

NOTICE OF THIRTY-FIRST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-First Annual General Meeting of Focus Lumber Berhad (“the Company”) will be conducted entirely through live streaming from the broadcast venue at Tricor Boardroom, Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Friday, 28 May 2021 at 10.00 a.m. to transact the following businesses:

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2020 together with the Reports of the Directors and Auditors thereon. *(Please refer to Note 3)*
2. To approve the payment of Directors’ fees and benefits up to an amount of RM396,000 for the period from this 31st Annual General Meeting until the next Annual General Meeting of the Company. *(Resolution 1)*
3. To re-elect Wong Yoke Nyen who retires pursuant to Clause 76(3) of the Company’s Constitution, as Director of the Company. *(Resolution 2)*
4. To re-elect Ng Tian Meng 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 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** *(Resolution 5)*

CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR - DATUK AZNAM BIN MANSOR

“THAT 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 eleven years on 24 November 2021, to continue to serve as an Independent Non-Executive Director of the Company.”

7. **ORDINARY RESOLUTION** *(Resolution 6)*

CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR - WONG YOKE NYEN

“THAT subject to the passing of Resolution 2, 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 eleven years on 24 November 2021, 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 subject to the passing of Resolution 3, 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 eleven years on 24 November 2021, 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 10% 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.”

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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

"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 the general meeting at which such resolution is passed, at which time, it will 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.

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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: 28 April 2021

NOTES:

1. IMPORTANT NOTICE

The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the Companies Act 2016** which requires the Chairman of the meeting to be present at the main venue of the meeting.

Shareholders **WILL NOT BE ALLOWED** to attend this Annual General Meeting ("AGM") in person at the Broadcast Venue on the day of the meeting.

Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at this AGM via the Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn. Bhd. via its **TIIH Online** website at <https://tiih.online>.

Please read these Notes carefully and follow the procedures in the Administrative Guide for 31st AGM in order to participate remotely via RPV.

2. APPOINTMENT OF PROXY

- (1) For the purpose of determining who shall be entitled to participate this AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 18 May 2021. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM via RPV.
- (2) A member entitled to participate in this AGM via RPV 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 this AGM of the Company may appoint not more than two (2) proxies to participate instead of the member at the AGM.
- (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 Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- (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.

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- (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) A member who has appointed a proxy or attorney or authorised representative to participate at the AGM via RPV **must request his/her proxy or attorney or authorised representative to register himself/herself for RPV** via TIIH Online website at <https://tiih.online>. Procedures for RPV can be found in the Administrative Guide for the AGM.
- (9) 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 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.
 - (ii) By electronic means via Tricor System, TIIH Online
The proxy form can be electronically lodged with the Company's Share Registrar via TIIH Online at <https://tiih.online>. Please refer to the Administrative Guide on the procedures for electronic lodgement of proxy form via TIIH Online.
- (10) 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 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 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.
- (11) Please ensure ALL the particulars as required in the proxy form is completed, signed and dated accordingly.
- (12) Last date and time for lodging the proxy form is Wednesday, 26 May 2021 at 10.00 a.m.
- (13) For a corporate member who has appointed a representative, 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 [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, 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.

3. Audited Financial Statements for the financial year ended 31 December 2020

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.

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4. 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 31st 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 31st 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.

5. Resolutions 2 and 3 - Re-election of Directors

Wong Yoke Nyen and Ng Tian Meng are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at this 31st AGM.

The Board had through the Nomination Committee carried out the assessment on the Directors and agreed that all Directors 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 Wong Yoke Nyen and Ng Tian Meng and is satisfied that they met the criteria of independence as prescribed in the Main Market Listing Requirement of Bursa Malaysia Securities Berhad.

6. Resolution 4 - Re-appointment of Auditors

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

7. 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, Mr Wong Yoke Nyen and Mr Ng Tian Meng, who will have served the Board as Independent Non-Executive Directors ("INEDs") for a cumulative term of eleven (11) years on 24 November 2021. The Board recommended that Datuk Aznam Bin Mansor, Mr Wong Yoke Nyen and Mr Ng Tian Meng shall 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.

NOTICE OF THIRTY-FIRST ANNUAL GENERAL MEETING (Cont'd.)

7. Explanatory Notes on Special Business (Cont'd.)

(ii) Resolution 8 - Authority to Allot Shares

The proposed Resolution 8 is prepared for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors to allot shares in the Company up to an amount not exceeding in total 10% of the total number of issued shares of the Company for such purposes as the Directors consider would be in the interest of the Company.

This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

The General Mandate is to provide flexibility to the Company to allot new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund-raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration.

As at the date of this notice, the Company did not issue any shares pursuant to the 20% General Mandate granted to the Directors at the Thirtieth AGM as there were no investment(s), acquisition(s) or working capital that require fund raising activity.

(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 28 April 2021 for further information.