



FUJI OFFSET PLATES MANUFACTURING LTD
(Company Registration No. 198204769G)
(Incorporated in Singapore)

PROPOSED DISPOSAL OF PROPERTY

Introduction

The board of directors (the "**Board**" or "**Directors**") of Fuji Offset Plates Manufacturing Ltd (the "**Company**", together with all its subsidiaries, collectively the "**Group**") wishes to announce that the Company's wholly-owned subsidiary, Fujiplates Manufacturing Sdn Bhd ("**FPM**" or "**Vendor**") has on 22 November 2017 entered into a sale and purchase agreement (the "**SPA**") with Modern Unit Sdn. Bhd. (the "**Purchaser**"), an unrelated party, in respect of the sale of a vacant industrial land wholly-owned by the Group (the "**Proposed Disposal**") located at Lot 4070 & 4078 Taman Gembira, Johor Bahru, Johor, Malaysia (hereinafter referred to as the "**Property**").

Information on the Property and the Purchaser

Description & Location	Effective Group Interest	Site Area (Sq Meters)	Built-up Area (Sq Meters)	Tenure of Property
Vacant industrial land at Lot 4070 & 4078 Taman Gembira, Johor Bahru Johor, Malaysia	100%	5,590	N/A	Freehold

The Purchaser is in the business of investment holding and property development in Johor, Malaysia and is not related to any Director or controlling shareholder of the Company.

Consideration

The sale price of the Property is RM3,480,000 (approximately S\$1,120,200 based on an exchange rate of S\$0.3219:RM1) (the "**Purchase Price**"). The Purchase Price is arrived at on a willing-buyer willing-seller basis, after taking into consideration current market conditions and the prevailing transacted prices in the vicinity of the Property. The net book value of the Property is RM2,218,000 (S\$714,000).

There was no valuation done on the Property as the Purchase Price was higher than the fair value of the Property, based on Management's assessment of the industrial property market in Johor.

The Purchase Price shall be paid in the following manner:

- (a) The sum of RM348,000 (the "**Deposit**") has been paid by the Purchaser to the Vendor's Solicitors, Messrs Gan & Lim, Advocates & Solicitors (Johor Bahru), as stakeholder, upon the execution of the SPA.
- (b) The balance of the Purchase Price of RM3,132,000 ("**Balance**") shall be paid within four (4) months from the date of the SPA (the "**Completion Period**").
- (c) In the event the Purchaser fails to pay the Balance or any part thereof upon the expiry of the Completion Period, the Vendor shall grant the Purchaser an automatic extension of three (3) months after the expiry of the Completion Period (the "**Extended Completion Period**") for the payment of the Balance, subject to the Purchaser paying interest at the rate of eight per centum (8%) per annum on the Balance or such part thereof which is outstanding until the date of full settlement.

Condition Precedent

There are no material conditions attaching to the transaction including a put, call or other option and details thereof. The Property will only be transferred to the Purchaser upon full payment of the Purchase Price together with any late payment interest.

Rationale for the Proposed Disposal

The Directors considers it an excellent opportunity to dispose of and unlock the value of the Property to investments that will generate higher returns for our shareholders.

Gain on Disposal and the Use of Sale Proceeds

The excess of the net proceeds of the Proposed Disposal over the net book value is S\$376,000 and the net profits attributable to the Property is S\$378,000. The Group currently intends to use the sale proceeds for investment opportunities as and when they arise.

Nature of the Proposed Disposal

The Proposed Disposal is in the ordinary course of business of the Company in relation to investments in properties. As such, the Proposed Disposal is not subject to the requirements of Chapter 10 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited.

Financial Effects of the Proposed Disposal

The pro forma financial effects of the Proposed Disposal on the Group set out below are theoretical in nature and for illustrative purposes only and are, therefore, not indicative of the actual financial performance or position of the Group immediately after the Proposed Disposal.

The pro forma financial effects of the Proposed Disposal are calculated based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2016 (“FY2016”) and the following assumptions:

(a) that the Proposed Disposal was effected at the end of FY2016 for purposes of the financial effect on the net tangible assets (“NTA”) per share in the capital of the Company (“Share”); and

(b) that the Proposed Disposal was effected on 1 January 2016 for purposes of the financial effect on the earnings per Share (“EPS”).

NTA per Share:

	Before the Proposed Disposal	After the Proposed Disposal
NTA (S\$'000)	25,453,000	25,829,000
Number of Shares	49,912,500	49,912,500
NTA per Share (cents)	51.00	51.75

EPS:

	Before the Proposed Disposal	After the Proposed Disposal
(Loss)/profit after tax attributable to the shareholders (S\$'000)	(231,000)	147,000
Weighted average number of Shares (excluding treasury Shares)	49,912,500	49,912,500
(Loss)/earnings per Share (cents)	(0.46)	0.29

However, the Proposed Disposal is not expected to have any material impact on the net tangible assets or earnings per share of the Group for the financial year ending 31 December 2017.

Directors' Service Contracts

No Directors are proposed to be appointed to the Company in connection with the Proposed Disposal. Accordingly, there are no service contracts to be entered into between the Company and any such person in relation to the Proposed Disposal.

Interests of Directors or Controlling Shareholders

Save for their shareholdings in the Company, none of the Directors or the controlling shareholders of the Company or associates of such Directors or controlling shareholders has any interest, direct or indirect, in the Proposed Disposal.

Documents for inspection

A copy of the SPA is available for inspection at the Company's registered office at 2 Jalan Rajah, #06-28 Golden Wall Flatted Factory, Singapore 329134 for a period of three (3) months from the date of this announcement.

By Order of the Board

David Teo Kee Bock
Chairman
23 November 2017

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Asian Corporate Advisors Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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