

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

### CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual quarter		Cumulative quarter	
	30-06-18 RM'000	30-06-17 RM'000	30-06-18 RM'000	30-06-17 RM'000
Revenue	41,934	40,493	82,913	81,122
Cost of sales	(16,076)	(16,605)	(32,679)	(33,276)
Gross profit	25,858	23,888	50,234	47,846
Other income	955	1,031	2,237	2,247
Selling and distribution expenses	(8,573)	(8,095)	(17,136)	(16,676)
Administrative and general expenses	(16,295)	(15,819)	(32,219)	(31,972)
Interest expense	(603)	(634)	(1,240)	(1,251)
Interest income	39	13	70	82
Share of profit in associates	78	77	192	202
Share of loss in joint venture	(18)	(39)	(28)	(39)
Profit before tax	1,441	422	2,110	439
Tax expense	(638)	(380)	(1,284)	(753)
Profit/(loss) for the period	803	42	826	(314)
<b>Profit/(loss) attributable to:</b>				
Owners of the Parent	803	42	826	(315)
Non-controlling interests	-	-	-	1
	803	42	826	(314)
<b>Total comprehensive profit/(loss) attributable to:</b>				
Owners of the Parent	803	42	826	(315)
Non-controlling interests	-	-	-	1
	803	42	826	(314)
<b>Earnings/(loss) per share attributable to owners of the Parent:</b>				
Basic (sen)	0.49	0.03	0.50	(0.19)
Diluted (sen)	N/A	N/A	N/A	N/A

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

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

### CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(The figures have not been audited)

	As at 30-06-18 RM'000 (Unaudited)	As at 31-12-17 RM'000 (Audited)
<b><u>ASSETS</u></b>		
<b>Non-current assets</b>		
Property, plant and equipment	48,079	48,530
Investment in associates	719	632
Investment in joint venture	235	263
Deferred tax assets	250	250
Trade and other receivables	378	553
	49,661	50,228
<b>Current assets</b>		
Inventories	47,119	45,098
Trade and other receivables	22,644	24,518
Current tax assets	2	74
Cash and bank balances	8,143	9,900
	77,908	79,590
<b>TOTAL ASSETS</b>	127,569	129,818
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	40,096	40,096
Reserves	12,050	12,248
<b>TOTAL EQUITY</b>	52,146	52,344
<b>Non-current liabilities</b>		
Borrowings	11,058	14,124
Deferred income	2,158	1,390
Deferred tax liabilities	1,725	2,042
	14,941	17,556
<b>Current liabilities</b>		
Borrowings	30,417	29,207
Trade and other payables	27,260	29,487
Current tax liabilities	1,254	687
Deferred income	1,551	535
Derivative liabilities	-	2
	60,482	59,918
<b>TOTAL LIABILITIES</b>	75,423	77,474
<b>TOTAL EQUITY AND LIABILITIES</b>	127,569	129,818
 <b>Net assets per share attributable to owners of the Parent (sen)</b>	31.60	31.72

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

# FOCUS POINT

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

### CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(The figures have not been audited)

	←— Attributable to owners of the Parent —→				← Non-distributable → Distributable	
	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>At 1 January 2018</b>	40,096	-	12,248	52,344	-	52,344
Impact arising from adoption of MFRS 15	-	-	(1,024)	(1,024)	-	(1,024)
<b>At 1 January 2018, as restated</b>	40,096	-	11,224	51,320	-	51,320
Profit for the period	-	-	826	826	-	826
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	826	826	-	826
<b>At 30 June 2018</b>	40,096	-	12,050	52,146	-	52,146

	←— Attributable to owners of the Parent —→				← Non-distributable → Distributable	
	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>At 1 January 2017</b>	33,000	7,096	12,706	52,802	(6)	52,796
Effects of the adoption of Companies Act 2016	7,096	(7,096)	-	-	-	-
<b>At 1 January 2017, as restated</b>	40,096	-	12,706	52,802	(6)	52,796
(Loss)/profit for the period	-	-	(315)	(315)	1	(314)
Other comprehensive (loss)/income	-	-	-	-	-	-
Total comprehensive (loss)/income	-	-	(315)	(315)	1	(314)
<b>Transactions with owners</b>						
Disposal of non-controlling interest of a subsidiary	-	-	-	-	5	5
Total transactions with owners	-	-	-	-	5	5
<b>At 30 June 2017</b>	40,096	-	12,391	52,487	-	52,487

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

## FOCUS POINT 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 2018 RM'000	For the 6 months ended 30 June 2017 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	2,110	439
Adjustments for:		
Depreciation	4,062	3,984
Other non-cash items	1,875	1,605
Operating profit before working capital changes	8,047	6,028
Changes in inventories	(2,457)	(1,140)
Changes in trade and other receivables	1,995	1,424
Changes in trade and other payables	(1,795)	(2,800)
Cash generated from operations	5,790	3,512
Tax refunded	-	1
Income taxes paid	(638)	(622)
<b>Net cash generated from operating activities</b>	<b>5,152</b>	<b>2,891</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2,501)	(1,796)
Proceeds from disposal of property, plant and equipment	40	455
Interest received	70	82
Dividend received from an associate	105	210
Net cash inflow from disposal of a subsidiary	-	21
Investment in a joint venture	-	(300)
<b>Net cash used in investing activities</b>	<b>(2,286)</b>	<b>(1,328)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(1,240)	(1,251)
Uplift of fixed deposits pledged to licensed banks	1,197	3,311
Net drawdown/(repayment) of banker's acceptance	2,736	(2,404)
Net repayment of hire purchase	(1,872)	(1,946)
Net repayment of term loan	(446)	(456)
(Repayment)/drawdown of revolving credit	(254)	1,537
<b>Net cash from/(used in) financing activities</b>	<b>121</b>	<b>(1,209)</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,987</b>	<b>354</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>(1,359)</b>	<b>(2,230)</b>
<b>Cash and cash equivalents at end of period</b>	<b>1,628</b>	<b>(1,876)</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 2018 RM'000</b>	<b>For the 6 months ended 30 June 2017 RM'000</b>
<i>Cash and cash equivalents comprise:</i>		
Cash and bank balances	3,219	2,088
Fixed deposits with licensed banks	4,924	5,911
	<hr/> 8,143	<hr/> 7,999
Less : Bank overdraft included in borrowings	(2,271)	(4,514)
	<hr/> 5,872	<hr/> 3,485
Less : Fixed deposits pledged to licensed banks	(4,244)	(5,361)
	<hr/> 1,628	<hr/> (1,876)

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

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

### Notes to the Interim Financial Report for the second quarter ended 30 June 2018

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

##### A1. Basis of preparation

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

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

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

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

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

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

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

### Notes to the Interim Financial Report for the second quarter ended 30 June 2018

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

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

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

##### A2. Auditors' reports

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

##### A3. Seasonal or cyclical factors

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

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

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

##### A5. Material changes in estimates

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

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

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

##### A7. Dividend paid

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.

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

### Notes to the Interim Financial Report for the second quarter ended 30 June 2018

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

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

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

	<b>Optical and related products RM'000</b>	<b>Franchise management RM'000</b>	<b>Food and beverage RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>					
Total revenue	74,249	1,553	6,485	637	82,924
Inter-segment revenue	-	-	(11)	-	(11)
<b>External revenue</b>	<b>74,249</b>	<b>1,553</b>	<b>6,474</b>	<b>637</b>	<b>82,913</b>
<b>Segment results</b>					
Interest income	3,448	599	(883)	(48)	3,116
Interest expense	45	-	18	7	70
Share of profit in associates	(1,149)	-	(91)	-	(1,240)
Share of loss in joint venture	192	-	-	-	192
	-	-	(28)	-	(28)
<b>Profit/(Loss) before tax</b>	<b>2,536</b>	<b>599</b>	<b>(984)</b>	<b>(41)</b>	<b>2,110</b>
<b>Assets</b>					
Segment assets	114,138	1,008	9,685	1,532	126,363
Investment in associates	719	-	-	-	719
Investment in joint venture	-	-	235	-	235
<b>Total assets</b>	<b>114,857</b>	<b>1,008</b>	<b>9,920</b>	<b>1,532</b>	<b>127,317</b>
<b>Liabilities</b>					
Segment liabilities	64,522	2,102	5,687	133	72,444
<b>Total liabilities</b>	<b>64,522</b>	<b>2,102</b>	<b>5,687</b>	<b>133</b>	<b>72,444</b>

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

	<b>Optical and related products RM'000</b>	<b>Franchise management RM'000</b>	<b>Food and beverage RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>					
Total revenue	71,253	1,635	7,740	4,551	85,179
Inter-segment revenue	(49)	-	(8)	(4,000)	(4,057)
<b>External revenue</b>	<b>71,204</b>	<b>1,635</b>	<b>7,732</b>	<b>551</b>	<b>81,122</b>
<b>Segment results</b>					
Interest income	3,183	(321)	(1,240)	(177)	1,445
Interest expense	57	1	19	5	82
Share of profit in associates	(1,130)	-	(121)	-	(1,251)
Share of loss in joint venture	202	-	-	-	202
	-	-	(39)	-	(39)
<b>Profit/(Loss) before tax</b>	<b>2,312</b>	<b>(320)</b>	<b>(1,381)</b>	<b>(172)</b>	<b>439</b>
<b>Assets</b>					
Segment assets	112,192	1,473	11,389	1,231	126,285
Investment in associates	688	-	-	-	688
Investment in joint venture	-	-	261	-	261
<b>Total assets</b>	<b>112,880</b>	<b>1,473</b>	<b>11,650</b>	<b>1,231</b>	<b>127,234</b>
<b>Liabilities</b>					
Segment liabilities	64,911	2,219	5,566	115	72,811
<b>Total liabilities</b>	<b>64,911</b>	<b>2,219</b>	<b>5,566</b>	<b>115</b>	<b>72,811</b>

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

Notes to the Interim Financial Report for the second quarter ended 30 June 2018

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

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

##### Geographical information

The Group operates only in Malaysia.

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

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

#### A10. Commitment

##### (a) Operating lease commitment

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

	<b>As at 30-06-18 RM'000</b>	<b>As at 31-12-17 RM'000</b>
<b>Branches</b>		
Not later than one (1) year	29,772	30,583
Later than one (1) year and not later than five (5) years	22,606	23,665
	52,378	54,248
<b>Franchisees</b>		
Not later than one (1) year	5,593	5,612
Later than one (1) year and not later than five (5) years	3,563	3,907
	9,156	9,519

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

##### (b) Capital commitment

	<b>As at 30-06-18 RM'000</b>	<b>As at 31-12-17 RM'000</b>
Capital expenditure in respect of purchase of property, plant and equipment		
- Contracted but not provided for	1,209	1,622
- Approved but not contracted for	-	-
	1,209	1,622

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

#### A11. Subsequent event

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

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

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

**A13. Change in contingent liability**

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

**A14. Related party transactions**

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

	<b>Individual quarter</b>		<b>Cumulative quarter</b>	
	<b>30-06-18</b>	<b>30-06-17</b>	<b>30-06-18</b>	<b>30-06-18</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Sale of eyewear and eye care products	275	191	592	575
Licensing fee	39	39	78	79
Rental of premises	60	60	120	120

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 2018

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

##### B1. Review of performance

###### 6-month ended 30 June 2018

Group revenue at RM82.9 million was 2% higher compared with RM81.1 million of the corresponding period. The Group recorded profit before tax (“PBT”) at RM2.1 million compared with RM0.4 million of the corresponding period. The improved performance was mainly due to improvement in operating results by all the three (3) segments. Consequently, the Group also recorded profit after tax of RM0.8 million compared with loss after tax of RM0.3 million of the corresponding period.

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

Optical and related products segment recorded revenue at RM74.2 million compared with RM71.2 million of the corresponding period, representing an increase of 4%. Revenue contribution from the new outlets was amounted to RM4.6 million, representing 7% of total outlet retail revenue. On existing outlets, revenue was 3% lower as compared with the corresponding period. Profit before tax (“PBT”) at RM2.5 million was 10% higher compared with RM2.3 million of the corresponding period. The increase in PBT was attributed to achievement of higher revenue compared with the corresponding period.

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

Revenue at RM1.5 million was lower by 5% compared with RM1.6 million of the corresponding period. The decline in revenue was mainly attributed to lower royalty fee income as a result of lower retail sales attained by franchisees. The segment recorded profit before tax at RM0.6 million, 287% higher compared with loss before tax at RM0.3 million of the corresponding period due mainly to lower management fee incurred.

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

The segment recorded revenue at RM6.5 million, 16% lower compared with RM7.7 million of the corresponding period. The decline in revenue was mainly attributed to lower sales to franchisees and closure of an outlet since November 2017.

Owing to lower operating expenses incurred, loss before tax at RM1.0 million was substantially lower by 29% compared with RM1.4 million of the corresponding period.

###### 3-month ended 30 June 2018

Group revenue at RM41.9 million was 3% higher compared with RM40.5 million of the corresponding quarter, attributed to higher revenue attained by the optical and related products segment. For Group profit before tax, it was recorded at RM1.4 million, 241% higher compared with RM0.4 million of the corresponding quarter, attributed mainly to improved performance of the franchise management segment as well as optical and related products segment.

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

Group revenue at RM41.9 million was 2% higher compared with RM41.0 million of the immediate preceding quarter. The Group registered profit before tax at RM1.4 million, doubled up compared with RM0.7 million of the immediate preceding quarter in view of better performance attained by the food and beverage segment as well as 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 2018

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

##### B3. Prospect

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

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

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

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

This is not applicable to the Group.

##### B5. Profit before tax

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

	Individual quarter		Cumulative quarter	
	30-06-18 RM'000	30-06-17 RM'000	30-06-18 RM'000	30-06-17 RM'000
Depreciation	2,032	1,993	4,062	3,984
Bad debts written off	-	-	-	-
Impairment loss on trade and other receivables	17	-	56	-
Inventories written off	104	99	206	194
Inventories written down	115	135	231	234
Loss/(gain) on disposal of quoted or unquoted investments	-	-	-	-
Gain on disposal of a subsidiary	-	-	-	(68)
(Gain)/loss on disposal of property, plant and equipment	(1)	(62)	9	(22)
Impairment loss on property, plant and equipment	-	-	151	-
Property, plant and equipment written-off	12	136	218	190
Realised (gain)/loss on foreign currency transactions (net)	(39)	38	(108)	114
Net fair value (gain)/loss on derivative	-	-	(2)	39
Exceptional items	-	-	-	-

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

### Notes to the Interim Financial Report for the second quarter ended 30 June 2018

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

##### B6. Income tax expense

	Individual quarter		Cumulative quarter	
	30-06-18 RM'000	30-06-17 RM'000	30-06-18 RM'000	30-06-17 RM'000
<b>Current tax:</b>				
Current	630	379	1,277	752
Prior year	-	1	-	1
	<u>630</u>	<u>380</u>	<u>1,277</u>	<u>753</u>
<b>Deferred tax:</b>				
Current	8	-	7	-
Prior year	-	-	-	-
	<u>8</u>	<u>-</u>	<u>7</u>	<u>-</u>
Total	<u>638</u>	<u>380</u>	<u>1,284</u>	<u>753</u>

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

##### B7. Status of corporate proposals

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

##### B8. Borrowings

	As at 30-06-18 RM'000	As at 31-12-17 RM'000
<b>Short term</b>		
Secured:		
Banker's acceptance	15,829	13,094
Bank overdraft	2,271	5,817
Term loan	3,233	1,384
Hire purchase	5,953	5,527
Revolving credit	3,131	3,385
	<u>30,417</u>	<u>29,207</u>
<b>Long term</b>		
Secured:		
Term loan	7,657	9,448
Hire purchase	3,401	4,676
	<u>11,058</u>	<u>14,124</u>
<b>Total borrowings</b>	<u>41,475</u>	<u>43,331</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

An interim single-tier dividend of 1 sen (2017 : nil) per share in respect of financial year ending 31 December 2018 was declared on 8 June 2018 and paid on 24 July 2018.

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

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

	<b>Individual quarter</b>		<b>Cumulative quarter</b>	
	<b>30-06-18</b>	<b>30-06-17</b>	<b>30-06-18</b>	<b>30-06-17</b>
Profit/(loss) attributable to owners of the Parent (RM'000)	803	42	826	(315)
Weighted average number of ordinary shares in issue ('000)	165,000	165,000	165,000	165,000
Basic earnings/(loss) per share (sen)	0.49	0.03	0.50	(0.19)

**B12. Authorisation for issue**

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Board of Directors on 20 August 2018.