



# Focus Point Holdings Bhd

## Solid 1H Performance, Brighter 2H Ahead

Focus Point Holdings Bhd (FOCUSP) 1H25 results were within expectations, accounting for ~44% of both ours and consensus full-year forecast. We remain positive on FOCUSP's growth prospects, underpinned by its leading position in the eyewear business amid rising myopia prevalence, continued store expansion (>6% SSSG), and ongoing brand-building efforts. We also expect a recovery in 2H25 from the F&B operations. As such, we maintain our valuation forecasts and reiterate our BUY call with TP of RM0.79 (+44%), based on 13x FY25E EPS.

**Core earnings within expectations.** FOCUSP delivered its strongest first-half performance to date, with 1H25 revenue up 4.9% YoY to RM145.7m (vs. RM138.9m in 1H24) and core net profit improving 2.9% YoY to RM16.3m (vs. RM15.8m in 1H24). This represents 44% of both our and consensus full-year forecasts, which we deem in line as we expect a stronger 2H25 ahead on seasonality. At the 31 July EGM, shareholders approved several corporate exercises, including a 1-for-3 bonus issue (expanding the share base from 462m to 616m shares; with free float at ~56%), a dividend reinvestment plan, and a share grant plan that took effect yesterday.

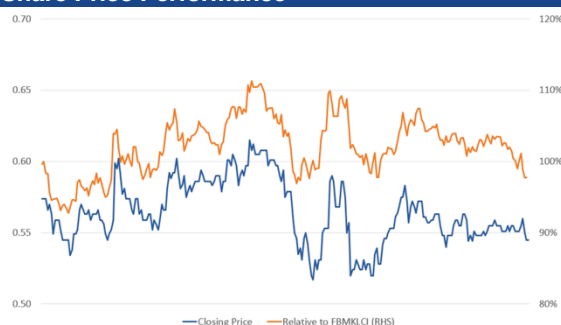
**Optical segment continues to shine.** Revenue momentum remained solid, rising 6.8% YoY to RM121.7m, underpinned by robust store expansion and healthy >6% SSSG on its effective brand-building initiatives. Consumer engagement is ramping up with 2H25 roadshows at the Sunway Pyramid, Mid Valley KL, Mid Valley Southkey, and Setia City Mall, alongside expanding 360 APEC and Airdoc AI services to 100 outlets (vs. 70 in FY24). Referring to 1QFY25, management had guided for 10 new store openings (including franchises) and 8 refurbishments in FY25. Progress had been on track, with 5 new openings in 1H25, including IOI Mall and Sunway Carnival at 2QFY25. For 3QFY25, the group is targeting 2 wholly owned stores and one franchise, comprising (i) Spring Bintulu (opened in July), (ii) Sunway Square, and (iii) Bintulu (franchise). Another 3 outlets are targeted for 4QFY25, bringing the store count to 203 as of 1H25. Meanwhile, corporate sales saw a sharp pickup, with client base expanding to 780 (vs. 600 in FY24), further strengthening top-line visibility. Early performance in East Malaysia rollout is also encouraging, with sales trending close to Peninsular averages.

**Top-line gains from pricing strategy.** Management disclosed that one of its key suppliers has recommended a selective 15% price adjustment across mid-to premium-range eyewear, covering >50% of its product portfolio, effective in the upcoming 1 to 2 months. Importantly, the adjustment will not involve higher procurement costs, thereby offering immediate upside to GP margins (>70%) and top-line growth in the 2H25. Separately, the expanded Sales & Services Tax (SST) is expected to add ~RM0.3m in monthly operating costs, though management is still engaging with landlords on exemption clarification. We view the impact as manageable relative to overall earnings, with margin expansion is likely to remain intact given structural benefits from pricing initiatives and operating leverage.

**F&B segments softened in 1H, recovery expected in 2H.** It posted a solid 5.7% YoY revenue increase to RM22.0m in 1H25, led by stronger retail performance and more innovative HALAL-certified offerings. However,

**Main Market**  
**Consumer Products & Services Sector**  
**BUY**  
**TP: RM 0.79**  
**Last Closing Price: RM 0.55**

### Share Price Performance



### Business Overview

Focus Point Holdings Berhad (FOCUSP) operates the largest optical retail chain store in Malaysia. They have also diversified their business into the food and beverages sector with Komugi and HAP&PI.

### Return Information

KLCI (pts)	1,590.3
YTD KLCI chg.	(3.1)
YTD Stock Price chg.	(9.2)

Price Performance	1M	3M	12M
Absolute (%)	(1.1)	(2.9)	(8.0)
Relative to KLCI (%)	(5.5)	(9.9)	(5.8)

### Stock Information

Market Cap (RM m)	335.7
Issued Shares (m)	616.0
52-week High (RM)	0.65
52-week Low (RM)	0.46
Est. Free Float (%)	56.0
Beta vs FBM KLCI	0.8
3-month Avg Vol. (m)	4.5
Shariah Compliant	Yes
Bloomberg Ticker	FOCUSP MK

### Top 3 Shareholders

	%
Dato' Liang Liaw Choon	37.6
Datin' Goh Poi Eong	12.9
Perbadanan Nasional	8.4

FY DEC (RM m)	FY24A	FY25E	FY26E
Revenue	292.5	329.7	361.3
EBITDA	109.3	102.6	109.0
PBT	43.7	49.4	55.0
Net Profit	33.2	37.5	41.8
Core Net Profit	33.2	37.5	41.8
Core EPS (sen)	7.2	6.1	6.8
Core EPS Growth (%)	10.1	13.0	11.3
Net DPS (sen)	3.5	3.1	4.7
BV Per Share (sen)	29.2	26.2	30.2
Net Div. Yield (%)	4.8	4.4	4.9
P/E (x)	10.1	9.5	8.6
ROE (%)	24.6	23.8	22.9

corporate sales were softened during the period, resulting in PBT of -RM1.6m (PBT margin: -7.3%). We expect a turnaround in 2H25, underpinned by (i) supplies of new Komugi products to Village Grocer, (ii) ongoing cost rationalization initiatives at Komugi, and (iii) gradual recovery in corporate orders from FamilyMart. The group continues to operate 39 outlets (23 franchises, 16 wholly-owned; of which 15 are Komugi and 1 is Hap & Pi), with central kitchen utilisation steady at ~60—70%. Discussions with several major coffee chains to further lift utilisation of its central kitchen are progressing positively. Meanwhile, a RM0.25m write-off was recorded in 1H25 due to the closure of Komugi in Bandar Mahkota Cheras outlet.

Results Highlights								
Y/E : Dec (RM m)	2Q25	1Q25	QoQ Chg. %	2Q24	YoY Chg. %	6M25	6M24	YoY Chg. %
Key financial highlights								
Revenue	72.8	72.9	(0.2)	70.6	3.1	145.7	138.9	4.9
Gross profit	49.3	48.5	1.7	45.9	7.6	97.9	90.6	8.0
Operating profit	12.7	11.8	7.5	12.4	2.7	24.6	23.6	4.3
Pretax profit	11.5	10.6	7.9	11.4	1.0	22.1	21.4	3.4
Net profit	8.4	7.9	6.3	8.4	(0.4)	16.3	15.8	2.9
Core net profit	8.4	7.9	6.3	8.4	(0.4)	16.3	15.8	2.9
Per share data								
EPS (sen)	1.4	1.7	(19.9)	1.8	(25.1)	3.1	3.4	(9.0)
Core EPS (sen)	1.4	1.7	(19.9)	1.8	(25.1)	3.1	3.4	(9.0)
Net DPS (sen)	1.8	0.0		1.8		1.8	1.8	
BV/share (sen)	30.9	30.9	(0.3)	27.2	13.3	30.9	27.2	13.6
Margins								
Gross profit (%)	67.8	66.5	1.3 pts	64.9	2.9 pts	67.2	65.2	1.9 pts
Operating profit (%)	17.5	16.2	1.3 pts	17.6	(0.1 pts)	16.9	17.0	(0.1 pts)
Pretax (%)	15.8	14.6	1.2 pts	16.1	(0.3 pts)	15.2	15.4	(0.2 pts)
Net profit (%)	11.5	10.8	0.7 pts	11.9	(0.4 pts)	11.2	11.4	(0.2 pts)
Other highlights								
Revenue breakdown								
- Optical related	60.6	61.1	(0.7)	57.9	4.6	121.7	113.9	6.8
- Food and beverages	11.1	10.9	2.2	10.7	3.9	22.0	20.8	5.7
- Franchise management	0.0	0.0	0.0	1.0	0.0	0.0	0.9	0.0
- Others	1.1	1.0	5.0	1.0	5.8	2.1	2.1	0.0
Number of stores (Optical)								
- Wholly-owned						132	135	
- Franchise						67	68	
Number of stores (F&B)								
- Wholly-owned						16	16	
- Franchise						20	23	
Source: Company, Mercury Securities								

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MERCURY SECURITIES SDN BHD  
Registration No. 198401000672 (113193-W)  
L-7-2, No 2, Jalan Solaris, Solaris Mont' Kiara, 50480 Kuala Lumpur  
Telephone: (603) - 6203 7227  
Website: [www.mercurysecurities.com.my](http://www.mercurysecurities.com.my)  
Email: [mercurykl@mersec.com.my](mailto:mercurykl@mersec.com.my)