

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

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

	Individual quarter		Cumulative quarter	
	30-06-16 RM'000	30-06-15 RM'000	30-06-16 RM'000	30-06-15 RM'000
Revenue	39,097	33,993	82,231	76,647
Cost of sales	(16,487)	(14,221)	(34,195)	(32,772)
Gross profit	22,610	19,772	48,036	43,875
Other income	1,184	1,141	2,020	2,286
Selling and distribution expenses	(8,267)	(7,868)	(17,102)	(15,267)
Administrative and general expenses	(16,905)	(14,135)	(32,869)	(28,313)
Interest expense	(510)	(405)	(1,053)	(877)
Interest income	80	91	189	233
Share of profit in associates	96	55	211	168
(Loss)/Profit before tax	(1,712)	(1,349)	(568)	2,105
Tax expense	(130)	(68)	(745)	(1,380)
(Loss)/Profit for the period	(1,842)	(1,417)	(1,313)	725
<b>(Loss)/Profit attributable to:</b>				
Owners of the Parent	(1,794)	(1,369)	(1,239)	783
Non-controlling interests	(48)	(48)	(74)	(58)
	(1,842)	(1,417)	(1,313)	725
<b>Total comprehensive (loss)/profit attributable to:</b>				
Owners of the Parent	(1,794)	(1,369)	(1,239)	783
Non-controlling interests	(48)	(48)	(74)	(58)
	(1,842)	(1,417)	(1,313)	725
<b>(Loss)/Earnings per share attributable to owners of the Parent:</b>				
Basic (sen)	(1.09)	(0.83)	(0.75)	0.47
Diluted (sen)	N/A	N/A	N/A	N/A

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial report.

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

### CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (The figures have not been audited)

	As at 30-06-16 RM'000 (Unaudited)	As at 31-12-15 RM'000 (Audited)
<b><u>ASSETS</u></b>		
<b>Non-current assets</b>		
Property, plant and equipment	41,729	39,559
Investments in associates	721	685
Deferred tax assets	228	233
Trade and other receivables	293	353
	42,971	40,830
<b>Current assets</b>		
Inventories	45,828	46,140
Derivative assets	-	7
Trade and other receivables	25,790	24,898
Current tax assets	112	61
Cash and bank balances	9,232	11,799
	80,962	82,905
<b>TOTAL ASSETS</b>	123,933	123,735
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	33,000	33,000
Reserves	19,844	21,083
	52,844	54,083
<b>Non-controlling interests</b>	(49)	(110)
<b>TOTAL EQUITY</b>	52,795	53,973
<b>Non-current liabilities</b>		
Borrowings	6,371	6,087
Deferred income	1,093	1,332
Deferred tax liabilities	1,576	1,576
	9,040	8,995
<b>Current liabilities</b>		
Borrowings	30,045	26,449
Trade and other payables	31,182	33,004
Deferred income	520	596
Current tax liabilities	330	663
Derivative liabilities	21	55
	62,098	60,767
<b>TOTAL LIABILITIES</b>	71,138	69,762
<b>TOTAL EQUITY AND LIABILITIES</b>	123,933	123,735
<b>Net assets per share attributable to owners of the Parent (sen)</b>	32.03	32.78

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial report.

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

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

	←— Attributable to owners of the Parent —→					
	← Non-distributable →		Distributable			
	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>At 1 January 2016</b>	33,000	7,096	13,987	54,083	(110)	53,973
Loss for the period	-	-	(1,239)	(1,239)	(74)	(1,313)
Other comprehensive income/(loss)	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	(1,239)	(1,239)	(74)	(1,313)
<b>Transactions with owners</b>						
Disposal of non-controlling interest of a subsidiary	-	-	-	-	135	135
Total transaction with owners	-	-	-	-	135	135
<b>At 30 June 2016</b>	33,000	7,096	12,748	52,844	(49)	52,795

	←— Attributable to owners of the Parent —→					
	← Non-distributable →		Distributable			
	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>At 1 January 2015</b>	33,000	7,096	12,656	52,752	1	52,753
Profit/(loss) for the period	-	-	783	783	(58)	725
Other comprehensive income/(loss)	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	783	783	(58)	725
<b>Transactions with owners</b>						
Acquisition of non-controlling interest of a subsidiary	-	-	-	-	20	20
Total transaction with owners	-	-	-	-	20	20
<b>At 30 June 2015</b>	33,000	7,096	13,439	53,535	(37)	53,498

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial report.

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

### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(The figures have not been audited)

	For the 6 months ended 30 June 2016 RM'000	For the 6 months ended 30 June 2015 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/Profit before tax	(568)	2,105
Adjustments for:		
Depreciation	3,757	3,420
Other non-cash items	2,031	1,194
Operating profit before working capital changes	5,220	6,719
Changes in inventories	(211)	(2,210)
Changes in trade and other receivables	(878)	1,883
Changes in trade and other payables	(1,304)	(2,652)
Cash generated from operations	2,827	3,740
Income taxes paid	(1,124)	(1,341)
<b>Net cash generated from operating activities</b>	<b>1,703</b>	<b>2,399</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2,333)	(1,277)
Proceeds from disposal of property, plant and equipment	312	46
Interest received	144	128
Dividend received from an associate	175	53
Disposal of a subsidiary	(28)	-
Acquisition of non-controlling interest of a subsidiary	-	20
Disposal of non-controlling interest of a subsidiary	136	-
<b>Net cash used in investing activities</b>	<b>(1,594)</b>	<b>(1,030)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(1,053)	(877)
(Placement)/uplift of fixed deposits pledged to licensed banks	(104)	223
Net (repayment)/drawdown of bankers' acceptances	(37)	6,032
Net repayment of hire purchase	(1,960)	(1,769)
Net repayment of term loans	(484)	(646)
<b>Net cash (used in)/generated from financing activities</b>	<b>(3,638)</b>	<b>2,963</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(3,529)</b>	<b>4,332</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>(177)</b>	<b>(580)</b>
<b>Cash and cash equivalents at end of period</b>	<b>(3,706)</b>	<b>3,752</b>

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

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

	<b>For the 6 months ended 30 June 2016 RM'000</b>	<b>For the 6 months ended 30 June 2015 RM'000</b>
<i>Cash and cash equivalents comprise:</i>		
Cash and bank balances	1,920	3,730
Fixed deposits with licensed banks	7,312	7,057
	9,232	10,787
Less : Bank overdraft included in borrowings	(6,176)	(528)
	3,056	10,259
Less : Fixed deposits pledged to licensed banks	(6,762)	(6,507)
	(3,706)	3,752

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial report.

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

### Notes to the Interim Financial Report for the second quarter ended 30 June 2016

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

##### A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134 : *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2015.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 31 December 2015, except for the adoption of the following standards applicable to the Group's financial year beginning 1 January 2016.

Title	Effective Date
MFRS 14 <i>Regulatory Deferral Accounts</i>	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128 <i>Investment Entities: Applying the Consolidation Exception</i>	1 January 2016
Amendments to MFRS 101 <i>Disclosure Initiative</i>	1 January 2016
Amendments to MFRS 116 and MFRS 138 <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
Amendments to MFRS 11 <i>Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
Amendments to MFRS 116 and MFRS 141 <i>Agriculture: Bearer Plants</i>	1 January 2016
Amendments to MFRS 127 <i>Equity Method in Separate Financial Statements</i>	1 January 2016
Amendments to MFRSs <i>Annual Improvements to 2012-2014 Cycle</i>	1 January 2016

The initial application of the aforesaid applicable standards, amendments or interpretations are not expected to have any material financial impact to the current financial year upon their initial adoption.

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

Title	Effective Date
MFRS 9 <i>Financial Instruments (IFRS as issued by IASB in July 2014)</i>	1 January 2018
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associates or Joint Venture</i>	Deferred

##### A2. Auditors' reports

The auditors' report on the audited financial statements of the Group for the financial year ended 31 December 2015 was not subject to any qualification.

##### A3. Seasonal or cyclical factors

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

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

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

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

### Notes to the Interim Financial Report for the second quarter ended 30 June 2016

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

##### A5. Material changes in estimates

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

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

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

##### A7. Dividend paid

No dividend was paid during the quarter.

##### A8. Segmental reporting

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

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

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

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

The segmental information for the financial period ended 30 June 2016 is as follows:-

	<b>Optical and related products RM'000</b>	<b>Franchise management RM'000</b>	<b>Food and beverage RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>					
Total revenue	72,369	1,826	7,891	564	82,650
Inter-segment revenue	(397)	(18)	(4)	-	(419)
External revenue	71,972	1,808	7,887	564	82,231
<b>Segment results</b>					
Segment assets	3,110	(89)	(2,718)	(218)	85
Interest income	160	2	19	8	189
Interest expense	(896)	-	(155)	(2)	(1,053)
Share of profit of associates	211	-	-	-	211
<b>Profit/(Loss) before tax</b>	<b>2,585</b>	<b>(87)</b>	<b>(2,854)</b>	<b>(212)</b>	<b>(568)</b>
<b>Assets</b>					
Segment assets	107,381	1,245	13,021	1,225	122,872
Investments in associates	721	-	-	-	721
<b>Total assets</b>	<b>108,102</b>	<b>1,245</b>	<b>13,021</b>	<b>1,225</b>	<b>123,593</b>
<b>Liabilities</b>					
Segment liabilities	60,688	2,350	6,019	175	69,232
<b>Total liabilities</b>	<b>60,688</b>	<b>2,350</b>	<b>6,019</b>	<b>175</b>	<b>69,232</b>

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

### Notes to the Interim Financial Report for the second quarter ended 30 June 2016

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

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

The segmental information for the financial period ended 30 June 2015 is as follows:-

	<b>Optical and related products RM'000</b>	<b>Franchise management RM'000</b>	<b>Food and beverage RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>					
Total revenue	64,920	2,001	9,142	711	76,774
Inter-segment revenue	(98)	(27)	(2)	-	(127)
<b>External revenue</b>	<b>64,822</b>	<b>1,974</b>	<b>9,140</b>	<b>711</b>	<b>76,647</b>
<b>Segment results</b>					
Interest income	5,305	54	(2,638)	(140)	2,581
Interest expense	207	2	17	7	233
Interest expense	(656)	-	(212)	(9)	(877)
Share of profit of associates	168	-	-	-	168
<b>Profit/(Loss) before tax</b>	<b>5,024</b>	<b>56</b>	<b>(2,833)</b>	<b>(142)</b>	<b>2,105</b>
<b>Assets</b>					
Segment assets	87,123	1,644	16,843	1,459	107,069
Investments in associates	705	-	-	-	705
<b>Total assets</b>	<b>87,828</b>	<b>1,644</b>	<b>16,843</b>	<b>1,459</b>	<b>107,774</b>
<b>Liabilities</b>					
Segment liabilities	41,822	2,922	7,764	355	52,863
<b>Total liabilities</b>	<b>41,822</b>	<b>2,922</b>	<b>7,764</b>	<b>355</b>	<b>52,863</b>

##### Geographical information

The Group operates only in Malaysia.

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

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



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

### Notes to the Interim Financial Report for the second quarter ended 30 June 2016

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

##### A10. Commitment

###### (a) Operating lease commitment

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

	As at 30-06-16 RM'000	As at 31-12-15 RM'000
<b>Branches</b>		
Not later than one (1) year	29,516	28,681
Later than one (1) year and not later than five (5) years	26,329	26,429
	55,845	55,110
<b>Franchisees</b>		
Not later than one (1) year	5,453	5,858
Later than one (1) year and not later than five (5) years	2,437	3,025
	7,890	8,883

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

###### (b) Capital commitment

	As at 30-06-16 RM'000	As at 31-12-15 RM'000
Capital expenditure in respect of purchase of property, plant and equipment		
- Contracted but not provided for	7,924	4,681
- Approved but not contracted for	-	-
	7,924	4,681

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

##### A11. Subsequent event

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

##### A12. Change in composition of the Group

On 3 May 2016, a wholly-owned subsidiary of the Company, Multiple Reward Sdn Bhd ("MRSB"), entered into a Share Sale Agreement for the disposal of MRSB's 51% equity interest in Original Reward Sdn Bhd ("ORSB") with ORSB's existing minority shareholders. Since then, ORSB ceased to be a subsidiary of MRSB and the Company.

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

### Notes to the Interim Financial Report for the second quarter ended 30 June 2016

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

##### A13. Change in contingent liability

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

##### A14. Related party transactions

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

	Individual quarter		Cumulative quarter	
	30-06-16 RM'000	30-06-15 RM'000	30-06-16 RM'000	30-06-15 RM'000
Sale of eyewear and eye care products	248	360	694	687
Licensing fee	38	33	78	74
Rental of premises	69	89	156	180
Purchase of beers and alcoholic drinks	1	6	3	8
Purchase of transportation service	-	4	1	8

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

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

### Notes to the Interim Financial Report for the second quarter ended 30 June 2016

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

##### B1. Review of performance

###### 6-month ended 30 June 2016

Group revenue at RM82.2 million was 7% higher compared with RM76.6 million of the corresponding period while Group loss before tax at RM0.6 million was 127% lower compared with profit before tax at RM2.1 million of the corresponding period. Albeit slight increase in revenue, Group profitability decreased due to lower contribution from the optical and related products division. Consequently, the Group recorded loss after tax of RM1.3 million, substantially lower compared with profit after tax at RM0.7 million of the corresponding period.

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

Optical and related products segment recorded revenue at RM72.0 million compared with RM64.8 million of the corresponding period, an increase of 11%. The segment attained higher number of outlets during the period at 116 (2015 : 93) resulting in higher retail outlets' revenue at RM63.1 million compared with RM55.3 million of the corresponding period, representing an increase of 14%. Nevertheless, the division registered profit before tax ("PBT") at RM2.6 million compared with RM5.0 million of the corresponding period, a decrease of 49%. The decrease in PBT was resulted from the increase in operating expenses caused mainly by the opening of new outlets.

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

Revenue at RM1.8 million was lower by 8% compared with RM2.0 million of the corresponding period. The decline in revenue was attributed mainly to lower royalty fee income as a result of lower retail sales attained by franchisees. Loss before tax at RM0.09 million was 255% lower compared with profit before tax at RM0.06 million of the corresponding period due to lower revenue attained.

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

The division recorded revenue at RM7.9 million, 14% lower compared with RM9.1 million of the corresponding period. The decline in revenue was owing mainly to exit of Japanese restaurant business since December 2015. Operating loss at RM2.9 million was higher by 1% compared with RM2.8 million of the corresponding period due to impairment of fixed assets and loss on disposal of a Japanese restaurant business. Operating loss excluding fixed assets impairment and loss on disposal of business was RM1.9 million compared with RM2.7 million of the corresponding period, an improvement by 29%.

###### 3-month ended 30 June 2016

Group revenue was higher by 15% compared with the corresponding quarter due to higher contribution from the optical and related products segments. Group loss before tax ("LBT") was recorded at RM1.7 million, representing an increase of 27% compared with LBT at RM1.3 million of the corresponding quarter due mainly to lower contribution from the food and beverage segment as well as the optical and related products segment.

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

### Notes to the Interim Financial Report for the second quarter ended 30 June 2016

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

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

	Current quarter RM'000	Immediate preceding quarter RM'000
Revenue	39,097	43,134
(Loss)/Profit before tax	(1,712)	1,144

Group revenue was 9% lower due mainly to lower revenue attained by the optical and related products segment. The Group registered loss before tax at RM1.7 million, mainly attributed to lower contribution from the optical and related products segment and the food and beverage segment.

##### B3. Prospect

The country's economy expanded by 4.0% in the second quarter of 2016, lower than 4.2% in the first quarter of 2016. The slight moderation in growth was mainly caused by continued decline in net exports and a significant drawdown in stocks. Private sector activity remained as the key driver of growth. Private consumption expanded by 6.3% (Q1 2016:5.3%), supported by stable wage and employment growth as well as additional disposable income from Government measures. Private investment grew more significantly by 5.6% (Q1 2016:2.2%), mainly driven by capital spending in the services and manufacturing sectors.

With the continuous expansion of retail outlets, the Group will see the improvement in revenue. On top of this, it is very crucial to focus on productivity and cost management to cope with the intense competitive business environment the Group is operating in and consequently to maintain the profitability of the Group. The Board is well aware of the challenges ahead and is constantly seeking solutions to overcome them.

The Group is striving to maintain satisfactory performance for year 2016.

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

This is not applicable to the Group.

##### B5. Profit before tax

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

	Individual quarter		Cumulative quarter	
	30-06-16 RM'000	30-06-15 RM'000	30-06-16 RM'000	30-06-15 RM'000
Depreciation	1,881	1,717	3,757	3,420
Bad debts written off	-	-	-	-
Impairment loss on trade and other receivables	-	-	-	-
Inventories written off	121	83	226	193
Inventories written down	170	91	284	182
Loss/(gain) on disposal of quoted or unquoted investments	-	-	-	-
Loss/(gain) on disposal of investment in a subsidiary	(192)	-	(192)	-
Loss on disposal of property, plant and equipment	337	-	337	7
Impairment loss on property, plant and equipment	-	-	-	-
Property, plant and equipment written-off	686	70	791	224
Realised (gain)/loss on foreign currency transactions (net)	(11)	19	46	172
Unrealised gain on derivatives	(61)	-	(27)	-
Exceptional items	-	-	-	-

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

### Notes to the Interim Financial Report for the second quarter ended 30 June 2016

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

##### B6. Income tax expense

	Individual quarter		Cumulative quarter	
	30-06-16 RM'000	30-06-15 RM'000	30-06-16 RM'000	30-06-15 RM'000
<b>Current tax:</b>				
Current	125	69	740	1,380
<b>Deferred tax:</b>				
Current	5	(1)	-	(6)
Prior year	-	-	5	6
	5	(1)	5	-
Total	130	68	745	1,380

The Group effective current tax rates for 2016 and 2015 were higher than prima facie tax rate due principally to absence of full group relief, certain capital expenditure not qualified for tax purpose and certain expenses non deductible for tax purpose.

##### B7. Status of corporate proposals

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

##### B8. Borrowings

	As at 30-06-16 RM'000	As at 31-12-15 RM'000
<b>Short term borrowings</b>		
Secured:		
Banker acceptance	15,085	15,122
Bank overdraft	6,176	5,317
Term loan	4,267	1,817
Hire purchase	4,517	4,193
	<u>30,045</u>	<u>26,449</u>
<b>Long term borrowings</b>		
Secured:		
Term loan	3,076	2,539
Hire purchase	3,295	3,548
	<u>6,371</u>	<u>6,087</u>
<b>Total borrowings</b>	<u>36,416</u>	<u>32,536</u>

The above borrowings were denominated in Ringgit Malaysia.

##### B9. Material litigation

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

##### B10. Dividend

No dividend was declared in the current quarter.

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

### Notes to the Interim Financial Report for the second quarter ended 30 June 2016

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

##### B11. Earnings per share

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

	Individual quarter		Cumulative quarter	
	30-06-16	30-06-15	30-06-16	30-06-15
(Loss)/Profit attributable to owners of the Parent (RM'000)	(1,794)	(1,369)	(1,239)	783
Weighted average number of ordinary shares in issue ('000)	165,000	165,000	165,000	165,000
Basic (loss)/earnings per share (sen)	(1.09)	(0.83)	(0.75)	0.47

##### B12. Disclosure of realised and unrealised profits

The breakdown of the retained profits of the Group as at 30 June 2016, into realised and unrealised profits/losses is as follows:-

	As at 30-06-16 RM'000	As at 31-12-15 RM'000
Total retained profits of the Group :		
- Realised	30,665	31,838
- Unrealised	(1,348)	(1,343)
	29,317	30,495
Total share of retained profits from associates :		
- Realised	218	330
- Unrealised	(7)	(7)
	211	323
Total	29,528	30,818
Less : Consolidation adjustments	(16,780)	(16,831)
Total retained profits of the Group	12,748	13,987

The determination of realised and unrealised profits or losses is compiled based on Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Main Market Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits or losses above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia Securities Berhad and should not be applied for any other purposes.

##### B13. Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Board of Directors on 26 August 2016.