



FUJI OFFSET PLATES MANUFACTURING LTD

(Company Registration No. 198204769G)

(Incorporated in Singapore)

DISPOSAL OF AN INDIRECT SUBSIDIARY

Introduction

The board of directors (the “**Board**”) of Fuji Offset Plates Manufacturing Ltd (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, Fujiplates Manufacturing Sdn Bhd (“**FPM**” or “**Vendor**”) has on 30 November 2017 entered into a share sale & purchase agreement (the “**Agreement**”) with Lim Fung Kong (the “**Purchaser**”), son of Lim Jit Toong, Managing Director of Fuji Offset Plates (M) Sdn Bhd (“**FOPM**”) and Director of FPM, in respect of the disposal of the Group’s 60% equity interest or 3 shares in FOPM (the “**Disposal**”). The Purchaser is not related to any Director or controlling shareholder of the Company.

Principal Business of FOPM

The principal business of FOPM is trading of aluminium offset plates and related industrial chemicals for the printing industry in Malaysia.

Consideration

The Disposal is for a consideration of RM600,000 (approximately S\$193,000 based on an exchange rate of S\$0.3219) (the “**Purchase Price**”). The Purchase Price is arrived at on a willing-buyer willing-seller basis, after taking into consideration FOPM’s net asset value as at 30 September 2017 of approximately RM1,429,000 (S\$460,000), recoverability of certain trade receivables, value of inventories as well as the outlook of the industry which is challenging.

The Purchase price shall be paid in cash by the Purchaser to the Vendor by 15 March 2018 and the Company does not foresee any issue with its collectability. The Board is aware of the risk and confident on the collectability given the financial means of Lim Jit Toong and the Purchaser.

In the event the Purchaser fails to pay the Purchase Price by 15 March 2018, the Purchaser shall pay to the Vendor a late interest payment equivalent to eight per centum (8%) per annum on daily basis on the Purchase Price.

Condition Precedent

There are no material conditions attaching to the Disposal including a put, call or other option and details thereof.

Rationale for the Disposal

FOPM is in a loss-making position for the last 5 years and is unlikely to make a profit in the foreseeable future given the competitive nature of the business. With the Disposal, the Group will exit the printing plates business sub-segment completely to focus on its new business segment of investment in property development companies.

Loss on Disposal and the Use of Sale Proceeds

The deficit of the net proceeds over the net book value of, and the net loss attributable to, the Disposal is S\$83,000. The Group currently intends to use the sale proceeds for working capital.

Nature of the Disposal

The Disposal is in the ordinary course of business of the Group in relation to its printing plates and cylinders business. As such, the 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 Disposal

The pro forma financial effects of the 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 Disposal.

The pro forma financial effects of the 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 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 Disposal was effected on 1 January 2016 for purposes of the financial effect on the earnings per Share ("**EPS**").

NTA per Share:

	Before the Disposal	After the Disposal
NTA (S\$)	25,453,000	25,370,000
Number of Shares	49,912,500	49,912,500
NTA per Share (cents)	51.00	50.83

EPS:

	Before the Disposal	After the Disposal
Loss after tax attributable to the shareholders (S\$)	231,000	314,000
Weighted average number of Shares (excluding treasury Shares)	49,912,500	49,912,500
EPS (cents)⁽¹⁾	(0.46)	(0.63)

Note:

(1) Figure in bracket denotes loss per share

However, the 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.

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

Documents for inspection

A copy of the Agreement 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
1 December 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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