

F J Benjamin Holdings Ltd
(Company Registration No. 197301125N)
(Incorporated in the Republic of Singapore)

RESPONSE TO QUESTIONS RECEIVED FROM A SHAREHOLDER IN RESPECT OF THE COMPANY'S ANNUAL GENERAL MEETING TO BE HELD ON 27 OCTOBER 2022 ("AGM")

The board of directors (the "**Board**" or "**Directors**") of F J Benjamin Holdings Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Notice of AGM issued by the Company on 12 October 2022 (the "**Notice**").

As set out in the Notice, shareholders of the Company can submit questions in advance of the AGM, or at the AGM.

The Company has received questions in advance from a shareholder in respect of the AGM to be held at Function Room Antica I & II, Orchard Rendezvous Hotel, 1 Tanglin Road, Singapore 247905 on 27 October 2022 at 11.00 a.m., and the Board would like to provide the Company's response to the questions as set out below:

Question 1:

How is the Company going to increase the current dismal share price of F J Benjamin?

Company's Response:

The share price of any listed company is dependent on a number of market forces, including but not limited to supply and demand, peer comparable price-to-earnings ("**P/E**") ratios and growth prospects. At the closing share price of S\$0.023 as of 19 October 2022 and based on the latest audited consolidated financial statements of the Group for the financial year ended 30 June ("**FY**") 2022, the Company's shares are trading at a P/E multiple of approximately 8.5 times.

The Company is not in a position to dictate or manipulate its share price, and the prevailing geopolitical issues and present market sentiment caused by high interest rates and inflationary factors are in play as well. The Group made a turnaround to profitability in FY2022 and is presently on course and focused to continue strengthening its business going forward.

Question 2:

When are shareholders going to receive their dividends?

Company's Response:

The last few years of restructuring and coping with the COVID-19 pandemic have adversely impacted the Group's profitability and have prevented the payment of any dividend. Going forward, depending on the level of cash available and profitability of the Group, and taking into consideration various factors, including but not limited to the Company's retained earnings as well as projected level of capital expenditure needs and other investment plans of the Group, the Board hopes to be able to start declaring dividends on an annual basis again.

Question 3:

Can the Company cut down the remuneration of directors and senior management so as to give dividends to shareholders?

Company's Response:

During the difficult years when the Group had incurred significant operating losses, the Executive Directors and senior management of the Company took voluntary salary cuts ranging from 20% to 70%, while salary cuts ranging from 10% to 30% continued to FY2022.

Directors' fees for Non-Executive Directors (including Independent Directors) were reduced in FY2017 with a further reduction in FY2018 and have largely remained unchanged since then with the exception of FY2020 (which was the start of the COVID-19 pandemic) where there was a temporary reduction in Directors' fees of 20%.

BY ORDER OF THE BOARD

Karen Chong Mee Keng
Company Secretary

21 October 2022

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor (the "Sponsor"), ZICO Capital Pte. Ltd., in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

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.

The contact person for the Sponsor is Ms Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.