

## GENERAL ANNOUNCEMENT

Company Name	:	FOCUS DYNAMICS TECHNOLOGIES BERHAD
Stock Name	:	FOCUS
Stock Code	:	<b>0116</b>
Date Announced	:	5 JUNE, 2015
Type	:	Transactions (Chapter 10 of Listing Requirements) - Non Related Party Transactions
Subject	:	<b>FOCUS DYNAMICS TECHNOLOGIES BERHAD (“THE COMPANY” OR “FDTB”) DISPOSAL OF THE ENTIRE EQUITY INTEREST IN MAX WISDOM SDN. BHD. BY MARQUEE INTERNATIONAL HOLDING SDN. BHD., THE WHOLLY-OWNED SUBSIDIARY OF THE COMPANY</b>

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### 1. INTRODUCTION

Pursuant to Rule 10.06 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“ACELR”), the Board of Directors of Focus Dynamics Technologies Berhad (“FDTB” or “the Company”) is pleased to announce that Marquee International Holding Sdn. Bhd. (Company No. 1014987-A) (“MIHSB” or “the Vendor”), the wholly-owned subsidiary company of the Company had on 5 June, 2015 entered into the a Sale and Purchase Agreement (“SPA”) with Zahari Bin Zakaria (NRIC No. 720530-71-5253) and Hasanuddin Bin Zakaria (NRIC No. 751115-71-5055) (hereinafter collectively referred to as “the Purchasers”) to dispose of one million (1,000,000) ordinary shares of RM1.00 each in Max Wisdom Sdn. Bhd. (Company No. 920417-A) (“MWSB”), representing 100% of the issued and paid-up share capital of MWSB at the sale consideration of Ringgit Malaysia Fifty Thousand (RM50,000.00) only (“Sale Consideration”) (hereinafter referred to as “the Disposal”).

Subsequent to the Disposal, MWSB shall cease to be the subsidiary of the Company.

### 2. DETAILS OF MIHSB, MWSB AND THE PURCHASERS

	<b>MIHSB</b>	<b>MWSB</b>
Date of incorporation	28 August 2012 as a private limited	1 November 2010 as a private limited
Authorised share capital	RM100,000.00 divided into 100,000 ordinary shares of RM1.00 each	RM1,000,000.00 divided into 1,000,000 ordinary shares of RM1.00 each
The issued and paid-up share capital	RM2.00 divided into 2 ordinary shares of RM1.00 each	RM1,000,000.00 divided into 1,000,000 ordinary shares of RM1.00 each
Registered Office	No. 4-1, Kompleks Niaga Melaka Perdana, Jln KNMP 3, Bukit Katil, 75450 Melaka	No. 4-1, Kompleks Niaga Melaka Perdana, Jln KNMP 3, Bukit Katil, 75450 Melaka
Principal activity	Investment holding.	Food restaurant retail chain.
Directors	1. Chieng Siong Kuong 2. Tay Ben Seng, Benson	1. Zahari Bin Zakaria 2. Hasanuddin Bin Zakaria
Shareholders	FDTB holds 2 ordinary shares of RM1.00 each in the share capital of MIHSB, representing 100%	MIHSB holds 1,000,000 ordinary shares of RM1.00 each in the share capital of MWSB, representing 100%.

The Purchasers namely, Zahari Bin Zakaria (NRIC No. 720530-71-5253) and Hasanuddin Bin Zakaria (NRIC No. 751115-71-5055), are the existing Directors of MWSB.

### 3. FINANCIAL INFORMATION

The key financial information of MWSB for the past 2 financial years ended 2013 ("FYE 2013") and 2014 ("FYE 2014") are as follows :-

	<b>Audited</b>	<b>Audited</b>
	<b>FYE 2013</b>	<b>FYE 2014</b>
	<b>RM</b>	<b>RM</b>
Revenue	8,172,414	6,939,741
Net profit/ (loss) after tax attributable to equity holders of the parent	67,530	(793,518)
Net Assets	1,636,450	842,932
Equity attributable to equity holders of the parent	1,636,450	842,932

### 4. DETAILS OF THE DISPOSAL

#### 4.1 Particulars

The details of the Disposal is as follows :-

<b>Vendor</b>	<b>Purchasers</b>	<b>No of shares(%)</b>	<b>Sales Consideration (RM)</b>
MIHSB	Zahari Bin Zakaria (NRIC No. 720530-71-5253)	500,000 ordinary shares in MWSB, representing 50% in share capital of MWSB	25,000.00
MIHSB	Hasanuddin Bin Zakaria (NRIC No. 751115-71-5055)	500,000 ordinary shares in MWSB, representing 50% in share capital of MWSB	25,000.00

The Disposal involves the disposal by MIHSB of one million (1,000,000) ordinary shares of RM1.00 each ("the Sale Shares") in MWSB, representing 100% of the issued and paid-up share capital of MWSB for a cash consideration of Ringgit Malaysia Fifty Thousand (RM50,000.00) only to the Purchasers.

#### 4.2 Basis of Determining and Justification for the Consideration

The sale consideration is largely based on the latest management account on net assets of MWSB as at 31 March 2015 which stood at deficit RM338,614.

The disposal of MWSB will enable the Company to deconsolidate a loss making business entity and focus it's resources into other profitable F&B business. The sale consideration will be satisfied by way of cash payment.

#### 4.3 Liabilities assumed by the Purchasers

Subsequent of the Disposal, MWSB will cease to be the subsidiary of MIHSB and the Purchasers will assume all liabilities of MWSB.

#### 4.4 Cost of Investment and loss on Disposal

Below are the original cost and date of investment of MWSB by MIHSB, respectively :-

Date of Investment	Original cost of investment
	RM
26 June 2013	1,600,000
7 February 2014	500

Based on the Audited Accounts of FDTB as at 31 December 2014, the Disposal will result in a group loss of RM466,597 on the disposal of MWSB for a consideration of RM50,000.00. Refer to Table 1 below.

#### 4.5 Salient Terms of the SPA

Subject to the terms of this Agreement, the Vendor shall sell to the Purchasers, and the Purchasers shall purchase from the Vendor, the Sale Shares as at Completion Dates with all rights, benefits and entitlements attaching thereto after the date of this Agreement. The Purchasers agree that it shall be purchasing the Sale Shares to the Company on an as is basis.

The Parties agree that the purchase consideration of the Sale Shares shall be RM50,000.00 (Ringgit Malaysia Fifty Thousand) ("**Purchase Consideration**") in which shall be paid on Completion Date.

The completion of the sale and purchase of the Sale Shares shall take place no later than 1 (one) month from the date of the Sale and Purchase Agreement.

The purchase consideration of RM50,000 shall be settled in one off cash payment.

#### 5. RATIONALE FOR THE DISPOSAL

The disposal of MWSB will enable the Company to deconsolidate a loss making business entity and focus its resources into other profitable F&B business. This will enable the Company to better utilise its resources to generate income to the group results and at the same time to eliminate further potential losses which might be incurred by the loss making business entity.

#### 6. EFFECTS OF THE DISPOSAL

##### 6.1 Share capital and substantial shareholding

As the Disposal will be satisfied entirety in cash, the Disposal will not have any effects on the issued and paid-up share capital, the shareholding of the substantial shareholders of FDTB.

##### 6.2 Earnings per share

	Audited as at 31 December 2014 RM'000
Loss for the year	6,598
Group loss on disposal	467
	7,065
No. of FDTB shares	705,503

Loss per share after taking into account the loss on disposal	0.01
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Other than the loss on disposal, the Disposal is not expected to have a material impact on the earnings per share of the Group for the financial year ended 31 December 2014.

### 6.3 Net assets (“NA”) per share and gearing

Based on the audited consolidated financial statements of FDTB as at 31 December 2014, the proforma effects of the Disposal on the NA and gearing of the Group and NA per share of the Company are as follows :-

	I	II
	<b>Audited as at 31 December 2014</b>	<b>After the Disposal</b>
	<b>RM’000</b>	<b>RM’000</b>
Share capital	70,550	70,550
Share premium	2,966	2,966
Accumulated losses	(24,171)	(23,087)
Shareholders’ funds / NA	49,345	50,429
No. of FDTB Shares	705.503	705,503
NA per FDTB Share	0.069	0.071
Interest bearing borrowings	2,733	600
Gearing	0.055	0.012

### 6.4 Net loss and Net loss per share

Based on the audited financial statement of MIHSB as at 31 December 2014, the net book value of the investment in MWSB was RM1,600,500.00. As the Sales Consideration is RM50,000.00, there will be a loss on the Disposal of RM1,550,500.00. Consequently, there will be a group loss on disposal of RM466,597.00 or Net Loss of RM0.0006 per share.

## 7. UTILISATION OF SALE CONSIDERATION

The Sale consideration of RM50,000.00 to be received from the Disposal are intended to be utilised as working capital of MIHSB within the next 6 (six) months from the Completion Date.

## 8. RISK FACTORS

The Board is not aware of any specific risk/risk factors relating to the Disposal.

## 9. HIGHEST PERCENTAGE RATIO APPLICABLE TO THE DISPOSAL PURSUANT TO RULE 10.02(g) OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

The highest percentage ratio applicable to the Disposal pursuant to Rule 10.02(g) of the ACELR is 9.70% based on the latest audited accounts of the Company as at 31 December 2014.

#### **10. APPROVALS REQUIRED**

The Disposal is not subject to the approval of the shareholders of the Company or any government authorities.

#### **11. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM**

None of the Directors, Major Shareholders of the Company and/or persons connected to the Directors and/or Major Shareholders has any interest, direct or indirect in the Disposal.

#### **12. STATEMENT BY DIRECTORS**

The Board of Directors of the Company having considered all aspects of the Disposal is of the opinion that the Disposal is in the best interest of FDTB Group.

#### **13. ESTIMATED TIMEFRAME FOR COMPLETION**

Barring unforeseen circumstances, the Disposal is expected to be completed within 1 (one) month from the date of SPA .

#### **14. DOCUMENTS AVAILABLE FOR INSPECTION**

The SPA is available for inspection at the Company's registered office, No. 4-1, Kompleks Niaga Melaka Perdana, Jln KNMP 3, Bukit Katil, 75450 Melaka during normal office hours from Monday to Friday (except public holidays) for a period of 3 months from the date of this announcement.

**Table 1**

	<b>RM</b>
Sales Consideration	50,000
Less : Cost of Investment	1,600,500
Company loss on Disposal	(1,550,500)
Less :Post Acquisition Reserves	(1,083,903)
FDTB accumulated losses	(24,171,424)
Group loss on Disposal	(466,597)

The announcement is dated 5 June, 2015.