

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 financial period ended 31 Dec 2017 (2Q18), Group net profit attributable to shareholders stood at \$961,000, a significant turnaround from a net loss of \$7.3 million in 2Q17.

Group turnover was down by 19% to \$50.5 million, compared to \$62.5 million in 2Q17. The decrease in turnover of \$12 million was mainly due to the discontinuance of several loss-making brands and businesses which amounted \$6.8 million and a decrease of sales to our Indonesian associate of \$8.2 million which started buying directly from some of its principal in April 2017. Sales in Singapore and Malaysia grew by \$3.3 million excluding the effect of \$0.3 million currency translation loss from the depreciation of Ringgit against Singapore dollar. Geographically, revenue from fashion business in Southeast Asia increased by 13% excluding the effect of purchase by Indonesian associate, discontinued brands and translation loss from the weakening of Malaysian Ringgit. Revenue from timepiece business declined by 17%.

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 (“Third party”) regarding a potential transaction which may enhance or unlock shareholder value (“Potential Transaction”). Further to the Announcement, the Board wishes to announce that the Company is still in discussions with the Third Party in relation to the Potential Transaction.

On 23 October 2017, the Company announced a proposed renounceable non-underwritten rights cum warrants issue to raise up to \$39 million. The Company has obtained in-principle approval from Singapore Exchange Securities Trading Limited (“SGX-ST”) and Securities Industry Council (“SIC”).

The Board will update shareholders on any material developments in due course and the Company will make further announcements as and when there are any subsequent developments.

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
5 February 2018