

FOR IMMEDIATE RELEASE

Food Empire sets up USD24.0 million JV with intention to invest in Caffebene Co., Ltd., one of the largest South Korea's coffee house chain

- **JV company intends to inject first tranche investment amounting to KRW16.59 billion (approximately USD13.6 million) in Caffebene Co., Ltd.**
- **Group sees target as a strategic downstream business which will tap into our respective strengths and network to further the potential of this investment**

Singapore, 3 March 2016 – Food Empire Holdings Limited (“Food Empire”, together with its subsidiaries, the “Group”), an international food and beverage company headquartered in Singapore, has entered into a joint venture agreement via its wholly-owned subsidiary, Future Investment Holdings Pte Ltd (“FIHPL”) with Sweet Blossom Holdings Ltd (“SBHL”), a wholly-owned subsidiary of Eastern Valley Group Limited (“EVGL”) to form a joint venture company, Hallyu Ventures Pte Ltd (“HVPL”).

HVPL intends to inject KRW16.59 billion (approximately USD13.6 million) as an initial investment in Caffebene Co., Ltd. (“Caffebene”) with further investment to be contemplated in 2016. Caffebene is one of South Korea's largest coffee house chain with a global presence of about 1000 stores worldwide.

On the joint venture establishment and acquisition of Caffebene, the Group's Executive Chairman, Mr Tan Wang Cheow, said, “This investment into Caffebene is part of our growth strategy to move into downstream business along the entire value chain of the food and beverage industry. We see opportunities to work with Caffebene including supplying some of our products. Caffebene will be able to tap on our various experiences and network connectivity into the global markets in the future.

Mr Tan added, “Combining our network and expertise, we are confident to bring greater value to Caffebene to lift it to the next level and make it a successful global brand.”

The investment in HVPL by the Group is expected to be financed through internal cash resources and bank borrowings.

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About Caffebene

Founded in May 2008, Caffebene is a coffee house chain based in Seoul, South Korea. It is one of the largest coffee franchise with a global presence of about 1000 stores worldwide.

Designed after the traditional European coffee houses, Caffebene sells brewed coffee, hot and cold beverages, pastries, croissants, sandwiches, waffles, gelato, and Misugaru, a traditional Korean nutrition beverage which consists of black sesame seeds, black bean, black and brown rice and barley.

About Food Empire Holdings Limited (Bloomberg Code: FEH SP)

SGX Mainboard-listed Food Empire Holdings (Food Empire) is a global branding and manufacturing company in the food and beverage sector. Its products include instant beverage products, frozen convenience food, confectionery and snack food.

Food Empire's products are exported to over 60 countries, in markets such as Russia, Ukraine, Kazakhstan, Central Asia, China, Indochina, the Middle East, Mongolia and the US. The Group has 24 offices (representative and liaison) worldwide. The Group operates eight manufacturing facilities in Malaysia, Myanmar, Vietnam, Russia and Ukraine.

Food Empire's products include a wide variety of beverages, such as regular and flavoured coffee mixes and cappuccinos, chocolate drinks and flavoured fruit teas. It also markets instant breakfast cereal, potato crisps and assorted frozen convenience foods.

Food Empire's strength lies in its proprietary brands – including MacCoffee, Petrovskaya Sloboda, Klassno, Hyson, OrienBites and Kracks. MacCoffee – the Group's flagship brand – has been consistently ranked as the leading 3-in-1 instant coffee brand in the Group's core market of Russia, Ukraine and Kazakhstan. The Group employs sophisticated brand building activities, localized to match the flavor of the local markets in which its products are sold.

Since its public listing in 2000, Food Empire has won numerous accolades and awards including being recognized as one of the "Most Valuable Singapore Brands" by IE Singapore, while MacCoffee has been ranked as one of "The Strongest Singapore Brands". Forbes Magazine has twice named Food Empire as one of the "Best under a Billion" companies in Asia and the company has also been awarded one of Asia's "Top Brand" by Influential Brands.

For more information, please refer to: <http://www.foodempire.com>

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