

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

DISPOSAL OF PROPERTY UNITS IN HONGKONG

Introduction

The Board of Directors of F J Benjamin Holdings Ltd (the “Company”) wishes to announce that its wholly owned subsidiary, F J Benjamin (H.K.) Ltd. has entered into Sale and Purchase Agreements (the “Agreements”) with Correctional Services Department Credit Union and Oriental Global (HK) Limited (the “Purchasers”) for the sale of its four property units at No. 510 King’s Road, Island Place Tower Level 23, Hong Kong (the “Property”) for a cash consideration of HK\$86.3 million (S\$14.5 million) (the “Disposal”).

Rationale

The proposed disposal of the Property is in line with the Group’s intention to divest non-core assets and use the proceeds to reduce bank borrowings and as working capital for its businesses.

Consideration

The consideration was arrived at on a willing-buyer, willing-seller basis and took into account the valuation report commissioned by the Company and prepared by Chartersince Surveyors Limited on 29th April 2013. The Property was valued at HK\$71.3 million. The excess of the proceeds from the Disposal over the book value of the Property of HK\$44.8 million as at 31 March 2015 is approximately S\$6.9 million.

The Disposal will result in an estimated net gain on disposal of S\$6.1 million after deducting expenses, for the current financial year ending 30 June 2015.

Financial Effects

For illustrative purposes only, based on the latest announced audited consolidated financial statements of the Group for the financial year ended 30 June 2014,

- (a) assuming that the Disposal had been effected at the end of the Group’s financial year ended 30 June 2014, the net tangible assets attributable to shareholders of the Group as at 30 June 2014 would have increased from 18.04 cents to 19.11 cents.

- (b) assuming that the Disposal had been effected at the beginning of the Group's financial year ended 30 June 2014, the loss per share of the Group for the financial year ended 30 June 2014 would have decreased from 3.89 cents to 2.82 cents.

Chapter 10 of the Listing Manual

Based on the audited financial statements of the Group for the financial year ended 30 June 2014, the relative figures for the Transaction computed on the bases set out in Rules 1006(a) to 1006(d) of the Listing Manual are as follows:

- (a) Net asset value of assets to be disposed of, compared with the Group's net asset value (Rule 1006(a))

The net asset value (or net book value) of the Property as at 31 March 2015 was approximately S\$7.5 million. The Group's audited net asset value as at 30 June 2014 was approximately S\$101,854,000. The ratio of the net asset value of the Property to the net asset value of the Group is approximately 7.4%.

- (b) Net profit attributable to the assets disposed of, compared with the Group's net profit (Rule 1006(b))

This test is not applicable in the case of the Disposal as the Property is non income-producing.

- (c) Aggregate value of the consideration received compared with the Group's market capitalisation (Rule 1006(c))

The market capitalisation of the Group as at 20 April 2015 (being the last full day of trading preceding the Transaction) was approximately S\$75.1 million. The ratio of the consideration to the market capitalisation of the Group is approximately 19.3%.

- (d) Number of equity securities issued by the Group as consideration for an acquisition, compared with the number of equity securities previously in issue (Rule 1006(d))

This test is not applicable to the Disposal.

The Disposal constitutes a "discloseable transaction" for the purpose of Rule 1006 of the Listing Manual.

Interests of Directors and Substantial Shareholders

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Disposal, save for their interest arising by way of their shareholdings and/or directorships, as the case may be.

Documents available for inspection

A copy of the Agreement and the valuation report for the Property is available for inspection during normal business hours at the Company's registered office of 10 Science Park Road, #04-01 The Alpha, Singapore 117684 for three (3) months from the date of this Announcement.

BY ORDER OF THE BOARD

Karen Chong Mee Keng
Company Secretary
22 April 2015