

**F J BENJAMIN HOLDINGS LTD**  
(Incorporated in the Republic of Singapore)  
(Company Registration No.: 197301125N)

**DISPOSAL OF INTEREST IN ASSOCIATED COMPANY**

**1. INTRODUCTION**

The Board of Directors of F J Benjamin Holdings Ltd ("**FJB Holdings**") wishes to announce that F J Benjamin Concepts Pte Ltd, a wholly-owned subsidiary of FJB Holdings (the "**Company**"), has terminated its joint venture with Rowsley Company Limited ("**Rowsley**"), a company incorporated in Hong Kong SAR, in relation to Manchester United Food & Beverage (Asia) Pte Ltd ("**MUFB**").

In connection with the aforesaid termination, the Company entered into a conditional sale and purchase agreement (the "**S&P Agreement**") with Rowsley on 31 December 2008. Pursuant to the S&P Agreement, the Company agreed to sell and Rowsley agreed to purchase the Company's entire shareholding interest (the "**Interest**") in MUFB, comprising of 1,000,000 ordinary shares representing 50% of all the ordinary shares of MUFB.

In addition, the Company agreed to assign to Rowsley an existing shareholder's loan in the principal amount of S\$4,950,000 from the Company to MUFB (the "**Transferred Loan**", and together with the sale of the Interest, the "**Disposal**"). As at the date hereof, S\$4,575,000 of the Transferred Loan has been disbursed by the Company to MUFB. The Company is obliged to disburse the remaining S\$375,000 of the Transferred Loan to MUFB by 31 March 2009. The Group has accounted for S\$4,205,000 as its share of operating losses of MUFB as at 30 June 2008, and has further provided for impairment losses amounting to S\$1,465,000 for the financial year ended 30 June 2008. It intends to provide for a foreseeable loss of S\$280,000 for the current financial year ending 30 June 2009 ("**FY2009**").

Upon completion of the Disposal, MUFB will cease to be an associated company of the Company.

**2. CONSIDERATION**

- 2.1. The consideration (the "**Share Consideration**") to be paid by Rowsley to the Company for the Interest is S\$1.00 and the consideration to be paid by Rowsley to the Company for the assignment of the Transferred Loan is S\$1.00 (the "**Transferred Loan Price**", and together with the Share Consideration, the "**Consideration**").
- 2.2. The Consideration is arrived at after arms length negotiations between the Company and Rowsley on a willing buyer and willing seller basis, after taking into consideration the book value and the net tangible asset value of MUFB. Further details of the values are set out in paragraph 3.2 below.

**3. REQUIREMENTS OF THE LISTING MANUAL (THE "LISTING MANUAL") OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED**

- 3.1. The Disposal does not constitute a discloseable transaction under Chapter 10 of the Listing Manual and is not expected to have a material effect on the net tangible assets and earnings per share of the Company and its subsidiaries for FY2009.
- 3.2. Based on the audited financial statements of MUFB for the financial year ended 30 June 2008, the book value and the net tangible asset value of MUFB was negative S\$7,157,364. No valuation of the Interest disposed of was commissioned.

**4. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Disposal.

By Order of the Board  
**F J BENJAMIN HOLDINGS LTD**

KAREN CHONG MEE KENG  
Director  
2 January 2008