



Focus Point Holdings Bhd

Myopic Results but Long-Term Vision Intact

Focus Point Holdings Bhd (FOCUSP) 9MFY25 results came below expectations. We however remain positive on FOCUSP's growth prospects, underpinned by its leading position in the eyewear business amid rising myopia prevalence, continued store expansion (>10% SSSG), and ongoing brand-building efforts. Growth trajectory is still there albeit moderating. We slash our FY25E/FY26E by 6%/8% and TP by 21% to RM0.62 as we ascribed to lower PE multiple of 10x and rollover our valuations to FY26E.

9MFY22 results failed expectations, with net profit coming in at 60%/67% of ours/consensus full-year consensus estimate. The key variance against our forecast came from lower -than-expected revenue growth as revenue came in at 67% our full-year estimates. A second single-tier interim dividend of 1.50 sen per ordinary share was declared bringing cumulative declared to date at 2.81 sen (adjusted to reflect the bonus issue which was completed on 18 August 2025) -implying a 76% payout (vs our expectation of a 30% payout).

YoY, revenue moderated at 5% to RM220.2m (vs 9M24: +12% and our expectations of +12% YoY. Although moderated topline saw its best ever performance post pandemic. The optical segment grew 7% to RM182.7m (vs 9MFY24: +13%), followed by the F&B segment at 4% (vs FY23: +5%). In terms of profitability GP margins were at 66% while EBITDA was at 32% respectively (vs our estimates of 68%/32% respectively) on higher account of higher opex (+13% YoY) – a result of losses from the F&B segment. Correspondingly PAT margins fell 1ppts to 10% on higher account of higher opex and higher ETR (effective tax rate) of 28% (vs 9MFY24:25%).

QoQ, topline rebounded at +3% (vs 2Q25: -1% QoQ) driven by a rebound in the optical segment (+1% QoQ vs 2Q25: -1.3%). Gross profit fell 3ppts to 65% while higher opex (+5%) and ETR (31%) saw net profit declined by 25% (or margin of 8% vs 2Q25: 12%).

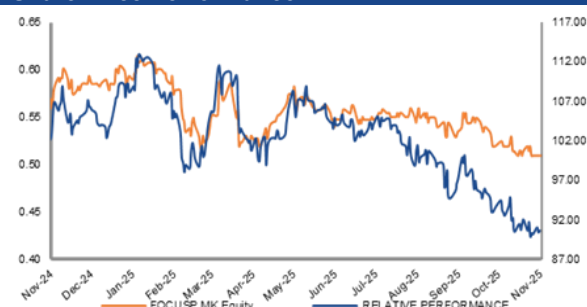
Outlook. Having achieving another highest year to date revenue for the Optical segment, the Focus Point will continue with its strategic efforts to sustain growth and enhance our market leadership position. The Group will continue expanding our local geographical reach via the opening of new outlets in strategic locations, investing in advanced primary eyecare equipment and undertaking more vision care awareness roadshows. Despite incurring a loss in the F&B segment, losses in 3Q25 have moderated compared to the previous two immediate preceding quarters of FY25. Focus Point will continue enhancing operational efficiency and cost effectiveness, expanding more products to serve both retail and corporate customers, and acquiring more corporate customers as part of the ongoing initiatives to turnaround the business and return to profitability.

Post results, we slash our FY25E/FY26E earnings by 6%/8% each to RM35m/RM38m respectively as we tamed down the estimated growth of the optical/F&B segment to 7%/11% (previously at 13%/15%) for FY25E and 7%/8% for FY26E

Valuation. Correspondingly we revised down our TP by 21% (previous TP at RM0.79) by ascribing to a lower PER multiple of 10x (13x previously) - comparable to the FBM Small Cap index best forward PE of 10x. As we **rollover our valuation to FY26 EPS our TP now stands at RM0.62**. Undemanding valuations coupled with an attractive dividend yield of 6% we **reiterate our BUY call**.

Main Market
Consumer Products & Services Sector
BUY (↔)
TP: RM 0.62 (↓)
Last Closing Price: RM 0.51

Share Price Performance



Business Overview

Focus Point Holdings Bhd owns and operates eye care centers. The Company also franchises eye care centers and provides medical eye care surgery and services.

Return Information

KLCI (pts)	1,619.96
YTD KLCI chg.	-1.4%
YTD Stock Price chg.	-15.5%

Price Performance	1M	3M	12M
Absolute (%)	-2.9	-8.1	-9.9
Relative to KLCI (%)	-3.1	-10.1	-11.3

Stock Information

Market Cap (RM m)	314.0
Issued Shares (m)	615.7
52-week High (RM)	0.65
52-week Low (RM)	0.46
Est. Free Float (%)	20.5%
Beta	0.9
3-month Avg Vol.	350,216
Shariah Compliant	Yes
Bloomberg Ticker	FOCUSP MK Equity

Top 3 Shareholders

	%
Dato Liaw Choon Liang	37.2%
Datin Goh Poi Eong	12.9%
Employee Provident Fund	10.3%

FY Dec (RM m)	FY24A	FY25E	FY26E
Revenue	292.5	312.9	335.6
Gross Profit	186.5	213.9	226.1
EBITDA	95.7	99.6	104.3
EBIT	50.4	53.1	57.0
PBT	43.7	46.4	50.3
Net Profit	33.2	35.3	38.2
Core Net Profit	33.2	35.3	38.2
Consensus Net Profit		33.7	31.2
Earnings Revision (%)		-6.02%	-8.44%
Core EPS (sen)	7.2	5.7	6.2
Core EPS Growth (%)	10%	-20%	8%
Net DPS (sen)	3.5	2.8	3.0
Net Div. Yield (%)	6.9%	5.5%	6.0%
BV Per Share (sen)	1.75	2.05	1.82
P/B (x)	29.2	24.8	28.0
P/E (x)	7.1	8.9	8.2
ROE (%)	25%	23%	22%



Outlook. As highlighted previously, we did 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%. 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). In 1QFY25, management guided for 10 new store openings (including franchises) and 8 refurbishments for FY25. 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. 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.

Investment Case. We continue to like Focus Point due to its; i) Market leader with a 15 to 20% market share, ii) Tailwinds from Regulatory Changes - MDA (Medical Device Authority) banned the online sale of optical devices and contact lenses by non-licensed sellers. This regulatory shift is expected to benefit Focus Point, given its strong licensed presence and leading market position and iii) Diversified revenue with emerging F&B contribution and iv) resilient private consumption supported by higher disposable income, favorable market conditions, targeted assistance programs and vibrant tourism activities.

Risks to our recommendation include: (i) intense competition, ii) supply chain disruption, and iii) dependency on registered optometrist/opticians and iv) upside risk of inflationary pressure

Results Highlights

Y/E : Dec (RM m)	3Q25	2Q25	QoQ Chg. %	3Q24	YoY Chg. %	9M25	9M24	YoY Chg. %
Key financial highlights								
Revenue	74.5	72.8	2.4%	70.2	6.2%	220.2	209.1	5.3%
Gross Profit	48.5	49.3	-1.8%	45.5	6.5%	146.3	136.1	7.5%
OPEX	(26.6)	(25.4)	4.8%	(23.3)	14.1%	(77.3)	(68.6)	12.8%
EBITDA	22.0	24.2	-8.9%	22.9	-3.7%	69.5	68.5	1.5%
EBIT	10.5	12.7	-17.4%	11.7	-10.2%	35.1	35.3	-0.5%
PBT/(LBT)	9.2	11.5	-19.9%	10.6	-13.0%	31.3	32.0	-2.1%
Taxation	(2.9)	(3.0)	-4.7%	(2.5)	17.8%	(8.7)	(8.0)	8.1%
Net Profit	6.3	8.4	-25.4%	8.1	-22.4%	22.7	24.0	-5.5%
PATAMI	6.3	8.4	-25.4%	8.1	-22.4%	22.7	24.0	-5.5%
Core EPS (sen)	1.0	1.4	-25.4%	1.8	-41.8%	3.7	3.9	-5.5%
Net DPS (sen)	1.5	0.0	100.0%	1.8		3.3	3.5	-7.1%
Margins (%)								
Gross Profit	65.0%	67.8%		64.9%		66.4%	65.1%	
Opex	-35.7%	-34.9%		-33.2%		-35.1%	-32.8%	
EBITDA	29.6%	33.2%		32.6%		31.6%	32.7%	
EBIT	14.1%	17.5%		16.7%		15.9%	16.9%	
PBT	12.3%	15.8%		15.1%		14.2%	15.3%	
PATAMI	8.5%	11.6%		11.6%		10.3%	11.5%	
ETR	-31.4%	-26.4%		-23.2%		-27.6%	-25.0%	
Revenue Breakdown (RMm)								
Optical related	61.1	60.6	0.7%	57.2	6.8%	182.7	171.1	6.8%
Food and beverages	10.9	11.1	-2.1%	10.7	1.3%	32.9	31.5	4.2%
Franchise management	0.0	0.0	0.0%	0.9	-100.0%	0.0	3.0	-100.0%
Others	1.0	1.1	-4.7%	1.3	-22.9%	3.1	3.4	-10.1%
Total	72.9	72.8	0.2%	70.2	4.0%	218.7	209.1	4.6%

Source: Company, Bursa Malaysia, Mercury Securities

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