

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

Bursa Malaysia Securities Berhad (Bursa Securities) has only perused through this Circular in relation to the Proposed New Shareholders' Mandate (as defined herein) on a limited review basis pursuant to the Guidance Note 22 of the ACE Market Listing Requirements of Bursa Securities, before the issuance of the Circular.

Bursa Securities takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

F O C U S D Y N A M I C S

FOCUS DYNAMICS GROUP BERHAD
Registration No. 200201015261 (582924-P)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

**PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY
TRANSACTIONS OF A REVENUE AND/OR TRADING NATURE
(PROPOSED NEW SHAREHOLDERS' MANDATE)**

The Ordinary Resolution in respect of the above Proposal set out in this Circular will be tabled at the 20th Annual General Meeting (AGM) of Focus Dynamics Group Berhad (Focus Dynamics). The Notice of the 20th AGM together with the Form of Proxy are set out in Annual Report of Focus Dynamics for the financial period ended 30 September 2023 (Annual Report 2023) which is despatched together with this Circular.

As a shareholder, you can appoint a proxy or proxies to attend and vote on your behalf. The Form of Proxy must be completed and 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 not less than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the 20th AGM should you subsequently wish to do so.

Date and time of the 20th AGM : Tuesday, 27 February 2024, 10.30 a.m.

Broadcast Venue of the 20th AGM : Lot 4.1, 4th Floor, Menara Lien Hoe
No. 8, Persiaran Tropicana Tropicana Golf
& Country Resort
47410 Petaling Jaya
Selangor Darul Ehsan

Last date and time for lodging the Form of Proxy : Sunday, 25 February 2024, 10.30 a.m.

This Circular is dated 31 January 2024

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular and the accompanying appendix:

Act	:	Companies Act 2016 of Malaysia
AGM	:	Annual general meeting
Board	:	Board of Directors of Focus Dynamics
Bursa Securities	:	Bursa Malaysia Securities Berhad
Circular	:	This circular to the shareholders of Focus Dynamics in relation to the Proposed New Shareholders' Mandate dated 31 January 2024
CMSA	:	Capital Markets and Services Act 2007 of Malaysia
Director(s)	:	A director of the Company and shall have the meaning given in Section 2(1) of the CMSA and for the purpose of the Proposed New Shareholders' Mandate, includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director or a chief executive officer of Focus Dynamics and/or its subsidiary or holding company
EPS	:	Earnings per Share
F&B	:	Food and beverage
F&B Business	:	Distribution and trading of F&B (e.g., frozen processed food, alcoholic and non-alcoholic beverages) as well as foodservice (e.g., fast-food restaurant)
Focus Dynamics or Company	:	Focus Dynamics Group Berhad
Focus Dynamics Group or Group	:	Collectively, Focus Dynamics and its subsidiaries
Focus Dynamics Share(s) or Share(s)	:	Ordinary share(s) in Focus Dynamics
FPE	:	Financial period ended
FYE	:	Financial year ended/ending, as the case may be
Green Ocean	:	Green Ocean Corporation Berhad, a company listed on the ACE Market of Bursa Securities
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities
LPD	:	30 January 2024, being the latest practicable date prior to the printing of this Circular

DEFINITIONS (Cont'd)

Major Shareholder(s)	<p>A person who has an interest or interests in one or more voting shares in a corporation and the number or aggregate number of those shares, is:</p> <p>(a) 10% or more of the total number of voting shares in the Company; or</p> <p>(b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company.</p> <p>For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act.</p> <p>A Major Shareholder includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the Company, or any other corporation which is its subsidiary or holding company</p>
Mr Benson or Interested Director	: Mr Tay Ben Seng, Benson, the Company's Executive Director
NA	: Net assets
OEB	: Oversea Enterprise Berhad, a Company listed on the Ace Market of Bursa Securities
OEB Group	: OEB and its subsidiaries, collectively
Proposed New Shareholders' Mandate	: Proposed new shareholders' mandate for RRPTs, as set out in this Circular
Related Party(ies)	: A Director, a Major Shareholder or person connected with such Director or Major Shareholder
RRPT(s)	: Recurrent related party transactions of revenue or trading nature, which are necessary for day-to-day operations and are in the ordinary course of business of the Group
RM and sen	: Ringgit Malaysia and sen respectively, being the lawful currency of Malaysia

All references to “**you**” in this Circular are references to shareholders of Focus Dynamics.

Words denoting the singular shall, where applicable, include the plural and *vice versa*. Words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and *vice versa*. References to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any provision of a statute, rule, regulation, enactment, or rule of a stock exchange shall (where the context admits) be construed as a reference to the provision of such statute, rule, regulation, enactment or rule of a stock exchange (as the case may be) as modified by any written law, or, if applicable, any amendment of re-enactment to the statute, rule, regulation, enactment or rule of a stock exchange for the time being in force.

Any discrepancies in the figures included in this Circular between the amount stated, actual figures and the totals thereof are due to rounding.

TABLE OF CONTENTS

	PAGE
LETTER TO THE COMPANY'S SHAREHOLDERS IN RELATION TO THE PROPOSED NEW SHAREHOLDERS' MANDATE	
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE	2
3. RATIONALE FOR AND BENEFIT OF THE PROPOSED NEW SHAREHOLDERS' MANDATE	12
4. EFFECTS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE	12
5. APPROVAL REQUIRED	12
6. INTER-CONDITIONALITY AND OUTSTANDING CORPORATE PROPOSALS	12
7. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED	13
8. DIRECTORS' STATEMENT AND RECOMMENDATION	13
9. AUDIT COMMITTEE'S STATEMENT	13
10. AGM	14
11. FURTHER INFORMATION	14
 APPENDIX	
APPENDIX I FURTHER INFORMATION	15
 EXTRACT OF NOTICE OF 20TH AGM	 ENCLOSED

F O C U S D Y N A M I C S

FOCUS DYNAMICS GROUP BERHAD

Registration No. 200201015261 (582924-P)
(Incorporated in Malaysia)

Registered Office:

A3-3-8, Solaris Dutamas
No.1, Jalan Dutamas 1
50480 Kuala Lumpur
W.P. Kuala Lumpur

31 January 2024

Board of Directors

Tay Ben Seng, Benson (*Executive Director*)
Leow Wey Seng (*Independent Non-Executive Director*)
Tang Yee Ling (*Independent Non-Executive Director*)

To: Shareholders of Focus Dynamics

Dear Sir/ Madam,

PROPOSED NEW SHAREHOLDERS' MANDATE

1. INTRODUCTION

On 30 January 2024, the Board announced that the Company proposes to seek the approval of its shareholders at the forthcoming AGM of the Company for the Proposed New Shareholders' Mandate.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED NEW SHAREHOLDERS' MANDATE TO BE TABLED AT THE COMPANY'S FORTHCOMING AGM. THE EXTRACT OF NOTICE OF THE COMPANY'S FORTHCOMING AGM ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED NEW SHAREHOLDERS' MANDATE TO BE TABLED AT THE COMPANY'S FORTHCOMING AGM.

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2. DETAILS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE

Pursuant to Rule 10.09(2) of the Listing Requirements, the Company may seek a mandate from its shareholders for RRPTs subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;
- (b) the shareholder mandate is subject to annual renewal and disclosure is made in the Company's annual report of the aggregate value of the transactions conducted pursuant to the shareholder mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under Rule 10.09(1) of the Listing Requirements;
- (c) the Company's circular to shareholders for the shareholder mandate includes the information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities for perusal together with a checklist showing compliance with such information;
- (d) in a meeting to obtain a shareholder mandate, the relevant Related Party must comply with the requirements set out in Rule 10.08(7) of the Listing Requirements; and
- (e) the Company immediately announces to Bursa Securities when the actual value of a RRPT entered into by the Company, exceeds the estimated value of the RRPTs disclosed in this Circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

The Group will, in the ordinary course of the F&B Business, enter into certain RRPTs with Related Parties, the details of which as set out in **Section 2.2** of this Circular. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

Accordingly, the Board proposes to seek shareholders' mandate for the RRPTs to be entered into by the Group from the date of the Company's forthcoming AGM until the next AGM.

Such transactions will be made on terms which are not more favorable to the Related Parties than those generally available to the public and are not to be detriment of the Company's minority shareholders.

The Proposed New Shareholders' Mandate, if approved by the shareholders at the Company's forthcoming AGM, is subject to annual renewal. In this respect, any authority conferred by the Proposed New Shareholders' Mandate will take effect from the date of the said AGM until:

- (i) the conclusion of the next AGM of the Company following this AGM at which the Proposed New Shareholders' Mandate is passed, at which time it will lapse, unless by a resolution passed at the next general meeting, the authority is renewed;
- (ii) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is earlier.

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2.1 Principal activities of the Group

The principal activity of Focus Dynamics is investment holding whilst the principal activities of the Company's subsidiaries are as follows:

Name of subsidiaries	Effective equity interest (%)	Principal activities
Focus Dynamics Centre Sdn. Bhd. (FDC)	100	Investment holding.
Lavo Gallery Sdn. Bhd.	100	Operating and managing Food and Beverage (F&B) outlets.
DPC Industrial Systems Sdn. Bhd.	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.	100	Investment holding.
Lavo Selangor Sdn. Bhd. (fka Modern Cuisine Sdn. Bhd.)	100	Engaged in businesses of restaurant, F&B as well as investment holding and general trading.
Focus Dynamic Limited	100	Investment holding.
Focus Dynamic Group Limited	100	Trading of wine.
Spark Lifestyle Sdn. Bhd.	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.	100	Restaurant, F&B business, entertainment, trading and investment.
Bounce Entertainment Sdn. Bhd.	100	Other food services activities, investment advisory services, creative, arts and entertainment activities n.e.c.
Bubbles Entertainment Sdn. Bhd.	100	Engaged in businesses of operating restaurants, F&B as well as investment holdings and general trading.
Centurion International Sdn. Bhd.	100	Investment Holding Company.
Focus Medicare Sdn. Bhd.	100	Trading, supplying, wholesaling, manufacturing of medical & healthcare equipment, products and services.
Focus Concepts Sdn. Bhd.	100	Engaged 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 arrangement of any and all kinds with any person, corporation, partnership, firm or association.
Focus Capital Sdn. Bhd.	100	Money lending services.
Focus Volume Sdn. Bhd.	100	Engaged in the business of operating and managing F&B outlets.

		To buy, sell, manufacture, assemble and deal in 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.	100	Engage in the business of operating and managing F&B outlets. Importer, distributor and wholesaler of wine, 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 contract, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association.
Bounce Entertainment Limited	100	Engage in F&B business, entertainment, general trading and investment holding.
Focus Jumbo Sdn. Bhd.	100	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 contract, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association. Importer, distributor and wholesaler of wine, champagnes and spirits.
Focus Sky Sdn. Bhd.	100	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 contract, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association. Importer, distributor and wholesaler of wine, champagnes and spirits.
Focus Supernova Sdn. Bhd.	100	Operating and managing F&B outlets. Importer, distributor and wholesaler of wine, champagnes and spirits.
Ferria Sdn. Bhd.	100	Engage in the business of operating and managing F&B outlets.

		<p>Importer, distributor and wholesaler of wine, 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 contract, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association.</p>
Lavo Kuala Lumpur Sdn. Bhd.	100	<p>Engaged in the business of operating and managing F&B outlets.</p> <p>Importer, distributor and wholesaler of wine, 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 contract, agreements and arrangements of any and all kinds with any person, corporation, partnership, firm or association.</p>
The Arch Galleries Sdn. Bhd.	100	<p>Property management and retail services.</p> <p>Engaged in businesses of restaurant, food and beverage.</p>
Focus Carelife Sdn. Bhd.	60	<p>Trading, supplying, wholesaling, manufacturing of medical & healthcare equipment, products and services.</p> <p>To carry on the business of wholesale, retail, importers and exporters of and dealers in all kinds of drugs, chemicals, alkalis, manure antibodies and pharmaceutical medicinal.</p>
Goldhill Eagle Sdn. Bhd.	55	Operating and managing F&B outlets.
The Arch Properties Sdn. Bhd. (fka Famous Ambience Sdn. Bhd.)	51	Letting of property.
W Club Sdn. Bhd.	100	Proprietor of entertainment centre.
Sushi Qubey Sdn. Bhd.	49	Operating and managing Food and Beverage outlets.
Sushi Mew Sdn. Bhd. (fka Heroverse Sdn. Bhd.)	49	<p>Operating and managing Food and Beverage outlets.</p> <p>Importer, distributor and wholesaler of wine, champagnes and spirits.</p>
Everest Scenery Sdn. Bhd.	49	Operating and managing Food and Beverage outlets.

2.2 Principal activities of the Related Parties

The principal activities of the Related Parties that are involved in the RRPTs with the Focus Dynamics Group are set out below:

Related Parties	Principal activities
Ace Distributions Sdn. Bhd. (ADSB) ⁽¹⁾	Trading, retails and distribution in all kind of F&B.
Cahaya Rev Sdn. Bhd. (Spark Café Bar Sdn. Bhd.) (CRSB) ⁽²⁾	Operators of discotheques, live entertainment and music show and the running of restaurants and fast-food outlets.
EMP Collection Sdn. Bhd. (EMP) ⁽³⁾	Restaurateurs.
Everose Times Sdn. Bhd. (fka Sparkfest Sdn. Bhd.) (ETSB) ⁽²⁾	<ul style="list-style-type: none"> • Organiser of live entertainment and music shows. • Providing management services related to lease rental.
Haewaytian Food Industries Sdn. Bhd. (HFISB) ⁽³⁾	Engaged in the business of a distributor of food products.
Haewaytian Restaurant Sdn. Bhd. (HRSB) ⁽³⁾	Restaurateurs.
Haewaytian Trading Sdn. Bhd. (HTSB) ⁽³⁾	Engaged in the business of distributing general products.
Nexus Excellent Sdn. Bhd. (fka Spark Club Sdn. Bhd.) (NESB) ⁽²⁾	Operators of discotheques, live entertainment and music shows and the running of restaurant and fast - food outlets.
Oversea Production Sdn. Bhd. (OPSB) ⁽³⁾	Manufacturer and wholesaler of confectioneries.
Oversea Training Academy Sdn. Bhd. (OTASB) ⁽³⁾	Training provider.
Oversea Seafood Sdn. Bhd. (fka The Arch Seafood Sdn. Bhd.) (OSSB) ⁽³⁾	Restaurateurs.
Restoran Oversea (Bandar Baru Sri Petaling) Sdn. Bhd. (ROBBSPSB) ⁽³⁾	Restaurateurs.
Restoran Oversea (CST) Sdn. Bhd. (ROCSTSB) ⁽⁴⁾	Restaurateurs and investment holding.
Restoran Oversea (Imbi) Sdn. Bhd. (ROISB) ⁽³⁾	Engaged in the business of operating a restaurant.
Restoran Oversea (P.J.) Sdn. Bhd. (ROPJSB) ⁽³⁾	Restaurateurs.
Restoran Oversea (Skyplaza GH) Sdn. Bhd. (ROSGHSB) ⁽⁴⁾	Restaurant operator.
Restoran Oversea (Subang Parade) Sdn. Bhd. (ROSPSB) ⁽³⁾	Restaurateurs.
Restoran Oversea Confectioneries Sdn. Bhd. (ROCSB) ⁽³⁾	Manufacturer and wholesaler of confectioneries.
Restoran Oversea Dian Xin (Sri Petaling) Sdn. Bhd. (RODXSPSB) ⁽³⁾	Restaurant operator.
Restoran Oversea Holdings Sdn. Bhd. (ROHSB) ⁽³⁾	Owner of trademark.
Restoran Oversea JV (International) Sdn. Bhd. (ROJVISB) ⁽³⁾	Investment holding.
Tenshou International Sdn. Bhd. (TISB) ⁽³⁾	Retailer and e-commerce.

Notes:

(1) A wholly-owned subsidiary of Green Ocean as at the LPD.

(2) A wholly-owned subsidiary of NESB as at the LPD.

(3) A wholly-owned subsidiaries of OEB as at the LPD.

(4) A wholly-owned subsidiaries of ROJVISB as at the LPD.

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2.3

Classes of Related Parties

The Related Parties to which the Proposed New Shareholders' Mandate is applicable are as follows:

Related Parties	Interested Major Shareholder / Director / person connected	Relationship with the Related Parties
Green Ocean's wholly-owned subsidiary namely: <ul style="list-style-type: none"> • ADDB 	Focus Dynamics	Focus Dynamics is the indirect Major Shareholder of Green Ocean by virtue of its shareholding in FDC pursuant to Section 8 of the Act. FDC, the wholly-owned subsidiary of Focus Dynamics, is the major shareholder of Green Ocean, holding 29.74% equity interest in Green Ocean as at the LPD.
	Mr Benson	Mr Benson is the Executive Director of Green Ocean and the Executive Director of Focus Dynamics.
OEB's group of companies namely: <ul style="list-style-type: none"> • CRDB • EMP • ETSB • HFISB • HRDB • HTSB • NESB • OPSB • OTASB • OSSB • ROBBSPSB • ROCSTSB • ROISB • ROPJSB • ROSGHSB • ROSPSB • ROCDB • RODXSPSB • ROHSB • ROJVISB • TISB 	Mr Benson	Mr Benson is the Executive Director of OEB and the Executive Director of Focus Dynamics.

2.4 Details of the RRPTs under the Proposed New Shareholders' Mandate

Related Parties	Transacting parties within the Group	Nature of RRPTs	Estimated aggregate value to be incurred from the forthcoming AGM to the next AGM ⁽¹⁾ (RM'000)	Actual value transacted from the date of the first transaction up to LPD ⁽²⁾⁽³⁾ (RM'000)	Estimated value of RRPTs from the LPD up to the forthcoming AGM ⁽³⁾ (RM'000)
ADSB (Vendor)	Focus Dynamics Group	Purchase of alcoholic beverages (mainly wine, spirits, champagnes and tequila) and sales of non-alcoholic beverages (mainly carbonated drinks)	10,000	1,688	500
ROPJSB ROBSPSB ROISB EMP	Focus Dynamics Group	Sales of alcoholic beverages (mainly wine, spirits, champagnes and tequila).	5,000	3,075	200
OPSB HFISB	Focus Dynamics Group	Purchase of pastry products, hamper, moon cake and alcoholic beverages.	3,000	1,050	250
EMP OEB	Focus Dynamics Group	Provision of sales and marketing services by Focus Dynamics Group to OEB Group (example: social media boosting, social media management on all enquiries, upsell to convert inquiries into lead, to channel customers complain and perform recovery replies via social media).	800	648	54
NESB	Focus Dynamics Group	Provision of cleaning service by Focus Dynamics Group to OEB group (example: provide staffs to clean the common area).	90	30	6

NESB	Focus Dynamics Group	<p>Utilities, printer renting, licensing and maintenance fee by OEB group to Focus Dynamics Group:</p> <ul style="list-style-type: none"> • Utilities consumption for the outlet to operate the club. • Providing access to necessary premises, equipment, and facilities required for the operation of the club. • Cooperating and assist to obtain all necessary licences, permits, and approval required for the operation of the club. • Providing all the necessary information, records and documentation relating to operation of the club. 	1,500	388	80
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Notes:

- (1) *The estimated aggregate values stated are determined by the Group's management. Actual transaction values may differ from the values stated.*
- (2) *Pursuant to Rule 10.09(2)(e) of the Listing Requirements, the Company will immediately announce to Bursa Securities when the actual value of the RRPTs entered into by the Company exceeds the estimated value of the RRPTs disclosed in this Circular by 10% or more.*
- (3) *The Company confirmed that the percentage ratio for the RRPT(s) from the date of the first transaction up to the date of the Company's forthcoming AGM will not exceed 5%.*

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2.5 Guidelines and review of procedures on the RRPTs

The Group has established various procedures to ensure that the RRPTs are undertaken on arm's length basis and on normal commercial terms and on transaction prices and terms that are consistent with the Group's usual business practices and policies, which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the Company's minority shareholders.

The review procedures established by the Group for the RRPT(s) are as follows:

- (i) the identity of the Related Parties are disclosed/circulated within Focus Dynamics Group and at the same time, the Related Parties are notified that all RRPTs are required to be undertaken on arm's length basis and on normal commercial terms not more favourable to the Related Parties than those generally available to the public;
- (ii) all RRPTs to be entered into will be reviewed by the Company's Audit Committee and reported to the Board to ensure that the transactions are not more favourable to the Related Parties and will not be detrimental to the Company's minority shareholders;
- (iii) records will be maintained by the Company to capture all RRPTs which are entered into pursuant to the shareholder mandate;
- (iv) any member of the Audit Committee may as he or she deems fit, request for additional information pertaining to the RRPTs including from independent sources or advisers;
- (v) the RRPTs prices are determined, after taking into account the pricing, level of service, quality of product as compared to the prevailing market rates/prices, and are agreed upon under similar commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms. Any RRPTs entered into shall be treated and processed on normal commercial terms consistent with the Company's usual business practices and policies and will not be detrimental to the Company's minority shareholders;
- (vi) the annual internal audit plan shall incorporate a review of all RRPTs entered into pursuant to the shareholder mandate to ensure that relevant approvals have been obtained and the review procedures in respect of such RRPTs are adhered to;
- (vii) the Board and Audit Committee will review the internal audit reports to ascertain that the guidelines and procedures established to monitor the RRPTs have been complied with and review shall be done at every quarter;
- (viii) the Board and Audit Committee will have overall responsibility for the determination of the review procedures, including addition of new review procedures, as and when necessary. The Board and Audit Committee may also appoint individuals and committees to examine the RRPTs, as they deem appropriate. If a member of the Board or the Audit Committee has an interest, direct or indirect, in any particular transactions, he or she will abstain from any deliberation and voting on the matter at the Board or Audit Committee meetings in respect of such transactions;

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- (ix) at least 2 other contemporaneous transactions with unrelated third parties for similar products/ services, and/ or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/ by the Related Parties are fair and reasonable and comparable to those offered to/ by other unrelated third parties for the same/ substantially similar type of products/ services and/ or quantities.

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be based on Focus Dynamics Group's usual business practice in order to ensure the RRPTs are not detrimental to Focus Dynamics Group.

There are no specific thresholds for approvals of RRPTs within Focus Dynamics Group. However, all RRPTs are subject to the final approval of the Board upon recommendation by the Audit Committee, subject to the provisions in the Listing Requirements and/or the Act, where necessary.

Where any Director has an interest (direct or indirect) in any RRPTs, such Director shall declare his/her interest in the RRPTs and shall refrain from any deliberation and also abstain from voting on the matter. If it is determined that the guidelines and procedures stipulated in **Section 2.5** of this Circular are inadequate to ensure that:

- (a) the RRPTs will be conducted on an arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public;
- (b) such transactions are not detrimental to the interest of the minority shareholders and/or prejudicial to the interest of the shareholders of the Company,

the Company will obtain a new shareholders' mandate.

2.6 Statement by Audit Committee

The Audit Committee of the Company has seen and reviewed the procedures mentioned in **Section 2.5** of this Circular and is satisfied that they are sufficient and appropriate to ensure that such RRPTs will be undertaken on arm's length basis and are on normal commercial terms and prices not more favorable to the Related Parties than those generally available to the public and that such terms will not be detrimental to the interests of the Company's minority shareholders or disadvantages the Group.

The Audit Committee of the Company is also of the view that Focus Dynamics Group has in place adequate procedures and processes to monitor, track and identify the RRPTs in a timely and orderly manner. The procedures and the processes of RRPTs as set out in **Section 2.5** of this Circular are and will be reviewed annually. The Company's Audit Committee reserves the right to modify or amend these procedures and processes at any time as it deems necessary in order to align with the Listing Requirements, the Act, the latest Malaysian Code on Corporate Governance and any other applicable laws enforced at the time being.

2.7 Amount due and owing by the Related Parties pursuant to RRPT

As at the LPD, there is no amount due and owing to Focus Dynamics Group by Related Parties pursuant to RRPT which has exceeded the credit term. As such, the disclosures as required under items 16A and 16B in Annexure GN8-A of the Listing Requirements are not applicable.

3. RATIONALE FOR AND BENEFIT OF THE PROPOSED NEW SHAREHOLDERS' MANDATE

The Proposed New Shareholders' Mandate will enhance the Group's ability to pursue business opportunities and allow the Group to enter into transactions within the ordinary course of the proposed diversified business (i.e., the F&B Business) with the Related Parties.

Further, the Proposed New Shareholders' Mandate will enable the Group to undertake RRPTs necessary for day-to-day operations of the Company's business (i.e., the F&B Business) in a more expeditious manner, without the need to announce and convene separate general meetings on each occasion to seek the Company's shareholders' prior approval for the relevant company in the Group to enter into such transactions.

This will substantially reduce the expenses associated with the convening of general meetings on an ad-hoc basis, improve administrative efficiency considerably, and allow manpower resources and time to be channeled towards attaining other corporate objectives.

Premised on the above, the Proposed New Shareholders' Mandate is expected to contribute positively to the Group's overall earnings moving forward.

4. EFFECTS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE

4.1 Share capital and substantial shareholders' shareholdings

The Proposed New Shareholders' Mandate will not have any effect on the Company's issued share capital or the substantial shareholders' shareholdings in Focus Dynamics.

4.2 NA, NA per Share and gearing

The Proposed New Shareholders' Mandate is not expected to have any material effect on the Group's NA, NA per Share and gearing for the FYE 30 September 2024.

4.3 EPS

The Proposed New Shareholders' Mandate is not expected to have any material effect on the Group's earnings and EPS for the FYE 30 September 2024 but is expected to contribute positively to the Group's future earnings and EPS.

5. APPROVAL REQUIRED

The Proposed New Shareholders' Mandate is subject to the Company's shareholders' approval at the Company's forthcoming 20th AGM.

6. INTER-CONDITIONALITY AND OUTSTANDING CORPORATE PROPOSALS

Save as disclosed in this Circular, the Proposed New Shareholders' Mandate is not conditional upon any other corporate proposal undertaken or to be undertaken by the Company.

The Board confirms that the Company does not have any other outstanding corporate exercise/scheme which has been announced by the Company but is pending implementation or completion prior to the printing of this Circular.

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7. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED

Save as disclosed below, none of the other Directors and/ or Major Shareholders and/ or persons connected with them have any interest, direct or indirect in the Proposed New Shareholders' Mandate:

Name	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Number of ordinary shares in the Company				
<u>Interested Director</u>				
Mr Benson	129,100,140	2.026	-	-
Number of Warrants D in the Company				
<u>Interested Director</u>				
Mr Benson	50	**0	-	-

Notes:

* Based on the total number of issued Ordinary Shares of 6,372,205,736 and/or 3,066,399,051 of Warrant D as at the LPD.

** Less than 0.01%.

(1) Deemed interested by virtue of its shareholdings in FDC pursuant to Section 8 of the Act.

(2) Mr Benson is deemed to have interests in the shares of all the subsidiaries as at the LPD to the extent the Company has an interest.

The Interested Director has abstained and will continue to abstain from deliberating and voting on the Proposed New Shareholders' Mandate at the relevant board meetings.

Further, the Interested Director will abstain from voting in respect of their direct and/ or indirect shareholdings in the Company on the resolution pertaining to the Proposed New Shareholders' Mandate to be tabled at the Company's forthcoming 20th AGM. The Interested Director has also undertaken that they will ensure that the persons connected to him, if any, will abstain from voting in respect of their direct and/ or indirect shareholdings (if any) in the Company, deliberating or approving the ordinary resolution pertaining to the Proposed New Shareholders' Mandate to be tabled at the Company's forthcoming 20th AGM.

8. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, save for the Interested Director, having considered all aspects of the Proposed New Shareholders' Mandate, is of the opinion that the Proposed New Shareholders' Mandate is in the best interest of the Company.

Accordingly, the Board, save for the Interested Director, recommends that you vote in favour of the ordinary resolution pertaining to the Proposed New Shareholders' Mandate to be tabled at the Company's forthcoming 20th AGM.

9. AUDIT COMMITTEE'S STATEMENT

The Company's Audit Committee, after having considered all relevant aspects of the Proposed New Shareholders' Mandate (including but not limited to the terms, rationale and financial effects of the Proposed New Shareholders' Mandate) is of the opinion that the Proposed New Shareholders' Mandate is in the best interest of the Company, fair, reasonable and on normal commercial terms, and not detrimental to the interests of the Company's minority shareholders.

10. AGM

The AGM, the notice of which is enclosed in this Circular, will be held on a virtual basis through live streaming and online remote participation and voting 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 on the date and time indicated below or at any adjournment thereof for the purpose of considering and, if thought fit, passing the resolution, with or without modifications, to give effect to the Proposed New Shareholders' Mandate.

Date and time of the AGM	: 27 February 2024, 10.30 a.m.
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If you are unable to attend and vote in person at the AGM, you may appoint a proxy or proxies to attend and vote on your behalf by completing, signing and returning the enclosed Form of Proxy in accordance with the instructions contained therein as soon as possible, so as to arrive 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 submit via email infosr@wscs.com.my not less than 48 hours before the date and time set for holding the AGM as indicated above or at any adjournment thereof. The lodgement of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently decide to do so.

11. FURTHER INFORMATION

You are advised to refer to the attached **Appendix I** of this Circular for further information.

Yours faithfully
For and on behalf of the Board of Directors of
FOCUS DYNAMICS GROUP BERHAD

LEOW WEY SENG
Independent Non-Executive Director

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FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

The Board has seen and approved this Circular, and they collectively and individually accept full responsibility for the accuracy of the information contained in this Circular. The Board confirms that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular false or misleading.

2. MATERIAL CONTRACTS

As at the LPD, that there are no material contracts, not being contracts entered into in the ordinary course of business, which have been entered into by Focus Dynamics Group within 2 years immediately preceding the date of this Circular.

3. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

As at the LPD, the Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant and the Board confirmed that there are no proceeding pending or threatened against the Group or of any fact likely to give rise to any proceeding which may materially affect the financial position or business of the Group.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Company's registered office at A3-3-8, Solaris Dutamas, No.1, Jalan Dutamas 1, 50480 Kuala Lumpur, W.P. Kuala Lumpur during normal business hours from 9.00 a.m. to 5.30 p.m. Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the forthcoming 20th AGM:

- (i) the Company's Constitution; and
- (ii) the audited consolidated financial statements of the Company for the FYE 30 June 2022 and FPE 30 September 2023.
- (iii) latest unaudited results for the FPE 30 September 2023.

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F O C U S D Y N A M I C S

FOCUS DYNAMICS GROUP BERHAD

Registration No. 200201015261 (582924-P)

(Incorporated in Malaysia)

EXTRACT OF NOTICE OF 20TH ANNUAL GENERAL MEETING OF FOCUS DYNAMICS

ORDINARY RESOLUTION 9

PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND/OR TRADING NATURE (PROPOSED NEW SHAREHOLDERS' MANDATE)

"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."

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