

# FOCUS DYNAMICS

## ANNUAL REPORT 2023



**FOCUS DYNAMICS GROUP BERHAD**

[Registration No. 200201015261 (582924-P)]



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FOCUS DYNAMICS

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## CORPORATE INFORMATION



### BOARD OF DIRECTORS

**Tay Ben Seng, Benson**  
*Executive Director*

**Leow Wey Seng**  
*Independent Non-Executive Director*

**Tang Yee Ling**  
*Independent Non-Executive Director*

### COMPANY SECRETARY

Wong Yuet Chyn (MAICSA 7047163)  
(SSM PC No. 202008002451)

### REGISTERED OFFICE

A3-3-8, Solaris Dutamas  
No. 1, Jalan Dutamas 1  
50480 Kuala Lumpur  
W. P. Kuala Lumpur  
Malaysia  
Tel No. : 03-6413 3271  
Fax No. : 03-6413 3270

### SHARE REGISTRAR

Workshire Share Registration Sdn. Bhd.  
A3-3-8, Solaris Dutamas  
No. 1, Jalan Dutamas 1  
50480 Kuala Lumpur  
W. P. Kuala Lumpur  
Malaysia  
Tel No. : 03-6413 3271  
Fax No. : 03-6413 3270

### AUDITORS

Nexia SSSY PLT (LLP0019490-LCA & AF002009)  
UOA Business Park, Tower 3, 5th Floor  
K03-05-08, 1 Jalan Pengaturcara U1/51A, Section U1  
40150 Shah Alam, Selangor Darul Ehsan, Malaysia  
Tel No. : 03-5039 1811  
Fax No. : 03-5039 1822

CORPORATE INFORMATION  
(CONT'D)**SOLICITORS**

Chong + Kheng Hoe  
Advocates & Solicitors

**PRINCIPAL PLACE OF BUSINESS**

Lot 12.1, 12th Floor Menara Lien Hoe  
No. 8, Persiaran Tropicana  
Tropicana Golf & Country Resort  
47410 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel No. : 03-7803 7333  
Fax No. : 03-7803 7338  
Email : info@focusdynamics.com.my  
Website : www.focusdynamics.com.my

**STOCK EXCHANGE LISTING**

Bursa Malaysia Securities Berhad (ACE Market)  
Sector : Consumer Products & Services  
Stock Number : 0116  
Stock Short Name : Focus

**AUDIT COMMITTEE**

**Leow Wey Seng** – Chairman

**Tang Yee Ling** – Member

**NOMINATION COMMITTEE**

**Tang Yee Ling** – Member

**Leow Wey Seng** – Member

**REMUNERATION COMMITTEE**

**Leow Wey Seng** – Chairman

**Tang Yee Ling** – Member

**RISK MANAGEMENT COMMITTEE**

**Tay Ben Seng, Benson** – Member

**Tang Yee Ling** – Member

**ESOS COMMITTEE**

**Tay Ben Seng, Benson** – Chairman

**Tang Yee Ling** – Member

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Twentieth (20th) Annual General Meeting (AGM) of **FOCUS DYNAMICS GROUP BERHAD** (the Company) will be conducted on a virtual basis through live streaming and online remote participation and voting from the Broadcast Venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia, on **Tuesday, 27 February 2024 at 10.30 a.m.** or at any adjournment thereof for the purpose of considering and, if thought fit, passing the following resolutions with or without any modifications:

## AGENDA

### AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial period ended 30 September 2023 (FPE 2023) and together with the Reports of the Directors and Auditors thereon. **(See Explanatory Note 10)**
2. To approve the additional payment of Directors' fees up to RM45,000 for the period from 1 July 2023 to 30 September 2023. **Ordinary Resolution 1)  
(See Explanatory Note 11)**
3. To approve the additional payment of Directors' fees up to RM45,000 for the financial year ending 30 September 2024 (FYE 2024) payable in arrears after each month of completed service of the Directors during the financial year. **Ordinary Resolution 2)  
(See Explanatory Note 11)**
4. To approve the payment of Directors' fees of RM300,000 for the financial year ending 30 September 2025 payable in arrears after each month of completed service of the Directors during the financial year. **(Ordinary Resolution 3)**
5. To approve the additional payment of Directors' benefits amounting to RM6,500 for the period commencing after the date of 29 November 2022 to 27 February 2024. **(Ordinary Resolution 4)  
(See Explanatory Note 11)**
6. To approve the payment of Directors' benefits amounting to RM28,000 for the period commencing after the date of this AGM to the date of the next AGM. **(Ordinary Resolution 5)  
(See Explanatory Note 11)**
7. To re-elect Mr. Leow Wey Seng, a Director who is retiring under Clause 135 of the Company's Constitution. **(Ordinary Resolution 6)  
(See Explanatory Note 12)**
8. To re-appoint Messrs Nexia SSY PLT as Auditors of the Company for the financial year ending FYE 2024 and to authorise the Board of Directors to fix their remuneration. **(Ordinary Resolution 7)**

NOTICE OF ANNUAL GENERAL MEETING  
(CONT'D)**AS SPECIAL BUSINESS**

To consider and if thought fit, to pass the following resolutions:

9. **Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 (CA 2016) (Proposed General Mandate)** **Ordinary Resolution 8)  
(See Explanatory Note 13)**

**“THAT** subject always to Sections 75 and 76 of the CA 2016, the Constitution, the ACE Market Listing Requirements (AMLR) of Bursa Malaysia Securities Berhad (Bursa Securities) and the approval of any governmental and/or regulatory authorities, the Directors be and are hereby authorised to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company at the time of issuance and such authority under this resolution shall continue in force until the conclusion of the 21st AGM or when it is required by law to be held, whichever is earlier, **AND THAT** the Directors be and are empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

**THAT** the existing shareholders of the Company hereby waive their pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the CA 2016 read together with Clause 66 of the Constitution of the Company arising from any issuance of new shares of the Company pursuant to Sections 75 and 76 of the CA 2016.

**AND THAT** the Directors of the Company be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

NOTICE OF ANNUAL GENERAL MEETING  
(CONT'D)

10. **Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue and/or Trading Nature (Proposed New Shareholders' Mandate)** **(Ordinary Resolution 9)  
(See Explanatory Note 14)**

**"THAT**, authority be and is hereby given in line with Rule 10.09 of the AMLR of Bursa Securities, for the Company and/or its subsidiaries to enter into any of the recurrent related party transactions with the related party as set out in Section 2.4 of the Circular to Shareholders in relation to the Proposed New Shareholders' Mandate dated 31 January 2024 which are necessary for the day-to-day operations of the Company and/or its subsidiaries within the ordinary course of business of the Company and/or its subsidiaries, made on an arm's length basis and on normal commercial terms which are those generally available to the public and are not detrimental to the minority shareholders of the Company;

**AND THAT** such authority shall commence immediately upon the passing of this resolution until:

- (i) the conclusion of the next AGM of the Company following the general meeting at which the ordinary resolution for the Proposed New Shareholders' Mandate was passed, at which time it shall lapse, unless the authority is renewed by a resolution passed at the next AGM; or
- (ii) the expiration of the period within which the next AGM after that date it is required by law to be held pursuant to Section 340(2) of the CA 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the CA 2016); or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier.

**AND FURTHER THAT** the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may be deemed fit, necessary, expedient and/or appropriate in order to implement the Proposed New Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed New Shareholders' Mandate in the best interest of the Company."

11. To transact any other business of the Company for which due notice shall have been received in accordance with the CA 2016.

NOTICE OF ANNUAL GENERAL MEETING  
(CONT'D)

By Order of the Board  
**FOCUS DYNAMICS GROUP BERHAD**

**WONG YUET CHYN (MAICSA 7047163)**  
**(SSM PC No. 202008002451)**  
Company Secretary  
Kuala Lumpur

Date: 31 January 2024

**Notes:**

1. A member of the Company entitled to attend and vote is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote in his stead.
2. A member of the Company may appoint not more than two (2) proxies to attend the meeting, provided that the member specifies the proportion of the members shareholdings to be represented by each proxy, failing which, the appointments shall be invalid.
3. A proxy may but need not be a member and there shall be no restriction as to the qualification of the proxy.
4. Where a member is an Authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account) there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
5. The instrument appointing a proxy shall be in writing, and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Registered Office of the Company at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, W.P. Kuala Lumpur or fax to 03-6413 3270 or email to [infosr@wscs.com.my](mailto:infosr@wscs.com.my) not later than Sunday, 25 February 2024 at 10.30 a.m., and in default the instrument of proxy shall not be treated as valid.
6. An instrument appointing a proxy shall in the case of an individual, be signed by the appointor or by his attorney duly authorised in writing and in the case of a corporation, be either under its common seal or signed by its attorney or in accordance with the provision of its constitution or by an officer duly authorised on behalf of the corporation.
7. In respect of deposited securities, only members whose names appear on the Record of Depositors on 20 February 2024, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.
8. Pursuant to Rule 8.31A(1) of the AMLR of Bursa Securities, all resolutions set out in this Notice will be put to vote by way of poll.
9. The members are encouraged to refer the Administrative Guide on registration and voting process for the meeting.



NOTICE OF ANNUAL GENERAL MEETING  
(CONT'D)

**Explanatory Notes on Ordinary Business:**

**10. Audited Financial Statements for FPE 2023**

The audited financial statements are laid in accordance with Section 340(1)(a) of the CA 2016 for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.

**11. Proposed Directors' Fees and Benefits**

Section 230(1) of the CA 2016 provides that the Company shall determine Directors' Fees in general meeting.

The payment of fees to the non-executive directors is on a monthly basis.

Additional Directors' Fees for the period from 1 July 2023 to 30 September 2023 and FYE 2024 are presented to shareholders for approval following the change of financial year end from 30 June to 30 September.

The proposed Ordinary Resolution 4 and 5, if passed, will authorise and approve the payment of Directors' benefits comprised of meeting allowances payable to the non executive directors, where applicable, for their attendance of Board and Committee Meetings during the period from 29 November 2022 to 27 February 2024 and period commencing after the date of this AGM to the date of the next AGM pursuant to the requirements of Section 230 of CA 2016.

**12. Re-election of Director**

Mr. Leow Wey Seng (Mr. Leow) eligible, has offered himself for re-election at this AGM pursuant to the Constitution of the Company.

The Board (with exception of the retiring Director who abstained) recommended the retiring director be re-elected as the Director of the Company as he has character, experience, integrity, competence and time to effectively discharge his role as a Director of the Company.

The Board was further satisfied that Mr. Leow has complied with the criteria of independence based on the Listing Requirements and remain independent in exercising his judgement and carry out his roles as independent non-executive director.

NOTICE OF ANNUAL GENERAL MEETING  
(CONT'D)**Explanatory Notes on Special Business:****13. Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the CA 2016**

The proposed Ordinary Resolution 8 is proposed for the purpose of renewing the general mandate for issuance of shares by the Company under Sections 75 and 76 of the CA 2016. The Ordinary Resolution 8, if passed, will give the Directors of the Company authority to allot and issue shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 10% of the total number of issued shares of the Company.

The Proposed General Mandate will provide flexibility to the Company to raise additional funds expeditiously and efficiently during this challenging time, to meet its funding requirements including but not limited to funding future investment project(s), working capital and/or acquisitions.

By approving the allotment and issue of the Company's shares pursuant to the Proposed General Mandate which will rank the equally with the existing issued shares in the Company, the shareholders of the Company are deemed to have waived their pre-emptive rights pursuant to Section 85 of the CA 2016 and Clause 66 of the Constitution of the Company to be first offered the Company's Shares which will result in a dilution to their shareholdings percentage in the Company.

As at the date of this notice, no shares had been allotted and issued since the general mandate granted to the Directors at the last AGM held on 29 November 2022 and this authority will lapse as the conclusion of the 20th AGM of the Company.

The Board, having considered the current and prospective financial position, needs and capacity of the Group, is of the opinion that the Proposed General Mandate is in the best interests of the Company and its shareholders.

**14. Proposed New Shareholders' Mandate**

The proposed Ordinary Resolution 9, if passed, will allow the Company and/or its subsidiary companies to enter into a new recurrent related party transaction of a revenue or trading nature. This authority will, unless revoked or varied by the Company in general meeting, expire at the next AGM of the Company. Please refer to the Section 2.4 of the Circular to Shareholders dated 31 January 2024 for more information.

**15. Personal Data Privacy**

By registering for the meeting via remote participation and electronic voting and/or submitting an instrument appointing proxy(ies) and/or representatives to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: (i) consents to the processing of the member's personal data by the Company (or its agents): (a) for processing and administration of proxies and representatives appointed for the AGM; (b) for preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (which includes any adjournments thereof); and (c) for the Company's (or its agents') compliance with any applicable laws, listing rules, regulations and/or guidelines (collectively "the Purpose"); (ii) warrants that he/she has obtained such proxy(ies)' and/or representative(s)' prior consent for the Company's (or its agents') processing of such proxy(ies)' and/or representative(s)' personal data for the Purposes; and (iii) agrees that the member will indemnify the Company for any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Note: The term "processing" and "personal data" shall have the meaning as defined in the Personal Data Protection Act, 2010.

## CORPORATE PROFILE

Focus Dynamics Group Berhad (FOCUS or the Company) was incorporated in Malaysia under the Companies Act, 1965 on 14 June, 2002. On 17 November 2015, the Company changed and assumed its name Focus Dynamics Group Berhad.

FOCUS's shares were offered to the public on 10 February 2006 in conjunction with its listing on the MESDAQ Market of Bursa Malaysia Securities Berhad. FOCUS is currently listed on the ACE Market of Bursa Malaysia Securities Berhad.

FOCUS is principally an investment holding company whilst the principal activities of its subsidiaries are as follow:

Company	Date and Country of Incorporation	Equity Interest (%)	Principal Activities
Focus Dynamics Centre Sdn. Bhd. [Registration No. 199901003144 (478044-A)]	2 March 1999 Malaysia	100	Investment holding.
Lavo Gallery Sdn. Bhd. [Registration No. 200101019492 (555249-D)]	3 August 2001 Malaysia	100	Operating and managing Food and Beverage (F&B) outlets.
DPC Industrial Systems Sdn. Bhd. [Registration No. 199401038705 (324390-H)]	23 November 1994 Malaysia	100	Engage in the businesses of trading of industrial equipment, designing, installation and implementation of automation system for the energy resource-based industry and providing other related products and services.
Focus International Holding Sdn. Bhd. [Registration No. 201201030500 (1014987-A)]	28 August 2012 Malaysia	100	Investment holding.
Lavo Selangor Sdn. Bhd. ( <i>fka Modern Cuisine Sdn. Bhd.</i> ) [Registration No. 201501019900 (1145236-V)]	21 May 2015 Malaysia	100	Engage in the business of restaurant, F&B as well as investment holding and general trading.
Focus Dynamic Limited (Company No. 172718)	23 September 2015 Republic of Seychelles	100	Investment holding.
Focus Dynamic Group Limited (Company No. 2299174)	23 October 2015 Hong Kong	100	Trading of wine.
Spark Lifestyle Sdn. Bhd. [Registration No. 201601014210 (1185141-D)]	25 April 2016 Malaysia	100	Operating and managing club and bar, and engage in the business as an entertainment centre in a food and beverage outlet.
Focus Deli Sdn. Bhd. [Registration No. 201601033474 (1204415-V)]	7 October 2016 Malaysia	100	Engage in the businesses of restaurant, F&B, entertainment, trading and investment.
Bounce Entertainment Sdn. Bhd. [Registration No. 201801003936 (1265950-M)]	26 January 2018 Malaysia	100	Other food service activities, investment advisory services, creative, arts and entertainment activities.
Bubbles Entertainment Sdn. Bhd. [Registration No. 201901024623 (1333952-D)]	12 July 2019 Malaysia	100	Engage in the businesses of operating restaurants, F&B as well as investment holdings and general trading.

CORPORATE PROFILE  
(CONT'D)

Company	Date and Country of Incorporation	Equity Interest (%)	Principal Activities
Centurion International Sdn. Bhd. [Registration No. 201901025934 (1335263-V)]	23 July 2019 Malaysia	100	Engage in the business of operating and managing F&B outlets.
Focus Medicare Sdn. Bhd. [Registration No. 202101001609 (1401907-U)]	13 January 2021 Malaysia	100	Trading, supplying, wholesaling, manufacturing of medical & healthcare equipment, products and services.
Focus Concepts Sdn. Bhd. [Registration No. 202101001597 (1401895-P)]	13 January 2021 Malaysia	100	Engage in the business of operating and managing F&B outlets.  To buy, sell, manufacture, assemble and deal in and with goods, wares and merchandise of every kind and description, to carry on a general manufacturing, trading and commercial business and to enter into contracts, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association.
Focus Capital Sdn. Bhd. [Registration No. 202101002525 (1402823-M)]	21 January 2021 Malaysia	100	Money lending services.
Focus Volume Sdn. Bhd. [Registration No. 202101004352 (1404651-A)]	4 February 2021 Malaysia	100	Engage in the business of operating and managing F&B outlets.  To buy, sell, manufacture, assemble and deal in and with goods, wares and merchandise of every kind and description, to carry on a general manufacturing, trading and commercial business and to enter into contracts, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association.
Bell Venture Sdn. Bhd. [Registration No. 202301037228 (1531151-W)]	21 September 2023 Malaysia	100	Engage in business of operating and managing F&B outlets.  Importer, distributor and wholesaler of wines, champagnes and spirits.  To buy, sell, manufacture, assemble and deal in and with goods, wares and merchandise of every kind and description, to carry on a general manufacturing, trading and commercial business and to enter into contracts, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association.
Bounce Entertainment Limited (2725189)	23 July 2018 Hong Kong	100	Engage in F&B business, entertainment, general trading and investment holding.



CORPORATE PROFILE  
(CONT'D)

Company	Date and Country of Incorporation	Equity Interest (%)	Principal Activities
Focus Jumbo Sdn. Bhd. [Registration No. 202101041240 (1441540-A)]	6 December 2021 Malaysia	100	<p>Operating and managing F&amp;B outlets.</p> <p>To buy, sell, manufacture, assemble and deal in and with goods, wares and merchandise of every kind and description, to carry on a general manufacturing, trading and commercial business and to enter into contracts, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association.</p> <p>Importer, distributor and wholesaler of wine, champagnes and spirits.</p>
Focus Sky Sdn. Bhd. [Registration No. 202201001582 (1447279W)]	12 January 2022 Malaysia	100	<p>Operating and managing F&amp;B outlets.</p> <p>To buy, sell, manufacture, assemble and deal in and with goods, wares and merchandise of every kind and description, to carry on a general manufacturing, trading and commercial business and to enter into contracts, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association.</p> <p>Importer, distributor and wholesaler of wine, champagnes and spirits.</p>
Focus Supernova Sdn. Bhd. [Registration No. 202101020924 (1421224A)]	9 June 2021 Malaysia	100	<p>Operating and managing F&amp;B outlets.</p> <p>Importer, distributor and wholesaler of wine, champagnes and spirits.</p>
Ferria Sdn. Bhd.	25 September 2023 Malaysia	100	<p>Engage in business of operating and managing F&amp;B outlets.</p> <p>Importer, distributor and wholesaler of wines, champagnes and spirits.</p> <p>To buy, sell, manufacture, assemble and deal in and with goods, wares and merchandise of every kind and description, to carry on a general manufacturing, trading and commercial business and to enter into contracts, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association.</p>

CORPORATE PROFILE  
(CONT'D)

Company	Date and Country of Incorporation	Equity Interest (%)	Principal Activities
Lavo Kuala Lumpur Sdn. Bhd. [Registration No. 202301044875 (1538791-H)]	14 November 2023 Malaysia	100	Engage in business of operating and managing F&B outlets.  Importer, distributor and wholesaler of wines, champagnes and spirits.  To buy, sell, manufacture, assemble and deal in and with goods, wares and merchandise of every kind and description, to carry on a general manufacturing, trading and commercial business and to enter into contracts, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association.
The Arch Galleries Sdn. Bhd. [Registration No. 202401002930 (1548780-V)]	18 January 2024 Malaysia	100	Property management and retail services.  Engaged in business of restaurant, food and beverage.
Focus Carelife Sdn. Bhd. [Registration No. 202101019340 (1419640-M)]	25 May 2021 Malaysia	60	Trading, supplying, wholesaling, manufacturing of medical and healthcare equipment, products and services.  To carry on the business of wholesale, retail, importers and exporters of and dealers in all kind of drugs, chemicals, alkalis, manure antibodies and pharmaceutical medicinal.
Goldhill Eagle Sdn. Bhd. [Registration No. 201701043579 (1257752-M)]	28 November 2017 Malaysia	55	Operating and managing F&B outlets.
The Arch Properties Sdn. Bhd. (fka Famous Ambience Sdn. Bhd.) [Registration No. 201301001386 (1031223-D)]	11 January 2013 Malaysia	51	Letting of property business.
W Club Sdn. Bhd. [Registration No. 201601036026 (1206967-W)]	27 October 2016 Malaysia	100	Engage in the businesses as an entertainment centre in a F&B outlet.
Sushi Qubey Sdn. Bhd. 202301032604 (1526527-H)	21 August 2023 Malaysia	49	Operating and managing F&B outlets.
Sushi Mew Sdn. Bhd. (fka Heroverse Sdn. Bhd.) 202301001202 (1495121-T)	11 January 2023 Malaysia	49	Operating and managing F&B outlets.  Importer, distributor and wholesaler of wines, champagnes and spirits.
Everest Scenery Sdn. Bhd. [Registration No. 202301037407 (1531330-W)]	22 September 2023	49	Operating and managing F&B outlets.

## VISION &amp; MISSION

To be the leading avant-garde in the Food & Beverage, Lifestyle and Entertainment scene by revolutionizing and pioneering new innovative concepts with cutting edge technologies and electrifying experiences.

## PROFILE OF DIRECTORS

### TAY BEN SENG, BENSON

Aged 39 / Male / Malaysian  
Executive Director

#### Qualification:

Mr. Tay Ben Seng, Benson (Mr. Benson) holds a bachelor of Commerce Degree with a double major in Marketing and Management in Curtin University Technology, Perth.

#### Working Experience:

Mr. Benson was appointed as an Executive Director of Focus Dynamics Group Berhad (FOCUS or the Company) on 8 February 2017. He is fueled with passionate towards conceiving and innovating lifestyle concepts in the Food and Beverage (F&B) arena, Mr. Benson has had vast experiences in numerous fields ranging from event management to F&B operators and conceptualizing new start-ups.

Mr. Benson spearheaded the expansion of the Company and has been instrumental in conceiving and driving the success of the distinctive lifestyle F&B brands of the group. Mr. Benson is also extensively involved in developing the business further in the e-commerce, robotics, healthcare and technology space.

#### Other Directorships of Public Companies:

- (i) Saudee Group Berhad
- (ii) Oversea Enterprise Berhad
- (iii) Green Ocean Corporation Berhad

#### Details of Any Other Board Committee:

Chairman of Employees' Shares Option Scheme Committee  
Member of Risk Management Committee

#### No. of Board Meetings attended in the financial period:

6/6

PROFILE OF DIRECTORS  
(CONT'D)**LEOW WEY SENG**

Aged 41 / Male / Malaysian  
Independent Non-Executive Director

**Qualification:**

Mr. Leow Wey Seng (Mr. Leow) holds the following qualifications:

- (i) Bachelor of Business (Specialised in Accounting) from Monash University Australia;
- (ii) Fellow of CPA Australia;
- (iii) Member of Malaysia Institute of Accountants (MIA); and
- (iv) Member of ASEAN CPA.

**Working Experience:**

Mr. Leow was appointed as an Independent Non-Executive Director of the Company on 30 March 2021. Mr. Leow had more than 5 years of assurance and advisory experience and more than 2 years of experience focusing in the financial advisory with Deloitte, a Big Four accounting firm.

Currently, Mr. Leow is a director of a consulting firm providing strategic advice and financial solutions for businesses and entrepreneurs. Mr. Leow is also managing a rubber conveyor belt trading business, which is family owned, serving multiple local and international clients in quarry, cement, port and various manufacturing plants.

**Other Directorships of Public Companies:**

- (i) Vizione Holdings Berhad
- (ii) Jadi Imaging Holdings Berhad
- (iii) Parlo Berhad

**Details of Any Other Board Committee:**

Chairman of Audit Committee  
Chairman of Remuneration Committee  
Member of Nomination Committee

**No. of Board Meetings attended in the financial period:**

6/6



PROFILE OF DIRECTORS  
(CONT'D)

**TANG YEE LING**

Aged 28 / Female / Malaysian  
Independent Non-Executive Director

**Qualification:**

Ms. Tang Yee Ling (Ms. Tang) holds the following qualifications:

- (i) Bachelor of Science (Hons) Accounting and Finance, Sunway University; and
- (ii) Foundation in Arts (FIA), Sunway College.

**Working Experience:**

Ms. Tang was appointed as an Independent Non-Executive Director of the Company on 1 December 2021. Ms. Tang started her career as a Vacation Trainee at Pricewaterhousecoopers (PwC) from January 2017 to March 2017. Ms. Tang then joined an e-commerce tech company as Business Development Executive in October 2017 and held the position of Business Development Senior Manager before she resigned from the company in December 2019.

In January 2020, Ms. Tang joined a fintech company as Business Development Manager for Asia Pacific (APAC) which she still holds to-date.

**Other Directorships of Public Companies:**

Oversea Enterprise Berhad

**Details of Any Other Board Committee:**

Member of the Nomination Committee;  
Member of the Remuneration Committee; and  
Member of the Risk Committee

**No. of Board Meetings attended in the financial period:**

6/6

**Other Information**

**1. Family Relationship**

None of the Directors have no family relationship with any Director and/or major shareholder of FOCUS.

**2. Conflict of Interest**

None of the Directors has any conflict of interest with FOCUS.

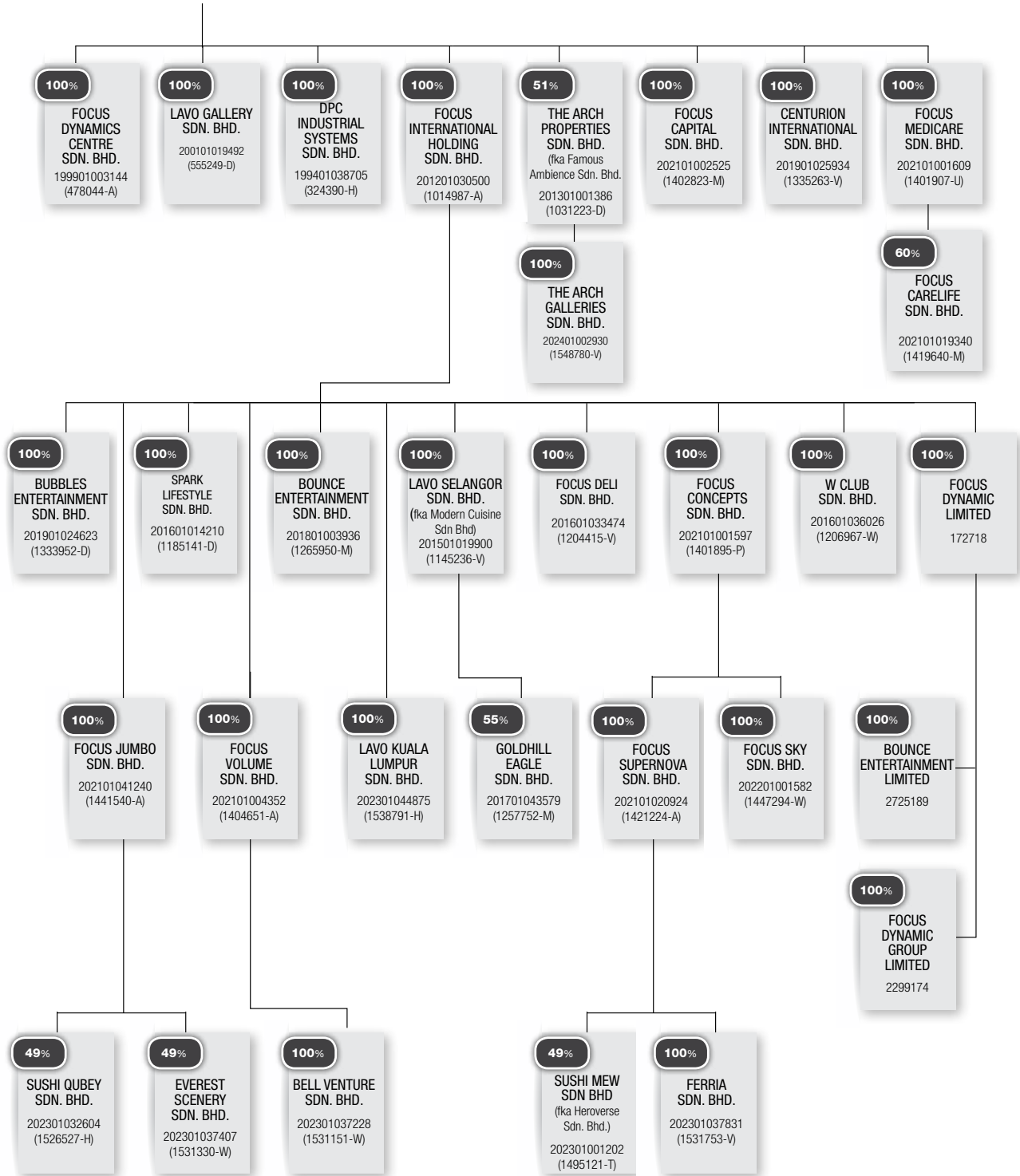
**3. Conviction of Offences**

None of the Directors has been convicted for any offences within past 5 years other than traffic offences, if any.

# CORPORATE STRUCTURE

## FOCUS DYNAMICS GROUP BERHAD

200201015261 (582924-P)



## OTHER INFORMATION REQUIRED BY THE BURSA MALAYSIA BERHAD'S ACE MARKET LISTING REQUIREMENTS

In compliance with the Bursa Malaysia Securities Berhad's ACE Market Listing Requirements the following additional information are provided:

### Statutory/Non-Statutory audit fees

The amount of statutory audit and non-statutory fees incurred by Focus Dynamics Group Berhad (the Company) and its group (Group) for the financial period ended 30 September 2023 was as follows:-

	Group RM'000	Company RM'000
Statutory audit fees	647	90

### Material Contracts

To the best of the Board's knowledge, there were no material contracts entered into by the Company and/or its subsidiaries with any of the major Shareholders nor Directors in office as at 30 September 2023.

### Status of Utilisation of Proceeds as at 30 September 2023

#### Rights Issue

The status of the utilisation of the proceeds raised from the rights issue of 2,044,266,042 Irredeemable Convertible Preference Shares (ICPS) at an issue price of RM0.055 per share together with 3,066,399,051 Warrants D amounting to RM112,434,632 as at 30 September 2023 is as follows:--

	Revised Proposed utilisation RM'000	Actual utilisation RM'000	Balance proceeds RM'000	Time frame for the utilisation of proceeds
Construction works for The Arch Renovations, fixtures and fittings for The Arch	50,238	42,832	7,406	2 December 2023 Within 3 months from completion of the Arch
Working capital for The Arch	11,730	–	11,730	Upon completion of the Arch
Working capital for the Group	4,488	–	4,488	Within 24 months
Acquisition and/or investment in other complementary F&B businesses	6,000	6,000	–	
Defraying expenses	20,125	20,125	–	Within 24 months
Investment in F&B business and working capital	630	630	–	Immediate
	19,224	19,224	–	Within 24 months
	112,435	88,811	23,624	

# FINANCIAL HIGHLIGHTS

## FIVE YEARS GROUP FINANCIAL SUMMARY

PERIOD/YEAR ENDED 30 SEPTEMBER/30 JUNE/ 31 DECEMBER	GROUP				
	01/07/2022 TO 30/09/2023	01/01/2021 TO 30/06/2022	01/01/2020 TO 31/12/2020	01/01/2019 TO 31/12/2019	01/01/2018 TO 31/12/2018
<b>KEY COMPREHENSIVE INCOME STATEMENT DATA (RM'000)</b>					
Revenue	94,225	60,237	66,259	39,077	24,210
Operating profit / (loss)	(19,225)	(69,721)	22,745	1,647	(2,128)
EBITDA	(5,192)	(60,869)	29,209	8,273	1,424
Profit / (loss) before taxation	(22,505)	(71,829)	21,984	741	(2,193)
Net (loss)/profit attributable to equity holders	(24,165)	(74,423)	16,611	(1,809)	(3,122)
<b>KEY FINANCIAL POSITION STATEMENT DATA (RM'000)</b>					
Total assets	226,635	233,895	222,517	69,697	58,455
Total borrowings	28,952	21,585	6,651	5,931	1,287
Shareholders equity	138,295	164,600	178,428	40,804	42,265
<b>SHARE INFORMATION Per share (sen)</b>					
Basic earnings	(0.38)	(1.17)	0.27	(0.09)	(0.16)
Gross dividend		–	–	–	–
Net assets per share (RM)	0.02	0.03	0.03	0.02	0.02
Share price as at 30 September/ 30 June/31 December/ (RM)	0.02	0.025	0.65	0.51	0.15
<b>FINANCIAL RATIOS (%)</b>					
Gross profit margin	58.81	50.51	50.61	52.19	50.63
Net (loss)/profit margin	(27.65)	(122.82)	24.42	(4.84)	(12.47)
Return on equity	(18.84)	(44.95)	9.07	(4.63)	(7.14)
Gearing ratio	20.93	13.11	3.73	14.53	3.04



# MANAGEMENT DISCUSSION AND ANALYSIS

This Management Discussion and Analysis ("MD&A") covers a 15-month financial period from 1 July 2022 to 30 September 2023 ("15-Months FPE 30.9.2023"), following a change in Focus Dynamics Group Berhad's ("Focus Dynamics") financial year end from 30 June to 30 September.

In today's fast-paced world, businesses need to be innovative and resilient to stay ahead of the competition and surroundings. The Group strongly believe in keeping up with the latest trends in the food and beverage industry. To achieve this, the group continues to innovate and curate new concepts and electrifying experiences. We strive to provide our customers with a diverse range of varieties that cater to their ever-changing tastes and preferences. Our unwavering dedication to innovation and customer satisfaction is what sets us apart from the rest. We are confident that our commitment will enable us to stay ahead in the ever-changing business landscape.

## GROUP BUSINESS OVERVIEW

Focus Dynamics is a fast growing company that dominates the food & beverages, entertainment and lifestyle industry in Malaysia. The food and beverage sector in Malaysia plays an important segment in the nation's economy with the reputation for being a hub of culinary delights for its rich cultural diversity and vibrant food scene. Recent statistics indicate that the Malaysian population dedicates a larger portion of their income to their food, which is a positive sign that Malaysians are experiencing an improvement in their living standards and an increase in their purchasing power. This trend will continue to gain momentum, further boosting the nation's economic growth.

The Group presently boasts an impressive lineup of its own brand offerings which include Lavo, Lavo Gallery, Bounce, Chaze, Finch @ Westin Kuala Lumpur, Diao Yu Tai @ Tropicana, The Lemon Tree @ Tropicana, The Lemon Tree @ Parkroyal Collection and Spark Club KL.

In addition to that, the Group has made significant strides in expanding its presence in Kuala Lumpur with the launch of several new brands to its portfolio. These include the exceptional stylish Sushi Mew KL @ Westin, located in a prime location, which offers an exquisite modern Omakase experience that is sure to delight any Omakase lover. Ferria KL @ Westin is another new addition to the group's portfolio, offering a delectable range of grill and bar food that are guaranteed to satisfy any palate.

Sushi Qubey KL @ Parkroyal Collection, on the other hand, offers a unique culinary experience that is inspired by the latest trends of Omakase, the menu was curated by our skilled Japanese Chef features the best modern Omakase dishes, while Annabell KL @ TS Law is known for its elegant ambience and sumptuous menu that includes a range of western fusion with a modern twist.

Last but not least, Alva KL @ Ascott Star KLCC is a must-visit for anyone looking for an unforgettable dining experience with a scenic view of the KLCC twin towers, KL Tower and many more iconic surroundings.

MANAGEMENT DISCUSSION AND ANALYSIS  
(CONT'D)**FINANCIAL REVIEW***Financial Performance*

Below analysis covers the financial performance for the 15-Months FPE 30.9.2023 and prior financial period covers 18 months from 1 January 2021 to 30 June 2022 ("18-Months FPE 30.6.2022") due to changes in financial year end.

<b>Financial Results</b>	<b>15-Months FPE 30.9.2023 RM'000</b>	<b>18-Months FPE 30.6.2022 RM'000</b>
Revenue	94,225	60,237
Gross profit ("GP")	55,412	30,425
Loss before taxation	(22,505)	(71,829)
Loss for the period	(26,051)	(73,983)
GP margin (%)	58.81	50.51

The Group has been organized into five primary business segments based on the products and services, namely Investment Holding, Property Investment and Management, Engineering Services, F&B and Others. The revenue contribution from each segment for 15-Months FPE 30.9.2023 and 18-Months FPE 30.6.2022 is analysed below:

<b>Revenue by segment</b>	<b>15-Months FPE 30.9.2023 RM'000</b>	<b>% of contribution</b>	<b>18-Months FPE 30.6.2022 RM'000</b>	<b>% of contribution</b>
Investment holding	–	–	–	–
Property investment and management	–	–	–	–
F&B	94,224	100.00%	60,012	99.63%
Engineering services	–	–	–	–
Others	1	*%	225	0.37%
<b>Total</b>	<b>94,225</b>	<b>100.00%</b>	<b>60,237</b>	<b>100.00%</b>

\* Represent less than 0.01%.

As illustrated above, the Group's principal business segment continues to be F&B, accounting for 100.00% (18-Months FPE 30.6.2022: 99.63%) of the Group's total revenue for the 15-Months FPE 30.9.2023. The revenue increased from RM60.24 million for 18-Months FPE 30.6.2022 (annualised revenue: RM40.16 million) to RM94.23 million for 15-Months FPE 30.9.2023 (annualised revenue: RM75.38 million). The higher revenue was mainly driven by increase in sales from existing restaurants and bars, as well as additional revenue derived from the outlets that is newly opened during 15-Months FPE 30.9.2023.

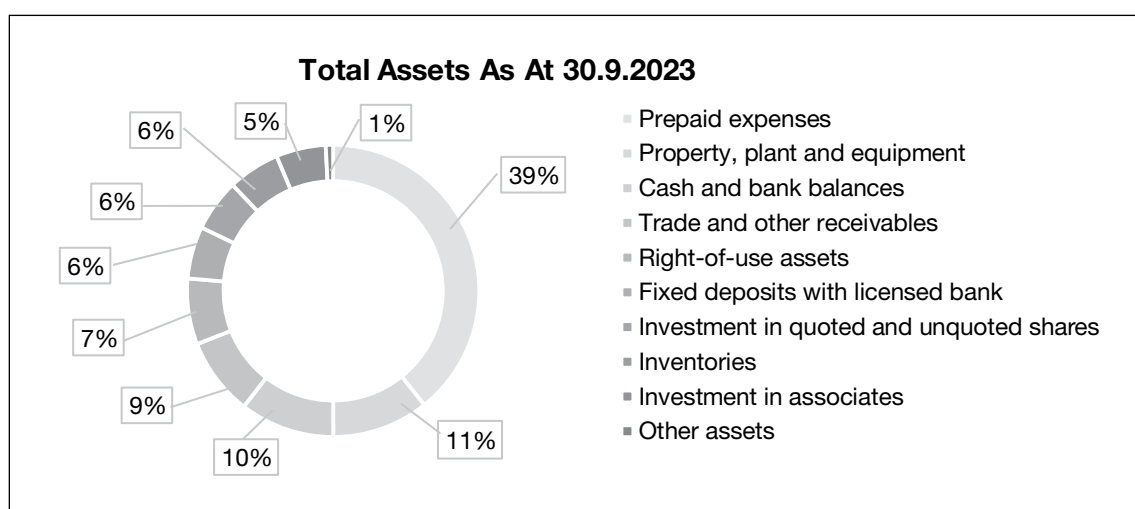
The Group's GP increased from RM30.43 million for 18-Months FPE 30.6.2022 to RM55.41 million for 15-Months FPE 30.9.2023. We are able to sustain the GP margin, whereby the GP margin for 15-Months FPE 30.9.2023 stood at 58.81%, increased by 8.30% as compared with 18-Months FPE 30.6.2022 of 50.51%.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

For 15-Months FPE 30.9.2023, the Group reported a loss before taxation of RM22.51 million compared to a loss before taxation of RM71.93 million for 18-Months FPE 30.6.2022. The losses incurred for 15-Months FPE 30.9.2023 was mainly attributable to the following:-

- the fair value loss on marketable securities of RM8.39 million pertaining to the Group's investment in quoted shares of three companies listed at Malaysia's exchange and Hong Kong's exchange;
- impairment loss on goodwill of RM3.11 million, goodwill of RM3.11 million arising from the acquisition of W Club Sdn Bhd and was fully impaired based on the impairment assessment; and
- impairment loss on investment in associates of RM2.03 million and share of loss from the investment in associates of RM4.20 million.

### Financial Position



The Group's total assets decreased by RM7.26 million or 3.10% to RM226.64 million as at 30 September 2023 (30 June 2022: RM233.90 million), mainly attributable to the following:-

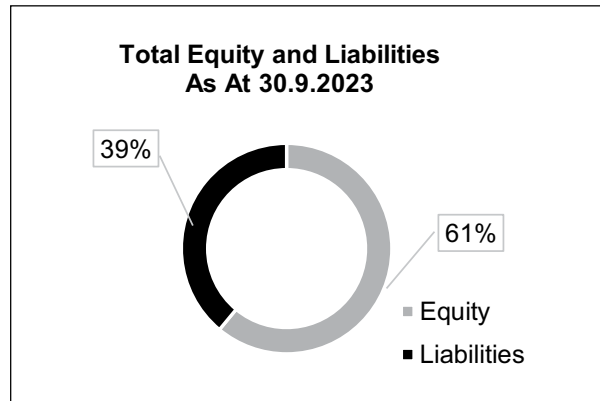
Assets	As at 30.9.2023 RM'000	As at 30.6.2022 RM'000	Variance RM'000	Variance %
<b>Non-current</b>				
Prepaid expenses	89,000	34,779	54,221	155.90
Investment in associates	12,463	18,692	(6,229)	(33.32)
Investment in quoted and unquoted shares	13,090	16,678	(3,588)	(21.51)
<b>Current</b>				
Fixed deposits with licensed banks	13,098	2,940	10,158	345.51
Cash and bank balances	23,735	60,545	(36,810)	(60.80)

MANAGEMENT DISCUSSION AND ANALYSIS  
(CONT'D)

The Group's prepaid expenses pertaining to the construction of a building, namely "The Arch" which consist of house retail, food and beverage outlets, restaurants and car parks have increased by RM54.22 million.

The Group's cash and cash equivalents comprise fixed deposits with licensed banks, short-term investments, as well as cash and bank balances. The cash and cash equivalents decreased by RM38.85 million or 61.76% to RM24.05 million as at 30 September 2023 (30 June 2022: RM62.90 million), mainly due to decrease in cash and bank balances by RM36.81 million or 60.80% to RM23.74 million as at 30 September 2023 (30 June 2022: RM60.55 million) resulted

from the payment for construction costs of The Arch, income tax expenses, other operating expenses, and outstanding payables as well as the purchase of property, plant and equipment.



The Group's total equity stood at RM138.30 million as at 30 September 2023 as compared to RM164.60 million as at 30 June 2022, representing a decrease of RM26.30 million or 15.98% mainly due to the losses incurred for 15-Months FPE 30.9.2023 of RM26.05 million.

Further, the Group's total liabilities increased by RM19.04 or 27.47% to RM88.34 million as at 30 September 2023 (30 June 2022: RM69.30 million), mainly attributable to the following:-

- (i) increase in trade payables by RM18.14 million or 342.91% to RM23.43 million as at 30 September 2023 (30 June 2022: RM5.29 million). and
- (ii) increase in borrowings by RM10.00 million or 826.45% to RM11.21 million as at 30 September 2023 (30 June 2022: RM1.21 million), resulted from the drawdown of revolving credit of RM10.00 million during 15-Months FPE 30.9.2023 as working capital for daily operation of F&B business.

#### Cash Flows Management

The Group recorded net cash generated from operating activities of RM40.40 million for 15-Months FPE 30.9.2023 (18-Months FPE 30.6.2022: net used in operating activities of RM15.69 million). This was mainly due to the increase in trade payables of RM18.14 million.

The Group recorded net cash used in investing activities of RM86.70 million for 15-Months FPE 30.9.2023 (18-Months FPE 30.6.2022: RM112.14 million), mainly attributable to the additions in prepaid expenses of RM61.35 million, purchase of property, plant and equipment of RM22.22 million and additional fixed deposits placed which are pledged with licensed banks of RM10.14 million.

Notwithstanding the above, the Group recorded net cash generated from financing activities of RM6.90 million for 15-Months FPE 30.9.2023 (18-Months FPE 30.6.2022: RM53.53 million), mainly due to the drawdown of revolving credit amounting to RM10.00 million.

#### Dividend

No dividend was recommended for the 15-Months FPE 30.9.2023.



## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

### ANTICIPATED RISK AND MITIGATING FACTOR

The Group's business activities may be exposed to risks that could impact the Group's business and operating performance. Risk management and internal control framework have been established to recognize the importance of having a structured and organised approach to identify and mitigate risks that may have a material impact on the operations and performance, financial condition and liquidity.

The Group is exposed to several risks, in particular, the following:

#### Competitive risk

The Group faces competitive threats due to the nature of the F&B industry. The industry is fast-paced and dynamic where competition is constantly alleviated with new entrants. The Group continues to strive, with high awareness placed on consumer behavior and trends to stay ahead of competitors.

#### Investment risk

Following the Group's increasing investments in quoted shares, the Group is exposed to uncertainties and fluctuations in the local and global economies which are beyond the Group's control that directly affect the capital market. To reduce the Group's exposure to investment risk, we endeavour to mitigate the risk via proper portfolio management and investment planning.

Notwithstanding the above, the Group will continue to be diligent, prudent and innovative to thrive during challenging times. The Management will focus on creating new revenue streams for the Group and long-term value for stakeholders.

### FUTURE PROSPECTS

The Group is continuously expanding its Food & Beverage segment in every possibilities and opportunities in new venues. This strategy is based on the market trends and projections, which indicate that this segment will continue to generate positive growth. On this note, management will:-

- (i) continue its diversification initiative to develop a mixed commercial development which will feature retail/ F&B lots, event hall, a Chinese restaurant, a seafood restaurant, a karaoke centre and car parks in a 5-storey building with a basement level to be erected on a piece of land next to TREC KL and the Tun Razak Exchange; and
- (ii) leverage on its existing F&B outlets, namely "Chaze", "LAVO", "Bounce", "Lavo Gallery", "FINCH", "Diao Yu Tai", 'The Lemon Tree', "Spark", "Sushi Mew", "Ferria", "Alva", "Sushi Qubey and "Annabell" to further expand its F&B business including amongst others, opening of additional outlets or launching new F&B brands.

In addition to its ongoing ventures, the Group is reviewing the Engineering Service Segment as its contribution has dwindled over the past few years. However, the Group intends to continue maintaining this segment in the short-term, while conducting a comprehensive review of the segment's current market conditions.

The Group is optimistic that the various strategic measures implemented in its F&B and other divisions will yield positive outcomes, leading to an overall improvement in its financial performance in the foreseeable future.

# CORPORATE GOVERNANCE

## OVERVIEW STATEMENT

The Board of Directors (Board) of Focus Dynamics Group Berhad (the Company) presents this Statement to provide shareholders and investors with an overview of the corporate governance (CG) practices of the Group under the leadership of the Board during the financial period ended 30 September 2023 (FPE 2023). This overview takes guidance from the key CG principles set out in the Malaysian Code on Corporate Governance (Code).

This Statement is prepared in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (AMLR) and is to be read in conjunction with the CG Report (CG Report) which is available on the Group's website at [www.focusdynamics.com.my](http://www.focusdynamics.com.my).

The CG Report provides the explanations on how the Group applied each Practice set out in the Code during FPE 2023.

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

#### Board Responsibilities

The Board acknowledges and fully supports the importance of corporate governance in directing and managing the businesses and affairs of the Group, and to safeguard and enhance shareholders' value and performance of the Group on a sustainable and long-term basis.

The Board determines the Group's strategic objectives and ensures that required resources are in place for the Group to meet its objectives and to guide the Group on its short and long-term goals, providing advice, stewardship and directions on management and business development of the Group. The Board also set the Group's values and standards and ensure that its obligations to the shareholders and other stakeholders are understood and fulfilled.

In furtherance of the above and to ensure orderly and effective discharge of its functions and responsibilities, the Board has established the following Board committees:

- Audit Committee (AC)
- Nomination Committee (NC)
- Remuneration Committee (RC)
- Risk Management Committee (RMC)
- Employees' Share Options Scheme Committee

In order to foster a strong governance culture in the Group and to ensure a balance of power and authority, the roles of the Chairman and Executive Director (ED) are strictly separated. This is also to maintain effective supervision and accountability of the Board and Executive Management. The Chairman is responsible for Board effectiveness and to ensure that the conduct and working of the Board is in an orderly and effective manner while the ED takes on the primary responsibility of managing the Group's businesses and resources as well as overseeing and managing the day-to-day operations of the Group.

However, the position of Chairman of the Board has been vacated since 31 August 2017 which is a departure from the Practice 1.2 of the Code. Nonetheless, the Group are looking for a suitable candidate to fill the vacancy.

The Group adopted a Code of Business Conduct and Ethics to govern the standards of ethics and conduct expected of Directors and employees. This code manages:

- Honest, Good Faith and Ethical Conduct
- Corporate Opportunities
- Avoidance of Conflicts of Interest
- Confidentiality

CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

**Board Responsibilities (Cont'd)**

To maintain the highest standards of ethical conduct, the Group also has a formal Whistle-Blowing Policy and Anti-Bribery and Anti-Corruption Policy. As prescribed in Whistle-Blowing Policy, the Board gave its assurance that employees' and third parties' identities will be kept confidential and whistle-blowers would not be at risk to any form of victimisation or retaliation from their superiors or any member of Executive Management provided that the reporting is in good faith. All concerns raised will be investigated and whistle-blowers can report directly through the whistleblowing hotline or the supporting reporting channels manned by Polaris, an external vendor with expertise in fraud and whistleblowing management.

The Code of Business Conduct and Ethics and Whistle-Blowing Policy can be viewed on the Group's website.

The Board members have full and unrestricted access to the Company Secretary who is a member of the Malaysian Institute of Chartered Secretaries and Administrators. In addition to her corporate secretarial administrative responsibilities, she also advises the Board on its roles and responsibilities, corporate disclosures and compliance, corporate governance developments and practices.

The Board is aware that continuous training for the Directors is vital for them in discharging their duties effectively. All Directors are encouraged to attend appropriate external training programmes to supplement their knowledge in the latest developments and issues relevant to the Group, especially in the areas of corporate governance and regulatory requirements.

The external training programmes, seminars and/or conferences attended by the Directors in office at the end of FPE 2023 were as follows:

	Training Programmes/Seminars/Conferences
Tay Ben Seng, Benson	Digital Economy and Capital Market Series : Financial Technology (Fintech) and Big Data.
Abdul Menon bin Arsad @ Abdul Manan bin Arshad (Resigned on 27 December 2023)	Tax and Transfer Pricing
Leow Wey Seng	<ul style="list-style-type: none"> <li>- ESG Measurement, Reporting and Assurance (119611897) – Online</li> <li>- ESG and Business Strategy (119609123) – Online</li> <li>- Highlights from Budget 2024 – in collaboration with PWC Malaysia</li> </ul>
Tang Yee Ling	<ul style="list-style-type: none"> <li>- Harnessing Digitalisation for Sustainable and Inclusive SME Finance (SME Finance Forum), Cambodia</li> <li>- SME Finance Forum – DBS &amp; Type, Singapore</li> <li>- Seamless Middle East 2023</li> <li>- MoneyLIVE Asia 2023, Singapore</li> </ul>

The Board via the NC and with assistance of the Company Secretary, shall continue to evaluate and determine the training needs of the Directors to build their knowledge so that they can be up-to-date with the development of the Group's business and industry that may affect their roles and responsibilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****Board Composition**

The Group is led by an experienced and diversified Board which comprises professionals from various fields to bring together a balance of skills, mix of experience and expertise in area relevant to enhance the growth of Group's business. The Directors collectively bring with them wide and varied technical, financial and legal experience to enable the Board to lead and control the Group effectively.

The Board (via the NC) assess the effectiveness of the Board as a whole, all committees of the Board and the contribution of each individual Director annually. This assessment is done on a peer and self-evaluation basis. Based on the evaluation carried out for FPE 2023, the NC has informed the Board that it was satisfied with the contribution and performance of each individual Director.

Although there is no gender diversity policy in place currently, the Board opined that given the current state of the Group's business and lifecycle, it is more important to have the right mix of skills on the Board rather than to attain the 30% threshold as proposed in Practice 5.9 of the Code. Nevertheless, the Board is on the outlook for potential women Directors and shall appoint additional women Directors as and when suitable candidates are identified. No timeframe has been set for the search concerned.

Despite the above, the Board affirms its commitment to provide fair and equal opportunities and nurturing diversity at all levels within the Group. To this end, all persons, regardless of age, gender, ethnicity, cultural background or other personal factors, with appropriate experience and qualifications will be considered equally in terms of recruitment, promotion, remuneration and training. The Board is also committed to workplace diversity, ensuring the Group's value and respect, the differences and that the workplace is fair, accessible, flexible and inclusive and free from discrimination.

**Remuneration**

The Board (via the RC) will ensure that the Group's levels of remuneration commensurate with the skills and responsibilities expected of the Senior Management as well as the Directors, and that it must be sufficient to attract and retain talent needed for the successful performance of the Group. The Board, as a whole, determines the remuneration of the Directors and each individual Director is required to abstain from discussing on his/her own remuneration. The RC is guided by market norms and industry practices when making recommendations for the compensation and benefits of the Directors and the Senior Management.

The RC's recommendation on the remuneration of the Directors and the Senior Management is subject to the Board's approval as it is the ultimate responsibility of the Board to approve the remuneration of the Directors and the Senior Management.

In relation to the fees and allowances for the Directors, it will be presented at the AGM for shareholders' approval. The details of the Group's remuneration policies and practices are included in the Board Charter which is available on the Group's website.

The aggregate remuneration paid or payable to the Directors by the Group during FPE 2023 is as follows:

Group	Remuneration (RM'000)	Fee (RM'000)	Allowances (RM'000)	Total (RM'000)
Tay Ben Seng, Benson	169	600	6	775
Leow Wey Seng	–	99	6	105
Tang Yee Ling	–	45	6	51
Abdul Menon bin Arsad @ Abdul Manan bin Arshad (Resigned on 27 December 2023)	–	45	7	52
Tan Aik Heang (Resigned on 1 June 2023)	–	33	6	39
Tan Tiam Pueh	124	–	–	124

CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

**Remuneration (Cont'd)**

The aggregate remuneration paid or payable to the Directors by the Company during FPE 2023 is as follows:

Company	Remuneration (RM'000)	Fee (RM'000)	Allowances (RM'000)	Total (RM'000)
Tay Ben Seng, Benson	169		6	175
Leow Wey Seng		99	6	105
Tang Yee Ling		45	6	51
Abdul Menon bin Arsad @ Abdul Manan bin Arshad (Resigned on 27 December 2023)		45	7	52
Tan Aik Heang (Resigned on 1 June 2023)		33	6	39

**PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT**

**Audit Committee**

As at 30 September 2023, the AC currently comprises of three members, all of whom are Independent Directors. The AC Chairman is Mr. Leow Wey Seng. None of the current members of the AC is a former key audit partner who was involved in auditing the Group, the Group had incorporated the policy as stipulated in Practice 9.2 into the Terms of Reference of the AC.

The AC has policies and procedures to review, assess and monitor the performances, suitability and independence of the external auditors.

Prior to the commencement of the annual audit, the AC will seek confirmation from the external auditors as to their independence. This independence confirmation would be re-affirmed by the external auditors to the AC upon their completion of the annual audit. These confirmations were made pursuant to the independence guidelines of the Malaysian Institute of Accountants.

Further details on the work performed by AC in furtherance of its oversight role are set out in the AC Report on pages 30 to 33 of this Annual Report.

**Risk Management and Internal Control Framework**

The Board fulfils its responsibilities in the risk governance and oversight functions through the RMC via a risk management framework which adopts a structured and integrated approach in managing key business risks. This framework together with the system of internal control are designed to manage the Group's risks within its risk appetite rather than to eliminate the risk of failure to achieve the Group's business and corporate objectives.

As for the adequacy and effectiveness of the system of internal control, it is reviewed by the AC with assistance from the internal auditors. The internal audit function is outsourced to an independent professional consulting firm to provide an independent and objective assurance on the effectiveness of governance, risk management processes and internal control system of the Group. The internal auditors' independence is maintained by reporting functionally to the Board through the AC and administratively to the Executive Management. The Internal audit reports which are issued have to be tabled to the AC for review and the Executive Management is required to be present at AC meeting and to respond and provide feedback on the audit findings and recommended improvements. In addition, the Executive Management is also required to present to the AC on the status updates on significant matters and changes in key processes that could impact the Group's operations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)**PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)****Risk Management and Internal Control Framework (Cont'd)**

Based on the above, the Board is of the view that the risk management process and system of internal control were in place during FPE 2023 for identifying, evaluating, and managing significant risks faced or potentially to be encountered by the Group.

Further details of the risk management and internal control framework are set out in the Statement on Risk Management and Internal Control on pages 34 to 35 of this Annual Report.

**PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS****Communication with Stakeholders**

The Board acknowledges the importance of establishing a direct line of communication with shareholders and investors through timely dissemination of information on the Group's performance and operations via distribution of annual reports and relevant circulars, and release of quarterly financial results, press releases and announcements.

The Company has in place the policies and procedures on the roles and responsibilities of Directors, management and staff together with the levels of authority with regard to corporate disclosures requirements. The Company recognises the need to adopt a high standard on the disclosures of relevant and material information of the development of the Group. In addition, the Company also emphasises on the need of timely disclosures of information to shareholders as it acknowledges the importance of keeping shareholders and investment communities informed of the Company's business and corporate developments, to enable them to make informed judgement in valuing the Company's shares. Such information is disseminated via the Company's Annual Reports, quarterly financial results and the various announcements made from time to time to Bursa Securities which are accessible via Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com). The Group also maintains the following website that allows all shareholders and investors to access information about the Group: [www.focusdynamics.com.my](http://www.focusdynamics.com.my).

The Company has provided a communication channel at its website whereby enquiries and feedback may be posed to the Company's management through the following channels: -

Email : [info@focusdynamics.com.my](mailto:info@focusdynamics.com.my)  
Contact : +603-7803 7333

**Conduct of General Meetings**

The Board also acknowledges AGM and other General Meetings as important avenues to engage with the shareholders.

The AGM of the Company represents the principal forum for dialogue with the shareholders where they may seek clarification on the Company's business. The shareholders are encouraged to participate in the questions and answers session and the Board will respond to the questions raised during the meeting to the best of their ability and knowledge.

In order to encourage the shareholders' participation at the AGM, the Company will send out the Notice of AGM earlier or at least 28 days before the AGM to allow sufficient time for the shareholders to make arrangements to attend either in person, by corporate representative, proxy or attorney.

During the previous 19th AGM held on 29 November 2022, all resolutions set out in the Notice of AGM were put to vote by poll, and to expedite verification and counting of votes, a scrutineer was appointed to validate the votes casted at the AGM. The Directors, the management and the External Auditors were also in attendance to respond to the shareholders' queries.

This Corporate Governance Overview Statement was approved by the Board on 30 January 2024.



# AUDIT COMMITTEE REPORT

## MEMBERS OF AUDIT COMMITTEE

The Audit Committee (AC) of Focus Dynamics Group Berhad (FOCUS or the Company) is comprised wholly of Non-Executive Directors as follows:

### Leow Wey Seng

Chairman, Independent Non-Executive Director

### Tang Yee Ling

Member, Independent Non-Executive Director

Mr. Leow Wey Seng meets the requirement of Rule 15.09 (1)(c)(i) of ACE Market Listing Requirements (AMLR) in that he is a member of the Malaysian Institute of Accountants.

## SECRETARY

The secretary to the AC is the Company Secretary of the Company.

## TERMS OF REFERENCE

The AC has discharged its function and carried out its duties as set out in the Terms of Reference (TOR).

The detailed TOR of the AC outlining the composition, duties and functions, authority and procedures of the AC are published and available on the Company's website at [www.focusdynamics.com.my](http://www.focusdynamics.com.my).

## MEETINGS AND MINUTES

### Attendance at Meetings

The record of attendance of the members of the AC for meetings held during the financial period ended 30 September 2023 (FPE 2023) are as follows:

AC Member	Number of Committee Meetings held during directors' tenure of office	Number of Committee Meetings attended
Leow Wey Seng	6	6
Tang Yee Ling (Appointed on 1 June 2023)	1	1
Abdul Menon Bin Arsad @ Abdul Manan Bin Arshad (Resigned on 27 December 2023)	6	6
Tan Aik Heang (Resigned on 1 June 2023)	5	5

The quorum of the meeting is two (2).

**MEETINGS AND MINUTES (CONT'D)****Meetings (Cont'd)**

The AC will meet at least four (4) times a year although additional meetings may be called at any time at the discretion of the AC. The record of attendance of the members of the AC is shown above.

The meetings are pre-scheduled and are timed just before the Company's Board of Directors' (Board) meetings. The Agenda carries matters that need to be deliberated, reviewed, or decided on and reported to the Board. Notices and AC papers are circulated to all members prior to the meeting with sufficient time allocated for them to prepare themselves for deliberation on the matters being raised.

If the need arises, the Chairman has the discretion to call for the attendance of the management, internal auditors, and external auditors during such meetings.

During its scheduled quarterly meetings, the AC shall review the risk management and internal control processes, the Interim and Year-end Financial Report, the Internal and External Audit Plans and Reports, Related Party Transactions (RPT)/Recurrent Related Party Transactions (RRPT), and all other areas within the scope of responsibilities of the AC under its TOR.

**Minutes**

The Company Secretary shall be the Secretary of the AC which shall provide the necessary administrative and secretarial services for the effective functioning of the AC. The minutes of the meetings are circulated to the AC and to all members of the Board.

**SUMMARY OF ACTIVITIES**

In respect of the FPE 2023, the AC in discharging its duties and functions carried out activities which are summarised broadly as follows:

**a) Internal Audit**

The AC is aware of the fact that an independent and adequately resourced internal audit function is essential to assist in obtaining the assurance it requires regarding the effectiveness of the systems of internal control.

The Company engaged Alphaone Governance Sdn. Bhd. (Alphaone) as outsourced Internal Auditors to carry out the internal audit function of the Group for the FPE 2023.

The internal auditor reports directly to the AC on a yearly basis by presenting its Internal Audit Report during the AC meeting, whereby relevant issues identified in the Internal Audit Report will be discussed with the AC in the meeting. Remedial work, if necessary, will be performed and follow-up will be carried out by internal auditor for the purpose of reporting at the subsequent AC meeting.

On 29 May 2023, Alphaone tabled an Internal Audit Report (IAR) for AC's review on the following scope of work:

- i. Discuss the risk management framework, including defining the concepts of risk, risk management and internal controls with Key Personnel "risk assessment participants".
- ii. Conduct interviews with the risk assessment participants, discussing the details of the risk that they have identified, including obtaining an understanding of the risk identified.

AUDIT COMMITTEE REPORT  
(CONT'D)

**SUMMARY OF ACTIVITIES (CONT'D)**

**a) Internal Audit (Cont'd)**

On 29 May 2023, Alphaone tabled an Internal Audit Report (IAR) for AC's review on the following scope of work: (Cont'd)

- iii. Filter and identify the key risks of Focus Dynamics Group, assess the key risks with the risk assessment participants with reference to the internal controls that have been implemented to manage the said risks and evaluate the likelihood and impact of the key risks of Focus Dynamics Group.
- iv. Profile the key risks of Focus Dynamics Group for our reporting to the AC.

On 29 August 2023, Alphaone tabled a Risk Assessment Report (RAR) pertaining to the business operations and investment holding business of the subsidiaries for AC's review. The scope of works for the RAR focused on understanding of the risk management framework, including defining the concepts of risk, risk management, root cause(s) and internal controls.

**b) Financial Reporting**

In overseeing and discharging its responsibilities in respect of financial reporting, the AC:

- i. Reviewed the financial positions and performances, quarterly interim financial reports, and announcements for the respective financial quarters prior to submission to the Board for consideration and approval. The 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> Quarter Interim Financial Reports were tabled at the AC meetings held on 29 November 2022, 27 February 2023, 29 May 2023, 29 August 2023 and 29 November 2023;
- ii. Ensured the quarterly reports and Audited Financial Statements (AFS) were prepared in compliance with the Malaysian Financial Reporting Standard (MFRS), International Financial Reporting Standards, and the Requirements of the Companies Act 2016 Malaysia while the quarterly reports took into consideration Rule 9.22 including Appendix 9B of the AMLR;
- iii. Reviewed the various Board's Policies and Procedures, Board Charter, procedures for RRPT;
- iv. Reviewed the External Auditors' Audit Plan for the FPE 2023 which covered the engagement and reporting requirements, audit approach, areas of audit emphasis, significant events during the financial year, communication with the management, engagement team, the reporting and deliverables as well as the proposed audit fees;
- v. Reviewed the External Auditors' audit findings and recommendations and the AFS for the FPE 2023 on 19 September 2023, 15 December 2023 and 30 January 2024;
- vi. Reviewed RPT/RRPT entered into by the Company and its subsidiaries during its AC meetings on 29 August 2022, 29 November 2022, 27 February 2023, 29 May 2023, 29 August 2023 and 29 November 2023;
- vii. Considered the performance of External Auditors, reviewed the independence of External Auditors and recommended to the Board for their re-appointment;
- viii. To ensure the integrity of the financial information, received assurance from the Executive Directors and Executive Director in charge of Finance, that:
  - Appropriate accounting policies had been adopted and applied consistently;
  - The going concern basis applied in the Annual Consolidated Financial Statements was appropriate;
  - Prudent judgements and reasonable estimates had been made in accordance with the requirements set out in the MFRSs;

**SUMMARY OF ACTIVITIES (CONT'D)****b) Financial Reporting (Cont'd)**

- viii. To ensure the integrity of the financial information, received assurance from the Executive Directors and Executive Director in charge of Finance, that: (Cont'd)
  - Adequate controls and processes were in place for effective and efficient financial reporting and relevant disclosures under MFRSs and AMLR; and
  - The consolidated AFS and the Quarterly Condensed Consolidated Financial Statements did not contain material misstatements and gave a true and fair view of the financial position.
- ix. Reviewed the AC Report, Corporate Governance (CG) Overview Statement, CG Report and Statement on Risk Management and Internal Control for publication in the 2023 Annual Report; and
- x. Reviewed the Statement of Risk Management and Internal Control together with the Internal Auditors and External Auditors and received assurance from the Executive Director and Executive Director in charge of Finance that the Group's risk management and internal control systems are operating adequately and effectively in all material aspects before recommending the Statement to the Board.

**c) External Audit**

Nexia SSY PLT (Nexia) is the External Auditors for the Group and all its subsidiaries in Malaysia. Nexia led by their engagement partner presented their external Audit Plan for the FPE 2023 on 29 May 2023. Due to the change of financial year end from 30 June 2023 to 30 September 2023, Nexia had on 15 December 2023 presented their revised Audit Planning Memorandum at the AC Meeting. Nexia had declared and confirmed that they were independent and would be independent through their audit engagement.

There were no areas of major concern raised by Nexia that warranted escalation to the Board. The External Auditors were also informed by the AC that should there be any significant incidents or matters detected in the course of their audits or reviews which warrant their knowledge or intervention, it shall be reported to the AC accordingly.

The AC carried out an assessment of the performance and suitability of Nexia based on the quality of services and relationship with the Management, AC, Internal Auditors and the Board. The AC has been generally satisfied with the independence, performance and suitability of Nexia based on the assessment and are recommending to the Board and shareholders for approval for the re-appointment of Nexia as External Auditors for the financial year ending 30 September 2024.

**CG PRACTICES**

Apart from discharging its duties with respect to the internal audit, financial reporting and external audit, the AC also reviewed the disclosures made in respect of the financial results and Annual Report of the Company in line with the principles and spirit set out in the Malaysian Code on CG, other applicable laws, rules, directives and guidelines.

The AC discussed and reviewed the AC Report, CG Overview Statement and CG Report for the FPE 2023.

This statement was approved by the Board on 30 January 2024.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Pursuant to Rule 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and guided by the “Statement on Risk Management and Internal Control — Guidelines for Directors of Listed Issuers” (Para. 32) and with the “Malaysian Code of Corporate Governance 2021” (Practice 10.1 and 10.2), the Board of Directors of the Company (“The Board”) is pleased to present this Statement on Risk Management and Internal Control for the financial period ended 30 September 2023 of the Group.

## BOARD RESPONSIBILITY

The Board acknowledges its responsibility in maintaining a sound system of internal controls that covers financial, operational and risk management within the Group to meet its business objectives. The Board reviews the adequacy and effectiveness of the Group’s risk management and internal control system to safeguard shareholders’ investment and the Group’s assets.

The Board has established an ongoing process for identifying, evaluating and managing the significant risks faced by the Group and this process includes enhancing the risk management and internal control system as and when there are changes to the business environment or regulatory guidelines.

The Management assists the Board in the implementation of the Board’s policies and procedures on risk and control by identifying and assessing the risks faced, and in the design, operation and monitoring of suitable internal controls to mitigate and control these risks. The Board is informed of major issues on internal controls, regulatory compliance and risk taking.

Such systems by their nature, can only provide a reasonable, but not absolute assurance against material misstatement of management and financial losses or fraud as it is established to manage rather than eliminate the risk of failure to achieve the Group’s business objectives.

The Board has received assurance from the Executive Director and the Senior Management that the Group’s risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

The Board is of view that the Risk management and Internal Control system is in place for the period under review and is sound and adequate to safeguard shareholders’ investment and the Group’s assets.

The Group’s risk management and internal control systems do not apply to its’ joint venture company. The Group’s interest in joint venture company is served through Board representation and periodic review of the joint venture’s company management accounts by the Board and Management.

## RISK MANAGEMENT FRAMEWORK

The Board continues to rely on risk management to form the basis of internal plan and for continued profitability and to safeguard shareholders’ investment. The key processes that have been established in reviewing the adequacy and effectiveness of the risk management and internal control systems include the following:-

- The Board has established a number of board committees such as the Nomination, the Remuneration and the Risk Management to support the Board and to assist the Board to assess the performance and controls in all areas of operations to ensure that the risk management and control framework is embedded into the structures of the Group.
- The Board has established a Risk Management Committee to formulate a framework to ensure that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Group and this process includes enhancing the risk management and internal control system as and when there are changes to the business environment or regulatory guidelines.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL  
(CONT'D)**RISK MANAGEMENT FRAMEWORK (CONT'D)**

- The Group out-sourced the internal audit function to an independent professional consultancy firm during the financial period to review the internal controls of the Group and report directly to the Audit Committee. The important of the internal audit function is to provide a reasonable assurance that the internal controls are operating satisfactorily and effectively. Upon completion of the audit assignment, the internal auditors presented their report, discussed findings and recommendations for continuous improvement to the Audit Committee. The Internal Auditors of the Group check for compliance with policies and procedures and highlight the significant findings in respect of any non-compliance.
- The Audit Committee of the Group reviews the internal control issues identified by the Internal Auditors, the external auditors and the Management, and evaluates the effectiveness and adequacy of the risk management and internal control systems. It also reviews the internal audit function with particular emphasis on the scope of frequency of audits and the adequacy of resources. The minutes of the Audit Committee meetings are tabled to the Board of Directors of the Company on the quarterly basis.

**KEY PROCESSES OF INTERNAL CONTROL**

Salient features of the key processes of the system of internal control of the Group are as follows:-

- The Group has an organisational structure with defined lines of responsibility, delegation of authority, segregation of duties and flow of information are effectively communicated to all levels to ensure that the Group's operations are in accordance with the corporate objectives, strategies and the business directions.
- There is active involvement by the Executive Directors in the day-to-day business operations of the Group including periodical visit to the outlets and monthly dialogue with senior management. Monthly operational and management meetings are scheduled to identify, discuss, and resolve business and operational issue, including significant risks face by the organisation. Significant matters identified during these meetings are highlighted to the Board on a timely basis.
- There are policy and authority limits imposed on Executive Directors and Management within the Group in respect of the day-to-day operations.
- The Group has established a Risk Management Committee to formulate a framework to ensure that an ongoing process for identifying, evaluating and managing the significant risks faced by the Group including policies enhancing the risk management and internal control system as and when there are changes to the business environment or regulatory guidelines.
- During the current financial period, internal audit was carried out on the Risk assessment process. Based on the Assessment of the internal audit, the Audit Committee reviewed the recommendations made by the internal auditor, and key risks of the business were identified. Management has implemented measures to provide reasonable assurance in mitigating these risks based on the Internal Auditor's recommendation.

**REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS**

As required by Rule 15.23 of ACE Market Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with Recommended Audit and Assurance Practice Guide 3 issued by the Malaysian Institute of Accountants and has reported to the Board that nothing has come to their attention that causes them to believe that this statement is inconsistent with their understanding of the process adopted by the Board in the review of the adequacy and effectiveness of the risk management and internal controls within the Group.

This Statement of Risk Management and Internal Control has been approved by the Board of Directors in its meeting on 30 January 2024.



# SUSTAINABILITY STATEMENT

## INTRODUCTION

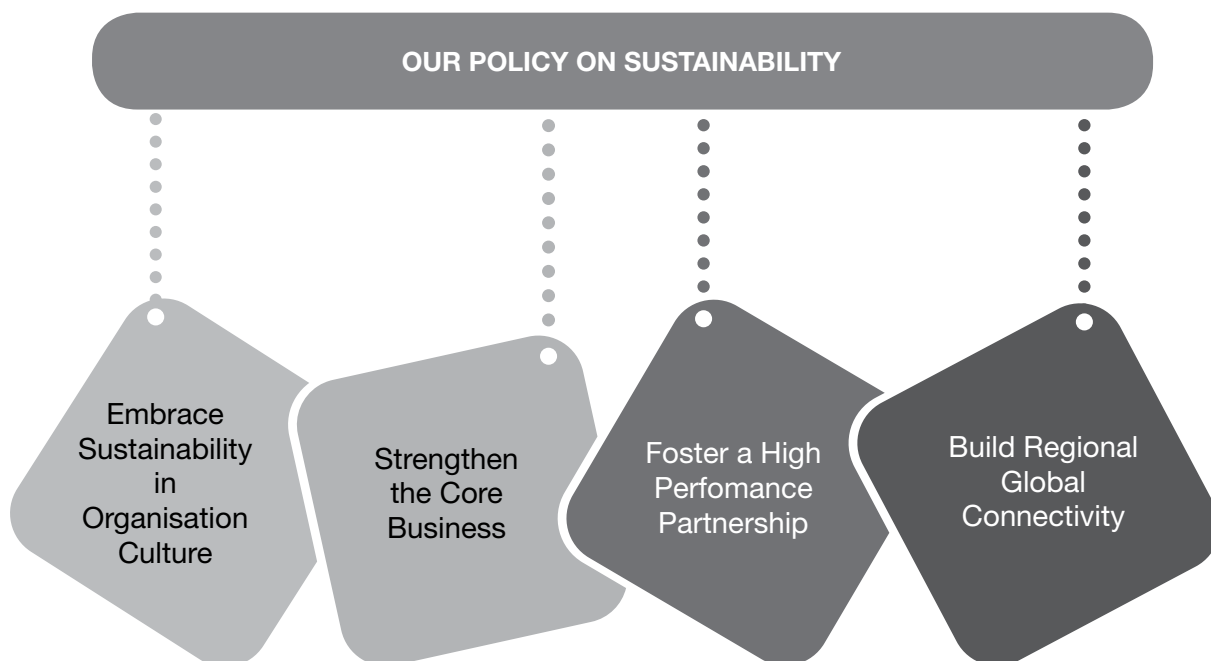
Focus Dynamic Group Berhad (“Focus Dynamics”) and its subsidiaries, collectively referred to as “The Group” acknowledges the significance consistently advancing and enhancing the Group’s business operations in a manner that is both sustainable and responsible. The Group is convinced that prioritizing sustainability at the core of its business activities will not only propel the Group toward long-term business growth but will also foster mutually beneficial relationships with stakeholders. This statement was prepared to the best of our abilities, and the Board of Directors (“the Board”) is committed to address and narrow any gaps in sustainability assessment and subsequent reporting in the upcoming years.

## OUR APPROACH

Sustainability has always been among the pillars of culture for the Group as we strive to achieve continuing growth and profitability in a safe, caring and sustainable environment. We recognize that sustainability practices are one of the essential criteria in investors’ investment decisions.

In line with Bursa Malaysia Securities Berhad’s Sustainability Reporting Guide (3rd Edition), the Group’s sustainability practices are to ensure that economic, environmental and social (“EES”) risks and opportunities are tied in with our governance framework and social responsibilities. This enables our corporate success and behaviour to be judged and measured by the public.

As a responsible corporate citizen, our mission is to uphold elevated governance standards throughout our business operations. We strive to foster responsible business practices, effectively address environmental impacts, and fulfill the social needs of the communities in which we operate. This commitment aligns seamlessly with our corporate culture.



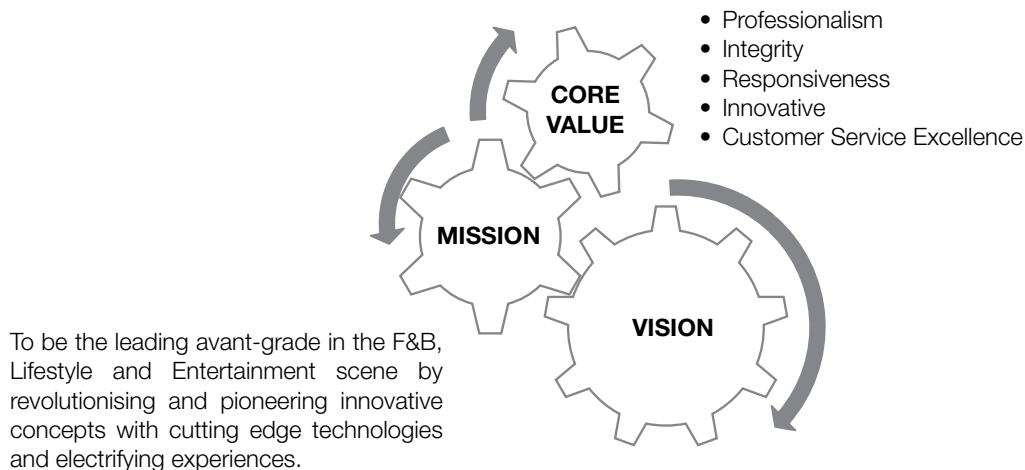
Several internal and external factors influence the Group’s continued success in maintaining a sustainable business and generating long-term shareholder value. Each significant factor presents distinct risks and opportunities to our organization and is a key consideration in shaping our strategy formulation and execution. These factors substantially influence the assessments and decisions of our stakeholders. We regularly evaluate these factors to assess their impacts on our business model across the near, medium and long term.

SUSTAINABILITY STATEMENT  
(CONT'D)**OUR SCOPE OF REPORTING**

The Sustainability Statement ("Statement") primarily include business operations carried out during the financial year ended 30 September 2023 and up to the date of this statement. This Statement covers the Group's economic, environmental, and social management and performance across its entire business operations in Malaysia. Information disclosed in this Statement encompasses our core activities related to Food & Beverage ("F&B").

**SUSTAINABILITY GOVERNANCE****Corporate Governance**

Our vision and mission are the cornerstones of our commitment to the sustainability of the Group. Our core values are the guiding principles that we uphold in day-to-day operations and conduct ourselves to support our vision and shape our culture.



SUSTAINABILITY STATEMENT  
(CONT'D)

SUSTAINABILITY GOVERNANCE (CONT'D)

Corporate Governance (Cont'd)

Sustainability is embedded in our organizational approach and set by the tone at the top. The Board serves a crucial role in guidance and oversight role in promotion of sustainability across the organization with support from the Senior Management to oversee the implementation of the organization's sustainability approach and ensures that key targets are being met.

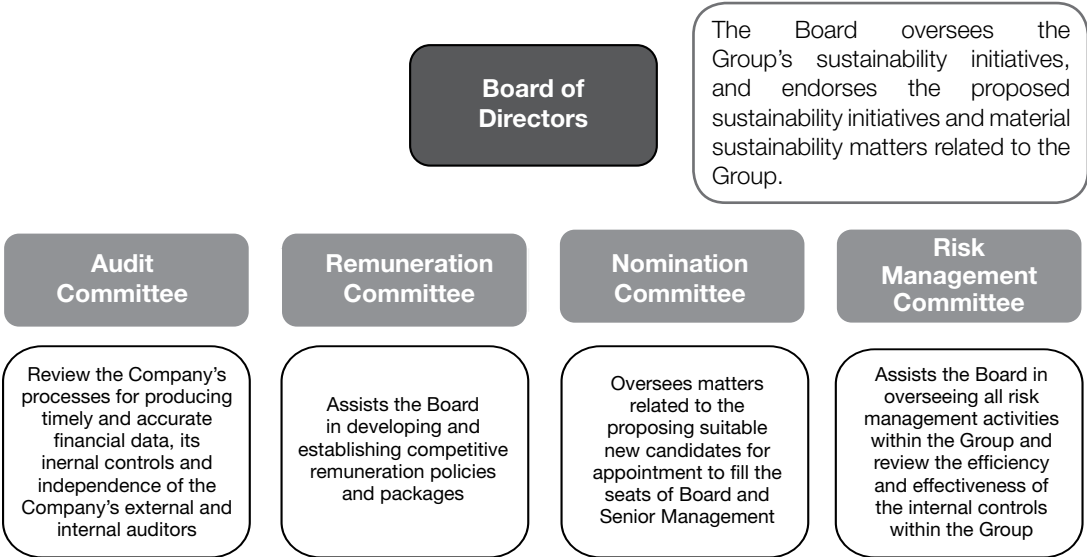
The Board also acknowledges the importance of risk management and internal control are integral to our corporate governance. It bears the responsible for establishing a robust risk management framework and internal control system as well as ensuring their adequacy and effectiveness. The review of the adequacy and effectiveness of the risk management framework and the system of internal control is delegated by the Board to the Risk Management Committee. Additionally, the Group's performance is also monitored with the assistance of the Audit Committee, Nomination Committee and Remuneration Committee.

Comment 1: The governance structure and functions below have no relevance on sustainability, except for the Board of Directors. There should be roles such as Board of Directors, Sustainability and Risk Management Committee and Head of Departments. For example:

Board of Directors - Oversees the Group's sustainability initiatives, and endorses the proposed sustainability initiatives and material sustainability matters related to the Group.

Executive Director / Sustainability and Risk Management Committee - Review and supervise the implementation and monitoring of sustainable policies, measures, and practices, and making recommendations to the Board of Directors for approval.

Senior Management/ Head of Departments – Establish, develop and execute the approaches, measures and procedures including day-to-day management of sustainability of risks and issue.



**SUSTAINABILITY GOVERNANCE (CONT'D)****Corporate Governance (Cont'd)**

The responsibility of the Board to promote and embed sustainability in the Group includes overseeing the following:

- Stakeholders' engagement
- Materiality assessment and identification of sustainability risks and opportunities relevant to us
- Management of material sustainability risks and opportunities

**Ethical Business Practices and Anti-Corruption & Anti-Bribery Policy**

The Board recognizes the importance of ethical business conduct in maintaining the trust of our stakeholders. To establish a standard of ethical behavior grounded in trust and values, we have implemented a Code of Business Conduct and Ethics that upholds a spirit of responsibility. Our Whistle-Blowing Policy, accessible on our website, serves as a direct channel for all stakeholders to report instances of misconduct contrary to our Code of Business Conduct and Ethics or other non-compliance offenses. This policy ensures confidentiality for those filing the reports, enabling them to voice concerns without fear of reprisal.

Aligned with Section 17(A) of the Malaysian Anti-Corruption Commission (Amendment) Act 2018, the Group has developed Anti-Corruption measures, integrating the incorporation of the sustainability responsibilities into the day-to-day operations of the Group. We are committed to a zero-tolerance approach in our efforts to prevent corruption and bribery practices. We conduct our business ethically, as well as in compliance with all applicable laws.

Our commitment to good governance is foundational to our business, guided by ethical business practices and integrity. We have instilled the highest standards of governance in our business not only by complying with the law but through processes and directives that continue to reinforce the principles.

**STAKEHOLDER ENGAGEMENT**

We continued to engage our stakeholders actively throughout the fiscal year as part of our sustainability assessment process. This ongoing interaction enable us to develop a comprehensive understanding of our materiality issues and matters whilst, it allows us to capture the key aspects and impacts of our sustainability journey.

The table below lists our key stakeholder groups and their respective areas of interest as well as the methods by which we engage them.

STAKEHOLDERS	ENGAGEMENT METHODS	ENGAGEMENT AREAS
Shareholders	<ul style="list-style-type: none"> <li>• Annual &amp; Extraordinary General Meetings</li> <li>• Bursa announcements</li> <li>• Quarterly report</li> <li>• Annual report</li> <li>• Timely update on the corporate website</li> </ul>	<ul style="list-style-type: none"> <li>• Financial and operational performance</li> <li>• Dividend policy</li> <li>• Return on investments</li> </ul>
Government/ Regulators	<ul style="list-style-type: none"> <li>• Compliances with laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Operation regulations</li> <li>• Bursa listing requirements</li> <li>• Companies Act</li> <li>• Labour law</li> <li>• Taxations</li> <li>• Energy &amp; water management</li> <li>• Waste management</li> </ul>

SUSTAINABILITY STATEMENT  
(CONT'D)

**STAKEHOLDER ENGAGEMENT (CONT'D)**

STAKEHOLDERS	ENGAGEMENT METHODS	ENGAGEMENT AREAS
Board of Directors	<ul style="list-style-type: none"> <li>Annual &amp; Extraordinary General Meetings</li> <li>Board meetings</li> </ul>	<ul style="list-style-type: none"> <li>Corporate strategy</li> <li>Corporate governance</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Trainings</li> <li>Performance appraisal</li> <li>Employee engagement activities</li> </ul>	<ul style="list-style-type: none"> <li>Remuneration policy</li> <li>Career development</li> <li>Performance review</li> <li>Fair employment practices</li> <li>Occupational safety &amp; health</li> </ul>
Financial Institutions	<ul style="list-style-type: none"> <li>Bursa announcements</li> <li>Quarterly report</li> <li>Annual report</li> <li>Timely update on the corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Financial and operational performance</li> <li>Funding requirement</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Marketing activities</li> <li>Quality of products</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfactions</li> <li>Quality assurance</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Regular meetings</li> <li>Quality review</li> </ul>	<ul style="list-style-type: none"> <li>Products' quality</li> <li>Legal compliances</li> </ul>
Communities	<ul style="list-style-type: none"> <li>Community events</li> </ul>	<ul style="list-style-type: none"> <li>Social contribution</li> <li>Job opportunities</li> <li>Donation and financial aid</li> </ul>
Analyst/Media	<ul style="list-style-type: none"> <li>Annual &amp; Extraordinary General Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Financial and operational performance</li> <li>General announcements</li> </ul>

**MATERIAL SUSTAINABILITY MATTERS**

During the year, we conducted a reassessment of material sustainability matters, aiming to identify and prioritize key concerns known as "material matters". This process involved determining the EES topics that held significance for both our business and stakeholders, considering their relative importance. Following a thorough review of the matrix, we affirmed the continued relevance of the 9 material matters, namely Shareholders, Customers & Services, Suppliers, Energy & Water Saving Initiatives, Waste Management, Training & Talent Management, Safe Workplace, and Labour Practices.



**MATERIAL SUSTAINABILITY MATTERS (CONT'D)**

No.	Material matters	No.	Material matters
1	Shareholders	6	Training & Talent Management
2	Customers & Services	7	Safe Workplace
3	Suppliers	8	Labour Practices
4	Energy & Water Saving Initiatives	9	Community
5	Waste Management		

**Economic**Shareholders

Our shareholders are the ultimate owners of the Company and as such, they are entitled to timely and quality information on the Group's financial performance and position. Apart from the Annual General Meeting where shareholders are encouraged to ask questions to the Board and Executive Management on business operations, and the financial performance and position of the Group, the Group's corporate website at [www.focusdynamics.com.my](http://www.focusdynamics.com.my) also provides a link on investor relations where quarterly and annual financial statements, announcements, financial information, annual reports, circulars/statements to shareholders and other pertinent information are uploaded on a timely basis when available.

Although engagement is largely governed by the Malaysian Code of Corporate Governance and the Listing Requirements by Bursa Malaysia, the Group enjoys indirect economic impacts of goodwill, trust and loyalty and a mutually beneficial investment relationship.

Customers & Services

The Group is committed to ensure that not only our shareholders' interests are taken care of but also those of our customers and suppliers. Our customers hold significant importance as a major contributor to our profitability, and we prioritize providing them with high-quality food and beverages. To uphold this commitment, all operational staff involved have attended the relevant food handling courses conducted by Kementerian Kesihatan Malaysia's approved trainers and also received Typhoid Vi Polysaccharide Vaccine.

Our emphasis on customers satisfaction has accorded us with our industry reputation as a trusted and reliable F&B retailer with our commitment of:





## SUSTAINABILITY STATEMENT (CONT'D)

### MATERIAL SUSTAINABILITY MATTERS (CONT'D)

#### Economic (Cont'd)

##### Customers & Services (Cont'd)

The Group is committed to ongoing innovation in creating unique F&B brands that align with market trends and preferences of the customers, and management will strive to become the trendsetter in this business and become a major contender in the F&B industry. Recognizing the importance of sustainability, the Group believes in diversification as a strategy to enhance its financial performance and consequently, shareholders' value.

The Group's latest breakthrough is the state-of-the-art robotic bartender, Mixobot. Currently, Mixobot is the centrepiece of Lavo, showcasing the seamless blend between human ingenuity, creativity and cutting edge precision in every drink. Mixobot can be programmed by professional world-class mixologists and be capable to deliver perfect cocktails every single time in mere minutes, while also reducing waste resulting from human error or unproportionate ingredient quantity/mix.

##### Suppliers

We are committed to improve our processes and actively engaging with our suppliers to identify and manage risks, underpinned by values of integrity and transparency. Our aim is to generate value by seeking opportunities for collaboration and sharing best practices with our suppliers. In respect of this, we closely monitor the procurement of foods and beverages, liquor and wine. As a result, our suppliers undergo careful selection to ensure engagement only with those who meet specific criteria.

#### Environment

While our operations typically pose no significant environmental risks, the Group is mindful of adhering to all applicable environmental laws, guidelines and regulations and committed to minimise the environmental impact of our business. Our ongoing efforts center on fostering a positive and proactive environmental ethos throughout all facets of our operations, striving for zero pollution incidents. We acknowledge the importance of compliance as it not only safeguarding the Group's reputation but most importantly in fostering sustainable development and promoting the well-being of communities.

##### Energy & Water Saving Initiatives

Climate change is the single largest threat to our planet and our commitment involves minimizing carbon emissions through conserving energy. Efficient energy management not only leads to streamlined operations, reduced electricity consumption, but also enhances overall profitability. Initiatives have been implemented to reduce the overall energy consumed by lighting. We have been systematically replacing lighting in and around our office facilities and corridors with LED alternatives, an ongoing process conducted in stages. Furthermore, management is set to introduce reminders promoting the turning off of lights, air-conditioners, and computers when not in use.

Water is a limited resource, and as the world continues to advance and the global population continues to grow, an increasing strain is being placed on the supply of clean water. Water conservation is therefore an area that our Group is working hard on, both improving the efficiency with which we use our water, as well as working to educate our employees and the public about the need to conserve it.

##### Waste Management

We recognize the importance of environmental protection for the long-term sustainability of our businesses. In line with this commitment, we have proactively undertaken various initiatives to cultivate recycling habits and encourage responsible waste management practices among our staff. A key aspect of our approach involves the strategic placement of recycling bins within our office premises. These bins are designated for specific types of domestic waste, including paper, plastic, aluminum cans, metal, and other recyclable materials. This segmentation facilitates a more efficient and effective recycling process by streamlining the collection of different materials.

**MATERIAL SUSTAINABILITY MATTERS (CONT'D)****Environment (Cont'd)**Waste Management (Cont'd)

The initiative is designed not only to address our environmental responsibilities but also to create a culture of sustainability within our workplace. By providing accessible and clearly labeled recycling bins, we aim to make it easy and convenient for our staff to participate in responsible waste disposal practices.

We have actively initiated paper recycling efforts within our organization. A primary focus is encouraging our employees to embrace electronic alternatives for sharing and storing documents. This involves a commitment to reducing traditional printing and photocopying, with an emphasis on utilizing double-sided printing when the need arises. Instead of distributing memos on paper, the Group have transitioned to delivering them electronically via email. This not only aligns with our commitment to environmental sustainability but also reflects a modern and efficient approach to communication.

This commitment to recycling and responsible waste management aligns with our broader vision for environmental stewardship. We believe that these efforts, when embraced by our team, contribute to a positive environmental impact, reflecting our dedication to the long-term health of the planet and the communities in which we operate.

**Social**Training & Talent Management

At Focus Dynamics, we value our workforce as our most valuable assets. Our commitment to human capital development remains unwavering as we strive to cultivate the full potential of our workforce. Training programs for skill development and improvement are conducted for our employees so that they can execute their roles and responsibilities efficiently and for their personal career development. Therefore, the Company takes the proactive initiative to provide training to our employees. The training programs include but are not limited to in-house accounting, bookkeeping and tax training sessions.

Our team comprises individuals with extensive experience and diverse industry backgrounds. Building capability is key, hence we offer opportunities for the growth and development of talent in the organization through targeted development plans and succession planning. To ensure our long-term sustainability, we continuously invest time and effort in recruiting (internal and external), upskilling, engaging and rewarding talents of the organization accordingly.

For critical and leadership roles, succession planning is integral to our long-term performance as part of our Group's sustainability move. The Nomination Committee reviews the Group's human resources plan including succession management framework and activities, human resources initiatives such as jobs and salary review and the annual manpower budget. The succession planning across the Group is implemented in stages and training programs are designed specifically for management staff.

The Group recognize the significance of maintaining a healthy work-life balance is important for employee well-being and it can contribute to greater productivity and performance. In this context, motivation and recreation are also essential to the Group's responsibility to our employees. The Group organized various festival celebrations such as birthday celebrations and Chinese New Year celebration, aim to foster a harmonious workplace culture and encourage interaction among our employees.

Safe Workplace

The Group recognises that the safety and well-being of its employees are the foundation of its success. Hence, we strive to provide a safe and healthy environment for our employees and to ensure safe practices in all aspects of our business operations.

Ensuring a safe workplace environment not only fosters employee satisfaction but also cultivates a conducive setting wherein individuals can effectively fulfill their job responsibilities. Such an environment promotes productivity and comfort, contributing significantly to an optimal work atmosphere.

## SUSTAINABILITY STATEMENT (CONT'D)

### MATERIAL SUSTAINABILITY MATTERS (CONT'D)

#### Social (Cont'd)

##### Labour Practices

We are committed to provide and respect fundamental human rights and safeguarding against violations of human rights. Our dedication extends to ensuring freedom from forced and child labour, adherence to minimum wages and fair compensation and provision of reasonable working hours as stipulated by Labour Law.

Our pledge encompasses the establishment of an anti-discriminatory and anti-harassment workplace, that is safe and healthy and above all, ethical in conduct. We uphold the freedom of employees to unionize in accordance with local laws and practices. Our hiring policy emphasize on diversity in terms of races, gender and religion. We provide equal opportunity to all of our applicants or existing employees for their career advancement.

Even in the face of a challenging business environment, the Group remains unwavering in maintaining all employment benefits and has implemented quarterly performance-based incentives for our employees. This commitment reflects our dedication to creating a workplace that not only complies with legal and ethical standards but also prioritizes the well-being, equality and growth development of our workforce.

##### Community

The Group is firmly committed to contributing to the betterment of society. Over time, we have consistently extended our support to various charitable organisations. Assisting the less privileged members within our community stands as a testament to our dedication to giving back to society.

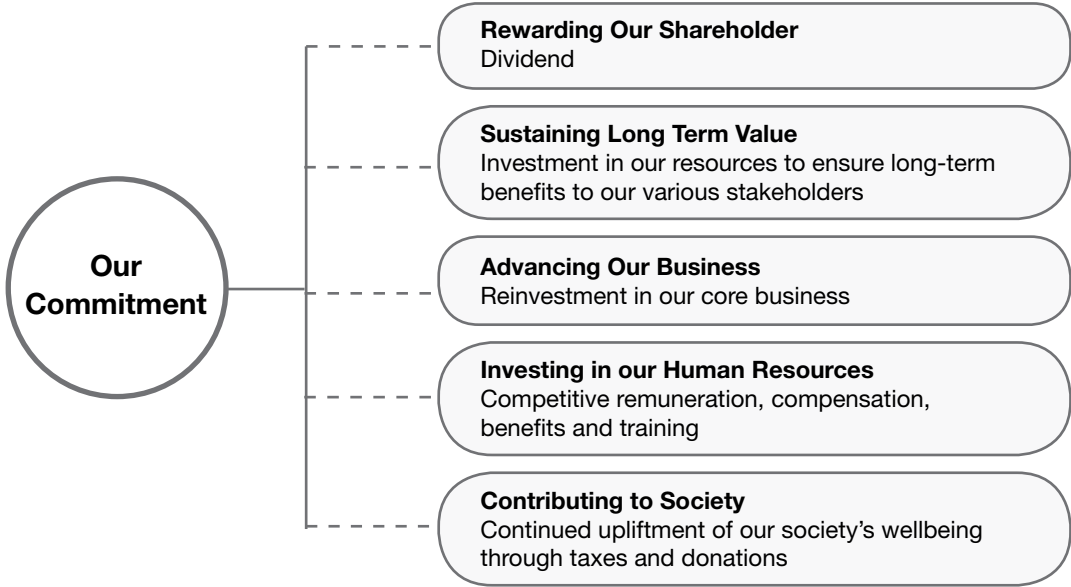
In line with this commitment, we have made a donation to the following non-profit organisation dedicated to distributing food and pastries to those in need:-

- Rumah Hope, Paramount Garden
- Trinity Children's Home, Seks 7
- Shelter Home for Children, Lorong Timur, Taman Jaya
- Sweet Care Home, Batu Caves
- Persatuan Kebajikan Kanak-Kanak Istimewa Insan, Tmn Gembira
- Victory of Children & Youth Home, Tmn Overseas Union

Given our strong ties within the communities where we operate, we actively participate in community outreach programs and activities. We take pride in the opportunity to serve diverse segments of the community, fostering social empowerment and striving to make a positive impact across all facets of life.

OUR COMMITMENT

As a responsible corporate citizen, the Group shall endeavour to undertake sustainable and responsible practices to add value to sustainable business growth, environmental stewardship and social responsibility.



## STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

This statement is prepared as required by the Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are required by the Companies Act 2016 (the Act) to prepare financial statements for each financial year so as to give a true and fair view of the financial position of the Group and of the Company and the results and cash flows of the Group and of the Company as at end of the financial year.

During the preparation of the financial statements for the financial period ended 30 September 2023, the directors have ensured that:

- the Group and the Company have adopted appropriate accounting policies and are consistently applied;
- judgements and estimates that are prudent and reasonable have been used;
- all applicable Malaysian Financial Reporting Standards and International Financial Reporting Standards in Malaysia have been complied with;
- the accounting and other records required by the Act are properly kept and disclosed with reasonable accuracy at any time, the financial position of the Group and of the Company which enable them to ensure the financial statements comply with the Act; and
- the financial statements have been prepared on the going concern basis.

The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities and material misstatements, as described more fully in the corporate governance section of this report. Such system, by their nature, can only provide reasonable and not absolute assurance against material misstatement, loss and fraud.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### Directors' Report for the financial period ended 30 September 2023

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial period ended 30 September 2023.

#### Principal activities

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are as disclosed in Note 8 to the financial statements.

There have been no significant changes in the nature of these activities during the financial period.

#### Change of financial year end

During the current financial period, the Company changed its financial year end from 30 June to 30 September. The Company hereby presents their fifteen (15) month financial statements from 1 July 2022 to 30 September 2023.

#### Financial results

	Group RM'000	Company RM'000
Loss for the period	<u>(26,051)</u>	<u>(23,903)</u>
Loss attributable to:		
Owners of the Company	(24,165)	(23,903)
Non-controlling interests	<u>(1,886)</u>	<u>-</u>
	<u>(26,051)</u>	<u>(23,903)</u>

#### Dividends

No dividends were paid, declared or proposed since the end of the previous financial period.

The Directors do not recommend the payment of any dividend for the financial period ended 30 September 2023.

#### Reserves and provisions

All material transfers to or from reserves or provisions during the financial period have been disclosed in the financial statements.



## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **Issue of shares and debentures**

There were no issue of shares or debentures by the Company during the financial period.

### **Options granted over unissued shares**

During the financial period, no options were granted by the Company to any person to take up any unissued shares in the Company.

### **ICPS with free detachable Warrants D**

On 3 December 2020, the Company listed and quoted 2,044,266,042 ICPS at an issue price of RM0.055 per ICPS together with 3,066,399,051 free detachable warrants ("Warrants D") pursuant to the renounceable rights issue on the basis of two (2) ICPS together with three (3) free Warrants D for every six (6) existing ordinary shares held by the entitled shareholders of the Company after share split of every one (1) existing ordinary share into three (3) shares ("Split Shares") held by the entitled shareholders of the Company.

The ICPS are constituted by the Constitution of the Company.

Salient features of the ICPS are as follows:-

- (a) Each ICPS carries the entitlement to convert into new ordinary shares of the Company at the conversion price of RM0.55 per share based on the conversion ratio of ten (10) ICPS for every 1 new ordinary share during the 10-year period expiring on 26 November 2030 ("Conversion Period"), subject to the adjustments determined by the Board of Directors;
- (b) The ICPS is not redeemable for cash; and
- (c) The ICPS are unsecured and shall, upon allotment and issue, rank pari passu amongst themselves and shall rank in priority to any other class of shares in the capital of the Company, except that they will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared by the Company in respect of the ordinary shares and they carry no right to vote at any general meeting of the Company.

During the financial period, none (30.6.2022: 1,075,846,200) of the ICPS were converted into new ordinary shares of the Company (30.6.2022: 216,502,980). As at 30 September 2023, the total number of ICPS that remained unexercised are 903,363,292 (30.6.2022: 903,363,292).

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **ICPS with free detachable Warrants D (continued)**

The Warrants D are constituted by the Deed Poll dated 19 October 2020 ("Deed Poll D") and immediately be detached from the ICPS upon allotment and issuance.

Salient features of the Warrants D are as follows:-

- (a) Each Warrants D shall entitle its registered holders to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.80 per Warrant D during the 5-year period expiring on 26 November 2025 ("Exercise Period"), subject to the adjustments as set out in the Deed Poll D;
- (b) At the expiry of the Exercise Period, any Warrants D which have not been exercised shall automatically lapse and cease to be valid for any purposes; and
- (c) Warrant holders must exercise the Warrants D in accordance with the procedures set out in the Deed Poll D and shares allotted and issued upon such exercise shall rank pari passu in all respects with the then existing shares of the Company, and shall be entitled to any dividends, rights, allotments and/or other distributions after the issue and allotment thereof.

During the financial period, none (30.6.2022: none) of the Warrants D is exercised into new ordinary shares of the Company. As at 30 September 2023, the total number of warrants that remained unexercised are 3,066,399,051 (30.6.2022: 3,066,399,051).

### **Directors**

The Directors in office during the financial period and during the period from the end of the financial period to the date of this report are:

Tay Ben Seng, Benson

Leow Wey Seng

Tang Yee Ling

Tan Aik Heang

Abdul Menon Bin Arsad @ Abdul Manan Bin Arshad

(Resigned on 1.6.2023)

(Resigned on 27.12.2023)

The names of the directors of the Company's subsidiaries in office during the financial period and during the period from the end of the financial period to the date of this report are:

Tay Ben Seng, Benson

Chin Yuok Sheong

Ong Kah Hoe

Muhammad Bin Md Rashid

Tengku Anun Zaharah Bt Tg Abdul Hamid

Wan Hazreek Putra Hussain Yusuf

Chong Loong Men

Tan Tiam Pueh

Lim Ming Chang

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### Directors' interests

According to the Register of Directors' Shareholdings, particulars of interests in the shares, irredeemable convertible preference shares and/or warrants of the Company and its related corporations during the financial period of those Directors who held office at the end of the financial period were as follows:

	Number of ordinary shares in the Company			
	At 1.7.2022	Additions	Disposals	At 30.9.2023
<b>Direct interest:</b>				
Tay Ben Seng, Benson	129,100,140	-	-	129,100,140
<hr/>				
	Number of irredeemable convertible preference shares in the Company			
	At 1.7.2022	Additions	Disposals	At 30.9.2023
<b>Direct interest:</b>				
Tay Ben Seng, Benson	-	-	-	-
<hr/>				
	Number of Warrants D in the Company			
	At 1.7.2022	Additions	Disposals	At 30.9.2023
<b>Direct interest:</b>				
Tay Ben Seng, Benson	50	-	-	50

By virtue of his interest in the shares of the Company, Tay Ben Seng, Benson is deemed to have interests in the shares of all the subsidiaries as at the financial period to the extent the Company has an interest.

None of the other Directors in office at the end of the financial period held any interest in the shares of the Company or its related corporations during the financial period.

### Directors' benefits

In respect of the Directors or past Directors of the Company, no fees and other benefits distinguished separately, have been paid to or receivable by them as remuneration for their services to the Company and its related corporations, other than Directors' remuneration, as disclosed in Note 38 to the financial statements.

Since the end of the previous financial period, no Director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member or with a company in which the Director has a substantial financial interest, except as disclosed in the financial statements.

Neither during nor at the end of the financial period was the Company a party to any arrangement whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **Indemnity and insurance costs for Directors, Officers and Auditors**

#### **(a) Directors and Officers**

The Directors and Officers of the Group and the Company are covered by Directors' and Officers' Liability Insurance ("DOL Insurance") basis for the purpose of Section 289 of the Companies Act 2016. During the financial period, the total amount of indemnity coverage and insurance premium paid for the Directors and the officers of the Group and of the Company are RM5,000,000 and RM47,500 respectively.

#### **(b) Auditors**

Any indemnity given to or insurance effected for the auditors of the Company is to be made to the extent as permitted under Section 289 of the Companies Act 2016. To the extent permitted by law, the Company has agreed to indemnify its auditors, Nexia SSY PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit for an unspecified amount. No payment has been made to indemnify Nexia SSY PLT during the financial period and up to the date of this report.

### **Other statutory information**

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount to which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- (a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or the financial statements, which would render any amount stated in the financial statements misleading.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **Other statutory information (continued)**

In the opinion of the Directors:

- (a) the results of the Group's and of the Company's operations during the financial period were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) no contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial period which will or may affect the ability of the Group and of the Company to meet their obligations when they fall due, except as disclosed in the financial statements.

In the interval between the end of the financial period and the date of this report:

- (a) no item, transaction or event of a material and unusual nature has arisen which, in the opinion of the Directors, would affect substantially the results of the operations of the Group and of the Company for the financial period in which this report is made; and
- (b) no charge has arisen on the assets of the Group and of the Company which secures the liability of any other person nor has any contingent liability arisen in the Group and in the Company.

### **Significant and subsequent events**

The details of significant and subsequent events are disclosed in Note 48 to the financial statements.

### **Auditors**

The auditors, Nexia SSY PLT, have indicated their willingness to continue in office.

The auditors' remuneration is disclosed in Note 36 to the financial statements.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 30 January 2024.

**Tay Ben Seng, Benson**  
Director

**Leow Wey Seng**  
Director

Kuala Lumpur

**Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

**Statements of Financial Position  
as at 30 September 2023**

		<b>Group</b>		<b>Company</b>	
	<b>Note</b>	<b>30.9.2023</b>	<b>30.6.2022</b>	<b>30.9.2023</b>	<b>30.6.2022</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	6	<b>24,289</b>	20,857	<b>261</b>	696
Right-of-use assets	7	<b>16,534</b>	18,444	-	-
Investment in subsidiaries	8	-	-	<b>2,439</b>	51
Investment in associates	9	<b>12,463</b>	18,692	-	-
Investment in joint venture	10	-	-	-	-
Investment in quoted and unquoted shares	11	<b>13,090</b>	16,678	-	-
Prepaid expenses	12	<b>89,000</b>	34,779	-	-
Goodwill	13	<b>88</b>	88	-	-
Products development expenditure	14	-	-	-	-
		<b>155,464</b>	109,538	<b>2,700</b>	747
<b>Current assets</b>					
Inventories	15	<b>13,068</b>	14,633	-	-
Trade receivables	16	<b>3,997</b>	9,450	-	-
Other receivables, deposits and prepayments	17	<b>12,855</b>	25,553	<b>1,023</b>	21
Amount due from subsidiaries	18	-	-	<b>119,142</b>	117,300
Amount due from associates	19	<b>2,241</b>	-	-	-
Amount due from related parties	20	<b>418</b>	847	-	-
Amount due from joint venture	21	-	-	-	-
Short-term investments	22	<b>20</b>	2,076	-	-
Current tax assets		<b>1,739</b>	8,313	<b>602</b>	441
Fixed deposits with licensed banks	23	<b>13,098</b>	2,940	<b>1,491</b>	1,450
Cash and bank balances	24	<b>23,735</b>	60,545	<b>15,886</b>	40,030
		<b>71,171</b>	124,357	<b>138,144</b>	159,242
<b>TOTAL ASSETS</b>		<b>226,635</b>	233,895	<b>140,844</b>	159,989

The accompanying notes form an integral part of these financial statements.

**Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

**Statements of Financial Position  
as at 30 September 2023 (continued)**

		<b>Group</b>		<b>Company</b>	
	<b>Note</b>	<b>30.9.2023</b>	<b>30.6.2022</b>	<b>30.9.2023</b>	<b>30.6.2022</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	25	<b>218,640</b>	218,640	<b>218,640</b>	218,640
Irredeemable convertible preference shares	26	<b>49,685</b>	49,685	<b>49,685</b>	49,685
Reserves	27	<b>(129,564)</b>	(105,145)	<b>(136,266)</b>	(112,363)
<b>Equity attributable to owners of the Company</b>		<b>138,761</b>	163,180	<b>132,059</b>	155,962
Non-controlling interests	8(c)	<b>(466)</b>	1,420	<b>-</b>	-
<b>TOTAL EQUITY</b>		<b>138,295</b>	164,600	<b>132,059</b>	155,962
<b>Non-current liabilities</b>					
Lease liabilities	28	<b>14,710</b>	10,543	-	-
Amount due to a related party	20	<b>4,738</b>	-	-	-
Deferred tax liabilities	29	<b>31</b>	198	-	-
		<b>19,479</b>	10,741	-	-
<b>Current liabilities</b>					
Trade payables	30	<b>23,433</b>	5,293	-	-
Other payables and accruals	31	<b>13,875</b>	23,696	<b>2,158</b>	914
Provision for restoration costs	32	<b>1,242</b>	579	-	-
Amount due to subsidiaries	18	-	-	<b>6,627</b>	3,113
Amount due to an associate	19	<b>278</b>	-	-	-
Amount due to related parties	20	<b>15,397</b>	17,510	-	-
Amount due to joint venture	21	-	9	-	-
Borrowings	33	<b>11,205</b>	1,207	-	-
Lease liabilities	28	<b>3,037</b>	9,835	-	-
Current tax liabilities		<b>394</b>	425	-	-
		<b>68,861</b>	58,554	<b>8,785</b>	4,027
<b>TOTAL LIABILITIES</b>		<b>88,340</b>	69,295	<b>8,785</b>	4,027
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>226,635</b>	233,895	<b>140,844</b>	159,989

The accompanying notes form an integral part of these financial statements.



**Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

**Statements of Profit or Loss and Other Comprehensive Income  
for the financial period ended 30 September 2023**

		<b>Group</b>		<b>Company</b>	
	<b>Note</b>	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	<b>Financial period from 1.1.2021 to 30.6.2022 RM'000</b>	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	<b>Financial period from 1.1.2021 to 30.6.2022 RM'000</b>
Revenue	34	<b>94,225</b>	60,237	-	-
Cost of sales		<b>(38,813)</b>	(29,812)	-	-
Gross profit		<b>55,412</b>	30,425	-	-
Other income		<b>8,441</b>	13,299	<b>758</b>	2,885
Bargain purchase of associates	9	-	20,166	-	-
Gain on disposal of subsidiaries	8(b)	<b>4,773</b>	-	-	-
Other operating expenses		<b>(61,263)</b>	(38,946)	<b>(1,656)</b>	(2,345)
Net impairment loss on financial assets	35	<b>(1,731)</b>	(323)	<b>(23,004)</b>	(69,239)
Impairment loss on investment in associates	9	<b>(2,030)</b>	(40,710)	-	-
Impairment loss on goodwill	13	<b>(3,109)</b>	-	-	-
Impairment loss on prepaid expenses	12	<b>(7,130)</b>	-	-	-
Deemed loss on disposal of investment in an associate	9	-	(17,873)	-	-
Share of loss on investment in associates	9(i)	<b>(4,202)</b>	(13,708)	-	-
Fair value loss on investment in quoted shares	11	<b>(8,386)</b>	(22,051)	-	-
Loss from operations		<b>(19,225)</b>	(69,721)	<b>(23,902)</b>	(68,699)
Finance costs		<b>(3,280)</b>	(2,108)	-	-
Loss before taxation	36	<b>(22,505)</b>	(71,829)	<b>(23,902)</b>	(68,699)
Taxation	39	<b>(3,546)</b>	(2,154)	<b>(1)</b>	(278)
Loss for the period		<b>(26,051)</b>	(73,983)	<b>(23,903)</b>	(68,977)
Other Comprehensive (Expenses)/Income					
<u>Items that will be reclassified subsequently to Profit or Loss</u>					
Foreign currency translation differences		<b>(254)</b>	210	-	-
Total comprehensive expenses for the period		<b>(26,305)</b>	(73,773)	<b>(23,903)</b>	(68,977)

The accompanying notes form an integral part of these financial statements.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### Statements of Profit or Loss and Other Comprehensive Income for the financial period ended 30 September 2023 (continued)

	Note	Group	Financial	Company	Financial
		Financial period from 1.7.2022 to 30.9.2023 RM'000	period from 1.1.2021 to 30.6.2022 RM'000	Financial period from 1.7.2022 to 30.9.2023 RM'000	period from 1.1.2021 to 30.6.2022 RM'000
(Loss)/profit for the period attributable to:					
Owners of the Company		<b>(24,165)</b>	(74,423)	<b>(23,903)</b>	(68,977)
Non-controlling interests		<b>(1,886)</b>	440	-	-
		<b><u>(26,051)</u></b>	<u>(73,983)</u>	<b><u>(23,903)</u></b>	<u>(68,977)</u>
Total comprehensive (expenses)/income attributable to:					
Owners of the Company		<b>(24,419)</b>	(74,213)	<b>(23,903)</b>	(68,977)
Non-controlling interests		<b>(1,886)</b>	440	-	-
		<b><u>(26,305)</u></b>	<u>(73,773)</u>	<b><u>(23,903)</u></b>	<u>(68,977)</u>
Losses per share (sen)					
- Basic	40	<b><u>(0.38)</u></b>	<u>(1.17)</u>		
- Diluted	40	<b><u>(0.33)</u></b>	<u>(1.03)</u>		

The accompanying notes form an integral part of these financial statements.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### Statements of Changes in Equity for the financial period ended 30 September 2023

	Note	Non-distributable				Accumulated losses RM'000	Attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
		Share capital RM'000	ICPS RM'000	Warrant reserve RM'000	Foreign exchange translation RM'000				
<b>Group</b>									
At 1 July 2022		<b>218,640</b>	<b>49,685</b>	<b>389,126</b>	<b>185</b>	<b>(494,456)</b>	<b>163,180</b>	<b>1,420</b>	<b>164,600</b>
Loss for the period		-	-	-	-	<b>(24,165)</b>	<b>(24,165)</b>	<b>(1,886)</b>	<b>(26,051)</b>
Other comprehensive expenses for the period	27(b)	-	-	-	<b>(254)</b>	-	<b>(254)</b>	-	<b>(254)</b>
Total comprehensive expenses for the period		-	-	-	<b>(254)</b>	<b>(24,165)</b>	<b>(24,419)</b>	<b>(1,886)</b>	<b>(26,305)</b>
At 30 September 2023		<b>218,640</b>	<b>49,685</b>	<b>389,126</b>	<b>(69)</b>	<b>(518,621)</b>	<b>138,761</b>	<b>(466)</b>	<b>138,295</b>

The accompanying notes form an integral part of these financial statements.

**Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

**Statements of Changes in Equity  
for the financial period ended 30 September 2023 (continued)**

Note	Non-distributable				Accumulated losses RM'000	Attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	ICPS RM'000	Warrant reserve RM'000	Foreign exchange translation RM'000				
<b>Group</b>								
At 1 January 2021	99,563	108,857	389,126	(25)	(420,033)	177,488	940	178,428
(Loss)/profit for the period	-	-	-	-	(74,423)	(74,423)	440	(73,983)
Other comprehensive expenses for the period	-	-	-	210	-	210	-	210
27(b)								
Total comprehensive (expenses)/income for the period	-	-	-	210	(74,423)	(74,213)	440	(73,773)
Contributions by and distributions to owners of the Company:								
- Issue of shares	119,077	(59,172)	-	-	-	59,905	-	59,905
25,26								
- Incorporation of subsidiaries during the period	-	-	-	-	-	-	40	40
8								
Total transactions with owners	119,077	(59,172)	-	-	-	59,905	40	59,945
At 30 June 2022	218,640	49,685	389,126	185	(494,456)	163,180	1,420	164,600

The accompanying notes form an integral part of these financial statements.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### Statements of Changes in Equity for the financial period ended 30 September 2023 (continued)

Company	Note	Non-distributable			Accumulated losses RM'000	Total equity RM'000
		Share capital RM'000	ICPS RM'000	Warrant reserve RM'000		
At 1 July 2022		218,640	49,685	389,126	(501,489)	155,962
Loss for the period		-	-	-	(23,903)	(23,903)
At 30 September 2023		218,640	49,685	389,126	(525,392)	132,059
At 1 January 2021		99,563	108,857	389,126	(432,512)	165,034
Loss for the period		-	-	-	(68,977)	(68,977)
Contributions by and distributions to owners of the Company:						
- Issue of shares	25,26	119,077	(59,172)	-	-	59,905
		119,077	(59,172)	-	-	59,905
At 30 June 2022		218,640	49,685	389,126	(501,489)	155,962

The accompanying notes form an integral part of these financial statements.

**Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

**Statements of Cash Flows  
for the financial period ended 30 September 2023**

		<b>Group</b>		<b>Company</b>	
	<b>Note</b>	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	<b>Financial period from 1.1.2021 to 30.6.2022 RM'000</b>	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	<b>Financial period from 1.1.2021 to 30.6.2022 RM'000</b>
<b>Cash flows from operating activities</b>					
Loss before taxation		<b>(22,505)</b>	(71,829)	<b>(23,902)</b>	(68,699)
Adjustments for:					
Assignment of debts from former shareholders		<b>(785)</b>	-	-	-
Bad debts written-off		<b>1</b>	-	-	-
Bargain purchase of associates	9	-	(20,166)	-	-
Deemed loss on disposal of investment in an associate	9	-	17,873	-	-
Depreciation of property, plant and equipment	6	<b>8,262</b>	6,570	<b>435</b>	464
Depreciation of right-of-use assets	7	<b>4,347</b>	5,417	-	-
Dividend income		<b>(1)</b>	(41)	-	-
Fair value gain on short term investments	22	<b>(27)</b>	(12)	-	-
Fair value loss on investment in quoted shares	11	<b>8,386</b>	22,051	-	-
Gain on disposal of property, plant and equipment (net)		<b>(44)</b>	(193)	-	-
Loss on lease modification (net)		<b>433</b>	-	-	-
Gain on disposal of joint venture		<b>(585)</b>	-	-	-
Gain on disposal of investment in quoted shares		-	(2,496)	-	-
Gain on disposal of investment in quoted warrants		-	(2,530)	-	-
Gain on disposal of right-of-use assets		<b>(16)</b>	(40)	-	-
Gain on disposal of subsidiaries		<b>(4,773)</b>	-	-	-
Gain on lease liabilities written-off due to early termination		<b>(1,419)</b>	-	-	-
Impairment loss on:					
- trade receivables		<b>3,945</b>	109	-	-
- other receivables		-	110	-	-
- amount due from subsidiaries		-	-	<b>28,618</b>	69,434
- amount due from related parties		<b>11</b>	186	-	-
Impairment loss on goodwill	13	<b>3,109</b>	-	-	-
Impairment loss on investment in associates	9	<b>2,030</b>	40,710	-	-
Impairment loss on investment in unquoted shares	11	-	380	-	-
Impairment loss on property, plant and equipment	6	<b>170</b>	-	-	-
Balance carried forward		<b>539</b>	(3,901)	<b>5,151</b>	1,199

The accompanying notes form an integral part of these financial statements.

**Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

**Statements of Cash Flows  
for the financial period ended 30 September 2023 (continued)**

		Group		Company	
		Financial period from 1.7.2022 to 30.9.2023 RM'000	Financial period from 1.1.2021 to 30.6.2022 RM'000	Financial period from 1.7.2022 to 30.9.2023 RM'000	Financial period from 1.1.2021 to 30.6.2022 RM'000
Note					
<b>Cash flows from operating activities (continued)</b>					
		<b>539</b>	(3,901)	<b>5,151</b>	1,199
Balance brought forward					
Impairment loss on prepaid expenses	12	<b>7,130</b>	-	-	-
Interest expenses on lease liabilities		<b>3,019</b>	2,039	-	-
Interest expense		<b>261</b>	69	-	-
Interest income		<b>(462)</b>	(2,695)	<b>(337)</b>	(2,590)
Products development expenditure written-off		<b>813</b>	-	-	-
Property, plant and equipment written-off		<b>53</b>	82	-	-
Reversal of impairment loss on:					
- trade receivables		<b>(69)</b>	(82)	-	-
- amount due from joint venture		<b>(2,156)</b>	*	-	-
- amount due from subsidiaries		-	-	<b>(5,614)</b>	(195)
- products development expenditure		<b>(813)</b>	-	-	-
Share of loss on investment in associates	9	<b>4,202</b>	13,708	-	-
Unrealised foreign exchange gain		<b>(597)</b>	(643)	<b>(421)</b>	(295)
Operating profit/(loss) before working capital changes		<b>11,920</b>	8,577	<b>(1,221)</b>	(1,881)
Decrease/(increase) in inventories		<b>1,821</b>	(2,889)	-	-
Decrease/(increase) in receivables		<b>14,290</b>	(23,363)	<b>(1,002)</b>	23
Increase/(decrease) in payables		<b>16,646</b>	6,519	<b>1,244</b>	(52)
Increase in amount due from associates		<b>(2,241)</b>	-	-	-
Increase in amount due from subsidiaries		-	-	<b>(24,425)</b>	(139,769)
Decrease in amount due from joint venture		-	17	-	-
Increase/(decrease) in amount due from related parties		<b>2,574</b>	(850)	-	-
Decrease in amount due to subsidiaries		-	-	<b>(3,113)</b>	(1,800)
Increase in amount due to an associate		<b>278</b>	-	-	-
Increase in amount due to related parties		<b>466</b>	5,614	<b>6,627</b>	-
(Decrease)/increase in amount due to joint venture		<b>(9)</b>	9	-	-
Cash generated from/(used in) operations		<b>45,745</b>	(6,366)	<b>(21,890)</b>	(143,479)
Interest paid		<b>(222)</b>	(69)	-	-
Interest received - other than fixed deposits		<b>300</b>	2,635	<b>296</b>	2,562
Income tax refund		<b>388</b>	-	-	-
Income tax paid		<b>(5,361)</b>	(11,892)	<b>(162)</b>	(645)
Net cash generated from/(used in) operating activities		<b>40,850</b>	(15,692)	<b>(21,756)</b>	(141,562)

The accompanying notes form an integral part of these financial statements.



**Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

**Statements of Cash Flows  
for the financial period ended 30 September 2023 (continued)**

	Note	Group	Financial	Company	Financial
		Financial	period from	Financial	period from
		period from	1.1.2021 to	period from	1.1.2021 to
		1.7.2022 to	30.6.2022	1.7.2022 to	30.6.2022
		30.9.2023	RM'000	30.9.2023	RM'000
<b>Cash flows used in investing activities</b>					
Acquisition of subsidiaries	8(a)	(432)	-	-	-
Additional investment in a subsidiary	8	-	-	(2,388)	-
Additions of right-of-use assets	41(a)	-	(25)	-	-
Additions to prepaid expenses		(61,351)	(15,543)	-	-
Disposal of subsidiaries, net of cash and cash equivalents disposed of	8(b)	5,615	-	-	-
Dividend income		1	41	-	-
Incorporation of subsidiaries	8	-	-	-	(*)
Incorporation of subsidiaries with non-controlling interest	8	-	40	-	-
Increase in pledged fixed deposits with licensed banks		(10,144)	(28)	(41)	(28)
Interest received - fixed deposits		162	60	41	28
Investment in associates		(3)	(81,707)	-	-
Investment in quoted shares		(4,517)	(9,481)	-	-
Proceeds from disposal of investment in quoted warrants		-	2,530	-	-
Proceeds from disposal of investment in quoted shares		-	7,302	-	-
Proceeds from disposal of property, plant and equipment		6,108	236	-	-
Proceeds from disposal of right-of-use assets		95	100	-	-
Purchase of property, plant and equipment		(22,223)	(15,664)	-	-
Net cash used in investing activities		(86,689)	(112,139)	(2,388)	(*)

The accompanying notes form an integral part of these financial statements.

**Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

**Statements of Cash Flows  
for the financial period ended 30 September 2023 (continued)**

		<b>Group</b>		<b>Company</b>
		<b>Financial</b>	Financial	<b>Financial</b>
		<b>period from</b>	period from	<b>period from</b>
		<b>1.7.2022 to</b>	1.1.2021 to	<b>1.7.2022 to</b>
		<b>30.9.2023</b>	30.6.2022	<b>30.9.2023</b>
		<b>RM'000</b>	RM'000	<b>RM'000</b>
	<b>Note</b>			
<b>Cash flows from financing activities</b>				
Repayment of lease liabilities	41(b)	(3,670)	(4,335)	-
Interest paid on lease liabilities	41(b)	(2,958)	(2,039)	-
Drawdown of revolving credit		10,000	-	-
Drawdown of term loan		3,640	-	-
Repayment of term loan		(39)	-	-
Interest paid on term loan		(73)	-	-
Proceeds from issuance of share capital	25,26	-	59,905	-
Net cash generated from financing activities		<b>6,900</b>	53,531	-
<b>Net decrease in cash and cash equivalents</b>		<b>(38,939)</b>	(74,300)	<b>(24,144)</b>
Cash and cash equivalents at beginning of the period		<b>62,904</b>	137,194	<b>40,030</b>
Effects of foreign exchange translation		62	(2)	-
Fair value gain on short term investments		27	12	-
		<b>62,993</b>	137,204	<b>40,030</b>
<b>Cash and cash equivalents at end of the period</b>		<b>24,054</b>	62,904	<b>15,886</b>
<b>Cash and cash equivalents comprise:</b>				
Short-term investments	22	20	2,076	-
Fixed deposits with licensed banks	23	13,098	2,940	1,491
Cash and bank balances	24	23,735	60,545	15,886
		<b>36,853</b>	65,561	<b>17,377</b>
Less:				
Bank overdrafts	33	(1,205)	(1,207)	-
Fixed deposits pledged to a licensed bank	23	(11,594)	(1,450)	(1,491)
		<b>(12,799)</b>	(2,657)	<b>(1,491)</b>
		<b>24,054</b>	62,904	<b>15,886</b>

\* Denotes amount below RM1,000

The accompanying notes form an integral part of these financial statements.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **Notes to the Financial Statements for the financial period ended 30 September 2023**

#### **1. Corporate information**

The Company is a public limited company, incorporated and domiciled in Malaysia, and is listed on the Ace Market of the Bursa Malaysia Securities Berhad.

The registered office of the Company is located at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur. The principal place of business of the Company is located at Lot 12.1, 12<sup>th</sup> Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are as disclosed in Note 8. There have been no significant changes in the nature of these activities during the financial period.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 January 2024.

#### **2. Basis of preparation of the financial statements**

The financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the summary of significant accounting policies (Note 3).

The preparation of financial statements in conformity with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

The financial statements are presented in Ringgit Malaysia (RM), which is the Group's functional currency. All financial information have been rounded to the nearest thousand (RM'000), unless otherwise stated.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies**

All significant accounting policies set out below are consistent with those applied in the previous financial period, except as disclosed in Note 4.

#### **(a) Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

Subsidiaries are entities controlled by the Company. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Company also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Subsidiaries are consolidated from the date on which control is transferred to the Company up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Company.

#### **Business Combinations**

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Company at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

#### **Non-Controlling Interests**

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(a) Basis of consolidation (continued)**

##### **Changes in ownership interests in subsidiaries without change of control**

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in the equity of the Company.

##### **Loss of Control**

Upon the loss of control of a subsidiary, the Company recognises any gain or loss on disposal in profit or loss which is calculated as the difference between:-

- i. the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and
- ii. the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 9: Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

#### **(b) Goodwill or reserve arising from consolidation**

Goodwill is measured at cost less accumulated impairment loss, if any. The carrying value of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Under the acquisition method, any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests recognised and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisition is recorded as goodwill.

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised in profit or loss immediately.

In respect of equity-accounted joint-venture, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted joint-venture.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 3. Significant accounting policies (continued)

#### (c) Property, plant and equipment, and depreciation

All items of property, plant and equipment are initially recorded at cost. Costs includes expenditure that are directly attributable to the acquisition of the asset and other costs directly attributable to bringing the asset to working condition for its intended use, and the estimated costs of dismantling and removing the items and restoring that site on which they are located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance are charged to profit or loss as incurred.

Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment loss.

No depreciation is provided for capital work-in-progress until the assets are ready for their intended use.

Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Building	2%
Plant and machinery	25%
Equipment and kitchen utensils	4% - 25%
Furniture, fittings, and equipment	10% - 33%
Motor vehicles	20%
Signboard	15% - 20%
Electrical fittings	10%
Renovation	10% - 25%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful lives and depreciation methods are reviewed at each financial year end, and adjusted prospectively, if appropriate to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in profit or loss in the year the property, plant and equipment is derecognised.

#### (d) Investment in subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(d) Investment in subsidiaries (continued)**

In the Company's separate financial statements, investment in subsidiaries which are eliminated on consolidation are stated at cost less impairment loss, unless the investment is held for sale.

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is recognised in profit or loss.

#### **(e) Investment in associates**

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not control, over the financial and operating policies.

Investment in associates are accounted for in the consolidated financial statements using the equity method less any impairment loss, unless it is classified as held for sale or distribution. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associates, after adjustments, if any, to align the accounting policies with those of the Group, from the date that significant policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in the profit or loss.

When the Group's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not remeasured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

Investment in associates are measured in the Group's statement of financial position at cost less any impairment loss, unless the investment is classified as held for sale or distribution. The cost of the investment includes transaction costs.



## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(f) Investment in joint ventures**

Joint ventures are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements returns, and has rights only to the net assets of the arrangements.

Investment in joint ventures are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures.

The investment in a joint venture is accounted for in the consolidated financial statements using the equity method, based on the financial statements of the joint venture made up to 30 September 2023. The Group's share of the post acquisition profits and other comprehensive income of the joint venture is included in the consolidated statement of profit or loss and other comprehensive income, after adjustment if any, to align the accounting policies with those of the Group, from the date that joint control commences up to the effective date when the investment ceases to be a joint venture or when the investment is classified as held for sale. The Group's investment in the joint venture is carried in the consolidated statement of financial position at cost plus the Group's share of the post acquisition retained profits and reserves. The cost of investment includes transaction costs.

When the Group's share of losses exceeds its interest in a joint venture, the carrying amount of that interest is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation.

Unrealised gain on transactions between the Group and the joint venture are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are eliminated unless cost cannot be recovered.

The Group discontinues the use of the equity method from the date when the investment ceases to be joint venture or when the investment is classified as held for sale. When the Group retains an interest in the former joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as the initial carrying amount of the financial asset in accordance with MFRS 9: Financial Instruments. Furthermore, the Group also reclassifies its share of the gain or loss previously recognised in other comprehensive income of that joint venture to profit or loss when the equity method is discontinued. However, the Group will continue to use the equity method when an investment in a joint venture becomes an investment in an associate. Under such change in ownership interest, the retained investment is not remeasured to fair value but a proportionate share of the amounts previously recognised in other comprehensive income of the joint venture will be reclassified to profit or loss when appropriate. All dilution gains or losses arising in investments in joint ventures are recognised in profit or loss.

#### **(g) Other investments**

Investments were measured at fair value through profit or loss if the investments are quoted, or where the fair value can otherwise be measured reliably. Other non-quoted equity investments are measured at cost less impairment.

On disposal of an investment, the difference between the net disposal proceeds and its carrying amount is charged or credited to the profit or loss.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(h) Prepaid expenses**

Prepaid expenses comprise construction cost of The Arch, lease payments for leasehold land and other expenses directly attributable to The Arch project. Upon the completion of the construction of The Arch, the amount shall be reclassified to right-of-use assets.

The Group assesses at each financial year end whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

#### **(i) Inventories**

Inventories are stated at the lower of cost (determined on the first-in, first-out basis) and net realisable value. Cost of finished goods and work-in-progress include cost of raw material, direct labour, other direct costs and appropriate production overheads.

Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

#### **(j) Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, bank balances, fixed deposits, demand deposits, bank overdrafts and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **(k) Provision for liabilities**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each financial year end and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

#### **Dismantling, Removal and Restoration Costs**

A provision is recognised when the Group has an obligation to dismantle and remove structures on identified sites and restore these sites to an acceptable condition under certain lease contracts. The provision is measured at the present value of the compounded future expenditure at current prices and is recognised as part of the cost of the relevant asset. The capitalised cost is depreciated over the expected life of the asset.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(l) Interest bearing loans and borrowings**

Borrowings are recognised initially at fair value net of transaction cost incurred. Subsequently, borrowings are stated at amortised cost using the effective interest method. Any difference between the amount recorded as borrowings and the associated redemption value is recognised in the profit or loss over the period of the borrowings. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan and are capitalised and amortised over the period of the facility to which it relates. All other borrowing costs are charged to profit or loss. Borrowings are derecognised from the statements of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the borrowings that have been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred and liabilities assumed, is recognised in profit or loss. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **(m) Leases**

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.

The lease liability is presented as a separate line in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest methods and by reducing the carrying amount to reflect the lease payments made).

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(m) Leases (continued)**

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment loss.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under MFRS 137: Provisions, Contingent Liabilities and Contingent Assets. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies MFRS 136: Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(n) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Ordinary shares are equity instruments.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

The consideration paid, including attributable transaction costs on repurchased ordinary shares of the Company that have not been cancelled, are classified as treasury shares and presented as a deduction from equity. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount is recognised in equity.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

#### **(o) Income tax**

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the financial year end.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

Deferred tax is provided for, using the liability method on temporary differences at the financial year end between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination, and at the time of the transaction, affects neither accounting profit or loss nor taxable profit or loss.

The carrying amount of deferred tax assets are reviewed at each financial year end and reduced to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(o) Income tax (continued)**

Unrecognised deferred tax assets are reassessed at each financial year end and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the financial year end.

Deferred tax is recognised in profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **(p) Employee benefits**

##### **i Short term benefits**

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

##### **ii Defined contribution plan**

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or construction obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years.

As required by law, the Group makes contributions to the statutory provident fund, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in profit or loss in the period as incurred.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(p) Employee benefits (continued)**

##### **iii Termination benefits**

Termination benefits are payable when employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits as a liability and an expense when it is demonstrably committed to either terminate the employment of current employees according to a detailed plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits is based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the financial year end are discounted to present value.

#### **(q) Revenue recognition**

The Group recognises revenue from contracts with customers for the sale of goods and provision of services based on the five-step model as set out below:

- i Identify contract(s) with a customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met.
- ii Identify performance obligations in the contract. A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- iii Determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- iv Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
- v Recognise revenue when (or as) the Group satisfies a performance obligation.



## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(q) Revenue recognition (continued)**

The Group satisfies a performance obligation and recognise revenue over time if the Group's performance:

- i Does not create an asset with an alternative use to the Group and has an enforceable right to payment for performance completed to-date; or
- ii Creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- iii Provides benefits that the customer simultaneously receives and consumes as the Group performs.

For performance obligations where any one of the above conditions is not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services, it creates a contract based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised, this gives rise to a contract liability.

Revenue is measured at the fair value of consideration received or receivable. The following describes the performance obligations in contracts with customers:

#### **i Revenue**

##### **a. Sale of products**

Revenue from sale of products is recognised when the Group has transferred control of the goods to the customer, being at the point the customer purchases the goods at the retail outlets. Payment for the transaction is due immediately at the point the customer purchases the goods and takes delivery in outlet.

#### **ii Other income**

##### **a. Interest income**

Interest income is recognised on an accrual basis (taking into account the effective yield on the asset) unless its collectability is in doubt.

##### **b. Financing and operational support income**

Financing and operational support income from business collaboration is accounted in accordance with the Settlement Agreements.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(q) Revenue recognition (continued)**

##### **ii Other income (continued)**

##### **c. Dividend income**

Dividend income represents dividend received from short term investments, and is recognised when the right to receive payment is established.

##### **d. Rental income**

Rental income is recognised on an accrual basis unless its collectability is in doubt.

##### **e. Management fee**

Management fee is recognised as and when the services are performed.

#### **(r) Foreign currencies transactions**

##### **i Functional and presentation currency**

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Group's functional currency.

##### **ii Foreign currency transactions and balances**

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's reporting currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the date of the transactions. At each financial year end, monetary items denominated in foreign currencies are translated at the rates prevailing at financial year end. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 3. Significant accounting policies (continued)

#### (r) Foreign currencies transactions (continued)

##### ii Foreign currency transactions and balances (continued)

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operation, where that monetary item is denominated in either the functional currency of the reporting entity or the foreign operation, are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operation, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operation, where that monetary item is denominated in a currency other than the functional currency of either the reporting entity or the foreign operation, are recognised in profit or loss for the period. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operation, regardless of the currency of the monetary item, are recognised in profit or loss in the Group's financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

The principal closing rates used in translation of foreign currency amounts are as follows:

	<b>30.9.2023</b>	30.6.2022
	<b>RM</b>	RM
1 Hong Kong Dollar (HKD)	<b>0.60</b>	0.56
1 Euro Dollar (EUR)	<b>4.98</b>	4.60
1 United States Dollar (USD)	<b>4.69</b>	4.41

##### iii Foreign operations

Assets and liabilities of foreign operations (including any goodwill and fair value adjustments arising on acquisition) are translated to the Group's presentation currency at the exchange rates at the end of the reporting period. Income, expenses and other comprehensive income of foreign operations are translated at exchange rates at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity; attributed to the owners of the Company and non-controlling interests, as appropriate.

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(r) Foreign currencies transactions (continued)**

##### **iii Foreign operations (continued)**

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign subsidiary, or partial disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that foreign operation attributable to the owners of the Company are reclassified to profit or loss as part of the gain or loss on disposal. The portion related to non-controlling interests is derecognised but is not reclassified to profit or loss.

In addition, in relation to partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognised in profit or loss. When the Group disposes of only part of its investment in a joint arrangement that includes a foreign operation while retaining joint control, the proportionate share of the accumulative exchange differences is reclassified to profit or loss.

In the consolidated financial statements, when the settlement of an intragroup loan is neither planned nor likely to occur in the foreseeable future, the exchange differences arising from translating such monetary item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income.

#### **(s) Impairment of non-financial assets**

The Group assesses at each financial year end whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

For goodwill, the recoverable amount is estimated at each financial year end or more frequently when indicators of impairment are identified.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value-in-use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (i.e. CGUs). In assessing value-in-use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment loss recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment loss are recognised in profit or loss except for assets that were previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment loss is also recognised in other comprehensive income up to the amount of any previous revaluation.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(s) Impairment of non-financial assets (continued)**

An assessment is made at each financial year end as to whether there is any indication that previously recognised impairment loss may no longer exist or may have decreased. A previously recognised impairment loss for an asset, other than goodwill, is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised, in which case, the carrying amount of the asset is increased to its revised recoverable amount. The increase cannot exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

#### **(t) Financial instruments**

Financial instruments carried on the statements of financial position include cash and bank balances, deposits with financial institutions, investments, receivables, payables and borrowings. The recognition methods adopted are disclosed in the respective accounting policy statements.

Financial instruments are classified as assets, liabilities or equity in accordance with the substance of the contractual arrangement. Interests, dividends and gains and losses relating to financial instruments classified as assets or liabilities, are reported as expense or income. Distributions to holders of financial instruments classified as equity are recognised directly in equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

#### **Financial assets**

Financial assets are recognised in the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

When financial assets are initially recognised, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss ("FVTPL"), directly attributable transaction costs.

The Group determines the classification of financial assets upon initial recognition. The measurement for each classification of financial assets are as below:

##### **i Financial assets measured at amortised cost**

Financial assets that are debt instruments are measured at amortised cost if they are held within a business model whose objective is to collect contractual cash flows and have contractual terms which give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss through the amortisation process and when the financial assets are impaired or derecognised.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(t) Financial instruments (continued)**

##### **Financial assets (continued)**

##### **ii Financial assets measured subsequently at fair value**

Financial assets that are debt instruments are measured at fair value through other comprehensive income ("FVTOCI") if they are held within a business model whose objectives are to collect contractual cash flows and selling the financial assets, and have contractual terms which give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets that are debt instruments are measured at fair value. Any gains or losses arising from the changes in fair value are recognised in other comprehensive income, except for impairment losses, exchange differences and interest income which are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

Financial assets that are debt instruments which do not satisfy the requirements to be measured at amortised cost or FVTOCI are measured at FVTPL.

Equity instruments are classified as financial assets measured at FVTPL if they are held for trading or are designated as such upon initial recognition. Equity instruments are classified as held for trading if they are acquired principally for sale in the near term or are derivatives that do not meet the hedge accounting criteria (including separated embedded derivatives).

Subsequent to initial recognition, financial assets that are equity instruments are measured at fair value. Any gains or losses arising from the changes in fair value are recognised in other comprehensive income and are not subsequently transferred to profit or loss. Dividends on equity instruments are recognised in profit or loss when the Group's right to receive payment is established.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the settlement date, i.e. the date that the asset is delivered to or by the Group.

##### **Financial liabilities**

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definition of a financial liability.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(t) Financial instruments (continued)**

##### **Financial liabilities (continued)**

Financial liabilities are recognised in the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instruments. Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

##### **i Financial liabilities at FVTPL**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This includes derivatives entered into by the Group that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

##### **ii Other financial liabilities**

Other financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished.

When an existing financial liability is replaced by another instrument from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

#### **(u) Impairment of financial assets**

At the end of each financial year, the Group assesses whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring as at the financial year end with the risk of default since initial recognition.

In determining whether credit risk on a financial asset has increased significantly since initial recognition, the Group uses external credit rating and other supportive information to assess deterioration in credit quality of a financial asset. The Group assesses whether the credit risk on a financial asset has increased significantly on an individual or collective basis. For collective basis evaluation, financial assets are grouped on the basis of similar risk characteristics.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(u) Impairment of financial assets (continued)**

The Group considers past loss experience and observable data such as current changes and future forecasts in economic conditions to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

The amount of impairment loss is measured as the probability-weighted present value of all cash shortfalls over the expected life of the financial asset discounted at its original effective interest rate. The cash shortfall is the difference between all contractual cashflows that are due to the Group and all the cash flows that the Group expects to receive.

The Group measures the allowance for impairment loss on trade and other receivables based on the two-step approach as follows:

##### **i 12-months expected credit loss**

For a financial asset for which there is no significant increase in credit risk since initial recognition, the Group measures the allowance for impairment loss for that financial asset at an amount based on the probability of default occurring within the next 12 months considering the loss given default of that financial asset.

##### **ii Lifetime expected credit loss**

For a financial asset for which there is a significant increase in credit risk since initial recognition, a lifetime expected credit loss for that financial asset is recognised as the allowance for impairment loss by the Group. If, in a subsequent period the significant increase in credit risk since initial recognition is no longer evident, the Group reverts the allowance for impairment loss measurement from lifetime expected credit loss to 12-months expected credit loss.

For trade and other receivables which are financial assets, the Group applies the simplified approach in accordance with MFRS 9: Financial Instruments and measure the allowance for impairment loss based on lifetime expected credit loss from initial recognition.

The carrying amount of the financial asset is reduced through the use of an allowance for impairment loss account and the amount of impairment loss is recognised in profit or loss. When a financial asset becomes uncollectible, it is written off against the allowance for impairment loss account.

#### **(v) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants act in their economic best interest when pricing the asset or liability.



## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **3. Significant accounting policies (continued)**

#### **(v) Fair value measurement (continued)**

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the financial period end.

#### **(w) Contingencies**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

The Group does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

#### **(x) Segment reporting**

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment manager reports directly to the management of the Company who regularly review the segments results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 44, including the factors used to identify the reportable segments and measurement basis of segment information.

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### **3. Significant accounting policies (continued)**

#### **(y) Related parties**

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individual or other entities.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly.

#### **(z) Earnings per share**

##### **i Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the period and excluding treasury shares.

##### **ii Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

#### **(aa) Irredeemable convertible preference shares**

The irredeemable convertible preference shares are regarded as an equity component.

The proceeds from the issuance of the irredeemable convertible preference shares based on the conversion feature and that amount is allocated as the equity component. Any directly attributable transaction costs are allocated to the equity components in proportion to their initial carrying amounts.

The equity component is not remeasured subsequent to the initial recognition.

#### **(ab) Warrants**

The Group issued Warrants 2020/2025 at no cost and these are recognised in the financial statements represented by fair value allocated from accumulated losses or reserves based on valuation performed by an independent professional valuer. Each warrant is convertible into one new ordinary share at the adjusted exercise price of RM0.80 per share during the exercise period and will only be recognised as equity instruments upon conversion.

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### 4. Adoption of new and revised Malaysian Financial Reporting Standards ("MFRS") and interpretations ("MFRSs")

#### MFRSs that have been issued and effective

The following new and revised MFRSs issued by MASB, have been adopted, and the adoptions do not have any or significant impact to the financial statements:

Title		Effective Date
Amendments to MFRS 16:	Leases	1 April 2021
Amendments to MFRS 1:	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022
Amendments to MFRS 3:	Business Combinations	1 January 2022
Amendments to MFRS 9:	Financial Instruments	1 January 2022
Amendments to MFRS 116:	Property, Plant and Equipment	1 January 2022
Amendments to MFRS 137:	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022
Amendments to MFRS 141:	Agriculture	1 January 2022

#### MFRSs that have been issued but only effective for financial period beginning on 1 January 2023 and onwards

The following new and revised MFRSs issued by MASB, have not been adopted, and the adoptions are not expected to have any or significant impact to the financial statements:

Title		Effective Date
MFRS 17:	Insurance Contracts	1 January 2023
Amendments to MFRS 17:	Insurance Contracts	1 January 2023
Amendments to MFRS 101:	Presentation of Financial Statements	1 January 2023
Amendments to MFRS 108:	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
Amendments to MFRS 112:	Incomes Taxes	1 January 2023
Amendments to MFRS 7:	Financial Instruments: Disclosures	1 January 2024
Amendments to MFRS 16:	Leases	1 January 2024
Amendments to MFRS 101:	Presentation of Financial Statements	1 January 2024
Amendments to MFRS 107:	Statement of Cash Flows	1 January 2024
Amendments to MFRS 121:	The Effects of Changes in Foreign Exchange Rates	1 January 2025
Amendments to MFRS 10:	Consolidated Financial Statements	Deferred
Amendments to MFRS 128:	Investments in Associates and Joint Ventures	Deferred

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### 5. Significant accounting judgement and estimates

#### Key sources of estimation uncertainty

The preparation of financial statements in accordance with MFRSs requires the use of certain accounting estimates and exercise of judgement. Estimates and judgements are continually evaluated and are based on past experience, reasonable expectations of future events and other factors.

The key assumptions concerning the future and other key sources of estimation uncertainty at the financial year end that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

#### **(a) Depreciation of property, plant and equipment**

The Group depreciates property, plant and equipment over their estimated useful lives after taking into account their estimated residual values, using the straight-line method. The estimated useful lives applied by the Group as disclosed in Note 3(c) reflect the Directors' estimates of the periods that the Group expects to derive future economic benefits from the use of the Group's property, plant and equipment. Technological advancements could impact the useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

#### **(b) Impairment of property, plant and equipment**

The Group carries out the impairment test based on a variety of estimation including the value-in-use of the cash-generating unit (CGU) to which the property, plant and equipment are allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

#### **(c) Lease terms**

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

#### **(d) Impairment of investment in associates**

Investments in associates corporations are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. In determining the recoverable value, an estimate of expected future cash flows from each investment or CGU and an appropriate discount rate is required to be made. An impairment exists when the carrying amount of an investment or CGU exceed its recoverable amount, which is the higher of its fair value less costs to sell and its value-in-use.

Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the investment or CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Actual results may ultimately differ from the estimates and key assumptions utilised in the calculations. Accordingly, there may be material adjustments to the carrying amounts.

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### **5. Significant accounting judgement and estimates (continued)**

#### Key sources of estimation uncertainty (continued)

##### **(e) Impairment of goodwill**

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value-in-use of the cash generating units to which goodwill is allocated. When value-in-use calculations are undertaken, the Group uses its judgement to decide the discount rates to be applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections, including forecast growth rates, inflation rates and gross profit margin. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial position and results if the actual cash flows are than the expected.

##### **(f) Write-down of inventories to the lower of cost and net realisable value**

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs to completion and costs to be incurred on marketing, selling and distribution. Estimates of net realisable value are based on the most reliable evidence available at the time of the estimates are made, of the amount the inventories are expected to realise. Due to the nature of the inventories, significant judgement is required in estimating the net realisable value of premium products that are targeted towards the niche market segment and the moving life style trends.

##### **(g) Loss allowances for financial assets**

The Group recognises impairment losses for receivables under the expected credit loss model. Individually significant trade receivables are tested for impairment separately by estimating the cash flows expected to be recoverable. All others are grouped into credit risk classes and tested for impairment collectively, using the Group's ageing of past due amounts and current economic trends. The actual eventual losses may be different from the allowance made and this may affect the Group's financial position and result.

##### **(h) Income taxes**

Significant judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

##### **(i) Deferred tax assets**

Deferred tax assets are recognised for all unabsorbed tax losses and unutilised capital allowances to the extent that it is probable that future taxable profit will be available against which the losses and allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

## **Focus Dynamics Group Berhad**

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### **5. Significant accounting judgement and estimates (continued)**

#### Key sources of estimation uncertainty (continued)

##### **(j) Impairment of prepaid expenses**

The Group carries out the impairment test based on a variety of estimation including the value-in-use of the cash-generating unit (CGU) to which the prepaid expenses are allocated. The Group engaged an independent and professionally qualified valuer to assess fair value. For prepaid expenses, valuation methodologies based on income approach by reference to discounted cash flow and cost approach.

##### **(k) Fair value estimates of certain financial instruments**

The Group carries certain financial assets and liabilities at fair value, which required extensive use of accounting estimates and judgement. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value will differ if the Group uses different valuation methodologies. Any changes in fair value of these assets and liabilities would affect profit or loss/equity.

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### 6. Property, plant and equipment

Group	Building RM'000	Plant and machinery RM'000	Equipment and kitchen utensils RM'000	Furniture, fittings, and equipment RM'000	Motor vehicles RM'000	Balance carried forward RM'000
<b>Cost</b>						
At 1 July 2022	2,596	35	5,054	15,587	586	23,858
Acquisition of a subsidiary (Note 8(a))	-	-	106	2,800	-	2,906
Additions	9,349	8	1,666	1,963	-	12,986
Disposals of subsidiaries (Note 8(b))	(4,849)	-	(5)	(95)	-	(4,949)
Disposals	(4,500)	-	(350)	(270)	-	(5,120)
Reclassifications	-	-	17	363	-	380
Write-offs	-	-	(506)	(2,379)	-	(2,885)
<b>At 30 September 2023</b>	<b>2,596</b>	<b>43</b>	<b>5,982</b>	<b>17,969</b>	<b>586</b>	<b>27,176</b>
<b>Accumulated depreciation</b>						
At 1 July 2022	(169)	(35)	(2,774)	(10,505)	(568)	(14,051)
Acquisition of a subsidiary (Note 8(a))	-	-	(81)	(2,279)	-	(2,360)
Charge for the financial period	(206)	(*)	(1,024)	(2,882)	(18)	(4,130)
Disposals of subsidiaries (Note 8(b))	65	-	5	90	-	160
Disposals	38	-	48	39	-	125
Write-offs	-	-	505	2,362	-	2,867
<b>At 30 September 2023</b>	<b>(272)</b>	<b>(35)</b>	<b>(3,321)</b>	<b>(13,175)</b>	<b>(586)</b>	<b>(17,389)</b>
<b>Accumulated impairment loss</b>						
At 1 July 2022	-	-	-	-	-	-
Impairment loss charged	-	-	(76)	(19)	(*)	(95)
<b>At 30 September 2023</b>	<b>-</b>	<b>-</b>	<b>(76)</b>	<b>(19)</b>	<b>(*)</b>	<b>(95)</b>
<b>Carrying amount</b>						
At 30 September 2023	2,324	8	2,585	4,775	-	9,692

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**6. Property, plant and equipment (continued)**

<b>Group</b>	<b>Balance brought forward RM'000</b>	<b>Signboard RM'000</b>	<b>Electrical fittings RM'000</b>	<b>Renovation RM'000</b>	<b>Capital work- in-progress RM'000</b>	<b>Total RM'000</b>
<b>Cost</b>						
At 1 July 2022	23,858	43	27	22,691	1,611	48,230
Acquisition of a subsidiary (Note 8(a))	2,906	4	-	-	-	2,910
Additions	12,986	16	102	5,612	3,507	22,223
Disposals of subsidiaries (Note 8(b))	(4,949)	-	-	-	-	(4,949)
Disposals	(5,120)	-	(14)	(1,208)	-	(6,342)
Reclassifications	380	12	122	586	(1,100)	-
Write-offs	(2,885)	-	-	(2,561)	-	(5,446)
<b>At 30 September 2023</b>	<b>27,176</b>	<b>75</b>	<b>237</b>	<b>25,120</b>	<b>4,018</b>	<b>56,626</b>
<b>Accumulated depreciation</b>						
At 1 July 2022	(14,051)	(29)	(19)	(13,274)	-	(27,373)
Acquisition of a subsidiary (Note 8(a))	(2,360)	(3)	-	-	-	(2,363)
Charge for the financial period	(4,130)	(15)	(27)	(4,090)	-	(8,262)
Disposals of subsidiaries (Note 8(b))	160	-	-	-	-	160
Disposals	125	-	2	151	-	278
Write-offs	2,867	-	-	2,526	-	5,393
<b>At 30 September 2023</b>	<b>(17,389)</b>	<b>(47)</b>	<b>(44)</b>	<b>(14,687)</b>	<b>-</b>	<b>(32,167)</b>
<b>Accumulated impairment loss</b>						
At 1 July 2022	-	-	-	-	-	-
Impairment loss charged	(95)	(3)	-	(23)	(49)	(170)
<b>At 30 September 2023</b>	<b>(95)</b>	<b>(3)</b>	<b>-</b>	<b>(23)</b>	<b>(49)</b>	<b>(170)</b>
<b>Carrying amount</b>						
At 30 September 2023	9,692	25	193	10,410	3,969	24,289



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### 6. Property, plant and equipment (continued)

Group	Building RM'000	Plant and machinery RM'000	Equipment and kitchen utensils RM'000	Furniture, fittings, and equipment RM'000	Motor vehicles RM'000	Balance carried forward RM'000
<b>Cost</b>						
At 1 January 2021	2,596	35	3,010	11,609	934	18,184
Additions	-	-	1,087	2,832	-	3,919
Adjustments	-	-	-	(193)	-	(193)
Reclassifications	-	-	1,051	1,575	-	2,626
Disposals	-	-	(94)	(5)	(124)	(223)
Write-offs	-	-	-	(231)	(224)	(455)
<b>At 30 June 2022</b>	<b>2,596</b>	<b>35</b>	<b>5,054</b>	<b>15,587</b>	<b>586</b>	<b>23,858</b>
<b>Accumulated depreciation</b>						
At 1 January 2021	(91)	(35)	(1,898)	(8,169)	(832)	(11,025)
Charge for the financial period	(78)	-	(969)	(2,491)	(42)	(3,580)
Disposals	-	-	93	5	82	180
Write-offs	-	-	-	150	224	374
<b>At 30 June 2022</b>	<b>(169)</b>	<b>(35)</b>	<b>(2,774)</b>	<b>(10,505)</b>	<b>(568)</b>	<b>(14,051)</b>
<b>Accumulated impairment loss</b>						
At 1 January 2021/30 June 2022	-	-	-	-	-	-
<b>Carrying amount</b>						
At 30 June 2022	2,427	*	2,280	5,082	18	9,807

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 6. Property, plant and equipment (continued)

Group	Balance brought forward RM'000	Signboard RM'000	Electrical fittings RM'000	Renovation RM'000	Capital work- in-progress RM'000	Total RM'000
<b>Cost</b>						
At 1 January 2021	18,184	49	27	13,023	2,163	33,446
Additions	3,919	-	-	6,825	4,920	15,664
Adjustments	(193)	-	-	-	-	(193)
Reclassifications	2,626	-	-	2,845	(5,471)	-
Disposals	(223)	-	-	-	-	(223)
Write-offs	(455)	(6)	-	(2)	(1)	(464)
<b>At 30 June 2022</b>	<b>23,858</b>	<b>43</b>	<b>27</b>	<b>22,691</b>	<b>1,611</b>	<b>48,230</b>
<b>Accumulated depreciation</b>						
At 1 January 2021	(11,025)	(22)	(15)	(10,303)	-	(21,365)
Charge for the financial period	(3,580)	(13)	(4)	(2,973)	-	(6,570)
Disposals	180	-	-	-	-	180
Write-offs	374	6	-	2	-	382
<b>At 30 June 2022</b>	<b>(14,051)</b>	<b>(29)</b>	<b>(19)</b>	<b>(13,274)</b>	<b>-</b>	<b>(27,373)</b>
<b>Accumulated impairment loss</b>						
At 1 January 2021/30 June 2022	-	-	-	-	-	-
<b>Carrying amount</b>						
At 30 June 2022	<b>9,807</b>	<b>14</b>	<b>8</b>	<b>9,417</b>	<b>1,611</b>	<b>20,857</b>

\* Denotes amount below RM1,000

## Focus Dynamics Group Berhad

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### 6. Property, plant and equipment (continued)

<b>Company</b>	<b>Office equipment RM'000</b>	<b>Total RM'000</b>
<b>Cost</b>		
At 1 July 2022/30 September 2023	<b>1,741</b>	<b>1,741</b>
<b>Accumulated depreciation</b>		
At 1 July 2022	<b>(1,045)</b>	<b>(1,045)</b>
Charge for the financial period	<b>(435)</b>	<b>(435)</b>
<b>At 30 September 2023</b>	<b>(1,480)</b>	<b>(1,480)</b>
<b>Carrying amount</b>		
At 30 September 2023	<b>261</b>	<b>261</b>
<b>Cost</b>		
At 1 January 2021	1,934	1,934
Adjustments	(193)	(193)
<b>At 30 June 2022</b>	<b>1,741</b>	<b>1,741</b>
<b>Accumulated depreciation</b>		
At 1 January 2021	(581)	(581)
Charge for the financial period	(464)	(464)
<b>At 30 June 2022</b>	<b>(1,045)</b>	<b>(1,045)</b>
<b>Carrying amount</b>		
At 30 June 2022	<b>696</b>	<b>696</b>

## Focus Dynamics Group Berhad

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### 7. Right-of-use assets

<b>Group</b>	<b>Outlets</b>	<b>Hostels</b>	<b>Storerooms</b>	<b>Office</b>	<b>Motor</b>	<b>Total</b>
<b>Cost</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>vehicles</b>	<b>RM'000</b>
					<b>RM'000</b>	
At 1 July 2022	25,061	304	12	631	95	26,103
Acquisition of a subsidiary (Note 8(a))	886	-	-	-	-	886
Additions	12,667	127	-	789	451	14,034
Disposals	-	-	-	-	(95)	(95)
Adjustments due to lease modifications	(665)	-	-	-	-	(665)
Write-offs	(17,199)	(195)	(12)	(631)	-	(18,037)
<b>At 30 September 2023</b>	<b>20,750</b>	<b>236</b>	<b>-</b>	<b>789</b>	<b>451</b>	<b>22,226</b>
<b>Accumulated depreciation</b>						
At 1 July 2022	(7,050)	(116)	(12)	(479)	(2)	(7,659)
Acquisition of a subsidiary (Note 8(a))	(394)	-	-	-	-	(394)
Charged for the financial period	(3,877)	(165)	-	(159)	(146)	(4,347)
Disposals	-	-	-	-	16	16
Adjustments due to lease modifications	(258)	-	-	-	-	(258)
Write-offs	6,231	167	12	540	-	6,950
<b>At 30 September 2023</b>	<b>(5,348)</b>	<b>(114)</b>	<b>-</b>	<b>(98)</b>	<b>(132)</b>	<b>(5,692)</b>
<b>Carrying amount</b>						
At 30 September 2023	15,402	122	-	691	319	16,534

## Focus Dynamics Group Berhad

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### 7. Right-of-use assets (continued)

<b>Group</b>	<b>Outlets</b>	<b>Hostels</b>	<b>Storerooms</b>	<b>Office</b>	<b>Motor</b>	<b>Total</b>
<b>Cost</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>vehicles</b>	<b>RM'000</b>
<b>RM'000</b>					<b>RM'000</b>	
At 1 January 2021	5,907	225	11	663	123	6,929
Additions	19,840	229	12	-	95	20,176
Disposals	-	-	-	-	(123)	(123)
Adjustments due to lease modifications	(686)	20	-	(32)	-	(698)
Write-offs	-	(170)	(11)	-	-	(181)
<b>At 30 June 2022</b>	<b>25,061</b>	<b>304</b>	<b>12</b>	<b>631</b>	<b>95</b>	<b>26,103</b>
<b>Accumulated depreciation</b>						
At 1 January 2021	(1,962)	(177)	(11)	(289)	(47)	(2,486)
Charged for the financial period	(5,088)	(109)	(12)	(190)	(18)	(5,417)
Disposals	-	-	-	-	63	63
Write-offs	-	170	11	-	-	181
<b>At 30 June 2022</b>	<b>(7,050)</b>	<b>(116)</b>	<b>(12)</b>	<b>(479)</b>	<b>(2)</b>	<b>(7,659)</b>
<b>Carrying amount</b>						
At 30 June 2022	<b>18,011</b>	<b>188</b>	<b>-</b>	<b>152</b>	<b>93</b>	<b>18,444</b>

The Group leases various outlets, hostels, storerooms, an office and motor vehicles where leasing activities are summarised below:

- (i) Outlets: The Group leased a number of outlets which run between 2 and 9 (30.6.2022: 2 and 9) years, with options to renew the lease after that date.
  - (ii) Hostels: The Group leased a number of hostels which run between 1 and 3 (30.6.2022: 1 and 3) years, with options to renew the lease after that date.
  - (iii) Storerooms: The Group leased 2 units of storeroom which run for Nil (30.6.2022: 1) year, with options to renew the lease after that date.
  - (iv) Office: The Group leased an office for 2 to 5 (30.6.2022: 2 to 5) years with options to renew the lease after that date.
  - (v) Motor vehicles: The Group leased 2 (30.6.2022: 1) units of motor vehicles under operating lease arrangements (30.6.2022: a hire purchase arrangement).
- The leases are secured by the leased assets, as disclosed in Note 28.

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**8. Investment in subsidiaries**

	<b>Company</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
<b>Unquoted shares, at cost</b>		
At beginning of the period	<b>9,349</b>	9,349
Additions	<b>2,388</b>	*
At end of the period	<b>11,737</b>	9,349
<b>Less: Accumulated impairment loss</b>		
At beginning/end of the period	<b>(9,298)</b>	(9,298)
<b>Carrying amount</b>	<b>2,439</b>	51

\* Denotes amount below RM1,000

The details of subsidiaries are as follows:

<b>Name of company</b>	<b>Principal place of business/country of incorporation</b>	<b>Equity interest held</b>		<b>Principal activities</b>
		<b>30.9.2023</b>	30.6.2022	
Focus Dynamics Centre Sdn. Bhd. (^)	Malaysia	<b>100%</b>	100%	Investment holding.
Lavo Gallery Sdn. Bhd. ("LGSB")(^)	Malaysia	<b>100%</b>	100%	Engage in businesses of operating and managing food and beverage outlets.
DPC Industrial Systems Sdn. Bhd. (^)	Malaysia	<b>100%</b>	100%	Engage in businesses of trading of industrial equipment, designing, installation and implementation of automation system for the energy resource based industry and providing other related products and services.
Focus International Holding Sdn. Bhd. ("FIHSB")(^)	Malaysia	<b>100%</b>	100%	Investment holding.
The Arch Properties Sdn. Bhd. (formerly known as Famous Ambience Sdn. Bhd.) (^)	Malaysia	<b>51%</b>	51%	Engage in the business of letting of property.
Focus Capital Sdn. Bhd. ("Capital")(^)	Malaysia	<b>100%</b>	100%	Engage in moneylending services. The Company has yet to commence operation.
Focus Medicare Sdn. Bhd. ("FMSB")(^)	Malaysia	<b>100%</b>	100%	Trading, supplying, wholesaling, manufacturing of medical and healthcare equipment, products and services.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 9. Investment in subsidiaries (continued)

Name of company	Principal place of business/country of incorporation	Equity interest held		Principal activities
		30.9.2023	30.6.2022	
Centurion International Sdn. Bhd. (^)	Malaysia	<b>100%</b>	-	Engage in the business of operating and managing food and beverage outlets.
<u>Subsidiaries of FIHSB</u>				
Marquee International Sdn. Bhd. ("MISB")(#)	Malaysia	-	100%	(i) Operating and managing food and beverage outlets; and (ii) Importer, distributor and wholesaler of wines, champagnes and spirits.
Lavo Selangor Sdn. Bhd. (formerly known as Modern Cuisine Sdn. Bhd.) ("LSSB")(^)	Malaysia	<b>100%</b>	100%	Engage in the businesses of restaurant, food and beverage as well as investment holding and general trading.
Spark Lifestyle Sdn. Bhd. (^)	Malaysia	<b>100%</b>	100%	Operating and managing club and bar, and engage in the business as an entertainment centre in a food and beverage outlet.
Wine Commerce Sdn. Bhd. (#)	Malaysia	-	100%	Engage in the business of online wine retailing and distribution.
Bounce Entertainment Sdn. Bhd. (^)	Malaysia	<b>100%</b>	100%	Other food service activities, investment advisory services, creative, arts and entertainment activities.
Focus Dynamic Limited ("FDL")(#)	Republic of Seychelles	<b>100%</b>	100%	Investment holding.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 8. Investment in subsidiaries (continued)

Name of company	Principal place of business/country of incorporation	Equity interest held		Principal activities
		30.9.2023	30.6.2022	
<u>Subsidiaries of FIHSB</u> (continued)				
Focus Jumbo Sdn. Bhd. ("FJSB")( ^ )	Malaysia	100%	100%	(i) Operating and managing food and beverage outlets; (ii) To buy, sell, manufacture, assemble and deal in and with goods, wares and merchandise of every kind and description, to carry on a general manufacturing, trading and commercial business and to enter into contracts, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association; and (iii) Importer, distributor and wholesaler of wine, champagnes and spirits.
Focus Deli Sdn. Bhd. ( ^ )	Malaysia	100%	100%	Engage in the businesses of restaurant, food and beverage, entertainment, trading and investment.
Bubbles Entertainment Sdn. Bhd. ( ^ )	Malaysia	100%	100%	Engage in the businesses of operating restaurants, food and beverage as well as investment holdings and general trading.
Focus Concepts Sdn. Bhd. ("FCSB")( ^ )	Malaysia	100%	100%	(i) Engaged in the business of operating and managing food and beverage outlets; and (ii) To buy, sell, manufacture, assemble and deal in and with goods, wares and merchandise of every kind and description, to carry on a general manufacturing, trading and commercial business and to enter into contracts, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association.



## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 8. Investment in subsidiaries (continued)

Name of company	Principal place of business/country of incorporation	Equity interest held		Principal activities
		30.9.2023	30.6.2022	
<u>Subsidiaries of FIHSB</u> (continued)				
Focus Volume Sdn. Bhd. ("FVSB")(^)	Malaysia	100%	100%	(i) Operating and managing food and beverage outlets; and (ii) To buy, sell, manufacture, assemble and deal in and with goods, wares and merchandise of every kind and description, to carry on a general manufacturing, trading and commercial business and to enter into contracts, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association.
W Club Sdn. Bhd. ("W Club")(^)	Malaysia	100%	-	Engaged in the businesses as an entertainment centre in a food and beverage outlet.
<u>Subsidiaries of FDL</u>				
Focus Dynamic Group Limited (#)	Hong Kong	100%	100%	Trading of wine.
Bounce Entertainment Limited (#)	Hong Kong	100%	100%	Engage in food and beverage business, entertainment, general trading and investment holding.
<u>Subsidiary of LGSB</u>				
Centurion International Sdn. Bhd. (^)	Malaysia	-	100%	Investment holding.
<u>Subsidiary of MISB</u>				
Goldhill Eagle Sdn. Bhd. ("GESB")(^)	Malaysia	-	55%	Operating and managing food and beverage outlets.
<u>Subsidiary of LSSB</u>				
Goldhill Eagle Sdn. Bhd. ("GESB")(^)	Malaysia	55%	-	Operating and managing food and beverage outlets.

## Focus Dynamics Group Berhad

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### 8. Investment in subsidiaries (continued)

Name of company	Principal place of business/country of incorporation	Equity interest held		Principal activities
		30.9.2023	30.6.2022	
<u>Subsidiaries of FCSB</u>				
Focus Supernova Sdn. Bhd. ("Supernova")(^)	Malaysia	100%	100%	(i) Operating and managing food and beverage outlets; and (ii) Importer, distributor and wholesaler of wine, champagnes and spirits.
Focus Sky Sdn. Bhd. ("Sky")(^)	Malaysia	100%	100%	(i) Operating and managing food and beverage outlets; (ii) To buy, sell, manufacture, assemble and deal in and with goods, wares and merchandise of every kind and description, to carry on a general manufacturing, trading and commercial business and to enter into contracts, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association; and (iii) Importer, distributor and wholesaler of wine, champagnes and spirits.
<u>Subsidiary of FMSB</u>				
Focus Carelife Sdn. Bhd. ("Carelife")(^)	Malaysia	60%	60%	(i) Trading, supplying, wholesaling, manufacturing of medical and healthcare equipment, products and services; and (ii) To carry on the businesses of wholesale, retail importers and exporters of and dealers in all kind of drugs, chemicals, alkalis, manure antibodies and pharmaceutical medicinal.

## Focus Dynamics Group Berhad

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### 8. Investment in subsidiaries (continued)

Name of company	Principal place of business/country of incorporation	Equity interest held		Principal activities
		30.9.2023	30.6.2022	
<u>Subsidiary of FVSB</u>				
Bell Venture Sdn. Bhd. ("BVSB")(^)	Malaysia	100%	-	(i) To engage in the business of operating and managing food and beverage outlets; (ii) Importer, distributor and wholesaler of wines, champagnes and spirits; and (iii) To buy, sell, manufacture, assemble and deal in and with goods, wares and merchandise of every kind and description, to carry on a general manufacturing, trading and commercial business and to enter into contracts, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association.
<u>Subsidiary of Supernova</u>				
Ferria Sdn. Bhd. ("Ferria")(^)	Malaysia	100%	-	(i) To engage in business of operating and managing food and beverage outlets; (ii) Importer, distributor and wholesaler of wines, champagnes and spirits; and (iii) To buy, sell, manufacture, assemble and deal in and with goods, wares and merchandise of every kind and description, to carry on a general manufacturing, trading and commercial business and to enter into contracts, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association.

^ Audited by Nexia SSY PLT, a member of Nexia International.

# Audited by other firms of chartered accountants.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **8. Investment in subsidiaries (continued)**

During the financial period, the Group and the Company have completed the following acquisitions:

- (i) On 16 December 2022, the Company through its subsidiary, FIHSB, acquired 55% shareholding in W Club for a cash consideration of RM715,000. Thus, as at 16 December 2022, W Club is a subsidiary of FIHSB. On 11 April 2023, MISB transferred the remaining 45% shareholding in W Club to FIHSB.
- (ii) The Company through its indirect subsidiary, FVSB, incorporated a wholly-owned subsidiary, BVSB, with a subscription price of RM1.
- (iii) The Company through its indirect subsidiary, Supernova, incorporated a wholly-owned subsidiary, Ferria, with a subscription price of RM1.
- (iv) The Company acquired 100% shareholding in Centurion International Sdn. Bhd. ("CISB") from LGSB for a cash consideration of RM2. Additionally, the Company capitalised the debt assigned of RM2,387,908 from MISB as capital contribution to CISB.

During the previous financial period, the Group and the Company have completed the following acquisitions:

- (i) The Company incorporated a wholly-owned subsidiary, Capital, with a subscription price of RM1.
- (ii) The Company incorporated a wholly-owned subsidiary, FMSB, with a subscription price of RM1.
- (iii) The Company through its indirect subsidiary, FIHSB, incorporated a wholly-owned subsidiary, FJSB, with a subscription price of RM1.
- (iv) The Company through its subsidiary, FIHSB, incorporated a wholly-owned subsidiary, FCSB, with a subscription price of RM1.
- (v) The Company through its subsidiary, FIHSB, incorporated a wholly-owned subsidiary, FVSB, with a subscription price of RM1.
- (vi) The Company through its indirect subsidiary, FCSB, incorporated a wholly-owned subsidiary, Supernova, with a subscription price of RM1.
- (vii) The Company through its indirect subsidiary, FCSB, incorporated a wholly-owned subsidiary, Sky, with a subscription price of RM1.
- (viii) The Company through its subsidiary, FMSB, incorporated a subsidiary, Carelife, together with a wholly-owned subsidiary of LKL International Berhad, with a subscription price of RM60,000, equivalent to a 60% equity interest in Carelife.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 8. Investment in subsidiaries (continued)

#### (a) Acquisition of W Club Sdn. Bhd. ("W Club")

On 5 December 2022, the Company's wholly-owned subsidiary, Focus International Holding Sdn. Bhd. ("FIHSB") entered into a Share Sale Agreement with the shareholders to acquire 55 ordinary shares in W Club Sdn. Bhd. ("W Club"), representing 55% shareholdings for a total consideration of RM715,000. The transaction was completed on 16 December 2022, therefore W Club became an indirect subsidiary of the Company, as disclosed in Note 10. The remaining 45 ordinary shares, representing 45% shareholdings were previously owned by MISB, were subsequently transferred to FIHSB during the financial period. The transaction was completed on 11 April 2023.

(i) Fair value of consideration transferred:

	<b>30.9.2023</b> <b>RM'000</b>
Cash consideration for 55% shareholdings	<b>715</b>
Fair value of previously held equity interest	<b>585</b>
Fair value of 100% equity interest	<b>1,300</b>

(ii) Fair value of the identifiable assets acquired and liabilities recognised:

	<b>30.9.2023</b> <b>RM'000</b>
<b>Assets</b>	
Property, plant and equipment (Note 6)	<b>547</b>
Right-of-use assets (Note 7)	<b>492</b>
Deferred tax assets (Note 29)	<b>57</b>
Inventories	<b>256</b>
Trade receivables	<b>7</b>
Other receivables, deposits and prepayments	<b>181</b>
Current tax assets	<b>101</b>
Cash and bank balances	<b>283</b>
Total assets	<b>1,924</b>
<b>Liabilities</b>	
Trade payables	<b>108</b>
Other payables and accruals	<b>78</b>
Amount due to related parties	<b>2,944</b>
Lease liabilities (Note 28)	<b>603</b>
Total liabilities	<b>3,733</b>
<b>Total identifiable net liabilities acquired</b>	<b>(1,809)</b>
Goodwill arising on acquisition (Note 13)	<b>3,109</b>
Fair value of consideration transferred	<b>1,300</b>

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 8. Investment in subsidiaries (continued)

#### (a) Acquisition of W Club Sdn. Bhd. ("W Club") (continued)

(iii) Effects of acquisition on statements of cash flows:

	<b>30.9.2023</b> <b>RM'000</b>
Fair value of consideration transferred	<b>1,300</b>
Less: Non-cash consideration	<b>(585)</b>
Consideration paid in cash	<b>715</b>
Less: Cash and bank balances of a subsidiary acquired	<b>(283)</b>
Net cash outflow on acquisition	<b>432</b>

(iv) Effects of acquisition in statements of profit or loss and other comprehensive income:

From the date of acquisition, the subsidiary's contributed revenue and profit for the period as follows:

	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>
Revenue	<b>4</b>
Profit for the period, representing total comprehensive income for the period	<b>1,297</b>

If the acquisition had occurred on 1 July 2022, the consolidated results for the financial period ended 30 September 2023 would have been as follows:

	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>
Revenue	<b>94,225</b>
Loss for the period, representing total comprehensive expenses for the period	<b>(26,943)</b>

#### (b) Disposals of Marquee International Sdn. Bhd. ("MISB") and Wine Commerce Sdn. Bhd. ("WCSB")

On 14 March 2023, FIHSB entered into a Sale and Purchase Agreement for the disposal of 3,000,000 ordinary shares, representing 100% shareholdings in MISB for a total consideration of RM195,000. The transaction was completed on 11 April 2023.

On 20 March 2023, FIHSB entered into a Sale and Purchase Agreement for the disposal of 2 ordinary shares, representing 100% shareholdings in WCSB for a total consideration of RM5,500,000. The transaction was completed on 11 April 2023.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **8. Investment in subsidiaries (continued)**

#### **(b) Disposals of Marquee International Sdn. Bhd. ("MISB") and Wine Commerce Sdn. Bhd. ("WCSB") (continued)**

(i) Summary of the effects of disposals of MISB and WCSB:

	<b>Group 30.9.2023 RM'000</b>
Property, plant and equipment (Note 6)	<b>4,789</b>
Other receivables, deposits and prepayments	<b>172</b>
Amount due from ultimate holding company	<b>147</b>
Cash and bank balances	<b>80</b>
Current tax assets	<b>7,964</b>
Borrowings	<b>(3,567)</b>
Deferred tax liabilities (Note 29)	<b>(3)</b>
Trade payables	<b>(270)</b>
Other payables and accruals	<b>(8,390)</b>
Net assets disposed off	<b>922</b>
Gain on disposal of subsidiaries	<b>4,773</b>
Consideration received and satisfied in cash	<b>5,695</b>
Less: Cash and bank balances of subsidiaries disposed off	<b>(80)</b>
Net cash inflow from the disposals of subsidiaries	<b>5,615</b>

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 8. Investment in subsidiaries (continued)

#### (c) Material partly-owned subsidiaries

Set out below is the Group's subsidiaries which have a material non-controlling interests:

Name of subsidiary	Proportion of ownership interests and voting rights held by non-controlling interests		(Loss)/income allocated to non-controlling interests		(Loss)/equity of non-controlling interests	
	30.9.2023	30.6.2022	30.9.2023	30.6.2022	30.9.2023	30.6.2022
	%	%	RM'000	RM'000	RM'000	RM'000
The Arch Properties Sdn. Bhd. (formerly known as Famous Ambience Sdn. Bhd.)	49	49	(3,629)	(176)	(2,791)	838
Goldhill Eagle Sdn. Bhd.	45	45	1,774	733	2,433	659
Focus Carelife Sdn. Bhd.	40	40	(31)	(117)	(108)	(77)
			<u>(1,886)</u>	<u>440</u>	<u>(466)</u>	<u>1,420</u>

Summarised financial information for each subsidiary that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company eliminations.

#### i Summarised statements of financial position

	The Arch Properties Sdn. Bhd. (formerly known as Famous Ambience Sdn. Bhd.)	
	30.9.2023	30.6.2022
	RM'000	RM'000
Non-current assets	89,008	34,789
Current assets	6,970	23,970
Current liabilities	(101,675)	(57,049)
Net (liabilities)/assets	<u>(5,697)</u>	<u>1,710</u>
(Loss)/equity attributable to owners of the Company	(2,906)	872
Non-controlling interest	<u>(2,791)</u>	<u>838</u>
	<u>(5,697)</u>	<u>1,710</u>



## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 8. Investment in subsidiaries (continued)

#### (c) Material partly-owned subsidiaries (continued)

##### i Summarised statements of financial position (continued)

	<b>Goldhill Eagle Sdn. Bhd.</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
Non-current assets	<b>4,851</b>	5,203
Current assets	<b>5,349</b>	5,691
Non-current liabilities	<b>(703)</b>	(1,728)
Current liabilities	<b>(4,091)</b>	(7,702)
Net assets	<b>5,406</b>	1,464
Equity attributable to owners of the Company	<b>2,973</b>	805
Non-controlling interest	<b>2,433</b>	659
	<b>5,406</b>	1,464

	<b>Focus Carelife Sdn. Bhd.</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
Non-current assets	<b>11</b>	74
Current assets	<b>749</b>	868
Current liabilities	<b>(1,029)</b>	(1,134)
Net liabilities	<b>(269)</b>	(192)
Loss attributable to owners of the Company	<b>(161)</b>	(115)
Non-controlling interest	<b>(108)</b>	(77)
	<b>(269)</b>	(192)

##### ii Summarised statements of profit or loss and other comprehensive income

	<b>The Arch Properties Sdn. Bhd. (formerly known as Famous Ambience Sdn. Bhd.)</b>	
	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000
Revenue	-	-
Loss before taxation	<b>(7,407)</b>	(359)
Taxation	-	-
Loss for the period, representing total comprehensive loss for the period	<b>(7,407)</b>	(359)
Loss attributable to owners of the Company	<b>(3,778)</b>	(183)
Non-controlling interest	<b>(3,629)</b>	(176)
	<b>(7,407)</b>	(359)

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 8. Investment in subsidiaries (continued)

#### (c) Material partly-owned subsidiaries (continued)

##### ii Summarised statements of profit or loss and other comprehensive income (continued)

	<b>Goldhill Eagle Sdn. Bhd.</b>	
	<b>Financial</b>	Financial
	<b>period from</b>	period from
	<b>1.7.2022 to</b>	1.1.2021 to
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
Revenue	<b>28,169</b>	14,045
Profit before taxation	<b>5,325</b>	2,401
Taxation	<b>(1,382)</b>	(773)
Profit for the period, representing total comprehensive income for the period	<b>3,943</b>	1,628
Equity attributable to owners of the Company	<b>2,169</b>	895
Non-controlling interest	<b>1,774</b>	733
	<b>3,943</b>	1,628
	<b>Focus Carelife Sdn. Bhd.</b>	
	<b>Financial</b>	Financial
	<b>period from</b>	period from
	<b>1.7.2022 to</b>	1.1.2021 to
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
Revenue	<b>1</b>	225
Loss before taxation	<b>(77)</b>	(292)
Taxation	<b>-</b>	-
Loss for the period, representing total comprehensive expense for the period	<b>(77)</b>	(292)
Loss attributable to owners of the Company	<b>(46)</b>	(175)
Non-controlling interest	<b>(31)</b>	(117)
	<b>(77)</b>	(292)

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 8. Investment in subsidiaries (continued)

#### (c) Material partly-owned subsidiaries (continued)

##### iii Summarised statements of cash flows

	<b>The Arch Properties Sdn. Bhd.</b> <b>(formerly known as Famous</b> <b>Ambience Sdn. Bhd.)</b>	
	<b>Financial</b> <b>period from</b> <b>1.7.2022 to</b> <b>30.9.2023</b> <b>RM'000</b>	<b>Financial</b> <b>period from</b> <b>1.1.2021 to</b> <b>30.6.2022</b> <b>RM'000</b>
Net cash generated from operating activities	<b>59,176</b>	17,834
Net cash used in investing activities	<b>(61,353)</b>	(15,542)
Net (decrease)/increase in cash and cash equivalents	<b>(2,177)</b>	2,292
	<b>Goldhill Eagle Sdn. Bhd.</b>	
	<b>Financial</b> <b>period from</b> <b>1.7.2022 to</b> <b>30.9.2023</b> <b>RM'000</b>	<b>Financial</b> <b>period from</b> <b>1.1.2021 to</b> <b>30.6.2022</b> <b>RM'000</b>
Net cash generated from operating activities	<b>973</b>	6,990
Net cash used in investing activities	<b>(742)</b>	(2,268)
Net cash used in financing activities	<b>(850)</b>	(864)
Net (decrease)/increase in cash and cash equivalents	<b>(619)</b>	3,858
	<b>Focus Carelife Sdn. Bhd.</b>	
	<b>Financial</b> <b>period from</b> <b>1.7.2022 to</b> <b>30.9.2023</b> <b>RM'000</b>	<b>Financial</b> <b>period from</b> <b>1.1.2021 to</b> <b>30.6.2022</b> <b>RM'000</b>
Net cash generated from operating activities	<b>93</b>	636
Net cash used in investing activities	<b>-</b>	(85)
Net increase in cash and cash equivalents	<b>93</b>	551

**Focus Dynamics Group Berhad**

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**9. Investment in associates**

	<b>Group</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
<b>Cost</b>		
At beginning of the period	<b>62,872</b>	-
Additions	<b>3</b>	81,707
Bargain purchase	-	20,166
Reclassified to investment in quoted shares (Note 11)	-	(10,890)
Deemed loss on disposal of an associate	-	(28,111)
At end of the period	<b>62,875</b>	62,872
<b>Less: Share of post-acquisition losses</b>		
At beginning of the period	<b>(3,470)</b>	-
Share of post-acquisition losses	<b>(4,202)</b>	(13,708)
Deemed loss on disposal of an associate	-	10,238
At end of the period	<b>(7,672)</b>	(3,470)
<b>Less: Accumulated impairment loss</b>		
At beginning of the period	<b>(40,710)</b>	-
Impairment loss charged	<b>(2,030)</b>	(40,710)
At end of the period	<b>(42,740)</b>	(40,710)
<b>Carrying amount</b>		
- Quoted shares	<b>12,462</b>	18,692
- Unquoted shares	<b>1</b>	-
	<b>12,463</b>	18,692
Investment measured at fair value:		
Shares quoted in Malaysia	<b>12,462</b>	18,692

The fair value of quoted equity investments are measured based on the period end quoted prices in active markets.

The details of the associates are as follows:

<b>Name of company</b>	<b>Principal place of business/country of incorporation</b>	<b>Equity interest held</b>		<b>Principal activities</b>
		<b>30.9.2023</b>	<b>30.6.2022</b>	
LKL International Berhad ("LCLI") *# (a)	Malaysia	-	-	Investment holding.
Saudee Group Berhad ("Saudee") @#(b)(c)	Malaysia	<b>18.07%</b>	20.77%	Investment holding.
Green Ocean Corporation Berhad ("Green Ocean") # (d)	Malaysia	<b>29.74%</b>	29.74%	Investment holding.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 9. Investment in associates (continued)

Name of company	Principal place of business/country of incorporation	Equity interest held		Principal activities
		30.9.2023	30.6.2022	
Sushi Mew Sdn. Bhd. (formerly known as Heroverse Sdn. Bhd.) ("Sushi Mew") # (e)	Malaysia	<b>49.00%</b>	-	To carry on the business as general merchants, traders, dealers, importers, exporters, distributors, buying or selling commission agents and deal in all kinds of goods, merchandise, commodities and articles, both wholesale and retail, and to transact every kind of agency business which involves the buying, selling, manufacturing, assembling and dealing in and with goods and merchandise of all descriptions. To purchase or otherwise acquire for investment in Malaysia or elsewhere any real, personal or movable property or any rights or interests therein and to create, sell and deal in freehold and leasehold, ground rents and to make advance upon the security of land, house, other property or any interest therein and generally to deal in land, house and any other property whether for valuable consideration or not. To acquire and hold for investment shares, stocks, debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any company, private undertaking, syndicate, government, sovereign ruler, commissions, public body or authority by original subscription, tender, purchase, transfer, exchange or otherwise and to exercise all rights and powers conferred by or incidental to the ownership thereof and in particular to sell, transfer, exchange or otherwise dispose of the same.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 9. Investment in associates (continued)

Name of company	Principal place of business/country of incorporation	Equity interest held		Principal activities
		30.9.2023	30.6.2022	
Sushi Qubey Sdn. Bhd. ("Sushi Qubey")#(f)	Malaysia	<b>49.00%</b>	-	Operating and managing food and beverage outlets, to act as importer, distributor and wholesaler of wine, champagnes and spirits and all related activities of any description, and to carry on any other business whatsoever which can in the opinion of the Company be advantageously carried out or conveniently carried on by way of extension of, in connection with or is calculated directly or indirectly to develop any branch of the business of the Company.
Everest Scenery Sdn. Bhd. ("ESSB")#(g)	Malaysia	<b>49.00%</b>	-	Operating and managing food and beverage outlets, to act as importer, distributor and wholesaler of wine, champagnes and spirits and all related activities of any description, and to carry on any other business whatsoever which can in the opinion of the Company be advantageously carried out or conveniently carried on by way of extension of, in connection with or is calculated directly or indirectly to develop any branch of the business of the Company.

\* The investment in LKLI is considered a deemed disposal on 31 May 2022, since the total equity interest as at 31 May 2022 was reduced to less than 20% at 17.24% and has no Board representation from the Company, this has resulted in the Group to no longer has any significant influence, and therefore the investment was reclassified to Other Investments, as disclosed in Note 11. The period where LKLI was recognised as an associated company was from 1 April 2021 to 31 May 2022.

@ The equity interest of investment in Saudee Group Berhad was diluted from 20.77% to 18.07% due to a corporate exercise undertaken by Saudee. Nonetheless, Focus Dynamics Centre Sdn. Bhd. ("FDC") is able to exercise significant influence by way of common directors on the Board at Saudee level, therefore Saudee continues to be regarded as an associated company.

# Audited by other firms of chartered accountants.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 9. Investment in associates (continued)

The associates which have a different financial year end from the Group is as follows:

Name of company	Financial year end
Saudee Group Berhad	31 July
Sushi Mew Sdn. Bhd. (formerly known as Heroverse Sdn. Bhd.)	31 December
Sushi Qubey Sdn. Bhd.	31 December
Everest Scenery Sdn. Bhd.	31 December

In applying the equity method of accounting, the latest financial statements of the associates' respective financial year ended have been used and appropriate adjustments have been made for the effects of significant transactions between the associates' respective financial period end up to 30 September 2023.

- (a) On 19 March 2021, the Company has entered into a Sale and Purchase Agreement with Lim Kon Lian and Mok Mei Lan for the acquisition of 150,000,000 ordinary shares of LKL International Berhad ("LKLI"), a company incorporated and domiciled in Malaysia, and is listed on the ACE Market of Bursa Malaysia Securities Berhad, representing approximately 29.92% of the total issued and paid-up ordinary shares of LKLI. At the price of RM0.2500 each, the total cash consideration amounted to RM37,500,000 with a transaction cost of RM390,150 and the investment was made vide its wholly-owned subsidiary, Focus Dynamics Centre Sdn. Bhd. ("FDC"). Following the acquisition, LKLI became an associate to the Group. However, there was a subsequent dilution of FDC's shareholdings in LKLI to 19.40% in September 2021 due to a corporate exercise undertaken by LKLI. Nonetheless FDC is able to exercise significant influence by way of common directors on the Board at the Company and LKLI levels and LKLI continued to be regarded as an associated company.

In addition to the above, there were further acquisitions of shares from the open market on the following dates:

- 21 December 2021: 10,667,800 ordinary shares for a cash consideration of RM640,068;
- 22 December 2021: 1,000,000 ordinary shares for a cash consideration of RM60,000; and
- 22 March 2022: 5,869,000 ordinary shares for a cash consideration of RM410,830.

FDC's aggregate investment amounted to 167,536,800 ordinary shares at an investment cost of RM39,001,048, representing 17.24% of equity interest.

On 24 May 2022, following the resignation of Lim Ming Chang as the Executive Director of the Company, also the resignation of Tay Ben Seng, Benson as the Executive Director of LKLI on 30 May 2022, LKLI ceased to be classified as an associate of the Group, and the entire investment was reclassified to investment in quoted shares at fair value and the deemed loss on disposal of the associate amounted to RMNil (30.6.2022: RM17,872,784) was recognised in profit and loss.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 9. Investment in associates (continued)

- (b) On 17 June 2021, FDC subscribed to 138,050,000 new ordinary shares in Saudee Group Berhad ("Saudee"), a company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad, representing 19.37% of the total issued and paid-up share capital of Saudee at RM0.1500 per share for a total cash consideration of RM20,707,500. Following the acquisition, and with the Group's obtaining a representation in the Board of Directors of Saudee, Saudee became an associate to the Group. From 13 December 2021 to 23 December 2021, FDC has further acquired 68,000,000 ordinary shares of Saudee from open market for a total cash consideration of RM4,030,000, to arrive at an aggregate investment of 206,050,000 ordinary shares at an investment cost of RM24,737,500 representing 20.77% equity interest.

However, there was a subsequent dilution of FDC's shareholdings in Saudee to 18.07% in July 2023 due to a corporate exercise undertaken by Saudee. Nonetheless FDC is able to exercise significant influence by way of common directors on the Board at Company and Saudee levels and Saudee continues to be regarded as an associated company.

- (c) Pursuant to the subscription of new ordinary shares in Saudee (Note 9(b)), FDC has received 69,025,000 units of free detachable Warrants B. From 26 July 2021 to 3 August 2021, FDC has disposed off all 69,025,000 units of Warrants B for a total consideration of RM2,530,938.
- (d) On 26 August 2021, FDC subscribed to 351,932,000 new ordinary shares in Green Ocean Corporation Berhad ("Green Ocean"), a company incorporated and domiciled in Malaysia, and is listed on the ACE Market of Bursa Malaysia Securities Berhad, representing 16.67% of the total issued and paid-up share capital of Green Ocean via private placement at RM0.0231 per share for a total cash consideration of RM8,129,629 with a transaction cost of RM162,593.

In addition to the above, there were further acquisitions of shares from the open market on the following dates:

- 25 November 2021: 63,000,000 ordinary shares for a cash consideration of RM2,520,000; and
- 1 December 2021: 79,000,000 ordinary shares for a cash consideration of RM2,765,000.

Following the acquisitions, FDC's aggregate investment amounted to 493,932,000 ordinary shares at an investment cost of RM13,577,222 representing 23.39% of equity interest, and Green Ocean became an associate to the Group. From 2 December 2021 to 14 December 2021, FDC acquired a further 134,068,000 ordinary shares of Green Ocean from open market for a total cash consideration of RM4,391,310, to arrive at an aggregate investment of 628,000,000 ordinary share at an investment cost of RM17,968,532 representing 29.74% equity interest.

- (e) On 28 March 2023, the Company through its subsidiary, Focus Supernova Sdn. Bhd. ("Supernova"), acquired 1 ordinary share in Sushi Mew, representing 100% of total issued and paid-up share capital of Sushi Mew at RM1 per share for a total cash consideration of RM1. On 3 April 2023, Sushi Mew issued 1,999 new ordinary shares, which Supernova and Noble Triumph Limited, a company incorporated and domiciled in British Virgin Islands and a wholly-owned subsidiary of Top Standard Corporation, subscribed to 979 and 1,020 newly allotted ordinary shares in Sushi Mew respectively. Supernova had subscribed a total of 980 ordinary shares in Sushi Mew, representing 49% of the total issued and paid-up share capital at RM1 per share for a total consideration of RM980.
- (f) On 21 August 2023, the Company through its subsidiary, Focus Jumbo Sdn. Bhd. ("FJSB"), with Noble Triumph Limited, incorporated an associate, Sushi Qubey. FJSB subscribed to 980 new ordinary shares in Sushi Qubey, representing 49% of the total issued and paid-up capital at RM1 per share for a total cash consideration of RM980.



## **Focus Dynamics Group Berhad**

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### **9. Investment in associates (continued)**

(g) On 22 September 2023, the Company through its subsidiary, FJSB, with Noble Triumph Limited, incorporated an associate, ESSB. FJSB subscribed to 980 new ordinary shares in ESSB, representing 49% of the total issued and paid-up capital at RM1 per share for a total cash consideration of RM980.

(h) Impairment of investment in associates:

The Group assessed whether there are any indications of impairment during the period under review. The Management has considered the decline in market values of quoted shares in the associates as well as results reported by the associates as impairment indications.

(i) Saudee Group Berhad

As at 30 September 2023, the fair value of the Group's investment in quoted shares of Saudee Group Berhad are based on Level 1 of the fair value hierarchy. The market value of these Group's interest, representing its fair value as at 30 September 2023, was RM6,181,500 (30.6.2022: RM9,272,250).

In the current financial period, the fair value was below its carrying value, hence an impairment loss of RM61,903 (30.6.2022: RM18,775,007) was recognised.

(ii) Green Ocean Corporation Berhad

As at 30 September 2023, the fair value of the Group's investment in quoted shares of Green Ocean Corporation Berhad are based on Level 1 of the fair value hierarchy. The market value of these Group's interest, representing its fair value as at 30 September 2023, was RM6,281,000 (30.6.2022: RM9,420,000).

In the current financial period, the fair value was below its carrying value, hence an impairment loss of RM1,968,519 (30.6.2022: RM21,935,446) was recognised.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 9. Investment in associates (continued)

- (i) The above associates are accounted for using the equity method in the consolidated financial statements.

The summarised financial information of the associates are as follows:

	Saudee RM'000	Green Ocean RM'000	Sushi Mew RM'000	Sushi Qubey RM'000	ESSB RM'000	Total RM'000
<b>Financial period as at 30.9.2023</b>						
Non-current assets	90,153	60,555	2,699	71	-	153,478
Current assets	72,325	72,775	868	12	2	145,982
Non-current liabilities	(1,907)	(13,275)	(782)	(20)	-	(15,984)
Current liabilities	(17,090)	(6,343)	(2,905)	(67)	-	(26,405)
Net assets/(liabilities)	143,481	113,712	(120)	(4)	2	257,071
<b>Financial period ended 30.9.2023</b>						
Revenue	112,564	10,961	986	-	-	124,511
Loss for the period, representing total comprehensive expenses for the period	(14,818)	(3,938)	(121)	(7)	-	(18,884)
Group's share of loss for the period	(3,029)	(1,171)	(1)	(1)	-	(4,202)
<u>Reconciliation of Net Assets to Carrying Amount</u>						
Group's share of net assets	20,843	14,193	-	-	1	35,037
Accumulated impairment loss on investment in associates	(18,837)	(23,903)	-	-	-	(42,740)
Bargain purchase	4,175	15,991	-	-	-	20,166
Carrying amount of the Group's interests in these associates	6,181	6,281	-	-	1	12,463

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 9. Investment in associates (continued)

(i) The above associates are accounted for using the equity method in the consolidated financial statements (continued).

The summarised financial information of the associate are as follows (continued):

	<b>Saudee RM'000</b>	<b>Green Ocean RM'000</b>	<b>LKLI<sup>^</sup> RM'000</b>	<b>Total RM'000</b>
<b>Financial period as at 30.6.2022</b>				
Non-current assets	55,711	20,229	-	75,940
Current assets	98,833	98,721	-	197,554
Non-current liabilities	(2,476)	(317)	-	(2,793)
Current liabilities	(12,863)	(983)	-	(13,846)
Net assets	<u>139,205</u>	<u>117,650</u>	<u>-</u>	<u>256,855</u>
<b>Financial period ended 30.6.2022</b>				
Revenue	97,361	6,747	101,222	205,330
Loss for the period, representing total comprehensive expenses for the period	<u>(4,368)</u>	<u>(8,756)</u>	<u>(50,863)</u>	<u>(63,987)</u>
Group's share of loss for the period	<u>(866)</u>	<u>(2,604)</u>	<u>(10,238)</u>	<u>(13,708)</u>
<u>Reconciliation of Net Assets to</u>				
<u>Carrying Amount</u>				
Group's share of net assets	23,871	15,365	-	39,236
Accumulated impairment loss on investment in associates	(18,775)	(21,935)	-	(40,710)
Bargain purchase	4,175	15,991	-	20,166
Carrying amount of the Group's interests in these associates	<u>9,271</u>	<u>9,421</u>	<u>-</u>	<u>18,692</u>

<sup>^</sup> The Group's share of loss for the period has been recognised from 1 April 2021 up to 31 May 2022.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 10. Investment in joint venture

	<b>Group</b>	
	<b>30.9.2023</b>	<b>30.6.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Unquoted shares, at cost</b>		
At beginning of the period	*	*
Disposal	(*)	-
At end of the period	-	*
<b>Less: Accumulated impairment loss</b>		
At beginning of the period	(*)	(*)
Reversal of impairment loss	*	-
At end of the period	-	(*)
<b>Carrying amount</b>	-	-

\* Denotes amount below RM1,000

The details of the joint venture are as follows:

<b>Name of company</b>	<b>Principal place of business/country of incorporation</b>	<b>Equity interest held</b>		<b>Principal activities</b>
		<b>30.9.2023</b>	<b>30.6.2022</b>	
W Club Sdn. Bhd. ("W Club")^	Malaysia	-	45%	Engaged in the businesses as an entertainment centre in a food and beverage outlet.

^ Audited by Nexia SSY PLT, a member of Nexia International.

During the current financial period, the Company's wholly-owned subsidiary, Focus International Holding Sdn. Bhd., acquired 55% equity interest in W Club for a cash consideration of RM715,000. W Club became an indirect subsidiary of the Company, as disclosed in Note 8(a). The deemed gain on disposal of the joint venture amounted to RM585,000 was recognised in profit or loss.

During the previous financial period, W Club changed its financial year end from 31 October to 31 December. In applying the equity method of accounting, the financial statements of the joint venture for the financial year ended 31 December 2021 have been used and appropriate adjustments have been made for the effects of significant transactions between 1 January 2022 and 30 June 2022.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 10. Investment in joint venture (continued)

The summarised financial information of the joint venture is as follows:

	30.9.2023 RM'000	30.6.2022 RM'000
Non-current assets	-	775
Current assets	-	1,194
Non-current liabilities	-	(80)
Current liabilities	-	(3,376)
Net liabilities	-	(1,487)
<u>21-month/18-month period ended 30 September/30 June</u>		
Revenue	-	111
Loss for the period representing total comprehensive expense for the period	(870)	(1,414)
Group's share of loss for the period	N/A	N/A

N/A – Not applicable.

During the previous financial period, the Group did not recognise its share of losses of W Club amounting to RM636,247 because the Group's cumulative share of losses has exceeded its interest in that joint venture and the Group has no obligation in respect of these losses. The Group's cumulative accumulated losses not recognised was RM648,573. Therefore, in the current financial period, the share of losses in W Club amounting to RM391,490 continued not be recognised with the cumulative accumulated losses not recognised at RM1,040,063.

### 11. Investment in quoted and unquoted shares

	Group 30.9.2023 RM'000	30.6.2022 RM'000
<b>Quoted shares, at fair value</b>		
At beginning of the period	16,678	22,689
Additions	4,517	9,481
Fair value adjustments	(8,386)	(22,051)
Reclassified from investment in associates (Note 9)	-	10,890
Reclassified to investment in unquoted shares	-	(380)
Disposals	-	(4,806)
Currency translation differences	281	855
At end of the period	13,090	16,678
<b>Unquoted shares, at cost</b>		
At beginning of the period	380	-
Reclassified from investment in quoted shares	-	380
At end of the period	380	380
<b>Less: Accumulated impairment loss</b>		
At beginning of the period	(380)	-
Impairment loss charged	-	(380)
At end of the period	(380)	(380)
<b>Carrying amount</b>	-	-

**Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

**11. Investment in quoted and unquoted shares (continued)**

	<b>Group</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
Investment measured at fair value:		
Shares quoted in Malaysia	<b>9,293</b>	11,500
Shares quoted in Hong Kong	<b>3,797</b>	5,178
	<b>13,090</b>	16,678

The fair value of quoted equity investments are measured based on the period end quoted prices in active markets.

The currency exposure profile of investment in quoted and unquoted shares of the Group is as follows:

	<b>Group</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
RM	<b>9,293</b>	11,500
HKD	<b>3,797</b>	5,178
	<b>13,090</b>	16,678

On 3 June 2022, one of the Group's investments in quoted shares, Brahim's Holding Berhad ("Brahim") has been removed from the Official List of Bursa Securities. Therefore, the investment was reclassified from quoted to unquoted investment. The Management has considered the value-in-use and the decline in market values of quoted shares in Brahim as well as results reported by Brahim as impairment indications and has proceeded to recognise an impairment on the entire carrying amount.

**12. Prepaid expenses**

	<b>Building constructions</b>	<b>Leasehold land</b>	<b>Others</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Group Cost</b>				
At 1 July 2022	<b>11,627</b>	<b>19,203</b>	<b>3,949</b>	<b>34,779</b>
Additions	<b>52,286</b>	<b>6,069</b>	<b>2,996</b>	<b>61,351</b>
<b>At 30 September 2023</b>	<b>63,913</b>	<b>25,272</b>	<b>6,945</b>	<b>96,130</b>
<b>Accumulated impairment loss</b>				
At 1 July 2022	-	-	-	-
Impairment loss charged	<b>(7,130)</b>	-	-	<b>(7,130)</b>
<b>At 30 September 2023</b>	<b>(7,130)</b>	-	-	<b>(7,130)</b>
<b>Carrying amount</b>				
At 30 September 2023	<b>56,783</b>	<b>25,272</b>	<b>6,945</b>	<b>89,000</b>

**Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

**12. Prepaid expenses (continued)**

<b>Group Cost</b>	<b>Building constructions RM'000</b>	<b>Leasehold land RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
At 1 January 2021	4,856	14,106	274	19,236
Additions	6,771	5,097	3,675	15,543
<b>At 30 June 2022</b>	<b>11,627</b>	<b>19,203</b>	<b>3,949</b>	<b>34,779</b>
<b>Accumulated impairment loss</b>				
At 1 January 2021/30 June 2022	-	-	-	-
<b>Carrying amount</b>				
At 30 June 2022	11,627	19,203	3,949	34,779

On 1 February 2013, the Group's subsidiary, The Arch Properties Sdn. Bhd. (formerly known as Famous Ambience Sdn. Bhd.) ("TAPSB") entered into an agreement with Royal Selangor Golf Club ("RSGC") via a tenancy agreement with City Growth Sdn. Bhd. ("CGSB") to construct a building, namely "The Arch" to house retail, food and beverage outlets, restaurants and car parks.

The terms of the arrangements allow the Group to operate the Arch up to June 2038 and is renewable for additional three years each term, until June 2047. The prepaid expenses will be amortised upon completion of the construction.

The fair value of the prepaid expenses was estimated at RM89,000,000 based on the valuation report dated 29 January 2024 by Laurelcap Sdn. Bhd. (Registration Number: VE(1)0213) an independent and professionally qualified valuer. The valuation was based on income approach by reference to discounted cash flow and cost approach.

The financing of these prepaid expenses is obtained from the existing shareholders of TAPSB with the main shareholder, the Company contributing 51% and the other two shareholders contributing the remaining 49% based on the Subscription and Shareholders' Agreement entered on 29 August 2016, as disclosed in Note 49. The total amount contributed are as disclosed in Note 18, 20 and 31. The contract for the construction of building was approved by the Board, as disclosed in Note 42.

**13. Goodwill**

	<b>Group 30.9.2023 RM'000</b>	<b>30.6.2022 RM'000</b>
<b>Cost</b>		
At beginning of the period	2,298	2,298
Goodwill arising on acquisition of a subsidiary (Note 8(a))	3,109	-
At end of the period	<b>5,407</b>	<b>2,298</b>
<b>Less: Accumulated impairment loss</b>		
At beginning of the period	(2,210)	(2,210)
Impairment loss charged	(3,109)	-
At end of the period	<b>(5,319)</b>	<b>(2,210)</b>
<b>Carrying amount</b>	<b>88</b>	<b>88</b>

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 13. Goodwill (continued)

Goodwill acquired from business combination or acquisition of business is allocated to the CGUs that are expected to benefit from the acquisition respectively. The carrying amount of goodwill had been allocated as follows:

	<b>Group</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
Property investment and management	<b>88</b>	88

#### Goodwill - Acquisition of W Club

During the financial period, the goodwill arose from the Group's acquisition of 55% equity interest in W Club Sdn. Bhd., an indirect subsidiary of the Company. The impairment test of goodwill was assessed using the value in use ("VIU") method. Cash flow projections used in this calculation were based on financial budgets approved by management covering a five-year period. The key assumptions used for the VIU calculation for financial period ended 30 September 2023 included discount rate of 3% (30.6.2022: Nil%).

Based on the impairment assessment, the Group recorded impairment loss of RM3,108,673 (30.6.2022: RMNil) for the goodwill arising from this acquisition. There are no reasonably possible changes in any of the key assumptions used that would cause material impairment losses to be recognised.

#### Goodwill - Property investment and management

The goodwill attributable to the property investment and management CGU arose from the acquisition of The Arch Properties Sdn. Bhd. (formerly known as Famous Ambience Sdn. Bhd.). The carrying amount of property, plant and equipment and prepaid expenses which amounted RM8,117 (30.6.2022: RM10,672) and RM89,000,000 (30.6.2022: RM34,778,685) respectively as at 30 September 2023 have been tested for impairment. The impairment test of goodwill was assessed using the value in use ("VIU") method. Cash flow projections used in this calculation were based on financial budgets approved by management covering a twenty-three-year period. The key assumptions used for the VIU calculation for financial period ended 30 September 2023 included a 5% (30.6.2022: 5%) growth rate and discount rate of 3% (30.6.2022: 3%).

Based on the impairment assessment, no impairment loss is required during the current financial period. There are no reasonably possible changes in any key assumptions used that would cause the carrying amount of CGUs to materially exceed the recoverable amount.

### 14. Products development expenditure

	<b>Group</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
<b>Cost</b>		
At beginning of the period	<b>2,780</b>	2,780
Write-offs	<b>(2,780)</b>	-
At end of the period	<b>-</b>	2,780
<b>Less: Accumulated amortisation</b>		
At beginning of the period	<b>(1,967)</b>	(1,967)
Write-offs	<b>1,967</b>	-
At end of the period	<b>-</b>	(1,967)



## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 14. Products development expenditure (continued)

	<b>Group</b> <b>30.9.2023</b> <b>RM'000</b>	30.6.2022 RM'000
<b>Less: Accumulated impairment loss</b>		
At beginning of the period	<b>(813)</b>	(813)
Reversal during the period	<b>813</b>	-
At end of the period	<u>-</u>	<u>(813)</u>
<b>Carrying amount</b>	<u>-</u>	<u>-</u>

### 15. Inventories

	<b>Group</b> <b>30.9.2023</b> <b>RM'000</b>	30.6.2022 RM'000
Food and beverage	<b>12,190</b>	9,814
Goods-in-transit	<b>878</b>	4,816
Health products	-	3
	<u><b>13,068</b></u>	<u>14,633</u>
Recognised in profit or loss:-		
Inventories recognised as cost of sales	<u><b>38,813</b></u>	<u>29,812</u>

### 16. Trade receivables

	<b>Group</b> <b>30.9.2023</b> <b>RM'000</b>	30.6.2022 RM'000
Trade receivables	<b>2,640</b>	1,758
Trade deposits	<b>5,274</b>	7,989
Less: Accumulated impairment loss	<b>(3,917)</b>	(297)
	<u><b>3,997</b></u>	<u>9,450</u>

The Group's normal trade credit terms range from 30 to 90 (30.6.2022: 30 to 90) days. Other credit terms are assessed and approved on case-by-case basis.

The currency exposure profile of trade receivables of the Group is as follows:

	<b>Group</b> <b>30.9.2023</b> <b>RM'000</b>	30.6.2022 RM'000
RM	<b>3,225</b>	2,056
EUR	<b>9</b>	5,998
HKD	<b>763</b>	1,379
USD	-	17
	<u><b>3,997</b></u>	<u>9,450</u>

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 17. Other receivables, deposits and prepayments

	<b>Group</b>		<b>Company</b>	
	<b>30.9.2023</b>	30.6.2022	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Other receivables	<b>3,245</b>	607	<b>1,000</b>	-
Less: Accumulated impairment loss	<b>(153)</b>	(364)	-	-
	<b>3,092</b>	243	<b>1,000</b>	-
Deposits	<b>5,244</b>	22,865	<b>4</b>	1
Prepayments	<b>4,519</b>	2,445	<b>19</b>	20
	<b>12,855</b>	25,553	<b>1,023</b>	21

The currency exposure profile of other receivables, deposits and prepayments of the Group and of the Company is as follows:

	<b>Group</b>		<b>Company</b>	
	<b>30.9.2023</b>	30.6.2022	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
RM	<b>12,830</b>	25,553	<b>1,023</b>	21
HKD	<b>25</b>	-	-	-
	<b>12,855</b>	25,553	<b>1,023</b>	21

An aggregate amount of RM494,436 (30.6.2022: RM599,054) included in the deposits for acquisition of property, plant and equipment has been accounted for in capital commitments, as disclosed in Note 42.

### 18. Amount due from/(to) subsidiaries

	<b>Company</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
<b>Amount due from subsidiaries</b>		
Non-trade balances	<b>246,223</b>	221,377
Less: Accumulated impairment loss	<b>(127,081)</b>	(104,077)
	<b>119,142</b>	117,300
<b>Amount due to subsidiaries</b>		
Non-trade balances	<b>6,627</b>	3,113

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### 18. Amount due from/(to) subsidiaries (continued)

The amount due from subsidiaries before allowance for impairment losses are as follows:

	<b>Company</b> <b>30.9.2023</b> <b>RM'000</b>	<b>30.6.2022</b> <b>RM'000</b>
Bounce Entertainment Sdn. Bhd.	<b>1,424</b>	850
Bubbles Entertainment Sdn. Bhd.	<b>19</b>	8
Centurion International Sdn. Bhd.	<b>165</b>	8
DPC Industrial Systems Sdn. Bhd.	<b>421</b>	249
The Arch Properties Sdn. Bhd. (formerly known as Famous Ambience Sdn. Bhd.) - capital contributions	<b>69,126</b>	40,672
Focus Capital Sdn. Bhd.	<b>20</b>	5
Focus Concepts Sdn. Bhd.	<b>20</b>	6
Focus Deli Sdn. Bhd.	<b>264</b>	265
Focus Dynamic Group Limited	<b>11,126</b>	10,655
Focus Dynamics Centre Sdn. Bhd.	<b>92,497</b>	95,297
Focus Dynamic Limited	<b>24</b>	13
Focus International Holding Sdn. Bhd.	<b>514</b>	5,393
Focus Jumbo Sdn. Bhd.	<b>1,983</b>	513
Focus Medicare Sdn. Bhd.	<b>800</b>	3,750
Focus Sky Sdn. Bhd.	<b>1,694</b>	460
Focus Supernova Sdn. Bhd.	<b>3,890</b>	835
Focus Volume Sdn. Bhd.	<b>568</b>	5
Lavo Gallery Sdn. Bhd.	<b>44,024</b>	22,156
Lavo Selangor Sdn. Bhd. (formerly known as Modern Cuisine Sdn. Bhd.)	<b>17,644</b>	9,347
Marquee International Sdn. Bhd.	-	30,670
Spark Lifestyle Sdn. Bhd.	-	220
	<b>246,223</b>	<b>221,377</b>

The amount due to subsidiaries are as follows:

	<b>Company</b> <b>30.9.2023</b> <b>RM'000</b>	<b>30.6.2022</b> <b>RM'000</b>
Marquee International Sdn. Bhd.	-	2,175
Wine Commerce Sdn. Bhd.	-	938
Spark Lifestyle Sdn. Bhd.	<b>6,627</b>	-
	<b>6,627</b>	<b>3,113</b>

The non-trade amounts due from/(to) subsidiaries are unsecured, interest free and are repayable on demand, except for the capital contributions portion which represents the Company's contribution to TAPSB amounting to RM69,126,231 (30.6.2022: RM40,672,309), as disclosed in Notes 12, 20, 31, 42 and 49.

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### 18. Amount due from/(to) subsidiaries (continued)

The currency exposure profile of amount due from subsidiaries of the Company is as follows:

	<b>Company</b>	
	<b>30.9.2023</b>	<b>30.6.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
RM	<b>115,345</b>	112,109
HKD	<b>3,797</b>	5,191
	<b><u>119,142</u></b>	<b><u>117,300</u></b>

### 19. Amount due from/(to) associates

	<b>Group</b>	
	<b>30.9.2023</b>	<b>30.6.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Amount due from associates</b>		
Non-trade balances	<b><u>2,241</u></b>	<b><u>-</u></b>
<b>Amount due to an associate</b>		
Non-trade balances	<b><u>278</u></b>	<b><u>-</u></b>

The amount due from associates before allowance for impairment losses is as follows:

	<b>Group</b>	
	<b>30.9.2023</b>	<b>30.6.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-trade balances</b>		
Sushi Mew Sdn. Bhd. (formerly known as Heroverse Sdn. Bhd.)	<b>2,226</b>	-
Sushi Qubey Sdn. Bhd.	<b>15</b>	-
	<b><u>2,241</u></b>	<b><u>-</u></b>

The amount due to an associate is as follows:

	<b>Group</b>	
	<b>30.9.2023</b>	<b>30.6.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-trade balances</b>		
Sushi Mew Sdn. Bhd. (formerly known as Heroverse Sdn. Bhd.)	<b>278</b>	-
	<b><u>278</u></b>	<b><u>-</u></b>

The non-trade amounts due from/(to) associates are unsecured, interest free and are repayable on demand.

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### 20. Amount due from/(to) related parties

	<b>Group</b>	
	<b>30.9.2023</b>	<b>30.6.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Current</b>		
<b>Amount due from related parties</b>		
Trade balances	<b>429</b>	814
Non-trade balances	<b>1,121</b>	1,157
Less: Accumulated impairment loss	<b>(1,132)</b>	(1,124)
	<b>418</b>	847
<b>Non-current</b>		
<b>Amount due to a related party</b>		
Non-trade balances	<b>4,738</b>	-
<b>Current</b>		
<b>Amount due to related parties</b>		
Trade balances	<b>463</b>	161
Non-trade balances	<b>14,934</b>	17,349
	<b>15,397</b>	17,510

The amount due from related parties before allowance for impairment losses is as follows:

	<b>Group</b>	
	<b>30.9.2023</b>	<b>30.6.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Trade balances</b>		
Ace Edible Oil Industries Sdn. Bhd.	-	179
EMP Collection Sdn. Bhd. (formerly known as Restoran Tsim Tung Sdn. Bhd.)	<b>198</b>	-
Gem Live Sdn. Bhd.	<b>36</b>	509
Oversea Production Sdn. Bhd.	<b>123</b>	124
Restoran Oversea (Bandar Baru Sri Petaling) Sdn. Bhd.	-	2
Restoran Oversea (Imbi) Sdn. Bhd.	-	*
Oversea Enterprise Berhad	<b>72</b>	-
	<b>429</b>	814
<b>Non-trade balances</b>		
Oversea Enterprise Berhad	-	36
Vinta Construction Sdn. Bhd.		
- non-trade	<b>938</b>	938
- capital contributions	<b>183</b>	183
	<b>1,121</b>	1,157

The amount due to related parties is as follows:

	<b>Group</b>	
	<b>30.9.2023</b>	<b>30.6.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-trade balances</b>		
Nexus Excellent Sdn. Bhd. (formerly known as Spark Club Sdn. Bhd.)	<b>4,738</b>	-
	<b>4,738</b>	-

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**20. Amount due from/(to) related parties (continued)**

The amount due to related parties is as follows (continued):

	<b>Group</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	<b>RM'000</b>
<b>Trade balances</b>		
Gem Live Sdn. Bhd.	-	43
EMP Collection Sdn. Bhd. (formerly known as Restoran Tsim Tung Sdn. Bhd.)	*	-
Haewaytian Food Industries Sdn. Bhd.	-	1
Oversea Production Sdn. Bhd.	<b>52</b>	18
Nexus Excellent Sdn. Bhd. (formerly known as Spark Club Sdn. Bhd.)	<b>408</b>	99
Restoran Oversea (Bandar Baru Sri Petaling) Sdn. Bhd.	<b>3</b>	-
	<b>463</b>	161
<b>Non-trade balances</b>		
Ace Distributions Sdn. Bhd.	<b>1,933</b>	-
Carelife Centre Sdn. Bhd.	<b>400</b>	400
Citrasli Emas Sdn. Bhd.	-	1,050
Dynavance Construction Sdn. Bhd. - capital contributions	<b>947</b>	947
Gem Live Sdn. Bhd.	<b>12</b>	111
Haewaytian Food Industries Sdn. Bhd.	<b>32</b>	-
Hokubee Saudee (M) Sdn. Bhd.	<b>3</b>	-
OCR Land Holdings Sdn. Bhd.		
- non-trade	<b>3,712</b>	3,712
- capital contributions	<b>6,637</b>	6,637
Oversea Production Sdn. Bhd.	<b>858</b>	-
Restoran Oversea (Imbi) Sdn. Bhd.	-	170
Nexus Excellent Sdn. Bhd. (formerly known as Spark Club Sdn. Bhd.)	-	3,922
Vinta Construction Sdn. Bhd. - capital contributions	<b>400</b>	400
	<b>14,934</b>	17,349

\* Denotes amount below RM1,000

The non-trade amounts due from/(to) related parties are unsecured, interest free and are repayable on demand, except for the capital contributions portion which represents Ong Kah Hoe's and Ong Yew Ming's contributions to TAPSB, aggregating to RM7,800,949 (30.6.2022: RM7,800,949) as disclosed in Notes 12, 18, 31, 42 and 49, and the non-current, non-trade amount due to Nexus Excellent Sdn. Bhd. (formerly known as Spark Club Sdn. Bhd.), which is unsecured, interest free and will be repaid commencing two years after the financial period ended 30 September 2023 based on the letter dated 30 January 2024.

**21. Amount due from/(to) joint venture**

	<b>Group</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	<b>RM'000</b>
<b>Amount due from joint venture</b>		
Non-trade balances	-	2,156
Less: Accumulated impairment loss	-	(2,156)
	-	-
<b>Amount due to joint venture</b>		
Non-trade balances	-	9

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### 21. Amount due from/(to) joint venture (continued)

The non-trade amount due from/(to) joint venture is unsecured, interest free and is repayable on demand.

### 22. Short-term investments

	<b>Group</b>	
	<b>30.9.2023</b>	<b>30.6.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At fair value</b>		
At beginning of the period	<b>2,076</b>	4,722
Fair value adjustments	<b>27</b>	12
Dividend income	<b>1</b>	41
Interest income	<b>1</b>	*
Withdrawal	<b>(2,085)</b>	(2,699)
At end of the period	<b>20</b>	2,076
Investment measured at fair value:		
Money market fund in Malaysia	<b>20</b>	2,076

\* Denotes amount below RM1,000

### 23. Fixed deposits with licensed banks

	<b>Group</b>		<b>Company</b>	
	<b>30.9.2023</b>	<b>30.6.2022</b>	<b>30.9.2023</b>	<b>30.6.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Fixed deposits with licensed banks	<b>13,098</b>	2,940	<b>1,491</b>	1,450

- (a) The fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period bore effective interest rates ranging from 1.90% to 2.95% (30.6.2022: 1.25% to 1.90%) per annum. The fixed deposits have maturity periods ranging from 30 to 90 (30.6.2022: 30 to 90) days.
- (b) Included in the fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period was an amount of RM11,593,730 (30.6.2022: RM1,450,282) and RM1,491,036 (30.6.2022: RM1,450,282) respectively, which has been pledged to licensed banks as security for banking facilities granted to the Group, as disclosed in Note 33.

### 24. Cash and bank balances

	<b>Group</b>		<b>Company</b>	
	<b>30.9.2023</b>	<b>30.6.2022</b>	<b>30.9.2023</b>	<b>30.6.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Cash in hand	<b>183</b>	129	*	-
Cash at bank	<b>23,552</b>	60,416	<b>15,886</b>	40,030
Cash and bank balances	<b>23,735</b>	60,545	<b>15,886</b>	40,030

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### 24. Cash and bank balances (continued)

The currency exposure profile of cash and bank balances of the Group and of the Company is as follows:

	<b>Group</b>		<b>Company</b>	
	<b>30.9.2023</b>	30.6.2022	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
RM	<b>22,769</b>	60,154	<b>15,886</b>	40,030
HKD	<b>963</b>	389	-	-
USD	<b>3</b>	2	-	-
	<b><u>23,735</u></b>	<u>60,545</u>	<b><u>15,886</u></b>	<u>40,030</u>

\* Denotes amount below RM1,000

### 25. Share capital

	<b>30.9.2023</b>	<b>Group and Company</b>	<b>30.9.2023</b>	<b>30.6.2022</b>
	<b>Unit'000</b>	30.6.2022	<b>RM'000</b>	RM'000
		Unit'000		
<b>Issued and fully paid ordinary shares</b>				
At beginning of the period	<b>6,372,206</b>	6,155,703	<b>218,640</b>	99,563
Issuance of share capital pursuant to:				
- conversion of ICPS	-	216,503	-	119,077
At end of the period	<b><u>6,372,206</u></b>	<u>6,372,206</u>	<b><u>218,640</u></b>	<u>218,640</u>

In the previous financial period, the Company increased its issued and paid-up share capital from RM99,562,907 to RM218,639,545 by way of an issuance of 216,502,980 new ordinary shares from the conversion of 1,075,846,200 ICPS at the conversion price of RM0.55 per share which amounted to RM119,076,639.

The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.



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**26. Irredeemable Convertible Preference Shares ("ICPS")**

	<b>Group and Company</b>			
	<b>30.9.2023</b>	30.6.2022	<b>30.9.2023</b>	30.6.2022
	<b>Unit'000</b>	Unit'000	<b>RM'000</b>	RM'000
<b>ICPS</b>				
At beginning of the period	<b>903,363</b>	1,979,209	<b>49,685</b>	108,857
Converted during the period	-	(1,075,846)	-	(59,172)
At end of the period	<b>903,363</b>	903,363	<b>49,685</b>	49,685

On 3 December 2020, the Company listed and quoted 2,044,266,042 ICPS at an issue price of RM0.055 per ICPS together with 3,066,399,051 free detachable warrants ("Warrants D") pursuant to the renounceable rights issue on the basis of two (2) ICPS together with three (3) free Warrants D for every six (6) existing ordinary shares held by the entitled shareholders of the Company after share split of every one (1) existing ordinary share into three (3) shares ("Split Shares").

The ICPS are constituted by the Constitution of the Company.

Salient features of the ICPS are as follows:-

- (a) Each ICPS carries the entitlement to convert into new ordinary shares of the Company at the conversion price of RM0.55 per share based on the conversion ratio of ten (10) ICPS for every one (1) new ordinary share during the 10-year period expiring on 26 November 2030 ("Conversion Period"), subject to the adjustments determined by the Board of Directors;
- (b) The ICPS is not redeemable for cash; and
- (c) The ICPS are unsecured and shall, upon allotment and issue, rank pari passu amongst themselves and shall rank in priority to any other class of shares in the capital of the Company, except that they will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared by the Company in respect of the ordinary shares and they carry no right to vote at any general meeting of the Company.

**27. Reserves**

	<b>Group</b>		<b>Company</b>	
	<b>30.9.2023</b>	30.6.2022	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Warrant reserve (Note a)	<b>389,126</b>	389,126	<b>389,126</b>	389,126
Foreign exchange translation reserve (Note b)	<b>(69)</b>	185	-	-
Accumulated losses	<b>(518,621)</b>	(494,456)	<b>(525,392)</b>	(501,489)
	<b>(129,564)</b>	(105,145)	<b>(136,266)</b>	(112,363)

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### 27. Reserves (continued)

(a) Warrant reserve

As at 30 September 2023, warrant reserve consists of 3,066,399,051 unexercised warrants with an exercise price of RM0.80 per warrant. The value ascribed to the warrants was credited as a reserve in equity under warrant reserve and appropriate amount was transferred to share capital as and when warrants are exercised. Upon the expiry of the warrants, the balance in the warrant reserve was transferred to accumulated losses.

The warrant reserve represents the fair value allocated to the 3,066,399,051 free detachable Warrants D as at date of issuance. The warrant reserve arising from the allocation of fair value to the warrants has been charged to accumulated losses.

#### Warrants D

Warrants D were listed and quoted on Bursa Securities on 3 December 2020. Each Warrants D entitles its holder the right to subscribe for one (1) new ordinary share in the Company at any time up to the expiry date of 26 November 2025 at an exercise price of RM0.80 payable in cash.

On 3 December 2020, the Company listed and quoted 3,066,399,051 Warrants D pursuant to the renounceable rights issue.

The Warrants D are constituted by the Deed Poll dated 19 October 2020 ("Deed Poll D") and immediately be detached from the ICPS upon allotment and issuance.

Salient features of the Warrants D are as follows:-

- (i) Each Warrants D shall entitle its registered holders to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.80 per Warrant D during the 5-year period expiring on 26 November 2025 ("Exercise Period"), subject to the adjustments as set out in the Deed Poll D;
- (ii) At the expiry of the Exercise Period, any Warrants D which have not been exercised shall automatically lapse and cease to be valid for any purposes; and
- (iii) Warrant holders must exercise the Warrants D in accordance with the procedures set out in the Deed Poll D and shares allotted and issued upon such exercise shall rank pari passu in all respects with the then existing shares of the Company, and shall be entitled to any dividends, rights, allotments and/or other distributions after the issue and allotment thereof.

During the financial period, none (30.6.2022: none) of the Warrants D is exercised into new ordinary shares of the Company.

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### 27. Reserves (continued)

(b) Foreign exchange translation reserve

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from the Group's presentation currency.

### 28. Lease liabilities

	<b>Group</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	<b>RM'000</b>
At beginning of the period	<b>20,378</b>	5,426
Acquisition of a subsidiary (Note 8(a))	<b>603</b>	-
Additions during the period	<b>12,892</b>	19,985
Adjustments due to lease modification	<b>(490)</b>	(698)
Adjustments due to early termination	<b>(12,027)</b>	-
Interest expense recognised in profit or loss	<b>3,019</b>	2,039
Repayment of principal	<b>(3,670)</b>	(4,335)
Repayment of interest	<b>(2,958)</b>	(2,039)
At end of the period	<b>17,747</b>	20,378
<b>Analysed by:</b>		
Non-current liabilities	<b>14,710</b>	10,543
Current liabilities	<b>3,037</b>	9,835
	<b>17,747</b>	20,378

The repayment terms of lease liabilities is as follows:

	<b>Group</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	<b>RM'000</b>
Minimum lease payments		
- not later than 1 year	<b>5,837</b>	11,615
- later than 1 year and not later than 5 years	<b>17,486</b>	11,931
- later than 5 years	<b>3,335</b>	1,387
Total minimum lease payments	<b>26,658</b>	24,933
Less: Future finance charges on lease liabilities	<b>(8,911)</b>	(4,555)
Present value of lease liabilities	<b>17,747</b>	20,378

Included in the lease liabilities of the Group is the Group's motor vehicles which are under operating lease arrangements (30.6.2022: a hire purchase arrangement), as disclosed in Note 7, with lease term of 2 (30.6.2022: 4 to 9) years and bears effective interest rate between 4.70% and 16.69% (30.6.2022: 2.51% and 4.70%) per annum.

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**29. Deferred tax liabilities**

	<b>Group</b>		<b>Company</b>	
	<b>30.9.2023</b>	30.6.2022	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
At beginning of the period	<b>198</b>	29	-	-
Acquisition of a subsidiary (Note 8(a))	<b>(57)</b>	-	-	-
Disposal of subsidiaries (Note 8 (b))	<b>(3)</b>	-	-	-
Recognised in the statements of profit or loss and other comprehensive income (Note 39)	<b>(107)</b>	169	-	-
At end of the period	<b>31</b>	198	-	-
Presented after appropriate offsetting as follows:				
Deferred tax assets	<b>(523)</b>	(1,628)	<b>(261)</b>	(696)
Deferred tax liabilities	<b>554</b>	1,826	<b>261</b>	696
	<b>31</b>	198	-	-

The components and movements of deferred tax liabilities and deferred tax assets during the financial period prior to offsetting are as follows:

**Deferred tax liabilities**

	<b>Property, plant and equipment RM'000</b>	<b>Total RM'000</b>
<b>Group</b>		
At 1 July 2022	<b>1,826</b>	<b>1,826</b>
Disposal of subsidiaries (Note 8(b))	<b>(38)</b>	<b>(38)</b>
Recognised in the statements of profit or loss and other comprehensive income	<b>(1,234)</b>	<b>(1,234)</b>
At 30 September 2023	<b>554</b>	<b>554</b>
At 1 January 2021	204	204
Recognised in the statements of profit or loss and other comprehensive income	1,622	1,622
At 30 June 2022	1,826	1,826
<b>Company</b>		
At 1 July 2022	<b>696</b>	<b>696</b>
Recognised in the statements of profit or loss and other comprehensive income	<b>(435)</b>	<b>(435)</b>
At 30 September 2023	<b>261</b>	<b>261</b>
At 1 January 2021	139	139
Recognised in the statements of profit or loss and other comprehensive income	557	557
At 30 June 2022	696	696

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### 29. Deferred tax liabilities (continued)

#### Deferred tax assets

	Unabsorbed capital allowances RM'000	Others deductible temporary differences RM'000	Total RM'000
<b>Group</b>			
At 1 July 2022	(895)	(733)	(1,628)
Acquisition of a subsidiary (Note 8(a))	-	(57)	(57)
Disposal of subsidiaries (Note 8(b))	-	35	35
Recognised in the statements of profit or loss and other comprehensive income	<u>818</u>	<u>309</u>	<u>1,127</u>
At 30 September 2023	<u>(77)</u>	<u>(446)</u>	<u>(523)</u>
At 1 January 2021	(19)	(156)	(175)
Recognised in the statements of profit or loss and other comprehensive income	<u>(876)</u>	<u>(577)</u>	<u>(1,453)</u>
At 30 June 2022	<u>(895)</u>	<u>(733)</u>	<u>(1,628)</u>
<b>Company</b>			
At 1 July 2022	-	(696)	(696)
Recognised in the statements of profit or loss and other comprehensive income	<u>-</u>	<u>435</u>	<u>435</u>
At 30 September 2023	<u>-</u>	<u>(261)</u>	<u>(261)</u>
At 1 January 2021	-	(139)	(139)
Recognised in the statements of profit or loss and other comprehensive income	<u>-</u>	<u>(557)</u>	<u>(557)</u>
At 30 June 2022	<u>-</u>	<u>(696)</u>	<u>(696)</u>

### 30. Trade payables

The normal trade credit terms granted to the Group ranged from 30 to 90 (30.6.2022: 30 to 90) days. Other credit terms are assessed and approved on a case-by-case basis.

Included is an amount due to contractors and consultants related to the construction of The Arch amounting to RM19,218,339 (30.6.2022: RM518,802).

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**31. Other payables and accruals**

	<b>Group</b>		<b>Company</b>	
	<b>30.9.2023</b>	30.6.2022	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Other payables	<b>10,087</b>	19,445	<b>1,287</b>	837
Accruals	<b>2,769</b>	2,765	<b>871</b>	77
Amount due to shareholders	-	525	-	-
Amount due to directors of subsidiaries				
- non-trade	<b>132</b>	74	-	-
- capital contributions	<b>887</b>	887	-	-
	<b>13,875</b>	23,696	<b>2,158</b>	914

The amount due to shareholders and directors of the subsidiaries are unsecured, interest free and are repayable on demand, except for the capital contributions portion which represents Ong Kah Hoe's and Ong Yew Ming's contributions to TAPSB amounting to RM887,328 (30.6.2022: RM887,328), as disclosed in Note 12, 18, 20, 42 and 49.

The currency exposure profile of other payables and accruals of the Group and of the Company are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>30.9.2023</b>	30.6.2022	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
RM	<b>13,764</b>	23,639	<b>2,158</b>	914
HKD	<b>111</b>	57	-	-
	<b>13,875</b>	23,696	<b>2,158</b>	914

**32. Provision for restoration costs**

	<b>Group</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
At beginning of the period	<b>579</b>	413
Additions	<b>1,142</b>	166
Adjustments due to early termination of lease liabilities	<b>(479)</b>	-
At end of the period	<b>1,242</b>	579

Under certain lease arrangements, the Group has an obligation to dismantle and remove structures on certain sites and restore those sites at the end of the lease terms to an acceptable condition consistent with the lease arrangements.

The provisions are estimated using the assumption that decommissioning, removal and restoration will only take place upon expiry of the lease terms (inclusive of secondary terms) of 2 to 9 (30.6.2022: 2 to 9) years.

While the provisions are based on the best estimate of future costs and the economic lives of these affected assets, there is uncertainty regarding both the amount and timing of incurring of these costs. All the estimates are reviewed on an annual basis or more frequently, where there is indication of a material change.

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### 33. Borrowings

	<b>Group</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
<b>Current</b>		
Bank overdraft (secured) (Note i)	<b>1,205</b>	1,207
Short term revolving credit (secured) (Note ii)	<b>10,000</b>	-
	<b>11,205</b>	1,207

#### i Bank overdraft

Bank overdraft of the Group bears interest ranging between 4.12% and 5.05% (30.6.2022: 3.60% and 3.85%) per annum.

The bank overdraft is secured as follows:

- (a) Existing Memorandum of Deposit and Letter of Authorisation by the Company in favour of a licensed bank in respect of fixed deposits of not less than RM259,684 (30.6.2022: RM251,620) together with all interest accruing from time to time in respect of the fixed deposits, as disclosed in Note 23; and
- (b) Execution Memorandum of Deposit (creating a charge) and Letter of Authorisation by the Company in favour of the licensed bank in respect of fixed deposits of not less than RM1,229,247 (30.6.2022: RM1,197,481) together with all interest accruing from time to time in respect of the fixed deposits, as disclosed in Note 23.

#### ii Short term revolving credit

Short term revolving credit of the Group bears interest ranging between 3.93% and 4.25% (30.6.2022: Nil%) per annum.

Short term revolving credits are secured by first (1<sup>st</sup>) party Fixed Deposit Receipt (FDR) for RM10,000,000 (30.6.2022: RMNil) pledged to the financial institutions, as disclosed in Note 23. On 11 November 2023, the security for short term revolving credits facility had been revised to third (3<sup>rd</sup>) party FDR for RM10,000,000.

### 34. Revenue

Revenue consists of the followings:

	<b>Group</b>	
	<b>Financial</b>	Financial
	<b>period from</b>	period from
	<b>1.7.2022 to</b>	1.1.2021 to
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
Food and beverage	<b>94,224</b>	60,012
Others	<b>1</b>	225
	<b>94,225</b>	60,237

The other information on the disaggregation of revenue is disclosed in Note 44.

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**35. Net impairment loss on financial assets**

	<b>Group</b>		<b>Company</b>	
	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000
Impairment loss:				
- trade receivables	<b>3,945</b>	109	-	-
- other receivables	-	110	-	-
- amount due from subsidiaries	-	-	<b>28,618</b>	69,434
- amount due from related parties	<b>11</b>	186	-	-
Reversal of impairment loss:				
- trade receivables	<b>(69)</b>	(82)	-	-
- other receivables	-	-	-	-
- amount due from subsidiaries	-	-	<b>(5,614)</b>	(195)
- amount due from joint venture	<b>(2,156)</b>	*	-	-
	<b>1,731</b>	323	<b>23,004</b>	69,239

\* Denotes amount below RM1,000

**36. Loss before taxation**

	<b>Group</b>		<b>Company</b>	
	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000
<b>Loss before taxation is arrived at after charging:</b>				
Auditors' remuneration:				
(a) Auditors of the Company				
(i) Statutory				
- current period	<b>511</b>	390	<b>90</b>	89
(ii) Non-statutory				
- current period	-	32	-	32
(b) Other auditors				
(i) Statutory				
- current period	<b>136</b>	66	-	-
Bad debts written-off	<b>1</b>	-	-	-
Deemed loss on disposal of investment in an associate	-	17,873	-	-
Depreciation of property, plant and equipment	<b>8,262</b>	6,570	<b>435</b>	464
Depreciation of right-of-use assets	<b>4,347</b>	5,417	-	-
Fair value loss on investment in quoted shares	<b>8,386</b>	22,051	-	-



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**36. Loss before taxation (continued)**

	<b>Group</b>		<b>Company</b>	
	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000
<b>Loss before taxation is arrived at after charging (continued):</b>				
Impairment loss on goodwill	<b>3,109</b>	-	-	-
Impairment loss on investment in associates	<b>2,030</b>	40,710	-	-
Impairment loss on investment in unquoted shares	-	380	-	-
Impairment loss on prepaid expenses	<b>7,130</b>	-	-	-
Impairment loss on property, plant and equipment	<b>170</b>	-	-	-
Interest expense on lease liabilities	<b>3,019</b>	2,039	-	-
Interest expense on bank overdrafts	<b>69</b>	69	-	-
Interest expense on term loan	<b>39</b>	-	-	-
Interest expense on short term revolving credit	<b>153</b>	-	-	-
Lease expense on low-value assets	<b>209</b>	69	-	-
Loss on lease modification (net)	<b>433</b>	-	-	-
Products development expenditure written-off	<b>813</b>	-	-	-
Property, plant and equipment written-off (net)	<b>53</b>	82	-	-
Realised foreign exchange loss	<b>28</b>	4	-	-
Share of losses on investment in associates	<b>4,202</b>	13,708	-	-
Staff costs (Note 37)	<b>21,675</b>	12,470	<b>423</b>	560
Unrealised foreign exchange loss	<b>452</b>	102	-	-
<b>and crediting:</b>				
Assignment of debts from former shareholders	<b>785</b>	-	-	-
Bad debts recovered	<b>103</b>	61	-	-
Bargain purchase of associates	-	20,166	-	-
Deemed gain on disposal of investment in joint venture	<b>585</b>	-	-	-
Dividend income	<b>1</b>	41	-	-
Fair value gain on short term investments	<b>27</b>	12	-	-
Financing and operational support income	-	3,632	-	-
Gain on disposal of investment in quoted shares	-	2,496	-	-
Gain on disposal of investment in quoted warrants (Note 9(c))	-	2,530	-	-
Gain on disposal of property, plant and equipment	<b>44</b>	193	-	-
Gain on disposal of right-of-use assets	<b>16</b>	40	-	-
Gain on disposal of subsidiaries	<b>4,773</b>	-	-	-

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### 36. Loss before taxation (continued)

	<b>Group</b>		<b>Company</b>	
	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000
<b>Loss before taxation is arrived at after crediting (continued):</b>				
Gain on lease liabilities written-off due to early termination	<b>1,419</b>	-	-	-
Incentive income	<b>2,063</b>	185	-	-
Interest income				
- fixed deposits	<b>162</b>	60	<b>41</b>	28
- others	<b>300</b>	2,635	<b>296</b>	2,562
Management fee	<b>522</b>	252	-	-
Rental income	<b>188</b>	143	-	-
Reversal of impairment loss on products development expenditure	<b>813</b>	-	-	-
Unrealised foreign exchange gain	<b>1,049</b>	745	<b>421</b>	295

\* Denotes amount below RM1,000

### 37. Staff costs

	<b>Group</b>		<b>Company</b>	
	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000
Short-term employee benefits	<b>20,083</b>	11,690	<b>404</b>	525
Employees Provident Fund	<b>1,402</b>	950	<b>18</b>	33
Social security contributions	<b>171</b>	102	<b>1</b>	2
Employment Insurance System	<b>19</b>	12	<b>*</b>	*
Total staff costs	<b>21,675</b>	12,754	<b>423</b>	560
Less: SOCSO's COVID-19 Aid Relief	-	(284)	-	-
Net staff costs	<b>21,675</b>	12,470	<b>423</b>	560

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**37. Staff costs (continued)**

The remuneration of Directors and key management personnel included in staff costs during the period are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000
Short-term employee benefits	<b>1,113</b>	1,377	<b>403</b>	485
Employees Provident Fund	<b>31</b>	50	<b>18</b>	33
Social security contributions	<b>2</b>	3	<b>1</b>	2
Employment Insurance System	<b>*</b>	*	<b>*</b>	*
	<b>1,146</b>	1,430	<b>422</b>	520

\* Denotes amount below RM1,000

**38. Directors' remuneration**

Detail breakdown of remuneration is as follows:

	<b>Group</b>		<b>Company</b>	
	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000
<b>Directors of the Company</b>				
Short-term employee benefits:				
- salaries, bonuses and other benefits	<b>181</b>	321	<b>181</b>	307
- fees	<b>822</b>	898	<b>222</b>	178
Employees Provident Fund	<b>18</b>	35	<b>18</b>	33
Social security contributions	<b>1</b>	2	<b>1</b>	2
Employment Insurance System	<b>*</b>	*	<b>*</b>	*
	<b>1,022</b>	1,256	<b>422</b>	520
<b>Directors of the subsidiaries</b>				
Short-term employee benefits:				
- salaries, bonuses and other benefits	<b>110</b>	122	-	-
- fees	<b>-</b>	36	-	-
Employees Provident Fund	<b>13</b>	15	-	-
Social security contributions	<b>1</b>	1	-	-
Employment Insurance System	<b>*</b>	*	-	-
	<b>124</b>	174	-	-
Total remuneration	<b>1,146</b>	1,430	<b>422</b>	520

\* Denotes amount below RM1,000

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**39. Taxation**

	<b>Group</b>		<b>Company</b>	
	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000
<u>Malaysian income tax</u>				
- current period	<b>3,595</b>	1,912	-	278
- underprovision in prior periods	<b>58</b>	73	<b>1</b>	-
	<b>3,653</b>	1,985	<b>1</b>	278
<u>Deferred tax (Note 29)</u>				
- Relating to origination and reversal of temporary differences	<b>37</b>	166	-	-
- (Over)/under provision in prior periods	<b>(144)</b>	3	-	-
	<b>(107)</b>	169	-	-
	<b>3,546</b>	2,154	<b>1</b>	278

The reconciliations of income tax expense applicable to the results of the Group and of the Company at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000
Loss before taxation	<b>(22,505)</b>	(71,829)	<b>(23,902)</b>	(68,699)
Tax at Malaysian statutory tax rate of 24% (30.6.2022: 24%)	<b>(5,401)</b>	(17,239)	<b>(5,736)</b>	(16,488)
Tax effects of:				
- expenses not deductible for tax purposes	<b>10,455</b>	14,841	<b>111</b>	176
- income not subject to tax	<b>(3,556)</b>	(5,981)	-	-
- deferred tax assets not recognised during the financial period	<b>3,526</b>	10,674	<b>5,625</b>	16,590
- utilisation of deferred tax assets previously not recognised	<b>(1,392)</b>	(217)	-	-
Underprovision of income tax in prior periods	<b>58</b>	73	<b>1</b>	-
(Over)/underprovision of deferred tax liabilities in prior periods	<b>(144)</b>	3	-	-
Tax expense for the period	<b>3,546</b>	2,154	<b>1</b>	278

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### 39. Taxation (continued)

Subject to the agreement by Inland Revenue Board, the amount of temporary differences as at the end of the reporting period are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>30.9.2023</b>	30.6.2022	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Depreciation in excess of capital allowances	<b>2,001</b>	1,175	-	-
Right-of-use assets	<b>1,490</b>	1,205	-	-
Unutilised capital allowances	<b>403</b>	1,473	-	-
Unabsorbed tax losses	<b>24,118</b>	28,157	-	-
Other deductible temporary differences	<b>56,726</b>	43,836	<b>132,835</b>	109,397
	<b>84,738</b>	75,846	<b>132,835</b>	109,397
Deferred tax assets not recognised in respect of the above temporary differences due to uncertainties of realisation of profits	<b>20,337</b>	18,203	<b>31,880</b>	26,255

The unabsorbed tax losses are allowed to be utilised for 10 (30.6.2022: 10) consecutive years of assessment while the unutilised capital allowances are allowed to be carried forward indefinitely.

The unabsorbed tax losses are available for offset against future taxable profits of the Group which will expire in the following year of assessment:

	<b>Group</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
YA2028	<b>19,300</b>	23,571
YA2029	<b>1,156</b>	1,156
YA2030	<b>198</b>	218
YA2031	<b>1,110</b>	1,499
YA2032	<b>1,397</b>	1,713
YA2033	<b>957</b>	-
	<b>24,118</b>	28,157

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### 40. Losses per share

The basic losses per share is arrived at by dividing the Group's losses attributable to owners of the Company by the weighted average number of ordinary shares issued and calculated as follows:

	<b>Group</b> <b>Financial</b> <b>period from</b> <b>1.7.2022 to</b> <b>30.9.2023</b> <b>RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000
Losses attributable to owners of the Company	<u><b>(24,165)</b></u>	<u>(74,423)</u>
	<b>Unit'000</b>	Unit'000
Weighted average number of ordinary shares in issue:		
Issued ordinary shares at beginning of the period	<b>6,372,206</b>	6,155,703
Effect of conversion of ICPS during the period	<u>-</u>	<u>185,981</u>
Weighted average number of ordinary shares at end of the period	<u><b>6,372,206</b></u>	<u>6,341,684</u>
Basic losses per share (sen)	<u><b>(0.38)</b></u>	<u>(1.17)</u>

The diluted losses per share is arrived at by dividing the Group's losses attributable to owners of the Company by the weighted average number of ordinary shares issued adjusted for dilutive effect of ICPS and calculated as follows:

	<b>Group</b> <b>Financial</b> <b>period from</b> <b>1.7.2022 to</b> <b>30.9.2023</b> <b>RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000
Losses attributable to owners of the Company	<u><b>(24,165)</b></u>	<u>(74,423)</u>
	<b>Unit'000</b>	Unit'000
Weighted average number of ordinary shares in issue, adjusted as follows:		
Weighted average number of ordinary shares in issue, at end of the period	<b>6,372,206</b>	6,341,684
Adjustment for dilutive effect of ICPS	<u><b>903,363</b></u>	<u>903,363</u>
Adjusted weighted average number of ordinary shares at end of the period	<u><b>7,275,569</b></u>	<u>7,245,047</u>
Diluted losses per share (sen)	<u><b>(0.33)</b></u>	<u>(1.03)</u>

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### 41. Cash flows information

- (a) The cash disbursed for the additions of right-of-use assets is as follows:

	<b>Group</b>
	<b>Financial</b>
	<b>period from</b>
	<b>1.7.2022 to</b>
	<b>30.9.2023</b>
	<b>RM'000</b>
Cash payment	-
Additions of new lease liabilities	12,892
Provision for restoration costs	1,142
Cost of right-of-use assets acquired	<u>14,034</u>

- (b) The reconciliations of liabilities arising from financing activities are as follows:

	<b>Group</b>
	<b>Financial</b>
	<b>period from</b>
	<b>1.7.2022 to</b>
	<b>30.9.2023</b>
	<b>RM'000</b>
At beginning of the period	20,378
<u>Changes in financing cash flows</u>	
Repayment of principal	(3,670)
Repayment of interest	(2,958)
	(6,628)
<u>Non-cash changes</u>	
Acquisition of a subsidiary	603
Additions of new leases	12,892
Interest expense recognised in profit or loss	3,019
Adjustments due to lease modifications	(490)
Adjustments due to early termination	(12,027)
	3,997
At end of the period	<u>17,747</u>

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### 42. Capital commitments

	<b>Group</b>	
	<b>30.9.2023</b>	<b>30.6.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Approved and contracted for:</b>		
Construction of building (The Arch)	<b>103,756</b>	102,783
Property, plant and equipment	<b>1,236</b>	12,694
	<b>104,992</b>	115,477
<b>Less:</b>		
Property, plant and equipment (Note 6)	-	1,310
Prepaid expenses (Note 12)	<b>60,229</b>	12,303
Other receivables, deposits and prepayments (Note 17)	<b>494</b>	599
	<b>(60,723)</b>	(14,212)
	<b>44,269</b>	101,265

### 43. Significant related party transactions

#### (a) Transactions with related parties

Transactions arising from normal business operations of the Group with its related parties during the financial period are as follows:

	<b>Group</b>	
	<b>Financial period from 1.7.2022 to 30.9.2023</b>	<b>Financial period from 1.1.2021 to 30.6.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Management fee received from joint venture</b>		
W Club Sdn. Bhd.	-	4
<b>Management fee received from related parties</b>		
Oversea Enterprise Berhad	<b>270</b>	248
EMP Collection Sdn. Bhd. (formerly known as Restoran Tsim Tung Sdn. Bhd.)	<b>252</b>	-
<b>Sales of food and beverage to related parties</b>		
Ace Edible Oil Industries Sdn. Bhd.	-	179
Aluxcare Wellness Sdn. Bhd.	-	211
Gem Live Sdn. Bhd.	*	4,745
Oversea Production Sdn. Bhd.	<b>119</b>	124
Restoran Oversea (Bandar Baru Sri Petaling) Sdn. Bhd.	<b>2</b>	1
Restoran Oversea (Imbi) Sdn. Bhd.	<b>3,053</b>	1,771
Restoran Oversea (P.J.) Sdn. Bhd.	<b>2</b>	-
Saudi Cold Storage Sdn. Bhd.	-	183
<b>Sales of food and beverage to an associate</b>		
Sushi Mew Sdn. Bhd. (formerly known as Heroverse Sdn. Bhd.)	<b>133</b>	-



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**43. Significant related party transactions (continued)****(a) Transactions with related parties (continued)**

	<b>Group</b>	
	<b>Financial</b>	Financial
	<b>period from</b>	period from
	<b>1.7.2022 to</b>	1.1.2021 to
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
<b>Purchases of food and beverage from related parties</b>		
Ace Distributions Sdn. Bhd.	<b>1,935</b>	-
Aluxcare Wellness Sdn. Bhd.	-	44
Brahim's SATS Food Services Sdn. Bhd.	-	19
Gem Live Sdn. Bhd.	-	267
Haewaytian Food Industries Sdn. Bhd.	<b>24</b>	74
Hokubee Saudee (M) Sdn. Bhd.	<b>53</b>	-
Medik Gen Sdn. Bhd.	-	9
Oversea Production Sdn. Bhd.	<b>719</b>	29
Nexus Excellent Sdn. Bhd. (formerly known as Spark Club Sdn. Bhd.)	<b>418</b>	99
Restoran Oversea (Imbi) Sdn. Bhd.	<b>1</b>	-
Restoran Oversea (Bandar Baru Sri Petaling) Sdn. Bhd.	<b>3</b>	-
<b>Purchases of food and beverage from an associate</b>		
Sushi Mew Sdn. Bhd. (formerly known as Heroverse Sdn. Bhd.)	<b>2</b>	-
<b>Sales of property, plant and equipment to an associate</b>		
Sushi Mew Sdn. Bhd. (formerly known as Heroverse Sdn. Bhd.)	<b>1,583</b>	-
<b>Sales of property, plant and equipment to a related party</b>		
Oversea Production Sdn. Bhd.	<b>95</b>	-
<b>Sundry income charged to related parties</b>		
Restoran Oversea (P.J.) Sdn. Bhd.	*	-
Gem Live Sdn. Bhd.	*	-
<b>Net commission charged to a related party</b>		
Gem Live Sdn. Bhd.	<b>144</b>	54
<b>License and maintenance fee charged by a related party</b>		
Nexus Excellent Sdn. Bhd. (formerly known as Spark Club Sdn. Bhd.)	<b>715</b>	-
<b>Rental expenses charged by a related party</b>		
Nexus Excellent Sdn. Bhd. (formerly known as Spark Club Sdn. Bhd.)	<b>3</b>	3,922
<b>Rental expenses charged to a related party</b>		
Gem Live Sdn. Bhd.	<b>56</b>	-
<b>Rental expenses charged to an associate</b>		
Sushi Mew Sdn. Bhd. (formerly known as Heroverse Sdn. Bhd.)	<b>132</b>	-

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### 43. Significant related party transactions (continued)

#### (a) Transactions with related parties (continued)

	<b>Group</b>	
	<b>Financial</b>	Financial
	<b>period from</b>	period from
	<b>1.7.2022 to</b>	1.1.2021 to
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
<b>Ushers/KOL expenses charged by a related party</b>		
Gem Live Sdn. Bhd.	<b>204</b>	44
<b>Administrative expenses charged by related parties</b>		
EMP Collection Sdn. Bhd.	*	-
Gem Live Sdn. Bhd.	<b>462</b>	40
Haewaytian Food Industries Sdn. Bhd.	<b>24</b>	-

\* Denotes amount below RM1,000

The related party transactions described above were entered into in the normal course of business carried out based on negotiated terms and conditions and are mutually agreed with respective parties. The outstanding balances of the related parties, if any together with their terms and conditions are disclosed in the respective notes to the financial statements.

There were no transactions arising from normal business operations of the Company with its subsidiaries and its related parties during the financial period.

#### (b) Compensation of Directors and key management personnel

The remuneration of key management personnel including Directors during the financial period are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>Financial</b>	Financial	<b>Financial</b>	Financial
	<b>period from</b>	period from	<b>period from</b>	period from
	<b>1.7.2022 to</b>	1.1.2021 to	<b>1.7.2022 to</b>	1.1.2021 to
	<b>30.9.2023</b>	30.6.2022	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Salaries, bonuses and other benefits	<b>291</b>	443	<b>181</b>	307
Fees	<b>822</b>	934	<b>222</b>	178
Employees Provident Fund ("EPF")	<b>31</b>	50	<b>18</b>	33
Social security contributions ("SOCSSO")	<b>2</b>	3	<b>1</b>	2
Employment Insurance System ("EIS")	*	*	*	*
	<b>1,146</b>	1,430	<b>422</b>	520

Included in total remuneration of key management personnel are the Directors' remuneration of the Group and of the Company amounting to RM1,146,236 (30.6.2022: RM1,429,850) and RM422,110 (30.6.2022: RM519,748) respectively.

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### 43. Significant related party transactions (continued)

#### (b) Compensation of Directors and key management personnel (continued)

The detailed remuneration of each named Director at Group and subsidiary levels during the current financial period is as follows:

	Salaries, bonuses and other benefits RM'000	Fees RM'000	EPF RM'000	SOCSSO RM'000	EIS RM'000	Total RM'000
<b>Group level</b>						
Tay Ben Seng, Benson	156	600	18	1	*	775
Leow Wey Seng	6	99	-	-	-	105
Tang Yee Ling	6	45	-	-	-	51
Abdul Menon Bin Arsad @ Abdul Manan Bin Arshad	7	45	-	-	-	52
Tan Aik Heang <sup>+</sup>	6	33	-	-	-	39
	<b>181</b>	<b>822</b>	<b>18</b>	<b>1</b>	<b>*</b>	<b>1,022</b>
<b>Subsidiary level</b>						
Tan Tiam Pueh	110	-	13	1	*	124
	<b>291</b>	<b>822</b>	<b>31</b>	<b>2</b>	<b>*</b>	<b>1,146</b>

\* Denotes amount below RM1,000

+ The director's remuneration has been accounted for up to his date of resignation.

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### 44. Segment reporting

#### Primary segment reporting - business

Operating segments are prepared in a manner consistent with the internal reporting provided to the Executive Directors as chief operating decision makers in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into main business segments as follows:

<b>Business segments</b>	<b>Business activities</b>
Investment holding	Investment holding.
Property investment and management	Engaging in letting of property.
Engineering services	Implementation and installation of industrial machines and processes, energy efficiency system, research and development of variable speed drives, installation of automation system, providing a range of support services covering project management services, maintenance support, engineering conceptualisation, system audit, energy saving services and other support services in relation to the Group's business and products.
Food and beverage	Operate and manage food and beverage outlets.
Others	Other segments comprise businesses of human resources, event management and general trading and export, import of a variety of goods without any particular specialisation and medical and healthcare equipment, products and services.

For the purpose of making decisions about resource allocation, the Executive Directors assess the performance of the operating segments based on operating profits or losses which is measured differently from those disclosed in the financial statements.

Borrowings and investment-related activities are managed on a group basis by the central treasury function and are not allocated to reportable segments.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items.

The Executive Directors are of the opinion that all inter-segment transactions are entered into in the normal course of business and are at arm's length basis in a manner similar to transactions with third parties. The effects of such inter-segment transactions are eliminated on consolidation.

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**44. Segment reporting (continued)****Primary segment reporting - business (continued)**

	Investment holding RM'000	Property investment and management RM'000	Engineering services RM'000	Food and beverage RM'000	Others RM'000	Total RM'000	Consolidation adjustments and elimination RM'000	Consolidation RM'000
<b>Financial period from 1.7.2022 to 30.9.2023</b>								
<b>Revenue</b>								
External revenue	-	-	-	94,224	1	94,225	-	94,225
Intersegment revenue	-	-	-	31,469	-	31,469	(31,469)	-
Total revenue	-	-	-	125,693	1	125,694	(31,469)	94,225
<b>Results</b>								
Segment results	(27,547)	(7,407)	91	(927)	(294)	(36,084)	20,599	(15,485)
Interest income	337	-	-	124	1	462	-	462
(Loss)/profit from operations	(27,210)	(7,407)	91	(803)	(293)	(35,622)	20,599	(15,023)
Interest expenses	(147)	-	(69)	(3,226)	-	(3,442)	162	(3,280)
Share of results in associates	-	-	-	-	-	-	(4,202)	(4,202)
(Loss)/profit before taxation	(27,357)	(7,407)	22	(4,029)	(293)	(39,064)	16,559	(22,505)
Taxation	(1)	-	-	(3,545)	-	(3,546)	-	(3,546)
(Loss)/profit for the period	(27,358)	(7,407)	22	(7,574)	(293)	(42,610)	16,559	(26,051)

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**44. Segment reporting (continued)****Primary segment reporting - business (continued)**

	Investment holding RM'000	Property investment and management RM'000	Engineering services RM'000	Food and beverage RM'000	Others RM'000	Total RM'000	Consolidation adjustments and elimination RM'000	Consolidation RM'000
<b>Financial period from 1.7.2022 to 30.9.2023</b>								
<b>Other information</b>								
Bad debts recovered	-	-	(103)	-	-	(103)	-	(103)
Bad debts written-off	-	-	-	8,467	-	8,467	(8,466)	1
Bargain purchase of associates	-	-	-	-	-	-	-	-
Deemed gain on disposal of investment in joint venture	-	-	-	-	-	-	(585)	(585)
Deemed loss on investment in an associate	-	-	-	-	-	-	-	-
Depreciation of property, plant and equipment	435	4	-	7,781	42	8,262	-	8,262
Depreciation of right-of-use assets	-	-	-	4,376	-	4,376	(29)	4,347
Fair value loss on investment in quoted shares	6,723	-	-	1,663	-	8,386	-	8,386
Financing and operational support income	-	-	-	-	-	-	-	-
Gain on lease liabilities written-off due to early termination	-	-	-	(1,734)	-	(1,734)	315	(1,419)
Gain on disposal of property, plant and equipment	-	-	-	(82)	-	(82)	38	(44)

## Focus Dynamics Group Berhad

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### 44. Segment reporting (continued)

#### Primary segment reporting - business (continued)

	Investment holding RM'000	Property investment and management RM'000	Engineering services RM'000	Food and beverage RM'000	Others RM'000	Total RM'000	Consolidation adjustments and elimination RM'000	Consolidation RM'000
<b>Financial period from 1.7.2022 to 30.9.2023</b>								
<b>Other information (continued)</b>								
Gain on disposal of investment in quoted warrants	-	-	-	-	-	-	-	-
Gain on disposal of investment in quoted shares	-	-	-	-	-	-	-	-
Gain on disposal of right-of- use assets	-	-	-	(16)	-	(16)	-	(16)
Gain on disposal of subsidiaries	(2,795)	-	-	-	-	(2,795)	(1,978)	(4,773)
Impairment loss on goodwill	-	-	-	-	-	-	3,109	3,109
Impairment loss on investment in associates	2,030	-	-	-	-	2,030	-	2,030
Impairment loss on investment in unquoted shares	-	-	-	-	-	-	-	-
Impairment loss on prepaid expenses	-	7,130	-	-	-	7,130	-	7,130

## Focus Dynamics Group Berhad

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### 44. Segment reporting (continued)

#### Primary segment reporting - business (continued)

	Investment holding RM'000	Property investment and management RM'000	Engineering services RM'000	Food and beverage RM'000	Others RM'000	Total RM'000	Consolidation adjustments and elimination RM'000	Consolidation RM'000
<b>Financial period from 1.7.2022 to 30.9.2023</b>								
<b>Other information (continued)</b>								
Impairment loss on property, plant and equipment	-	-	-	121	-	121	49	170
Loss on lease modification - net	-	-	-	433	-	433	-	433
Net impairment loss on financial assets	22,985	-	-	826	-	23,811	(22,080)	1,731
Products development expenditure written-off	-	-	-	-	-	-	813	813
Property, plant and equipment written-off	-	-	-	53	-	53	-	53
Reversal of impairment loss on products development expenditure	-	-	-	-	-	-	(813)	(813)
Share of losses on investment in associates	-	-	-	-	-	-	4,202	4,202
Waiver of debts	-	-	-	(8,466)	-	(8,466)	8,466	-



**Focus Dynamics Group Berhad**

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**44. Segment reporting (continued)****Primary segment reporting - business (continued)**

	Investment holding RM'000	Property investment and management RM'000	Engineering services RM'000	Food and beverage RM'000	Others RM'000	Total RM'000	Consolidation adjustments and elimination RM'000	Consolidation RM'000
<b>30.9.2023</b>								
<b>Assets</b>								
Segment assets	171,630	95,980	1	115,888	4,469	387,968	(163,160)	224,808
Current tax assets	1,385	-	-	354	-	1,739	-	1,739
	173,015	95,980	1	116,242	4,469	389,707	(163,160)	226,547
Goodwill								88
Consolidated assets								226,635
<b>Liabilities</b>								
Segment liabilities	109,459	101,436	2,172	151,829	2,866	367,762	(279,847)	87,915
Current tax liabilities	-	238	-	156	-	394	-	394
Deferred taxation	-	-	-	31	-	31	-	31
Consolidated liabilities	109,459	101,674	2,172	152,016	2,866	368,187	(279,847)	88,340
<b>Additions to non-current assets other than financial instruments are:</b>								
Investment in associates	-	-	-	3	-	3	-	3
Investment in quoted and unquoted shares	4,517	-	-	-	-	4,517	-	4,517
Prepaid expenses	-	61,351	-	-	-	61,351	-	61,351
Property, plant and equipment	-	2	-	22,221	-	22,223	-	22,223
Right-of-use assets	-	-	-	14,034	-	14,034	-	14,034

## Focus Dynamics Group Berhad

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### 44. Segment reporting (continued)

#### Primary segment reporting - business (continued)

	Investment holding RM'000	Property investment and management RM'000	Engineering services RM'000	Food and beverage RM'000	Others RM'000	Total RM'000	Consolidation adjustments and elimination RM'000	Consolidation RM'000
<b>Financial period from</b>								
<b>1.1.2021 to 30.6.2022</b>								
<b>Revenue</b>								
External revenue	-	-	-	60,012	225	60,237	-	60,237
Intersegment revenue	-	-	-	3,037	-	3,037	(3,037)	-
Total revenue	-	-	-	63,049	225	63,274	(3,037)	60,237
<b>Results</b>								
Segment results	(131,809)	(359)	90	(6,345)	(582)	(139,005)	80,297	(58,708)
Interest income	2,592	-	-	103	*	2,695	-	2,695
(Loss)/profit from operations	(129,217)	(359)	90	(6,242)	(582)	(136,310)	80,297	(56,013)
Interest expenses	(3)	-	(67)	(2,006)	-	(2,076)	(32)	(2,108)
Share of results in associates	-	-	-	-	-	-	(13,708)	(13,708)
(Loss)/profit before taxation	(129,220)	(359)	23	(8,248)	(582)	(138,386)	66,557	(71,829)
Taxation	(277)	-	(13)	(1,864)	-	(2,154)	-	(2,154)
(Loss)/profit for the period	(129,497)	(359)	10	(10,112)	(582)	(140,540)	66,557	(73,983)

## Focus Dynamics Group Berhad

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### 44. Segment reporting (continued)

#### Primary segment reporting - business (continued)

	Investment holding RM'000	Property investment and management RM'000	Engineering services RM'000	Food and beverage RM'000	Others RM'000	Total RM'000	Consolidation adjustments and elimination RM'000	Consolidation RM'000
<b>Financial period from 1.1.2021 to 30.6.2022</b>								
<b>Other information</b>								
Bad debts recovered	-	-	(61)	-	-	(61)	-	(61)
Bad debts written-off	-	-	-	-	-	-	-	-
Bargain purchase of associates	(20,166)	-	-	-	-	(20,166)	-	(20,166)
Deemed gain on disposal of investment in joint venture	-	-	-	-	-	-	-	-
Deemed loss on investment in an associate	28,111	-	-	-	-	28,111	(10,238)	17,873
Depreciation of property, plant and equipment	464	5	-	6,084	17	6,570	-	6,570
Depreciation of right-of-use assets	-	-	16	5,512	-	5,528	(111)	5,417
Fair value loss on investment in quoted shares	16,226	-	-	5,825	-	22,051	-	22,051
Financing and operational support income	-	-	-	(3,632)	-	(3,632)	-	(3,632)
Gain on lease liabilities written-off due to early termination	-	-	-	-	-	-	-	-
Gain on disposal of property, plant and equipment	-	-	-	(193)	-	(193)	-	(193)

## Focus Dynamics Group Berhad

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### 44. Segment reporting (continued)

#### Primary segment reporting - business (continued)

	Investment holding RM'000	Property investment and management RM'000	Engineering services RM'000	Food and beverage RM'000	Others RM'000	Total RM'000	Consolidation adjustments and elimination RM'000	Consolidation RM'000
<b>Financial period from 1.1.2021 to 30.6.2022</b>								
<b>Other information (continued)</b>								
Gain on disposal of investment in quoted warrants	(2,530)	-	-	-	-	(2,530)	-	(2,530)
Gain on disposal of investment in quoted shares	(2,496)	-	-	-	-	(2,496)	-	(2,496)
Gain on disposal of right-of-use assets	-	-	(40)	-	-	(40)	-	(40)
Gain on disposal of subsidiaries	-	-	-	-	-	-	-	-
Impairment loss on goodwill	-	-	-	-	-	-	-	-
Impairment loss on investment in associates	40,710	-	-	-	-	40,710	-	40,710
Impairment loss on investment in unquoted shares	380	-	-	-	-	380	-	380
Impairment loss on prepaid expenses	-	-	-	-	-	-	-	-

## Focus Dynamics Group Berhad

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### 44. Segment reporting (continued)

#### Primary segment reporting - business (continued)

	Investment holding RM'000	Property investment and management RM'000	Engineering services RM'000	Food and beverage RM'000	Others RM'000	Total RM'000	Consolidation adjustments and elimination RM'000	Consolidation RM'000
<b>Financial period from 1.1.2021 to 30.6.2022</b>								
<b>Other information (continued)</b>								
Impairment loss on property, plant and equipment	-	-	-	-	-	-	-	-
Loss on lease modification - net	-	-	-	-	-	-	-	-
Net impairment loss on financial assets	69,260	183	(31)	420	-	69,832	(69,509)	323
Products development expenditure written-off	-	-	-	-	-	-	-	-
Property, plant and equipment written-off	-	-	-	82	-	82	-	82
Reversal of impairment loss on products development expenditure	-	-	-	-	-	-	-	-
Share of losses on investment in associates	-	-	-	-	-	-	13,708	13,708
Waiver of debts	-	-	-	-	-	-	-	-

## Focus Dynamics Group Berhad

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### 44. Segment reporting (continued)

#### Primary segment reporting - business (continued)

	Investment holding RM'000	Property investment and management RM'000	Engineering services RM'000	Food and beverage RM'000	Others RM'000	Total RM'000	Consolidation adjustments and elimination RM'000	Consolidation RM'000
<b>30.6.2022</b>								
<b>Assets</b>								
Segment assets	203,534	58,761	-	108,127	4,995	375,417	(149,923)	225,494
Current tax assets	1,224	-	-	7,089	-	8,313	-	8,313
	204,758	58,761	-	115,216	4,995	383,730	(149,923)	233,807
Goodwill								88
Consolidated assets								233,895
<b>Liabilities</b>								
Segment liabilities	111,951	56,811	2,192	141,746	5,680	318,380	(249,708)	68,672
Current tax liabilities	-	238	-	187	-	425	-	425
Deferred taxation	-	-	-	198	-	198	-	198
Consolidated liabilities	111,951	57,049	2,192	142,131	5,680	319,003	(249,708)	69,295
<b>Additions to non-current assets other than financial instruments are:</b>								
Investment in associates	81,707	-	-	-	-	81,707	-	81,707
Investment in quoted and unquoted shares	9,481	-	-	-	-	9,481	-	9,481
Prepaid expenses	-	15,543	-	-	-	15,543	-	15,543
Property, plant and equipment	-	-	-	15,529	135	15,664	-	15,664
Right-of-use assets	-	-	-	20,176	-	20,176	-	20,176

\* Denotes amount below RM1,000

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### **44. Segment reporting (continued)**

#### **Primary segment reporting - business (continued)**

##### **Information about major customer**

There is Nil (30.6.2022: one) customer whose transactions arising from sales in the food and beverage segment amounted to RMNil (30.6.2022: RM13,102,079) representing more than 10% of the Group's revenue.

### **45. Financial risk management policies**

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its risks. The Board reviews and agrees policies for managing each of these risks and they are summarised below. It is, and has been throughout the year under review, the Group's policy that no trading in derivative financial instruments shall be undertaken.

The main areas of financial risks faced by the Group and the policy in respect of the major areas of treasury activity are set out as follows:

#### **(a) Interest rate risk**

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing financial assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest-bearing financial assets are mainly short term in nature and have been mostly placed in fixed deposits or occasionally, in short term commercial papers.

The Group's interest rate risk arises primarily from interest-bearing borrowings. The Group's policy is to borrow principally on the floating rate basis but to retain a proportion of fixed rate debt. The objectives for the mix between fixed and floating rate borrowings are set to reduce the impact of an upward change in interest rates while enabling benefits to be enjoyed if interest rates fall.

#### **Interest rate sensitivity analysis**

##### **i Fair value sensitivity analysis for fixed rate instrument**

The Group does not account for any fixed rate financial liabilities at 'fair value through profit or loss' and does not designate derivatives as hedging instrument under fair value hedge accounting method. Therefore, a change in interest rate at the end of the reporting year would not affect profit or loss.

## **Focus Dynamics Group Berhad**

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### **45. Financial risk management policies (continued)**

#### **(a) Interest rate risk (continued)**

##### **Interest rate sensitivity analysis (continued)**

##### **ii Sensitivity analysis**

If the interest rates have been higher or lower and all other variables were held constant, the Group's results would decrease or increase accordingly. This is mainly attributable to the Group's exposure to interest rates on its floating rate borrowings which are not hedged. The Group's floating rate borrowings in RM are exposed to variability in future interest payments. If the Bank's Base Lending Rate (BLR) was to increase/decrease by 1%, it would impact the Group's profit by RM9,156 (30.6.2022: RM9,174).

The fixed deposits with licensed banks as at 30 September 2023 have maturity periods of 30 to 90 (30.6.2022: 30 to 90) days, and bear interest at rates ranging from 1.90% to 2.95% (30.6.2022: 1.25% to 1.90%) per annum.

#### **(b) Liquidity risk**

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and balances its portfolio with some short-term funding so as to achieve overall cost effectiveness.



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### 45. Financial risk management policies (continued)

#### (b) Liquidity risk (continued)

The maturity profiles of the Group and the Company's liabilities at the financial year end based on contractual undiscounted repayment obligations are as follows:

Group	Effective interest rate %	Carrying amount RM'000	Contractual undiscounted cash flow RM'000	Maturity		
				Less than 1 year RM'000	Between 2 and 5 years RM'000	More than 5 years RM'000
<b>30.9.2023</b>						
Trade payables	-	23,433	23,433	23,433	-	-
Other payables and accruals	-	13,875	13,875	13,875	-	-
Amount due to an associate	-	278	278	278	-	-
Amount due to related parties	-	20,135	20,135	15,397	4,738	-
Borrowings	3.93 - 4.25	11,205	11,205	11,205	-	-
Lease liabilities	4.70 - 18.44	17,747	26,658	5,837	17,486	3,335
		<b>86,673</b>	<b>95,584</b>	<b>70,025</b>	<b>22,224</b>	<b>3,335</b>
<b>30.6.2022</b>						
Trade payables	-	5,293	5,293	5,293	-	-
Other payables and accruals	-	23,696	23,696	23,696	-	-
Amount due to related parties	-	17,510	17,510	17,510	-	-
Amount due to joint venture	-	9	9	9	-	-
Borrowings	3.60 - 3.85	1,207	1,207	1,207	-	-
Lease liabilities	2.51 - 16.58	20,378	24,933	11,615	11,931	1,387
		<b>68,093</b>	<b>72,648</b>	<b>59,330</b>	<b>11,931</b>	<b>1,387</b>

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### 45. Financial risk management policies (continued)

#### (b) Liquidity risk (continued)

Company	Effective interest rate %	Carrying amount RM'000	Contractual undiscounted cash flow RM'000	Maturity
				Less than 1 year RM'000
<b>30.9.2023</b>				
Other payables and accruals	-	2,158	2,158	2,158
Amount due to subsidiaries	-	6,627	6,627	6,627
		<b>8,785</b>	<b>8,785</b>	<b>8,785</b>
<b>30.6.2022</b>				
Other payables and accruals	-	914	914	914
Amount due to subsidiaries	-	3,113	3,113	3,113
		<b>4,027</b>	<b>4,027</b>	<b>4,027</b>

#### (c) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group is exposed to credit risk primarily from their trade receivables, other receivables and cash and bank balances, all which are financial assets.

As at the current and previous financial period end, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial asset recognised in the statements of financial position.

For cash and bank balances, the Group minimises credit risk by adopting an investment policy which allows dealing with counterparties with good credit ratings only. The Group closely monitors the credit worthiness of their counterparties by reviewing their credit ratings and credit profiles on a regular basis. Receivables are monitored to ensure that exposure to bad debts is minimised.

For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval from the Head of Credit Control. Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

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### 45. Financial risk management policies (continued)

#### (c) Credit risk (continued)

##### Cash and bank balances

The Group's and the Company's cash and bank balances at the financial period end are as follows:

		<b>Group</b>		<b>Company</b>	
	<b>Note</b>	<b>30.9.2023</b>	30.6.2022	<b>30.9.2023</b>	30.6.2022
		<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Short-term investments	22	<b>20</b>	2,076	-	-
Fixed deposits with licensed banks	23	<b>13,098</b>	2,940	<b>1,491</b>	1,450
Cash and bank balances	24	<b>23,735</b>	60,545	<b>15,886</b>	40,030
		<b>36,853</b>	65,561	<b>17,377</b>	41,480

No expected credit loss on the Group's and the Company's balances were recognised arising from the bank balances because the probability of default by these financial institutions were negligible.

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**45. Financial risk management policies (continued)****(c) Credit risk (continued)****Receivables**

The ageing analysis of the Group and the Company's gross receivables (before deducting allowance for impairment loss) are as follows:

					Not credit impaired				
Group	Note	Total RM'000	Credit impaired RM'000	Not past due RM'000	Past due				Total past due RM'000
					1-30 days RM'000	31-60 days RM'000	61-90 days RM'000	>90 days RM'000	
<b>30.9.2023</b>									
Trade receivables	16	7,914	3,899	2,665	99	639	135	477	1,350
Other receivables which are financial assets	17	8,489	53	8,228	-	-	-	208	208
Amount due from associates	19	2,241	-	210	96	50	1,885	-	2,031
Amount due from related parties	20	1,550	11	114	22	23	21	1,359	1,425
		20,194	3,963	11,217	217	712	2,041	2,044	5,014
<b>30.6.2022</b>									
Trade receivables	16	9,747	211	8,721	245	192	95	283	815
Other receivables which are financial assets	17	23,472	247	22,586	54	88	-	497	639
Amount due from related parties	20	1,971	3	182	89	72	200	1,425	1,786
Amount due from joint venture	21	2,156	-	-	-	-	-	2,156	2,156
		37,346	461	31,489	388	352	295	4,361	5,396

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### 45. Financial risk management policies (continued)

#### (c) Credit risk (continued)

##### Receivables (continued)

Company	Note	Total RM'000	Credit impaired RM'000	Not past due RM'000	Not credit impaired				
					Past due				Total past due RM'000
					1-30 days RM'000	31-60 days RM'000	61-90 days RM'000	>90 days RM'000	
<b>30.9.2023</b>									
Other receivables which are financial assets	17	<b>1,004</b>	-	<b>1,004</b>	-	-	-	-	-
Amount due from subsidiaries	18	<b>246,223</b>	<b>127,081</b>	<b>119,142</b>	-	-	-	-	-
		<b>247,227</b>	<b>127,081</b>	<b>120,146</b>	-	-	-	-	-
<b>30.6.2022</b>									
Other receivables which are financial assets	17	1	-	1	-	-	-	-	-
Amount due from subsidiaries	18	221,377	104,077	117,300	-	-	-	-	-
		221,378	104,077	117,301	-	-	-	-	-

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### 45. Financial risk management policies (continued)

#### (c) Credit risk (continued)

##### Receivables (continued)

Receivables that are neither past due nor credit impaired are creditworthy debtors with good payment records with the Group. The Group's trade receivables credit term ranges from 30 days to 90 (30.6.2022: 30 to 90) days. Certain receivables' credit terms are assessed and approved on a case by case basis.

Other receivables which are financial assets include sundry receivables and amounts due from a related party and a joint venture.

None of the Group's receivables that are neither past due nor credit impaired have been renegotiated during the current and previous financial years. Receivables are not secured by any collaterals or credit enhancements.

The Group's concentration of credit risk relates to the amount owing by four (30.6.2022: two) major customers which constituted 63% (30.6.2022: 47%) of its trade receivables at the end of the reporting year.

The exposure of credit risks for trade receivables as at the end of the reporting period by geographical region is as follows:

	<b>Group</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
Domestic	<b>3,225</b>	2,056
Hong Kong	<b>763</b>	1,379
France	<b>9</b>	5,017
Singapore	-	663
Japan	-	318
China	-	17
	<b>3,997</b>	9,450

As at the end of the reporting period, the maximum exposure of credit risk arising from trade receivables is represented by the carrying amount in the statements of financial position.

##### Impairment of Trade Receivables

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. For certain large customers or customers with a high risk of default, the Group assesses the risk of loss of each customer individually based on their financial information, past trends of payments an external credit rating, where applicable. Also, the Group considers any trade receivables having financial difficulty or in default with significant balances outstanding for more than 1 year are deemed credit impaired and assesses for their risk of loss individually. The expected loss rates are based on the payment profiles of sales over a period of 1 year from the measurement date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debts.

## **Focus Dynamics Group Berhad**

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### **45. Financial risk management policies (continued)**

#### **(c) Credit risk (continued)**

##### **Receivables (continued)**

###### Impairment of Other Receivables, Associates, Related Parties and Joint Venture

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables. Under this approach, the Group assesses whether there is a significant increase in credit risk on the receivables by comparing their risk of default as at the reporting date with the risk of default as at the date of initial recognition based on available reasonable and supportable forward-looking information. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

The Group considers a receivable is credit impaired when the receivable is in significant financial difficulty, for instances, the receivable is in breach of financial covenants or insolvent. Receivables that are credit impaired are assessed individually while other receivables are assessed on a collective basis.

###### Impairment of amount due from subsidiaries (Non-trade Balances)

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances. Generally, the Company considers advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's loan or advance to be credit impaired when the subsidiary is unlikely to repay its loan or advance in full or the subsidiary is continuously loss making or the subsidiary is having a deficit in its total equity.

The Company determines the probability of default for these loans and advances individually using internal information available.

## Focus Dynamics Group Berhad

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### 45. Financial risk management policies (continued)

#### (c) Credit risk (continued)

##### Impairment on receivables

The Group and the Company apply the simplified approach whereby allowance for impairment are measured at lifetime ECL. The movement of the allowance for impairment loss on receivables is as follows:

Group	Trade receivables			Other receivables which are financial assets		
	Lifetime ECL allowance RM'000	Credit impaired (Note i) RM'000	Total allowance RM'000	Lifetime ECL allowance RM'000	Credit impaired (Note i) RM'000	Total allowance RM'000
<b>At 1 July 2022</b>	<b>86</b>	<b>211</b>	<b>297</b>	<b>117</b>	<b>247</b>	<b>364</b>
Charge during the period (Note ii)	9	3,867	3,876	-	-	-
Disposal of subsidiaries	(77)	(179)	(256)	(17)	(194)	(211)
<b>At 30 September 2023</b>	<b>18</b>	<b>3,899</b>	<b>3,917</b>	<b>100</b>	<b>53</b>	<b>153</b>
<b>At 1 January 2021</b>	76	194	270	254	-	254
Charge/(reversal) during the year (Note ii)	10	17	27	(137)	247	110
<b>At 30 June 2022</b>	<b>86</b>	<b>211</b>	<b>297</b>	<b>117</b>	<b>247</b>	<b>364</b>



## Focus Dynamics Group Berhad

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### 45. Financial risk management policies (continued)

#### (c) Credit risk (continued)

##### Impairment on receivables (continued)

Group	Amount due from associates			Amount due from related parties		
	Lifetime ECL allowance RM'000	Credit impaired (Note i) RM'000	Total allowance RM'000	Lifetime ECL allowance RM'000	Credit impaired (Note i) RM'000	Total allowance RM'000
<b>At 1 July 2022</b>	-	-	-	<b>1,121</b>	<b>3</b>	<b>1,124</b>
Charge during the period (Note ii)	-	-	-	-	<b>11</b>	<b>11</b>
Disposal of subsidiaries	-	-	-	-	<b>(3)</b>	<b>(3)</b>
<b>At 30 September 2023</b>	-	-	-	<b>1,121</b>	<b>11</b>	<b>1,132</b>
<b>At 1 January 2021</b>	-	-	-	938	-	938
Charge during the period (Note ii)	-	-	-	183	3	186
<b>At 30 June 2022</b>	-	-	-	<b>1,121</b>	<b>3</b>	<b>1,124</b>

## Focus Dynamics Group Berhad

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### 45. Financial risk management policies (continued)

#### (c) Credit risk (continued)

##### Impairment on receivables (continued)

Group	Amount due from joint venture		
	Lifetime ECL allowance RM'000	Credit impaired (Note i) RM'000	Total allowance RM'000
<b>At 1 July 2022</b>	<b>2,156</b>	-	<b>2,156</b>
Reversal during the period (Note ii)	(2,156)	-	(2,156)
<b>At 30 September 2023</b>	-	-	-
<b>At 1 January 2021</b>	2,156	-	2,156
Charge during the period (Note ii)	*	-	*
<b>At 30 June 2022</b>	2,156	-	2,156

- i Receivables that are individually determined to be credit impaired at the financial period end relate to debtors who are in significant financial difficulties and have defaulted on payments.
- ii The Group's allowance for impairment loss on trade receivables, other receivables which are financial assets, amount due from associates, related parties and joint venture during the current financial period increased by RM1,729,914 is mainly due to the provision for higher impaired trade receivables, other receivables which are financial assets, amount due from associates, related parties and joint venture. In the previous financial period, the Group's allowance for impairment loss on trade receivables, other receivables which are financial assets, amount due from associates, related parties and joint venture increased by RM322,694 is mainly due to the provision for higher impaired trade receivables, other receivables which are financial assets, amount due from associates, related parties and joint venture.

\* Denotes amount below RM1,000

## Focus Dynamics Group Berhad

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### 45. Financial risk management policies (continued)

#### (c) Credit risk (continued)

##### Impairment on receivables (continued)

Company	Amount due from subsidiaries		
	Lifetime ECL allowance RM'000	Credit impaired (Note i) RM'000	Total allowance RM'000
<b>At 1 July 2022</b>	-	<b>104,077</b>	<b>104,077</b>
Charge during the period (Note ii)	-	<b>23,004</b>	<b>23,004</b>
<b>At 30 September 2023</b>	-	<b>127,081</b>	<b>127,081</b>
<b>At 1 January 2021</b>	-	34,838	34,838
Charge during the period (Note ii)	-	69,239	69,239
<b>At 30 June 2022</b>	-	104,077	104,077

- i Receivables that are individually determined to be credit impaired at the financial period end relate to debtors who are in significant financial difficulties and have defaulted on payments.
- ii The Company's allowance for impairment loss on amount due from subsidiaries during the current financial period increased by RM23,003,505 is mainly due to the provision for higher impaired amount due from subsidiaries. In the previous financial period, the Company's allowance for impairment loss on amount due from subsidiaries increased by RM69,239,218 is mainly due to the provision for higher impaired amount due from subsidiaries.

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**45. Financial risk management policies (continued)****(d) Foreign currency risk**

The Group is exposed to transactional currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily Hong Kong Dollar (HKD), Euro Dollar (EUR) and United States Dollar (USD). Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level. Material foreign currency transaction exposures are hedged, mainly with derivative financial instruments such as forward foreign exchange contracts.

<b>Group</b>	<b>Note</b>	<b>HKD RM'000</b>	<b>EUR RM'000</b>	<b>USD RM'000</b>	<b>Total RM'000</b>
<b>30.9.2023</b>					
<b>Financial assets</b>					
Trade receivables	16	<b>763</b>	<b>9</b>	-	<b>772</b>
Other receivables and deposits	17	<b>25</b>	-	-	<b>25</b>
Cash and bank balances	24	<b>963</b>	-	<b>3</b>	<b>966</b>
		<b>1,751</b>	<b>9</b>	<b>3</b>	<b>1,763</b>
<b>Financial liabilities</b>					
Other payables and accruals	31	<b>(111)</b>	-	-	<b>(111)</b>
<b>Net financial assets</b>		<b>1,640</b>	<b>9</b>	<b>3</b>	<b>1,652</b>
<b>30.6.2022</b>					
<b>Financial assets</b>					
Trade receivables	16	1,379	5,998	17	7,394
Cash and bank balances	24	389	-	2	391
		1,768	5,998	19	7,785
<b>Financial liabilities</b>					
Other payables and accruals	31	(57)	-	-	(57)
<b>Net financial assets</b>		1,711	5,998	19	7,728
<b>Company</b>					
<b>30.9.2023</b>					
<b>Financial assets</b>					
Amount due from subsidiaries	18	<b>3,797</b>	-	-	<b>3,797</b>
<b>Net financial assets</b>		<b>3,797</b>	-	-	<b>3,797</b>
<b>30.6.2022</b>					
<b>Financial assets</b>					
Amount due from subsidiaries	18	5,191	-	-	5,191
<b>Net financial assets</b>		5,191	-	-	5,191

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**45. Financial risk management policies (continued)****(d) Foreign currency risk (continued)****Sensitivity analysis**

The following table demonstrates the sensitivity of the Group's results to a reasonable possible change in the exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

	<b>Group</b>		<b>Company</b>	
	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000	<b>Financial period from 1.7.2022 to 30.9.2023 RM'000</b>	Financial period from 1.1.2021 to 30.6.2022 RM'000
<b>Effects on loss after taxation:</b>				
HKD/RM – strengthened/ (weakened) 10%	<b>125</b>	130	<b>289</b>	395
EUR/RM – strengthened/ (weakened) 10%	*	456	-	-
USD/RM – strengthened/ (weakened) 10%	*	1	-	-

\* Denotes amount below RM1,000

**(e) Capital management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The gearing ratios at 30 September 2023 and 30 June 2022 were as follows:

	<b>Note</b>	<b>Group 30.9.2023 RM'000</b>	30.6.2022 RM'000
Borrowings	33	<b>11,205</b>	1,207
Lease liabilities	28	<b>17,747</b>	20,378
		<b>28,952</b>	21,585
Less:			
Short-term investments	22	<b>(20)</b>	(2,076)
Fixed deposits with licensed banks (not pledged)	23	<b>(1,504)</b>	(1,490)
Cash and bank balances	24	<b>(23,735)</b>	(60,545)
		<b>(25,259)</b>	(64,111)
Net debt		<b>3,693</b>	(42,526)
Total equity attributable to owners of the Company		<b>138,761</b>	163,180
Debt-to-equity ratio		<b>0.03</b>	N/A

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### 45. Financial risk management policies (continued)

#### (e) Capital management (continued)

N/A – Not applicable, as the short-term investments, fixed deposits with licensed banks and cash and bank balances of the Group are sufficient to settle all the outstanding debts of the Group as at the financial period end.

### 46. Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

- (a) Amortised cost ["AC"]
- (b) Fair value through profit or loss ["FVTPL"]

Group	Carrying amount RM'000	AC RM'000	FVTPL RM'000
<b>30.9.2023</b>			
<b>Non-derivative financial assets</b>			
Investment in quoted and unquoted shares	13,090	-	13,090
Trade receivables	3,997	3,997	-
Other receivables and deposits	8,336	8,336	-
Amount due from associates	2,241	2,241	-
Amount due from related parties	418	418	-
Short-term investments	20	-	20
Fixed deposits with licensed banks	13,098	13,098	-
Cash and bank balances	23,735	23,735	-
	<b>64,935</b>	<b>51,825</b>	<b>13,110</b>
<b>Non-derivative financial liabilities</b>			
Trade payables	23,433	23,433	-
Other payables and accruals	13,875	13,875	-
Amount due to an associate	278	278	-
Amount due to related parties	20,135	20,135	-
Borrowings	11,205	11,205	-
Lease liabilities	17,747	17,747	-
	<b>86,673</b>	<b>86,673</b>	<b>-</b>
<b>30.6.2022</b>			
<b>Non-derivative financial assets</b>			
Investment in quoted and unquoted shares	16,678	-	16,678
Trade receivables	9,450	9,450	-
Other receivables and deposits	23,108	23,108	-
Amount due from related parties	847	847	-
Short-term investments	2,076	-	2,076
Fixed deposits with licensed banks	2,940	2,940	-
Cash and bank balances	60,545	60,545	-
	<b>115,644</b>	<b>96,890</b>	<b>18,754</b>

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### 46. Categories of financial instruments (continued)

Group (continued)	Carrying amount RM'000	AC RM'000	FVTPL RM'000
<b>30.6.2022</b>			
<b>Non-derivative financial liabilities</b>			
Trade payables	5,293	5,293	-
Other payables and accruals	23,696	23,696	-
Amount due to related parties	17,510	17,510	-
Amount due to joint venture	9	9	-
Borrowings	1,207	1,207	-
Lease liabilities	20,378	20,378	-
	<u>68,093</u>	<u>68,093</u>	<u>-</u>
<b>Company</b>			
<b>30.9.2023</b>			
<b>Non-derivative financial assets</b>			
Other receivables and deposits	1,004	1,004	-
Amount due from subsidiaries	119,142	119,142	-
Fixed deposits with licensed banks	1,491	1,491	-
Cash and bank balances	15,886	15,886	-
	<u>137,523</u>	<u>137,523</u>	<u>-</u>
<b>Non-derivative financial liabilities</b>			
Other payables and accruals	2,158	2,158	-
Amount due to subsidiaries	6,627	6,627	-
	<u>8,785</u>	<u>8,785</u>	<u>-</u>
<b>30.6.2022</b>			
<b>Non-derivative financial assets</b>			
Deposits	1	1	-
Amount due from subsidiaries	117,300	117,300	-
Fixed deposits with licensed banks	1,450	1,450	-
Cash and bank balances	40,030	40,030	-
	<u>158,781</u>	<u>158,781</u>	<u>-</u>
<b>Non-derivative financial liabilities</b>			
Other payables and accruals	914	914	-
Amount due to subsidiaries	3,113	3,113	-
	<u>4,027</u>	<u>4,027</u>	<u>-</u>

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### 47. Fair values

#### (a) Financial instruments that are measured at fair value

Investment in quoted shares and short term investments are measured at fair value at different measurement hierarchies (i.e. Levels 1, 2, 3). The hierarchies reflect the level of objectiveness of inputs used when measuring the fair value.

- (i) Level 1: Quoted prices (unadjusted) of identical asset in active markets
- (ii) Level 2: Inputs other at quoted prices included within Level 1 that are observable for the asset, either directly (i.e. prices) or indirectly (i.e. derived from prices)
- (iii) Level 3: Inputs for the assets are not based on observable market data (unobservable inputs)

The Group and the Company do not have any financial instruments measured at Level 2 and Level 3 in current and previous financial years.

<b>Group</b>	<b>Level 1</b>	<b>Total</b>
<b>30.9.2023</b>	<b>RM'000</b>	<b>RM'000</b>
Investment in quoted and unquoted shares	<b>13,090</b>	<b>13,090</b>
Short term investments	<b>20</b>	<b>20</b>
	<b>13,110</b>	<b>13,110</b>
<b>30.6.2022</b>		
Investment in quoted and unquoted shares	16,678	16,678
Short term investments	2,076	2,076
	18,754	18,754



## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 47. Fair values (continued)

#### (b) Financial instruments that are not measured at fair value

The carrying amount of the financial instruments measured at amortised cost are reasonable approximation of their fair values due to their short-term nature.

	<b>Note</b>
Trade receivables	16
Other receivables which are financial assets	17
Amount due from/(to) subsidiaries	18
Amount due from/(to) associates	19
Amount due from/(to) related parties	20
Amount due from/(to) joint venture	21
Fixed deposits with licensed banks	23
Cash and bank balances	24
Lease liabilities	28
Trade payables	30
Other payables and accruals	31
Borrowings	33

### 48. Significant and subsequent events

- (a) The coronavirus (COVID-19) outbreak in early 2020 has reached a pandemic level affecting all businesses and economic activities globally. The Malaysian Government has enforced various measures to curb with the spreading of the virus including travel restrictions, reduced business operating capacity and total prohibition for certain businesses to operate.

The Group foresees that there is no material impact of COVID-19 on the Group's results of operations and financial performance for the financial year ending 30 September 2024. Given the fluidity of the situation, the Group will continuously monitor the impact of COVID-19 on its operations and its financial performance and will also be taking appropriate and timely measures to minimise the impact of the outbreak on the Group's operations.

- (b) On 19 July 2022, the Company's wholly-owned subsidiary, Marque International Sdn. Bhd. ("MISB") entered into a Sale and Purchase Agreement with Symphony Union Suites Sdn. Bhd. for the acquisition of two (2) storey detached commercial retail lot with vacant possession, in the Building No. Block B in the commercial development known as "Union Suites" held under leasehold land of 99 years with address identified as P.N. 116462, No. Lot 74752, Pekan Penaga, Daerah Petaling, Negeri Selangor for a purchase price of RM4,500,000. On 13 March 2023, MISB entered into a Deed of Revocation to revoke the said Sale and Purchase Agreement.
- (c) On 30 August 2022, the Company's wholly-owned subsidiary, Focus Volume Sdn. Bhd. ("FVSB") entered into a Tenancy Agreement with Pedoman Cekap Sdn. Bhd. to lease a shoplot together with Terrace 1 and Terrace 2 of TSLAW Tower, with registered address as No. 39, Jalan Kamuning, Pinggiran TRX, 55100 Kuala Lumpur, Malaysia with a total estimated contract value of RM1,889,370, for the period from 25 February 2023 to 24 February 2026, at the average monthly rental of RM52,483, with an option to renew for another 3 years.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 48. Significant and subsequent events (continued)

- (d) On 5 December 2022, the Company's wholly-owned subsidiary, Focus International Holding Sdn. Bhd. ("FIHSB") entered into a Share Sale Agreement with the other two (2) shareholders to acquire 55 ordinary shares in W Club Sdn. Bhd. ("W Club"), representing 55% shareholdings for a total consideration of RM715,000. The transaction was completed on 16 December 2022, and thus W Club became an indirect subsidiary of the Company. On 11 April 2023, MISB who owns the remaining 45 ordinary shares, representing 45% shareholdings were then transferred to FIHSB during the period, and W Club became a wholly-owned indirect subsidiary of the Company.
- (e) On 10 March 2023, MISB entered into two (2) Deeds of Revocation with AK Star Sdn. Bhd. to revoke the Sale and Purchase Agreement for the acquisition of the two (2) units of condominium of development project known as "Axon Bukit Bintang" held under leasehold lands of 99 years held under P.N. 46183 Lot 1377 and Lot 1351, both of Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur ("2 units of Axon Bukit Bintang condominium"). Concurrently, Lavo Selangor Sdn. Bhd. (formerly known as Modern Cuisine Sdn. Bhd.) ("LSSB") entered into two Sale and Purchase Agreements with AK Star Sdn. Bhd. for the acquisitions of the 2 units of Axon Bukit Bintang condominium for a purchase price of RM1,472,000 and RM1,473,000 respectively.
- (f) On 13 March 2023, LSSB entered into a Sale and Purchase Agreement with Symphony Union Suites Sdn. Bhd. for the acquisition of a two (2) storey detached commercial retail lot with vacant possession, in the Building No. Block B in the commercial development known as "Union Suites", as mentioned in (b) above, for a consideration of RM4,500,000.
- (g) On 14 March 2023, FIHSB entered into a Sale and Purchase Agreement with a third party for the disposal of 3,000,000 ordinary shares, representing 100% shareholdings in MISB for a total consideration of RM195,000. The transaction was completed on 11 April 2023.
- (h) On 15 March 2023, MISB transferred 550 ordinary shares of Goldhill Eagle Sdn. Bhd. ("GESB") to LSSB, representing 55% of total equity interest.
- (i) On 20 March 2023, FIHSB entered into a Sale and Purchase Agreement with a third party for the disposal of 2 ordinary shares, representing 100% shareholdings in Wine Commerce Sdn. Bhd. for a total consideration of RM5,500,000. The transaction was completed on 11 April 2023.
- (j) On 25 April 2023, LGSB transferred 2 ordinary shares of CISB to the Company, representing 100% of total equity interest.
- (k) On 2 August 2023, LSSB entered into a Sale and Purchase Agreement with GP Autobat Sdn. Bhd. for the disposal of a two (2) storey detached commercial retail lot with vacant possession, in the Building No. Block B in the commercial development known as "Union Suites" which was purchased earlier during the financial period, as mentioned in (b) and (f) above, for a consideration of RM4,500,000.

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### 48. Significant and subsequent events (continued)

- (l) On 4 October 2023, FIHSB subscribed to 150,000 new ordinary shares in LSSB at an issue price of RM1 each for a total consideration of RM150,000, representing 100% of total equity interest.
- (m) On 14 November 2023, the Company through its subsidiary, FIHSB, incorporated a wholly-owned subsidiary, Lavo Kuala Lumpur Sdn. Bhd., with a subscription price of RM1.
- (n) On 6 December 2023, W Club entered into a Termination Agreement with Tropicana Residences Sdn. Bhd. to terminate the Tenancy Agreement dated 13 August 2018 and Addendum dated 5 December 2022, to lease a portion of Level 12 of twenty-five (25) storey hotel known as "W Kuala Lumpur", bearing postal address No. 121 Jalan Ampang, 50450 Kuala Lumpur with a total area measuring approximately 3,777 square feet. Tropicana Residences Sdn. Bhd. had agreed to compensate W Club in the sum of RM1,500,000. In addition to the termination compensation, Tropicana Residences Sdn. Bhd. further agrees to waive all outstanding rental and refund all deposits without any deduction. W Club shall remove all of its belongings and items from the premise within fourteen (14) days from the termination date 6 December 2023.
- (o) On 18 January 2024, the Company through its subsidiary, The Arch Properties Sdn. Bhd. (formerly known as Famous Ambience Sdn. Bhd.) ("TAPSB"), incorporated a wholly-owned subsidiary, The Arch Galleries Sdn. Bhd. ("TAGSB"), with a subscription price of RM1, representing 51% of the Group indirect interest in TAGSB.
- (p) On 29 January 2024, the Company entered into a Sale and Purchase Agreement with Ong Kah Hoe to acquire 24,000 ordinary shares in TAPSB representing 24% equity interest for a total consideration of RM24,000. As a result, The Group's and the Company's effective interest in TAPSB will increase from 51% to 75% upon the completion of the transfer of shares. As at the date of this report, the transfer of shares has not been completed.

### 49. Contingent assets

	<b>Company</b>	
	<b>30.9.2023</b>	30.6.2022
	<b>RM'000</b>	RM'000
Financing from business partners of the Arch	<b>18,676</b>	-

By the Subscription and Shareholders' Agreement entered on 29 August 2016, the Company subscribed for a 51% equity interest in TAPSB. TAPSB is a special purpose vehicle incorporated for the purpose of constructing a F&B and lifestyle hub project known as "The Arch". The Company and business partners, as the shareholders, shall use their best endeavours to procure financing for the Company in accordance with their shareholding proportions.

As at 30 September 2023, the Company and the business partners have contributed a total amount of RM69,126,230 and RM8,688,277 respectively to TAPSB. TAPSB has in turn utilised the contributions for The Arch project. The Company contributed a higher proportion than the said 51% ratio by RM29,440,832 to ensure the construction of The Arch continues without disruption. The Company has requested the business partners to contribute their share of financing required to reflect their shareholding proportion.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **49. Contingent assets (continued)**

Subsequently on 29 January 2024, one of the business partners, Ong Kah Hoe agreed to dispose 24% of his existing 43% equity interest in TAPSB to the Company, as disclosed in Note 48(p). As a result, the Group's and the Company's equity interest in TAPSB will increase from 51% to 75% upon completion of the transfer of shares. The required financing by the business will be adjusted subsequently to reflect their reduced equity interests in TAPSB. As at the date of this report, the transfer of shares has not been completed.

### **50. Comparative figures**

During the financial period, the Company changed its financial year end from 30 June 2023 to 30 September 2023. Accordingly, the comparative figures for the statements of profit or loss and other comprehensive income, statements of changes in equity, statements of cash flows and the related notes are for eighteen months from 1 January 2021 to 30 June 2022 and are therefore not comparable.

## **Focus Dynamics Group Berhad**

(Incorporated in Malaysia)

### **Statement by Directors**

### **Pursuant to Section 251(2) of the Companies Act 2016**

We, Tay Ben Seng, Benson and Leow Wey Seng, being two of the Directors of Focus Dynamics Group Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 54 to 184 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2023 and of their financial performance and cash flows for the financial period then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 30 January 2024.

**Tay Ben Seng, Benson**

Director

**Leow Wey Seng**

Director

Kuala Lumpur

### **Statutory Declaration**

### **Pursuant to Section 251(1)(b) of the Companies Act 2016**

I, Tay Ben Seng, Benson, being the Director primarily responsible for the financial management of Focus Dynamics Group Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 54 to 184 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by  
the abovenamed Tay Ben Seng, Benson  
at Puchong in the state of Selangor  
on 30 January 2024

**Tay Ben Seng, Benson**

Director

Before me,

# **Independent Auditors' Report to the Members of Focus Dynamics Group Berhad**

Registration No: 200201015261 (582924-P)  
(Incorporated in Malaysia)

## **Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the financial statements of Focus Dynamics Group Berhad, which comprise the statements of financial position as at 30 September 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 54 to 184.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 September 2023 and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### **Basis for Opinion**

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence and Other Ethical Responsibilities**

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial period. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

# Independent Auditors' Report to the Members of Focus Dynamics Group Berhad (continued)

Company No: 200201015261 (582924-P)  
(Incorporated in Malaysia)

## Key Audit Matters (continued)

We have determined the matters described below to be the key audit matters to be communicated in our report.

### 1. Prepaid expenses

The carrying amount of prepaid expenses as at 30 September 2023: RM89,000,000.

We refer to the consolidated financial statements: Note 3(h) "Prepaid expenses", Note 3(s) "Impairment of non-financial assets", Note 5(j) "Impairment of prepaid expenses" and Note 12 "Prepaid expenses".

Key audit matter	Our response
<p>On an annual basis, Management assesses whether there is an indication that an asset may be impaired. If any such indication exists, the Group makes an estimate of the assets recoverable amount. Where the carrying of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount.</p> <p>We determine this to be a key audit matter as it is the Group's most significant asset balance and involves significant estimation of the value-in-use of the cash-generating unit (CGU) to which the prepaid expenses are allocated, and the expected future cash flows from the CGU. In estimating the expected future cash flows, significant judgement is required in determining a suitable discount rate as well as the expected future market and economic conditions.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"><li>• Examining the relevant cash flow forecasts which support Management's impairment assessment. We evaluated the evidence supporting the underlying assumptions in those forecasts, by comparing and considering historical data with current and future information such as prior budget accuracy and expected growth rates to relevant market expectations; and</li><li>• Reviewing the adequacy of the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive.</li><li>• Obtaining an external expert's valuation report to further support Management's impairment assessment.</li></ul>

# **Independent Auditors' Report to the Members of Focus Dynamics Group Berhad (continued)**

Registration No: 200201015261 (582924-P)  
(Incorporated in Malaysia)

## **Key Audit Matters (continued)**

### **2. Property, plant and equipment**

The carrying amount of property, plant and equipment as at 30 September 2023: RM24,289,369.

We refer to the consolidated financial statements: Note 3(c) "Property, plant and equipment, and depreciation", Note 3(s) "Impairment of non-financial assets", Note 5(b) "Impairment of property, plant and equipment" and Note 6 "Property, plant and equipment".

<b>Key audit matter</b>	<b>Our response</b>
<p>On an annual basis, Management assesses whether there is an indication that an asset may be impaired. If any such indication exists, the Group makes an estimate of the assets recoverable amount. Where the carrying of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount.</p> <p>We determine this to be a key audit matter as property, plant and equipment represent a significant amount of the Group's statement of financial position, and involves significant estimation of the value-in-use of the cash-generating unit (CGU) to which the property, plant and equipment are allocated, and the expected future cash flows from the CGU. In estimating the expected future cash flows, significant judgement is required in determining a suitable discount rate as well as the expected future market and economic conditions.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"><li>• Examining the relevant cash flow forecasts which support Management's impairment assessment. We evaluated the evidence supporting the underlying assumptions in those forecasts, by comparing and considering historical data with current and future information such as prior budget accuracy and expected growth rates to relevant market expectations; and</li><li>• Reviewing the adequacy of the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive.</li></ul>



# **Independent Auditors' Report to the Members of Focus Dynamics Group Berhad (continued)**

Registration No: 200201015261 (582924-P)  
(Incorporated in Malaysia)

## **Key Audit Matters (continued)**

### **3. Inventories**

The carrying amount of inventories as at 30 September 2023: RM13,067,977.

We refer to the consolidated financial statements: Note 3(i) "Inventories", Note 5(f) "Write-down of inventories to the lower of cost and net realisable value" and Note 15 "Inventories".

<b>Key audit matter</b>	<b>Our response</b>
<p>The cost of inventories may not be recoverable if those inventories are damaged, expired or if their selling prices have declined. The Management reviews for any necessary write-downs at the financial year end.</p> <p>We determine this as a key audit matter as inventories represent a significant component of the Group's statement of financial position and, due to the nature of the inventories, the estimation of the net realisable values of the inventories may involved significant judgement by the Management.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"><li>• Enquiring (if any), obtaining, reviewing and assessing the inventory list for slow moving, damaged or expired inventories and how Management identifies them;</li><li>• Attending the physical count of inventories to observe the count procedures and physical conditions of those inventories;</li><li>• Assessing the Group's judgement made to the net realisable value of slow moving inventories; and</li><li>• Inquiring and assessing reasons from Management if slow moving inventories are not written-down to their net realisable value.</li></ul>

# **Independent Auditors' Report to the Members of Focus Dynamics Group Berhad (continued)**

Registration No: 200201015261 (582924-P)  
(Incorporated in Malaysia)

## **Information Other than the Financial Statements and Auditors' Report Thereon**

The Directors of the Company are responsible for the other information included in the 2023 Annual Report. The other information comprises the Directors' Report which was obtained prior to the date of this auditors' report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon. The other sections of the other information included in the 2023 Annual Report are expected to be made available to us subsequently.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of the Directors for the Financial Statements**

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and the Company or to cease operations, or have no realistic alternative but to do so.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# **Independent Auditors' Report to the Members of Focus Dynamics Group Berhad (continued)**

Registration No: 200201015261 (582924-P)  
(Incorporated in Malaysia)

## **Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

# **Independent Auditors' Report to the Members of Focus Dynamics Group Berhad (continued)**

Registration No: 200201015261 (582924-P)  
(Incorporated in Malaysia)

## **Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 8 to the financial statements.

## **Other Matters**

This report is made solely to the Members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**Nexia SSY PLT**  
201906000679 (LLP0019490-LCA) & AF 002009  
Chartered Accountants

Shah Alam  
30 January 2024

**Michelle Yong Voon Sze**  
No. 02864/07/2024 J  
Chartered Accountant

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### Detailed Income Statement for the year ended 30 September 2023

	Financial period from 1.7.2022 to 30.9.2023 RM'000	Financial period from 1.1.2021 to 30.6.2022 RM'000
<b>Revenue</b>		-
<b>Other income</b>		
Interest income	337	2,590
Unrealised gain on foreign exchange	421	295
	<b>758</b>	<b>2,885</b>
<b>Less: Administrative expenses</b>		
Accounting fee	29	43
Advertisement	7	11
Allotment fee	-	5
Annual report	22	18
Attestation fee	-	-
Auditors' remuneration	90	89
Bank charges	1	1
Computer internet and disbursement	7	1
Consultancy fee	-	-
Depreciation of property, plant and equipment	435	464
Directors' allowances	31	31
Directors' EIS	*	*
Directors' EPF	18	33
Directors' fees	222	178
Directors' remuneration	150	276
Directors' SOCSO	1	2
Donation and gifts	1	1
EGM or AGM expenses	11	11
Filing fee	-	2
Internal audit fee	5	29
Insurance	59	69
Listing fee	59	79
Postage and courier	9	6
Printing and stationery	9	25
Processing fee	16	17
Professional fee	360	463
Record and depositors fee	13	343
Registration office fee	-	1
Secretarial fee	27	33
Service charge	6	10
Share registrar's maintenance fee	13	13
Balance carried forward	<b>1,601</b>	<b>2,254</b>

## Focus Dynamics Group Berhad

(Incorporated in Malaysia)

### Detailed Income Statement for the year ended 30 September 2023 (continued)

	Financial period from 1.7.2022 to 30.9.2023 RM'000	Financial period from 1.1.2021 to 30.6.2022 RM'000
Balance brought forward	1,601	2,254
Staff welfare	-	38
Stamp duty	*	-
Subscription fee	27	10
Sundry expenses	-	2
Tax agent fee	5	4
Telephone	1	1
Training expenses	-	2
Travelling expenses	1	4
Upkeep of office	3	3
Whistleblowing services	18	27
	(1,656)	(2,345)
<b>Less: Net (impairment loss)/reversal of impairment loss on financial assets</b>		
Impairment loss on amount due from subsidiaries	(28,618)	(69,239)
Reversal of impairment loss on amount due from subsidiaries	5,614	-
	(23,004)	(69,239)
<b>Loss before taxation</b>	<b>(23,902)</b>	<b>(68,699)</b>

SUMMARY OF

GROUP PROPERTY

AS AT 30 SEPTEMBER 2023

No.	Owner	Location	Description	Existing use	Land area (Sq. ft.)	Built-up area (Sq. ft.)	Tenure	Approximate age of building	Audited net book value as at 30 September 2023 (RM)	Date of Acquisition/ Last Valuation
1.	Centurion International Sdn. Bhd.	One (1) unit of Serviced Apartment, type B-a, known as "The Residences", Parcel No. 33-13 held under master title Geran No. 51952, Lot No. 194 Seksyen 58, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur	Serviced Apartment	Staffs and overseas DJ	-	103.5 Square Metres	Freehold	4.11 years	2,360,048.79	25 August 2015
2.	Lavo Selangor Sdn Bhd (fka Modern Cuisine Sdn. Bhd.	One (1) unit of Services Apartment, Lot A-29-15 known as Axon Bukit Bintang on the leasehold land of 99 Years held under P.N 46183 Lot 1377 (Expiring on 18th July 2106) P.N. 38313 Lot 1351 (Expiring on 16th March 2103)	Serviced Apartment	Staffs and Oversea DJ	-	801 Square feet	Leasehold	4 months	1,207,040.00	10 March 2023

SUMMARY OF GROUP PROPERTY  
(CONT'D)

No.	Owner	Location	Description	Existing use	Land area (Sq. ft.)	Built-up area (Sq. ft.)	Tenure	Approximate age of building	Audited net book value as at 30 September 2023 (RM)	Date of Acquisition/ Last Valuation
3.	Lavo Selangor Sdn Bhd (fka Modern Cuisine Sdn. Bhd.	One (1) unit of Serviced Apartment, Lot A-30-15 known as Axon Bukit Bintang on the leasehold land of 99 Years held under P.N 46183 Lot 1377 (Expiring on 18th July 2106) P.N. 38313 Lot 1351 (Expiring on 16th March 2103)	Serviced Apartment	Staffs and oversea DU	-	801 Square Feet	Leasehold	4 months	1,207,860.00	10 March 2023



# ANALYSIS OF SHAREHOLDINGS

AS AT 29 DECEMBER 2023

## SHARE CAPITAL

Issued and Fully Paid-up Capital	:	6,372,205,736
Class of Shares	:	Ordinary shares
Voting Rights	:	One vote per ordinary share

## SHAREHOLDING DISTRIBUTION SCHEDULE (BASED ON THE RECORD OF DEPOSITORS "ROD")

No. of Shareholders	Size of Shareholdings	No. of Shares Held	% of Shares
69	Less than 100	2,509	*
551	100 to 1,000	294,820	*
2,258	1,001 to 10,000	15,482,350	0.24
6,601	10,001 to 100,000	323,018,124	5.07
3,476	100,001 to less than 5% of issued shares	3,166,195,219	49.69
3	5% and above of the issued shares	2,867,212,714	45.00
<b>12,958</b>	<b>TOTAL</b>	<b>6,372,205,736</b>	<b>100.00</b>

\* Less than 0.01%

## LIST OF 30 LARGEST SECURITIES ACCOUNT HOLDERS (BASED ON THE ROD) (WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME REGISTERED HOLDER)

Name of Shareholders	No. of Shares Held	Percentage (%)
1. Asiabio Capital Sdn. Bhd.	1,651,897,076	25.92
2. HSBC Nominees (Asing) Sdn. Bhd. - Exempt An for Morgan Stanley & Co. International PLC (IPB CLIENT ACCT)	615,421,438	9.66
3. HSBC Nominees (Asing) Sdn. Bhd. - Exempt An for The Hongkong and Shanghai Banking Corporation Limited (GCHK-LAZARUS)	599,894,200	9.41
4. M & A Nominee (Asing) Sdn. Bhd. - Exempt An for Sanston Financial Group Limited (ACCOUNT CLIENT)	218,213,500	3.42
5. Cartaban Nominees (Asing) Sdn. Bhd. - Barclays Bank PLC (RE EQUITIES)	216,701,542	3.40
6. CGS-CIMB Nominees (Asing) Sdn. Bhd. - Exempt An for CGS-CIMB Securities (Singapore) Pte. Ltd. (RETAIL CLIENTS)	161,549,300	2.54
7. Cartaban Nominees (Asing) Sdn. Bhd. - Exempt An for Standard Chartered Bank Singapore (EFGBHK-ASING)	160,000,000	2.51

ANALYSIS OF SHAREHOLDINGS  
(CONT'D)**LIST OF 30 LARGEST SECURITIES ACCOUNT HOLDERS (BASED ON THE ROD) (CONT'D)  
(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS  
BELONGING TO THE SAME REGISTERED HOLDER)**

	<b>Name of Shareholders</b>	<b>No. of Shares Held</b>	<b>Percentage (%)</b>
8.	Affin Hwang Nominees (Asing) Sdn. Bhd. - <i>Exempt An for Sanston Financial Group Limited (ACCOUNT CLIENT)</i>	112,700,000	1.77
9.	Tay Ben Seng, Benson	86,000,000	1.35
10.	Grace Yun Siaw Nei	53,547,300	0.84
11.	Lau Kim San	50,000,000	0.78
12.	Kenanga Nominees (Tempatan) Sdn. Bhd. - <i>Pledged Securities Account for Tay Ben Seng, Benson</i>	39,800,140	0.62
13.	Kenanga Nominees (Asing) Sdn. Bhd. - <i>Exempt An for Monex Boom Securities (HK) Limited</i>	36,388,930	0.57
14.	Pang Chow Huat	35,000,000	0.55
15.	CGS-CIMB Nominees (Tempatan) Sdn. Bhd. - <i>Pledged Securities Account for Liew Tak Hon (MY4270)</i>	32,171,900	0.50
16.	Kong Kok Keong	30,309,000	0.48
17.	RHB Nominees (Tempatan) Sdn. Bhd. - <i>Pledged Securities Account for Ho Jien Shiung</i>	30,000,000	0.47
18.	Ang Kian You	25,998,800	0.41
19.	Ho Jien Shiung	21,259,470	0.33
20.	Kenanga Nominees (Tempatan) Sdn. Bhd. - <i>Pledged Securities Account for Lee Kim Teck</i>	17,500,000	0.27
21.	Kua Khai Shyuan	16,708,900	0.26
22.	Maybank Nominees (Tempatan) Sdn. Bhd. - <i>Pledged Securities Account for Pang Chow Huat</i>	13,215,300	0.21
23.	M & A Nominee (Tempatan) Sdn. Bhd. - <i>Exempt An for Sanston Financial Group Limited (ACCOUNT CLIENT)</i>	12,319,130	0.19
24.	Wong Ah Yong	12,000,000	0.19
25.	Ee Kan Wong	10,376,300	0.16
26.	Affin Hwang Nominees (Asing) Sdn. Bhd. - <i>DBS Vickers Secs (S) Pte. Ltd. for KGI Securities (Singapore) Pte. Ltd.</i>	10,000,000	0.16

ANALYSIS OF SHAREHOLDINGS  
(CONT'D)

**LIST OF 30 LARGEST SECURITIES ACCOUNT HOLDERS (BASED ON THE ROD) (CONT'D)  
(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS  
BELONGING TO THE SAME REGISTERED HOLDER)**

Name of Shareholders	No. of Shares Held	Percentage (%)
27. Maybank Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account For Giauww Joon Lip	9,680,400	0.15
28. Agnes Chan Wai Ching	9,200,000	0.14
29. Public Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Soon Chiew Hea (E-JBU/BIH)	9,150,000	0.14
30. Public Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Lim Guak Chua (E-BMM)	9,000,000	0.14
<b>TOTAL</b>	<b>4,306,002,626</b>	<b>67.57</b>

**SUBSTANTIAL SHAREHOLDERS**

	NAME OF SHAREHOLDERS	DIRECT	NO. OF SHARES HELD		%
			%	INDIRECT	
1.	Asiabio Capital Sdn. Bhd.	1,651,897,076	25.92	—	—
2.	Fintec Global Berhad	—	—	**1,951,897,076	30.63
3.	Morgan Stanley	—	—	^ 615,446,638	9.66
4.	Mitsubishi UFJ Financial Group, INC	—	—	^ 615,446,639	9.66
**	Deemed interest through the shares held by Asiabio Capital Sdn. Bhd. and Fintec Global Limited., the wholly owned subsidiaries of Fintec Global Berhad.				
^	Mitsubishi UFJ Financial Group, Inc (MUFG) is deemed interested in the shares of Focus Dynamics Group Berhad held by Morgan Stanley Group by virtue of MUFGs holding more than 20% interest in shares of Morgan Stanley Group.				

**DIRECTORS' SHAREHOLDINGS**

	NAME OF DIRECTORS	DIRECT	NO. OF SHARES HELD		%
			%	INDIRECT	
1.	Tay Ben Seng, Benson	129,100,140	2.03	—	—
2.	Leow Wey Seng	—	—	—	—
3.	Tang Yee Ling	—	—	—	—

Less than 0.01%

# ANALYSIS OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")

AS AT 29 DECEMBER 2023

No. of Issued ICPS	:	903,363,292
Exercise Price of ICPS	:	RM0.55
Exercise Ratio of ICPS	:	10.1
Exercise Period of ICPS	:	27 November 2020 to 26 November 2030
Voting Rights in the Meeting of ICPS Holders	:	one vote per ICPS holder on a show of hand / one vote per ICPS on poll

## ICPS HOLDING DISTRIBUTION SCHEDULE (BASED ON THE RECORD OF DEPOSITORS "ROD")

No. of ICPS Holders	Size of Shareholdings	No. of ICPS held	% of of ICPS
9	Less than 100	501	*
72	100 to 1,000	30,482	*
137	1,001 to 10,000	801,908	0.09
418	10,001 to 100,000	24,302,524	2.69
679	100,001 to less than 5% of issued ICPS	761,359,377	84.28
1	5% and above of the issued ICPS	116,868,500	12.94
<b>1,316</b>	<b>TOTAL</b>	<b>903,363,292</b>	<b>100.00</b>

\* Less than 0.01%

## LIST OF 30 LARGEST ICPS ACCOUNT HOLDERS (BASED ON THE ROD) (WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME REGISTERED HOLDER)

Name of ICPS Holders	No. of Shares Held	Percentage (%)
1. Tee Keng Jin	116,868,500	12.94
2. Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Michael Heng Chun Hong	40,000,000	4.43
3. Chai Kok Kheang	35,000,000	3.87
4. Teo Ah Seng	27,500,000	3.04
5. Quek See Kui	17,500,100	1.94
6. Cimsec Nominees (Tempatan) Sdn. Bhd. - CIMB for Lee Soi Gek (PB)	17,000,000	1.88
7. Amsec Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Quek See Kui	16,000,700	1.77
8. Yee Sow Yoke	15,500,000	1.72
9. Maybank Nominees (Tempatan) Sdn. Bhd. - Chiew Guo Chang	10,101,000	1.12

ANALYSIS OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")  
(CONT'D)

**LIST OF 30 LARGEST ICPS ACCOUNT HOLDERS (BASED ON THE ROD) (CONT'D)  
(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS  
BELONGING TO THE SAME REGISTERED HOLDER)**

<b>Name of ICPS Holders</b>	<b>No. of Shares Held</b>	<b>Percentage (%)</b>
10. Cimsec Nominees (Tempatan) Sdn. Bhd. - CIMB for Teo Ah Seng (PB)	10,000,000	1.11
11. Kenanga Nominees (Tempatan) Sdn. Bhd. - Rakuten Trade Sdn. Bhd. for Tum Kam Swee	10,000,000	1.11
12. Tan Enn Leong	10,000,000	1.11
13. Tan Gia Lung	9,750,000	1.08
14. Ting Seu Nguong	9,105,100	1.01
15. Kenanga Nominees (Tempatan) Sdn. Bhd. - Rakuten Trade Sdn. Bhd. for Lua Chin Aik	9,088,500	1.01
16. Tan Swee Lay	9,000,000	1.00
17. HLIB Nominees (Tempatan) Sdn. Bhd. - Hong Leong Bank Bhd for Tan Teong Beng	8,460,000	0.94
18. Wang Tsun Siang	7,500,000	0.83
19. Yap Kow Chai	7,500,000	0.83
20. Lim Kay Keong	7,400,000	0.82
21. Tan Chee Keong	7,096,600	0.79
22. Chin Ying Jack	7,000,000	0.77
23. Ng Fong Yiew	6,500,000	0.72
24. Wong Ah Yong	6,500,000	0.72
25. Anuar bin Md Junus	5,830,000	0.65
26. Chan Shee Chuen	5,360,000	0.59
27. Chan Lee Peng	5,000,000	0.55
28. Chia Lee Lee	5,000,000	0.55
29. Liew Yook Kuiw	5,000,000	0.55
30. Steve Toh Se Wai	5,000,000	0.55
<b>TOTAL</b>	<b>451,560,500</b>	<b>49.99</b>

ANALYSIS OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")  
(CONT'D)**DIRECTORS' ICPS HOLDINGS**

	NAME OF DIRECTORS	DIRECT	NO. OF ICPS HELD		%
			%	INDIRECT	
1.	Tay Ben Seng, Benson	—	—	—	—
2.	Leow Wey Seng	—	—	—	—
3.	Tang Yee Ling	—	—	—	—

# ANALYSIS OF WARRANTS D HOLDING

AS AT 29 DECEMBER 2023

No. of Issued Warrants D	:	3,066,399,051
Exercise Price of Warrants D	:	RM0.80
Exercise Period of Warrants D	:	27 November 2020 to 26 November 2025
Voting Rights in the Meeting of Warrants D Holders	:	one vote per warrants holder on a show of hand / one vote per warrants on poll
Number of Warrants D Holders	:	5,510

## WARRANTS DISTRIBUTION SCHEDULE (BASED ON THE RECORD OF DEPOSITORS “ROD”)

No. of Warrants D holders	Size of Warrants D holdings	No. of Warrants D Held	% of Warrants D
21	Less than 100	1,112	*
97	100 to 1,000	46,741	*
322	1,001 to 10,000	2,165,664	0.07
1,920	10,001 to 100,000	120,507,470	3.93
3150	100,001 to less than 5% of issued warrants D	2,943,678,064	96.00
0	5% and above of the issued warrants D	0	0.00
<b>TOTAL</b>		<b>3,066,399,051</b>	<b>100.00</b>

\* Less than 0.01%

## LIST OF 30 LARGEST WARRANTS D ACCOUNT HOLDERS (BASED ON THE ROD) (WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME REGISTERED HOLDER)

	No. of Warrants D Held	Percentage (%)
1. Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Michael Heng Chun Hong	112,500,000	3.67
2. Teo Ah Seng	57,000,000	1.86
3. Tan Enn Leong	30,000,000	0.98
4. Chan Shee Chuen	29,682,600	0.97
5. Kenaga Nominees (Tempatan) Sdn. Bhd. - Chin Kiam Hsung	25,000,000	0.82
6. Maybank Nominees (Tempatan) Sdn. Bhd. - Tan Sun Ping	24,000,000	0.78
7. Amsec Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Louis Luk Zhang Sheng	19,000,000	0.62

ANALYSIS OF WARRANTS D HOLDING  
(CONT'D)**LIST OF 30 LARGEST WARRANTS D ACCOUNT HOLDERS (BASED ON THE RECORD OF DEPOSITORS) (CONT'D)**  
**(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME REGISTERED HOLDER)**

		<b>No. of Warrants D Held</b>	<b>Percentage (%)</b>
8.	Chin Kiam Hsung	18,500,000	0.60
9	Ong Wei Hsien	17,294,700	0.56
10	Maybank Nominees (Tempatan) Sdn. Bhd. - <i>Ong Kheam Chye</i>	15,824,500	0.52
11	Tan Book Soon	15,000,000	0.49
12	R. Ramesh a/l Rajahram @ Rajaram	14,900,000	0.49
13	Wong Lye Seng	14,090,000	0.46
14	Maybank Nominees (Tempatan) Sdn. Bhd. - <i>Pledged Securities Account for Wong Sze Chien</i>	13,335,000	0.43
15	Lua Kim Hut	12,600,000	0.41
16	Public Nominees (Tempatan) Sdn. Bhd. - <i>Pledged Securities Account for Phe Siew Ling (E-KPG)</i>	12,430,000	0.41
17	TA Nominees (Tempatan) Sdn. Bhd. - <i>Pledged Securities Account for Phea Pei Chin</i>	12,200,000	0.40
18	Chang Choo Shoong	12,000,000	0.39
19	Kenanga Nominees (Tempatan) Sdn. Bhd. - <i>Pledged Securities Account for Martin Pau Kin Loong</i>	12,000,000	0.39
20	Vijay Anand Naidu a/l Kanakaiy	11,500,000	0.38
21	Tan Tian Hui	10,878,100	0.35
22	Anuar bin Md Junus	10,560,000	0.34
23	Maybank Nominees (Tempatan) Sdn. Bhd. - <i>Sia Boon Huat</i>	10,500,000	0.34
24	Mohamad bin Yusof	10,500,000	0.34
25	Ch'ng Beng Wei	10,450,000	0.34
26	Lau Kam Meng	10,226,800	0.33
27	David Ling Howe Kim	10,200,000	0.33
28	Wong Chen Peng	10,001,000	0.33



ANALYSIS OF WARRANTS D HOLDING  
(CONT'D)

**LIST OF 30 LARGEST WARRANTS D ACCOUNT HOLDERS (BASED ON THE RECORD OF DEPOSITORS) (CONT'D)**  
**(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME REGISTERED HOLDER)**

		<b>No. of Warrants D Held</b>	<b>Percentage (%)</b>
29	Affin Hwang Nominees (Tempatan) Sdn. Bhd. - <i>Pledged Securities Account for Lim Kok Keng (LIM0738C)</i>	10,000,000	0.33
30	Kok Gee Kern	10,000,000	0.33
<b>TOTAL</b>		<b>582,172,700</b>	<b>18.99</b>

**WARRANTS D HOLDINGS (BASED ON THE REGISTER OF DIRECTORS' WARRANTS D HOLDINGS)**

		<b>DIRECT</b>	<b>NO. OF WARRANTS D HELD</b>		
			<b>%</b>	<b>INDIRECT</b>	<b>%</b>
1.	Tay Ben Seng, Benson	50	*	—	—
2.	Leow Wey Seng	—	—	—	—
3.	Tang Yee Ling	—	—	—	—
*	Less than 0.01%				

# ADMINISTRATIVE GUIDE

<u>Date</u>	<u>Time</u>	<u>Broadcast Venue</u>
27 February 2024 (Tuesday)	10.30 a.m.	Lot 4.1, 4th Floor, Menara Lien Hoe No. 8, Persiaran Tropicana Tropicana Golf & Country Resort 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia

## **MODE OF MEETING**

The 20th AGM will be conducted entirely through live streaming from a broadcast venue.

The broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which stipulates that the Chairman of the meeting shall be present at the broadcast venue of the 20th AGM. The Shareholders of Focus Dynamics Group Berhad (Shareholders) are **NOT REQUIRED** to present physically **NOR ADMITTED** to the broadcast venue on the day of the 20th AGM.

The Shareholders whose names appear on the General Meeting Record of Depositors on 20 February 2024 shall be eligible to participate in the 20th AGM remotely by using the Remote Participation and Voting (RPV) Facilities as per the details set out below.

## **RPV**

The 20th AGM will be conducted entirely through live streaming and online remote voting. Shareholders are encouraged to participate in the 20th AGM by using the RPV Facilities. With the RPV Facilities, Shareholders may exercise their rights to participate (including to pose questions to the Board of Directors (Board) and the Management of the Company and vote at the 20th AGM.

**Individual Members** are strongly encouraged to take advantage of RPV Facilities to participate and vote remotely at the 20th AGM.

If an Individual Member is unable to participate the 20th AGM, he/she is encouraged to appoint a proxy(ies) or the Chairman of the meeting to participate on his/her behalf and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

**Corporate Members** (through Corporate Representative(s) or appointed proxy(ies)) are also strongly advised to participate and vote remotely at the 20th AGM using the RPV Facilities. Corporate Members who wish to participate and vote remotely at the 20th AGM will be required to provide the following documents to the registered office at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, W.P. Kuala Lumpur no later than **Sunday, 25 February 2024 at 10.30 a.m.:**

- i. Certificate of Appointment of its Corporate Representative or Form of Proxy under the seal of the Corporation;
- ii. Copy of the Corporate Representative's or proxy's MyKad (front and back) / Passport; and
- iii. Corporate Representative's or proxy's email address and mobile phone number.

If a Corporate Member (through Corporate Representative(s) or appointed proxy(ies)) is unable to participate in the 20th AGM, the Corporate Member is encouraged to appoint the Chairman of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

## ADMINISTRATIVE GUIDE (CONT'D)


### RPV (CONT'D)

In respect of Nominee Company Members, the beneficiaries of the shares under a Nominee Company's CDS account are also strongly advised to participate and vote remotely at the 20th AGM using RPV Facilities. Nominee Company Members who wish to participate and vote remotely at the 20th AGM can request its Nominee Company to appoint him/her as a proxy to participate and vote remotely at the 20th AGM. Nominee Company will be required to provide the following documents to the registered office at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, W.P. Kuala Lumpur no later than **Sunday, 25 February 2024 at 10.30 a.m.:**

- i. Form of Proxy under the seal of the Nominee Company;
- ii. Copy of the proxy's MyKad (front and back) / Passport; and
- iii. Proxy's email address and mobile phone number.

If a Nominee Company Member is unable to participate in the 20th AGM, it is encouraged to request its Nominee Company to appoint the Chairman of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

The procedures for the RPV in respect of the live streaming and remote voting at the 20th AGM is as follows:-

Procedures	Action
<b>Before 20th AGM</b>	
1. Register as participant in Virtual 20th AGM  	<ul style="list-style-type: none"> <li>Using your computer, access the registration website at <a href="https://rebrand.ly/FocusAGM">https://rebrand.ly/FocusAGM</a></li> <li>If you are using mobile devices, you can also scan the QR provided on the left to access the registration page. Click <b>Register</b> and enter your email followed by Next to fill in your details to register for the 20th AGM session.</li> <li>Upon submission of your registration, you will receive an email notifying you that your registration has been received and is pending verification.</li> <li>The event is powered by Cisco Webex. You are recommended to download and install Cisco Webex Meetings (available for PC, Mac, Android and iOS). Refer to the tutorial guide posted on the same page for assistance.</li> </ul>
2. Submit your online registration	<ul style="list-style-type: none"> <li>Shareholders who wish to participate and vote remotely at the 20th AGM via RPV Facilities are required to register prior to the meeting. The registration will open from <b>5.00 p.m. on 31 January 2024</b> and the registration will close at <b>10.30 a.m. on 25 February 2024</b>.</li> <li>Clicking on the link mentioned in item 1 will redirect you to the 20th AGM event page. Click on the Register link for the online registration form.</li> <li>Complete your particulars in the registration page. Your name <b>MUST</b> match your CDS account name (not applicable for proxy).</li> <li>Insert your CDS account number(s) and indicate the number of shares you hold.</li> <li>Read and agree to the Terms &amp; Conditions and confirm the Declarations.</li> <li>Please ensure all information given is accurate before you click <b>Submit</b> to register your remote participation. Failure to do so will result in your registration being rejected.</li> <li>System will send an email to notify that your registration for remote participation is received and will be verified.</li> <li>After verification of your registration against the General Meeting Record of Depositors of the Company as at <b>20 February 2024</b>, the system will send you an email to notify you if your registration is approved or rejected after <b>21 February 2024</b>.</li> <li>If your registration is rejected, you can contact the Company's Poll Administrator for clarifications or to appeal.</li> </ul>

**RPV (CONT'D)**

The procedures for the RPV in respect of the live streaming and remote voting at the 20th AGM is as follows:-(Cont'd)

Procedures		Action
<b>On the day of 20th AGM</b>		
3.	Attending 20th AGM	<ul style="list-style-type: none"> <li>Two reminder emails will be sent to your inbox. First email is one day before the 20th AGM day, while the second email will be sent 1 hour before the 20th AGM session.</li> <li>Click <b>Join Event</b> in the reminder email to participate the RPV.</li> </ul>
4.	Participate with live video	<ul style="list-style-type: none"> <li>You will be given a short brief about the system.</li> <li>Your microphone is muted throughout the whole session.</li> <li>If you have any questions for the Chairman/Board, you may use the Q&amp;A panel to send your questions. The Chairman/Board will try to respond to relevant questions if time permits. All relevant questions will be collected throughout the session and replied later through your registered email.</li> <li>The session will be recorded.</li> <li>Take note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at your location.</li> </ul>
5.	Online Remote Voting	<ul style="list-style-type: none"> <li>The Chairman will announce the commencement of the voting session and the duration allowed at the respective 20th AGM.</li> <li>A link to vote for the resolution(s) will be posted at the right-hand side of your computer screen under "chat". You are required to access the link and to indicate your votes for the resolutions within the given stipulated time frame. Click on the <b>Submit</b> button when you have completed.</li> <li>Votes cannot be changed once it is submitted.</li> </ul>
6.	End of RPV Facility	Upon the announcement by the Chairman on the closure of the 20th AGM, the live session will end.

**APPOINTMENT OF PROXY**

Shareholders who appoint proxies to participate via RPV Facilities in the 20th AGM must ensure that the duly executed proxy forms are deposited in a hard copy form at registered office of the Company A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, W.P. Kuala Lumpur or fax to 03-6413 3270 or email to [infosr@wscs.com.my](mailto:infosr@wscs.com.my), no later than **Sunday, 25 February 2024 at 10.30 a.m.**

Please note that if an Individual Member who has submitted his/her Form of Proxy prior to the 20th AGM and subsequently decides to personally participate in the AGM via RPV Facilities, the Individual Member shall proceed to contact the Company's share registrar at 03-6413 3271 to revoke the appointment of his/her proxy no later than **Sunday, 25 February 2024 at 10.30 a.m.**

**POLL VOTING**

The voting at the 20th AGM will be conducted by poll in accordance with Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Workshire Share Registration Sdn. Bhd. as Poll Administrator to conduct the poll by way of electronic means and Symphony Corporate Services Sdn. Bhd. as Scrutineers to verify the poll results.

The Scrutineers will verify the poll results and the Chairman will declare whether the resolutions are duly passed or otherwise.

ADMINISTRATIVE GUIDE  
(CONT'D)

**NO RECORDING OR PHOTOGRAPHY**

Strictly **NO recording or photography** of the proceedings of the 20th AGM is allowed.

**NO BREAKFAST/LUNCH PACKS, DOOR GIFTS OR FOOD VOUCHERS**

There will be **NO** distribution of breakfast / lunch packs, door gifts or food vouchers to the Shareholders or proxy(ies) who participate in the 20th AGM.

**ENQUIRY**

If you have any enquiry prior to the meeting, please contact the following officers during office hours from 9.00 a.m. to 6.00 p.m. on Monday to Friday (except public holidays) at:

**For registration, logging in and system related:**

**InsHub Sdn. Bhd.**

Name : Ms. Eris / Mr. Calvin  
Telephone : 03-7688 1013  
Email : vgm@mlabs.com

**For Proxy and other matters:**

**Workshire Share Registration Sdn. Bhd.**

Name : Mr. Vemalan / Mr. Tee Yee Loon  
Telephone : 03-6413 3271 / 012-371 8858  
Email: : info@wscs.com.my

**PRE-MEETING SUBMISSION OF QUESTION TO THE BOARD**

To administrate the proceedings of the 20th AGM in orderly manner, Shareholders may before the 20th AGM, submit questions to the Board to [agm@focusdynamics.com.my](mailto:agm@focusdynamics.com.my) no later than **Sunday, 25 February 2024** at **10.30 a.m.** The Board will endeavour to address the questions received at the 20th AGM.

# FOCUS DYNAMICS FOCUS DYNAMICS GROUP BERHAD

Registration No. 200201015261 (582924-P)  
(Incorporated in Malaysia)

CDS ACCOUNT NO.																				
NO. OF SHARES HELD																				
NO. OF ICPS HELD																				

## FORM OF PROXY

I/We .....  
(FULL NAME IN BLOCK LETTERS)

(NRIC No./Passport No./Company Registration No ..... )

of .....  
(FULL ADDRESS)

Email Address ..... Contact No. ....

being a member/members of **FOCUS DYNAMICS GROUP BERHAD**, hereby appoint

<b>Name of Proxy</b>	<b>NRIC No./Passport No.</b>	<b>% of Shareholding to be Represented</b>
<b>Address</b>		
<b>Email Address</b>		<b>Contact No.</b>

and/or failing him/her

<b>Name of Proxy</b>	<b>NRIC No./Passport No.</b>	<b>% of Shareholding to be Represented</b>
<b>Address</b>		
<b>Email Address</b>		<b>Contact No.</b>

or failing him/her, the **CHAIRMAN OF THE MEETING** as my/our proxy to vote for me/us on my/our behalf at the Twentieth Annual General Meeting (AGM) of the Company to be held at will be conducted on a fully virtual basis from a Broadcast Venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia on **Tuesday, 27 February 2024 at 10.30 a.m.** and at any adjournment thereof.

ORDINARY RESOLUTIONS		FOR	AGAINST
1.	Additional payment of Directors' fees for the period from 1 July 2023 to 30 September 2023		
2.	Additional payment of Directors' fees for the financial year ending 30 September 2024		
3.	Payment of Directors' fees for the financial year ending 30 September 2025		
4.	Additional payment of Directors' benefits for the period commencing after the date of 29 November 2022 to 27 February 2024		
5.	Payment of Directors' benefits for the period commencing after the date in this AGM to the date of the next AGM		
6.	Re-election of Mr. Leow Wey Seng		
7.	Re-appointment of Auditors		
8.	Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016		
9.	Proposed New Shareholders' Mandate		

(Please indicate with an "X" in the space provided on how you wish to cast your vote. If you do not do so, the proxy will vote or abstain from voting at his discretion.)

Dated this ..... day of .....2024. ....  
Signature(s) of member(s)

### Notes:

- A member of the Company entitled to attend and vote is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote in his stead.
- A member of the Company may appoint not more than two (2) proxies to attend the meeting, provided that the member specifies the proportion of the members shareholdings to be represented by each proxy, failing which, the appointments shall be invalid.
- A proxy may but need not be a member and there shall be no restriction as to the qualification of the proxy.
- Where a member is an Authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account) there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.



5. The instrument appointing a proxy shall be in writing, and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the registered office of the Company at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, W.P. Kuala Lumpur or fax to 03-6413 3270 or email to [infosr@wscs.com.my](mailto:infosr@wscs.com.my) not later than Sunday, 25 February 2024 at 2.30 p.m., and in default the instrument of proxy shall not be treated as valid.
6. An instrument appointing a proxy shall in the case of an individual, be signed by the appointor or by his attorney duly authorised in writing and in the case of a corporation, be either under its common seal or signed by its attorney or in accordance with the provision of its constitution or by an officer duly authorised on behalf of the corporation.
7. In respect of deposited securities, only members whose names appear on the Record of Depositors on 20 February 2024, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.
8. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirement of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.
9. The members are encouraged to refer the Administrative Guide on registration and voting process for the meeting.

Personal Data Privacy

By submitting an instrument appointing proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 31 January 2024.

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AFFIX  
STAMP

The Company Secretary  
**FOCUS DYNAMICS GROUP BERHAD**  
(Registration No. 200201015261 (582924-P))  
A3-3-8, Solaris Dutamas  
No. 1, Jalan Dutamas 1  
50480 Kuala Lumpur  
W.P. Kuala Lumpur

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Fold This Flap For Sealing

F O C U S   D Y N A M I C S

**FOCUS DYNAMICS GROUP BERHAD**

[Registration No. 200201015261 (582924-P)]

Lot 12.1, 12th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana,  
Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

Tel No. +603-7803 7333 | Fax No. +603-7803 7338

Email : [info@focusdynamics.com.my](mailto:info@focusdynamics.com.my)

[www.focusdynamics.com.my](http://www.focusdynamics.com.my)