.9%. Despite the drop in 2009, Malaysia's GDP of the wholesale and retail industry registered an average annual growth of 9.6% between 2005 and 2009. In the first quarter of 2010, Malaysia's GDP of the wholesale and retail industry based on current prices grew by 13.3% compared to the corresponding

In 2008, the sales value of other retail trade of new goods in specialised stores registered a growth of 26.8% compared to 2007. However, in 2009, the sales value of other retail trade of new goods in specialised stores declined by 0.2% compared to 2008. Again, despite the drop in 2009, the sales value of other retail trade of new goods in specialised stores grew at an average annual rate of 17.8% between 2005 and 2009.

As such, it is expected that once Malaysia has fully recovered from the economic slowdown in 2009, the professional eye care industry would continue to grow. This would augur well for operators of professional eye care centres.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT

8.1 Promoters and Substantial Shareholders

8.1.1 Shareholdings

Based on our Register of Substantial Shareholders and Register of Members as at LPD, the table below sets out the direct and indirect interests of our Promoters and substantial shareholders before and after the IPO:

Name	Nationality	Before the IPO		After the IPO	
		Number of Shares	%	Number of Shares	%
Dato' Liaw ⁽¹⁾	Malaysian	92,850,000	75.00	*94,675,000	57.38
Datin Goh ⁽¹⁾	Malaysian	30,950,000	25.00	*15,150,000	9.18
		⁽²⁾ 30,950,000	25.00	⁽²⁾ 94,675,000	57.38
		⁽²⁾ 92,850,000	75.00	⁽²⁾ 15,150,000	9.18

Notes:

- (1) Represents Promoters and substantial shareholders.
- (2) Deemed interested by virtue of the interest of his/her spouse.
- * Assuming full subscription of Dato' Liaw's entitlements pursuant to the allocation to eligible Directors as set out in Section 3.3 of this Prospectus.
- ^ None of the Public Issue Shares will be allotted to the Datin Goh as set out in Section 3.3 of this Prospectus.

Save as disclosed above, our Directors are not aware of any person who, directly or indirectly, jointly or severally, exercises control over our Company.

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.1.2 Profile of our Promoters and substantial shareholders

Dato' Liaw, aged 43, is our President/CEO. He is a registered optician with the Malaysian Optical Council. He brings with him invaluable industry experience having accumulated over 22 years of experience in the professional eye care industry. He has been instrumental in the growth and development of our Group and more importantly, has been the key driving force in the expansion of the operations of our chain of professional eye care centre businesses. As our Group's President/CEO, his overall management has contributed significantly to the success and growth of our Group. During the early years of our operations, he recognised the importance of brand building and development, ownership and management as the key components in differentiating our Group from our competitors. In addition, he was instrumental in building our "Focus Point" brand as the chain of professional eye care centres which eventually has become the largest operator of professional eye care centres in Malaysia today. His expertise and contributions also extend to strategy planning and business development where his prudent management skills have contributed to the continuing success and growth of our Group. In 2002, he was awarded with the Certificate of Merit for The Outstanding Young Malaysian Awards 2002 by the Junior Chamber, Malaysia. In 2009, he was also a finalist under the Best Franchise Entrepreneur Award by the Malaysian Franchise Association. Subsequently, at the Malaysian Retailers-Chain Association ("MRCA") – 8TV Entrepreneur Award, Dato' Liaw was given an award in recognition of outstanding entrepreneurship in 2009. In 2010, Dato' Liaw was elected as a council member of MRCA for 2010 to 2012.

Datin Goh, aged 43, is our Executive Director. She is a registered optician with the Malaysian Optical Council. She has been the Executive Director of our Group since 1989 and has accumulated approximately 21 years of experience in the industry. Her expertise and contribution extends to resource planning and management where her prudent management has contributed to the continuing business success and growth of our Group. She is currently actively involved in the planning and implementation of various corporate social responsibility efforts to further enhance the corporate image and awareness of our Group.

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8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.1.3 Changes in substantial shareholders' shareholdings

The changes in the shareholdings of our substantial shareholders since our incorporation are as follows:

Name	Date	Shareholdings in Focus Point prior to changes		Shares acquired/ (disposed)		Shareholdings in Focus Point after changes		%	
		Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect
Dato' Liaw	30.12.2009	-	(1) ¹	1	(1) ¹	1	(1) ¹	50.00	(1) ¹ 50.00
	01.04.2010	1	(1) ¹	-	-	¹ 5	(1) ⁵	50.00	(1) ⁵ 50.00
	14.04.2010	-	-	92,850,000	(1) ¹ 30,950,000	92,850,000	(1) ¹ 30,950,000	75.00	(1) ¹ 25.00
Datin Goh	30.12.2009	-	-	1	(1) ¹	1	(1) ¹	50.00	(1) ¹ 50.00
	01.04.2010	1	(1) ¹	-	-	¹ 5	(1) ⁵	50.00	(1) ⁵ 50.00
	14.04.2010	-	-	30,950,000	(1) ¹ 92,850,000	30,950,000	(1) ¹ 92,850,000	25.00	(1) ¹ 75.00

Notes:

(1) Deemed interested by virtue of the interests of his/her spouse.

¹ Being shares held pursuant to the subdivision of the par value of the then existing shares of RM1.00 each to RM0.20 each.

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.2 Directors

Our Board comprises the following members:

Name	Designation	Date of appointment	Date of expiration of current term of office
Dato' Hamzah bin Mohd Salleh	Independent Non-Executive Chairman	01.04.2010	30.06.2011
Dato' Liaw	President/CEO	30.12.2009	30.06.2011
Datin Goh	Non-Independent Executive Director	30.12.2009	30.06.2011
Dr Choo Wei Chong	Non-Independent Non-Executive Director	01.04.2010	30.06.2011
Leow Ming Fong @ Leow Min Fong	Independent Non-Executive Director	01.04.2010	30.06.2011

In accordance with our Articles of Association, one third (1/3) of our Board will retire by rotation at every annual general meeting of our Company. Each Director shall retire at least once in every three (3) years and shall be eligible for re-election. Any Director appointed within the year shall hold office only until the next annual general meeting and shall then be eligible for re-election. None of the Directors has been appointed for a fixed term.

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8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.2.1 Shareholdings

Based on our Register of Directors' Shareholdings as at LPD, the table below sets out the direct and indirect interests of our Directors before and after the IPO:

Name	Nationality / Country of incorporation	Before the IPO			After the IPO*			
		Number of Shares	%	Number of Shares	Number of Shares	Indirect	Indirect	
Dato' Hamzah bin Nohd Salleh	Malaysian	-	0.00	-	500,000	0.30	-	0.00
Dato' Liaw	Malaysian	92,850,000	75.00	(1) 30,950,000	94,675,000	57.38	(1) 15,150,000	9.18
Datin Goh	Malaysian	30,950,000	25.00	(1) 92,850,000	15,150,000	9.18	(1) 94,675,000	57.38
Dr Choo Wei Chong	Malaysian	-	0.00	-	175,000	0.11	-	0.00
Leow Ming Fong @ Leow Min Fong	Malaysian	-	0.00	-	500,000	0.30	-	0.00

Notes:

(1) Deemed interested by virtue of the interest of his/her spouse.

* Assuming full subscription of their respective entitlements pursuant to the allocation to eligible Directors as set out in Section 3.3 of this Prospectus.

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8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.2.2 Profile of our Board

The profiles of Dato' Liaw and Datin Goh have been set out in Section 8.1.2 of this Prospectus.

Dato' Hamzah bin Mohd Salleh, aged 61, is our Independent Non-Executive Chairman. He graduated with a Diploma in Management from the Malaysia Institute of Management in 1980 and obtained a Master of Business Administration Degree from the University of Bath, United Kingdom in 1989. His career started in 1969 as an Audit Assistant at PricewaterhouseCoopers, Kuala Lumpur. In 1975, he was appointed as the Finance and Administration Manager at Pillar Naco Malaysia Sdn Bhd, a company involved in the fabrication of architectural metal products. In 1980, he joined Pemas Sime Darby Group and held several senior management positions within the group of affiliated companies, as well as in Sime Darby Group of companies. He is currently the Chief Executive Officer of Spanco Sdn Bhd, a company involved in automotive vehicle fleet management, and is also the Chairman of Bio Osmo Berhad, a manufacturer and distributor of bottled pure drinking water. He holds several directorships in various public listed companies and is the Independent Non-Executive Director of PDZ Holdings Berhad and Furniweb Industrial Products Berhad. In addition, he also sits on the Board of various private companies.

Dr Choo Wei Chong, aged 40, is our Non-Independent Non-Executive Director. He is currently a senior lecturer under the Faculty of Economics and Management of Universiti Putra Malaysia ("UPM"). He is a member of the Malaysia Statistical Institution, Statistical Package for the Social Sciences (SPSS) User's Association of Kuala Lumpur and Selangor (Malaysia), Statistical Analysis Software (SAS) User's Group of Malaysia and International Institute of Forecasters. He graduated from Universiti Pertanian Malaysia in 1995 with a Bachelor of Science (Honours) majoring in Statistics. Subsequently, he obtained a Master of Science from UPM in 1998. He also obtained a Doctorate of Philosophy (Management Studies/Decision Science) from the University of Oxford, United Kingdom in 2008. He started his career as a tutor at UPM under its Faculty of Economics and Management and was promoted to be a lecturer in 1998, and subsequently a senior lecturer in 2009. During his profession as a lecturer, he has undertaken numerous research projects in the field of statistics and quantitative analysis. Some of his theses have been published and taken as reference in numerous journal articles, proceedings and conference papers. He is also an ad-hoc reviewer for several international and Asian journals such as Journal of Asia Pacific Marketing, International Journal of Forecasting, International Journal of Economics and Management, and Asian Academy of Management Journal of Accounting and Finance.

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8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Leow Ming Fong @ Leow Min Fong, aged 60, is our Independent Non-Executive Director. He is currently a Retired Audit Partner of KPMG, Kuala Lumpur. He is a Fellow of Institute of Chartered Accountants in England and Wales, member of the Malaysian Institute of Certified Public Accountants, member of the Malaysian Institute of Chartered Accountants and member of Malaysian Institute of Management. His career began in 1969 when he started his articleship with a chartered accountants firm in London, United Kingdom. He returned to Malaysia in 1974 and joined KPMG, Kuala Lumpur as an Audit Senior and Supervisor. In 1976, he was appointed as the Audit Manager in KPMG, Sandakan, Sabah and subsequently, in 1980, he was appointed as the Partner overseeing the tax and audit department of KPMG, Sandakan and Tawau, Sabah. In 1995, he returned to KPMG, Kuala Lumpur to take up the position of Audit Partner and during the years between 1996 and 2000, he acted as the Partner-in-Charge of KPMG, Cambodia. He also had short-term assignments with KPMG in Singapore, British Guinea in South America and Vietnam. He holds several directorships in various companies and is the Independent Non-Executive Director of Kurnia Asia Berhad, Karambunai Corporation Berhad, Nam Fatt Corporation Berhad, Canadia Bank PLC, Cambodia, and NagaCorp Ltd in Hong Kong and Cambodia.

8.2.3 Representative of corporate shareholders

None of our Directors represent any corporate shareholders.

8.2.4 Directors' remuneration and benefits

The aggregate remuneration and benefits paid or to be paid/accrued or to be accrued to our Directors for services rendered in all their capabilities within our Group according to bands of RM50,000 for the financial years ended/ending 31 December 2009 and 2010 are as follows:

Director	Remuneration band of our Directors for the financial years ended/ending 31 December	
	2009 (RM)	2010 (RM)
Dato' Hamzah bin Mohd Salleh	0 – 50,000	0 – 50,000
Dato' Liaw	1,500,000 – 2,000,000	1,500,000 – 2,000,000
Datin Goh	450,000 – 550,000	450,000 – 550,000
Dr Choo Wei Chong	0 – 50,000	0 – 50,000
Leow Ming Fong @ Leow Min Fong	0 – 50,000	0 – 50,000

The remuneration which includes our Directors' salaries, bonus, fees and allowances as well as other benefits to our Directors, must be considered and recommended by our Nomination and Remuneration Committee and subsequently, be approved by our Board. Our Directors' fees must be further approved by our shareholders at a general meeting.

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.3 Committee

8.3.1 Audit Committee

Our Audit Committee comprises the following members:

Name	Designation	Directorship
Leow Ming Fong @ Leow Min Fong	Chairman	Independent Non-Executive Director
Dato' Hamzah bin Mohd Salleh	Member	Independent Non-Executive Chairman
Dr Choo Wei Chong	Member	Non-Independent Non-Executive Director

Our Audit Committee is principally responsible for, amongst other, the review of audit plans and audit reports with our auditors, review of the auditors' evaluation of internal accounting controls and management information systems, review of the scope of internal audit procedures, review of the balance sheets and profit and loss accounts, and nomination of the auditors.

8.3.2 Nomination and Remuneration Committee

Our Nomination and Remuneration Committee comprises the following members:

Name	Designation	Directorship
Leow Ming Fong @ Leow Min Fong	Chairman	Independent Non-Executive Director
Dato' Hamzah bin Mohd Salleh	Member	Independent Non-Executive Chairman
Dato' Liaw	Member	President/CEO

Our Nomination and Remuneration Committee is principally responsible for, amongst others, the following:

- (a) recommending candidates for appointments to our Board, members of board committees, key management positions, assessing the effectiveness of the Board and board committees, as well as arranging orientation programs for new Directors; and
- (b) establishing performance criteria to evaluate the performance of each member of our Board, developing our Group's remuneration policy for our President/CEO and Executive Director(s) for the Board's approval and recommending the remuneration packages and terms of employment of our President/CEO and Executive Director(s) to the Board.

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8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.4 Key Management

Our management is headed by Dato' Liaw, our President/CEO. He is supported by a team of experienced qualified management personnel, who are responsible for our Group's day-to-day management and operations.

8.4.1 Shareholdings

Based on our Register of Members as at LPD, the table below sets out the direct and indirect interests of our key management personnel before and after the IPO:

Name	Designation	Before the IPO		After the IPO*	
		Number of Shares	%	Number of Shares	%
Ng Hock Ban, Jake	Vice President	-	0.00	116,500	0.07
Ang Seok Hong, Cecilia	Chief Financial Officer	-	0.00	116,000	0.07
Wong Beng Teng	Senior Manager, Internal Audit	-	0.00	116,000	0.07
Tan Kim Seng	Senior Manager, Management Information System	-	0.00	116,500	0.07
Teng Kee Teong, Vincent	Franchise Development Manager	-	0.00	49,000	0.03
Shee Hui Yan, Sherene	Merchandising Manager	-	0.00	43,300	0.03

Note:

* Assuming full subscription of their respective entitlements pursuant to the allocation to eligible employees as set out in Section 3.3 of this Prospectus.

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.4.2 Profile of our key management personnel

Ng Hock Ban, Jake, aged 38, is our Vice President. Between 1992 and 1998, he was involved in managing interior design and renovation projects with various companies. In 1998, he joined our Group as an Outlet Development Executive where he was initially responsible for interior design and renovation works of our chain of professional eye care centres. Since then, he has been promoted to various positions within our Group including Advertising and Promotions Manager in 1999 and Operations Manager of Excelview Laser Eye Centre on 2002. In 2009, he was appointed as our Vice President where he is responsible for the overall marketing and promotions activities of our Group. He brings with him approximately 12 years of marketing experience in the professional eye care industry. Throughout his tenure in our Group, he has been instrumental in the execution and implementation of the expansion of our chain of professional eye care centre centres. Between 2002 and 2006, he was seconded to Excelview Laser Eye Centre to head the operations of our medical eye care centre before returning to his current areas of responsibilities within our Group.

Ang Seok Hong, Cecilia, aged 47, is our Chief Financial Officer. She is a Chartered Management Accountant (CIMA) and also obtained her Master in Business Administration degree from the University of Hull, United Kingdom in 1999. She has been a member of the Malaysian Institute of Accountants (MIA) since 2007. She has accumulated approximately 22 years of experience in the areas of accounting and finance, and has attained vast experience in undertaking various corporate exercises while she was attached with a number of companies in PRC, Hong Kong, United Kingdom and Malaysia. She joined Imagineering Sdn Bhd as an Accounts Assistant in 1988 and in 1990, she joined Bishop Skinner & Co Ltd in United Kingdom as an Assistant Accountant. In 1992, she joined Pacific Inter-link Sdn Bhd as a Junior Accountant for period of a year. Between 1993 and 1995, she was attached with Mega Pascal Bhd, a concrete product manufacturer, as a Group Accountant. In 1995, she joined Kimpex Trading (China) Limited, a furniture manufacturer in Hong Kong, as a Accounting Manager. In 1996, she joined Lion Brothers Far East Ltd in Hong Kong as a Financial Controller. Between 2005 and 2006, she was attached to Epic Group (Alpha Start Ltd and EPIC Designers Ltd), as a Chief Financial Officer. Subsequently, in 2007, she joined our Group in her current position and is primarily responsible in overseeing the accounting and finance functions of our Group.

Wong Beng Teng, aged 51, is our Senior Manager who oversees our Internal Audit Department. He has been awarded a Certified Accountant under Association of Certified Accountants since 1983. He gained his finance and auditing experience through working with various companies including Magnum Corporation Berhad from 1984 to 1985, Country View Realty Berhad from 1986 to 1989, Fraser and Neave Pte Ltd from 1989 to 1990, and Leong Hup Holding Berhad from 1990 to 1996. Between 1996 and 2004, he was seconded by Leong Hup Holding Berhad to FE Venture Marketing Sdn Bhd as the Executive Director of Finance Department. In 2005, he joined M-Plan Sdn Bhd as a R&D Manager. In 2008, he joined our Group in his current position and is responsible for the overall internal auditing functions of our Group.

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Tan Kim Seng, aged 44, is our Senior Manager who oversees our Management Information System Department. He obtained his Bachelor of Computer Science Degree from University Kebangsaan Malaysia in 1990. Between 1990 and 2001, he was attached with various companies specialising in the information technology field including Motorola Malaysia Sdn Bhd, Malaysia Electric Corporation Berhad and Guardian Royal Exchange Assurance (M) Sdn Bhd. In 2001, he joined our Group in his current position and is mainly responsible for our information technology functions, which includes monitoring and maintaining all information technology related functions.

Teng Kee Teong, Vincent, aged 27, is our Franchise Development Manager. He obtained his post-graduate degree in Commerce from Lincoln University, New Zealand in 2004. In 2004, he started his career with Standard Chartered Bank Malaysia (Malaysia) Berhad as a Customer Care Consultant. In 2006, he joined our Group as a Merchandising Executive and was subsequently promoted to Franchise Development Manager in 2009. He is mainly responsible for the business development functions of our franchising department.

Shee Hui Yan, Sherene, aged 40, is our Merchandising Manager. She obtained her Bachelor of Economics Degree from University of Malaya in 1994. She has accumulated approximately ten (10) years of experience in the retail industry from various multinational companies. Between 1997 and 2007, she was attached with Courts Mammoth, Tesco, and Carrefour in Malaysia. During her tenure with these companies, she was involved in the merchandising and procurement functions of these companies. In 2008, she joined our Group as a Merchandising Manager and she is mainly responsible for merchandising and procurement functions of our Group.

8.5 Involvement in Other Businesses/Corporations

Save as disclosed below, neither our President/CEO, Executive Director nor key management personnel is involved in the activities or operations of any other businesses or corporations as at LPD:

Name	Company	Principal activities
Dato' Liaw	<ul style="list-style-type: none"> ▪ Focus Point Properties Sdn Bhd⁽¹⁾ ▪ Image Now Branding & Design Sdn Bhd ▪ Focus Point Vision Care (BP) Sdn Bhd⁽²⁾ 	<ul style="list-style-type: none"> ▪ Property investment ▪ Provision of advertising and publicity services ▪ Ceased operation
Datin Goh	<ul style="list-style-type: none"> ▪ Focus Point Properties Sdn Bhd⁽¹⁾ ▪ Image Now Branding & Design Sdn Bhd 	<ul style="list-style-type: none"> ▪ Property investment ▪ Provision of advertising and publicity services

Notes:

(1) On 16 June 2010, the shareholders of Focus Point Properties Sdn Bhd have submitted an application to change the name of Focus Point Properties Sdn Bhd.

(2) On 23 June 2010, the shareholders of Focus Point Vision Care (BP) Sdn Bhd have submitted an application to change the name of Focus Point Vision Care (BP) Sdn Bhd.

Dato' Liaw and Datin Goh devote almost all of their time and effort to their executive functions in our Group. As such, their involvements in other businesses and corporations are not expected to have any material effect on their capacity within our Group.

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Besides, our President/CEO and Executive Director are of the view that their involvement in other business activities outside our Group do not affect their contributions to our Group and would not be expected to affect the operations of our Group.

8.6 Principal Business Activities Outside Our Company and Principal Directorships

Save as disclosed in Section 8.5 above, which sets out our President/CEO and Executive Director's involvement in other business/corporations as at LPD and below, none of our Directors has had any other directorships outside our Group during the past five (5) years up to LPD:

Name	Directorships	Involvement in business activities other than as a Director
Dato' Hamzah bin Mohd Salleh	<p>Present directorships:</p> <ul style="list-style-type: none"> ▪ Spanco Sdn Bhd ▪ Bio Osmo Berhad ▪ PDZ Holdings Berhad ▪ Furniweb Industrial Products Berhad ▪ CHH Pacific Paper Sdn Bhd ▪ DOZ Construction Sdn Bhd ▪ Fleet Insurance Agency Sdn Bhd ▪ Perkapalan Dai Zhun Sdn Bhd ▪ Perkapalan Dai Zhun (Johore) Sdn Bhd ▪ Spancodeua Sdn Bhd ▪ LimKokWing University College of Creative Technology Sdn Bhd ▪ Performance Ranking Services Sdn Bhd <p>Past directorships:</p> <ul style="list-style-type: none"> ▪ BSL Corporation Berhad ▪ Focus Dynamics Technologies Berhad ▪ Malaysia Aica Berhad ▪ Consolidated Factoring (M) Sdn Bhd ▪ Furniweb Manufacturing Sdn Bhd ▪ Hammerstein & Raab Advisory Sdn Bhd ▪ Maica Wood Industries Sdn Bhd ▪ Maicador Sdn Bhd ▪ Syarikat Kilang Ayer Batu Kuala Kedah Sdn Bhd ▪ TASC Consultants Sdn Bhd 	<p>None Shareholder None Shareholder None Shareholder None</p>
Dato' Liaw	<p>Present directorships:</p> <ul style="list-style-type: none"> ▪ Focus Point Properties Sdn Bhd⁽¹⁾ ▪ Image Now Branding & Design Sdn Bhd ▪ Focus Point Vision Care (BP) Sdn Bhd⁽²⁾ <p>Past directorships:</p> <ul style="list-style-type: none"> ▪ Focus Preference Sdn Bhd ▪ Hightex Vision Sdn Bhd 	<p>Shareholder Shareholder Shareholder Shareholder Shareholder</p>

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Name	Directorships	Involvement in business activities other than as a Director
Datin Goh	Present directorships: <ul style="list-style-type: none"> ▪ Focus Point Properties Sdn Bhd⁽¹⁾ ▪ Image Now Branding & Design Sdn Bhd 	Shareholder Shareholder
Leow Ming Fong @ Leow Min Fong	Present directorships: <ul style="list-style-type: none"> ▪ Kurnia Asia Berhad ▪ Karambunai Corporation Berhad ▪ Nam Fatt Corporation Berhad ▪ Canadia Bank PLC, Cambodia ▪ NagaCorp Ltd in Hong Kong and Cambodia Past directorships: <ul style="list-style-type: none"> ▪ Petaling Tin Berhad ▪ FACB Industries Incorporated Berhad 	None None None None None None None

Notes:

- (1) On 16 June 2010, the shareholders of Focus Point Properties Sdn Bhd have submitted an application to change the name of Focus Point Properties Sdn Bhd.
- (2) On 23 June 2010, the shareholders of Focus Point Vision Care (BP) Sdn Bhd have submitted an application to change the name of Focus Point Vision Care (BP) Sdn Bhd.

Involvement in other business activities outside our Company held by our Directors may give rise to a conflict of interest situation with our businesses. On matters or transactions requiring the approval of our Board, Directors who are deemed interested or conflicted in such matters shall be required to abstain from deliberations and voting on the resolutions relating to these matters or transactions.

8.7 Declaration

None of our Promoters, Directors and key management personnel, is or has been involved in the following events, whether in or outside Malaysia:

- (a) a petition under any bankruptcy or insolvency laws filed (and not struck out) against such person or any partnership in which he/she was a partner or any corporation of which he/she was a director of key personnel;
- (b) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (c) charged on/or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (d) a judgment entered against such person involving a breach of any law or regulatory requirement that relates to the securities or futures industry; or
- (e) an order, judgement or ruling of any court, government or regulatory authority or body temporarily enjoining him/her from engaging in any type of business practice or activity.

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

8.8 Family Relationships and Associations

Save for Dato' Liaw and Datin Goh who are spouses, as well as Dato' Liaw and Dr Choo Wei Chong who are brothers-in-law, there is no other family relationship between our Promoters, substantial shareholders, Directors and key management personnel.

8.9 Amounts/Benefits Paid or Intended to be Paid or Given to any Promoter, Director or Substantial Shareholder

Save for dividends amounting to approximately RM5.00 million, and remuneration and benefits paid/accrued to Promoters and Directors of our Company for services rendered in all their capacities within our Group amounting to approximately RM4.24 million during the two (2) financial years up to the FYE 2009 preceding the date of this Prospectus, there is no other amount or benefit paid or intended to be paid or given to any of our Promoter, Director or substantial shareholder, within the two (2) years preceding the date of this Prospectus.

8.10 Service Agreements

All our employees have standard employment contracts. There is no other existing or proposed service agreement between our Company or any other company within our Group and our Directors and key management personnel.

8.11 Our Employees

As at LPD, we have total of 581 employees, all of which are local permanent employees. The table below sets forth the number of employees by category as at the end of each of the past three (3) financial years:

By categories	----- No. of employees as at ----->			
	FYE 2007	FYE 2008	FYE 2009	LPD
Managerial and professional	17	18	17	19
Technical professionals	68	81	110	117
Sales and merchandising	31	28	32	33
Professional eye care officers	335	349	326	366
Clerical and administrative	26	27	32	36
General workers	10	9	10	10
	487	512	527	581

8. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT (Cont'd)

Our registered optometrists and opticians

According to the Optical Act, 1991, only registered optometrists and opticians are allowed to prescribe and dispense ophthalmic lens and contact lens. As such, as at LPD, we have a total of 93 eye care professionals that are registered with the Malaysian Optical Council at our wholly- and partially-owned outlets, of which 13 are registered optometrists and 80 are registered opticians. We also have at least one (1) registered optometrist and/or optician at each of our franchised and licensed outlets.

Our employees are not members of any labour union and there has not been any industrial dispute in the past between our employees and the management. We maintain a close and cordial relationship with our employees, and regularly organise recreational events and get-togethers such as family day and annual dinners.

Training and development

We believe that our ability to retain a team of highly skilled and knowledgeable workforce is instrumental to our success. Hence, we emphasise on the importance of providing training and development programmes for our employees.

We provide practical and management training to our operational staff working at the various outlets. Our training programmes are in line with our objective to equip our employees with the necessary operational knowledge and skill, and to ensure that our employees are proficient in performing their respective job responsibilities.

We also provide a number of job related courses, seminars and workshops organised by external professional trainers to our managers and staff of our Merchandising, Franchise, Internal Audit, Management Information System, Finance and Administration, as well as Human Resources divisions, so that they will be continually kept abreast and updated with the relevant knowledge, skills, rules and regulations and development of their respective fields.

Management succession plans

Our business is organised along functional lines where functional/department managers are responsible for the execution of their duties. Our Group practices management empowerment whereby functional/department managers are relatively autonomous and have significant decision-making authority within their span of control and within clearly defined boundaries. As such, there is no over reliance on our President/CEO to be involved in all the details and aspects of the operational and functional areas. This allows our President/CEO to focus on strategic matters and on further developing the business for growth and success.

Nevertheless, to ensure business continuity, our Group has put in place a management succession plan which includes:

- (a) identifying key competencies and requirements for managers and higher positions. Job and candidate profiles are developed for management positions in line with the business goals, strategies and culture of our Group; and
- (b) taking a proactive approach towards addressing talent management to ensure the organisation has talent readily available from a capability perspective to undertake leadership positions throughout the organisation.

In addition, our middle management are constantly exposed to various aspects of our business activities in order to ensure that they have a full understanding of the responsibilities and the decision-making process and are equipped with the knowledge necessary for them to succeed to senior management positions.

9. FLOTATION EXERCISE

In conjunction with and as an integral part of our Listing, we undertook the Flotation Exercise which entails the following:

9.1 Acquisition

On 14 April 2010, our Company had entered into a conditional sale and purchase agreement with the vendors of Focus Point Vision Care for the acquisition of 10,000,000 ordinary shares of RM1.00 each, representing the entire issued and paid-up share capital of Focus Point Vision Care, for a total consideration of RM24,760,395 based on the audited consolidated NA of Focus Point Vision Care as at 31 December 2009 of RM24,760,395. The purchase consideration was satisfied by the issuance of 123,799,990 new Shares in our Company at an issue price of approximately RM0.20 per Share. The Acquisition was completed on 14 April 2010.

The new Shares issued pursuant to the Acquisition rank *pari passu* in all respects with our existing issued Shares including voting rights and rights to all dividends and distributions, the entitlement date of which are subsequent thereof.

9.2 Internal Restructuring

On 14 April 2010, our Company undertook an internal restructuring, by entering into a conditional sale and purchase agreement with Focus Point Vision Care for the acquisitions of the following:

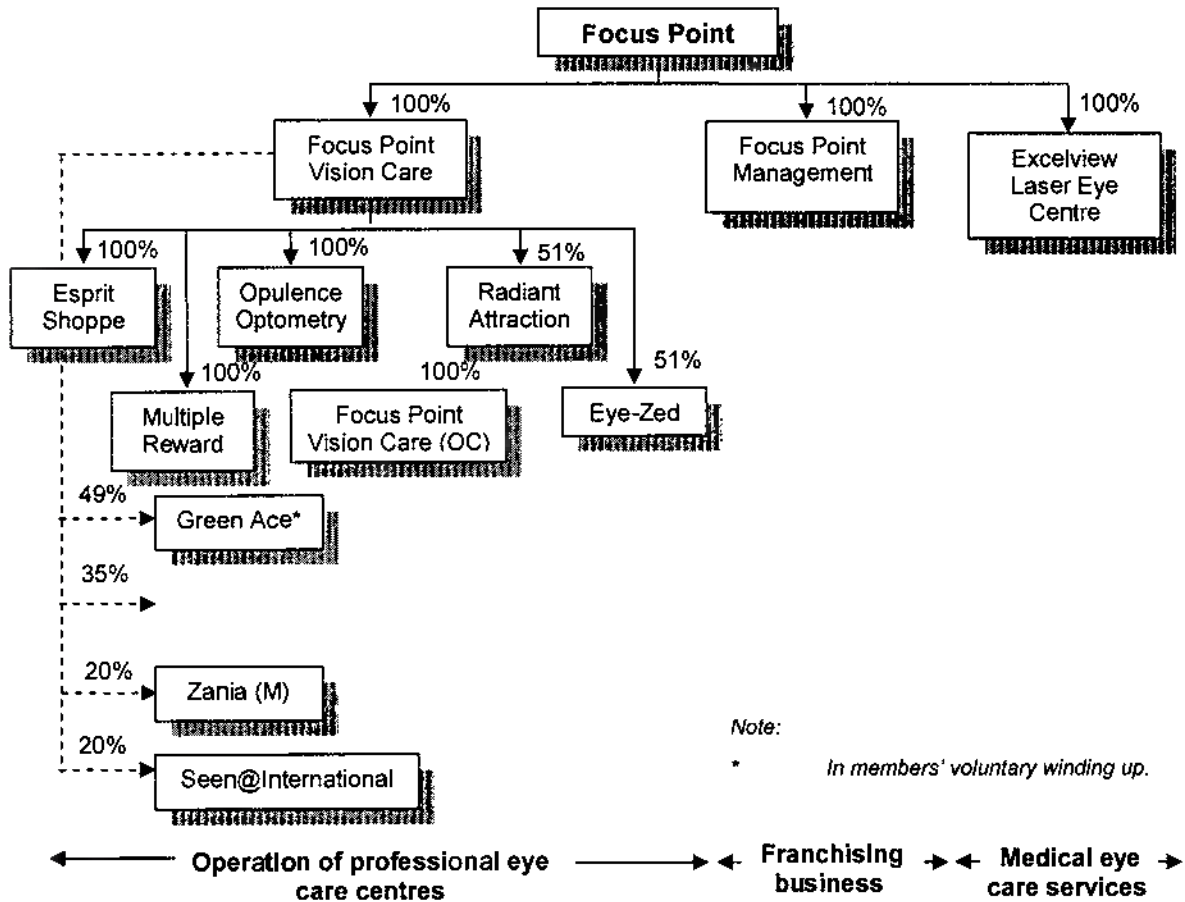
- 50,000 ordinary shares of RM1.00 each, representing the entire issued and paid-up share capital of Focus Point Management, for a total consideration of RM3,380,693 based on the audited NA of Focus Point Management as at 31 December 2009 of RM3,380,693; and
- 300,000 ordinary shares of RM1.00 each, representing the entire issued and paid-up share capital of Excelview Laser Eye Centre, for a total consideration of RM793,725 based on the audited NA of Excelview Laser Eye Centre as at 31 December 2009 of RM793,725.

The Internal Restructuring has then resulted in the corporate structure of our Group being segregated into three (3) core business segments, being the operation of professional eye care centres, franchising of professional eye care centres and provision of medical eye care services.

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9. FLOTATION EXERCISE (Cont'd)

Upon completion of the Internal Restructuring, our group corporate structure is depicted as follows:



9.3 Public Issue

Pursuant to the Public Issue, we shall issue 41,200,000 new Shares at an Issue Price of RM0.39 per Share to be allocated in the following manner:

- 10,000,000 Public Issue Shares will be made available for application by our eligible directors, employees and franchisees who have contributed to our success and development;
- 22,950,000 Public Issue Shares will be allocated by way of private placement to identified investors; and
- 8,250,000 Public Issue Shares will be made available for application by the Malaysian public, to be allocated via ballot, of which at least 50% is to be set aside for Bumiputera individuals, companies, societies, co-operatives and institutions.

The Public Issue Shares will rank *pari passu* in all respects with our existing issued Shares including voting rights and rights to all dividends and distributions, the entitlement date of which are subsequent thereof.

Upon completion of the Public Issue, our issued and paid-up share capital will increase from RM24,760,000 comprising 123,800,000 Shares to RM33,000,000 comprising 165,000,000 Shares.

9. FLOTATION EXERCISE (Cont'd)

9.4 Offer for Sale

In conjunction with our Listing, our Company will undertake an offer for sale of up to 15,800,000 Shares to identified investors at an Offer Price of RM0.39 per Share.

Our Selling Shareholder, namely Datin Goh, is offering up to 15,800,000 Offer Shares for sale, representing approximately 9.58% of our enlarged issued and paid-up share capital.

9.5 Listing

We have obtained approval from Bursa Securities for our admission to the Official List and for the listing of and quotation for our entire enlarged issued and paid-up share capital of RM33,000,000 comprising 165,000,000 Shares on the ACE Market of Bursa Securities.

9.6 Approvals and Conditions

Bursa Securities had vide its letter dated 17 June 2010, approved our admission to the Official List of the ACE Market of Bursa Securities and the listing of and quotation for our entire enlarged issued and paid-up share capital on the ACE Market of Bursa Securities.

The conditions imposed by Bursa Securities and the status of our compliance with the conditions are as follows:

No.	Details on conditions imposed	Status of compliance
(a)	Submission of the following information in respect to the moratorium on the shareholdings of promoters to Bursa Depository: (i) Name of shareholders; (ii) Number of shares; and (iii) Date of expiry of the moratorium for each block of shares.	To be complied.
(b)	Approvals from other relevant authorities have been obtained for implementation of the listing proposal.	Complied
(c)	Make the relevant announcements pursuant to paragraphs 8.1 and 8.2 of Guidance Notes 15 of the Listing Requirements; and	To be complied.
(d)	Furnish Bursa Securities a copy of the schedule of distribution showing compliance to the share spread requirements based on the entire issued and paid-up share capital of Focus Point on the first day of listing.	To be complied.

9. FLOTATION EXERCISE (Cont'd)

The SC had vide its letter dated 24 May 2010 resolved to approve our resulting equity structure pursuant to the IPO under the equity requirements for public companies. The conditions imposed by the SC and the status of our compliance with the conditions are as follows:

No.	Details on conditions imposed	Status of compliance
(a)	Focus Point is required to allocate 12.50% of its enlarged issued and paid-up share capital to MITI-recognised Bumiputera investors within one (1) year after achieving the profit record required for a listing on the Main Market of Bursa Securities, or five (5) years after being listed on the ACE Market of Bursa Securities, whichever is earlier; and	To be complied.
(b)	Focus Point is required to submit a proposal on how to comply with the Bumiputera equity condition imposed on Focus Point as stated in item (a) above, within six (6) months before the expiry of the said compliance.	To be complied.

9.7 Moratorium on our Shares

In compliance with Rule 3.19 of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of shares held by our Promoters as follows:

- (a) the moratorium applies to the entire shareholdings of our Promoters for a period of six (6) months from the date of admission to the ACE Market of Bursa Securities ("**6-Month Moratorium**");
- (b) upon the expiry of the 6-Month Moratorium, our Promoters' aggregate shareholdings amounting to at least 45% of the nominal issued and paid-up ordinary share capital of our Company shall remain under moratorium, for another period of six (6) months; and
- (c) thereafter, our Promoters may sell, transfer or assign up to a maximum of one-third (1/3) per annum (on a straight-line basis) of the Shares held under moratorium.

Details of our shareholders whose shares are subject to moratorium are as follows:

	After the IPO and during the 6-Month Moratorium		After 6-Month Moratorium	
	No. of Shares	% of enlarged share capital	No. of Shares	% of enlarged share capital
Dato' Liaw	94,675,000	57.38	64,007,455	38.79
Datin Goh	15,150,000	9.18	10,242,545	6.21
	109,825,000	66.56	74,250,000	45.00

Our Promoters have fully accepted the above moratorium restrictions. The restriction, which is fully acknowledged by the aforesaid Promoters, is specifically endorsed on the notice of allotment representing their shareholdings that are under moratorium. The Registrar and Bursa Depository have been informed in writing in relation to the moratorium of the aforesaid Promoters to ensure that they do not register any transfer not in compliance with the moratorium restrictions.

10. RELATED PARTY TRANSACTIONS/CONFLICTS OF INTEREST**10.1 Related Party Transactions and Conflicts of Interest**

For the past three (3) financial years up to the FYE 2009, none of our Directors, substantial shareholders, key management and/or persons connected with them, was engaged in any existing and potential related party transaction:

Related party	Nature of transaction	Value of transactions for the			
		FYE			Forecast for
		2007	2008	2009	2010
		(RM'000)	(RM'000)	(RM'000)	(RM'000)
Hightex Vision Sdn Bhd, a company in which Dato' Liaw had substantial shareholdings and was a director. In April 2010, Dato' Liaw disposed his entire interests in Hightex Vision Sdn Bhd to a third party	Sales of eyewear and eye care products and ad hoc supporting fees charged to Hightex Vision Sdn Bhd	-	867	1,210	1,054
Image Now Branding & Design Sdn Bhd, a company in which Dato' Liaw and Datin Goh have substantial shareholdings and are also directors	Advertising and ad hoc supporting fees charged to our Group for our Group's magazines	-	72	666	140
Focus Point Vision Care (HP), our 35%-owned associate in which Dato' Liaw's brother, Liaw Choon Kuan has substantial shareholdings. Dato' Liaw and Liaw Choon Kuan are directors of the company.	Sales of eyewear and eye care products to Focus Point Vision Care (HP)	736	1,076	1,482	1,322
	Management fee paid to our Group	91	97	106	212
Zania (M), our 20%-owned associate in which Dato' Liaw has substantial shareholdings. Dato' Liaw and Datin Goh are directors of the company.	Sales of eyewear and eye care products to Zania (M)	165	-	-	-
	Purchase of eyewear and eye care products returned from Zania (M)	-	96	-	-
	Discounts allowed given to Zania (M) for the purchase of eyewear and eye care products	-	(136)	-	-
Seen@International, our 20%-owned associate in which Dato' Liaw is also a director.	Sales of eyewear and eye care products to Seen@International	-	-	418	-

10. RELATED PARTY TRANSACTIONS/CONFLICTS OF INTEREST (Cont'd)

Our Directors have confirmed that the transactions with related parties are of sales and expenditure in nature, which are required for day-to-day operations, and will continue to be transacted. All past, present and future transactions which involve the interests of the Directors, substantial shareholders, key management and/or persons connected with them have been and will be transacted at arm's length, on our normal commercial terms which are not more favourable to the related parties than those generally available to the public, and which are not to the detriment of the minority shareholders. The Audit Committee will supervise the terms of all related party transactions, and our Directors will report such transactions, if any, all in our annual reports.

10.2 Transactions that are Unusual in their Nature or Conditions

Our Directors have confirmed that to the best of their knowledge and belief, there has been no transaction that is unusual in its nature or conditions, involving goods, services, tangible or intangible assets to which our Company or any of our subsidiaries was a party over the past three (3) financial years up to the FYE 2009.

10.3 Interests in Similar Trade and Interests in Businesses of our Customers or Suppliers

None of our Directors or substantial shareholders has any interest, direct or indirect, in any business or corporation carrying on a similar trade as our Company or subsidiaries, or any business or corporation which are also our customers or suppliers.

10.4 Outstanding Loans and Guarantees

Save as disclosed below, our Directors have confirmed that to the best of their knowledge and belief, there has been no outstanding loan (including guarantees of any kind) made by our Company or any of our subsidiaries to or for the benefit of related parties over the past three (3) financial years up to LPD:

Nature of transaction	Related party	Balance as at			
		FYE 2007	FYE 2008	FYE 2009	LPD
		(RM'000)	(RM'000)	(RM'000)	(RM'000)
Balance due from related parties	Hightex Vision Sdn Bhd ⁽¹⁾	-	670	195	242
	Image Now Branding & Design Sdn Bhd ⁽²⁾	189	64	-	-
	Focus Point Properties Sdn Bhd ^{(2), (8)}	22	22	17	-
	Focus Point Vision Care (BP) Sdn Bhd ^{(1), (9)}	248	264	264	-
	Focus Point Vision Care (HP) ⁽³⁾	557	163	621	224
	Zania (M) ⁽⁴⁾	358	-	-	-
	Seen@International ⁽⁵⁾	-	-	186	-
Balance due to related parties	Image Now Branding & Design Sdn Bhd ⁽¹⁾	-	-	44	-
	Green Ace ^{(6), (7)}	-	23	23	23

10. RELATED PARTY TRANSACTIONS/CONFLICTS OF INTEREST (Cont'd)*Notes:*

- (1) *A company in which Dato' Liaw had substantial shareholdings and was a director. In April 2010, Dato' Liaw disposed his entire interests in Hightax Vision Sdn Bhd to a third party.*
- (2) *A company in which Dato' Liaw and Datin Goh have substantial shareholdings and are also directors.*
- (3) *Our 35%-owned associate in which Dato' Liaw's brother, Liaw Choon Kuen has substantial shareholdings. Dato' Liaw and Liaw Choon Kuen are directors of the company.*
- (4) *Our 20%-owned associate in which Dato' Liaw has substantial shareholdings. Dato' Liaw and Datin Goh are directors of the company.*
- (5) *Our 20%-owned associate in which Dato' Liaw is a director.*
- (6) *Our 49%-owned associate.*
- (7) *The balances due to Green Ace could not be settled at this point of time as Green Ace is in the process of being wound up. Furthermore, the said balances will be settled upon the winding up process of Green Ace is confirmed.*
- (8) *On 16 June 2010, the shareholders of Focus Point Properties Sdn Bhd have submitted an application to change the name of Focus Point Properties Sdn Bhd.*
- (9) *On 23 June 2010, the shareholders of Focus Point Vision Care (BP) Sdn Bhd have submitted an application to change the name of Focus Point Vision Care (BP) Sdn Bhd.*

The loans recorded for the past three (3) financial years up to the FYE 2009 above are local outstanding loans, which are short-term in nature, interest free, unsecured and repayable on demand. As at LPD, all balances due from the related parties have been settled, save for Hightex Vision Sdn Bhd and Focus Point Vision Care (HP), which are trade in-nature and within the credit period.

All future transactions which involve the interests of the Directors, substantial shareholders, key management and/or persons connected with them will be transacted at arm's length, on our normal commercial terms which are not more favourable to the related parties than those generally available to the public, and which are not to the detriment of the minority shareholders. The Audit Committee will supervise the terms of all related party transactions, and our Directors will report such transactions, if any, all in our annual reports.

10.5 Conflicts of Interest

OSK has given its written confirmation on 22 June 2010 to our Board that there is no existing or potential conflict of interest in its capacity as our Principal Adviser, Sponsor, Underwriter and Placement Agent for the Flotation Exercise.

Messrs BDO has given its written confirmation on 22 June 2010 to our Board that there is no existing or potential conflict of interest in its capacity vis-à-vis the Company or the Group as the Auditors and Reporting Accountants for the Flotation Exercise.

Messrs Cheang & Ariff has given its written confirmation on 22 June 2010 to our Board that there is no existing or potential conflict of interest in its capacity vis-à-vis the Company or the Group as the Solicitors for the Flotation Exercise.

Vital Factor has given its written confirmation on 22 June 2010 to our Board that there is no existing or potential conflict of interest in its capacity vis-à-vis the Company or the Group as the Independent Business and Market Research Consultants for the Flotation Exercise.

11. OTHER INFORMATION CONCERNING OUR GROUP

11.1 Land and Buildings

11.1.1 Land and buildings owned by our Group

A summary of the land and buildings owned by our Group as at LPD is set out below:

Registered owner / Beneficial owner and postal address/identification	Approximate age of the building/Date of certificate of fitness	Tenure/ Expiry date of lease	Description and existing use	Built-up area (Square feet)	Net book value as at 31 December 2009 (RM)
Puncak Kencana Sdn Bhd / Focus Point Vision Care Unit 1, Block 1, Jalan PJU 1/37 Dataran Prima 47301 Petaling Jaya Selangor Darul Ehsan <i>Title identification:</i> Parcel No. 111-GF, 111-L1, 111-L2, 111-L3 and 111-L4, Level No. Ground Floor to 4 th Floor, Block 1, Prima Square, Petaling Jaya erected on part of land held under Master Title H.S.(D) 135925 P.T. No. 42411 (formerly held under Grant 35997, Lot No. 102) in Mukim Sungai Buloh, Daerah Petaling, Negeri Selangor Darul Ehsan	11 years/ 10.12.1998	Freehold	Five (5) storey shop office/our head office	7,216	1,477,850
Puncak Kencana Sdn Bhd / Focus Point Vision Care Unit 3, Block 1, Jalan PJU 1/37 Dataran Prima 47301 Petaling Jaya Selangor Darul Ehsan <i>Title identification:</i> Parcel No. 110-GF, 110-L1, 110-L2, 110-L3 and 110-L4, Level No. Ground Floor to 4 th Floor, Block 1, Prima Square, Petaling Jaya erected on part of land held under Master Title Geran 35997, Lot No. 102 (formerly held under Grant 6434) in Mukim Sungai Buloh, Daerah Petaling, Negeri Selangor Darul Ehsan	11 years/ 10.12.1998	Freehold	Five (5) storey shop office/our head office	7,216	1,574,550

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Registered owner / Beneficial owner and postal address/identification	Approximate age of the building/Date of certificate of fitness	Tenure/ Expiry date of lease	Description and existing use	Built-up area (Square feet)	Net book value as at 31 December 2009 (RM)
Puncak Kencana Sdn Bhd / Focus Point Vision Care Unit 5-1, Block I, Jalan PJU 1/37 Dataran Prima 47301 Petaling Jaya Selangor Darul Ehsan	11 years/ 10.12.1998	Freehold	Ground floor unit of a five (5) storey shop office/our head office	1,282	597,265
<i>Title identification:</i> Parcel No. 109-GF, Level No. Ground Floor, Block I, Prima Square, Petaling Jaya erected on part of land held under Master Title Geran 35997 Lot No. 102 (formerly held under Grant 6434) in Mukim Sungai Buloh, Daerah Petaling, Negeri Selangor Darul Ehsan					
Puncak Kencana Sdn Bhd / Focus Point Vision Care Unit 5-4, Block I, Jalan PJU 1/37 Dataran Prima 47301 Petaling Jaya Selangor Darul Ehsan	11 years/ 10.12.1998	Freehold	Third floor unit of a five (5) storey shop office/our head office	1,480	Not applicable*
<i>Title identification:</i> Parcel No. 109-L3, Level No. Third Floor, Block I, Prima Square, Petaling Jaya erected on part of land held under Master Title Geran 35997 Lot No. 102 (formerly held under Grant 6434) in Mukim Sungai Buloh, Daerah Petaling, Negeri Selangor Darul Ehsan					

Note:

* The property was not recorded in our Group's account as at 31 December 2009 as the purchase consideration for the said property was only settled in May 2010.

In respect of the land and buildings of our Group, our Directors have confirmed the following:

- (a) that save as disclosed above, there is no other restriction in interest or major encumbrances;
- (b) that the existing use of land is in accordance with the land use conditions;
- (c) that all our properties have been issued with certificates of fitness; and
- (d) that we are not in breach of any law, rules and building regulations in relation to the use of all land and buildings owned by us.

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

11.1.2 Land and buildings leased by our Group

A summary of the land and buildings leased by our Group as at LPD is set out below:

Wholly-owned outlets

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
<i>Focus Point Vision Care</i>				
Lot No. 3A, Carrefour Hypermarket No. 81, Anchor Tenant 1, Mid Valley City 58000 Kuala Lumpur	Magnificent Diagraph Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	1,375
Lot No. C28A, Concourse Floor Suria KLCC, Kuala Lumpur City Centre 50450 Kuala Lumpur	Suria KLCC Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2011	678
No. 11, Jalan Telawi 3, Bangsar Baru 59100 Kuala Lumpur	Malaysian Timber Council	An individual shoplot for the operation of professional eye care outlet	2009 to 2012	1,000
No. 23A, Ground Floor Wangsa Walk Mall, Wangsa Avenue No. 9, Jalan Wangsa Perdana 1 Bandar Wangsa Maju 53300 Kuala Lumpur	MSL Properties Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	1,206
Lot No. F2-21A Carrefour Shopping Centre Wangsa Maju No. 6, Jalan 8/27A, Section 5, Wangsa Maju 55300 Kuala Lumpur	Magnificent Diagraph Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	667

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
No. 6, Ground Floor, Jalan 1A/27A Wangsa Maju, Seksyen 1 53300 Kuala Lumpur	Sin Chee Fong and Sia Siew Huay	An individual shoplot for the operation of professional eye care outlet	2010 to 2012	1,650
Lot No. 19, Level 2, Carrefour Kepong Jalan Kepong, Kepong 52000 Kuala Lumpur	Magnificent Diagraph Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	497
Lot No. G11, Ground Floor Alamanda Putrajaya Shopping Centre Jalan Alamanda, Precinct 1 62000 Putrajaya	Putrajaya Holdings Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	1,144
Lot No. 20, Ground Floor Alamanda Putrajaya Shopping Centre Jalan Alamanda, Precinct 1 62000 Putrajaya	Putrajaya Holdings Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	471
Lot No. G138, Ground Floor, Plaza Sungai Wang Jalan Bukit Bintang 55100 Kuala Lumpur	Vast Winners Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	9,718
Lot No. P5.02.00, Level 5 Pavilion Kuala Lumpur No. 168, Jalan Bukit Bintang 55100 Kuala Lumpur	Urusharta Cemerlang Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	377

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
No. 26, Jalan 2/21D, Medan Idaman 53000 Kuala Lumpur	Tee Toh Meng	An individual shoplot for the operation of professional eye care outlet	2008 to 2010	1,407
Unit No. F6, Ikano Power Centre No 2, Jalan PJU 7/2, Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan	Ikano Corporation Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	4,901
No. 20, Jalan SS6/3, Kelana Jaya 47301 Petaling Jaya Selangor Darul Ehsan	Hathija Holdings Sdn Bhd	An individual shoplot for the operation of professional eye care outlet	2009 to 2011	1,000
Lot No. F4.13, F4.15 & F4.16 Carrefour Shopping Centre Subang Jaya No. 3, Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan	Magnificent Diagraph Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	745
Lot No. F2.18 Carrefour Shopping Centre Subang Jaya No. 3, Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan	Magnificent Diagraph Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	436
Lot No. LG2.06(A) Sunway Pyramid Shopping Mall No. 3, Jalan PJS 11/15, Bandar Sunway 46150 Petaling Jaya Selangor Darul Ehsan	Sunway Pyramid Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	1,008

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. G1.75, Ground Floor Sunway Pyramid Shopping Mall No. 3, Jalan PJS 11/15, Bandar Sunway 46150 Petaling Jaya Selangor Darul Ehsan	Sunway Pyramid Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	1,199
Lot No. F1.AV.05, First Floor Sunway Pyramid Shopping Mall No. 3, Jalan PJS 11/15, Bandar Sunway 46150 Petaling Jaya Selangor Darul Ehsan	Sunway Pyramid Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2007 to 2010	539
Lot No. LGC09, Lower Ground Floor Subang Parade Shopping Centre No. 5, Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan	AMTRUSTEE Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2007 to 2010	400
No. 10G, Ground Floor, Jalan USJ 10/1 47620 Subang Jaya Selangor Darul Ehsan	CWL Vision Enterprise	An individual shoplot for the operation of professional eye care outlet	2009 to 2011	1,760
No. 20-G, Ground Floor, Jalan USJ 10/1 47620 Subang Jaya Selangor Darul Ehsan	Hui Huang Enterprise Sdn Bhd	An individual shoplot for the operation of professional eye care outlet	2010 to 2011	1,000
Lot No. 174, First Floor The Curve Shopping Centre No. 17, Jalan PJU 7/7A Mutiar Damansara 47800 Petaling Jaya Selangor Darul Ehsan	Boustead Curve Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2007 to 2010	1,281

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. FK01, First Floor IOI Mall, Batu 9, Jalan Puchong Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan	Commercial Wings Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	500
Lot No. EG17, Ground Floor IOI Mall, Batu 9, Jalan Puchong Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan	Commercial Wings Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	652
Lot No. F-33, AEON Cheras Selatan Lebuhraya Tun Hussein Onn 43200 Balakong Selangor Darul Ehsan	Aeon Co (M) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	1,877
Lot No. A3, Giant Superstore Kajang Plot 8, Jalan Prima Saujana 2/F Taman Prima Saujana, Seksyen 2 43000 Kajang Selangor Darul Ehsan	GCH Retail (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2010	310
Lot No. GF-19, Ground Floor Carrefour Tun Hussein Onn Jalan Suarasa 2 Bandar Tun Hussein Onn, 43200 Kajang Selangor Darul Ehsan	Magnificent Diagraph Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	473
Lot No. B4, Giant Batu Caves Lot 10243, Bandar Selayang 68100 Batu Caves Selangor Darul Ehsan	GCH Retail (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	637

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. G43-G44, Ground Floor Selayang Mall Shopping Centre Jalan SU 9, Taman Selayang Utama 68100 Batu Caves Selangor Darul Ehsan	Seal Incorporated Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	985
Lot No. G6, Ground Floor Bukit Raja Shopping Centre Bandar Baru Klang 41150 Klang Selangor Darul Ehsan	Jaya Jusco Stores Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2010	647
Lot No. G28, Ground Floor Kompleks Klang Parade, Jalan Meru 41050 Klang Selangor Darul Ehsan	Lion Klang Parade Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	661
Lot No. G24, Tesco Rawang No. 1, Jalan Rawang 48000 Rawang Selangor Darul Ehsan	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	621
Lot No. G30, Ground Floor Jusco Seremban 2 No. 112, Persiaran S2 B1 Seremban 2 70310 Seremban Negeri Sembilan Darul Khusus	Aeon Co (M) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	1,269
Lot No. G13A, Ground Floor Seremban Parade Jalan Dato Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus	Seremban Parade Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2011	467

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. B10 and B11, Giant Hypermarket Jalan Senawang 70450 Senawang Negeri Sembilan Darul Khusus	GCH Retail (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	538
Lot No. G21, Giant Superstore Bandar Baru Nilai, 71800 Nilai Negeri Sembilan Darul Khusus	GCH Retail (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	647
Lot No. G67 Jusco Tebrau City Shopping Centre No. 1, Jalan Desa Tebrau 81100 Johor Bahru Johor Darul Takzim	Aeon Co (M) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	963
M3-20 & M-21, Johor Bahru City Square Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim	Johdaya Kanya Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	1,023
Lot No. F04, First Floor, Tesco Kulai 81000 Kulai Jaya Johor Darul Takzim	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	670
Lot No. F22, First Floor Tesco Extra Johor Bahru Lot 34, Jalan Masai Baru 81750 Johor Bahru Johor Darul Takzim	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	696

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. 4, 2 nd Floor, Tesco Store Taiping Jalan Istana Larut 34000 Taiping Perak Darul Ridzuan	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	905
Lot No. F02-04, Ipoh Parade Jalan Sultan Abdul Jalil 30450 Ipoh Perak Darul Ridzuan	Lion Ipoh Parade Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2011	3,628
Lot No.12, Tesco Ipoh No.2, Jalan Jambu Taman Teh Teng Seng 31400 Ipoh Perak Darul Ridzuan	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	726
Lot No. G-07, Tesco Station 18 PT 221119 Station 18 31650 Ipoh Perak Darul Ridzuan	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	362
Lot No. G-09, Tesco Station 18 PT 221119 Station 18 31650 Ipoh Perak Darul Ridzuan	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	636
Lot No. 27, Tesco Extra Ipoh No. 2, Laluan Tasek Timur 6 Taman Tasek Indra Off Jalan Kg Bercham 31400 Ipoh Perak Darul Ridzuan	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	448

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. A6 Giant Superstore Tambun Sunway City Ipoh 31150 Ipoh Perak Darul Ridzuan	GCH Retail (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2010	538
Lot No. 170-01-43A, Plaza Gurney Persiaran Gurney 10250 Penang	Capitalretail Gurney Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	678
Lot No. 170-G-73A, Plaza Gurney Persiaran Gurney 10250 Penang	Gurney Plaza Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2011	517
Lot No. G-52, Megamall Pinang No. 2828, Jalan Batu Bandar Perai Jaya 13600 Seberang Prai Tengah Penang	Tan & Koon Holdings Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	1,104
Lot No. 100-GF-51, Queensbay Mall Persiaran Bayan Indah, Sungai Nibong 11900 Bayan Lepas Penang	CP Assets Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	1,100
Lot No. 1F-160 & 1F-161 (100-1F-52 & 53) Queensbay Mall Persiaran Bayan Indah, Sungai Nibong 11900 Bayan Lepas Penang	CP Assets Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	1,063

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. 1-2-05, Tesco Penang Lebuhr Tengku Kudin 1 Bandar Jelutong 11700 Penang	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	586
Lot No. F2-05, Ground Floor Carrefour Shopping Centre Butterworth No. 2929, Jalan Kelisa Emas Taman Kelisa Emas, Mukim 1 Seberang Prai Tengah 13700 Seberang Jaya Penang	Magnificent Diagraph Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2007 to 2010	464
Lot No. LG-K3, Sunway Carnival Mall No. 3068, Jalan Todak Pusat Bandar Seberang Jaya 13700 Seberang Jaya Penang	Sunway Carnival Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2007 to 2010	689
Lot No. UG-06A, Sunway Carnival Mall No. 3068, Jalan Todak Pusat Bandar Seberang Jaya 13700 Seberang Jaya Penang	Sunway Carnival Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2007 to 2010	464
Lot No. 5A, Ground Floor Tesco Extra Pulau Pinang No. 675, Jalan Sungai Dua 11700 Sungai Dua Penang	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	452

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. G11, Tesco Mergong No. 1, Lebuhraya Sultanah Bahiyah 05350 Alor Setar Kedah Darul Aman	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	520
Lot No. 38, 39, 42 & 43, Ground Floor City Plaza Basement, Jalan Tunku Ibrahim 05000 Alor Setar Kedah Darul Aman	YS City Point Shopping Galleria Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	450
Lot No. 41, Tesco Hypermarket Melaka No. 1, Jalan Tun Abdul Razak 75400 Peringgit Melaka	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	774
Lot No. F52, AEON Bandaraya Melaka Shopping Centre, Jalan Lagenda Taman I-Lagenda 75400 Melaka	Aeon Co (M) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2013	1,266
Lot No. C219, Concourse 1 Borneo Hyper Mall, Jalan UMS 88400 Kota Kinabalu Sabah	Sagajuta Properties (Sabah) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2011	788

The monthly rental for our wholly-owned outlets ranges from approximately RM4,000 to approximately RM50,000 per month, depending on the size and location of the outlets.

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Partially-owned outlets

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Focus Point Vision Care				
Lot No. 15, Tesco Shah Alam No. 3, Jalan Aerobik 13/43, Seksyen 13 40100 Petaling Jaya Selangor Darul Ehsan	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	580
Lot No. F35, First Floor, Tesco Setia Alam No. 2, Jalan Setia Prima SU13/S Bandar Setia Alam, Seksyen U13 40170 Shah Alam Selangor Darul Ehsan	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	420
Lot No. GL-11 & GL-12, Ground Floor Shaw Centrepoint, Jalan Raja Hassan 41400 Klang Selangor Darul Ehsan	Shaw & Sons (KL) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	678
Lot No. LG 25, Holiday Plaza Jalan Dato Sulaiman Taman Century 80250 Johor Bahru Johor Darul Takzim	Kwong Lee Heng Enterprise Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	400
Lot No. LG28, Holiday Plaza Jalan Dato Sulaiman Taman Century 80250 Johor Bahru Johor Darul Takzim	Chan Yen Leng and Chan Li Leng	A shoplot located in a shopping centre for the operation of professional eye care outlet	2007 to 2010	900

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. LG83, Holiday Plaza Jalan Dato Sulaiman Taman Century 80250 Johor Bahru Johor Darul Takzim	Choo Yong Hok	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	450

The monthly rental for our partially-owned outlets ranges from approximately RM10,000 to approximately RM20,000 per month, depending on the size and location of the outlets.

Franchised outlets

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Focus Point Vision Care				
Lot No. G-012A, Ground Floor Endah Parade, Bandar Baru Sri Petaling 57000 Kuala Lumpur	Crimson First Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	1,417
Lot No. G5 & G7, Ground Floor Rampai Town Centre Phase 3, Setapak 53300 Kuala Lumpur	Kong Chee Seng	An individual shoplot for the operation of professional eye care outlet	2008 to 2010	936
Lot No. 18, Tesco Hypermarket Ampang PT 8880 Jalan Pandan Prima Dataran Pandan Prima 55100 Kuala Lumpur	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	519

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. 33, First Floor Ampang Point Shopping Centre Jalan Mamanda 3, Ampang Point 68000 Kuala Lumpur	Damansara Resources Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	700
Lot No. 11, Tesco Extra Cheras No. 2, Jalan Midah 2 Taman Midah Cheras 56000 Kuala Lumpur	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	501
Lot No. LG-21, Lower Ground Floor Parkson Grand, The Mall 100, Putra Place, Jalan Putra 50350 Kuala Lumpur	Parkson Corporation Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	607
Lot No. P29, Ground Floor Hartamas Shopping Centre No. 60, Jalan Sri Hartamas 50480 Kuala Lumpur	Malaysian Land Properties Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2011	746
Lot No. 35 & 35A, Ground Floor Pusat Beli-Belah Pandan Kapital, Persiaran MPAJ Jalan Pandan Utama Pandan Indah 55100 Kuala Lumpur	Inti Johan Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	483
Lot No. 7, Lower Ground Floor Plaza 393, No. 61, Jalan Peel 55100 Kuala Lumpur	Magnificent Diagraph Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	645

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. LG11, Summit City Subang USJ, USJ 1 47600 Petaling Jaya Selangor Darul Ehsan	Pertama Audio Holdings Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	777
Lot No. LG-316d, Lower Ground Oval One Utama Shopping Centre Lebuh Bandar Utama Bandar Utama Damansara 47800 Petaling Jaya Selangor Darul Ehsan	Bandar Utama City Centre Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2011	848
Lot No. F. 16, First Floor Sunway Giza Shopping Mall, Block D No. 2, Jalan PJU 5/14, PJU 5 Kota Damansara 47810 Petaling Jaya Selangor Darul Ehsan	Sunway Damansara Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	919
Lot No. F.1.01 & F.1.02 Carrefour Shopping Centre Kota Damansara No. 1, Jalan Kenyalang 11/1 Seksyen 11, Kota Damansara, PJU 5 47810 Petaling Jaya Selangor Darul Ehsan	Magnificent Diagraph Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	497
Lot No. LG-35, Lower Ground Floor Tropicana City Mall No. 3, Jalan SS20/27 47400 Petaling Jaya Selangor Darul Ehsan	Tropicana City Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2011	723

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. 8, First Floor Tesco Mutiara Damansara No. 8, Jalan PJU 7/4, Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	652
Lot No. 1F-10, First Floor, SACC Mall Precinct 1.1 and Precinct 1.2 Jalan Perbandaran 14/9, Section 14 40000 Shah Alam Selangor Darul Ehsan	Perbadanan Kemajuan Negeri Selangor	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	839
Lot No. G32, Ground Floor, Plaza Shah Alam No. 2, Jalan Tengku Ampuan Zabedah E9/E Seksyen 9 40100 Shah Alam Selangor Darul Ehsan	Evergreen Venues Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	400
Lot No.2, Jalan Sungai Burung 32/68 Seksyen 32 40460 Shah Alam Selangor Darul Ehsan	Magnificent Diagraph Sdn Bhd	An individual shoplot for the operation of professional eye care outlet	2010 to 2012	517
No. 59, Jalan Tun Abdul Aziz 43000 Kajang Selangor Darul Ehsan	Chen Choy & Sons Realty Sdn Bhd	An individual shoplot for the operation of professional eye care outlet	2008 to 2010	1,650
Lot No. G17, Ground Floor Kompleks MetroPoint Kajang Jalan Jelok 8, 43000 Kajang Selangor Darul Ehsan	Sirjang Indah Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2007 to 2010	797

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. 26, First Floor, Tesco Kajang Lot PT 37820 & 11196 Mukim Kajang Saujana Impian 43000 Kajang Selangor Darul Ehsan	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	389
No. 25, Ground Floor Jalan Tanjung Bunga 9C, Taman Putra 68000 Ampang Selangor Darul Ehsan	Starhome Realty Sdn Bhd	An individual shoplot for the operation of professional eye care outlet	2007 to 2010	600
Lot No. G-37, Ground Floor, Axis Atrium Jalan Cempaka, Taman Cempaka 68000 Ampang Selangor Darul Ehsan	Jasbir Kaur A/P Mitt Singh & Manjit Singh A/L Delbara Singh	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	413
Lot No. L3-48, The Mines Shopping Fair Jalan Dulang, The Mines Resort City 43300 Seri Kembangan Selangor Darul Ehsan	Mutual Streams Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	872
Lot No. F39, Giant Putra Heights No. 3, Persiaran Putra Perdana 47650 Putra Heights Selangor Darul Ehsan	GCH Retail (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	430
No. 9, Ground Floor Jalan Bandar Rawang 2 48000 Rawang Selangor Darul Ehsan	Lim Tsing Yuen @ Lim Choon Hin	An individual shoplot for the operation of professional eye care outlet	2009 to 2012	1,600

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. F2-43 & F2-44 Carrefour Ampang, Lot 613 Taman Dagang Permai, Mukim Ampang 68000 Daerah Hulu Langat Selangor Darul Ehsan	Magnificent Diagraph Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	742
Lot No. 7, Tesco Kuala Selangor No. 2, Jalan Medan Niaga 1 Medan Niaga Kuala Selangor 45000 Kuala Selangor Selangor Darul Ehsan	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	271
Lot No. A21, Giant Hypermarket Klang Persiaran Batu Nilam, Bandar Bukit Tinggi 1 Jalan Langat 41200 Klang Selangor Darul Ehsan	GCH Retail (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	664
Lot No. 52-G-01, Jalan Medan PB2B Seksyen 9, Pusat Bandar Baru Bangi 43650 Bandar Baru Bangi Selangor Darul Ehsan	Lee Shia Poh	An individual shoplot for the operation of professional eye care outlet	2010 to 2013	413
Lot No. G-19A, Ground Floor Sungai Buloh Complex No. 2, Bandar Baru Sungai Buloh Seksyen U20 47000 Shah Alam Selangor Darul Ehsan	Tat Seng Fatt Holding Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	900
Lot No. 10, Ground Floor, AIM Point Plaza Jalan Emas 15, Bandar Sungai Emas 42700 Banting Selangor Darul Ehsan	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	396

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. 22, Ground Floor Upwell Shopping Centre Jalan Syed Abdul Kadir 85000 Segamat Johor Darul Takzim	Upwell Shopping Centre (Segamat) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	510
Lot No. LG33, Lower Ground Level Jusco Taman Universiti Shopping Centre Taman Universiti, 81300 Skudai Johor Darul Takzim	Aeon Co (M) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2007 to 2010	629
Astaka Shopping Centre Tingkat Atas Pasar Awam, Bandar Maharani Jalan Salleh, 84000 Muar Johor Darul Takzim	Astaka Shopping Centre (Muar) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	340
Lot No. 184 (Ground Floor), Jalan Besar 83700 Yong Peng Johor Darul Takzim	Lim Ah Yee and Kong Mui Hua	An individual shoplot for the operation of professional eye care outlet	2007 to 2010	850
No. 97, Jalan Durian, Taman Tiram Baru 81800 Ulu Tiram Johor Darul Takzim	Tey Moy Cheng	An individual shoplot for the operation of professional eye care outlet	2007 to 2010	471
Lot No. 02, First Floor Skudai Parade Shopping Complex Batu 10, Jalan Skudai, 81300 Skudai Johor Darul Takzim	Kwek Ngak Boon and Tan Phek Yeow	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	642
Lot No. 8, Ground Floor Jalan Syed Abdul Hamid Sagaff 86000 Kluang Johor Darul Takzim	Weng Heng Ginseng Medical Store Sdn Bhd	An individual shoplot for the operation of professional eye care outlet	2009 to 2014	913

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. L3-47B, Aras Abdullah Ibrahim Plaza Kotaraya Jalan Trus, 80000 Johor Bahru Johor Darul Takzim	Damansara Assets Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	700
Lot No. S73, KIP Mart Kota Tinggi Jalan Maju 81900 Kota Tinggi Johor Darul Takzim	Genius Chance Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2010	605
Lot No. B19, Giant Hypermarket Plentong No. 3, Jalan Masai Lama, Mukim Plentong 81750 Johor Bahru Johor Darul Takzim	GCH Retail (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	425
Lot No. G24 & G25, Giant Hypermarket Muar Lot 6530, Jalan Rivera, Maharani Rivera Kesang 84000 Muar Johor Darul Takzim	GCH Retail (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	471
No. F6, Tesco Desa Tebrau Taman Desa Tebrau 81100 Johor Bahru Johor Darul Takzim	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	690
Lot No. G30, Ground Floor Batu Pahat Mall, Jalan Kluang 83000 Batu Pahat Johor Darul Takzim	Dream Property Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	715
Lot No. GL-14, Ground Floor Plaza Kota Tinggi, Jalan Mawai 81900 Kota Tinggi Johor Darul Takzim	Goh Tee Beng and Tan Siong Boon	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	497

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. F18, Giant Hypermarket Nusa Bestari No. 1, Jalan Bestari 7/2, Taman Nusa Bestari 81300 Skudai Johor Darul Takzim	GCH Retail (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	508
Lot No. 1, Block F, Ground Floor Kompleks Lien Hoe, Jalan Sutera 80150 Johor Bahru Johor Darul Takzim	Advantage Equity Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	642
Lot 138, Carrefour Hypermarket Batu 7 ½ Jalan Kota Tinggi, Pandan 81100 Johor Bahru Johor Darul Takzim	Magnificent Diagraph Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	360
No. 26, Jalan Niaga 1, Kota Tinggi 81900 Johor Bahru Johor Darul Takzim	Wan Ismail Bin Wan Ngah	An individual shoplot for the operation of professional eye care outlet	2007 to 2010	1,000
Lot No. B12, Giant Hypermarket Tampoi Lot 54, Jalan Skudai 81200 Tampoi Johor Darul Takzim	GCH Retail (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	563
Lot No. 26 & 27, Tesco Seri Alam Mall PTD 111515 Jalan Rintang, 81750 Masai Johor Darul Takzim	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	949
No. 1A, Jalan Bayan, Taman Bunga Raya 81750 Masai Johor Darul Takzim	Woon See & Sons Realty Sdn Bhd	An individual shoplot for the operation of professional eye care outlet	2009 to 2012	550

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. F15, First Floor, Tesco Bukit Indah No. 1, Jalan Indah 15, Bukit Indah 81200 Johor Bahru Johor Darul Takzim	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	445
Lot No. 15, Carrefour Batu Pahat Jalan Persiaran Sora Utama Off Jalan Tan Swee Hoe Taman Sora Utama, Mukim Simpang Kanan 83000 Batu Pahat Johor Darul Takzim	Magnificent Diagraph Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	690
Lot No. G-12A, Ground Floor, Tesco Kampar Jalan Kampar Perdana, Taman Kampar Perdana 31900 Kampar Perak Darul Ridzuan	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	553
Lot No. 1.20, First Floor, Rapid Mall Seri Intan Jalan Changkat Jong, 36000 Teluk Intan Perak Darul Ridzuan	Persiaran Eksklusif Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2010	425
Lot No. F28, First Floor Tesco Seberang Jaya No. 2762, Persiaran Sembilang Seberang Jaya, 13700 Seberang Prai Tengah Penang	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	839
Lot No. 3A-1-25, Kompleks Bukit Jambul Jalan Rumbia 11900 Penang	Kartika Popular Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	1,052

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot F13-F14, First Floor Centre Point Seremban Jalan Dato Siamang Gagap 70100 Seremban Negeri Sembilan Darul Khusus	The Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010	400
Lot No. UG25, Upper Ground Floor Terminal One Shopping Centre Jalan Lintang 70200 Seremban Negeri Sembilan Darul Khusus	Kedai Emas Kota Kemas Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	528
Lot No. GF-22 Carrefour Forest Height Bandar Seremban 70300 Seremban Negeri Sembilan Darul Khusus	Magnificent Diagraph Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	579
Lot No. F12, First Floor Jaya Jusco Melaka Shopping Centre Lebuh Ayer Keroh 75450 Melaka	Aeon Co (M) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	975
Lot No. A2, Giant Kuantan Lot 5197 Jalan Tanah Putih, Seksyen 124 25100 Kuantan Pahang Darul Makmur	GCH Retail (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	475
Lot No. GF-43, Ground Floor Jalan Putra Square 6, Putra Square 25200 Kuantan Pahang Darul Makmur	Astral Realty Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2011	326

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Built-up area (Square feet)
Lot No. F23, Tesco Kota Bharu Lot 1828, Seksyen 1 16000 Kota Bharu Kelantan Darul Naim	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2010	466
Lot No. LG-01, Lower Ground, Kota Bharu Trade Centre, Jalan Buluh Kubu 15000 Kota Bharu Kelantan Darul Naim	EC Alamiaya Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2012	646
Lot No. F42 & F43, Tesco Sungai Petani Mutirara, No. 368, Jalan Bakar Arang 08000 Sungai Petani Kedah Darul Aman	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	587
Lot No. 8, Ground Floor, Tesco Sg. Petani No. 300, Jalan Lagenda 1, Lagenda Heights 08000 Sungai Petani Kedah Darul Aman	Tesco Stores (Malaysia) Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2010 to 2012	311
Lot No. 28, Ground Floor, Mesra Mall Lot 6490, Jalan Kemaman/Dungun Kemasik 24200 Kemaman Terengganu Darul Iman	Metro Kemasik Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2008 to 2011	1,033
Unit No. B-69, Lower Ground Floor Suria Sabah Shopping Mall Lot 1, Jalan Tun Fuad Stephens 88000 Kota Kinabalu Sabah	Makamewah Sdn Bhd	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2011	861

The monthly rental for our franchised outlets ranges from approximately RM5,000 to RM20,000 per month, depending on the size and location of the outlets.

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Licensed outlet

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Monthly rental	Built-up area (Square feet)
Focus Point Vision Care					
Lot No. G15, Ground Floor, Phase 1 One Utama Shopping Centre Lebuhraya Bandar Utama Bandar Utama Damansara 47800 Petaling Jaya Selangor Darul Ehsan	Jaya Jusco Stores Berhad	A shoplot located in a shopping centre for the operation of professional eye care outlet	2009 to 2010	Approximately RM15,000	711

Medical eye care centre

Tenant and postal address/identification	Landlord	Description and existing use	Tenure of tenancy	Monthly rental	Built-up area (Square feet)
Excelview Laser Eye Centre					
Lot S-068, Second Floor Midvalley Megamall 58000 Kuala Lumpur	Mid Valley City Sdn Bhd	A shoplot located in a shopping centre for the operation of medical eye care centre	2010 to 2012	Approximately RM21,000	2,643

In respect of the land and buildings leased by our Group and to the best of knowledge of our Directors, we are not in breach of any law, rules and building regulations in relation to the use of all land and buildings leased by us.

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

11.2 Material Plant and Equipment

A summary of the material plant and equipment used and owned by our Group is set out below:

Type of plant and equipment	Description / Function	Quantity (Units)
<u>Professional eye care centres operations</u>		
Trial lens sets	Various lens with different sphere/cylinder/prisms for eye refraction tests	76
Lensmeters	To examine the back vertex refractive power, cylinder axis, optical centre and prismatic power of the prescription lenses	70
Ultrasonic cleaners	An instrument which is used for the cleaning of prescription eyewear	68
Auto-refractometers	An instrument which is used to screen and to provide a quick access of eye refraction errors objectively	66
Frame heaters	An instrument which is used to soften plastic eyewear frames during eyewear adjustment process	71
Layout markers	An instrument which is used to position lens for to be prepared for lens edging process	51
Lens edger (also known as edging machine)	To edge/mount the ophthalmic lenses into the prescription frame as per the prescription	52
Auto-groovers	An instrument which is used to apply groove to the edge of lenses to facilitate the fitting of lenses onto half-frame type of eyewear frames	51
Chart projectors	A device which is used to project charts during eye examination process	49
Drilling machines	A machine which is used to apply holes in lenses to facilitate the fitting of lenses into rimless type of eyewear frames	53
Pattern markers	An instrument which is used to produce trae pattern formers for the purpose of conventional auto lens edging machine	33
Polishing machines	A machine which is used to polist the edge of prescription lenses	49
Optical chairs	Chair with adjustable height which are used in the eye refraction room of our professional eye care centres	49
K-Metres keratometers	An instrument used to measure the curvature (both vertical and horizontal) of the cornea	27
LCD projectors	An instrument which is used to project charts during the eye examination process	20
Phoropters	A device containing various lenses used during the refraction process	16
Retinasopes	An optical instrument which is used for examining the refraction of light in the eye	15

11. OTHER INFORMATION CONCERNING OUR GROUP (Cont'd)

Type of plant and equipment	Description / Function	Quantity (Units)
Slit-lamps	A microscope place which is placed horizontally to project a linear slit beam of light onto the eye during the eye examination process	16
<i>Medical eye care operations</i>		
Auto clave machine	A machine which is used to sterilise surgery instruments and tools used during refraction surgery using LASIK method and cataract surgery	1
Echo scan machine	An ultrasonic scan machine which is used to measure the eye's biometry to determine the intra-ocular lens implantation power prior to the cataract surgery	1
Excimer laser system	A laser-designed machine which is used to measure the amount of laser power required during the refractive surgery using LASIK method, which breaks the eye tissue to allow the laser to reshape the corneal surface with minimal effect on surrounding eye tissue	1
Hansatome micro keratome	An instrument which is used to create a thin flap of corneal tissue during the refractive surgery using LASIK method	1
Orbscan II topography system	A diagnostic system which is used to perform comprehensive examination on the eye during the consultation process, to assist in the planning of the refractive surgery using LASIK method	1
Phacoemulsification system	A machine which is used during cataract surgery to remove cataracts	1

As at 31 December 2009, the total audited net book value of our plant and equipment was approximately RM3.37 million.

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12. FINANCIAL INFORMATION

12.1 Pro Forma Consolidated Income Statements

We have prepared our pro forma consolidated income statements for each of the past three (3) financial years up to the FYE 2009 below. Our pro forma consolidated income statements for each of the past three (3) financial years up to the FYE 2009 were prepared for illustrative purposes only, based on our Company's and our subsidiaries' respective audited financial statements for the past three (3) financial years up to the FYE 2009, on the assumption that our current Group structure had been in existence throughout the past three (3) financial years up to the FYE 2009. Our pro forma consolidated income statements below have been prepared in accordance with the applicable approved accounting standards in Malaysia.

You should read the summary of our financial data regarding our business for the past three (3) financial years up to the FYE 2009 that we have presented below together with our Management's Discussion and Analysis of Financial Condition and Results of Operations as set out in Section 12.2 of this Prospectus, the Reporting Accountants' letter on our Pro forma Consolidated Financial Information enclosed in Section 12.3 of this Prospectus and the accompanying notes and assumptions included in the Reporting Accountants' Report enclosed in Section 13 of this Prospectus.

	<----- Pro forma ----->		
	FYE 2007	FYE 2008	FYE 2009
	(RM'000)	(RM'000)	(RM'000)
Revenue	82,615	92,193	99,192
Less: Cost of sales	(37,695)	(41,234)	(40,766)
Gross profit	<u>44,920</u>	<u>50,959</u>	<u>58,426</u>
Other operating income	887	1,021	1,121
Selling and distribution costs	(16,372)	(18,218)	(17,451)
Administrative expenses	(25,247)	(26,112)	(29,469)
Finance costs	(853)	(717)	(749)
Share of profits of associates	23	51	(8)
PBT	<u>3,358</u>	<u>6,984</u>	<u>11,870</u>
Taxation	(2,780)	(1,988)	(3,541)
PAT	578	4,996	8,329
MI	(113)	(55)	(15)
Profit attributable to the equity holders for the financial year	<u>465</u>	<u>4,941</u>	<u>8,314</u>
EBITDA	6,183	10,167	15,338
No. of ordinary shares of RM0.20 each in issue ('000) ⁽¹⁾	123,800	123,800	123,800
<u>Profit margin</u>			
Gross profit margin (%)	54.37	55.27	58.90
PBT margin (%)	4.06	7.58	11.97
Net profit margin (%)	0.70	5.42	8.40
<u>Basic EPS</u>			
Gross EPS (sen) ⁽²⁾	2.62	5.60	9.58
Net EPS (sen) ⁽³⁾	0.38	3.99	6.72
Effective tax rate (%)	(4)82.79	28.47	29.83

12. FINANCIAL INFORMATION (Cont'd)*Notes:*

- (1) *The number of Shares assumed in issue is the number of issued and paid-up share capital of RM0.20 each immediately prior to the IPO.*
- (2) *The gross EPS is calculated based on the PBT attributable to our shareholders for the respective financial years divided by the number of Shares in issue.*
- (3) *The net EPS is calculated based on the PAT attributable to our shareholders for the respective financial years divided by the number of Shares in issue.*
- (4) *The non-deductible bad debt written-off amounting to approximately RM2.05 million, as well as tax payment made for tax which was under-provided in year 2001, 2002 and 2006 amounting to approximately RM531,000 has resulted in an exceptionally high effective tax rate of 82.79%.*

Inter-company transactions between the companies within our Group for each of the financial years under review have been eliminated on consolidation.

No exceptional or extraordinary item was recorded during the financial years under review.

Save for the emphasis of matter disclosed in Opulence Optometry's audited financial statements for the past three (3) financial years up to the FYE 2009 which highlights the continuation of the company as a going concern as a result of its losses that have led to capital deficiency, and its current liabilities exceeding its current assets, our consolidated financial statements have been reported by our auditors without any qualification for the financial years under review.

The continuation of Opulence Optometry as a going concern is dependent on Opulence Optometry's ability to receive continuous financial support from its holding company and to meet its obligations as and when they fall due. However, it should be highlighted that Opulence Optometry will be wound up at a later date.

Our pro forma consolidated financial statements have been reported by our auditors without any qualification for the financial years under review.

12.2 Management's Discussion and Analysis of Financial Condition and Results of Operations

The following is a discussion and analysis of our financial condition and results of operations for each of the three (3) financial years up to the FYE 2009. You should read the financial information presented below together with the Reporting Accountants' letter on our Pro forma Consolidated Financial Information and the Reporting Accountants' Report, together with the notes, assumptions and bases thereto, as set out in Sections 12.3 and 13 of this Prospectus respectively.

This discussion and analysis contains data derived from our Group's audited financial statements as well as forward-looking statements that involve risks and uncertainties and reflect our current views with respect to future events and financial performance. Our actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause future results to differ significantly from those stated on the forward-looking statements include, but are not limited to, those discussed below and elsewhere in this Prospectus, particularly the "Risk Factors" section as set out in Section 4 of this Prospectus.

12. FINANCIAL INFORMATION (Cont'd)

12.2.1 Overview of results

We are primarily an operator of a chain of professional eye care centres. As at LPD, these centres operate under seven (7) of our proprietary brand names, namely "Focus Point", "Focus Point Optical City", "Opulence", "Zania", "Eyefont", "ExcelView" and "Solariz". The operation of our professional eye care centres comprises four (4) major functions, which are eye care and refraction services, dispensing of prescription eyewear, ophthalmic laboratory services and retailing of eyewear and eye care products. As at LPD, we operated 144 professional eye care centres in Malaysia, making us **the largest chain of professional eye care centres in Malaysia**. (Source: *Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor*) As at LPD, our chain of professional eye care centres has expanded to 144 professional eye care centres in Malaysia (includes wholly- and partially-owned outlets, as well as franchised and licensed outlets).

While we have our own professional eye care centres, we have also leveraged on our core competency in the operation of professional eye care centres to extend our business to incorporate franchising. Our franchising business is undertaken by our wholly-owned subsidiary, namely Focus Point Management, which was registered with the Registrar of Franchise in Malaysia in 2002. As at LPD, we have 74 franchised professional eye care outlets located in Malaysia operating under our own "Focus Point" brand name.

Our target market is mainly the end-consumers of eyewear and eye care products. In order to reach out to them, we have expanded our chain of professional eye care centres to a total of 144 professional eye care centres in most of the states in Malaysia. Our eye care centres are situated at strategic locations with high pedestrian traffic, which include shopping centres like Suria KLCC, Sungai Wang Plaza, Pavilion, Mid Valley Megamall, IOI Mall Puchong, Sunway Pyramid Megamall, 1-Utama, The Curve, 1-Borneo, Ipoh Parade, Gurney Plaza, Queensbay Mall, Jaya Jusco shopping malls, as well as in specialised retail centres such as Ikano Power Centre, Carrefour, Giant and Tesco.

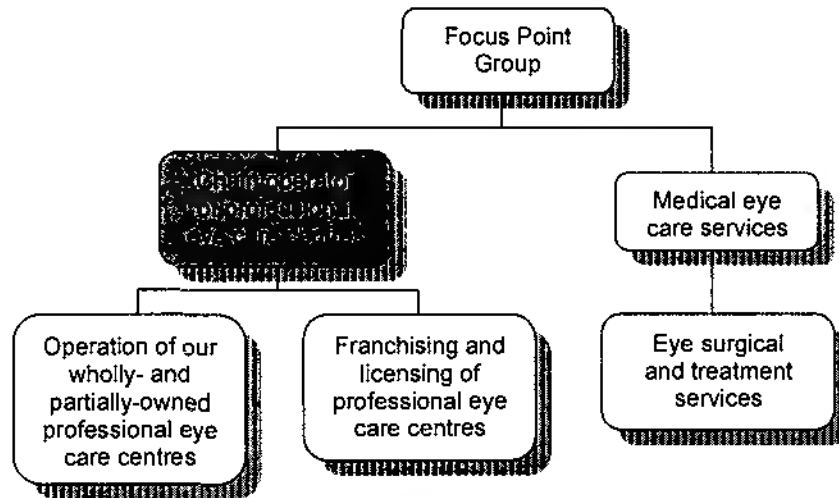
The table below sets forth the number of outlets as at the end of each of the past three (3) financial years up to FYE 2009, and as at LPD:

	<----- As at 31 December----->			As at LPD
	2007	2008	2009	
Outlets owned by our Group	59	58	64	69
Outlets owned by our franchisees	43	56	65	74
Licensed outlet	-	1	1	1
	<u>102</u>	<u>115</u>	<u>130</u>	<u>144</u>

We also provide medical eye care services, through our wholly-owned subsidiary, Excelview Laser Eye Centre. Our medical eye care centre currently provides refractive surgery using LASIK method and cataract surgery.

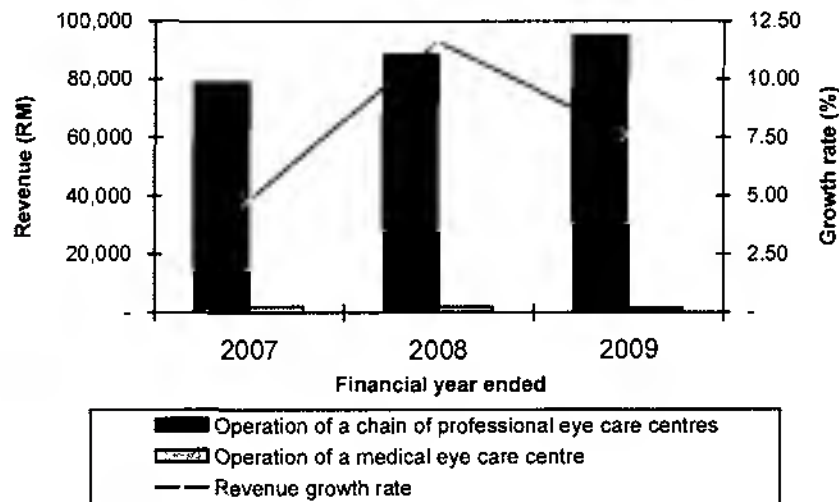
12. FINANCIAL INFORMATION (Cont'd)

As such, our core business activities can be illustrated as follows:



Revenue

The following chart depicts our Group's revenue for the past three (3) financial years up to FYE 2009:



Our Group's revenue increased from approximately RM82.62 million for the FYE 2007 to approximately RM99.19 million for the FYE 2009, with growth rates of 4.75%, 11.59% and 7.59% for the FYE 2007, FYE 2008 and FYE 2009 respectively. The continuous growth of our revenue during the financial years under review is an indication of the acceptance of our outlets as a result of our commitment to broaden our eyewear and eye care product range as well as to provide quality services, the expansion of our outlets and the successful building of our brand names.

Our growth in revenue was primarily derived from our chain of professional eye care centres, whereby revenue contributed by our chain of professional eye care centres was mainly derived from the sale of eyewear and eye care products after refraction services are conducted for our customers. A small proportion of revenue was contributed by the sales of eyewear and eye care products to our franchisees and licensee, royalty fees which are based on five percent (5%) of the gross turnover of the respective franchisee's outlets, and franchise fees payable by our franchisees

12. FINANCIAL INFORMATION (Cont'd)

which amount to RM30,000 for a period of five (5) years. The franchise agreements signed between our Group and our franchisees are valid for a period of five (5) years,

The breakdown of our revenue by our principal activities is set out as follows:

	----- Pro forma ----->					
	FYE 2007		FYE 2008		FYE 2009	
	(RM'000)	%	(RM'000)	%	(RM'000)	%
Operation of a chain of professional eye care centres						
- Operation of our wholly- and partially-owned professional eye care centres	69,439	84.05	74,957	81.30	77,721	78.36
- Products sold to our franchisees	9,537	11.55	12,399	13.45	18,160	16.29
- Products sold to our licensee	-	0.00	848	0.92	1,112	1.12
- Royalty and franchise fees collected from our franchisees	1,597	1.93	1,972	2.14	2,589	2.61
Operation of medical eye care centre	2,042	2.47	2,017	2.19	1,610	1.62
	82,615	100.00	92,193	100.00	99,192	100.00

Based on the preceding table, our revenue contributed by our own professional eye care centres showed a decreasing trend as a percentage of our revenue. However, this was offset by a steady increase in revenue contributed by our franchising business, which mainly comprises the sale of eyewear and eye care products to our franchisees, as well as royalty and franchise fees collected from our franchisees over the past three (3) financial years under review. This is in line with our business plan to accelerate our market penetration in Malaysia, and to reduce our capital outlay in opening new professional eye care centres, so that we would be able to diversify our risk by focusing and deploying our resources more effectively.

We also record revenue from the sales optical equipment, furniture and fittings, as well as renovation costs incurred in the setting up of franchisees' outlets. In support of our franchisees in setting up their new outlets, we grant initial investment funding and extended credit terms to our franchisees on a case-by-case basis, which range from one (1) year to three (3) years, and varies among franchisees. Our franchising business has achieved significant double digit growth over the past three (3) financial years under review, with revenue growing at an average annual growth rate of approximately 29.77%. This is an indication of how we have successfully established and grown our franchise business model locally, whereby the numbers of our franchised outlets has grown significantly from 43 outlets as at 31 December 2007 to 65 outlets as at 31 December 2009. We expect our franchise business model to pave the way for our future expansion in the overseas markets.

Also as part of our business strategies, we have positioned our medical eye care centre as a complementary operation to our core business with the intention to serve as a one-stop operator of professional eye care centres to our existing customers. However, revenue generated from our medical eye care centre did not contribute significantly to our Group over the past three (3) financial years under review. In fact, revenue generated from our medical eye care centre declined from approximately RM2.04 million in the FYE 2007 to approximately RM1.61 million in the FYE 2009.

12. FINANCIAL INFORMATION (Cont'd)

This was largely due to our management placing greater emphasis on the growth and expansion of our chain of professional eye care centres, which is very much our core business activity.

The local market was the primary source for our revenue for the past three (3) financial years. However, we started generating revenue for the sale of eyewear and eye care products to Singapore in the FYE 2009. These sales contributed approximately 0.42% of our revenue in the FYE 2009.

We also set out below the breakdown of our revenue by the companies within our Group as follows:

	----- Pro forma ----->					
	FYE 2007		FYE 2008		FYE 2009	
	(RM'000)	%	(RM'000)	%	(RM'000)	%
Focus Point	-	0.00	-	0.00	-	0.00
Focus Point Vision Care	74,819	90.56	82,035	88.98	91,891	92.64
Focus Point Management	1,597	1.93	1,972	2.14	2,589	2.61
Excelview Laser Eye Centre	2,042	2.47	2,017	2.19	1,610	1.63
Esprit Shoppe	2,077	2.52	2,646	2.87	1,957	1.97
Multiple Reward	-	0.00	-	0.00	241	0.24
Opulence Optometry	5,489	6.64	4,494	4.87	386	0.39
Focus Point Vision Care (OC)	-	0.00	-	0.00	-	0.00
Radiant Attraction	1,284	1.56	1,703	1.85	2,043	2.06
Eye-Zed	-	0.00	374	0.41	455	0.46
	87,308	105.68	95,241	103.31	101,172	102.00
Less: inter-company transactions	(4,693)	(5.68)	(3,048)	(3.31)	(1,980)	(2.00)
	82,615	100.00	92,193	100.00	99,192	100.00

Eyewear has now become more popular as an accessory ornament, than purely an instrument to correct the blurred vision of individuals. As such, having a wide choice of eyewear products has the advantage of being able to meet diverse consumer preferences.

In view of the above, we have and will continue to position ourselves as a one-stop operator of professional eye care centres for prescription and non-prescription eyewear products. This trend is evident in the table below where revenue from the aggregate sale of our exclusive and non-exclusive brands of eyewear contributed over 80% of our total revenue derived from the operation of our own professional eye care centres as well as sales of eyewear and eye care products to our franchisees and licensee.

	----- Pro forma ----->					
	FYE 2007		FYE 2008		FYE 2009	
	(RM'000)	%	(RM'000)	%	(RM'000)	%
Own brands	15,760	19.95	14,721	16.69	13,623	14.34
Exclusive brands	5,265	6.67	9,035	10.24	10,676	11.24
Non-exclusive brands	57,951	73.38	64,448	73.07	70,694	74.42
	78,976	100.00	88,204	100.00	94,993	100.00

12. FINANCIAL INFORMATION (Cont'd)

The cost of carrying a wide range of eyewear products is high and not all operators are able to provide a wide range of eyewear products. (Source: *Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor*). However, in order to meet the diverse consumer preferences, changing market trends as well as customer tastes and demands, we have and will continue to grow our business relationships with main local suppliers and overseas principals, as well as to secure long-term distributorship to bolster our position in the supply chain. Today, we carry 16 different exclusive brands and 147 non-exclusive brands of eyewear products. Our continuous growth in revenue during the financial years under review is also a result of the strong number of brands that we have carried and wide range of eyewear and eye care products that we have offered.

We set out below the breakdown of our revenue by products which were derived from our revenue from the operation of our own professional eye care centres as well as sales of eyewear and eye care products to our franchisees and licensee:

	<----- Pro forma ----->					
	FYE 2007		FYE 2008		FYE 2009	
	(RM'000)	%	(RM'000)	%	(RM'000)	%
Frames	23,887	30.24	27,673	31.37	29,782	31.35
Sunglasses	14,183	17.96	17,648	20.01	21,926	23.08
Prescription lenses	27,087	34.30	27,671	31.37	26,811	28.22
Contact lenses	11,799	14.94	13,179	14.94	13,674	14.40
Solutions	1,651	2.09	1,531	1.74	1,495	1.57
Others	369	0.47	502	0.57	1,305	1.38
	78,976	100.00	88,204	100.00	94,993	100.00

Gross profit

The breakdowns of our gross profit by our principal activities and by the companies within our Group for the financial years under review are set out as follows:

	<----- Pro forma ----->					
	FYE 2007		FYE 2008		FYE 2009	
	(RM'000)	%	(RM'000)	%	(RM'000)	%
By principal activities						
Operation of a chain of professional eye care centres						
- Operation of our wholly- and partially-owned professional eye care centres	40,106	89.28	45,872	90.02	50,892	87.10
- Products sold to our franchisees	1,978	4.40	2,093	4.11	3,886	6.65
- Products sold to our licensee	-	0.00	143	0.28	267	0.46
- Royalty and franchise fees collected from our franchisees	1,495	3.33	1,712	3.36	2,320	3.97
Operation of medical eye care centre	1,341	2.99	1,139	2.23	1,061	1.82
	44,920	100.00	50,959	100.00	58,426	100.00

12. FINANCIAL INFORMATION (Cont'd)

	←----- Pro forma -----→					
	FYE 2007		FYE 2008		FYE 2009	
	(RM'000)	%	(RM'000)	%	(RM'000)	%
By companies						
Focus Point	-	0.00	-	0.00	-	0.00
Focus Point Vision Care	37,884	84.34	43,978	86.30	52,333	89.57
Focus Point Management	1,495	3.33	1,712	3.36	2,320	3.97
Excelview Laser Eye Centre	1,341	2.98	1,139	2.24	1,061	1.82
Esprit Shoppe	1,117	2.49	1,282	2.52	1,058	1.81
Multiple Reward	-	0.00	-	0.00	136	0.23
Opulence Optometry	2,521	5.61	1,704	3.34	-	0.00
Focus Point Vision Care (OC)	-	0.00	-	0.00	-	0.00
Radiant Attraction	744	1.66	938	1.84	1,189	2.04
Eye-Zed	-	0.00	228	0.45	256	0.44
	45,102	100.41	50,981	100.05	58,353	99.88
Add/ (Less): Inter-company transactions	(182)	(0.41)	(22)	(0.05)	73	0.12
Total	44,920	100.00	50,959	100.00	58,426	100.00

The breakdowns of our gross profit margin by our principal activities for the financial years under review are set out as follows:

	←----- Pro forma -----→		
	FYE 2007	FYE 2008	FYE 2009
	%	%	%
By principal activities			
Operation of a chain of professional eye care centres			
- Operation of our wholly- and partially-owned professional eye care centres	57.76	61.20	65.48
- Products sold to our franchisees	20.74	16.88	24.04
- Products sold to our licensee	0.00	16.88	24.04
- Royalty and franchise fees collected from our franchisees	93.61	86.82	89.61
Operation of medical eye care centre	65.67	56.47	65.90

Our gross profit increased from approximately RM44.92 million for the FYE 2007 to approximately RM58.43 million for the FYE 2009. This was due in part to the increase in our revenue, and also in part to improvements of our gross profit margin from 54.37% for the FYE 2007 to 58.90% for the FYE 2009.

The improvement in our gross profit margin over the past three (3) financial years under review was mainly due to following:

- higher royalty and franchise fees collected from our franchisees, which yields a higher gross profit margin; and
- rebates enjoyed from our suppliers due to our ability to meet the sales target set by them as a result of our wide network of professional eye care centres.

12. FINANCIAL INFORMATION (Cont'd)

Despite the increase in our gross profit as a whole, gross profit generated from the operation of our medical eye care centre decreased gradually from approximately RM1.34 million for the FYE 2007 to approximately RM1.06 million for the FYE 2009. This was in line with the decline in revenue contribution from our medical eye care centre during the same period.

The cost of eyewear and eye care products purchased from local and foreign suppliers accounted for a significant portion of our cost of sales, ranging from 97% to 98% of our cost of sales for the past three (3) financial years under review. The total purchases of eyewear and eye care products from local and foreign suppliers are set out below:

	Pro forma					
	FYE 2007		FYE 2008		FYE 2009	
	(RM'000)	%	(RM'000)	%	(RM'000)	%
Local purchases*	33,467	90.72	36,154	90.17	35,068	87.78
Foreign purchases	3,424	9.28	3,943	9.83	4,880	12.22
	36,891	100.00	40,097	100.00	39,948	100.00

Note:

* More than 95% of the local purchases (including foreign brands of eyewear and eye care products) are purchased through local stockists.

In the middle of 2009, we started to focus on building and strengthening our own brands by promoting our own brands to our franchised outlets. Our own brands of eyewear products yield higher profit margins compared to other exclusive and non-exclusive brands of eyewear products that we carry.

We set out below the breakdown of our gross profit and gross profit margin by product brands which were derived from our operation of our own professional eye care centres as well as sales of eyewear and eye care products to our franchisees and licensee:

	Pro forma					
	FYE 2007		FYE 2008		FYE 2009	
	(RM'000)	%	(RM'000)	%	(RM'000)	%
Gross profit						
Own brands	11,356	26.98	11,013	22.89	10,491	19.06
Exclusive brands	2,504	5.95	5,050	10.50	6,362	11.56
Non-exclusive brands	28,224	67.07	32,045	66.51	38,192	69.38
	42,084	100.00	48,108	100.00	55,045	100.00

	Pro forma		
	FYE 2007	FYE 2008	FYE 2009
	%	%	%
Gross profit margin			
Own brands	72.06	74.81	77.01
Exclusive brands	47.56	55.89	59.59
Non-exclusive brands	48.70	49.72	54.02

12. FINANCIAL INFORMATION (Cont'd)

We also set out below the breakdown of our gross profit and gross profit margin by products which were derived from our operation of our own professional eye care centres as well as sales of eyewear and eye care products to our franchisees and licensee:

	<----- Pro forma ----->					
	FYE 2007		FYE 2008		FYE 2009	
Gross profit	(RM'000)	%	(RM'000)	%	(RM'000)	%
Frames	11,475	27.27	14,014	29.13	16,324	29.66
Sunglasses	5,333	12.67	7,017	14.59	9,905	17.99
Prescription lenses	20,663	49.10	21,727	45.16	21,811	39.62
Contact lenses	4,153	9.87	4,954	10.30	6,108	11.10
Solutions	292	0.69	273	0.57	385	0.70
Others	168	0.40	123	0.25	512	0.93
Total	42,084	100.00	48,108	100.00	55,045	100.00

	<----- Pro forma ----->		
	FYE 2007	FYE 2008	FYE 2009
Gross profit margin	%	%	%
Frames	48.04	50.64	54.81
Sunglasses	37.60	39.76	45.17
Prescription lenses	76.28	78.52	81.35
Contact lenses	35.20	37.59	44.67
Solutions	17.69	17.83	25.75
Others	45.53	24.50	39.23

Based on the preceding table, despite the fact that frames and sunglasses yield lower profit margins compared to lenses, particularly prescription lenses, we recognise that the provision of exclusive and non-exclusive brands of frames and sunglasses are one of the key drivers for our revenue growth. To also ensure that our customers are well served, and provided with a wide range of eyewear products, we will continue to provide extensive brands of eyewear products, especially international brands. We will also continue to establish close rapport business relationship with our local suppliers and overseas principals. With our increasing number of outlets of professional eye care centres, we believe that we will be able to continue to enjoy rebates from bulk purchases from our suppliers.

Order book

We are principally involved in the operation of professional eye care centres, and our target market is mainly the end-consumers of eyewear and eye care products. As such, we do not have any order book.

12. FINANCIAL INFORMATION (Cont'd)**Other operating income**

The components of other operating income for the financial years under review were as follows:

	←----- Pro forma -----→		
	FYE 2007	FYE 2008	FYE 2009
	(RM'000)	(RM'000)	(RM'000)
Gain on disposal of fixed assets	23	324	202
Realised exchange gain	79	-	-
Interest income	89	214	105
Management income on accounting services provided to associates	-	97	84
Recovery of bad debt	-	6	-
Rental income	479	230	232
Late payment charges received from franchisees	211	150	458
Sundry income	6	-	40
	887	1,021	1,121

Other operating income mainly comprises gain on disposal of fixed assets, interest income, rental income and late payment charges received from franchisees.

Operating expenses

Our operating expenses comprise selling and distribution costs as well as administrative expenses.

The components of our selling and distribution costs for the financial years under review were as follows:

	←----- Pro forma -----→		
	FYE 2007	FYE 2008	FYE 2009
	(RM'000)	(RM'000)	(RM'000)
Sales commission (inclusive of staff costs of all outlets)	14,154	15,414	15,368
Advertising and promotions	1,374	1,845	1,302
Bonuslink expenses	494	615	535
Postage fees	251	278	235
Others	99	66	12
	16,372	18,218	17,451

Selling and distribution costs mainly comprise advertising and promotion expenses, as well as sales commission and product incentives. This constituted 19.82%, 19.76% and 17.59% of our revenue for the FYE 2007, 2008 and 2009 respectively. For the FYE 2009, we recorded lower selling and distribution costs mainly due to higher incentives granted by our suppliers for the promotion of their eyewear products.

12. FINANCIAL INFORMATION (Cont'd)

The components of our administrative expenses for the financial years under review were as follows:

	<----- Pro forma ----->		
	FYE 2007	FYE 2008	FYE 2009
	(RM'000)	(RM'000)	(RM'000)
Rental	9,405	10,501	12,338
Staff costs for headquarters	6,347	6,921	7,662
Office maintenance (inclusive of depreciation of property, plant and equipment)	2,888	3,860	3,853
Utilities	1,214	1,284	1,422
Service charges	547	596	633
Fixed assets written off and its loss on disposal	434	113	377
Professional fees	381	318	426
Tools and consumables	285	488	646
Government levies	178	450	286
Travelling expenses	229	305	405
Insurance	159	159	155
Printing and stationery	161	198	182
Bad debts written off	2,050	18	35
Others	966	900	1,052
	25,247	26,112	29,469

Administrative expenses mainly comprise salaries and related expenses, outlet rentals, office maintenance and utilities. This constituted 30.56%, 28.32% and 29.71% of our revenue for the FYE 2007, 2008 and 2009 respectively, whilst outlet rentals constituted 11.38%, 11.39% and 12.44% of our revenue for the FYE 2007, 2008 and 2009 respectively. For the FYE 2008, we recorded lower administrative expenses over our revenue. This was mainly due to the improvement of our revenue recorded in the FYE 2008 as compared to FYE 2007. However, we recorded higher administrative expenses over our revenue for the FYE 2009. This was mainly because most of the shopping centres and specialised retail centres, namely hypermarkets in which our professional eye care centres are situated at, have commenced charging commission based on percentage of our outlets' sales, apart from the existing rental to be paid to these landlords.

Finance costs

Our finance costs mainly comprise interest charges on our bank borrowings. Our bank borrowings comprise term loans, bankers' acceptances and hire purchase facilities. This constituted 1.03%, 0.78% and 0.76% of our revenue for the FYE 2007, 2008 and 2009 respectively which showed a declining trend over the three (3) financial years under review. This was mainly due to a shift in the composition of financing instruments used from bank overdrafts to bankers' acceptance, which enjoy lower interest rates. Details of the interest rates charged based on these bank borrowing facilities are set out in Section 12.5.5 of this Prospectus.

PBT

Our PBT from operations improved from approximately RM3.36 million for the FYE 2007 to approximately RM11.87 million for the FYE 2009. PBT margin also improved from 4.06% for the FYE 2007 to 11.97% for the FYE 2009.

12. FINANCIAL INFORMATION (Cont'd)

The improvement in our PBT margin over the past three (3) financial years under review was mainly due to following:

- continuous growth in our revenue vis-à-vis fixed selling and distribution as well as administrative expenses; and
- improvement in our gross profit margin.

Effective tax

All tax expenses represent tax charges provided in respect of assessable profits derived from our operations, which are solely in Malaysia. As a result, our operations were taxed in accordance with the prevailing tax regulations in Malaysia. Our tax expense comprises current tax payable and deferred tax.

Our effective tax rates, being tax expenses as a percentage of our PBT for the financial years under review are as follows:

	←----- Pro forma -----→		
	FYE 2007	FYE 2008	FYE 2009
	%	%	%
Effective tax rate	82.79	28.47	29.83
Malaysian statutory tax rate	27.00	26.00	25.00

For the FYE 2007, the non-deductible bad debt written-off amounting to approximately RM2.05 million, as well as tax payment made for tax which was under-provided in year 2001, 2002 and 2006 amounting to approximately RM531,000 have resulted in an exceptionally high effective tax rate of 82.79%.

For the FYE 2008 and 2009, the effective tax rates of our Group were higher than the statutory tax rates due to certain expenses being not deductible for income tax purposes and the claw back of capital allowances due to the conversion of our own outlets to franchised outlets during the FYE 2008.

PAT

We set out below the breakdown of our PAT by our principal activities and by the companies within our Group as follows:

	←----- Pro forma -----→					
	FYE 2007		FYE 2008		FYE 2009	
	(RM'000)	%	(RM'000)	%	(RM'000)	%
Operation of a chain of professional eye care centres						
- Operation of our wholly- and partially-owned professional eye care centres	(601)	(103.98)	2,710	54.24	4,454	53.47
- Products sold to our franchisees	947	163.84	827	16.55	2,015	24.19
- Products sold to our licensee	-	0.00	56	1.12	138	1.66
- Royalty and franchise fees collected from our franchisees	192	33.22	1,357	27.17	1,694	20.34
Operation of medical eye care centre	40	6.92	46	0.92	28	0.34
	578	100.00	4,996	100.00	8,329	100.00

12. FINANCIAL INFORMATION (Cont'd)

	----- Pro forma ----->					
	FYE 2007		FYE 2008		FYE 2009	
	(RM'000)	%	(RM'000)	%	(RM'000)	%
Focus Point	-	0.00	-	0.00	-	0.00
Focus Point Vision Care	(115)	(19.90)	4,179	83.66	6,983	83.85
Focus Point Management	192	33.22	1,357	27.17	1,694	20.34
Excelview Laser Eye Centre	40	6.92	46	0.92	28	0.33
Esprit Shoppe	334	57.79	321	6.43	212	2.55
Multiple Reward	-	0.00	-	0.00	(37)	(0.44)
Opulence Optometry	35	6.06	(8)	(0.16)	(11)	(0.13)
Focus Point Vision Care (OC)	4	0.69	(22)	(0.44)	(5)	(0.06)
Radiant Attraction	150	25.95	143	2.86	106	1.27
Eye-Zed	-	0.00	(31)	(0.62)	(38)	(0.46)
	640	110.73	5,985	119.82	8,926	107.18
Less: Inter-company transactions	(62)	(10.73)	(989)	(19.82)	(597)	(7.18)
	578	100.00	4,996	100.00	8,329	100.00

Based on the preceding tables, our own professional eye care centres, mainly operated through Focus Point Vision Care, our wholly-owned subsidiary, recorded loss after taxation during the FYE 2007. This was mainly attributable to the bad debt written-off amounting to approximately RM2.05 million from our investment in the PRC in the early years. The said investment involved setting up professional eye care centres in the PRC with a local counterpart through a partnership arrangement. The investment was unsuccessful mainly due to the strong preference that the Chinese market has on its home-grown brand names. Subsequent thereto, we had withdrawn all our investments from the PRC.

Factors and trends affecting future financial condition and results

After taking into consideration the risk factors relating to our industry and business, and our ability to mitigate such risk factors as set out in Sections 4.1 and 4.2 of this Prospectus, we are of the opinion that our future financial condition and results will remain favourable, premised on the following:

- increase in population growth;
- positive economic outlook which translates into higher disposable income and, therefore higher spending power of consumers;
- continuous demand for eyewear and eye care products for correction of blurred vision and the increasing popularity of eyewear as an accessory ornament;
- expansion of our own and franchised outlets to capture greater market share;
- our ability to expand into other overseas markets via our franchising model and/or forming strategic alliances with local entities in target countries is backed by our successful experience in the franchising business model which we have implemented in the local market and our successful establishment of "SEEN" outlet in Singapore together with our partner via the setting up of Seen@International;
- our ability to recruit and retain our registered optometrists and opticians; and
- our ability to achieve economies of scale to enable us to distribute fixed and operating costs across our own outlets, as well as better bargaining power in purchasing eyewear and eye care products from our suppliers.

12. FINANCIAL INFORMATION (Cont'd)

Our competitive advantages as set out in Section 6.5 of this Prospectus provide the foundation for us to maintain our edge over our existing and new competitors in the local market, as well as the sustainability of our business and financial growth. Our future plans as set out in Section 6.23 of this Prospectus, to expand our own and franchised outlets, upgrade our existing outlets and expand the range of branded eyewear at our outlets, will further contribute to sustainable growth in our financial performance.

Premised on the prospects and outlook of the professional eye care industry as outlined in Section 7.11 of this Prospectus, we are of the opinion that our future financial condition and results of operations will remain favourable in the long-run.

12.2.2 Factors and trends affecting our financial condition and results of operations

In addition to the factors and trends set out in Section 12.2.1 above, our Group's financial condition and results of operations have been, and will continue to be affected by amongst others, the following key factors:

(a) Demand for professional eye care services

Demand for professional eye care services is ultimately dependent on the end-consumers. The following factors will have an impact on the professional eye care services industry, including our professional eye care centres:

- **Population growth:** The increase in Malaysia's population will continue to spur the demand for eye care products and services; and
- **Growth in income and average monthly household expenditure:** The increase in the affluence of Malaysian households determined by household income will mean greater affordability, thus stimulating demand and expenditure on consumer products and services such as eyewear products and services;

The medium-term outlook for the professional eye care industry is favourable, supported by the following observations:

- positive outlook of the Malaysian economy in the near term based on the forecasted improving GDP;
- improving customers' confidence as demonstrated in the first quarter of 2010, to sustain the retail sector including that of the professional eye care industry,
- demonstrated growth for the retail sector during normal economic conditions;
- the professional eye care industry provides necessary products and services to many consumers with the need to correct blurred vision; and
- competition is constrained by the number of registered optometrists and opticians in Malaysia.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

(b) Competition

As the barriers of entry in the industry in which we operate are relatively low, we face competition from other chain operators of professional eye care centres as well as single operators.

12. FINANCIAL INFORMATION (Cont'd)

Competition within the professional eye care industry is based on a number of factors, including but not limited to the following:

- brand name and market reputation;
- track record;
- wide choice of eyewear products;
- exclusive and international eyewear brands;
- convenience of outlets location; and
- economies of scale.

(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)

In order to stay competitive, we appeal to new customers and our existing customers through, amongst others, organising numerous promotional activities throughout the year, price our eyewear and eye care products at a competitive price, providing wide range of eyewear products with extensive brands of eyewear products, especially international brands, as well as locating our professional eye care centres in high pedestrian traffic areas.

Our Board believes that we are able to remain competitive in the market through utilising, amongst others, our long established reputation in the professional eye care industry, pool of skilled optometrists and opticians, our strong bargaining power with our suppliers for the eyewear and eye care products and extensive number of outlets throughout Malaysia.

Please also refer to Section 6.5 of this Prospectus for further information on our competitive strengths.

(c) Dependence on registered optometrist and/or opticians

Under the Optical Act 1991, only optometrists and opticians registered with the Malaysian Optical Council are allowed to prescribe and dispense eyewear in Malaysia. Hence, the operation of our professional eye care centre is highly dependent on the experience and technical skills of the registered optometrists and/or opticians. Furthermore, any shortage of qualified optometrists and opticians will have a significant impact on the business operations of professional eye care centres, in particular the chain operators.

Operators who make adequate efforts to look after their optometrists and opticians in terms of remuneration and work conditions would be in a better position to attract as well as retain good optometrists and opticians. In 2009, there were 779 registered optometrists and 2,692 registered opticians in Malaysia. The number of registered optometrists grew by an annual rate of 10.2% whilst the number of registered opticians grew by an average annual rate of 6.1% between 2005 and 2009. *(Source: Independent Assessment of the Professional Eye Care Industry in Malaysia prepared by Vital Factor)*

Our Board recognised the potential risk in relation to our dependency on our optometrists and/or opticians and has identified the mitigating factors in overcoming the above risk. Further details are set out in Section 4.1.3 of this Prospectus.