

FOOD EMPIRE HOLDINGS LIMITED
(Co Registration No: 200001282G)

SALE OF SHARES IN 101 CAFFE S.R.L.

The Board of Directors of Food Empire Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s wholly-owned subsidiary, Future Investment Holdings Pte Ltd (“**FIH**”), together with the other two shareholders of 101 Caffe S.r.l. (“**101 Caffe**”), namely, Lascola Holdings Ltd and Gonnella Umberto, had entered into a Sale & Purchase Agreement (“**Agreement**”) with Fidirev Societa’ Fiduciaria S.r.l. (“**Fidirev**”) to collectively sell, in proportion to their respective shareholdings, an aggregate of 4.00% of the existing issued share capital of 101 Caffe to Fidirev.

Pursuant to the Agreement, the number of shares sold by FIH to Fidirev represent approximately 1.00% of the share capital of 101 Caffe (the “**Sale**”) for a cash consideration of EUR124,909.70 (approximately USD135,500.00). On completion of the Sale, the equity interest of FIH in the share capital of 101 Caffe would be reduced from 24.98% to 23.98%.

The Sale was concluded on a willing-buyer, willing-seller basis. The carrying value of the Sale shares is approximately EUR81,808.00 (approximately USD88,744.00). There was no open market value as 101 Caffe is not publicly traded. No valuation was carried out in connection with the Sale.

FIH had acquired its equity interest in 101 Caffe in 2017 to expand into the coffee capsule market. The principal business of 101 Caffe is distribution of coffee paraphernalia including pods, pads and capsules through its franchise network. The above transaction is expected to lower the costs of production and result in potential supply chain synergies for 101 Caffe.

As the relative figures of the Sale computed on the bases set out in Rule 1006 of the Singapore Exchange Securities Trading Limited’s listing manual (“**Listing Manual**”) do not exceed 5%, the Sale is classified as a non-disclosable transaction under Chapter 10 of the Listing Manual.

The above transaction is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the current financial year.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction, other than through their respective shareholdings in the Company.

By order of the Board

Kevin Cho
Company Secretary

20 May 2020