

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 Company was placed on the watch-list under minimum trading price entry criteria pursuant to Rule 1311(2) of the Listing Manual of the SGX-ST on 5 June 2017.

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”).

Update on Financial Situation

For the third quarter financial period ended 31 March 2019 (3Q19), Group continued to make progress in 3Q19 with operating profit higher at \$1.2 million, up 47% from \$783,000 in 3Q18. Group net profit after tax was down 19% to \$302,000 from \$371,000 in previous corresponding period. The decline was due mainly to lower foreign exchange gain of \$494,000 compared to \$1.4 million previously.

Overall, Group revenue fell 22% to \$32.7 million compared to \$41.8 million in 3Q18. The \$9.1 million decline in revenue was made up of \$5.6 million from loss-making brands which were discontinued after the previous corresponding period and a \$1.9 million drop in sales to our Indonesian associate which is now directly financing more of their purchases. The revenue from the Group’s on-going business declined five per cent to \$30.0 million from \$31.6 million in 3Q18 as Chinese New Year fell in early February this year, resulting in a shorter festive spending period between Christmas and Chinese New Year.

For the nine months to 31 March 2019, Group net profit after tax was \$778,000.

Update on Future Direction

The Company had announced on 14 November 2016 (“Announcement”) its entry into a non-binding term sheet with an international third party regarding a potential transaction which may enhance or unlock shareholder value. Further to the Announcement, the Board wishes to announce that the Company is still in discussions.

The Company raised a net amount of \$7.7 million from a rights cum warrants exercise in April 2018 which could potentially bring in another \$27 million if all the warrants are exercised by April 2021.

Management believes that barring unforeseen circumstances, the pace of recovery can be sustained as our current portfolio today does not consist of loss-making brands. The Group recently announced the opening of Fauré Le Page, a heritage handbag and accessory label from France, which will be opened in July 2019. In addition, the Group recently signed a new luxury watch label, Baume & Mercier which has started its distribution in April 2019. Management is in the process of reviewing several new brands to strengthen our brand portfolio, and will make appropriate announcements in due course.

The Company is aware of the deadline given by SGX-ST for its removal from the watch-list. The Company will endeavour to meet the requirements of Rule 1314 of Listing Manual to be removed from the Watch-List.

BY ORDER OF THE BOARD

Karen Chong Mee Keng
Company Secretary
2 May 2019