

**FOCUS LUMBER BERHAD**  
**[Registration No. 198901011405 (188710-V)]**  
(Incorporated in Malaysia)

**NOTICE OF THIRTIETH ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the Thirtieth (“30<sup>th</sup>”) Annual General Meeting of Focus Lumber Berhad (“the Company”) will be held at Zara’s Boutique Hotel, Harbour City, Jalan Pantai Baru, Sembulan, 88100 Kota Kinabalu, Sabah on Monday, 21 September 2020 at 11.00 a.m. to transact the following businesses:

**A G E N D A**

**Ordinary Business**

1. To receive the Audited Financial Statements for the financial year ended 31 December 2019 together with the Reports of the Directors and Auditors thereon. (Please refer to Note 2)
2. To approve the payment of Directors’ fees and benefits up to an amount of RM340,000 for the period from this 30<sup>th</sup> Annual General Meeting until the next Annual General Meeting of the Company. (Resolution 1)
3. To re-elect Datuk Aznam Bin Mansor who retires pursuant to Clause 76(3) of the Company’s Constitution, as Director of the Company. (Resolution 2)
4. To re-elect Lin Hao Yu who retires pursuant to Clause 76(3) of the Company’s Constitution, as Director of the Company. (Resolution 3)
5. To re-appoint Messrs PKF Malaysia as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 4)

**Special Business**

To consider and if thought fit, to pass the following resolutions, with or without modifications, as Ordinary Resolutions of the Company:-

6. **ORDINARY RESOLUTION CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR – DATUK AZNAM BIN MANSOR** (Resolution 5)  
  
“THAT subject to the passing of Resolution 2 on the re-election of Datuk Aznam Bin Mansor as Director of the Company, authority be and is hereby given to Datuk Aznam Bin Mansor who will have served as an Independent Non-Executive Director of the Company for a cumulative term of ten years on 24 November 2020, to continue to serve as an Independent Non-Executive Director of the Company.”
7. **ORDINARY RESOLUTION CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR – WONG YOKE NYEN** (Resolution 6)  
  
“THAT authority be and is hereby given to Wong Yoke Nyen who will have served as an Independent Non-Executive Director of the Company for a cumulative term of ten years on 24 November 2020, to continue to serve as an Independent Non-Executive Director of the Company.”

8. **ORDINARY RESOLUTION** (Resolution 7)  
**CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR – NG TIAN MENG**

“THAT authority be and is hereby given to Ng Tian Meng who will have served as an Independent Non-Executive Director of the Company for a cumulative term of ten years on 24 November 2020, to continue to serve as an Independent Non-Executive Director of the Company.”

9. **ORDINARY RESOLUTION** (Resolution 8)  
**AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, the Directors of the Company be and are hereby authorised to allot 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 allotted pursuant to this resolution does not exceed 20% of the total number of issued shares (excluding treasury shares) of the Company for the time being and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued from Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company after the approval was given or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by the Company at a general meeting.”

10. **ORDINARY RESOLUTION** (Resolution 9)  
**PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR THE AUTHORITY TO THE COMPANY TO PURCHASE ITS OWN SHARES UP TO TEN PER CENTUM (10%) OF THE TOTAL NUMBER OF ISSUED SHARES (“PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE”)**

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

- (i) the aggregate number of issued shares in the Company (“Shares”) purchased (“Purchased Shares”) and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and

- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

("Proposed Share Buy-Back").

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- (b) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:-

- (i) To cancel all or part of the Purchased Shares;
- (ii) To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- (iii) To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- (iv) To resell all or part of the treasury shares;
- (v) To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- (vi) To transfer all or part of the treasury shares as purchase consideration;
- (vii) To sell, transfer or otherwise use the shares for such other purposes as the Minister charged with responsibility for companies may by order prescribe; and/or
- (viii) To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities.

11. To consider any other business of which due notice shall be given in accordance with the Companies Act 2016.

BY ORDER OF THE BOARD  
**WONG WAI FOONG (MAICSA 7001358)**  
**(SSM PC NO. 202008001472)**  
**WONG PEIR CHYUN (MAICSA 7018710)**  
**(SSM PC NO. 202008001742)**  
**LIEW PUI LING (MAICSA 7058897)**  
**(SSM PC NO. 202008001299)**  
Company Secretaries

Kuala Lumpur  
Date: 21 August 2020

#### **NOTES:**

##### **1. Appointment of Proxy**

1. For the purpose of determining who shall be entitled to attend this Annual General Meeting (“AGM”), the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 11 September 2020. Only a member whose name appears on this Record of Depositors shall be entitled to attend this AGM or appoint a proxy to attend, speak and vote on his/her/its behalf.
2. A member entitled to attend and vote at this AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
5. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (“Central Depositories Act”), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.

6. 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 is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote:
  - (i) In hard copy form  
In the case of an appointment made in hard copy form, the proxy form must be deposited at the Company’s Share Registrar at Tricor Investor & Issuing House Services Sdn Bhd [197101000970 (11324-H)] of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
  - (ii) By electronic means via TIIH Online  
The proxy form can be electronically lodged with the Company’s Share Registrar via TIIH Online at <https://tiih.online> (applicable to individual shareholders only). Please refer to the Administrative Guide on the procedures for electronic lodgement of proxy form via TIIH Online.
9. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company’s Share Registrar situated at Tricor Investor & Issuing House Services Sdn Bhd [197101000970 (11324-H)] of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
10. Please ensure ALL the particulars as required in the proxy form is completed, signed and dated accordingly.
11. Last date and time for lodging the proxy form is Saturday, 19 September 2020 at 11.00 a.m.
12. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
  - a. Identity card (NRIC) (Malaysian), or
  - b. Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
  - c. Passport (Foreigner).

13. For a corporate member who has appointed a representative instead of a proxy to attend this AGM, please deposit the **ORIGINAL** certificate of appointment of authorised representative executed in the manner as stated in the proxy form with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. Alternatively, please bring the **ORIGINAL** certificate of appointment of authorised representative if it has not been lodged at the Company's Share Registrar earlier.

**2. Audited Financial Statements for the financial year ended 31 December 2019**

The Audited Financial Statements in Agenda 1 is meant for discussion only as the approval of the shareholders is not required pursuant to the provisions of Sections 248(2) and 340(1) of the Companies Act 2016. Hence, this Agenda is not put forward for voting by shareholders.

**3. Resolution 1 – Directors' Fees and Benefits**

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors and any benefits payable to the directors shall be approved at a general meeting.

The Proposed Resolution 1 for the Directors' fees and benefits proposed for the period from this 30<sup>th</sup> AGM up to the date of next AGM are calculated based on the current Board size and number of scheduled Board and Committee Meetings from the 30<sup>th</sup> AGM until the next AGM. This resolution is to facilitate payment of Directors' fees and benefits on a current financial year basis. In the event the proposed amount is insufficient, (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for the shortfall.

**4. Resolutions 2 and 3 – Re-election of Directors**

Datuk Aznam Bin Mansor and Lin Hao Yu are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 30<sup>th</sup> AGM.

The Board had through the Nomination Committee carried out the assessment on the Directors and agreed that they meet the criteria as prescribed by Paragraph 2.20A of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad on character, experience, integrity, competence and time to effectively discharge their role as Directors.

The Board had also through the Nomination Committee carried out assessment on the independence of Datuk Aznam Bin Mansor and is satisfied that he met the criteria of independence as prescribed in the Main Market Listing Requirement of Bursa Malaysia Securities Berhad.

**5. Resolution 4 – Re-appointment of Auditors**

The Board has through the Audit Committee assessed the suitability and independence of the External Auditors, Messrs PKF Malaysia and considered the re-appointment of Messrs PKF Malaysia as Auditors of the Company. The Board and Audit Committee collectively agreed and satisfied that Messrs PKF Malaysia has the relevant criteria prescribed by Paragraph 15.21 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad.

## 6. Explanatory Notes on Special Business

### (i) Resolutions 5, 6 and 7 – Continuing in Office as Independent Non-Executive Directors

The Board had via the Nomination Committee conducted an annual performance evaluation and assessment of Datuk Aznam Bin Mansor, Wong Yoke Nyen and Ng Tian Meng, who will have served the Board as Independent Non-Executive Directors (“INEDs”) for a cumulative term of ten (10) years on 24 November 2020 and recommended them to continue to act as INEDs based on the following justifications:-

- a. They fulfill the criteria under the definition of “Independent Director” as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and thus, they would be able to function as a check and balance, bring an element of objectivity to the Board;
- b. Their tenure with the Company has neither impaired nor compromised their independent judgement and ability to act in the best interest of the Company. They continue to remain objective and are able to exercise their independence judgement in expressing their view and participating in deliberations and decision making of the Board and Board Committee in the best interest of the Company;
- c. They have vast experience in a diverse range of business and have good understanding of the Company’s business operations;
- d. They continue to exercise due care during their tenure as INEDs of the Company and carried out their professional duties in the interest of the Company and shareholders;
- e. They have devoted sufficient time and commitment to discharge their responsibility and professional obligations as INEDs; and
- f. They do not have any business dealings with the Company.

### (ii) Resolution 8 – Authority to Allot Shares

In view of the Covid-19 pandemic outbreak, the Government of Malaysia had on 18 March 2020 implemented the Movement Control Order (“MCO”) nationwide to curb the spread of the Covid-19 infection in Malaysia.

Bursa Malaysia Securities Berhad (“Bursa Securities”) recognised the needs for listed issuers to raise funds quickly and efficiently during the challenging time to ensure the long-term sustainability and interest of the listed issuers and their shareholders. Therefore, an additional relief measure has been granted by Bursa Securities vide its letter dated 16 April 2020 which allows a listed issuer to seek its shareholders’ approval at a general meeting to issue new securities for a higher general mandate under Paragraph 6.03 of the Main Market Listing Requirements of not more than 20% of the total number of issued shares (excluding treasury shares) (“20% General Mandate”).

The Company proposes to seek new shareholders’ mandate to enable the Directors to issue and allot up to a maximum of 20% of the total number of issued shares (excluding treasury shares) of the Company for the time being pursuant to the 20% General Mandate under Resolution 8.

In view thereof, the proposed Resolution 8 is prepared for the purpose of seeking a new shareholders' mandate to empowering the Directors to allot shares in the Company up to a maximum of 20% of the total number of issued shares of the Company for the time being.

The proposed Resolution 8, if passed, will provide additional flexibility to the Directors to undertake fund raising activities, including but not limited to placement of shares for the purposes of funding the Company's current/future investment project(s), working capital, repayment of bank borrowings, operational expenditure and/or acquisition(s) at any time as the Directors may deem fit without having to convene a general meeting.

This authority, unless revoked or varied by the Company in a general meeting, will expire at the next AGM.

As at the date of this notice, the Company did not issue any shares pursuant to the 10% General Mandate granted to the Directors at the Twenty-Ninth AGM held on 27 May 2019 as there were no investment(s), acquisition(s) or working capital that require fund raising activity.

The Board of Directors is of the view that the proposed Resolution 8 is in the best interest of the Company and the shareholders of the Company as the 20% General Mandate will give the Directors the flexibility and cost effectively to raise funds quickly and efficiently during this challenging time to ensure the long term sustainability of the Company and safeguard the interest of the Company and the shareholders.

**(iii) Resolution 9 – Proposed Renewal of Share Buy-Back Mandate**

The proposed Resolution 9, if passed, will give the Company the authority to purchase its own ordinary shares of up to ten per centum (10%) of the total number of issued shares of the Company. Please refer to the Statement to Shareholders dated 21 August 2020 for further information.



# **STATEMENT ACCOMPANYING NOTICE OF THIRTIETH ANNUAL GENERAL MEETING**

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

**1. Election of Director**

No new Director is standing for election at this 30<sup>th</sup> AGM.

**2. Authority for Directors to Allot Shares Pursuant to Section 75 and 76 of the Companies Act 2016**

Kindly refer to item (6)(ii) of the Explanatory Notes on Special Business on page 7.