

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

QUESTIONS AND ANSWERS SESSION AT THE EXTRAORDINARY GENERAL MEETING (“EGM”) OF THE COMPANY HELD ON FRIDAY, 14 OCTOBER 2022 AT 10.00 A.M.

- Q1** **When will the Company revert back to physical Annual General Meeting (“AGM”) and is hybrid AGM possible? Any E door gifts?**
- A1 *In line with the Malaysian Code on Corporate Governance, the Company would be unlikely to hold physical general meetings in the near future. However, the Company may consider the hybrid general meetings subject to the circumstances in the future. As for the door gifts, the Company does not practice giving door gifts and the Company always believe in rewarding the shareholders with dividend payment based on the Company’s performance.*
- Q2** **Will the Board consider giving door gift such as e-voucher or e-wallets for those participating in this EGM as a token of appreciation?**
- A2 *The Company does not practice giving door gifts and the Company always believe in rewarding the shareholders with dividend payment based on the Company’s performance.*
- Q3** **How much does the Company spend on this virtual EGM? I’m a long time and loyal shareholder of the Company. I would like to request that the Board of Directors to consider giving shareholders with e- wallet as a token of appreciation for attending today’s meeting as it does not incur a lot of expenses for the Company. Please re-consider the request for voucher. What is the rationale for this proposal? Would Earnings Per Share (“EPS”) be diluted? Will the Company maintain the dividend rate?**
- A3(1) *The cost of conducting this virtual EGM was approximately RM15,000.*
- A3(2) *The rationale of the proposal bonus issue was to reward the existing shareholders of the Company for their continuous support and to enhance the marketability and liquidity of the shares in the stock exchange.*
- A3(3) *The EPS would be adjusted correspondingly subsequent to the issuance of bonus shares and it would not dilute the shareholders’ equity.*
- A3(4) *The Company does not have any dividend policy and any declaration of dividend would be based on the discretion of the Board of Directors after taking into consideration of the Group’s performance.*
- Q4** **Does the Company have any future business expansion plan?**
- A4 *The Company would consider every new business opportunity in order to diversify the business of the Group.*
- Q5** **May I know when is the ex-date for bonus issue? What’s the price after ex-date?**
- A5 *The entitlement date for the Bonus Issues would be announced after the proposed resolution on the bonus issue has been approved by the shareholders at this meeting.*

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SUMMARY OF QUESTIONS RAISED BY THE SHAREHOLDERS AT THE EXTRAORDINARY
GENERAL MEETING HELD ON FRIDAY, 14 OCTOBER 2022**

Q6 **After the issuance of bonus shares, can the dividend be maintained in the same amount for next year?**

A6 *The Company will endeavour to maintain the same dividend. However, the dividend to be declared would be depended on the performance and solvency status of the Group.*

Q7 **What will be the business prospects in the next 6 months?**

A7 *The economy outlook worldwide was not promising and the Board is still observing the effect of the rate hike to the Housing Sector and Recreational Vehicle ("RV") Sector in USA. The Board was of the view that the operating environment in the next 6 months would be challenging if the demand of plywood continues to be softened due to the slowdown of Housing Sector and RV Sector.*