**F J BENJAMIN HOLDINGS LTD**
**(Company Registration No.: 197301125N)**

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**QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL**

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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 year ended 30 June 2018 (FY18), The Group saw a turnaround in its business at the operating level for the first time since FY14. Group net profit before tax totalled $939,000 for FY18 compared to a net loss of $16.5 million in FY17. After accounting for tax, the Group registered a net loss after tax of $1.2 million, down from $17.4 million in FY17. The results included an operating loss of $1.1 million from a discontinued brand.

Sales in Singapore and Malaysia grew by $16.2 million. In addition, there was a currency translation gain of $0.8 million from the appreciation of the Malaysia ringgit against the Singapore dollar. Arising from the discontinued businesses, the Group recorded $39.9 million decline in revenue. There was also $18.6 million reduction of direct sales to the Group's Indonesian associate as it has started to finance part of its purchases.

Geographically, revenue from the fashion business in Southeast Asia grew 16% after excluding purchase by the Indonesian associate, discontinued brands and translation gain from the strengthening of the ringgit. Most of the Group's fashion brands registered comparable store growth while stores opened during FY7 also contributed 12-months sales to the latest results. Revenue from timepieces business declined by two per cent.

**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 recently raised a net amount of $7.7 million from a rights cum warrants exercise which could potentially bring in another $27 million if all the warrants are exercised by March 2021.

Management is also taking steps towards implementing an omnichannel strategy which seeks to foster a seamless shopping experience for digitally-savvy customers by integrating the Group's regional network of over 200 stores and new online channels.

With the Group's finance on a stable footing, management will focus on growing the business organically, with improved merchandise, assortments, implementation of a new CRM (Customer Relationship Management) software together with its digital marketing program. The Group continues to evaluate prospects for introducing new brands into its portfolio.

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
28 August 2018