

# FOCUS POINT

## FOCUS POINT HOLDINGS BERHAD (Company No.: 200901041088 (884238-U))

### CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual quarter		Cumulative quarter	
	30-09-20 RM'000	30-09-19 RM'000	30-09-20 RM'000	30-09-19 RM'000
Revenue	49,509	46,943	115,884	138,568
Cost of sales	(19,922)	(18,430)	(45,238)	(53,438)
Gross profit	29,587	28,513	70,646	85,130
Other income	1,591	1,954	4,222	4,940
Selling and distribution expenses	(8,255)	(9,610)	(21,829)	(27,993)
Administrative and general expenses	(14,140)	(16,877)	(41,578)	(50,145)
Interest expense	(1,854)	(1,606)	(4,480)	(3,896)
Interest income	208	54	603	150
Share of (loss)/profit in associates	(9)	67	(12)	245
Share of loss in joint venture	-	(49)	-	(135)
Profit before tax	7,128	2,446	7,572	8,296
Tax expense	(1,781)	(1,102)	(2,345)	(3,120)
Profit for the period	5,347	1,344	5,227	5,176
<b>Profit attributable to:</b>				
Owners of the Parent	5,347	1,344	5,227	5,176
Non-controlling interests	-	-	-	-
	5,347	1,344	5,227	5,176
<b>Total comprehensive profit attributable to:</b>				
Owners of the Parent	5,347	1,344	5,227	5,176
Non-controlling interests	-	-	-	-
	5,347	1,344	5,227	5,176
<b>Earnings per share attributable to owners of the Parent:</b>				
Basic (sen)	2.71	0.68	2.65	2.63
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 2019 and the accompanying explanatory notes attached to the interim financial report.

# FOCUS POINT

## FOCUS POINT HOLDINGS BERHAD (Company No.: 200901041088 (884238-U))

### CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(The figures have not been audited)

	As at 30-09-20 RM'000 (Unaudited)	As at 31-12-19 RM'000 (Audited)
<b><u>ASSETS</u></b>		
<b>Non-current assets</b>		
Property, plant and equipment	27,545	34,353
Right-of-use assets	68,677	77,984
Investment in associates	733	745
Other investment	210	210
Deferred tax assets	186	186
Trade and other receivables	5,454	5,860
	<hr/> 102,805	<hr/> 119,338
<b>Current assets</b>		
Inventories	48,440	49,787
Trade and other receivables	24,934	28,220
Current tax assets	137	11
Cash and bank balances	20,105	13,666
	<hr/> 93,616	<hr/> 91,684
<b>TOTAL ASSETS</b>	<hr/> <b>196,421</b>	<hr/> <b>211,022</b>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	40,096	40,096
Retained earnings	25,000	21,973
<b>TOTAL EQUITY</b>	<hr/> <b>65,096</b>	<hr/> <b>62,069</b>
<b><u>LIABILITIES</u></b>		
<b>Non-current liabilities</b>		
Borrowings	9,345	7,991
Lease liabilities	40,209	49,200
Deferred income	1,264	1,139
Deferred tax liabilities	235	591
	<hr/> 51,053	<hr/> 58,921
<b>Current liabilities</b>		
Borrowings	17,711	19,672
Lease liabilities	30,792	34,410
Trade and other payables	29,652	33,673
Current tax liabilities	845	718
Deferred income	1,272	1,559
	<hr/> 80,272	<hr/> 90,032
<b>TOTAL LIABILITIES</b>	<hr/> <b>131,325</b>	<hr/> <b>148,953</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<hr/> <b>196,421</b>	<hr/> <b>211,022</b>
<b>Net assets per share attributable to owners of the Parent (sen)</b>	<b>33.03</b>	<b>31.49</b>

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial report.

# FOCUS POINT

## FOCUS POINT HOLDINGS BERHAD (Company No.: 200901041088 (884238-U))

### CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(The figures have not been audited)

	← Attributable to owners of the Parent →		Total attributable to owners of the parent RM'000	Total equity RM'000
	Non- distributable	Distributable		
	Share capital RM'000	Retained earnings RM'000		
<b>At 1 January 2020</b>	40,096	21,973	62,069	62,069
Profit for the period	-	5,227	5,227	5,227
Other comprehensive income	-	-	-	-
Total comprehensive income	-	5,227	5,227	5,227
<b>Transactions with owners</b>				
Dividend paid	-	(2,200)	(2,200)	(2,200)
Total transaction with owners	-	(2,200)	(2,200)	(2,200)
<b>At 30 September 2020</b>	40,096	25,000	65,096	65,096

	← Attributable to owners of the Parent →		Total attributable to owners of the parent RM'000	Total equity RM'000
	Non- distributable	Distributable		
	Share capital RM'000	Retained earnings RM'000		
<b>At 1 January 2019</b>	40,096	17,184	57,280	57,280
Impact arising from adoption of MFRS 16	-	(873)	(873)	(873)
<b>At 1 January 2019, as restated</b>	40,096	16,311	56,407	56,407
Profit for the period	-	5,176	5,176	5,176
Other comprehensive income	-	-	-	-
Total comprehensive income	-	5,176	5,176	5,176
<b>Transactions with owners</b>				
Dividend paid	-	(4,125)	(4,125)	(4,125)
Total transaction with owners	-	(4,125)	(4,125)	(4,125)
<b>At 30 September 2019</b>	40,096	17,362	57,458	57,458

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 2019 and the accompanying explanatory notes attached to the interim financial report.

# FOCUS POINT

## FOCUS POINT HOLDINGS BERHAD (Company No.: 200901041088 (884238-U))

### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(The figures have not been audited)

	For the 9 months ended 30 September 2020 RM'000 (Unaudited)	For the 9 months ended 30 September 2019 RM'000 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	7,572	8,296
Adjustments for:		
Depreciation of property, plant and equipment	6,066	6,196
Depreciation of right-of-use assets	18,721	14,651
Lease interest expense	2,991	2,195
Lease interest income	(464)	-
Other non-cash items	2,395	2,961
Operating profit before working capital changes	37,281	34,299
Changes in inventories	676	(5,301)
Changes in trade and other receivables	3,905	1,687
Changes in trade and other payables	(2,888)	(8,413)
Cash generated from operations	38,974	22,272
Tax refunded	-	1
Income taxes paid	(2,700)	(4,597)
<b>Net cash generated from operating activities</b>	<b>36,274</b>	<b>17,676</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(3,642)	(2,084)
Proceeds from disposal of property, plant and equipment	107	41
Purchase of other investment	-	(210)
Interest received	140	152
Dividend received from an associate	-	210
<b>Net cash used in investing activities</b>	<b>(3,395)</b>	<b>(1,891)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(1,489)	(1,706)
Placement of fixed deposits pledged to licensed banks	(276)	(605)
Net drawdown of banker's acceptance	568	1,749
Net repayment of hire purchase	-	(5,272)
Net drawdown/(repayment) of term loan	852	(1,137)
Net repayment of revolving credit	(2,025)	(1,957)
Payments of lease liabilities	(22,145)	-
Dividend paid	(2,200)	(4,125)
<b>Net cash used in financing activities</b>	<b>(26,715)</b>	<b>(13,053)</b>
<b>Net increase in cash and cash equivalents</b>	<b>6,164</b>	<b>2,732</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>8,205</b>	<b>1,533</b>
<b>Cash and cash equivalents at end of period</b>	<b>14,369</b>	<b>4,265</b>

# FOCUS POINT

## FOCUS POINT HOLDINGS BERHAD (Company No.: 200901041088 (884238-U))

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

	<b>For the 9 months ended 30 September 2020 RM'000 (Unaudited)</b>	<b>For the 9 months ended 30 September 2019 RM'000 (Unaudited)</b>
<i>Cash and cash equivalents comprise:</i>		
Cash and bank balances	9,525	4,114
Fixed deposits with licensed banks	10,580	6,144
	<hr/> 20,105	<hr/> 10,258
Less : Bank overdraft included in borrowings	(1,016)	(1,079)
	<hr/> 19,089	<hr/> 9,179
Less : Fixed deposits pledged to licensed banks	(4,720)	(4,914)
	<hr/> 14,369	<hr/> 4,265

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial report.

# FOCUS POINT

## FOCUS POINT HOLDINGS BERHAD (Company No.: 200901041088 (884238-U))

### Notes to the Interim Financial Report for the third quarter ended 30 September 2020

#### 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 2019.

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 2019, except for the adoption of the following standards applicable to the Group's financial year beginning 1 January 2019.

<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

The initial application of the aforesaid applicable standards, amendments or interpretations, except for MFRS 16 Leases, 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>
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS 3 <i>Definition of a Business</i>	1 January 2020
Amendments to MFRS 101 and MFRS 108 <i>Definition of Material</i>	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7 <i>Interest Rate Benchmark Reform</i>	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.: 200901041088 (884238-U))

### Notes to the Interim Financial Report for the third quarter ended 30 September 2020

#### 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.

The initial application of the accounting standards, amendments and interpretations that are effective from 1 January 2019 do not have any material financial impacts to the current and prior financial year of the Company.

##### A2. Auditors' reports

The auditors' report on the audited financial statements of the Group for the financial year ended 31 December 2019 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.

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## FOCUS POINT HOLDINGS BERHAD (Company No.: 200901041088 (884238-U))

### Notes to the Interim Financial Report for the third quarter ended 30 September 2020

#### 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 September 2020 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	99,081	2,294	13,743	3,374	118,492
Less : Inter-segment	(4)	-	(4)	(2,600)	(2,608)
	<u>99,077</u>	<u>2,294</u>	<u>13,739</u>	<u>774</u>	<u>115,884</u>
<b>Segment results</b>					
Interest income	10,420	1,036	241	2,400	14,097
Interest expense	1,005	115	27	15	1,162
Interest expense	(4,220)	-	(797)	(22)	(5,039)
Share of loss in associates	(12)	-	-	-	(12)
	<u>7,193</u>	<u>1,151</u>	<u>(529)</u>	<u>2,393</u>	<u>10,208</u>
Less : Inter-segment	(480)	(115)	559	(2,600)	(2,636)
<b>Profit/(Loss) before tax</b>	<u>6,713</u>	<u>1,036</u>	<u>30</u>	<u>(207)</u>	<u>7,572</u>
<b>Assets</b>					
Segment assets	194,265	4,816	13,971	50,220	263,272
Investment in associates	733	-	-	-	733
	<u>194,998</u>	<u>4,816</u>	<u>13,971</u>	<u>50,220</u>	<u>264,005</u>
Less : Inter-segment	(15,643)	(4,176)	-	(48,088)	(67,907)
<b>Total assets</b>	<u>179,355</u>	<u>640</u>	<u>13,971</u>	<u>2,132</u>	<u>196,098</u>
<b>Liabilities</b>					
Segment liabilities	119,601	2,287	28,163	1,225	151,276
Less : Inter-segment	(675)	(911)	(18,871)	(574)	(21,031)
<b>Total liabilities</b>	<u>118,926</u>	<u>1,376</u>	<u>9,292</u>	<u>651</u>	<u>130,245</u>



# FOCUS POINT

## FOCUS POINT HOLDINGS BERHAD (Company No.: 200901041088 (884238-U))

### Notes to the Interim Financial Report for the third quarter ended 30 September 2020

#### 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 September 2019 is as follows:-

	Optical and related products RM'000	Franchise management RM'000	Food and beverage RM'000	Others RM'000	Total RM'000
<b>Revenue</b>					
Total revenue	122,079	3,472	12,123	7,463	145,137
Less : Inter-segment	-	-	(19)	(6,550)	(6,569)
	<u>122,079</u>	<u>3,472</u>	<u>12,104</u>	<u>913</u>	<u>138,568</u>
<b>Segment results</b>	11,016	2,049	(630)	6,234	18,669
Interest income	552	115	31	13	711
Interest expense	(3,676)	-	(754)	(27)	(4,457)
Share of profit in associates	245	-	-	-	245
Share of loss in joint venture	-	-	(135)	-	(135)
	<u>8,137</u>	<u>2,164</u>	<u>(1,488)</u>	<u>6,220</u>	<u>15,033</u>
Less : Inter-segment	(670)	(114)	505	(6,458)	(6,737)
<b>Profit/(Loss) before tax</b>	<u>7,467</u>	<u>2,050</u>	<u>(983)</u>	<u>(238)</u>	<u>8,296</u>
<b>Assets</b>					
Segment assets	187,114	4,912	12,500	50,786	255,312
Investment in associates	733	-	-	-	733
Investment in joint venture	-	-	23	-	23
	<u>187,847</u>	<u>4,912</u>	<u>12,523</u>	<u>50,786</u>	<u>256,068</u>
Less : Inter-segment	(15,117)	(3,981)	-	(48,502)	(67,600)
<b>Total assets</b>	<u>172,730</u>	<u>931</u>	<u>12,523</u>	<u>2,284</u>	<u>188,468</u>
<b>Liabilities</b>					
Segment liabilities	118,822	4,499	25,659	1,393	150,373
Less : Inter-segment	(980)	(1,050)	(18,193)	(574)	(20,797)
<b>Total liabilities</b>	<u>117,842</u>	<u>3,449</u>	<u>7,466</u>	<u>819</u>	<u>129,576</u>

##### 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

## FOCUS POINT HOLDINGS BERHAD (Company No.: 200901041088 (884238-U))

### Notes to the Interim Financial Report for the third quarter ended 30 September 2020

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

##### A10. Capital Commitments

Capital commitments not provided for in the financial statements as at 30 September 2020 are as follows:

	As at 30-09-20 RM'000	As at 31-12-19 RM'000
Capital expenditure in respect of purchase of property, plant and equipment		
- Contracted but not provided for	559	2
- Approved but not contracted for	-	-
	<u>559</u>	<u>2</u>

##### 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

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:-

	Individual quarter		Cumulative quarter	
	30-09-20 RM'000	30-09-19 RM'000	30-09-20 RM'000	30-09-19 RM'000
Sale of eyewear and eye care products	43	241	184	762
Licensing fee	15	34	53	111
Rental of premises	60	60	180	180

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.: 200901041088 (884238-U))

### Notes to the Interim Financial Report for the third quarter ended 30 September 2020

#### 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

###### 9-month ended 30 September 2020

Group revenue at RM115.9 million was 16% lower compared with RM138.6 million of the corresponding period. The decrease in Group revenue was mainly attributed to lower sales attained by optical and related products and franchise management businesses as a result of closure of all retail outlets due to COVID-19 lock down from 18th March 2020 to 3rd May 2020 (“COVID-19 lock down”).

In spite of the COVID-19 lock down, the Group recorded profit before tax at RM7.6 million compared with RM8.3 million of the corresponding period and this was mainly due to rapid recovery of revenue in the third quarter of 2020 and with the support of rental rebates granted by landlords and also lower administrative expenses as result of effective cost cutting measures taken by the Group.

Consequently, the Group recorded profit after tax of RM5.2 million which was on par with corresponding period.

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

Optical and related products segment recorded lower revenue at RM99.1 million compared with RM122.1 million of the corresponding period, representing a decrease of 19%. Profit before tax (“PBT”) at RM6.7 million was 10% lower compared with RM7.5 million of the corresponding period. The decrease in PBT was attributed to lower revenue as a result of the COVID 19 lock down.

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

Revenue at RM2.3 million was 34% lower compared to RM3.5 million of the corresponding period mainly due to the lower royalty fee received as a result of the COVID-19 lock down. Consequently, this segment recorded profit before tax at RM1.0 million which was 49% lower compared to RM2.1 million in the corresponding period.

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

This segment recorded revenue at RM13.7 million, 13% higher compared with RM12.1 million of the corresponding period and recorded profit before tax at RM0.03 million as compared with loss before tax of RM1.0 million of the corresponding period as a result of higher revenue in corporate sales segment.

###### 3-month ended 30 September 2020

Group revenue at RM49.5 million was 5% higher compared with RM46.9 million of the corresponding quarter, attributed to higher revenue attained by optical and related products as well as food and beverage businesses. For Group profit before tax, it was recorded at RM7.1 million, 191% higher compared with RM2.4 million of the corresponding quarter, attributed mainly to higher performance in operating results of optical and related products as well as food and beverage businesses and lower rental expenses couple with lower administrative expenses.

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

Group revenue at RM49.5 million was 85% higher compared with RM26.8 million of the immediate preceding due to the rapid recovery of revenue after the COVID-19 lock down. Consequently, the Group registered profit before tax at RM7.1 million, as compared with loss before tax at RM2.0 million of the immediate preceding quarter.

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## FOCUS POINT HOLDINGS BERHAD (Company No.: 200901041088 (884238-U))

### Notes to the Interim Financial Report for the third quarter ended 30 September 2020

#### 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

The global pandemic is reshaping our workforce, business models and industries on an unprecedented degree. The aftermath of Covid-19 pandemic caused an elevated unemployment rate in Malaysia and other weakness in the labour market which would continue to weigh on private consumption and have dampened the momentum of recovery of overall economic activities.

In light of the adverse economic condition, we will prioritise on the following plans in order to stay resilient:-

- control and prioritise our inventory needs to improve cash flow management;
- continually introducing attractive sale promotion and tele-marketing services;
- continue to negotiate with shopping mall's landlord for rental rebate during these difficult times;
- innovation of new services.

We remain cautious of our financial performance moving forward due to on-going resurgence of COVID-19 cases.

##### 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	
	30-09-20 RM'000	30-09-19 RM'000	30-09-20 RM'000	30-09-19 RM'000
Depreciation of property, plant and equipment	2,079	2,111	6,066	6,196
Depreciation of right-of-use assets	6,042	5,260	18,721	14,651
Lease interest expense	1,382	1,091	2,991	2,195
Lease interest income	(163)	-	(464)	-
Bad debts written off	-	157	-	187
Impairment loss/(Reversal of impairment loss) on trade and other receivables	5	129	14	(89)
Inventories written off	119	117	297	349
Inventories written down	125	121	375	363
(Gain)/Loss on disposal of property, plant and equipment	(11)	(20)	(59)	5
(Reversal of impairment loss)/Impairment loss on property, plant and equipment	-	(42)	-	116
Property, plant and equipment written-off	49	140	383	589
Realised gain on foreign currency transactions (net)	43	36	106	37

# FOCUS POINT

## FOCUS POINT HOLDINGS BERHAD (Company No.: 200901041088 (884238-U))

Notes to the Interim Financial Report for the third quarter ended 30 September 2020

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	
	30-09-20 RM'000	30-09-19 RM'000	30-09-20 RM'000	30-09-19 RM'000
<b>Current tax:</b>				
Current	1,862	866	2,701	2,988
Prior year	-	315	-	315
	<u>1,862</u>	<u>1,181</u>	<u>2,701</u>	<u>3,303</u>
<b>Deferred tax:</b>				
Current	(81)	(79)	(356)	(183)
	<u>1,781</u>	<u>1,102</u>	<u>2,345</u>	<u>3,120</u>

The Group effective current tax rates for 2020 and 2019 were higher than prima facie tax rate due principally to 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 30-09-20 RM'000	As at 31-12-19 RM'000
<b>Short term</b>		
Secured:		
Banker's acceptance	15,715	15,147
Bank overdraft	1,016	1,018
Term loan	980	1,482
Revolving credit	-	2,025
	<u>17,711</u>	<u>19,672</u>
<b>Long term</b>		
Secured:		
Term loan	9,345	7,991
	<u>9,345</u>	<u>7,991</u>
<b>Total borrowings</b>	<u>27,056</u>	<u>27,663</u>

The above borrowings were denominated in Ringgit Malaysia.

The Company has reclassified hire purchase to lease liabilities in accordance to adoption of MFRS 16, *Leases* beginning 1 January 2019.

### B9. Material litigation

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

# FOCUS POINT

## FOCUS POINT HOLDINGS BERHAD (Company No.: 200901041088 (884238-U))

### Notes to the Interim Financial Report for the third quarter ended 30 September 2020

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

##### B10. Dividend

A second interim single-tier dividend of 1 sen (2019: 1 sen) per ordinary share in respect of financial year ending 31 December 2020 is declared on 25 November 2020 and to be paid on 30 December 2020. The total dividends declared to date for the current financial year ending 31 December 2020 is 2 sen per ordinary share.

##### B11. Earnings per share

Basic earnings 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	
	30-09-20	30-09-19	30-09-20	30-09-19
Profit attributable to owners of the Parent (RM'000)	5,347	1,344	5,227	5,176
Weighted average number of ordinary shares in issue ('000)	197,083	197,083	197,083	197,083
Basic earnings per share (sen) for : Profit for the period	2.71	0.68	2.65	2.63

##### 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 25 November 2020.