

THE NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you have sold or transferred all your warrants 2011/2016 (“**Warrants B**”) in Focus Dynamics Group Berhad (*formerly known as Focus Dynamics Technologies Berhad*) (“**Focus**”) you should at once hand this notice to the holders of Warrants B (“**Notice**”) to the purchaser or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

Bursa Malaysia Securities Berhad (“**Bursa Securities**”) has not perused through the contents of this Notice prior to its issuance, takes no responsibility for the contents of this Notice, 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 Notice.

THIS NOTICE IS FOR THE INFORMATION OF THE HOLDERS OF WARRANTS B OF FOCUS ONLY. NO ACTION IS REQUIRED TO BE TAKEN BY YOU.



FOCUS DYNAMICS GROUP BERHAD
(FORMERLY KNOWN AS FOCUS DYNAMICS TECHNOLOGIES BERHAD)

(Company No. 582924-P)

(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE TO HOLDERS OF WARRANTS B

IN RELATION TO THE

ADJUSTMENT TO THE EXERCISE PRICE OF THE OUTSTANDING WARRANTS B PURSUANT TO THE REDUCTION OF THE ISSUED AND PAID-UP SHARE CAPITAL OF FOCUS PURSUANT TO SECTION 64 OF THE COMPANIES ACT, 1965 INVOLVING THE CANCELLATION OF RM0.05 OF THE PAR VALUE OF THE ORDINARY SHARES OF RM0.10 EACH IN FOCUS TO RM0.05 EACH IN FOCUS

Advised by

sierac
corporate advisers

Sierac Corporate Advisers Sdn Bhd

(Company No: 515853-A)

licensed corporate finance adviser

This Notice is dated 12 February 2016

DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Notice

“Act”	:	The Companies Act, 1965 and any amendments made thereto from time to time
“Approved Adviser”	:	A licensed merchant bank or universal broker or investment banker or corporate finance adviser in Malaysia selected by our Directors for the purposes of the Deed Poll
“Auditors”	:	Messrs. Siew Boon Yeong and Associates, the auditors of our Company
“Board”	:	Board of Directors of our Company
“Bursa Depository”	:	Bursa Malaysia Depository Sdn Bhd
“Bursa Securities:	:	Bursa Malaysia Securities Berhad
“Deed Poll B”	:	The deed poll dated 15 April 2011 executed by our Company constituting the Warrants B to subscribe for new Focus Shares
“Exercise Price”	:	The sum payable for every new Focus Share to be issued pursuant to the exercise of each Warrant B, subject to the adjustments under the circumstances in accordance with the provisions of the Deed Poll B
“Exercise Price Adjustment”	:	Adjustment to the Exercise Price of the outstanding Warrants B in accordance with the provision of the Deed Poll B as a consequence of the Par Value Reduction
“Focus” or the “Company”	:	Focus Dynamics Group Berhad (<i>formerly known as Focus Dynamics Technologies Berhad</i>)
“Focus Shares” or “Shares”	:	Ordinary shares of RM0.05 each in our Company
“Market Day”	:	Any day between Monday and Friday (inclusive) which is not a public holiday and on a day on which Bursa Securities is open for trading as may be determined by Bursa Securities from time to time
“Notice”	:	This Notice to Warrants B Holder(s)
“Par Value Reduction”	:	Reduction of the issued and paid-up share capital of our Company pursuant to Section 64 of the Act via the cancellation of RM0.05 of the then par value of the ordinary share of RM0.10 each in Focus to RM0.05 each in Focus, which was completed and took effect on 5 February 2016
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“SCA”	:	Sierac Corporate Advisers Sdn Bhd
“TA Securities”	:	TA Securities Holdings Berhad
“Warrant B Holder(s)”	:	Holder(s) of the Warrants B
“Warrant(s) B”	:	Warrants 2011/2016 issued by our Company constituted by the Deed Poll B

DEFINITIONS (Cont'd)

All references to “our Company” in this Notice are to Focus. All references to “we”, “us”, “our” and “ourselves” are to our Company or where the context requires, our Company and our subsidiaries. All references to “you” in this Notice are to the Warrant B Holders.

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa.

Reference to persons shall include a corporation, unless otherwise specified. Any reference in this Notice to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Notice shall be a reference to Malaysian time, unless otherwise specified.

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FOCUS DYNAMICS GROUP BERHAD
(FORMERLY KNOWN AS FOCUS DYNAMICS TECHNOLOGIES BERHAD)

(Company No. 582924-P)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office:
No. 2-1
Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan

12 February 2016

Board of Directors

Datuk Manan Bin Haji Md. Said (*Executive Chairman*)
Ameezan Bin Jamal (*Executive Director*)
Leung Kok Keong (*Executive Director*)
Tan Aik Heang (*Independent Non-Executive Director*)
Abdul Menon Bin Arsad @ Abdul Manan Bin Arshad (*Independent Non-Executive Director*)
Chang Vun Lung (*Independent Non-Executive Director*)

To: Our Warrants B Holders

Dear Sir/Madam,

FOCUS DYNAMICS GROUP BERHAD
(FORMERLY KNOWN AS FOCUS DYNAMICS TECHNOLOGIES BERHAD)

**EXERCISE PRICE ADJUSTMENT OF THE OUTSTANDING WARRANTS B PURSUANT TO THE
PAR VALUE REDUCTION**

1. INTRODUCTION

On 10 September 2015, TA Securities had on behalf of our Board announced that our Company had proposed to undertake the Par Value Reduction.

Subsequently, our shareholders had approved the Par Value Reduction at the extraordinary general meeting of our Company held on 12 November 2015.

On 3 February 2016, the High Court of Malaya had granted an order confirming the Par Value Reduction. The sealed order was lodged with the Companies Commission of Malaysia on 5 February 2016 and accordingly, the Par Value Reduction took effect on this date.

Consequential to the Par Value Reduction, the exercise price of the outstanding Warrants B has been adjusted in the manner as detailed in Section 2 of this Notice.

THE PURPOSE OF THIS NOTICE IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION PERTAINING TO THE EXERCISE PRICE ADJUSTMENT. THIS NOTICE ALSO SETS OUT BRIEF PARTICULARS OF THE EVENTS GIVING RISE TO THE EXERCISE PRICE ADJUSTMENT. NO ACTION IS REQUIRED TO BE TAKEN BY YOU.

2. DETAILS OF THE EXERCISE PRICE ADJUSTMENT

2.1 Rationale for the Exercise Price Adjustment

The Exercise Price Adjustment has been undertaken to reflect the consequential reduction in the par value of the ordinary shares in our Company pursuant to the Par Value Reduction in order to ensure that the status of the Warrant B Holders would not be prejudiced after the implementation of the Par Value Reduction. Accordingly, the Board has resolved to effect the Exercise Price Adjustment as detailed in Section 2.2 of this Notice.

2.2 Computation for the Exercise Price Adjustment

In accordance with the Deed Poll B, each Warrant B entitles the holder to subscribe for one (1) new Focus Share at the exercise price of RM0.10 per Share, subject to adjustments, if any, during the exercise period. However, no specific provision or formula is available under the Deed Poll B which caters for the adjustments to the exercise price and number of outstanding Warrants B as a result of the Par Value Reduction.

Condition 4.5 of Second Schedule (Part III) of the Deed Poll B stipulates that notwithstanding the provisions referred to in Condition 4.1 and Condition 4.3 of Second Schedule (Part III) of the Deed Poll B, in any circumstances where our Board consider that the adjustments provided under the said provisions should not be made or should be calculated on a different basis or that an adjustment should be made notwithstanding that no such adjustment is required under the said provision, our Company may appoint an Approved Adviser to consider whether for any reason whatsoever the adjustment to be made (or the absence of an adjustment) is inequitable and, if such Approved Adviser shall consider this to be the case, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner as shall be considered by such Approved Adviser to be, in its opinion, appropriate.

Our Board, in consultation with SCA, has adopted the following formula for the Exercise Price Adjustment:

$$\begin{aligned} \text{New Exercise Price} & & \text{Revised par value of each} & & \text{Existing exercise} \\ \text{after the Par Value} & = & \text{Focus Share} & \times & \text{price of the} \\ \text{Reduction} & & \frac{\text{Original par value of each}}{\text{Focus Share}} & & \text{Warrants B} \\ & & & & \\ & = & \frac{\text{RM0.05}}{\text{RM0.10}} & \times & \text{RM0.10} \\ & = & \text{RM0.05} & & \end{aligned}$$

Our Board has resolved not to adjust the number of the outstanding Warrants B as a consequence to the Par Value Reduction as the Par Value Reduction is not expected to result in any dilutive effects on the Warrant B Holders since the number of Focus Shares in issue remains unchanged after the Par Value Reduction.

In summary, the details of the Exercise Price Adjustments are set out below:-

Before Exercise Price Adjustment	After Exercise Price Adjustment
RM0.10	RM0.05

The aforesaid Exercise Price Adjustment was made by our Board in consultation with SCA and certified by our Company's Auditors, in accordance with the terms and conditions as contained in the Deed Poll B.

3. EFFECTIVE DATE OF THE EXERCISE PRICE ADJUSTMENT

The Exercise Price Adjustment took effect from 9.00 a.m. on 10 February 2016, being the next Market Day following the lodgement of the sealed order granted by the High Court of Malaya confirming the Par Value Reduction with the Companies Commission of Malaysia as detailed in Section 1 of this Notice.

4. CONSENTS

SCA and our Company's Auditors have given and have not subsequently withdrawn their written consent to the inclusion of their names and all references thereon in the form and context in which they appear in this Notice.

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our Registered Office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan, during normal business hours (except public holidays) for as long as any of the Warrants B remain outstanding and exercisable:-

- i. The Deed Poll B;
- ii. The certificate from the Auditors dated 10 February 2016 certifying the computations for the Exercise Price Adjustment;
- iii. The certificate from our Board dated 10 February 2016 setting forth brief particulars of the event giving rise to the Exercise Price Adjustment and the effective date of the Exercise Price Adjustment; and
- iv. The letters of consent referred to Section 4 of this Notice.

6. DIRECTORS' RESPONSIBILITY STATEMENT

This Notice has been seen and approved by our Board and all of our Directors, collectively and individually, accept full responsibility for the accuracy of the information given in this Notice and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement herein false or misleading.

Yours faithfully,

For and on behalf of the Board

FOCUS DYNAMICS GROUP BERHAD

(FORMERLY KNOWN AS FOCUS DYNAMICS TECHNOLOGIES BERHAD)

Datuk Manan Bin Haji Md. Said

Executive Chairman