

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

F J Benjamin Holdings Ltd (the “Company”) was placed on the watch-list under financial entry criteria pursuant to Rule 1311(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 5 December 2016. The SGX-ST has on 20 June 2019 approved the extension of the cure period for a period of 12 months, ending 4 December 2020.

In accordance with Rule 1313(2) of the SGX-ST Listing Manual, the Board of Directors of the Company would like to provide the following quarterly update on the Company, together with its subsidiaries (collectively, the “Group”).

The Company has on 22 October 2020 announced its intention to undertake a proposed transfer of listing of the Company from the Main Board of the SGX-ST to the Catalist Board of the SGX-ST (“the Proposed Transfer”). The Proposed Transfer is subject to, *inter alia*, the in-principle approval of the SGX-ST for the Proposed Transfer, and the approval of the shareholders of the Company by way of special resolution at an extraordinary general meeting (“EGM”) of the Company to be convened. The Company will be applying to the SGX-ST for an extension of a further three months to exit the Financial Watch List pending the Proposed Transfer. This extension is to allow the Company more time to complete the Proposed Transfer.

Business Update:

Regarding the Group’s two largest markets:

- Singapore - various safe distancing measures implemented and travel restrictions have continued to impact footfall in malls where our stores are located. Recent developments regarding “travel bubbles” with certain countries and the possibility of an effective vaccine soon may bring with it more international travellers which would help to augment the progressively increasing domestic spending.
- Malaysia - following a rise in Covid-19 cases, the Malaysia Government has recently announced the implementation of conditional movement control order (“CMCO”) in most states from November 9 to December 6. Inter-state travel is now prohibited. Our stores in the malls are opened but with a significant decline in foot traffic given the CMCO.

Regarding the Group’s associate company, a partial lock down was implemented from 14 September to 28 September where office buildings were restricted to 25% capacity and no dining in was allowed. Our stores in the malls were opened but heavy discounting has to be introduced to drive sales and footfall to our stores.

To meet the challenges of the ‘new normal’ of social distancing and work-from-home, the Group significantly scaled up its online network, striking agreements with several global brands for the rights to sell online. They included Guess, Casio (Indonesia), Pretty Ballerina, Airfree, Anti Social Social Club, Lancel, Axel Arigato, U.S. Polo Association, Rebecca Minkoff and Dr. Barbara Sturm.

Management will continue to focus on its brick-and-mortar whilst reviewing its existing leases and will continue to grow its e-commerce business. Stepping up diversification into the health and wellness sector, the Group distributes Airfree purifiers/ sterilisers through chain stores and various online platforms. Management is also exploring to add new and unique complementary products as wellness and hygiene will be an important sector of growth. The Group will continue to manage costs and inventory vigilantly.

BY ORDER OF THE BOARD

Karen Chong Mee Keng
Company Secretary
12 November 2020