FORISE INTERNATIONAL LIMITED

ANNUAL GENERAL MEETING
29 APRIL 2016

DEVELOPMENTS OF THE COMPANY

MANAGEMENT STRATEGY

- Divest loss-making businesses
- Diversify / expand into revenue generating businesses

DIVESTMENT OF LOSS-MAKING BUSINESS

- Company has in 4Q2015 disposed of the machineries and ceased the contract manufacturing operations
- Company has on March 2016 entered into the Sale and Purchase Agreement to dispose of the remaining assets to Weng Wenwei through the sale of certain subsidiaries engaged in the manufacturing and production of garments ("Sale Entities")
- The sale of the Sale Entities is subject to shareholders' approval being obtained at an EGM

DIVESTMENT OF LOSS-MAKING BUSINESS

- The sale of the Sale Entities would strengthen the balance sheet of the Group
- As at 31 December 2015, cash in hand of the Group is approximately RMB 38.82 million

DIVESTMENT OF LOSS-MAKING BUSINESS

- The manufacturing business is responsible for majority of the Group's losses for FY2015
- Assets to be sold off have total net liabilities of approximately RMB 324 million, with total bank borrowings of approximately RMB 233 million
- If the sale of the Sale Entities disposal been completed on 31 December 2015, the NTA of the Group would have been RMB 30.76 million instead of negative RMB 132.70 million

EXPANSION OF BUSINESS

- Group intends to expand its existing trading business, which is profitable at the operating level
- Company had also on 12 January 2016 announced that it is considering expansion into the business of providing provision of strategic planning, corporate advisory, financial restructuring advisory and management consulting services
- The proposed diversification is subject to SGX clearance and shareholders' approval

EXPANSION OF BUSINESS

- The proposed new business intends to tap into the network and expertise of our top management team
- The top management team has experiences, network and resources in advising small and medium enterprises and through their working experiences, gather sufficient experience and knowledge relating to capital market
- The Company is currently in discussions with SGX on this proposed diversification

OTHER PLANS OF THE COMPANY

FUTURE PLANS OF THE COMPANY

- The Group will examine other possible investments or joint ventures
- The investment criteria of the Group is to look for investments that require relatively low investment contribution (due to finite financial resources and to control risks), and offer stable growth and returns

CRITERIA FOR EXITING WATCH-LIST

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- Average daily market capitalisation above S$40 million or more over the last 6 months
- Records consolidated pre-tax profit for FY2016

Q&A

THANK YOU