

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

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

	Individual quarter		Cumulative quarter	
	31-12-18 RM'000	31-12-17 RM'000	31-12-18 RM'000	31-12-17 RM'000
Revenue	50,213	42,948	179,272	165,121
Cost of sales	(19,793)	(16,751)	(70,561)	(67,193)
Gross profit	30,420	26,197	108,711	97,928
Other income	1,585	1,254	4,828	4,653
Selling and distribution expenses	(8,240)	(8,571)	(34,082)	(33,832)
Administrative and general expenses	(17,675)	(16,346)	(66,346)	(64,701)
Interest expense	(910)	(792)	(2,754)	(2,714)
Interest income	142	128	254	258
Share of profit in associates	74	32	381	356
Share of loss in joint venture	(68)	2	(105)	(37)
Profit before tax	5,328	1,904	10,887	1,911
Tax expense	(874)	(977)	(3,788)	(2,368)
Profit/(loss) for the period	4,454	927	7,099	(457)
<b>Profit/(loss) attributable to:</b>				
Owners of the Parent	4,454	927	7,099	(458)
Non-controlling interests	-	-	-	1
	4,454	927	7,099	(457)
<b>Total comprehensive profit/(loss) attributable to:</b>				
Owners of the Parent	4,454	927	7,099	(458)
Non-controlling interests	-	-	-	1
	4,454	927	7,099	(457)
<b>Earnings/(loss) per share attributable to owners of the Parent:</b>				
Basic (sen)	2.70	0.56	4.30	(0.28)
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

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

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

	As at 31-12-18 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	46,770	48,530
Investment in associates	698	632
Investment in joint venture	158	263
Deferred tax assets	247	250
Trade and other receivables	1,017	553
	<u>48,890</u>	<u>50,228</u>
<b>Current assets</b>		
Inventories	46,033	45,098
Trade and other receivables	24,088	24,518
Current tax assets	1	74
Cash and bank balances	9,422	9,900
	<u>79,544</u>	<u>79,590</u>
<b>TOTAL ASSETS</b>	<u>128,434</u>	<u>129,818</u>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	40,096	40,096
Reserves	17,184	12,248
<b>TOTAL EQUITY</b>	<u>57,280</u>	<u>52,344</u>
<b>Non-current liabilities</b>		
Borrowings	12,411	14,124
Deferred income	1,806	1,390
Deferred tax liabilities	1,290	2,042
	<u>15,507</u>	<u>17,556</u>
<b>Current liabilities</b>		
Borrowings	26,571	29,207
Trade and other payables	26,121	29,487
Current tax liabilities	1,706	687
Deferred income	1,249	535
Derivative liabilities	-	2
	<u>55,647</u>	<u>59,918</u>
<b>TOTAL LIABILITIES</b>	<u>71,154</u>	<u>77,474</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>128,434</u>	<u>129,818</u>
<b>Net assets per share attributable to owners of the Parent (sen)</b>	34.72	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 9 & 15	-	-	(513)	(513)	-	(513)
<b>At 1 January 2018, as restated</b>	40,096	-	11,735	51,831	-	51,831
Profit for the period	-	-	7,099	7,099	-	7,099
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	7,099	7,099	-	7,099
<b>Transactions with owners</b>						
Dividend paid	-	-	(1,650)	(1,650)	-	(1,650)
Total transaction with owners	-	-	(1,650)	(1,650)	-	(1,650)
<b>At 31 December 2018</b>	40,096	-	17,184	57,280	-	57,280

	←— 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	-	-	(458)	(458)	1	(457)
Other comprehensive (loss)/income	-	-	-	-	-	-
Total comprehensive (loss)/income	-	-	(458)	(458)	1	(457)
<b>Transactions with owners</b>						
Disposal of non-controlling interest of a subsidiary	-	-	-	-	5	5
Total transactions with owners	-	-	-	-	5	5
<b>At 31 December 2017</b>	40,096	-	12,248	52,344	-	52,344

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

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

### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(The figures have not been audited)

	For the 12 months ended 31 December 2018 RM'000	For the 12 months ended 31 December 2017 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	10,887	1,911
Adjustments for:		
Depreciation	8,250	8,069
Other non-cash items	4,597	4,706
Operating profit before working capital changes	23,734	14,686
Changes in inventories	(1,714)	482
Changes in trade and other receivables	(237)	(790)
Changes in trade and other payables	(2,816)	(2,145)
Cash generated from operations	18,967	12,233
Tax refunded	92	35
Income taxes paid	(3,385)	(1,802)
<b>Net cash generated from operating activities</b>	<b>15,674</b>	<b>10,466</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2,914)	(3,298)
Proceeds from disposal of property, plant and equipment	145	562
Interest received	166	179
Dividend received from an associate	315	420
Net cash inflow from disposal of a subsidiary	-	21
Investment in a joint venture	-	(300)
<b>Net cash used in investing activities</b>	<b>(2,288)</b>	<b>(2,416)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(2,753)	(2,605)
Uplift of fixed deposits pledged to licensed banks	1,133	3,231
Net repayment of banker's acceptance	(6)	(3,298)
Net repayment of hire purchase	(5,381)	(5,447)
Net repayment of term loan	(1,413)	(1,430)
(Repayment)/drawdown of revolving credit	(424)	2,370
Dividend paid	(1,650)	-
<b>Net cash used in financing activities</b>	<b>(10,494)</b>	<b>(7,179)</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,892</b>	<b>871</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>1,533</b>	<b>(1,359)</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 12 months ended 31 December 2018 RM'000</b>	<b>For the 12 months ended 31 December 2017 RM'000</b>
<i>Cash and cash equivalents comprise:</i>		
Cash and bank balances	4,433	3,778
Fixed deposits with licensed banks	4,989	6,122
	9,422	9,900
Less : Bank overdraft included in borrowings	(3,580)	(5,817)
	5,842	4,083
Less : Fixed deposits pledged to licensed banks	(4,309)	(5,442)
	1,533	(1,359)

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 fourth quarter ended 31 December 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 9 Financial Instruments and 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
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
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 fourth quarter ended 31 December 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 in the current 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

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

### Notes to the Interim Financial Report for the fourth quarter ended 31 December 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 year ended 31 December 2018 is as follows:-

	Optical and related products RM'000	Franchise management RM'000	Food and beverage RM'000	Others RM'000	Inter- segment elimination RM'000	Total RM'000
<b>Revenue</b>						
Total revenue	159,781	3,108	14,979	3,072	(1,668)	179,272
<b>Segment results</b>						
Interest income	12,687	1,197	(1,131)	1,543	(1,185)	13,111
Interest expense	773	154	51	12	(736)	254
Share of profit in associates	(2,573)	-	(917)	-	736	(2,754)
Share of loss in joint venture	381	-	-	-	-	381
<b>Profit/(Loss) before tax</b>	-	-	(105)	-	-	(105)
	11,268	1,351	(2,102)	1,555	(1,185)	10,887
<b>Assets</b>						
Segment assets	130,923	4,894	9,620	49,484	(67,591)	127,330
Investment in associates	698	-	-	-	-	698
Investment in joint venture	-	-	158	-	-	158
<b>Total assets</b>	131,621	4,894	9,778	49,484	(67,591)	128,186
<b>Liabilities</b>						
Segment liabilities	60,545	3,710	23,163	1,620	(20,880)	68,158
<b>Total liabilities</b>	60,545	3,710	23,163	1,620	(20,880)	68,158

The segmental information for the financial year ended 31 December 2017 is as follows:-

	Optical and related products RM'000	Franchise management RM'000	Food and beverage RM'000	Others RM'000	Inter- segment elimination RM'000	Total RM'000
<b>Revenue</b>						
Total revenue	145,307	3,105	15,609	5,170	(4,070)	165,121
<b>Segment results</b>						
Interest income	7,217	162	(2,562)	3,846	(4,615)	4,048
Interest expense	762	155	49	12	(720)	258
Share of profit in associates	(2,451)	-	(983)	-	720	(2,714)
Share of loss in joint venture	356	-	-	-	-	356
<b>Profit/(Loss) before tax</b>	-	-	(37)	-	-	(37)
	5,884	317	(3,533)	3,858	(4,615)	1,911
<b>Assets</b>						
Segment assets	133,113	5,248	10,001	49,172	(68,935)	128,599
Investment in associates	632	-	-	-	-	632
Investment in joint venture	-	-	263	-	-	263
<b>Total assets</b>	133,745	5,248	10,264	49,172	(68,935)	129,494
<b>Liabilities</b>						
Segment liabilities	67,648	5,032	26,110	1,132	(25,177)	74,745
<b>Total liabilities</b>	67,648	5,032	26,110	1,132	(25,177)	74,745



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

### Notes to the Interim Financial Report for the fourth quarter ended 31 December 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 31-12-18 RM'000</b>	<b>As at 31-12-17 RM'000</b>
<b>Branches</b>		
Not later than one (1) year	27,398	30,583
Later than one (1) year and not later than five (5) years	19,409	23,665
	46,807	54,248
<b>Franchisees</b>		
Not later than one (1) year	5,688	5,612
Later than one (1) year and not later than five (5) years	3,199	3,907
	8,887	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.

Arising from the above, the Group is in the process of assessing the impact of implementing MFRS 16 Leases for the financial year beginning 1 January 2019.

###### (b) Capital commitment

	<b>As at 31-12-18 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	2	1,622
- Approved but not contracted for	-	-
	2	1,622

This represents capital commitment in respect of 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 fourth quarter ended 31 December 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>31-12-18</b>	<b>31-12-17</b>	<b>31-12-18</b>	<b>31-12-17</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Sale of eyewear and eye care products	312	354	1,246	1,268
Licensing fee	38	38	157	157
Rental of premises	60	60	240	240

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 fourth quarter ended 31 December 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

###### 12-month ended 31 December 2018

Group revenue at RM179.3 million was 9% higher compared with RM165.1 million of the corresponding year. The increase in Group revenue was mainly attributed to higher sales attained by the optical and related products business. The Group recorded profit before tax (“PBT”) at RM10.9 million, tremendously higher compared with RM1.9 million of the corresponding year. The improved performance was due to improvement in operating results of the three (3) businesses, out of which the contribution from the optical and related products segment was most significant. Consequently, the Group also recorded profit after tax of RM7.1 million, tremendously higher compared with loss after tax of RM0.5 million of the corresponding year.

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

Optical and related products segment recorded higher revenue at RM159.8 million compared with RM145.3 million of the corresponding year, representing an increase of 10%. Revenue contribution from the new outlets was amounted to RM3.5 million, representing 2% of total retail outlet revenue. On existing outlets, revenue was 7% higher as compared with the corresponding year. Profit before tax (“PBT”) at RM11.3 million was 92% higher compared with RM5.9 million of the corresponding year. The increase in PBT was attributed to the attainment of higher revenue and rebate income.

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

Revenue at RM3.1 million was in line with the corresponding year. The segment recorded profit before tax at RM1.4 million, tremendously higher compared with profit before tax at RM0.3 million of the corresponding year due mainly to lower management fee incurred.

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

The segment recorded revenue at RM15.0 million, 4% lower compared with RM15.6 million of the corresponding year. The decline in revenue was mainly attributed to closure of two (2) outlets since November 2017 resulting in lower retail sales coupled with lower sales of products/materials to franchise outlets.

Owing to lower operating expenses incurred and higher gross profit margin attained, loss before tax at RM2.1 million was 41% lower compared with RM3.5 million of the corresponding year.

###### 3-month ended 31 December 2018

Group revenue at RM50.2 million was 17% higher compared with RM42.9 million of the corresponding quarter, attributed to higher revenue attained by the three (3) businesses. Group profit before tax was recorded at RM5.3 million, 180% higher compared with profit before tax of RM1.9 million of the corresponding quarter, mainly attributed to the improved performance of the optical and related products as well as food and beverage businesses.

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

Group revenue at RM50.2 million was 9% higher compared with RM46.1 million of the immediate preceding quarter. The increase in Group revenue was mainly attributed to higher sales attained by the optical and related products as well as food and beverage businesses. The Group registered profit before tax at RM5.3 million, 55% higher compared with RM3.4 million of the immediate preceding quarter as a result of better performance attained by the optical and related products as well as food and beverage businesses.

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

### Notes to the Interim Financial Report for the fourth quarter ended 31 December 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 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 is targeting to open ten (10) new outlets in 2019. The Group will also be watchful on spending to maintain profitability and productivity.

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 and wholesale business. The Group expects to open five (5) new outlets in overseas market in 2019.

Premised upon the above, the Group is confident to deliver a satisfactory performance for 2019.

##### 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	
	31-12-18 RM'000	31-12-17 RM'000	31-12-18 RM'000	31-12-17 RM'000
Depreciation	2,195	2,067	8,250	8,069
Bad debts written off	-	-	-	-
Impairment loss on trade and other receivables	30	333	201	333
Inventories written off	125	105	433	380
Inventories written down	-	104	347	437
Loss/(gain) on disposal of quoted or unquoted investments	-	-	-	-
Gain on disposal of a subsidiary	-	-	-	(38)
(Gain)/loss on disposal of property, plant and equipment	(21)	17	86	(81)
Impairment loss on property, plant and equipment	596	698	747	698
Property, plant and equipment written-off	279	170	559	778
Realised loss on foreign currency transactions (net)	61	23	11	151
Net fair value loss/(gain) on derivative	-	2	(2)	41
Exceptional items	-	-	-	-

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

Notes to the Interim Financial Report for the fourth quarter ended 31 December 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	
	31-12-18 RM'000	31-12-17 RM'000	31-12-18 RM'000	31-12-17 RM'000
<b>Current tax:</b>				
Current	1,459	886	4,029	1,927
Prior year	-	(1)	356	349
	<u>1,459</u>	<u>885</u>	<u>4,385</u>	<u>2,276</u>
<b>Deferred tax:</b>				
Current	(257)	164	(269)	164
Prior year	(328)	(72)	(328)	(72)
	<u>(585)</u>	<u>92</u>	<u>(597)</u>	<u>92</u>
Total	<u>874</u>	<u>977</u>	<u>3,788</u>	<u>2,368</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 31-12-18 RM'000	As at 31-12-17 RM'000
<b>Short term</b>		
Secured:		
Banker's acceptance	13,088	13,094
Bank overdraft	3,580	5,817
Term loan	1,554	1,384
Hire purchase	5,388	5,527
Revolving credit	2,961	3,385
	<u>26,571</u>	<u>29,207</u>
<b>Long term</b>		
Secured:		
Term loan	8,756	9,448
Hire purchase	3,655	4,676
	<u>12,411</u>	<u>14,124</u>
<b>Total borrowings</b>	<u>38,982</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**

No dividend was declared in the current quarter.

**FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)****Notes to the Interim Financial Report for the fourth quarter ended 31 December 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.

	Individual quarter		Cumulative quarter	
	31-12-18	31-12-17	31-12-18	31-12-17
Profit/(loss) attributable to owners of the Parent (RM'000)	4,454	927	7,099	(458)
Weighted average number of ordinary shares in issue ('000)	165,000	165,000	165,000	165,000
Basic earnings/(loss) per share (sen)	2.70	0.56	4.30	(0.28)

**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 26 February 2019.