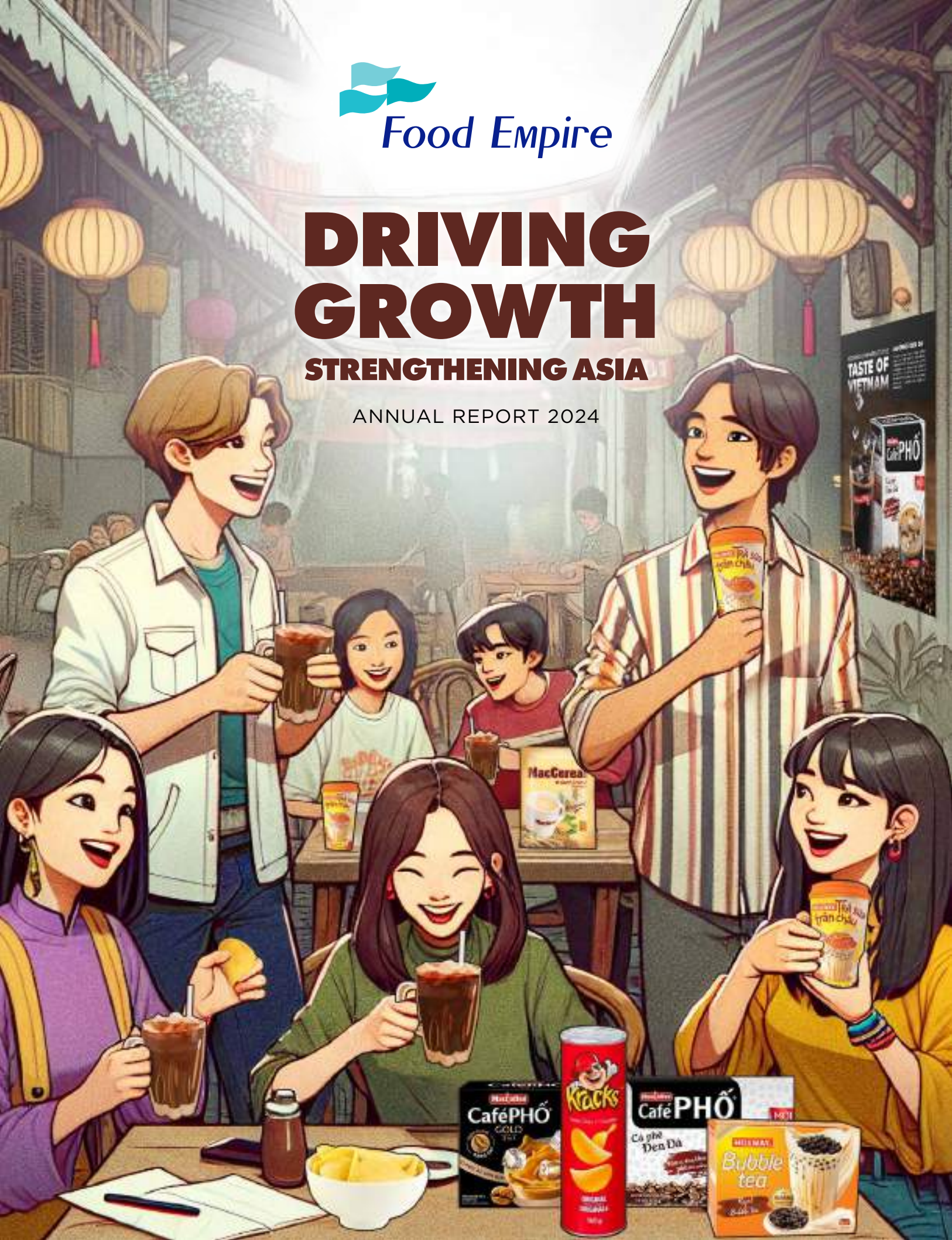




Food Empire



DRIVING GROWTH STRENGTHENING ASIA

ANNUAL REPORT 2024



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FOOD EMPIRE vol. 24

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Or visit: foodempire.listedcompany.com/ar.html

MISSION STATEMENT

We aim to be a leading global food and beverage company providing quality products and services. We will achieve this goal as we have the people, the passion and the enterprising spirit to make a difference.



ABOUT FOOD EMPIRE HOLDINGS LIMITED

Bloomberg Code: FEH:SP

SGX Mainboard-listed Food Empire Holdings (“Food Empire” or together with its subsidiaries, the “Group”) is a multinational food and beverage manufacturing and distribution group headquartered in Singapore. With a portfolio spanning instant beverages, snack foods, and a growing presence in food ingredients, Food Empire’s products are sold in over 60 countries across North Asia, Eastern Europe, South-East Asia, South Asia, Central Asia, Middle East, and North America. Supported by 9 manufacturing facilities in 6 countries and 23 offices worldwide, Food Empire offers an enticing range of branded beverages and snacks, including classic and flavoured coffee mixes and cappuccinos, chocolate drinks, flavoured fruity teas, bubble tea, instant cereal blends, and potato chips. Its food ingredients business features the finest spray-dried and freeze-dried soluble coffee, as well as non-dairy creamer.

Food Empire owns a family of proprietary brands — including MacCoffee, CaféPHŎ, Petrovskaya Sloboda, Klassno, Hillway, 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 markets. The Group employs innovative brand building activities, localised to match the flavour 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 recognised as one of the “Most Valuable Singapore Brands” by IE Singapore (now known as Enterprise Singapore), while MacCoffee has been ranked as one of “The Strongest Singapore Brands” and CaféPHŎ received “Top Brand” Award by Influential Brands. Forbes Magazine has thrice named Food Empire as one of the “Best Under a Billion” companies in Asia and the company has also been awarded as one of Asia’s “Top Brands” by Influential Brands.

In recognition of its commitment to sustainability, Food Empire received the Sustainability Award at the 20th Securities Investors Association (Singapore) Investors’ Choice Awards 2019. For business excellence, the Group was named Winner of The Enterprise Award at the Singapore Business Awards 2020/2021.

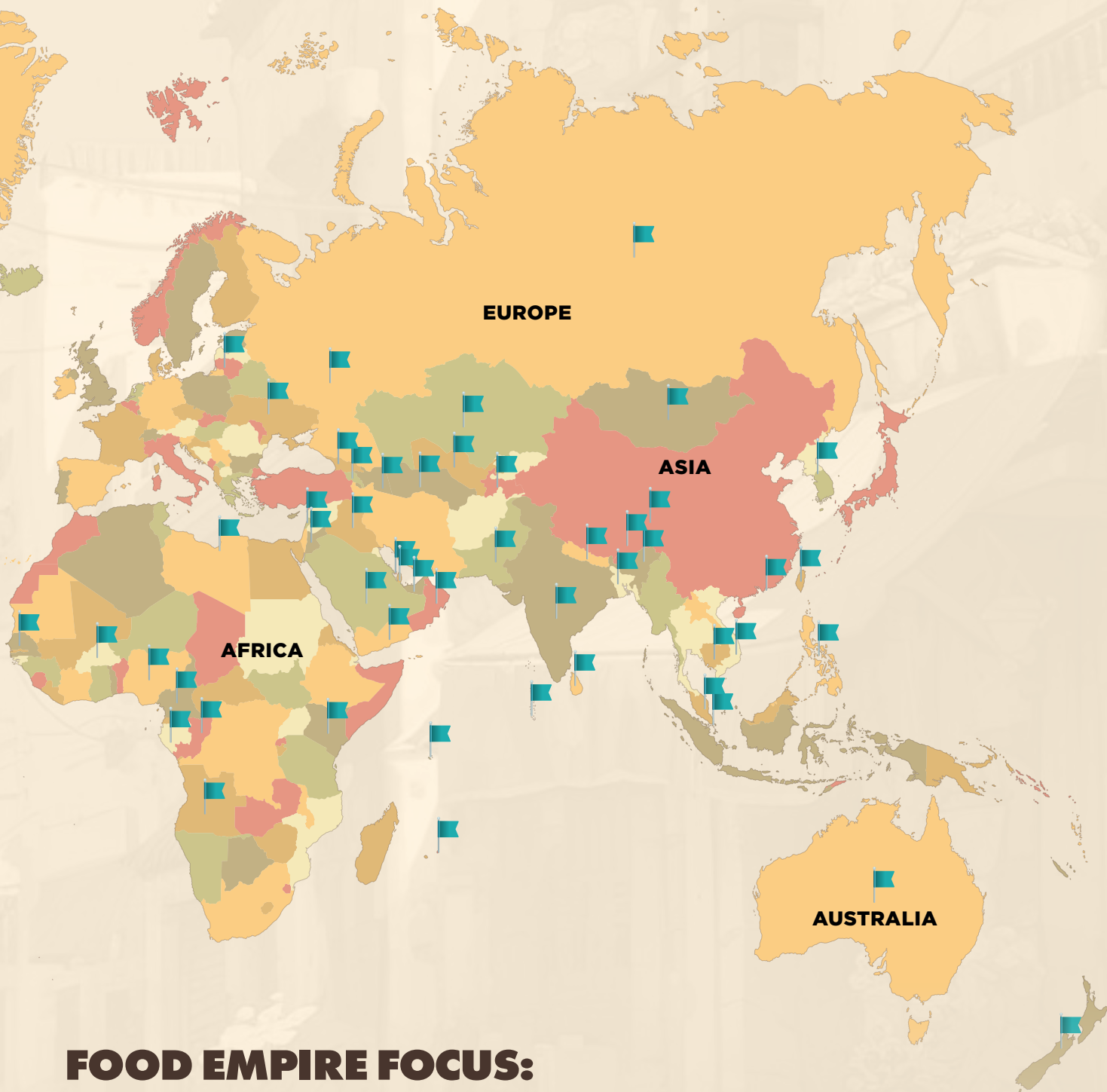
For more information, please refer to: www.foodempire.com





**GLOBETROTTING,
NEVER STOPPING!**

**OUR
GLOBAL
PRESENCE**



FOOD EMPIRE FOCUS:

4,450

Employees

23

Offices
Worldwide

9

Manufacturing
Facilities

EXECUTIVE CHAIRMAN'S MESSAGE

Dear Shareholders

FY2024 was a good year for Food Empire. Amidst significant challenges brought on by geopolitical conflicts, trade tensions and climate change, we achieved strong growth with revenue rising 11.9% year-on-year (“yoy”) to a new record of US\$476.3 million. Although our normalised net profit after tax (“NPAT”) came in 11.4% lower yoy at US\$50.0 million¹, it is still a very good bottom-line performance and the second highest in the Group’s history on a normalised basis.

Our results are a strong testament of our Group’s resilience and agility in navigating an increasingly complex business landscape and our ability to operate successfully in extreme environments.

During the year, ongoing geopolitical tensions in Eastern Europe and the Middle East made global trade difficult as it resulted in severe disruptions to trade routes, which led to major logistical inconveniences and resulted in higher freight charges. We were also affected by rising operational costs caused by inflation and the increasing cost of raw materials such as coffee beans, which rose to record levels due to the effect of climate change on supply.

Despite these headwinds, we found ways to optimise our business processes and intensified our sales and marketing efforts, resulting in healthy revenue performance across all our segments.

Enhancing Shareholder Value

In line with our good results and as a reflection of our confidence in Food Empire’s business prospects, the Board of Directors has proposed a first and final dividend of 6.0 Singapore cents per ordinary share and a special dividend of 2.0 Singapore cents per ordinary share, bringing the total dividend for FY2024 to 8.0 Singapore cents per ordinary share.

This is the third consecutive year of increase in ordinary dividends, and it amplifies our strong commitment to creating and returning value to our shareholders. If the proposed dividend for FY2024 is approved by shareholders at the upcoming Annual General Meeting, the Group would have returned a total of S\$155.4 million to shareholders between FY2021 and FY2024. This includes S\$130.2 million in dividends and S\$25.2 million in the form of share buybacks.

As at 31 December 2024, the Company had, pursuant to the Share Buyback Mandate approved by the Shareholders at the 2024 EGM, purchased an aggregate of 3,735,000 shares through a series of market purchases during the year.

Securing Market Dominance

In FY2024, we continued to strengthen our leadership position, especially in Asia. Vietnam led the way as the Group’s fastest-growing consumer market as our brands gain new ground in market dominance to improve our market share.

Elsewhere, in Russia, our sales continued to grow in local currency terms despite market challenges, and this was due to the strong standing of our flagship MacCoffee brand and our effective price positioning. Our Ukraine, Kazakhstan

**THE GROUP
WILL CONTINUE TO SEIZE
OPPORTUNITIES, RISE ABOVE
CHALLENGES, AND BLAZE A PATH
TOWARD GREATER PROSPERITY
AND AN EVEN BRIGHTER FUTURE
FOR FOOD EMPIRE.**



**MR TAN
WANG CHEOW**
EXECUTIVE CHAIRMAN

¹ Excludes fair value gain of US\$2.8 million from the redeemable exchangeable notes. In FY2024, the Group’s wholly owned subsidiary, Empire APAC Pte. Ltd. issued 5.5% redeemable exchangeable notes to Merit Genesis Pte Ltd and Apex Genesis Pte Ltd at an aggregate value of US\$40.0 million, that are convertible into new ordinary shares in the capital of the Company.

and CIS markets segment also delivered increased revenue with higher contribution from all markets in this segment.

In our ingredients manufacturing business, both our freeze-dried and spray-dried soluble coffee manufacturing facilities in India are running at optimum capacities and delivering strong results. In Malaysia, we achieved higher sales volumes of non-dairy creamer due to the expanded capacity of our non-dairy creamer manufacturing facility while our snack business also delivered an increase in revenue due to higher sales volumes.

The above achievements were possible due to our strategic investments in capacity expansion, brand building and continued focus on South Asia and South-East Asia over the past decade that reinforced Food Empire's ability to meet growing demand and produce a good set of result.

Strengthening Asia

Over the past decade, the international business landscape has undergone significant shift, marked by populism and nationalism. Post-election policy changes in the US have exacerbated the trend with threats of trade protectionism against many of its major trading partners. The world is facing even greater unpredictability with serious implications on national security, currency markets and global economy.

Against the backdrop of global uncertainties, the Group has continuously invested in value-enhancing strategic projects to position us for sustainable growth. This multi-year effort, which started in the early 2010s, has enabled us to effectively diversify our business risks. In the process, we have tapped into the growing affluence of Asia. Its tremendous transformational potential is becoming increasingly apparent. Today the region is home to some of the Group's fastest growing market segments.

To position ourselves for the next phase of Asia-led growth, we have commenced efforts to further strengthen our Asia presence with a slew of new investments, which should deliver quality growth in the years to come and improved earnings visibility for the Group.

In 2Q2024, we successfully completed the expansion of our non-dairy creamer manufacturing facility in Malaysia, effectively doubling our non-dairy creamer capacity. The newly added capacity is expected to ramp up to full utilisation over the next two to three years.

In FY2024, we unveiled plans to build our first coffee-mix production facility in Kazakhstan. When completed by end of 2025, it will serve our existing markets in the Central Asia region more efficiently while enabling us to explore new commercial opportunities in the region.

We also expect our snack business to be boosted with the successful expansion of our production factory in Malaysia, which is slated to commence commercial production by second quarter of 2025.

In addition, we announced a US\$80.0 million commitment to build a new freeze-dried soluble coffee manufacturing facility in Binh Dinh, Vietnam, slated for completion in early 2028. This represents a milestone for our ingredient manufacturing business and together with our existing soluble coffee

manufacturing facilities in India, position us as a major player in the soluble coffee space in Asia.

In FY2024, we also entered into a strategic partnership with Ikhlas Capital, an ASEAN private equity fund manager focused on growth, transformation and cross border value creation. Proceeds from the US\$40.0 million, 5-year, 5.5% Redeemable Exchangeable Notes will be used to drive capital expenditures and merger and acquisitions in the regions. We are excited about this strategic partnership and believe that Ikhlas Capital's regional presence, knowledge and network in South-East Asia will help the Group further accelerate growth and scale in the South-East Asia and internationally.

Improving Brand Recognition

Brand recognition has always been an important pillar of our business, and in FY2024, Food Empire continued to earn accolades for brand excellence. The Group was awarded Gold for Cover Photo/Design and Printing & Production in the Beverage & Food Manufacturer Category at the prestigious Annual Report Competition Awards. CaféPHỐ, our flagship coffee brand, was honoured with the 2024 Top Brand Award by Influential Brands. Additionally, Food Empire was recognised for the 14th consecutive year on Brand Finance's 2024 "Top 100 Most Valuable Singapore Brands" list, ranking 60th.

Giving Back to Community

Beyond business performance, our commitment to corporate social responsibility runs deep throughout our organisation. In FY2024, we contributed to various causes in many of our markets.

In Singapore, we co-organised the Starry Night charity dinner with Brands for Good in support of Helping Joy, a charity that restores homes of those in need. It was a heartfelt evening of generosity and compassion.

In India, our Indus Coffee team supported the neighbouring communities by sponsoring the construction of a school, bus stop, reverse osmosis water plants and drainage canal. They also donated computers and printers to government high schools.

In Vietnam, as part of our FES Vietnam initiative, "The Journey of Sharing", employees donated funds, essential goods and medical supplies to May Ngan Orphanage, spending time with the children. They also celebrated the Mid-Autumn Festival with orphaned children, gifting mooncakes and school supplies.

We will continue to seek opportunities to expand our social efforts, ensuring more communities benefit from our support.

Appreciation

In closing, I would like to extend my heartfelt gratitude to our dedicated management team and employees, whose hard work and perseverance have propelled our Group's performance. I also want to express my sincere appreciation to our Board of Directors for their guidance, as well as to our customers, partners, and stakeholders for their unwavering support. Most importantly, I thank our shareholders for your immense trust and confidence in our Group.

The Group will continue to seize opportunities, rise above challenges, and blaze a path toward greater prosperity and an even brighter future for Food Empire.

GROUP CEO'S MESSAGE

Dear Shareholders

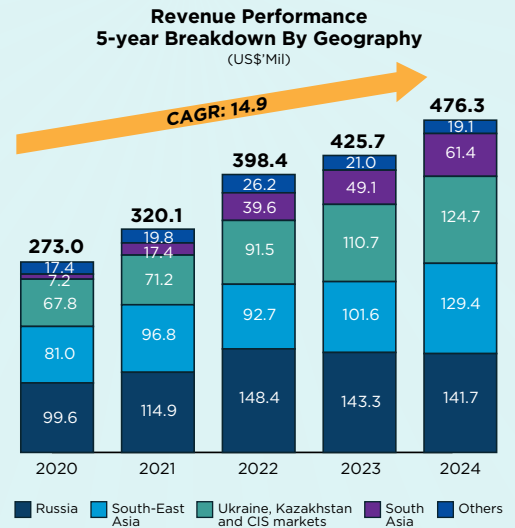
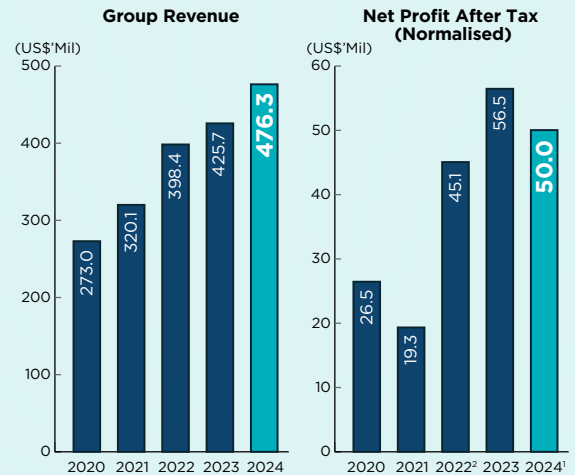
Food Empire is pleased to deliver an 11.9% year-on-year (“yoy”) increase in our topline to US\$476.3 million in FY2024, and our fourth successive year of record-breaking revenue. The strong performance was despite FY2024 being one of the most challenging years for the industry as inflationary pressures remained high and coffee bean prices soared to heights not seen before due to the negative impact of climate change on crops. Some of our markets were also affected by the devaluation of local currencies against the US dollar.

Against this backdrop, the Group’s normalised net profit after tax (“NPAT”) decreased 11.4% yoy to US\$50.0 million¹ in FY2024, which translated to basic earnings per share of 9.45 (normalised) US cents. Shareholders should note that although it had fallen as compared to FY2023, this is still the second highest normalised NPAT achieved since the Company’s inception.

For the period FY2020 to FY2024, the Group’s revenue and normalised NPAT had expanded at a healthy compound annual growth rate (“CAGR”) of 14.9% and 17.2% respectively despite these being very difficult years for many businesses and industries all over the world with events such as a global pandemic, geopolitical tensions, supply chain disruptions and rising costs.

Our ability to navigate the difficult environment was a result of our diversification strategy and an increasing focus on the fast-growing Asia region over the past 10 years. At the same time, we have also ensured the stability and steady growth of our core traditional markets during this period and made sure that our brands held on to their leading market share positions.

In addition, we continued our ongoing investments in brand building, product development and the strengthening of our distribution channels across all our segments. These efforts have kept our brands in the forefront across all our markets.



MR SUDEEP NAIR
 GROUP CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR

I LOOK FORWARD TO YOUR CONTINUED SUPPORT AS WE WORK TOWARDS THE NEXT PHASE OF GROWTH FOR FOOD EMPIRE.

¹ Excludes fair value gain of US\$2.8 million from the redeemable exchangeable notes. In FY2024, the Group’s wholly owned subsidiary, Empire APAC Pte. Ltd. issued 5.5% redeemable exchangeable notes to Merit Genesis Pte Ltd and Apex Genesis Pte Ltd at an aggregate value of US\$40.0 million, that are convertible into new ordinary shares in the capital of the Company.

² Excludes a one-off gain from the disposal of non-core asset of US\$15.0 million recorded in 2022.

FY2024 Market Highlights

During FY2024, our South-East Asia, South Asia and Ukraine, Kazakhstan and CIS markets segments achieved robust double-digit yoy revenue growth of 27.3%, 24.9% and 12.6% respectively.

Our fastest and biggest growth in FY2024 came from our South-East Asia segment and Vietnam was the fastest growing market in this segment thanks to the success of targeted consumer campaigns that have deeply entrenched CaféPHỞ as the nation's go-to brand for instant coffee mixes since its launch in 2013. Sales from Vietnam made up more than 50% of revenue from the South-East Asia segment in FY2024 and we expect this positive trajectory to carry on as we remain committed to further strengthen our distribution network and intensify consumer engagement and other marketing and promotional activities across both modern and traditional platforms.

Malaysia also contributed higher revenue to the South-East Asia segment due to higher sales volumes of non-dairy creamer to customers in key markets, supported by the expanded production capacity and capability in our non-dairy creamer factory. Our snack business also recorded higher sales volumes to key markets and new customers secured during the year. Looking ahead, we are expecting higher revenue from our snack business when the planned expansion of our snack manufacturing facility is completed by the first quarter of 2025 and commenced commercial production by the second quarter of the year.

Meanwhile our full-cycle soluble coffee manufacturing units in India that are part of Food Empire's vertical integration projects have provided our South Asia segment with amazing growth since we started our spray-dried and freeze-dried soluble coffee manufacturing facilities in 2015 and 2021 respectively. The segment's revenue expanded at a CAGR of 70.9% from FY2020 to FY2024 in tandem with the ramping up of our manufacturing facilities over the period. Both facilities are now running at nearly full capacities and we are exploring potential opportunities to further expand our production capacity.

The performance of our Ukraine, Kazakhstan and CIS markets segment remained strong in FY2024 driven mainly by our markets in Central Asia. In Kazakhstan, we had fully integrated a recently acquired subsidiary "Tea House" in May 2024, which contributed new revenue in FY2024. Tea House is one of the leading tea producers in Kazakhstan and we expect full contribution from this subsidiary in FY2025. We also continued to invest in new product development and launches in the CIS markets, which strengthened the market standing of our brands and boosted the segment's revenue during the year.

Revenue from the Russian segment grew 7.3% in local currency terms although it was a slight dip of 1.1% when translated to US dollars. This is still our biggest revenue contributor and most established segment, and we believe our leading position in this market remains secure as we continue to leverage our operational track record and strong brands.

Ramping Up for the Next Phase

As we continue to reap the positive outcomes from the past decade's investments, we have also embarked on

new investments that will take the Group to the next phase of growth.

Although we believe there are opportunities across all segments, we expect growth in Asia to outpace other regions. As such, we will be prioritising capex by focusing our major investments on Asia while continuing to commit resources to reinforce our leadership positions in regions elsewhere. In line with this, we announced various commercial and strategic initiatives in FY2024 to tap on regional opportunities.

In May 2024, we announced a new coffee-mix production facility in Kazakhstan that is expected to be completed by the end of 2025. This will be Food Empire's first coffee-mix production facility in Central Asia and it will enable the Group to serve markets in that region more efficiently. In September 2024, we committed to invest in a freeze-dried soluble coffee manufacturing facility in Vietnam, which is expected to be completed by 2028. This new facility will position Food Empire as one of Asia's leading manufacturers of freeze-dried soluble coffee.

As with our past investments, we expect to see meaningful results two to three years post-completion. During the gestation period, the Group will continuously explore other suitable opportunities that will contribute to the sustained growth and success of our business. To support our regional growth plans, we have inked a strategic partnership with Ikhlas Capital and will work with them to develop an Asia-focused strategy with the aim of value creation for all stakeholders.

Commitment to Shareholder Returns

In view of the good results in FY2024 despite the challenging environment and historically high coffee prices, which had affected the entire industry, the Board of Directors has proposed a first and final dividend of 6.0 Singapore cents per ordinary share and a special dividend of 2.0 Singapore cents per ordinary share, bringing the total dividend for FY2024 to 8.0 Singapore cents per ordinary share.

This is the third consecutive year of increase in ordinary dividends, which reflects the Group's strong growth momentum over the past few years and our commitment to return value to shareholders. If the proposed first and final and special dividend for FY2024 is approved by shareholders at the upcoming annual general meeting, it would bring the total dividend between FY2021 and FY2024 to S\$130.2 million.

Appreciation

In closing, I want to thank all shareholders for being part of the Food Empire growth story and for your trust in the Group's ability to generate healthy returns on your investment. My deep appreciation to my fellow Directors on the Board for your wise counsel in strategic matters and your contributions to ensure that the Group upholds high standards in corporate governance.

Lastly, my heartfelt thanks to the management team and staff of Food Empire for your hard work and dedication that has enabled the Group to achieve growth and success even in extremely difficult years, and to all our business partners for working closely with us to achieve mutually beneficial outcomes. I look forward to your continued support as we work towards the next phase of growth for Food Empire.

BOARD OF DIRECTORS



1 Mr Tan Wang Cheow PBM

Executive Chairman

Mr Tan has been providing leadership to the Board of Directors since April 2000. Mr Tan is founder of the Group and has been instrumental in guiding the Group's business, including taking the company public in 2000. As Executive Chairman, Mr Tan is responsible for the achievement of the Group's long-term goals. His role includes providing strategic leadership and exploring business opportunities for the Group. A passionate believer in the power of brands, Mr Tan is actively involved in the marketing and branding activities across the Group.

Mr Tan has been active in the local grassroots community since 1990. He received the Service to Education Award in 2014 and 2020 from the Ministry of Education and was awarded the Public Service Medal in 2014 for his significant contributions to the society and the field of business. He holds a Bachelor of Accountancy from the National University of Singapore. In 2018, he received the NUS Business School Eminent Award (Senior Alumni Category) for excelling in Singapore and beyond, as well as making contributions to serve the community. Mr Tan also served as Chairman of the School Advisory Committee of Woodgrove Secondary School from 2010 to 2020 and was awarded by Influential Brands in 2019 as Asia's Top Chairman of the Year.

2 Mr Sudeep Nair

Group Chief Executive Officer and Executive Director

Mr Nair has been serving the Board as an Executive Director since July 2005. Mr Nair has been with the Group since 1993.

Prior to his appointment to the Board, he was primarily responsible for the launch and establishment of the Group's brands and businesses in Eastern Europe and CIS countries from 1994 to 2005.

In October 2012, Mr Nair was appointed as the Group CEO in addition to his continuing role as Executive Director. Since 2012, he is also responsible for the Group's diversification and growth strategy including overall oversight of its day-to-day operations. His role includes geographical expansion of business, as well as identifying new businesses and M&A opportunities for the Group. Mr Nair has over 31 years of experience in building and managing the Group's business.

3 Mdm Tan Guek Ming

Non-Executive Director

Mdm Tan was appointed to the Board as a Non-Executive Director in April 2000. Mdm Tan brings both financial and business expertise to the Board, having held both executive and non-executive directorships in listed companies with interests in property, hospitality and the food and beverage sectors. She holds a Bachelor of Accountancy Degree (Second Class Honours) from the National University of Singapore and has numerous years of leadership experience in the fields of accounting and auditing.

4 Mr Koh Yew Hiap

Non-Executive Director

Mr Koh joined the Board as a Non-Executive Director in March 2007. Mr Koh has a distinguished career in business and is the Managing Director of Universal Integrated Corporation Consumer Products Pte Ltd and United Detergent Industries Sdn Bhd. He also sits on the Board of Directors of various companies within the Salim Group. He holds a Bachelor of Arts (Economics) Honours from the University of Manchester.

5 Mr Ong Kian Min

Non-Executive Director

Mr Ong first joined the Board in April 2000 and served as an Independent Non-Executive Director until December 2021. He is currently serving as a Non-Executive Director and a member of the Nominating Committee. As a lawyer and corporate adviser, Mr Ong brings invaluable legal and business experience to the Board. He was called to the Bar of England and Wales in 1988 and to the Singapore Bar the following year. In his more than 30 years of legal practice, he focused on corporate and commercial law such as mergers and acquisitions, joint ventures, restructuring and corporate finance. In addition to his legal practice, he is also the Managing Director of Kanesaka Sushi Private Limited, which invests in and operates Japanese fine-dining restaurants in Singapore.

In 1979, Mr Ong was awarded the President's Scholarship and Police Force Scholarship. He holds a Bachelor of Laws (Hons) external degree from the University of London and a Bachelor of Science (Hons) degree from the Imperial College of Science and Technology in England. Mr Ong was a Member of Parliament of Singapore from January 1997 to April 2011.

6 Mr Saw Meng Tee

Lead Independent Director

Mr Saw is currently the Lead Independent Director of the Board since January 2022, where he also serves as Chairman of the Audit Committee since April 2020, and a member of both the Nominating Committee and Remuneration Committee. He was first appointed to the Board in April 2019. Mr Saw brings both Corporate Finance and Accounting experience to the Board, having worked formerly in industries with that domain and having started a firm of Chartered Accountants in 1999, EisnerAmper PAC, the Singapore member of EisnerAmper Global. He is currently the Managing Partner of EisnerAmper Singapore as well as a Director with EisnerAmper Global.

He has been very active in the Restructuring and Insolvency space. He was appointed as a Receiver by 3 Chinese state owned banks in 2023 and has recovered significant amounts for the banks.

Mr Saw has been on the Board of Directors for other SGX mainboard listed companies. He is also a Director of a Bermuda based Insurance company listed on the New York stock exchange. He holds a Bachelor of Accountancy from Nanyang Technological University. His other professional memberships include: Fellow Chartered Accountant Singapore, Chartered Accountant (ICAEW) and Fellow of the Insolvency Practitioners Association of Singapore.

7 Mr Tan Cher Liang PBM

Independent Director

Mr Tan was appointed to the Board as a Non-Executive Independent Director on 24 April 2020. He is the Chairman of the Nominating Committee and a member of the Audit Committee and Remuneration Committee. He has more than 40 years of experience in corporate advisory and general management.

Currently, he also serves on the boards of various public and private companies in Singapore including being a Non-Executive Chairman of Vibrant Group Limited, a Non-Executive Director of Kingsmen Creatives Ltd, an Independent Director of Hiap Seng Industries Limited and IPC Corporation Ltd. He is a Trustee of Kwan Im Thong Hood Cho Temple and a Director of D S Lee Foundation.

Mr Tan is a qualified financial professional from the Association of Chartered Certified Accountants of the United Kingdom. He was conferred the Public Service Medal (PBM) in 1996.

8 Mr Adrian Chan Pengee

Independent Director

Mr Adrian Chan was appointed to the Board as an Independent Director on 1 January 2022. He is Chairman of the Remuneration Committee and a member of the Audit Committee and the Nominating Committee.

Mr Chan is Head of Corporate at the law firm, Lee & Lee, and has been in legal practice for over three decades. He is Vice-Chairman of the Singapore Institute of Directors and serves on the Legal Service Commission of Singapore. He is an independent director on the boards of several listed companies on the SGX and the SGX has appointed him to its Catalyst Advisory Panel to review Catalyst Sponsor and Registered Professional applications.

He is the Honorary Secretary of the Association of Small and Medium Enterprises and has been appointed to Singapore Management University's Enterprise Board and the Institutional Review Board of the Singapore Polytechnic. He has served on the Board of the Accounting and Corporate Regulatory Authority of Singapore and is currently a member of its Corporate Law Advisory Panel.

FINANCIAL HIGHLIGHTS

(US\$'000)	2024	2023	2022	2021
Revenue	476,347	425,715	398,362	320,074
Profit before taxation	65,190²	72,499	70,706 ¹	26,314
Profit before taxation (Normalised)	62,360	72,499	55,706	26,314
Profit after taxation	52,869²	56,464	60,068 ¹	19,340
Profit after taxation (Normalised)	50,039	56,464	45,068	19,340
EBITDA	81,104²	86,852	83,373 ¹	38,321
EBITDA (Normalised)	78,274	86,852	68,373	38,321

1 Includes a one-off gain from the disposal of non-core asset of US\$15.0 million recorded in 2022.

2 Includes fair value gain of US\$2.8 million from the redeemable exchangeable notes recorded in 2024.

FINANCIAL INDICATORS

Debt to Equity Ratio	15.4%³	14.0%	16.2%	23.5%
Working Capital Ratio	3.1	3.4	3.4	2.4
Quick Ratio	2.0	2.4	2.4	1.4
EBITDA Margin	17.0%	20.4%	20.9%	12.0%
Diluted EPS (US cents)	9.93	10.59	11.26	3.60
NAV per share (US cents)	55.84	56.20	51.84	42.39

3 Excludes redeemable exchangeable notes amounting to US\$37.2 million recorded under non-current liabilities of the consolidated balance sheets.

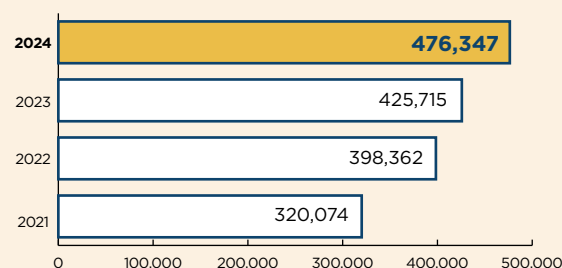
REVENUE BY GEOGRAPHICAL REGIONS (US\$'000)

Russia	141,735	143,260	148,384	114,915
South-East Asia	129,351	101,634	92,718	96,779
Ukraine, Kazakhstan and CIS markets	124,679	110,737	91,480	71,161
South Asia	61,351	49,128	39,600	17,393
Others	19,231	20,956	26,180	19,826
	476,347	425,715	398,362	320,074

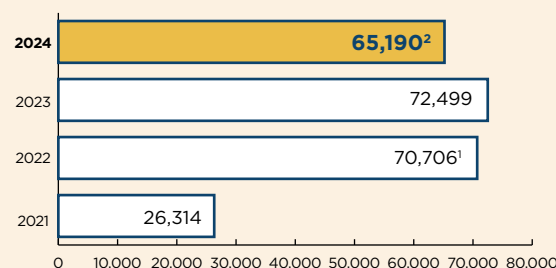
REVENUE BY PRODUCT GROUP (US\$'000)

Beverages	356,388	324,366	299,315	259,861
Ingredients	86,490	71,294	63,124	33,581
Others	33,469	30,055	35,923	26,632
	476,347	425,715	398,362	320,074

REVENUE (US\$'000)



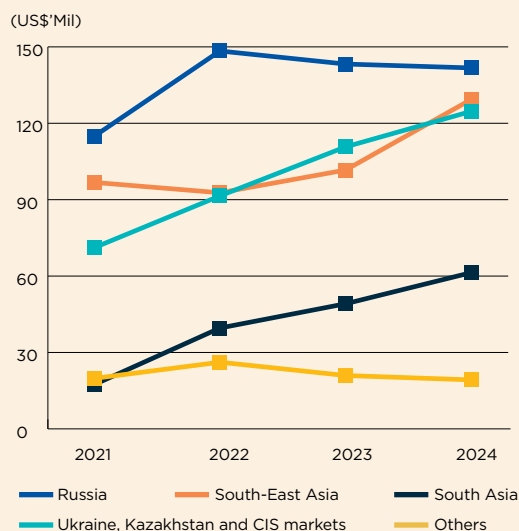
PROFIT BEFORE TAX (US\$'000)



1 Includes a one-off gain from the disposal of non-core asset of US\$15.0 million recorded in 2022.

2 Includes fair value gain of US\$2.8 million from the redeemable exchangeable notes recorded in 2024.

REVENUE BY GEOGRAPHICAL REGIONS



OPERATIONS AND FINANCIAL REVIEW

FINANCIAL PERFORMANCE

The Group has achieved the fourth consecutive year of topline growth with revenue reaching a new record of US\$476.3 million for the financial year ended 31 December 2024 ("FY2024").

This is a 11.9% year-on-year increase from the previous high of US\$425.7 million achieved in 2023 ("FY2023").

The stellar topline performance was a result of Food Empire's diversification strategy as well as its increasing focus on the fast-growing Asia region. Additionally, the Group's investments in brand building, distribution channels and product development have enabled its branded consumer products to continue to enjoy leadership position across all key markets.

In FY2024, the Group's revenue was boosted mainly by strong double-digit growth from its South-East Asia (up 27.3% to US\$129.4 million), South Asia (up 24.9% to US\$61.4 million) and Ukraine, Kazakhstan and CIS (up 12.6% to US\$124.7 million) segments, and partially offset by a slight dip from its Russia segment (down 1.1% to US\$141.7 million) due to the depreciation of the Russian Ruble against the US dollar. For the purpose of comparing underlying performance, Russia had achieved a 7.3% increase in revenue in local currency terms.

Excluding the fair value gain on redeemable exchangeable notes¹ of US\$2.8 million, Food Empire's normalised net profit after tax declined 11.4% to US\$50.0 million in FY2024, reflecting the impact of record high coffee prices during the year, and also higher overall expenses. Sales and

marketing expenses were up 14.2% due to an increase in consumer engagement activities, particularly from the Group's Vietnam market, while general and administrative expenses were up 15.6% mainly due to higher legal and professional expenses in relation to the issuance of the redeemable exchangeable notes¹.



¹ In FY2024, the Group's wholly owned subsidiary, Empire APAC Pte. Ltd. issued 5.5% redeemable exchangeable notes to Merit Genesis Pte Ltd and Apex Genesis Pte Ltd at an aggregate value of US\$40.0 million, that are convertible into new ordinary shares in the capital of the Company.

FINANCIAL POSITION

The Group's trade receivables increased by US\$11.3 million from US\$38.2 million as at 31 December 2023 to US\$49.5 million as at 31 December 2024 mainly due to higher sales.

The Group's financial position remained healthy generating an operating cash inflow of US\$25.5 million in FY2024 bringing its cash and cash equivalents to US\$130.9 million as at 31 December 2024.

The Group's net assets as at 31 December 2024 was US\$296.1 million. The net asset value per ordinary share (excluding non-controlling interests) as at 31 December 2024 was 55.84 US cents as compared to 56.20 US cents as at 31 December 2023.



Food Empire (F03) ▲ 1.310 SGD +0.04 (3.150%)

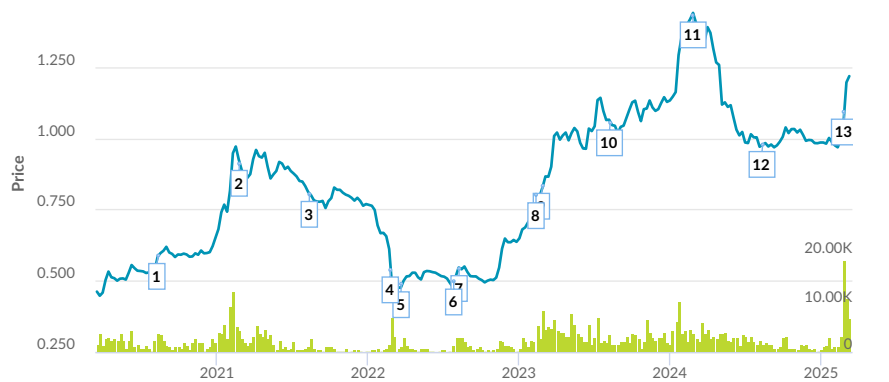
Industry: Consumer Defensive, Beverages - Non-Alcoholic

This company reports in this currency: USD

For latest update, please refer to Company Announcements.

🗨️ Cum Dividend/ Distribution

Prices & Chart



As at 17 Mar 2025 06:03 PM

Day

Week

Month

1 Year

5 Years

Source: FE SGX

AWARDS

Food Empire Bags Gold for the 2024 International Annual Report Competition (ARC) Awards

Food Empire's FY2023 Annual Report was recognised with three awards under the "Beverage & Food Manufacturer" classification at the International ARC Awards, the world's largest competition honouring excellence in annual reports.

The Group achieved Gold for Cover Photo/Design and Printing & Production, along with Bronze for Design/Graphics. The award-winning design featured a financial portal that highlighted the Group's exceptional financial performance, including record earnings and key accomplishments for the year.

This recognition underscores our dedication to excellence in both design and content, motivating us to continually improve and uphold our tradition of delivering high-quality annual reports year after year.



FES Vietnam Awarded Employer of Choice 2024



FES Vietnam has been proudly recognised as a top employer, securing 8th position in the FMCG Industry – Food & Beverage sector at the Employer of Choice 2024 awards. This annual non-profit programme, organised by CareerViet, honours the most highly-rated employers based on objective and honest assessments from employees.

This recognition reflects Food Empire's commitment to fostering a positive workplace culture and its dedication to building a strong employer brand.

MacCoffee Cappuccino Di Torino and MacChocolate Win "Product of the Year" Award in Russia 2024

In 2024, MacCoffee Cappuccino Di Torino and MacChocolate were honoured with the prestigious "Product of the Year" award in Russia, voted for by industry experts and consumers. This recognition highlights the brand's leadership in the coffee mix and chocolate beverage categories.

MacCoffee Cappuccino Di Torino offers an authentic Italian cappuccino experience, while MacChocolate delights with its rich, indulgent flavour. These awards reflect Food Empire's commitment to quality, innovation, and meeting consumer preferences.



CaféPHỐ Named "Top Brand" by Influential Brands

Food Empire's instant coffee brand, CaféPHỐ was awarded the prestigious "Top Brand" recognition by Influential Brands. The award ceremony was graced by guest of honour, Mr Seah Kian Peng, Speaker of Parliament of Singapore.

This prestigious award highlights CaféPHỐ's strong consumer appeal, market leadership, and sustained growth, solidifying its position as a leading instant coffee brand.



2024 NEW PRODUCTS

MacCoffee Cappuccino Di Torino without Sugar

MacCoffee Cappuccino Di Torino without Sugar is the perfect cappuccino with an unsweetened taste for those who do not add sugar to the finished drink. A sprinkle of real dark chocolate perfectly complements the delicate foam of a delicious cappuccino.



MacCoffee Instant 2-in-1 Iced Black Coffee

Enjoy the new MacCoffee Instant 2-in-1 Iced Black Coffee, featuring a rich, strong taste powered by an upgraded roast and ground coffee formula. Wrapped in premium, lavish packaging, it offers trusted flavour and unmatched indulgence — anytime, anywhere.

EVERY NEW
DISCOVERY IN ASIA
FEELS LIKE UNLOCKING A
HIDDEN FLAVOUR.

Klassno 2-in-1 Cardamon coffee



Experience the rich aroma and bold taste of Klassno 2-in-1 Cardamom coffee mix, a premium blend crafted for coffee lovers who prefer a touch of spice without added sugar. Infused with the exotic essence of cardamom, this smooth and flavourful coffee mix delivers a refreshing and aromatic experience with every sip. Just add hot water and enjoy the perfect balance of robust coffee and fragrant cardamom, anytime, anywhere.



Klassno 3-in-1 Cardamon coffee

Indulge in the rich and creamy taste of Klassno 3-in-1 Cardamom coffee mix, a delightful blend of premium coffee, smooth creamer, and the warm, aromatic notes of cardamom. Designed for those who love their coffee with a hint of spice and a velvety texture, this instant mix offers a perfectly balanced cup in seconds. Simply add hot water, stir, and savour the comforting flavours of tradition and convenience in every sip.

MacCoffee Creamy

MacCoffee Creamy is a rich and indulgent instant coffee blend that combines aromatic coffee, smooth creamer, and just the right amount of sweetness. Designed for those who enjoy a velvety and well-balanced cup, this convenient 3-in-1 mix dissolves effortlessly in hot water, delivering a consistently creamy and satisfying coffee experience. Perfect for busy mornings or a relaxing break, MacCoffee Creamy offers a delightful taste with every sip.



Hillway Black Sugar Milk Tea

Inspired by Taiwan's classic milk tea, Hillway delivers rich black sugar flavour with chewy, crunchy, lightly sweet bubbles. Convenient and easy to enjoy, it's the perfect way to savour authentic milk tea taste anytime, anywhere.



Hillway Exclusive Tropical Fruits

The elegant taste of black tea blended with the aroma of tropical fruits gives a feeling of pleasure and relaxation, reminds of a summer vacation by the sea.

Hillway Exclusive Citrus Fruits

Noble Ceylon tea in combination with citrus slices and aroma will cheer you up in the morning and give you energy to start new things.



MARKET & SOCIAL ACTIVITIES

MacCoffee Cappuccino Di Torino: Collaboration with Bloggers

MacCoffee Cappuccino Di Torino collaborated with bloggers to showcase its rich flavour through stories, travel, and recipes. The campaign fostered a community of coffee enthusiasts and inspired them to experience the delicious taste.



Strengthening Central Asia Presence with First Coffee-Mix Production Facility in Kazakhstan

Food Empire develops its first coffee-mix facility in the Khorgos Special Economic Zone of Kazakhstan and is set for completion by end-2025. The facility will produce MacCoffee and other brands. This milestone reflects Food Empire's dedication to innovation and excellence, as well as the flourishing partnership between Kazakhstan and Singapore.

New Factory Expansion in Malaysia

Food Excellence Specialist has completed the expansion of its non-dairy creamer production capability and capacity in Malaysia. This will enhance the Group's ability to meet growing demand from existing as well as new markets.



MacCoffee - Official Partner of RUN&EAT Charity Run

MacCoffee partnered with RUN&EAT, Russia's charity gastronomic race, uniting athletes, chefs, and food producers to support children and orphanage graduates. The team ran 5km, reflecting MacCoffee's commitment to community and positive impact.



Success at Gulfood 2024!

Food Empire made a strong impact at Gulfood 2024, one of the world's largest food trade events. Our teams connected with industry leaders, showcased innovative products, and explored exciting opportunities for future collaborations.



A Decade of Excellence with Empire Manufacturing

Empire Manufacturing proudly celebrated 10 years of growth and innovation in 2024. Committed to quality and customer satisfaction, we look forward to continued success in the years ahead.



MacCoffee Energises the 2024 IIHF Ice Hockey U18 Asia & Oceania Cup in Uzbekistan

MacCoffee energised the 2024 IIHF Ice Hockey U18 Asia & Oceania Cup in Uzbekistan, connecting with 19,000 spectators. Over 10,000 attendees enjoyed MacCoffee Original Milk Coffee Drink, blending the thrill of hockey with its rich flavour.



Food Empire Participated in SIAL Paris 2024

Food Empire proudly showcased its innovative products at SIAL Paris 2024, one of the world's largest food innovation exhibitions. With a prominent and expansive booth, we highlighted the quality and innovation of our flagship brands.



MARKET & SOCIAL ACTIVITIES

New Vietnam Freeze-Dried Soluble Coffee Facility

Located in Binh Dinh, Vietnam, Food Empire's second freeze-dried soluble coffee facility, will begin construction in Q1 2025 and end early 2028. Mr Pham Anh Tuan, Chairman of Binh Dinh, presented the investment registration certificate to our Executive Chairman, Mr Tan Wang Cheow. This new facility will position Food Empire as a major player in spray-dried and freeze-dried soluble coffee in Asia.



Month of Good Deeds with MacCoffee

MacCoffee's Ramadan "Month of Good Deeds" in Uzbekistan fostered community spirit through blogger partnerships and an advent calendar. The campaign generated significant engagement, boosting brand awareness and strengthening ties with the Uzbek community.



CaféPHỐ Sparks Excitement in Thu Duc District

FES Vietnam energised Thu Duc District with a dynamic two-day CaféPHỐ event, as 230 walkers created buzz and engaged with the community.



MacCoffee Expands Presence at Carrefour, Kenya

MacCoffee was prominently showcased at Carrefour in Kenya, providing consumers with easy access to our premium products and boosting brand visibility.



Empire Manufacturing Hosts Blood Donation Drive

Empire Manufacturing organised a Blood Donation Drive in Malaysia, encouraging employees to support a life-saving cause. With 52 participants, 40 bags of blood were successfully collected.



A Winning Flavour at the Cherkasy Football Match, Ukraine

Our sampling booth was a crowd favourite, serving up CaféPHŌ and delighting fans with every sip.

Go Vap Gets a CaféPHŌ Boost

CaféPHŌ revved up Go Vap District with a thrilling three-day event. With 250 motorcyclists cruising through the streets, it sparked excitement, drove brand awareness and connected with local residents.



Hillway Tea: A Sip of Perfection in Ukraine

We had a fantastic time sharing the exquisite flavours of Hillway with everyone who stopped by—from first-time tasters to long-time tea lovers.

MacCoffee Sponsors Winter Event in Siberia

MacCoffee sponsored the Winter Season Opening on Siberia's Health Highway. Over 15,000 attendees enjoyed the delicious taste of MacCoffee Cappuccino Di Torino in a stunning relic forest.



MARKET & SOCIAL ACTIVITIES



Starry Night Charity Dinner

Food Empire co-organised a charity dinner with Brands for Good in support of Helping Joy. The event was graced by Mr Mohd Fahmi Aliman, Mayor of South East District. It was a heartfelt evening where generosity and compassion came together to bring hope and joy to those in need.

A Meaningful Day of Giving and Transformation

Food Empire, Helping Joy, and Brands for Good united to refresh an elderly man's home in Singapore, uplifting his spirits and showcasing the power of community-driven compassion.



MacCoffee Cappuccino Di Torino Shines on Cooking Show

Featured on Uzbekistan's top cooking show, Olov Pazanda, MacCoffee Cappuccino Di Torino showcased its fine cappuccino flavour through a brewing tutorial and an engaging commercial.





Capturing the Moment

Food Empire's Management Team gathered together during a photoshoot in Singapore, symbolising teamwork and strategic leadership in shaping the future.



MacCoffee Cappuccino Di Torino: A TNT Sponsorship

MacCoffee Cappuccino Di Torino was featured in popular youth programmes on the well-known Russian channel TNT. Through dynamic brand presence and interactive activations, MacCoffee strengthened its connection with TNT's young audience.

Indus Coffee Sponsors School and Bus Stop Construction in India

Indus Coffee sponsored the construction of N.M. Kandriga Anganwadi School and a bus stop, showcasing its commitment to community development and improving lives in the regions it serves.



FES Vietnam Spreads Love Through "The Journey of Sharing"

FES Vietnam's "The Journey of Sharing" delivered donations and support to May Ngan Orphanage, with employees spending a day with the children.



Running Strong with MacCoffee in Moldova

MacCoffee was proudly represented by running coach Natalia Zbirnea, promoting health and vitality at this key regional event.



VOICES FROM OUR GLOBAL LEADERS



OUR VISION IS TO DOMINATE VIETNAM'S COFFEE INDUSTRY AS THE MARKET LEADER, DRIVING INNOVATION AND EXCELLENCE ACROSS ALL CATEGORIES. WE AIM TO LEAD THE READY-TO-DRINK SEGMENT WITH DETERMINATION, ADAPTING TO CONSUMER NEEDS AND PIONEERING NEW SOLUTIONS. WE AIM TO BE THE POWERHOUSE DRIVING THE GROUP'S SUCCESS, DELIVERING MAXIMUM IMPACT AND UNSTOPPABLE GROWTH IN INTERNATIONAL MARKETS.

Satya Sutar

Regional Business Head, Vietnam & Neighbouring Countries



OUR VISION FOR THE OVERSEAS MARKETS IN 2025 IS TO EMPOWER OUR TEAMS, EMBRACE SUSTAINABILITY, AND EXPAND OUR PRESENCE TO CREATE A GLOBAL IMPACT. TOGETHER, WE WILL BREW SUCCESS—ONE CUP AT A TIME.

Amrish Rungta

Business Head, Finance & Operations, Russia, CIS, Ukraine & Kazakhstan

Non-Executive Director, Indus Coffee Pvt Ltd, India



OUR FOCUS IN 2025 WILL BE ON ENHANCING OPERATIONAL EFFICIENCY AND FINANCIAL RESILIENCE IN A DYNAMIC MARKET ENVIRONMENT. WE AIM TO DRIVE SUSTAINABLE GROWTH THROUGH STRATEGIC COST MANAGEMENT, PROCESS OPTIMISATION, AND STRONG CROSS-FUNCTIONAL COLLABORATION, ENSURING SEAMLESS COOPERATION BETWEEN FINANCE, OPERATIONS, AND COMMERCIAL TEAMS TO MAXIMISE EFFICIENCY AND LONG-TERM VALUE.

Yulia Vladimirova

Chief Financial Officer, Russia



AS WE MOVE INTO 2025, OUR GOAL IS TO BUILD ON OUR ACHIEVEMENTS WHILE NAVIGATING A COMPETITIVE LANDSCAPE. EACH MARKET WE SERVE IS UNIQUE, AND BY COMBINING OUR GLOBAL BRAND WITH A LOCALISED APPROACH, WE CAN BETTER CONNECT WITH CUSTOMERS AND EARN THEIR LOYALTY. OUR FOCUS REMAINS ON LEADING WITH MACCOFFEE, STRENGTHENING OUR CORE OFFERINGS, AND CAPITALISING ON OPPORTUNITIES ACROSS OUR PORTFOLIO. ULTIMATELY, OUR SUCCESS DEPENDS ON OUR DEDICATED TEAM, WHERE A COHESIVE WORK CULTURE AND HIGH MOTIVATION ARE KEY TO ACHIEVING OUR GOALS.

Aziza Akbarova

General Manager, Uzbekistan, Azerbaijan, Georgia, Armenia, Turkmenistan and Tajikistan



IN 2025, MACCOFFEE 3-IN-1 WILL REMAIN KAZAKHSTAN'S LEADING INSTANT COFFEE. BY FOCUSING ON INNOVATION, DIGITAL ENGAGEMENT, SUSTAINABILITY, AND CUSTOMER EXPERIENCE, WE WILL REINFORCE OUR MARKET LEADERSHIP IN KAZAKHSTAN AND KYRGYZSTAN. EXPANDING INTO THE TEA MARKET AND LEVERAGING OUR NEW KAZAKHSTAN PRODUCTION FACILITY WILL STRENGTHEN OUR CENTRAL ASIAN PRESENCE AND COMPETITIVE EDGE. OUR COMMITTED TEAM IS DEDICATED TO BRINGING THIS VISION TO LIFE.

Gulzhan Chepis

General Manager, Kazakhstan and Kyrgyzstan



AS WE LOOK AHEAD TO 2025, OUR GOAL IS TO STRENGTHEN OUR POSITION AS A GLOBAL LEADER IN THE COFFEE INDUSTRY, EXPANDING BEYOND INSTANT COFFEE INTO SOLUBLE AND ROASTED AND GROUND COFFEE. WE ARE COMMITTED TO DELIVERING EXCEPTIONAL QUALITY AND AUTHENTIC FLAVOURS IN EVERY PRODUCT, EARNING THE TRUST AND LOYALTY OF CONSUMERS WORLDWIDE.

Addisu Shevaye

Sales and Marketing Director, Ukraine, Moldova and Baltic



OUR VISION FOR THE MIDDLE EAST AND AFRICA IN 2025 IS TO DRIVE GROWTH IN THESE CHALLENGING MARKETS BY OPTIMISING THE USE OF SUPPLY CHAIN AND OPERATIONAL ASSETS. WE AIM TO ENHANCE SUPPORT TO KEY MARKETS WHILE CONTINUALLY IMPROVING GROUP OPERATIONS, ENSURING EFFICIENCY AND STRATEGIC ALIGNMENT TO MEET OUR GROWTH OBJECTIVES.

Pradeep Chauhan

Business Head, Middle East & Africa

Director, Empire Manufacturing Sdn Bhd & Empire International Sdn Bhd, Malaysia

Executive Director, FES Food International FZE, Dubai

HAVING DOUBLED PRODUCTION CAPACITY AND ENHANCED PRODUCT CAPABILITIES AT THE NON-DAIRY CREAMER FACTORY, THE FOOD EXCELLENCE TEAM WILL FOCUS ON AGGRESSIVELY DRIVING UTILISATION IN 2025, EXPLORING NEW MARKETS AND EXPANDING OUR CLIENT BASE. SIMULTANEOUSLY, WE AIM TO COMPLETE THE NEW FACTORY AND INCREASE SNACK PRODUCTION OUTPUT TO STRENGTHEN OUR GLOBAL FOOTPRINT.

Tan Joon Hong

Chief Operating Officer, Food Empire Holdings Ltd

Director, Food Excellence Specialist Sdn Bhd, Malaysia



2025 WILL BE A YEAR OF GROWTH, PERFORMANCE, AND TEAMWORK. BY DRIVING REVENUE AND PROFITABILITY, EMPOWERING OUR TEAM TO EXCEED EXPECTATIONS, AND FOSTERING STRONGER COLLABORATION, WE WILL ELEVATE OUR COMPANY TO NEW HEIGHTS.

Albert Fernandes

General Director, Russia



OUR VISION FOR THE OVERSEAS MARKETS IS TO BRING THE RICH HERITAGE OF INDIAN COFFEE TO THE WORLD, FOSTERING INNOVATION AND BUILDING MEANINGFUL CONNECTIONS ACROSS BORDERS. TOGETHER, WE STRIVE TO DELIVER A GLOBAL TASTE OF EXCELLENCE.

Harendra Tarafdar

Director, Indus Coffee Pvt Ltd, India



SUSTAINABILITY REPORT SUMMARY

This section provides a broad overview of Food Empire's progress and development in sustainability-related matters for FY2024. The scope of reporting is the Company's operations in Singapore, Vietnam, and Russia. Although Malaysia and India are outside our reporting coverage, we report on renewable energy initiatives, including solar projects, and highlight community contributions from these entities. Our report is prepared in accordance with the Singapore Exchange Securities Trading Limited's ("SGX-ST") Listing Manual and with reference to the Global Reporting Initiatives ("GRI") Standards 2021. The Sustainability Report contains information for the financial year ended 31 December 2024 and will be published as a standalone report in 2025. The Sustainability Report 2024 should be read together with the Annual Report for a holistic picture of our business and performance.

We acknowledge the importance of effectively managing the impacts of our operations to maintain our focus on sustainability practices across our three core areas: Principles, Planet, and People. These pillars continue to serve as a guiding framework for our decision-making processes, ensuring alignment with our sustainability commitments.

Through a comprehensive reassessment of material topics, we have strengthened our material disclosures in the Sustainability Report 2024. This update features expanded reporting on waste management, employment, and training and education initiatives.

Last year, we completed solar panel installations at two factories in Malaysia, which began operations in August 2023. In FY2024, these installations generated 6,892 MWh of energy. Additionally, we reported 24 MWh from our Vietnam factory and 1,436 MWh of solar energy from our India factory in FY2024.

We remain committed to CSR initiatives that focus on community support, sustainability, and education. We have organised charity events to support the less privileged, launched environmental initiatives like battery disposal awareness, and supported orphanages and children's causes. We have also contributed to local development, such as constructing

water plants and improving infrastructure, while enhancing educational access through donations of computers and school supplies. Through these efforts, we continue to show our dedication to making a positive impact on both people and the environment. Further details are available in our Sustainability Report 2024.

In strengthening our Task Force on Climate-related Financial Disclosures ("TCFD") practices, we have integrated key recommendations into our 2024 Sustainability Report. With climate change's growing impact, we embed environmental considerations into decision-making and manage climate risks across our value chain, focusing on Scope 1 and 2 emissions. This year, we introduced scenario analysis to assess financial impacts under various climate pathways, enhancing risk understanding and alignment with global climate goals. We will continue refining key metrics for transparent and forward-looking reporting.

SUSTAINABILITY SNAPSHOTS



Zero confirmed cases of corruption and non-compliance with all laws and regulations



Zero work-related fatalities in all our operations



Continued the generation of solar energy in our Malaysia, India and Vietnam operations



Continued to carry out community activities across our Russia, India, Vietnam and Singapore operations

CORPORATE GOVERNANCE REPORT

Food Empire Holdings Limited (the “**Company**”) together with its subsidiaries (the “**Group**”) are committed to maintaining good corporate governance to enhance and protect the interests of the Company’s shareholders. The Company recognises the importance of practicing good corporate governance and supports the Code of Corporate Governance 2018 (the “**Code**”). The Company has complied in all material respects with the principles and guidelines in the Code. Where there are deviations from the Code, appropriate explanations will be provided.

This report outlines the corporate governance framework and practices adopted by the Company with reference given to the principles of the Code.

A) **BOARD MATTERS** **- Principle 1: Effective Board to lead and control the Company**

The principal functions of the Board are:

- 1) supervising the Management of the business and affairs of the Group;
- 2) approving Board policies, overall strategic plans, key operational initiatives, financial and human resources objectives of the Group;
- 3) reviewing and monitoring the performance and rewarding of key management;
- 4) overseeing the processes for evaluating the adequacy and effectiveness of internal controls, risk management, financial reporting and compliance;
- 5) approving the nomination of the Board of Directors and appointment of key management personnel;
- 6) approving annual budgets, major funding, investment and divestment proposals; and
- 7) assuming responsibility for corporate governance.

The Board also plays an important role in setting the Company’s values and standards, establishing framework of prudent and effective controls, engaging with stakeholder groups and overseeing the sustainability issues of the Group.

Each member of the Board has a fiduciary duty to discharge his or her duties and responsibilities in the best interest of the Company at all times and to take into account the interests of key stakeholder groups in their decision-making.

To facilitate effective management, the Board has delegated certain functions to various Board Committees. The Board Committees operate under clearly defined terms of reference. The Chairman of the respective committees will report to the Board the outcomes of the committee meetings.

There are three Board Committees:

- Audit Committee (“**AC**”)
- Remuneration Committee (“**RC**”)
- Nominating Committee (“**NC**”)

The Board approves transactions exceeding certain threshold limits set by the Board, while delegating authority for transactions below those limits to Board Committees and the Management via a structured Delegation of Authority matrix. This matrix is reviewed on a regular basis. The Board Committees and the Management remain accountable to the Board. Matters which specifically require the Board’s approval involve conflicts of interests of a substantial shareholder or a Director, material acquisitions and disposal of assets, corporate or financial restructuring, share issuances, dividends and other returns to shareholders. The Directors and the Group’s employees are also guided by The Food Empire Business Ethics and Code of Conduct and Employee Handbook, which prescribe the standards of ethical behaviour. Any director facing conflicts of interests will recuse himself or herself from discussions and decisions involving the issues of conflict.

CORPORATE GOVERNANCE REPORT

A) BOARD MATTERS *(cont'd)* **- Principle 1: Effective Board to lead and control the Company** *(cont'd)*

The Board conducts scheduled meetings on a quarterly basis. Ad-hoc meetings are convened as and when circumstances require. Telephonic or videoconferences via audio-visual communication at Board meetings are allowed under the Company's Constitution.

The Non-Executive Directors ("**NED**") and Independent NEDs ("**INED**") always constructively challenge and help develop proposals on strategy and review Management's performance in meeting agreed goals and objectives, and monitor the reporting of Management's performance. Where necessary, NEDs and/or INEDs led by the Lead Independent Director ("**Lead ID**") may meet among themselves without the presence of Management outside of Board meetings.

The Board met 8 times in 2024 (including Annual General Meeting and Extraordinary General Meeting) and the attendance of the Directors at meetings of the Board and Board Committees, and general meetings for the financial year ended 31 December 2024 ("**FY2024**") as well as the frequency of these meetings, are disclosed as follows:

Directors	Board Meeting	AC Meeting	NC Meeting	RC Meeting	Annual General Meeting	Extraordinary General Meeting
Tan Wang Cheow	6	N/A	1	N/A	1	1
Sudeep Nair	5	N/A	N/A	N/A	1	1
Tan Guek Ming	6	4	N/A	2	1	1
Koh Yew Hiap	6	4	N/A	2	1	1
Ong Kian Min	6	N/A	1	N/A	1	1
Saw Meng Tee	6	4	1	2	1	1
Tan Cher Liang	6	4	1	2	1	1
Adrian Chan Pengee	6	4	1	2	1	1
No. of Meetings Held in 2024	6	4	1	2	1	1

The Directors are appointed based on the strength of their skills and experience and potential to contribute to the Company. The current Board comprises business leaders and professionals. Profiles of the Directors can be found under the 'Board of Directors' section of this annual report.

All new directors appointed to the Board, if any, will be provided with a formal letter of appointment. The Company has an orientation programme for new directors, and the newly appointed directors are briefed on matters relating to the Group's business activities, its strategic directions and policies, the regulatory environment in which the Group operates and the Company's corporate governance practices.

The Company will also arrange for first-time directors, if any, to undergo training on their roles and responsibilities as directors of a listed company organised by the Singapore Institute of Directors for an understanding of their legal and fiduciary obligations as individuals and of the Board as a whole. Briefings by the Executive Chairman, Group Chief Executive Officer ("**Group CEO**"), Group Chief Financial Officer ("**Group CFO**") and all the department heads will be done to familiarise the new directors with the Company's business and operations.

The Management monitors changes to regulations and accounting standards. The Directors are briefed on the new updates to the requirements of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Companies Act 1967 (the "**Act**") or other regulations/statutory requirements from time to time by external professionals, such as the auditors, Company Secretary, or at seminars. If required, all Directors will receive further training. The Company is responsible for arranging and funding the training of Directors. As at the date of this report, all Directors have attended the mandatory training on sustainability matters organised by SID, as prescribed under Rule 720(7) of the SGX-ST Listing Manual.

CORPORATE GOVERNANCE REPORT

A) BOARD MATTERS *(cont'd)*

- Principle 1: Effective Board to lead and control the Company (cont'd)

The Company has adopted a policy whereby Directors are welcome to request further explanations, briefings or informal discussions on any aspect of the Group's operations or business issues from Management. The NEDs and INEDs are briefed and updated on major developments and the progress of the Group at the Board meetings.

- Provision 1.6: Board members to have complete, adequate and timely information

In order to ensure that the Board is able to fulfil its responsibilities, Management provides the Board members with complete, adequate and timely information. The Management also provides quarterly updates on the latest developments in the Group, financial and management accounts, operational metrics, audit findings, risk dashboard and reports, and other financial information.

The Board is provided with board papers and related materials with explanatory information such as facts, resources needed, risk analysis and strategies, financial impact, expected outcomes and recommendations to facilitate discussion and decision-making before the Board and Board Committees' meetings. Any material variance between any projections and the actual results of budgets is disclosed and explained to the Board. Employees who can provide additional insight into matters to be discussed will be present at the relevant time during the meetings.

The Directors have been provided with the contact particulars of the Company's senior management staff and the Company Secretary to facilitate access. The Directors also have separate and independent access to any external advisers (if necessary) at the Company's expense.

The Company Secretary (or representative(s)) will attend Board and Board Committees' meetings as required by the Board. They are responsible for ensuring that Board procedures are followed and that the Company has complied with the requirements of the Act and the SGX-ST Listing Manual. The appointment and removal of the Company Secretary are subject to the Board's approval.

The Directors are informed and are aware that they may take independent professional advice at the Company's expense, where necessary, in furtherance of their duties.

B) BOARD COMPOSITION AND GUIDANCE

- Principle 2: Independent and diversity elements of the Board

As at the date of this report, the Board comprises eight Directors, three of whom are independent. The Board composition is as follows:

Mr Tan Wang Cheow	Executive Chairman
Mr Sudeep Nair	Group CEO and Executive Director ("ED")
Mdm Tan Guek Ming	NED
Mr Koh Yew Hiap	NED
Mr Ong Kian Min	NED
Mr Saw Meng Tee	Lead ID
Mr Tan Cher Liang	INED
Mr Adrian Chan Pengee	INED

CORPORATE GOVERNANCE REPORT

B) BOARD COMPOSITION AND GUIDANCE *(cont'd)* – Principle 2: Independent and diversity elements of the Board *(cont'd)*

The core competencies of the Board members are as follows:

Directors	Accounting/ Finance/Business/ Management Experience	Industry Knowledge	Strategic Planning	Law
Tan Wang Cheow	✓	✓	✓	
Sudeep Nair	✓	✓	✓	
Tan Guek Ming	✓	✓	✓	
Koh Yew Hiap	✓	✓	✓	
Ong Kian Min	✓		✓	✓
Saw Meng Tee	✓	✓	✓	
Tan Cher Liang	✓	✓	✓	
Adrian Chan Pengee	✓		✓	✓

The Directors are professionals in their own fields with industrial, financial and legal backgrounds. Together they provide the Group with a wealth of knowledge, expertise and experience to ensure the Group remains competitive and competent. The INEDs contribute their independent views and objective judgements on issues of strategy, business performance, resources and standards of conduct.

The independence of each INED is assessed at least annually by the NC.

The Company has a Board Diversity Policy in place, which sets out the approach to achieve diversity in the Company's Board. The Company recognises and embraces the importance and benefits of having a diverse Board to enhance the quality of its performance. It is accordingly committed to promoting diversity of the Board. The Board comprises one female Director and Directors with various skills, knowledge and experience, age groups, ethnicity and culture, geographical background and tenure. The Board, with the concurrence of the NC, is also of the view that the composition of the Board and the Board Committees, as a group, provides an appropriate balance and diversity of skills, experience, ethnicity, gender, age and knowledge of the Group. No individual or group dominates the decision-making process of the Board and Board Committees.

The Board is of the view that it has made good progress in achieving its objectives under the Board Diversity Policy of the Company. As part of the Board renewal process, the NC will review these objectives from time to time and may recommend changes or may recommend additional objectives to achieve greater diversity.

The NC is of the view that the current Board and Board Committees have the necessary competencies, skills and attributes to meet the Group's targets and to respond to the demands facing the Group.

The NC is also of the view that the current Board size of eight Directors is appropriate, taking into account the nature and scope of the Company's operations. The Company has a majority of NEDs on its Board. The Board is of the view that a Director's independence cannot be determined arbitrarily with reference to set period of service. However, the NC recognises that the Board renewal process is of utmost importance. Having regard to the experience and leadership of the founder Chairman, Mr Tan Wang Cheow, it is in the best interest of the Company to maintain his executive chairmanship in the Company so that the Board could have the benefit of a Chairman who is knowledgeable about the business of the Group, which he founded and is capable to guide and watch over the best interests of the Company. The Company has been searching for suitable candidates for appointment as new INED to ensure that there is a majority of INEDs on the Board where the founder Chairman, Mr Tan, is not an Independent Director ("ID") as required by Provision 2.2 of the Code. The NC will continue to monitor the progress of the Board renewal, also taking into account the commitment, experience and invaluable advice each Director offers when deciding on the Board renewal in the interest of a smooth transition, and the Company will announce the reconstitution of its Board membership to SGX-ST at the appropriate time.

CORPORATE GOVERNANCE REPORT

C) CHAIRMAN AND GROUP CHIEF EXECUTIVE OFFICER **- Principle 3: Clear division of responsibilities at the top of the Company**

The roles of the Executive Chairman and Group CEO are separate to ensure a clear division of responsibilities, balance of power, increased accountability and greater capacity of the Board for independent decision-making. The Executive Chairman and the Group CEO do not have any familial relationship with each other.

The Executive Chairman, Mr Tan Wang Cheow, is the founder of the Company and he is primarily responsible for overseeing the Group's strategies, which include developing new markets and exploring opportunities for acquisitions.

The Group CEO, Mr Sudeep Nair, is responsible for the Group's diversification and growth strategy, including overall oversight of the day-to-day operations. His roles include geographical expansion of the business as well as identifying new businesses and merger and acquisition opportunities for the Group. Mr Nair has over 31 years of experience in building and managing the Group's business.

In addition, the Executive Chairman has responsibility for the workings of the Board and ensuring the integrity and effectiveness of its governance processes. The Executive Chairman is also responsible for representing the Board to shareholders, ensuring that Board meetings are held when necessary, setting the Board meeting agendas and ensuring that the Board members are provided with adequate and timely information. He promotes high standards of corporate governance and an open environment for debate and ensures that NEDs are able to speak freely and contribute effectively. Regular meetings are scheduled to enable the Board to perform its duties and agendas are prepared in consultation with Management as well as the Company Secretary. At the AGM and other shareholders' meetings, the Executive Chairman plays a pivotal role in fostering constructive dialogue between shareholders, key stakeholder groups, the Board and Management.

The Lead ID, Mr Saw Meng Tee, shall be available to shareholders where they have concerns and for which contact through the normal channels of the Executive Chairman or Management is inappropriate or inadequate. He shall also represent the INEDs in responding to shareholders' questions and comments that are directed to the INEDs as a group at any general meetings of the Company.

The Lead ID may call for meetings of the INEDs as and when necessary and provide feedback to the Executive Chairman after such meetings.

In carrying out their duties, the Executive Chairman, Group CEO and Lead ID are also guided by the Company's Terms of Reference of the Executive Chairman, Group CEO and Lead ID.

D) BOARD MEMBERSHIP **- Principle 4: Formal and transparent process of appointment of new Directors**

The NC comprises:

Mr Tan Cher Liang (Chairman)
Mr Tan Wang Cheow
Mr Ong Kian Min
Mr Saw Meng Tee
Mr Adrian Chan Pengee

The NC has a majority of INEDs including the NC Chairman.

CORPORATE GOVERNANCE REPORT

D) BOARD MEMBERSHIP *(cont'd)*

- Principle 4: Formal and transparent process of appointment of new Directors *(cont'd)*

The scope and responsibilities of the NC include:

- 1) identifying candidates and reviewing all nominations for all appointments and re-appointments to the Board of Directors, including making recommendations on the composition of the Board and balance between EDs, NEDs and INEDs;
- 2) reviewing the Board structure, size, diversity and composition;
- 3) reviewing the strength and attributes of the existing Directors including assessing the effectiveness of the Board and Board Committees and the contribution by individual Directors;
- 4) reviewing the independence of Directors annually;
- 5) considering and making recommendations on the nominations of Directors retiring by rotation;
- 6) reviewing Board succession plans for Directors, in particular the Executive Chairman, the Group CEO and key management personnel;
- 7) making recommendations to the Board on comprehensive training and professional development programmes for the Board; and
- 8) deciding whether a Director is able to and has adequately carried out his or her duties as a Director of the Company, particularly when he or she has multiple Board representations.

Dates of last re-election/re-appointment

Directors	Date of last re-election/re-appointment
Tan Wang Cheow	22 April 2022
Sudeep Nair	25 April 2023
Tan Guek Ming	25 April 2023
Koh Yew Hiap	22 April 2022
Ong Kian Min	19 April 2024
Tan Cher Liang	19 April 2024
Saw Meng Tee	25 April 2023
Adrian Chan Pengee	19 April 2024

The Board has in place a succession planning policy for key management personnel. The NC also reviews succession and development plans for key management personnel, which will be subsequently approved by the Board.

The NC has reviewed the multiple board seats held by the Directors to determine if they have been adequately carrying out their duties as Directors of the Company. Though some of the Directors have multiple board representations, the NC is satisfied that the Directors have devoted sufficient time and attention to the Company. The Board determined that it is not necessary to set a maximum number of listed board representations that any Director may hold, as all the Directors are able to devote time to the Company's affairs despite their other commitments.

CORPORATE GOVERNANCE REPORT

D) BOARD MEMBERSHIP *(cont'd)*

- Principle 4: Formal and transparent process of appointment of new Directors *(cont'd)*

The listed company directorships and principal commitments of each Director as at 31 December 2024 are as follows:

Name of Director	Directorships in Other Listed Companies	Other Principal Commitments
Tan Wang Cheow	Nil	Food Empire Holdings Ltd Group of companies – Executive Chairman
Sudeep Nair	Nil	Food Empire Holdings Ltd Group of companies – Group CEO & ED
Tan Guek Ming	Nil	Nil
Koh Yew Hiap	Nil	<ul style="list-style-type: none"> • Universal Integrated Corporation Consumer Products Pte Ltd Group of companies – Director/Managing Director • Great Orient Chemicals (Taicang) Co., Ltd – Director
Ong Kian Min	YHI International Limited – INED Silverlake Axis Ltd – INED OUE REIT Management Pte Ltd (As Manager of OUE REIT (listed)) – INED	Nil
Tan Cher Liang	Vibrant Group Limited – Non-Executive Chairman Kingsmen Creatives Limited – INED Jumbo Group Limited – Independent Non-Executive Chairman IPC Corporation Limited – INED Hiap Seng Industries Limited – INED	<ul style="list-style-type: none"> • Kwan Im Thong Hood Cho Temple – Trustee • D S Lee Foundation – Director
Saw Meng Tee	Nil	<ul style="list-style-type: none"> • EisnerAmper PAC – Managing Partner
Adrian Chan Pengee	Hong Fok Corporation Limited – Non-Executive Chairman First Reit Management Limited (As Manager of First REIT (listed)) – Lead ID Keppel Infrastructure Fund Management Pte Ltd (As Trustee-Manager of Keppel Infrastructure Trust (listed)) – INED TeleChoice International Limited – INED	<ul style="list-style-type: none"> • Lee & Lee – Head of Corporate & Senior Partner • Shared Services For Charities Limited – Director • Singapore Institute of Directors – Vice-Chairman • Association of Small & Medium Enterprises – Honorary Secretary • Legal Service Commission – Member • Singapore Management University's Enterprise Board – Member • aLife Ltd. – Director

CORPORATE GOVERNANCE REPORT

D) BOARD MEMBERSHIP *(cont'd)*

- Principle 4: Formal and transparent process of appointment of new Directors (cont'd)

The Board renewal is an ongoing process and the NC is responsible for identifying and recommending new Board members, after considering the necessary and desirable competencies. In its search and selection process for new directors, the NC considers the attributes including the diversity of skills (such as legal background), knowledge and experience (including experience in manufacturing and food business) on the Board. Other considerations include, but are not limited to background, gender, age, and ethnicity. The short-listed candidates would be required to furnish their curricula vitae stating in detail their qualification, working experience, employment history, in addition to completing certain prescribed forms to enable the NC to assess the candidate's independence status and compliance with the Company's established internal guidelines. Thereafter, the NC will interview the candidates and make its recommendation to the Board for approval. In accordance with the Company's Constitution, the new director will hold office until the next AGM and, if eligible, can stand for re-election.

The NC may tap into its networking contacts and/or engage external search consultants to undertake research on, or to assess a candidate for new positions on the Board. The NC can engage other independent experts if necessary, to help it carry out its duties and responsibilities. Recommendations for new Board members are put to the Board for its consideration.

The Company does not have any alternate director on its Board.

E) BOARD PERFORMANCE

- Principle 5: Formal assessment of the effectiveness of the Board, Board Committees and contributions of each Director

The NC has formulated an evaluation process for assessing the effectiveness of the Board and Board Committees and the contributions of each Director. The assessment parameters include:

- a) attendance at Board and Board Committees' meetings;
- b) participation in meetings and special contributions, including Management's access to the Director for guidance or the exchange of views outside the formal environment of Board meetings;
- c) introducing contacts of strategic benefit to the Group; and
- d) progress of implementation of the board diversity policy.

The Board's evaluation process is performed annually, whereby questionnaires were sent by the external company secretarial agent to the Directors, and the results of the evaluation were tabled to the NC for deliberation. The results of the performance evaluation showed that the overall performance of the Board, Board Committees and contribution of the individual Directors were in the categories of "consistently good". The Chairman of the NC reported the results of the evaluation and recommended areas for improvement to the Board Chairman. The NC and the Board were satisfied with the overall performance in FY2024.

CORPORATE GOVERNANCE REPORT

F) REMUNERATION MATTERS

- *Principle 6: Formal and transparent procedure for fixing remuneration packages of Directors and key management personnel*
- *Principle 7: Remuneration of Directors and key management personnel should be appropriate but not excessive*
- *Principle 8: Remuneration policy, level and mix of remuneration and procedure for setting remuneration*

The RC comprises:

Mr Adrian Chan Pengee (Chairman)
Mdm Tan Guek Ming
Mr Koh Yew Hiap
Mr Tan Cher Liang
Mr Saw Meng Tee

All five members of the RC are NEDs. The RC has a majority of INEDs, including the RC Chairman.

The RC's main responsibility is to review and recommend a framework for the remuneration of the Board members and key executives of the Group that is appropriate and proportionate to the sustained performance and value creation. The objective is to motivate and retain executives, link rewards to corporate and individual performance, attract the best talent in order to maximise shareholder value and align with the interest of other key stakeholders of the Company.

The remuneration of the EDs is based on service agreements signed upon their appointments. The service agreements will continue unless otherwise terminated by either party giving not less than three months' notice in writing. Under the service agreements, the EDs are entitled to a share of profits on the Group's profit after tax, on top of the monthly salary and bonus. The remuneration of the EDs is not subject to shareholders' approval.

The NEDs and INEDs receive directors' fees determined based on factors such as duties and responsibilities, effort and time spent for serving on the Board and Board Committees. The aggregate directors' fees are subject to final approval by the shareholders at the AGM.

NEDs with additional duties as members or Chairman of Board Committees are remunerated based on the Directors' Fee Structure. In FY2024, the NEDs were paid a basic yearly retainer fee of S\$55,563 for their appointment as members of the Board.

The Chairman of the AC was paid an annual fee of S\$28,074 while the Chairman of the NC and RC was paid an annual fee of S\$14,037 respectively. The members of the AC were paid annual fees of S\$14,037 each while the members of the NC and RC were paid annual fees of S\$7,018 respectively. The additional fee paid to a director who acts as the Lead ID was S\$2,339. Non-INEDs were paid an all-in annual fee of S\$14,037 for their appointment as members of the AC, NC and RC. EDs are not entitled to director's fee.

On 22 April 2022, the Company had obtained its shareholders' approval for the adoption of two new share schemes, Food Empire Holdings Limited Employee Share Option Scheme ("**2022 Option Scheme**") and Food Empire Holdings Limited Performance Share Plan ("**2022 Award Plan**").

The 2022 Option Scheme applies to eligible employees and Directors of the Group, other than the Controlling shareholders who are not Directors or employees. The participation of Directors who are Controlling shareholders, associates of Controlling shareholders or nominated by the Controlling shareholders of the Group in the 2022 Option Scheme is subject to independent shareholders' approval. Additional information on the previous and current share option schemes can be found on pages 50 to 55 and 120 to 125 of the annual report.

The 2022 Award Plan applies to eligible employees and Directors of the Group, other than the Group NEDs (including IDs). Controlling Shareholders and their Associates are not eligible to participate in the 2022 Award Plan. Additional information on the 2022 Award Plan can be found on pages 56 to 57 and 125 to 126 of the annual report.

CORPORATE GOVERNANCE REPORT

F) REMUNERATION MATTERS *(cont'd)*

- **Principle 6: Formal and transparent procedure for fixing remuneration packages of Directors and key management personnel** *(cont'd)*
- **Principle 7: Remuneration of Directors and key management personnel should be appropriate but not excessive** *(cont'd)*
- **Principle 8: Remuneration policy, level and mix of remuneration and procedure for setting remuneration** *(cont'd)*

Although the Code recommends the disclosure of amounts and breakdown of remuneration of each individual Director, Group CEO and top five key management personnel on a named basis, the Board has decided not to adopt this practice for the top five key management personnel because it is of the view that such disclosure may be detrimental to the Group's interest as it may lead to poaching of executives within a highly competitive industry and may compromise the personal safety of the individuals concerned as they travel to or work within some emerging markets. It also wishes to maintain confidentiality of remuneration within the Group for more harmonious and effective human resource management and deployment of executives across the many countries in which the Group operates.

The aggregate total remuneration paid to the top five key management personnel (who are not the Directors or the Group CEO) was S\$4,672,673 in FY2024.

The Company has implemented the clawback provision for its key office holders. The clawback will be triggered by events such as material violation of risk limits, misstatement of financial results, misconduct or fraud.

In FY2024, the RC did not engage external consultant to advise the RC on any remuneration matters.

The breakdown of the remuneration of the Directors for FY2024 is set out in the table below:

Name of Director	Designation	Base/Fixed Salary		Variable/ Performance- related Income/ Bonuses		Benefits in Kind		Total	
		US\$	(S\$)	US\$	(S\$)	US\$	(S\$)	US\$	(S\$)
Mr Tan Wang Cheow	Executive Chairman	403,945	543,156	2,271,339	3,054,107	71,647	96,339	2,746,931	3,693,602
Mr Sudeep Nair	Group CEO & ED	392,752	528,105	1,640,412	2,205,744	111,098	149,386	2,144,262	2,883,235

Name of Director	Designation	Directors' Fees (S\$)	Benefits in Kind (S\$)	Total (S\$)
Mr Saw Meng Tee	Lead ID	100,012	-	100,012
Mr Tan Cher Liang	INED	90,655	-	90,655
Mr Adrian Chan Pengee	INED	90,655	-	90,655
Mdm Tan Guek Ming	NED	69,600	-	69,600
Mr Koh Yew Hiap	NED	69,600	-	69,600
Mr Ong Kian Min	NED	69,600	-	69,600

The shares granted under the 2022 Option Scheme and/or 2022 Award Plan to Directors and Group CEO are shown in the Directors' Statement on pages 55 to 57.

Save as disclosed above, the Directors and Group CEO are not paid any other fees, allowances and benefits.

To maintain confidentiality of remuneration, the names, amounts and breakdown of remuneration of the top five key executives (who are not Directors or Executive Chairman or Group CEO) are not stated.

There are no employees who are substantial shareholders of the Company or immediate family members of a Director or the Executive Chairman or the Group CEO or a substantial shareholder whose remuneration exceeds S\$100,000 during FY2024.

CORPORATE GOVERNANCE REPORT

F) REMUNERATION MATTERS *(cont'd)*

- **Principle 6: Formal and transparent procedure for fixing remuneration packages of Directors and key management personnel** *(cont'd)*

- **Principle 7: Remuneration of Directors and key management personnel should be appropriate but not excessive** *(cont'd)*

- **Principle 8: Remuneration policy, level and mix of remuneration and procedure for setting remuneration** *(cont'd)*

The RC and the Board are of the view that the level and structure of remuneration of the Directors and key management personnel are aligned with the long-term interests and risk management policies of the Company.

The Board believes that the remuneration information disclosed is sufficient for shareholders to have an adequate appreciation of the remuneration of the Directors, Executive Chairman, Group CEO and top five key management personnel.

The Board also believes that there is sufficient transparency in the Company's remuneration policies, level and mix of remuneration, the procedures for setting remuneration, and the relationships between remuneration performance and value creation are consistent with the intent of Principle 8.1 of the Code.

G) ACCOUNTABILITY AND AUDIT

- **Principle 9: Sound systems of risk management and internal controls**

The Board is accountable to the shareholders while the Management of the Group is accountable to the Board. The Board is committed to providing timely information to the shareholders and the public with a balanced, clear and understandable assessment of the Group's financial updates, position and prospects on a quarterly basis.

The Company believes that presenting a balanced view of its performance, position and prospects is imperative to maintaining shareholders' confidence and trust.

The Management provides quarterly management reports to the Board members and also presents to the Board the Group's quarterly and full year accounts and the AC reports on the results for review and approval. In compliance with the SGX-ST's requirement for half yearly reporting, the Board approves the half year and full results and authorises the release of the results to SGX-ST and the public via SGXNet.

The Board also reviews legislation and regulatory compliance reports from the Management to ensure that the Group complies with relevant statutory reporting requirements.

The Board is also responsible for the governance of risk and sets the tone and direction for the Group in the way risks are managed in the Group's businesses. The Board has ultimate responsibility for approving the strategy of the Group in a manner which addresses key stakeholders' expectations and does not expose the Group to an unacceptable level of risk.

The Board approves the key risk management policies, ensures a sound system of risk management and internal controls, and monitors performance against them. In addition to determining the approach to risk governance, the Board sets and instils the right risk-focused culture throughout the Group for effective risk governance.

The Board has approved a Group Risk Management Framework for the identification of key risks within the business which is aligned with the ISO 31000:2018 Risk Management framework. To enhance the effectiveness of the enterprise risk management ("**ERM**") framework, the Group implemented the Orion ERM system, a third-party software that automates the risk management, internal control and assurance functions, and enables these functions to be managed on an integrated platform.

CORPORATE GOVERNANCE REPORT

G) ACCOUNTABILITY AND AUDIT *(cont'd)* **- Principle 9: Sound systems of risk management and internal controls** *(cont'd)*

The AC oversees risk governance which includes the following roles and responsibilities:

- 1) proposes the risk governance approach and risk policies for the Group to the Board;
- 2) reviews the risk management methodology adopted by the Group;
- 3) reviews the strategic, financial, operational, regulatory, compliance, information technology (“IT”) and other emerging risks relevant to the Group, as identified by Management; and
- 4) reviews Management’s assessment of risks and its action plans to mitigate such risks.

The AC assumed the function of the Board risk committee to oversee the Group’s ERM framework and policies.

Management presented an annual assurance report to the AC and the Board on the Group’s risk profile, the risk mitigation action plans and the results of various assurance activities carried out on the adequacy of Group’s internal controls including financial, operational, compliance and IT controls, and risk management systems. Such assurance activities include control self-assessments performed by Management, internal and external audits, and external certifications conducted by various external professional service firms.

The Board has obtained a written confirmation from the Executive Chairman, Group CEO and Group CFO that:

- 1) the financial records have been properly maintained and the financial statements give a true and fair view of the Group’s operations and finances; and
- 2) the Group maintains effective and adequate risk management and internal control systems.

The Executive Chairman, Group CEO and Group CFO have obtained assurances from the respective risk and control owners.

Based on the risk management framework and internal controls established and maintained by the Group, works performed by the internal and external auditors, external certification firms, and annual reviews performed by Management, various Board Committees and the Board, the Board (with the concurrence of the AC) is satisfied that the Group’s risk management and internal control systems addressing financial, operational, compliance and IT risks, were adequate and effective as at 31 December 2024.

The Board and the AC are also responsible for (a) monitoring the Company’s risk of becoming subject to, or violating, any Sanction Law; and (b) ensuring timely and accurate disclosures to SGX-ST and other relevant authorities.

The Group has in place adequate and effective internal controls to monitor, address and mitigate sanctions-related risks. The Company will continue to monitor all markets and update shareholders on any material impact of such risk on the financials and operations of the Group, if any, and also the cessation of sanctions-related risk via announcement to SGXNet.

The Board notes that the system of internal controls and risk management established by the Company provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

CORPORATE GOVERNANCE REPORT

H) AUDIT COMMITTEE - Principle 10: Establishment of AC with written terms of reference

The AC comprises:

Mr Saw Meng Tee (Chairman)
Mdm Tan Guek Ming
Mr Tan Cher Liang
Mr Koh Yew Hiap
Mr Adrian Chan Pengee

All five members of the AC are NEDs. The AC has a majority of INEDs, including the AC Chairman. The AC members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience.

None of the AC members was a former partner or director of the Company's external auditors, Ernst & Young LLP ("**EY**" or "**External Auditors**"), within a period of two (2) years or hold any financial interest in EY.

During the year, the AC carried out its functions in accordance with its written terms of reference.

The AC meets with Management and/or the auditors of the Group on a regular basis to discuss and review:

- a) the audit plan of the External Auditors of the Group, the results of their examination and evaluation of the Group's systems of internal accounting controls, their independence and the non-audit services provided by them;
- b) risk or exposure that exists and the steps Management has taken to minimise these risks for the Group;
- c) the Group's financial results for submission to the Board;
- d) the assistance given by the Group's officers to the External Auditors;
- e) the remuneration and terms of engagement of the External Auditors;
- f) the re-appointment or removal of the External Auditors and recommend it to the Board for obtaining approval from the shareholders;
- g) the Group's interested person transactions in accordance with the requirements of the SGX-ST Listing Manual;
- h) the assurance from the Executive Chairman, Group CEO and Group CFO on the financial records and financial statements;
- i) the significant financial reporting issues and judgements to ensure integrity of the financial statements and financial results announcements relating to the financial performance of the Company;
- j) the financial statements of the Company and the consolidated financial statements of the Group before their submission to the Board of Directors and the External Auditors' report on those financial statements;
- k) the adequacy and effectiveness of the Group's material internal controls, including financial, operational, compliance and IT controls, as well as sanctions-related risk controls and risk management systems via reviews carried out by the internal auditors;
- l) the audit plans of the internal auditors;

CORPORATE GOVERNANCE REPORT

H) AUDIT COMMITTEE *(cont'd)* - Principle 10: Establishment of AC with written terms of reference *(cont'd)*

- m) the results of their internal audit; and
- n) the independence, adequacy and effectiveness of the external audit results and internal audit function of the Group.

Apart from the duties listed above, the AC has the authority to commission and review the findings of internal investigations into any matter involving suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Group's operating results or financial position.

In performing its functions, the AC has:

- a) full access to and co-operation from the Management and has full discretion to invite any Director and executive officer to attend its meetings;
- b) been given reasonable resources to enable it to discharge its duties and responsibilities properly; and
- c) the express authority to conduct investigation into any matters within its terms of reference.

During FY2024, the AC held four meetings. The AC meets with the External Auditors without the presence of Management at least once annually.

The AC has reviewed the internal procedures set up by the Company to identify and report, and where necessary, seek approval for interested person transactions to ensure they are fair and reasonable and on an arm's length basis, and with the assistance of the Management, reviewed interested person transactions. The AC is of the opinion that the internal procedures have been complied with.

The External Auditors provided regular updates and periodic briefings to the AC on changes or amendments to accounting standards to enable the members of the AC to keep abreast of such changes and their corresponding impact on the financial statements, if any.

The total fees paid to EY (including overseas EY entities) for FY2024 are as disclosed in the table below:

	US\$'000	% of total fees paid
Audit Fees	382	84.7
Non-Audit Fees	69	15.3
Total Fees Paid	451	100.0

The AC has reviewed the non-audit services provided by the External Auditors and is satisfied with the independence of the External Auditors.

Different auditors have been appointed for some of the overseas subsidiaries. The names of these audit firms are disclosed under Note 14 of the financial statements. This matter has been reviewed by the AC and the Board and both are satisfied that these appointments did not compromise the standard and effectiveness of the audit of the Group.

The Group has complied with Rules 712 and 716 of the SGX-ST Listing Manual in relation to its external auditors.

CORPORATE GOVERNANCE REPORT

H) AUDIT COMMITTEE *(cont'd)* – Principle 10: Establishment of AC with written terms of reference *(cont'd)*

The AC has recommended to the Board that EY be nominated for re-appointment as auditors at the forthcoming AGM of the Company.

The AC has established the Whistle-blowing policy where staff of the Group may, in confidence, raise concerns about possible improprieties in financial matters that might have a significant impact on the Group, such as actions that may lead to incorrect financial reporting, unlawful and/or otherwise amount to serious improper conduct according to Company policy. The AC is responsible for oversight and monitoring of any whistleblowing incident. The Company ensures the identity of the whistleblower is kept confidential and will provide protection to the whistleblower against detrimental or unfair treatment.

Significant financial statement reporting matters

In the review of the Company's financial statements for FY2024, the AC considered a number of significant matters and has discussed with Management the accounting principles that were applied and their judgement of items that might affect the financial statements.

The following key audit matters impacting the financial statements were discussed with Management and the External Auditor of the Company and were reviewed by the AC:

Significant matters	How the AC reviewed these matters
1. Revenue recognition	<p>The AC reviewed Management's approach and assessment of the internal controls over the recognition of revenue. The AC was satisfied that Management's approach and assessment of internal controls over revenue recognition were appropriate.</p> <p>Please refer to pages 59 to 60 of the External Auditors' report and Note 2.20 (Material accounting policy information), Note 3.2c (Significant accounting estimates and judgements) and Note 4 (Note on Revenue) of the financial statements for further details.</p>
2. Recoverability of trade receivables	<p>The AC considered Management's approach and methodology used in the evaluation of the Group's trade receivables for impairment. The Group determines expected credit losses for trade receivables by making debtor-specific assessment for credit-impaired debtors and using provision matrix method for outstanding trade receivables. The AC was satisfied that the approach and methodology used by Management in the process was appropriate.</p> <p>Please refer to page 60 of the External Auditors' report and Note 2.13 (Material accounting policy information), Note 3.2b (Significant accounting estimates and judgements), and Note 23 (Note on Trade Receivables) of the financial statements for further details.</p>
3. Impairment assessment of intangible assets	<p>The AC considered Management's approach and methodology applied to the valuation model in impairment assessment of the Group's intangible assets, including the key assumptions for growth rates, cash-flow expectations and the discount rates used. The AC was satisfied that the approach and methodology in the impairment assessment used by Management were appropriate.</p> <p>Please refer to page 61 of the External Auditors' report and Note 2.12 (Material accounting policy information), Note 3.2a (Significant accounting estimates and judgements), and Note 16 (Note on Intangible Assets) of the financial statements for further details.</p>

CORPORATE GOVERNANCE REPORT

H) **AUDIT COMMITTEE** *(cont'd)* **- Principle 10.4: Internal audit function**

The Group outsources its internal audit function to a professional service firm, Yang Lee & Associates (“**YLA**” or “**Internal Auditor**”). YLA is a professional services firm that specialises in the provision of internal audit, ERM and sustainability reporting advisory services. The firm was set up in year 2005 and currently maintains an outsourced internal audit portfolio of SGX-ST listed companies in distribution, manufacturing, services, food & beverage and property development industries. The Internal Auditor is guided by the International Standards for the Professional Practice of Internal Auditing (IIA Standards) issued by the Institute of Internal Auditors. YLA is a corporate member of the Institute of Internal Auditors Singapore and is staffed with professionals with knowledge and experience in internal audit, risk management and other relevant disciplines.

The Internal Auditor reports directly to the AC and internal control weaknesses identified during the internal audit reviews and the recommended corrective actions are reported to the AC periodically. The AC approves the hiring, removal, evaluation and compensation to the Internal Auditor. The Internal Auditor has unfettered access to all the Group's documents, records, properties and personnel, including access to the AC.

The AC reviews and approves the internal audit scope and plan to ensure that there is sufficient coverage of the Group's activities. It also oversees the implementation of the internal audit plan and ensures the Internal Auditor has appropriate standing and that Management provides the necessary co-operation and adequate resources to enable the Internal Auditor to perform its function.

The Internal Auditor completed three reviews during FY2024 in accordance with the internal control testing plan developed and approved by the Board under the Group's risk management framework. The findings and recommendations of the Internal Auditor, Management's responses, and Management's implementation of the recommendations have been reviewed and discussed with the AC.

The AC reviewed and confirmed that YLA is a suitable professional service firm to meet the Company's internal audit obligations, having regard to the adequacy of resources, independence and experience of the firm and the assigned engagement director, number and experience of supervisory and professional staff assigned to internal audits.

The AC meets with the Internal Auditor without the presence of Management at least once annually.

I) **SHAREHOLDER RIGHTS AND ENGAGEMENT** **- Principle 11: Shareholder rights and conduct of general meetings**

The Group's corporate governance culture and awareness promotes fair and equitable treatment of all shareholders.

The Group is committed to providing shareholders with adequate, timely and sufficient information pertaining to changes in the Group's business which could have a material impact on the Company's share price.

Shareholders are given the opportunity to participate effectively and vote at general meetings of the Company where relevant rules and procedures governing the meetings are clearly communicated. A relevant intermediary may appoint more than two proxies to attend and vote at the AGM. The Company reserves the rights to allow any observers to attend its AGM.

Price sensitive information is first publicly released via SGXNet before any meeting with any group of investors or analysts. Results are announced within the mandatory period on a half yearly basis to SGX-ST. The Company also practices releasing quarterly business updates to SGX-ST.

CORPORATE GOVERNANCE REPORT

I) SHAREHOLDER RIGHTS AND ENGAGEMENT *(cont'd)*

- Principle 11: Shareholder rights and conduct of general meetings (cont'd)

The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Company has an internal guide in determining the quantum of any dividend payable. The declaration of dividend is subject to various factors such as the Group's profitability, free cash flow and capital commitment. If the Company declares a final dividend at an annual general meeting and the dividend is approved by shareholders, it is usually paid to the shareholders within 30 days after the date of the annual general meeting.

All shareholders (except those who own the shares through nominees) of the Company will receive annual report, circulars and notices of general meeting of the Company. The notices are also advertised in newspapers and available at SGX-ST's website. The Constitution of the Company allows a member of the Company to appoint one or two proxies to attend and vote at all general meetings on his/her behalf.

Resolutions to be passed at general meetings are always separate and distinct in terms of issue so that shareholders are able to exercise their right to approve or deny the issue or motion. Shareholders can also exercise their right to vote in absentia by the use of proxies. The Company has been conducting electronic poll voting for all resolutions passed at the general meetings of shareholders for greater transparency in the voting process. Shareholders or their proxies are briefed by the appointed polling agent on the poll voting procedures at the AGM. The appointed scrutineer will ensure that the poll process is properly carried out and the counting of the votes is verified by the scrutineer.

The Chairmen of the AC, NC and RC are present and available to address questions at the AGM and EGM. The External Auditors shall be present to assist the Directors in addressing any relevant queries by shareholders. All directors of the Company and External Auditors attended the AGM and EGM of the Company held on 19 April 2024.

The Company Secretary prepares minutes of general meetings, which incorporate substantial comments or queries from shareholders and responses from the Board and the Management, where relevant. The minutes of general meetings will be published on the SGXNet within one (1) month from the date of the meeting. The Company also makes available minutes of general meetings to shareholders upon their requests.

2025 AGM and EGM

The Company will hold its upcoming AGM and EGM physically to engage with its shareholders.

- Principle 12: Engagement with shareholders

The Company's substantial shareholders including the institutional shareholder whose shareholding exceeds 5% other than the Controlling shareholders are shown in the Statistics of Shareholding on page 147 of the annual report.

The Company has in place an Investor Relations ("IR") policy outlining the principles and practices adopted in the course of its IR activities, including communication with shareholders and the investment community. The policy reflects avenues for communication between shareholders and the Company, including shareholders' meetings, the Company's annual report and sustainability report, the information available on the Company's website, results announcements, meetings with analysts and media, and describes how shareholders may contact the Company should they have questions. The policy thus allows for an ongoing exchange of views with shareholders, thereby promoting timely, effective and transparent communication.

CORPORATE GOVERNANCE REPORT

J) **MANAGING STAKEHOLDER RELATIONSHIPS** *- Principle 13: Engagement with stakeholders*

The Company's key stakeholders are listed in its Sustainability Report. They are the Company's shareholders, its employees and workers, its consumers, its suppliers and business partners, communities, government and regulators, and its financiers.

The Company recognises the importance of developing and growing our employees and is committed to ensuring that all learning, training and development activities and programmes are made available to all our full-time employees. The Company encourages our employees to pursue relevant training programmes to build up their competencies and for career development opportunities.

The type of training and development programmes extended to our employees include new employee induction programme, On-the-Job training, in-house training, external training, management/leadership development, seminars and conferences, technical skill training, workplace health and safety training and etc. In addition, the Company provides professional memberships to employees for their self-development and to stay abreast of the latest development in their professional fields.

The Sustainability Report also outlines how relationships with these key stakeholders are managed.

The Company has a Stakeholder Engagement Policy in place. The policy shows how the Company engages its key stakeholders regularly through various channels to understand their key interests, needs and expectations and respond to their concerns promptly. Stakeholders can communicate or write to the Company via its corporate website.

The Group's other policies including the Board Diversity Policy, the IR Policy and Whistle-blowing Policy facilitate the Group's engagement with its key stakeholders. The Sustainability Report outlines the Group's policies, practices, performance and targets in relation to its Economic and Environmental, Social and Governance activities. Developed with reference to the Global Reporting Initiative Standards 2016 (Core option), the Group endeavours to communicate how sustainability is embedded in its business practices and value chain across its operations in the report.

The Board is supported by a Sustainability Steering Committee chaired by the NED, Mr Ong Kian Min. The committee comprises two board members, the Group Executive Chairman, Group CFO and COO. The Sustainability Steering Committee provides direction and targets, and lead and co-ordinate the annual reporting effort by the Sustainability Working Committee.

The Group has commenced an internal review process for its sustainability reporting and prioritised the gaps identified for the sustainability working team to follow up for closure over the next couple of years. At the same time, relevant Task Force on Climate-related Financial Disclosures (TCFD) factors were identified for qualitative analysis this year.

The Sustainability Report also covers amongst others:

- a) the Company's working emphasis to ensure food safety for consumers
- b) the safety, health and environment policy for the Group's employees
- c) the training and development plan for employees
- d) the Company's initiatives and effort to employ eco-friendly and sustainable value chain process
- e) the Company's outreach and interaction with the relevant communities
- f) the Company's zero tolerance policy towards fraud, bribery and corruption.

Detailed information on the Group's efforts on sustainability management in FY2024 will be disclosed in the Sustainability Report for FY2024. The Company will comply with Rule 711A of the SGX-ST Listing Manual and targets to issue its Sustainability Report for FY2024 on a standalone basis within the timeline stipulated by the SGX-ST. It will be published on the Company's corporate website and made available on the SGXNet.

CORPORATE GOVERNANCE REPORT

SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (SGX-ST LISTING MANUAL REQUIREMENTS)

(i) Dealing in Securities

The Company has in place an internal policy prohibiting share dealings by Directors and officers of the Group while in possession of unpublished material or price sensitive information during the period commencing one month prior to the announcement of the Company's half year and annual financial results and two weeks before the announcement of its 1st quarter and 3rd quarter business update announcements and ending on the date of the announcement of the relevant results or business updates. Directors and officers of the Group are expected to observe the insider trading laws at all times even when dealing in securities within the permitted trading period.

The Directors and officers of the Group are strongly discouraged from dealing in the Company's securities on short-term considerations.

During FY2024, the Company has complied with the best practices on dealing in securities in accordance with Rule 1207(19) of the SGX-ST Listing Manual.

(ii) Material Contracts

Other than those disclosed in the financial statements, the Group did not enter into any material contracts involving interests of the Directors or Controlling shareholders and no such material contracts still subsist at the end of the financial year.

(iii) Risk Management Policies and Processes

Operating in Emerging Markets

The Group's sales are generated mainly from developing countries where economic, social, political and regulatory frameworks are less developed, resulting in uncertainties that could have a direct or indirect impact on sales and profitability.

The Group is also subject to changes in policies by the governments of these countries, which may have an impact through (i) changes in laws and regulations; (ii) changes in customs and import tariffs; (iii) restrictions on currency conversions and remittances; and (iv) the stability of the banking system.

The Group and its in-country teams constantly monitor the ongoing macro environment of key markets to identify potential areas of problems and develop suitable strategies around them, including the possibility of rationalising some business operations if the situation warrants.

The Group maintains an internal control system which includes policies and procedures and information systems to mitigate this risk.

Foreign Exchange Exposure

The Group has transactional currency exposures arising from sales, purchases or operating costs by operating units in currencies other than the unit's functional currency.

The Group maintains an internal control and monitoring system which includes policies and procedures and information systems to mitigate this risk.

The Group closely monitors its macro operating environment and will consider entering into appropriate hedging transactions to mitigate the exchange risk exposure, if necessary.

CORPORATE GOVERNANCE REPORT

SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 *(cont'd)* (SGX-ST LISTING MANUAL REQUIREMENTS) *(cont'd)*

(iii) Risk Management Policies and Processes *(cont'd)*

Credit Risk of Customers

In the normal course of its business, the Group extends credit terms to its customers, primarily to those located in developing countries. In the event of any significant devaluation or depreciation of the currencies of these markets or if any major customer encounters financial difficulties, the Group would be exposed to the risk of non-collectability of some of its trade receivables.

The Group maintains an internal control system which includes policies, procedures and information systems to mitigate this risk.

Under its credit policy, credit evaluations are performed for new customers and ongoing evaluations are also performed for existing customers. Other key mitigating controls include established credit limits, regular reviews and follow up on trade receivables ageing.

Dependence on Key Personnel

The EDs and the country/general managers in the Group's key markets have contributed significantly to the success of the Group. The loss of the services of any of these key personnel without suitable replacement will adversely affect the Group's operations and financial performance.

The Group maintains an internal control system which includes human resource measures, policies, procedures and information systems to mitigate this risk.

The Group has implemented remuneration packages aimed at retaining existing personnel and conducts regular performance reviews to reward key management personnel who contribute to the success of the Group.

Investment Risk

In the normal course of its business, the Group may invest in setting up new businesses or production plants and by way of acquisition of existing businesses. Investments in unfamiliar territories, new businesses or products could carry a high risk of failure due to a lack of visibility and knowledge of the business nature and market. Besides the initial capital, the Group may also have to support the new investments financially after acquisition.

The Group maintains an internal control system which includes policies and procedures and information systems to mitigate this risk.

Under its investment policy, a delegation of authority matrix is established for approval of different levels of investments. Due diligence exercises are conducted prior to acquisition and exposure to investment risk is monitored through regular reporting to Management and the Board on investment performance.

Information Technology Risk

The Group has implemented IT management controls and security controls to ensure an appropriate level of security awareness at all times by users of the Group's IT systems.

The Group has also put in place appropriate policies and control procedures to manage the risk of data privacy breaches.

Sanctions-related Risk

The Group may be, or may become exposed to various sanctions-related risks through various means such as sanctions-related laws or regulations.

The Group has in place adequate and effective internal controls, where practicable, to monitor, address and mitigate sanctions-related risk.

CORPORATE GOVERNANCE REPORT

SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 *(cont'd)* (SGX-ST LISTING MANUAL REQUIREMENTS) *(cont'd)*

(iv) Interested Person Transactions

Interested person transactions (“IPT”) carried out during the financial year which falls under Chapter 9 of the SGX-ST Listing Manual are as follows:

Name of interested person	Nature of relationship	Aggregate value of all IPT during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholder’s mandate pursuant to Rule 920)		Aggregate value of all IPT conducted under shareholder’s mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
		2024 US\$’000	2023 US\$’000	2024 US\$’000	2023 US\$’000
a) Triple Ace Ventures Limited and its subsidiaries	Companies associated to Mr Sudeep Nair (Group CEO and ED)				
- Payment of lease liabilities		1,588	1,479	-	-
b) UDI Marketing Sdn Bhd	Company associated to Universal Integrated Corporation Consumer Products Pte Ltd (Controlling Shareholder)				
- Sales of goods		716	621	-	-
c) PT Indokemika Jayatama	Company associated to Universal Integrated Corporation Consumer Products Pte Ltd (Controlling Shareholder)				
- Sales of goods		1,455	1,100	-	-
d) Ever Resources International (Hong Kong) Limited	Company associated to Universal Integrated Corporation Consumer Products Pte Ltd (Controlling Shareholder)				
- Purchase of goods		-	5,518	-	-

CORPORATE GOVERNANCE REPORT

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-APPOINTMENT

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the information relating to the Directors who are seeking re-appointment at the forthcoming Annual General Meeting of the Company, as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST is set out below:

Name	Tan Wang Cheow (Executive Chairman)	Koh Yew Hiap (NED)	Saw Meng Tee (INED)
Date of appointment	17 February 2000	1 March 2007	25 April 2019
Date of last re-appointment	22 April 2022	22 April 2022	25 April 2023
Age	68	67	54
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on the re-appointment	Based on the recommendation of the Nominating Committee, the Board (save for Mr Tan Wang Cheow who abstained from deliberating his own re-election) propose to the Company's shareholders to approve the re-election of Mr Tan Wang Cheow as the Executive Chairman. Mr Tan Wang Cheow will remain as a member of the Nominating Committee.	Based on the recommendation of the Nominating Committee, the Board (save for Mr Koh Yew Hiap who abstained from deliberating his own re-election) propose to the Company's shareholders to approve the re-election of Mr Koh as a Director of the Company. Mr Koh will remain a member of the Audit Committee and Remuneration Committee.	Based on the recommendation of the NC, the Board (save for Mr Saw Meng Tee who abstained from deliberating his own re-election) propose to the Company's shareholders to approve the re-election of Mr Saw as a Director. Mr Saw will remain as Chairman of AC and members of NC and RC.
Whether the appointment is executive, and if so, the area of responsibility	Executive	Non-Executive	Non-executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairman and member of Nominating Committee	Non-executive Director and members of the Audit Committee and Remuneration Committee	Lead Independent Director, Chairman of AC and members of NC and RC
Professional qualifications	Bachelor of Accountancy from the National University of Singapore	Bachelor of Arts (Economics) Honours from the University of Manchester	Fellow of Chartered Accountant Singapore Chartered Accountant (ICAEW) and Fellow of the Insolvency Practitioners Association of Singapore
Working experience and occupation(s) in the past 10 years	Executive Chairman and Executive Director of Food Empire Holdings Limited	Managing Director, Universal Integrated Corporation Consumer Products Pte Ltd Managing Director, United Detergent Industries Sdn Bhd	Managing Partner, EisnerAmper PAC (Singapore)
Shareholding interest in the listed issuer and its subsidiaries	52,440,000 (deemed interest) is held by United Overseas Bank Nominees (Private) Limited, and 63,374,600 (deemed interest) is held by his spouse, Mdm Tan Guek Ming	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive director, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mdm Tan Guek Ming, spouse of Executive Chairman	None	None
Conflict of interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the Company	Yes	Yes	Yes

CORPORATE GOVERNANCE REPORT

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-APPOINTMENT *(cont'd)*

Other principal commitments including directorships

Name	Tan Wang Cheow (Executive Chairman)	Koh Yew Hiap (NED)	Saw Meng Tee (INED)
Past (for the last 5 years)	Ichiban Lifestyle Holdings Pte. Ltd.	None	None
Present	Future Enterpries Pte Ltd FER (HK) Limited Empire Manufacturing Sdn Bhd Nisedaj Investments Pte Ltd SkyVenture VWT Singapore Pte Ltd Kong Lam Holdings Pte Ltd K L Industries Pte Ltd Jodasen Ventures Limited W Capital Markets Pte. Ltd. Kong Lam & Co MYCLNQ Health Pte. Ltd. (f.k.a Ssvix Lab Pte Ltd) Empire APAC Pte. Ltd.	Empire International Sdn Bhd Empire Manufacturing Sdn Bhd Ace Aim Pte. Ltd. ELG Cash & Carry Pty Ltd EPH Investments Pty Ltd Ettason Property Holdings Pty Ltd Ettason Pty Limited Great Orient Chemical Pte. Ltd. Great Orient Chemical (Taicang) Co. Ltd Kong Trading Pty Limited Leisuretivity Pte. Ltd. PT Indo Sukses Sentra Usaha PT UICCP Indonesia Universal Integrated Corporation Consumer Products Pte. Ltd. Touch Properties Pty Ltd UDI Marketing Sdn. Bhd. UICCP Holdings (M) Sdn Bhd. United Detergent Industries Sdn Bhd Universal Surfactants & Chemicals Sdn Bhd Whalley Investments Pte. Ltd. Trevose International Pte. Ltd. Skyventure VWT Singapore Pte Ltd Xuegao Pte Ltd A-Star Property Co., Ltd	EisnerAmper Global Limited EisnerAmper PAC Latitude 33 Pte Ltd Nouveau Urban Technologies Pte Ltd EA Corporate Advisory Pte Ltd Custom Food Ingredients Sdn Bhd MKC Holdings (Pte) Ltd LHC Pte Ltd LCM Pte Ltd CMIG International Holding Pte. Ltd. Siriuspoint Limited

CORPORATE GOVERNANCE REPORT

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-APPOINTMENT *(cont'd)*

Information required pursuant to Listing Rule 704(7)

Name	Tan Wang Cheow (Executive Chairman)	Koh Yew Hiap (NED)	Saw Meng Tee (INED)
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgement against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i) Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:			
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

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DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Food Empire Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2024.

OPINION OF THE DIRECTORS

In the opinion of the directors,

- (i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date; and
- (ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS

The Directors of the Company in office at the date of the statement are:

Tan Wang Cheow
Sudeep Nair
Tan Guek Ming
Koh Yew Hiap
Ong Kian Min
Tan Cher Liang
Saw Meng Tee
Adrian Chan Pengee

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Except for the Food Empire Holdings Limited Share Option Scheme (the "2012 Option Scheme" and "2022 Option Scheme") and the Food Empire Holdings Limited Performance Share Plan (the "2022 Award Plan"), neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

DIRECTORS' STATEMENT

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The following directors of the Company, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in shares and share options of the Company, as stated below:

Name of Director	Shares held in the name of the Directors		Shareholdings in which Directors are deemed to have an interest		Shares held in the name of the Directors	Shareholdings in which Directors are deemed to have an interest
	At the beginning of the year	At the end of the year	At the beginning of the year	At the end of the year	As at 21 January 2025	As at 21 January 2025
The Company						
Ordinary shares						
Tan Wang Cheow	-	-	115,814,600	115,814,600	-	115,814,600
Sudeep Nair	5,700,000	8,700,000	60,076,399	60,076,399	8,700,000	60,076,399
Tan Guek Ming	27,547,400	27,547,400	88,267,200	88,267,200	27,547,400	88,267,200
Ong Kian Min	920,000	1,020,000	-	-	1,020,000	-
Saw Meng Tee	-	120,000	-	-	120,000	-

Name of Director	Share options held in the name of the Directors		Share options held in the name of the Directors	
	At the beginning of the year	At the end of the year	At the beginning of the year	At the end of the year
The Company				
Options to subscribe for ordinary shares exercisable from 16 March 2019 to 15 March 2028 at S\$0.679 per share				
Sudeep Nair			1,500,000	-
Options to subscribe for ordinary shares exercisable from 15 March 2020 to 14 March 2029 at S\$0.556 per share				
Sudeep Nair			1,500,000	-
Ong Kian Min ⁽¹⁾			100,000	-
Options to subscribe for ordinary shares exercisable from 6 March 2021 to 5 March 2030 at S\$0.667 per share				
Sudeep Nair			1,500,000	1,500,000
Ong Kian Min ⁽²⁾			100,000	100,000
Saw Meng Tee ⁽²⁾			100,000	-

⁽¹⁾ Options to subscribe for ordinary shares expire on 14 March 2024.

⁽²⁾ Options to subscribe for ordinary shares expire on 5 March 2025.

DIRECTORS' STATEMENT

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES *(cont'd)*

Name of Director	Share options held in the name of the Directors		Share options held in the name of the Directors
	At the beginning of the year	At the end of the year	As at 21 January 2025
<i>The Company</i>			
Options to subscribe for ordinary shares exercisable from 1 June 2023 to 31 May 2027 at S\$0.536 per share			
Adrian Chan Pengee	50,000	50,000	50,000
Ong Kian Min	50,000	50,000	50,000
Saw Meng Tee	50,000	30,000	30,000
Tan Cher Liang	50,000	50,000	50,000
Options to subscribe for ordinary shares exercisable from 1 June 2024 to 31 May 2028 at S\$1.004 per share			
Adrian Chan Pengee	50,000	50,000	50,000
Ong Kian Min	50,000	50,000	50,000
Saw Meng Tee	50,000	50,000	50,000
Tan Cher Liang	50,000	50,000	50,000
Options to subscribe for ordinary shares exercisable from 1 June 2025 to 31 May 2029 at S\$1.116 per share			
Adrian Chan Pengee	-	50,000	50,000
Ong Kian Min	-	50,000	50,000
Saw Meng Tee	-	50,000	50,000
Tan Cher Liang	-	50,000	50,000

DIRECTORS' STATEMENT

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES *(cont'd)*

Name of Director	Share awards held in the name of the Directors		Share awards held in the name of the Directors
	At the beginning of the year	At the end of the year	As at 21 January 2025
<i>The Company</i>			
Share awards granted based on the performance conditions from 1 June 2022 to 31 December 2024			
Sudeep Nair	657,211	657,211	657,211
Share awards granted based on the performance conditions from 1 January 2023 to 31 December 2025			
Sudeep Nair	632,771	632,771	632,771
Share awards granted based on the performance conditions from 1 January 2024 to 31 December 2026			
Sudeep Nair	–	357,718	357,718
Share awards granted based on the performance conditions from 1 January 2025 to 31 December 2027			
Sudeep Nair	–	–	402,820

By virtue of Section 7 of the Singapore Companies Act 1967, Mr Tan Wang Cheow and Mdm Tan Guek Ming are deemed to have an interest in the Company's subsidiaries at the end of the financial year.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year, nor as at 21 January 2025.

SHARE OPTIONS

The Food Empire Holdings Limited Share Option Scheme (the "2012 Option Scheme") was approved and adopted at an Extraordinary General Meeting of the Company held on 27 April 2012, which has since expired on 22 April 2022.

The Food Empire Holdings Limited Share Option Scheme (the "2022 Option Scheme") was approved and adopted at an Extraordinary General Meeting of the Company held on 22 April 2022.

The 2012 Option Scheme and 2022 Option Scheme are administered by the Remuneration Committee ("RC").

The total number of shares over which RC may grant new share options pursuant to 2012 Options Scheme and 2022 Option Scheme, when aggregated with the aggregate number of shares that are granted under any other share option schemes or share plans of the Company, shall not exceed fifteen per cent (15%) of the total number of all issued shares (excluding Shares held by the Company as treasury shares and subsidiary holdings, if any) on the day preceding that date.

DIRECTORS' STATEMENT

SHARE OPTIONS *(cont'd)*

2012 Option Scheme and 2022 Option Scheme

Details of the 2012 Option Scheme and 2022 Option Scheme at the end of the financial year were as follows:

	Number of holders at year end	Number of options outstanding at 1.1.2024	Number of options granted during the financial year	Number of options lapsed during the financial year	Number of options exercised during the financial year	Number of options outstanding at 31.12.2024	Exercise price per share S\$	Exercise period
2012 Option Scheme								
2016 Options	1	430,000	-	-	(410,000)	20,000	0.308	4 July 2017 to 3 July 2026
2017 Options	6	550,000	-	-	-	550,000	0.693	23 May 2018 to 22 May 2027
2018 Options	6	3,250,000	-	-	(1,900,000)	1,350,000	0.679	16 March 2019 to 15 March 2028
2019 Options	6	3,930,000	-	-	(3,245,000)	685,000	0.556	15 March 2020 to 14 March 2029
2020 Options	14	4,580,000	-	-	(960,000)	3,620,000	0.667	6 March 2021 to 5 March 2030
		<u>12,740,000</u>	-	-	<u>(6,515,000)</u>	<u>6,225,000</u>		
2022 Option Scheme								
2022 Options	19	3,370,000	-	-	(655,000)	2,715,000	0.536	1 June 2023 to 31 May 2032
2023 Options	20	3,300,000	-	-	-	3,300,000	1.004	1 June 2024 to 31 May 2033
2024 Options	14	-	1,500,000	-	-	1,500,000	1.116	1 June 2025 to 31 May 2034
		<u>6,670,000</u>	<u>1,500,000</u>	-	<u>(655,000)</u>	<u>7,515,000</u>		
		<u>19,410,000</u>	<u>1,500,000</u>	-	<u>(7,170,000)</u>	<u>13,740,000</u>		

DIRECTORS' STATEMENT

SHARE OPTIONS *(cont'd)*

2012 Option Scheme and 2022 Option Scheme *(cont'd)*

The options granted to Directors of the Company and participants who received 5% or more of the total number of options available under the 2012 Option Scheme and 2022 Option Scheme are as follows:

Name of Director	Aggregate options granted since commencement of 2012 Option Scheme and 2022 Option Scheme to end of financial year	Aggregate options exercised since commencement of 2012 Option Scheme and 2022 Option Scheme to end of financial year	Aggregate options lapsed/cancelled since commencement of 2012 Option Scheme and 2022 Option Scheme to end of financial year	Aggregate options outstanding as at end of financial year
2012 Option Scheme				
Saw Meng Tee	100,000	(100,000)	-	-
Ong Kian Min	500,000	(300,000)	(100,000)	100,000
Sudeep Nair	7,500,000	(4,500,000)	(1,500,000)	1,500,000
2022 Option Scheme				
Adrian Chan Pengee	150,000	-	-	150,000
Ong Kian Min	150,000	-	-	150,000
Saw Meng Tee	150,000	(20,000)	-	130,000
Tan Cher Liang	150,000	-	-	150,000

Since the commencement of the 2012 Option Scheme and 2022 Option Scheme till the end of the financial year:

- 26,350,000 options were granted for 2012 Option Scheme
- 8,250,000 options were granted for 2022 Option Scheme
- No options had been granted to the controlling shareholders of the Company or their associates
- No options had been granted to the Directors appointed by the controlling shareholders
- No options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporation had been granted
- No participant other than Mr Sudeep Nair has been granted 5% or more of the total options available under the 2012 Option Scheme

Except as disclosed above, there were no unissued shares of the Company or its subsidiaries under options as at the end of the financial year. There are no options granted at a discount during the financial year.

DIRECTORS' STATEMENT

Performance Share Plan

The Food Empire Holdings Limited Performance Share Plan (the "2022 Award Plan") was approved and adopted at an Extraordinary General Meeting of the Company held on 22 April 2022.

The 2022 Award Plan is administered by the Remuneration Committee ("RC").

The total number of shares over which RC may grant new awards ("Share Awards") pursuant to the 2022 Award Plan, when aggregated with the aggregate number of shares that are granted under any other share option schemes or share plans of the Company, shall not exceed fifteen per cent (15%) of the total number of all issued shares (excluding Shares held by the Company as treasury shares and subsidiary holdings, if any) on the day preceding that date.

The conditional Share Awards are granted to eligible participants. Depending on the achievement of pre-determined targets over a three-year performance period, the RC will determine an achievement factor which will then be applied to the conditional Shares Awards to determine the final number of shares to be awarded at the end of the respective performance periods ("Final Share Awards").

2022 Award Plan

Details of the 2022 Award Plan at the end of the financial year are as follows:

	Share Awards holders at year end	Balance as at 1.1.2024	Shares Awards granted during the financial year	Shares Awards vested during the financial year	Balance as at 31.12.2024	Aggregate Share Awards granted since commencement of the 2022 Award Plan to end of financial year	Performance condition period
2022 Award Plan							
2022 Share Awards	-	657,211	-	(657,211)	-	657,211	1 June 2022 to 31 December 2024
2023 Share Awards	1	632,771	-	-	632,771	632,771	1 January 2023 to 31 December 2025
2024 Share Awards	7	-	786,982	-	786,982	786,982	1 January 2024 to 31 December 2026
		1,289,982	786,982	(657,211)	1,419,753	2,076,964	

	Final Share Awards holders at year end	Balance as at 1.1.2024	Final Shares Awards granted during the financial year	Final Shares Awards released during the financial year	Balance as at 31.12.2024	Aggregate ordinary shares released to participant since commencement of the 2022 Award Plan to end of financial year
2022 Award Plan						
2022 Final Share Awards	1	-	1,027,326	-	1,027,326	-

DIRECTORS' STATEMENT

Performance Share Plan *(cont'd)*

2022 Award Plan *(cont'd)*

Details of the share awards granted to Directors of the Company under the 2022 Award Plan are as follows:

Name of Director	Aggregate Share Awards granted since commencement of the 2022 Award Plan to end of financial year	Aggregate Share Awards vested since commencement of the 2022 Award Plan to end of financial year	Aggregate Share Awards outstanding since commencement of the 2022 Award Plan as at end of financial year
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Share Awards

Sudeep Nair	1,647,700	(657,211)	990,489
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Name of Director	Aggregate Final Share Awards granted since commencement of the 2022 Award Plan to end of financial year	Aggregate Final Share Awards released since commencement of the 2022 Award Plan to end of financial year	Aggregate ordinary shares released to participant since commencement of the 2022 Award Plan to end of financial year
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Final Share Awards

Sudeep Nair	1,027,326	-	-
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DIRECTORS' STATEMENT

AUDIT COMMITTEE

The Audit Committee carried out its functions in accordance with Section 201B (5) of the Singapore Companies Act 1967. The functions performed by the Audit Committee are detailed in the Report on Corporate Governance.

AUDITOR

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditors.

On behalf of the Board of Directors,

Tan Wang Cheow

Director

Sudeep Nair

Director

Singapore
18 March 2025

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOOD EMPIRE HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Food Empire Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 December 2024, the statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) (SFRS(I)) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled our responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

1. Revenue recognition

We refer to Note 2.20 (Material accounting policy information), Note 3.2c (Significant accounting estimates and judgements) and Note 4 (Note on Revenue).

Revenue is measured taking into account of discounts and rebates earned by customers on the Group's sales, which give rise to variable consideration under SFRS(I) 15. Variable consideration is estimated and is recognised as revenue to the extent that it is highly probable that a significant reversal in revenue recognised up-to-date will not occur when the discount and rebate amounts are subsequently finalised. In addition, due to the multitude and variety of contractual terms across the Group's operating markets, the estimation of variable consideration arising from discounts and rebates is considered to be complex and judgemental. As such, we considered this to be a key audit matter.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOOD EMPIRE HOLDINGS LIMITED *(cont'd)*

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(cont'd)*

Key audit matters *(cont'd)*

1. Revenue recognition *(cont'd)*

As part of our audit procedures, we evaluated the appropriateness of the Group's revenue recognition accounting policies. We obtained an understanding of the revenue recognition process, performed a walkthrough of the significant class of transactions and evaluated the design of the relevant internal controls for effectiveness. We also tested the effectiveness of the management's internal controls over the timing of the revenue recognition and gross or net presentation of revenue. In addition, we read significant sales contracts and revenue arrangements, and performed inquiries of management to understand the potential impact of the various terms on revenue recognition, and to also determine if the arrangement is appropriately identified as a contract in accordance with SFRS(I) 15.

In respect of discounts and rebates and the relating variable consideration recognised during the year, we checked to the terms of agreements and other supporting documents. We assessed the appropriateness of the method used and the reasonableness of data and assumptions used such as historical experience and purchasing patterns in the estimation of variable consideration and determination of the amount of revenue to be recognised. We also assessed the adequacy of disclosures in Note 2.20.

2. Recoverability of trade receivables

We refer to Note 2.13 (Material accounting policy information), Note 3.2b (Significant accounting estimates and judgements) and Note 23 (Note on Trade Receivables).

Trade receivable balances of US\$49,536,000 are significant to the Group as they represented 16.7% of the Group's net assets as at 31 December 2024. The collectability of trade receivables is a key element of the Group's working capital management, which is managed on an ongoing basis by management. The Group determines expected credit losses for trade receivables by making debtor-specific assessment for credit-impaired debtors and using provision matrix method for the remaining group of debtors. In determining the estimated credit loss allowance for the Group's trade receivables as at year end, management had considered various factors such as the age of the outstanding balances, historical payment and credit loss patterns over an appropriate period, facts and circumstances specific to the countries and economic environments where the Group operates, correlation between economic conditions and historical credit losses, as well as the forecast of future macro-economic conditions over the expected life of the Group's trade receivables, which require significant management judgement. This estimation is further affected by the economic uncertainty brought on by the ongoing conflict between Russia and Ukraine. Accordingly, we determined that this is a key audit matter.

As part of our audit procedures, we assessed the Group's processes and key controls relating to the monitoring of trade receivables, including the process in determining whether a debtor is credit-impaired. We also considered ageing of the receivables to identify collection risks. We evaluated management's assumptions and inputs used in the computation of historical credit loss rates and reviewed data and information that management had used to make forward-looking adjustments, including consideration on impact arising from the ongoing conflict between Russia and Ukraine. We requested trade receivable confirmations and reviewed for collectability by way of obtaining evidence of subsequent receipts from the trade receivables. We held discussions with management on their assessment of the recoverability of long outstanding receivables in particular receivables that could be affected by the ongoing conflict between Russia and Ukraine, analysed trend of collections and assessed management's assumptions used to determine expected credit losses for such trade receivables notably through consideration of their specific profiles and risks.

We assessed the adequacy of the Group's disclosures on the trade receivables and the related credit risk in Note 38a.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOOD EMPIRE HOLDINGS LIMITED *(cont'd)*

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(cont'd)*

Key audit matters *(cont'd)*

3. Impairment assessment of intangible assets

We refer to Note 2.12 (Material accounting policy information), Note 3.2a (Significant accounting estimates and judgements) and Note 16 (Note on Intangible Assets).

As at 31 December 2024, intangible assets comprise goodwill of US\$5,396,000 and brand of US\$4,789,000, representing 1.8% and 1.6% of the Group's net assets respectively. The Group annually carries out an impairment assessment using a value-in-use model which is based on discounted cash flows of the cash generating units ("CGU"). Management estimated the recoverable value using assumptions in respect of future market and economic conditions to estimate expected revenue and margin, inflation rate, discount rates and economic growth. As disclosed in Note 16, the Group's goodwill is allocated to each of the Group's CGU or group of CGUs. As intangible assets impairment assessment requires management to apply significant judgement in determining the key assumptions, especially in the current economic uncertainty, we determined this a key audit matter.

As part of our audit procedures, we assessed the reasonableness of the key assumptions applied by the Group in determining the recoverable amounts of each CGU. In particular, we tested the underlying assumptions by comparing to historical results for reasonableness, with considerations of the impact on growth forecasts due to the ongoing conflict between Russia and Ukraine. We involved our internal specialist to assess the reasonableness of discount rates and long-term growth rates used by the Group by checking the discount rate to comparable companies and comparing the long-term growth rate to external economic data. We also considered the risk of potential management bias by using our own set of assumptions in developing a range of possible values to evaluate management's point estimates; and performed sensitivity analysis on reasonably possible reduction in the assumed growth rates.

We also considered the adequacy of the note disclosures concerning those key assumptions to which the outcome of the impairment test is most sensitive.

Other information

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOOD EMPIRE HOLDINGS LIMITED *(cont'd)*

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(cont'd)*

Responsibilities of management and directors for the financial statements *(cont'd)*

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOOD EMPIRE HOLDINGS LIMITED *(cont'd)*

Auditor's responsibilities for the audit of the financial statements *(cont'd)*

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lim Tze Yuen.

Ernst & Young LLP

Public Accountants
and Chartered Accountants

Singapore

18 March 2025

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 December 2024

	Note	2024 US\$'000	2023 US\$'000
Revenue	4	476,347	425,715
Cost of sales		(331,955)	(284,264)
Gross profit		144,392	141,451
Selling and marketing expenses		(36,092)	(31,591)
General and administrative expenses		(45,019)	(38,927)
Results from operating activities		63,281	70,933
Other income	5	6,725	1,087
Other expenses	6	(4,052)	(1,658)
Net finance (costs)/income	7	(264)	796
Share of (losses)/profits of associates and joint venture		(500)	1,341
Profit before taxation	8	65,190	72,499
Income tax expense	9	(12,321)	(16,035)
Profit for the year		52,869	56,464
Profit/(loss) attributable to:			
Equity shareholders of the Company		52,528	56,508
Non-controlling interest		341	(44)
		52,869	56,464
Earnings per share			
Basic earnings per share (in cents)	11	9.98	10.75
Diluted earnings per share (in cents)	11	9.93	10.59

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2024

	2024 US\$'000	2023 US\$'000
Profit for the year	52,869	56,464
Other comprehensive income:		
<u>Items that may be reclassified subsequently to profit or loss:</u>		
Foreign currency translation loss	(13,929)	(14,013)
Share of other comprehensive income of associates and joint venture	239	(437)
Other comprehensive income for the year, net of tax	(13,690)	(14,450)
Total comprehensive income for the year	39,179	42,014
Total comprehensive income attributable to:		
Equity shareholders of the Company	39,457	42,058
Non-controlling interest	(278)	(44)
	39,179	42,014

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS

As at 31 December 2024

	Note	Group		Company	
		2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Non-Current Assets					
Property, plant and equipment	12	118,694	103,341	-	-
Right-of-use assets	13	12,634	11,592	135	215
Investments in subsidiaries	14	-	-	44,485	44,485
Investments in associates and joint venture	15	8,503	12,625	-	-
Intangible assets	16	10,185	8,800	-	-
Amount due from joint venture (non-trade)	20	-	4,040	-	-
Other receivables	24	472	389	-	-
Deferred tax assets	17	3,893	3,861	-	-
		<u>154,381</u>	<u>144,648</u>	<u>44,620</u>	<u>44,700</u>
Current Assets					
Inventories	18	110,804	76,720	-	-
Prepaid operating expenses		7,767	5,872	27	24
Deposits		857	654	-	-
Amounts due from subsidiaries (non-trade)	19	-	-	8,666	14,331
Amounts due from associates and joint venture (non-trade)	20	1,118	1,133	-	-
Amounts due from related parties (trade)	22	324	191	-	-
Trade receivables	23	49,536	38,161	93	-
Other receivables	24	4,442	4,240	18	10
Cash and cash equivalents	25	130,852	131,286	24,840	37,649
		<u>305,700</u>	<u>258,257</u>	<u>33,644</u>	<u>52,014</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS

As at 31 December 2024

	Note	Group		Company	
		2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Current Liabilities					
Trade payables and accruals	26	55,771	49,770	5,226	6,097
Other payables	29	6,344	3,683	-	281
Lease liabilities	13	2,395	2,170	39	39
Interest-bearing loans and borrowings	28	27,865	15,033	-	-
Amounts due to subsidiaries (non-trade)	19	-	-	20	21
Amount due to joint venture (non-trade)	20	-	178	-	-
Amounts due to associates (trade)	27	328	188	-	-
Amount due to a minority shareholder (non-trade)	21	168	-	-	-
Amount due to a related party (non-trade)	22	817	792	-	-
Income tax payable		5,655	5,009	112	103
		99,343	76,823	5,397	6,541
Net Current Assets		206,357	181,434	28,247	45,473
Non-Current Liabilities					
Trade payables and accruals	26	335	-	-	-
Lease liabilities	13	3,856	2,507	36	77
Interest-bearing loans and borrowings	28	11,567	21,387	-	-
Redeemable exchangeable notes	30	37,170	-	-	-
Amount due to a minority shareholder (non-trade)	21	3,960	-	-	-
Deferred tax liabilities	17	7,762	7,695	-	-
		64,650	31,589	36	77
Net Assets		296,088	294,493	72,831	90,096
Equity					
Share capital	31	47,502	47,502	47,502	47,502
Treasury shares	31	(15,898)	(14,001)	(15,898)	(14,001)
Reserves	32	262,216	262,141	41,227	56,595
		293,820	295,642	72,831	90,096
Non-controlling interest		2,268	(1,149)	-	-
Total Equity		296,088	294,493	72,831	90,096

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2024

Group	Attributable to equity shareholders of the Company							
	Share capital	Treasury shares	Foreign currency translation reserve	Share-based payment reserve	Accumulated profits	Total	Non-controlling interest	Total equity
2024	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 January 2024	47,502	(14,001)	(26,854)	3,939	285,056	295,642	(1,149)	294,493
Profit for the year	-	-	-	-	52,528	52,528	341	52,869
<u>Other comprehensive income</u>								
Foreign currency translation loss	-	-	(13,310)	-	-	(13,310)	(619)	(13,929)
Share of other comprehensive income of associates and joint venture	-	-	239	-	-	239	-	239
Total comprehensive income for the year	-	-	(13,071)	-	52,528	39,457	(278)	39,179
<u>Contributions by and distributions to owners</u>								
Value of employee services received from the issuance of share options and share awards	-	-	-	948	-	948	-	948
Dividends paid to shareholders of the Company	-	-	-	-	(39,158)	(39,158)	-	(39,158)
Purchase of treasury shares (Note 31)	-	(6,201)	-	-	-	(6,201)	-	(6,201)
Treasury shares reissued pursuant to shared-based incentive plans	-	4,304	-	(1,172)	-	3,132	-	3,132
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	-	(1,897)	-	(224)	(39,158)	(41,279)	-	(41,279)
<u>Others</u>								
Gain of control of a subsidiary without a change in ownership interest but a change in control	-	-	-	-	-	-	3,695	3,695
Total Others	-	-	-	-	-	-	3,695	3,695
Balance as at 31 December 2024	47,502	(15,898)	(39,925)	3,715	298,426	293,820	2,268	296,088

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2024

Group	Attributable to equity shareholders of the Company							Non-controlling interest	Total equity
	Share capital	Treasury shares	Foreign currency translation reserve	Share-based payment reserve	Accumulated profits	Total			
2023	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
Balance as at 1 January 2023	46,168	(6,569)	(12,404)	3,667	245,842	276,704	(1,105)	275,599	
Profit/(loss) for the year	-	-	-	-	56,508	56,508	(44)	56,464	
<u>Other comprehensive income</u>									
Foreign currency translation loss	-	-	(14,013)	-	-	(14,013)	-	(14,013)	
Share of other comprehensive income of associates and joint venture	-	-	(437)	-	-	(437)	-	(437)	
Total comprehensive income for the year	-	-	(14,450)	-	56,508	42,058	(44)	42,014	
<u>Contributions by and distributions to owners</u>									
Value of employee services received from the issuance of share options and share awards	-	-	-	663	-	663	-	663	
Dividends paid to shareholders of the Company	-	-	-	-	(17,294)	(17,294)	-	(17,294)	
Exercise of share options (Note 31)	1,334	-	-	(317)	-	1,017	-	1,017	
Purchase of treasury shares (Note 31)	-	(7,595)	-	-	-	(7,595)	-	(7,595)	
Treasury shares reissued pursuant to shared-based incentive plans	-	163	-	(74)	-	89	-	89	
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	1,334	(7,432)	-	272	(17,294)	(23,120)	-	(23,120)	
Balance as at 31 December 2023	47,502	(14,001)	(26,854)	3,939	285,056	295,642	(1,149)	294,493	

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2024

Company 2024	Share capital US\$'000	Treasury shares US\$'000	Foreign currency translation reserve US\$'000	Share-based payment reserve US\$'000	Accumulated profits US\$'000	Total equity US\$'000
Balance as at 1 January 2024	47,502	(14,001)	1,415	3,939	51,241	90,096
Profit for the year	-	-	-	-	25,462	25,462
Other comprehensive income						
Foreign currency translation loss	-	-	(1,448)	-	-	(1,448)
Total comprehensive income for the year	-	-	(1,448)	-	25,462	24,014
Contributions by and distributions to owners						
Value of employee services received from the issuance of share options and share awards	-	-	-	948	-	948
Dividends paid to shareholders of the Company	-	-	-	-	(39,158)	(39,158)
Purchase of treasury shares	-	(6,201)	-	-	-	(6,201)
Treasury shares reissued pursuant to shared-based incentive plans	-	4,304	-	(1,172)	-	3,132
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	-	(1,897)	-	(224)	(39,158)	(41,279)
Balance as at 31 December 2024	47,502	(15,898)	(33)	3,715	37,545	72,831

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2024

Company	Share capital	Treasury shares	Foreign currency translation reserve	Share-based payment reserve	Accumulated profits	Total equity
2023	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 January 2023	46,168	(6,569)	913	3,667	26,956	71,135
Profit for the year	-	-	-	-	41,579	41,579
<u>Other comprehensive income</u>						
Foreign currency translation gain	-	-	502	-	-	502
Total comprehensive income for the year	-	-	502	-	41,579	42,081
<u>Contributions by and distributions to owners</u>						
Value of employee services received from the issuance of share options and share awards	-	-	-	663	-	663
Dividends paid to shareholders of the Company	-	-	-	-	(17,294)	(17,294)
Exercise of share options	1,334	-	-	(317)	-	1,017
Purchase of treasury shares	-	(7,595)	-	-	-	(7,595)
Treasury shares reissued pursuant to share-based incentive plans	-	163	-	(74)	-	89
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	1,334	(7,432)	-	272	(17,294)	(23,120)
Balance as at 31 December 2023	47,502	(14,001)	1,415	3,939	51,241	90,096

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 December 2024

	Note	2024 US\$'000	2023 US\$'000
Cash flows from operating activities			
Profit before taxation		65,190	72,499
<u>Adjustments for:</u>			
Depreciation of property, plant and equipment	12	8,996	8,362
Depreciation of right-of-use assets	13	2,680	2,453
(Gain)/loss on disposal of property, plant and equipment	5/6	(50)	36
Provisional bargain purchase on gain of control of a subsidiary		(1,598)	-
Fair value gain on redeemable exchangeable notes		(2,830)	-
Interest income	7	(3,975)	(4,335)
Interest expenses	7	4,239	3,539
Impairment loss/(write-back of impairment loss) on trade receivables	23	177	(112)
Impairment loss on other receivables	24	7	1
Inventories written-down	18	1,347	328
Share of losses/(profits) of associates and joint venture		500	(1,341)
Write-back of impairment loss on brand	16	(523)	(498)
Value of employee services received from the issuance of share options and share awards		948	663
Exchange realignment		488	(1,939)
		75,596	79,656
Operating cash flows before changes in working capital			
<u>Changes in working capital</u>			
Increase in trade and other receivables		(8,597)	(6,417)
Increase in inventories		(35,804)	(12,180)
Increase in trade and other payables		6,106	2,220
		37,301	63,279
Cash flows from operations			
Income taxes paid		(11,777)	(12,695)
Net cash flows from operating activities			
		25,524	50,584
Cash flows from investing activities			
Interest received		4,300	3,713
Purchase of property, plant and equipment		(24,430)	(12,519)
Proceeds from disposal of property, plant and equipment		253	16
Prepayment of right-of-use assets		-	(644)
Net cash inflow on gain of control of a subsidiary	14	1,444	-
Dividends received from an associate		91	108
Loan to joint venture		-	(3,040)
		(18,342)	(12,366)
Net cash flows used in investing activities			

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 December 2024

	Note	2024 US\$'000	2023 US\$'000
Cash flows from financing activities			
Interest paid		(4,476)	(3,913)
Proceeds from issuance of shares		-	1,017
Dividends paid to shareholders of the Company		(39,158)	(17,294)
Payment of principal portion of lease liabilities		(2,172)	(1,979)
Repayment of principal portion of interest-bearing loans and borrowings		(63,541)	(78,546)
Proceeds from interest-bearing loans and borrowings		66,681	76,679
Proceeds from redeemable exchangeable notes	30	40,000	-
Proceeds from reissuance of treasury shares pursuant to share-based incentive plans		3,132	89
Purchase of treasury shares		(6,201)	(7,595)
		(5,735)	(31,542)
Net cash flows used in financing activities			
Net increase in cash and cash equivalents		1,447	6,676
Effect of exchange rate changes on cash and cash equivalents		(1,881)	(986)
Cash and cash equivalents at beginning of year		131,286	125,596
		130,852	131,286
Cash and cash equivalents at end of year	25	130,852	131,286

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

1. CORPORATE INFORMATION

The financial statements of Food Empire Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Directors on 18 March 2025.

The Company is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office of the Company is located at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632. The principal place of business of the Company is located at 7 Tampines Grande, #03-01, Asia Green, Singapore 528736.

The principal activity of the Company is investment holding. The principal activities and other details of the subsidiaries are disclosed in Note 14 to the financial statements.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)).

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below. The consolidated financial statements provide comparative information in respect of the previous period.

The Company’s functional currency is Singapore Dollars (“S\$” or “SGD”) while the financial statements are presented in United States Dollars (“US\$” or “USD”). The Group adopted USD as the presentation currency as it is more reflective of the business operations of the Group, where transactions are mostly in USD.

All values in the tables are rounded to the nearest thousand (US\$’000), except when otherwise stated.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2024. The adoption of these new standards and interpretations did not have any material effect on the financial performance or position of the Group.

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to SFRS(I) 1-21: Lack of Exchangeability	1 January 2025
SFRS(I) 9, SFRS(I) 7: Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to SFRS(I)s—Volume 11	1 January 2026
SFRS(I) 18: Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Except for the below, the directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.3 Standards issued but not yet effective *(cont'd)*

SFRS(I) 18: Presentation and Disclosure in Financial Statements

SFRS(I) 18 is a new standard that replaces SFRS(I) 1-1 Presentation of Financial Statements. SFRS(I) 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to SFRS(I) 1-7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

SFRS(I) 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. SFRS(I) 18 will apply retrospectively.

The amendments will have impact on the disclosure in the financial statements but not on the measurement or recognition of any items in the Group's financial statements.

2.4 Basis of consolidation and business combination

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangements with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.4 Basis of consolidation and business combination *(cont'd)*

(a) Basis of consolidation *(cont'd)*

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

(b) Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

Non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, are recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.5 Transactions with non-controlling interest

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.6 Foreign currency

The financial statements are presented in United States Dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operations are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

(b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into USD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.7 Investment in subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's balance sheet, investments in subsidiaries are accounted for at cost less impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.8 Investment in associates and joint ventures

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss in profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.9 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Freehold properties	- 10-50 years
Leasehold properties	- Over the remaining term of lease between 1-60 years
Plant and machinery	- 5-15 years
Furniture and fittings and other equipment	- 3-15 years
Factory and office equipment	- 5-10 years
Computers	- 3-5 years
Motor vehicles	- 3-5 years
Forklifts	- 10 years
Leasehold improvements	- 5-10 years

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.10 Intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the profit or loss in the year in which the expenditure is incurred.

The useful lives of the intangible assets are assessed as indefinite.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.10 Intangible assets *(cont'd)*

Brands

The brand, Petrovskaya Sloboda was acquired in a business combination in 2007. The useful life of the brand is estimated to be indefinite because based on the current market share of the brand, management believes there is no foreseeable limit to the period over which the brand is expected to generate net cash inflows for the Group.

The brands under Tea House LLP were acquired upon the gain in control of Tea House LLP in 2024. The useful life of the brand is estimated to be indefinite because based on the current market share of the brand, management believes there is no foreseeable limit to the period over which the brand is expected to generate net cash inflows for the Group.

2.11 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The Group has debt instruments which are held at amortised cost.

Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.11 Financial instruments

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Financial liabilities at fair value through profit or loss

The Group has redeemable exchangeable notes recognised at fair value through profit or loss. The fair value of the redeemable exchangeable notes is determined at the end of each reporting period.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference in the respective carrying amounts and the consideration paid is recognised in profit or loss.

2.12 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.13 Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash with banks or financial institutions, including fixed deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.15 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Raw materials: costs of direct materials and goods purchased for resale are stated on a weighted average basis.
- Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average basis.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.17 Financial guarantee

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.13 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

2.18 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.19 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold land	- 33–60 years
Office and factory premises	- 2–3 years
Motor vehicles	- 2–3 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.12. The Group's right-of-use assets are presented within Note 13.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are disclosed in Note 13.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.19 Leases *(cont'd)*

As lessee *(cont'd)*

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.20 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Sale of goods

Revenue is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied. The goods are often sold with a right of return and with retrospective volume rebates based on the aggregate sales over a period of time.

The amount of revenue recognised is based on the estimated transaction price, which comprises the contractual price, net of discounts and rebates. Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting date, the Group updates its assessment of the estimated transaction price, including its assessment of whether an estimate of variable consideration is constrained. The corresponding amounts are adjusted against revenue in the period in which the transaction price changes.

(b) Others

Other revenue is recognised when the Group satisfies its performance obligation upon the rendering of services.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.21 Employee benefits

(a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

(c) Employee equity compensation benefits

Employee share option plans

Employees (including senior executives and Directors) of the Group receive remuneration in the form of share options as consideration for services rendered ('equity-settled share based payment transactions').

The cost of these equity-settled share based payment transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted which takes into account market condition and non-vesting conditions. This cost is recognised in profit or loss, with a corresponding increase in the share-based payment reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The employee share option reserve is transferred to accumulated profits upon expiry of the share option.

Where the employee share option plan is cancelled, it is treated as if it vested on the date of cancellation, and any expense that otherwise would have been recognised for services received over the remaining vesting period is recognised immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph. All cancellations of equity-settled transaction awards are treated equally.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.22 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.22 Taxes *(cont'd)*

(b) Deferred tax *(cont'd)*

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

2.23 Segment reporting

For management purposes, the Group is organised into operating segments based on their geographical locations which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 34, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.24 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.25 Treasury shares

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at costs and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.26 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

Management is of the opinion that there is no significant judgement made in the process of applying the Group's accounting policies.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Impairment of intangible assets

As disclosed in Note 16 to the financial statements, the recoverable amounts of the cash-generating units which goodwill and brands have been allocated to are determined based on value-in-use calculations. The value-in-use calculations are based on a discounted cash flow model. The recoverable amount is most sensitive to the discount rates used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. The key assumptions applied in the determination of the value-in-use are disclosed and further explained in Note 16 to the financial statements. The carrying amount of the intangible assets as at 31 December 2024 is US\$10,185,000 (2023: US\$8,800,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS *(cont'd)*

3.2 Key sources of estimation uncertainty *(cont'd)*

(b) Allowance for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances as well as forecasted economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 23.

The carrying amount of trade receivables as at 31 December 2024 is US\$49,536,000 (2023: US\$38,161,000).

(c) Variable consideration arising from discounts and rebates

Revenue is measured taking into account of discounts and rebates earned by customers on the Group's sales, which give rise to variable consideration under SFRS(I) 15. Variable consideration is estimated and is constrained to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty is subsequently resolved.

The Group provides rebates to some of its customers if the customers reach a certain threshold of purchase. The Group applied the "most likely amount method" to estimate the variable consideration to which it will be entitled.

For the financial year ended 31 December 2024, the Group recognised revenue amounting to US\$476,347,000 (2023: US\$425,715,000).

(d) Income taxes

Certain subsidiaries are operating in countries where the practical application of tax legislation is subject to varying interpretations. There is a risk that these subsidiaries could be exposed to further tax liabilities on their income, value added taxes/sales taxes and other taxes for current and prior financial years, if the tax authorities adopt a different interpretation of the tax legislation at the time of finalisation of these tax returns.

(e) Uncertainty arising from on-going conflict between Russia and Ukraine

As at the date of the financial statements, the armed conflict between Russia and Ukraine is still ongoing. As the situation remains volatile and may evolve, the Group is closely monitoring the financial impact to its Russia and Ukraine operations. Based on the information available and the Group's current financial position and resources, the Group has assessed that the use of the going concern assumption remains reasonable.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

4. REVENUE

Disaggregation of revenue

Group segments	Sale of goods		Rental income		Others		Total revenue	
	2024	2023	2024	2023	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Primary geographical markets								
Russia	141,735	143,260	-	-	-	-	141,735	143,260
South-East Asia	129,348	101,605	-	-	3	29	129,351	101,634
Ukraine, Kazakhstan and CIS markets	124,671	110,732	8	5	-	-	124,679	110,737
South Asia	61,351	49,128	-	-	-	-	61,351	49,128
Others	19,131	20,740	-	-	100	216	19,231	20,956
Total	476,236	425,465	8	5	103	245	476,347	425,715

Timing of transfer of goods or services

At a point in time	476,236	425,465	-	-	103	245
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Rental income from the Group's operating leases is accounted for on a straight-line basis over the lease term of the contract.

5. OTHER INCOME

	Group	
	2024	2023
	US\$'000	US\$'000
Provisional bargain purchase on gain of control of a subsidiary	1,598	-
Fair value gain on redeemable exchangeable notes	2,830	-
Gain on disposal of property, plant and equipment	50	-
Write-back of impairment loss on brand	523	498
Sales of scrapped items	349	329
Government grants	526	118
Insurance claims	546	57
Miscellaneous income	303	85
	6,725	1,087

6. OTHER EXPENSES

	Group	
	2024	2023
	US\$'000	US\$'000
Foreign exchange loss	4,052	1,622
Loss on disposal of property, plant and equipment	-	36
	4,052	1,658

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

7. NET FINANCE (COSTS)/INCOME

	Group	
	2024	2023
	US\$'000	US\$'000
Interest income from:		
- Bank deposits	3,975	4,335
Interest expenses on:		
- Bank loans	(2,836)	(2,518)
- Lease liabilities	(489)	(511)
- Redeemable exchangeable notes	(368)	-
- Others	(546)	(510)
	<u>(264)</u>	<u>796</u>

8. PROFIT BEFORE TAXATION

The following items have been included in arriving at profit before taxation:

	Group	
	2024	2023
	US\$'000	US\$'000
Audit fees paid to:		
- Auditors of the Company	236	207
- Other auditors	236	200
Non-audit fees paid to:		
- Auditors of the Company	40	85
- Other auditors	99	90
Directors' fee:		
- Directors of the Group	347	367
Depreciation of property, plant and equipment	8,996	8,362
Depreciation of right-of-use assets	2,680	2,453
Impairment loss/(write-back of impairment loss) on trade receivables	177	(112)
Impairment loss on other receivables	7	1
Inventories written-down	1,347	328
Advertising and promotion expenses	10,298	11,189
Legal and professional fees	3,016	1,642
Office upkeep and administrative expenses	2,337	2,154
Employee benefits expense (Note 33)	<u>68,545</u>	<u>58,174</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

9. INCOME TAX EXPENSE

Major components of income tax expenses

The major components of income tax expenses for the years ended 31 December 2024 and 2023 are:

	Group	
	2024	2023
	US\$'000	US\$'000
Consolidated income statement		
Current income tax		
- Current income taxation	12,836	13,805
- (Over)/under provision in respect of prior years	(396)	156
	<u>12,440</u>	<u>13,961</u>
Deferred income tax		
- Origination and reversal of temporary differences	(432)	940
- Under provision in respect of prior years	313	1,134
	<u>(119)</u>	<u>2,074</u>
Income tax expense recognised in profit or loss	<u>12,321</u>	<u>16,035</u>

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2024 and 2023 is as follows:

	Group	
	2024	2023
	US\$'000	US\$'000
Accounting profit before tax	<u>65,190</u>	<u>72,499</u>
Tax at the domestic rates applicable to profits in the countries where the Group operates	15,398	17,934
Adjustments:		
Non-deductible expenses	5,533	2,271
Income not subject to taxation	(5,603)	(4,806)
Effect of partial tax exemption and tax relief	(802)	(691)
Deferred tax assets not recognised	113	1
Effect of change in domestic tax rate	(110)	-
(Over)/under provision of current taxation in respect of prior years	(396)	156
Under provision of deferred taxation in respect of prior years	313	1,134
Deferred tax asset recognised on current year reinvestment allowance incentive	(2,051)	-
Others	(74)	36
Income tax expense recognised in profit or loss	<u>12,321</u>	<u>16,035</u>

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

10. DIVIDENDS

	Group and Company	
	2024	2023
	US\$'000	US\$'000
Declared and paid during the financial year:		
<i>Dividends on ordinary shares:</i>		
- Final exempt (one-tier) dividend for 2023: S\$0.0500 (2022: S\$0.0440) per share	19,579	17,294
- Special exempt (one-tier) dividend for 2023: S\$0.0500 (2022: S\$Nil) per share	19,579	-
Proposed but not recognised as a liability as at 31 December:		
<i>Dividends on ordinary shares, subject to shareholder approval at the Annual General Meeting:</i>		
- Final exempt (one-tier) dividend for 2024: S\$0.0600 (2023: S\$0.0500) per share	23,384	19,579
- Special exempt (one-tier) dividend for 2024: S\$0.0200 (2023: S\$0.0500) per share	7,795	19,579

11. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share are calculated by dividing the profit for the year, net of tax, attributable to ordinary equity shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The following table reflects the profit and share data used in the computation of basic earnings per share for the years ended 31 December:

	Group	
	2024	2023
	US\$'000	US\$'000
Net profit for the year used in computing basic earnings per share	52,528	56,508
	No. of shares '000	
Weighted average number of ordinary shares used in basic earnings per share computation*	526,140	525,581

* The weighted average number of shares takes into account the weighted average effect of changes in treasury shares transactions during the year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

11. EARNINGS PER SHARE *(cont'd)*

(b) Diluted earnings per share

Diluted earnings per share are calculated by dividing the profit for the year, net of tax, attributable to original equity shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the profit and shares data used in the computation of dilutive earnings per share for the years ended 31 December:

	Group	
	2024 US\$'000	2023 US\$'000
Net profit for the year used in computing diluted earnings per share	52,528	56,508
	No. of shares '000	
Weighted average number of shares issued, used in basic earnings per share computation*	526,140	525,581
Dilutive effect of share options	2,957	7,904
Weighted average number of ordinary shares used in diluted earnings per share computation*	529,097	533,485

* The weighted average number of shares takes into account the weighted average effect of changes in treasury shares transactions during the year.

In 2024, 4,165,000 share options granted to employees under the existing employee share option plans had not been included in the calculation of diluted earnings per share because they were anti-dilutive. There were none in 2023.

Since the end of the financial year, senior executives have exercised the options to acquire 505,000 (2023: 6,085,000) ordinary shares. There were no significant transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

12. PROPERTY, PLANT AND EQUIPMENT

Group	Land and buildings US\$'000	Plant and machinery, furniture and other equipment US\$'000	Factory and office equipment and computers US\$'000	Forklifts and motor vehicles US\$'000	Leasehold improvements US\$'000	Capital work-in-progress US\$'000	Total US\$'000
Cost							
At 1 January 2023	41,323	84,965	7,213	2,832	7,241	11,607	155,181
Additions	-	497	118	127	46	10,625	11,413
Disposals	(27)	(472)	(169)	(78)	(72)	-	(818)
Reclassifications	179	2,862	301	138	327	(3,807)	-
Exchange realignment	(105)	(1,583)	(272)	(180)	(181)	(62)	(2,383)
At 31 December 2023 and 1 January 2024	41,370	86,269	7,191	2,839	7,361	18,363	163,393
Additions	436	1,155	375	109	1,531	18,361	21,967
Disposals	(20)	(437)	(306)	(203)	(1,198)	-	(2,164)
Gain of control of a subsidiary	2,486	5,440	56	-	-	-	7,982
Reclassifications	7,366	12,561	874	262	1,812	(22,875)	-
Exchange realignment	(615)	(1,856)	(200)	(122)	(103)	(303)	(3,199)
At 31 December 2024	51,023	103,132	7,990	2,885	9,403	13,546	187,979
Accumulated depreciation and impairment loss							
At 1 January 2023	5,714	35,987	5,772	2,134	4,323	-	53,930
Charge for the year	804	6,374	449	217	518	-	8,362
Disposals	(5)	(451)	(167)	(75)	(68)	-	(766)
Exchange realignment	(25)	(994)	(212)	(125)	(118)	-	(1,474)
At 31 December 2023 and 1 January 2024	6,488	40,916	5,842	2,151	4,655	-	60,052
Charge for the year	974	6,410	630	275	707	-	8,996
Disposals	(4)	(297)	(383)	(174)	(1,103)	-	(1,961)
Gain of control of a subsidiary	252	3,501	40	-	-	-	3,793
Exchange realignment	(103)	(1,194)	(146)	(83)	(69)	-	(1,595)
At 31 December 2024	7,607	49,336	5,983	2,169	4,190	-	69,285
Net carrying amount							
At 31 December 2023	43,416	53,796	2,007	716	5,213	13,546	118,694
At 31 December 2024	34,882	45,353	1,349	688	2,706	18,363	103,341

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

12. PROPERTY, PLANT AND EQUIPMENT *(cont'd)*

Capitalisation of borrowing costs

The Group's property, plant and equipment include borrowing costs arising from bank loans made specifically for the purpose of the construction of an item of property, plant and equipment. During the financial year, the borrowing costs capitalised and included in capital work-in-progress amounted to US\$237,000 (2023: US\$374,000).

As at 31 December 2024, land and buildings consist of freehold properties of US\$16,512,000 (2023: US\$15,754,000) and leasehold properties of US\$26,904,000 (2023: US\$19,128,000).

The following are the carrying amounts of property, plant and equipment that are mortgaged to obtain bank loans:

	Group	
	2024 US\$'000	2023 US\$'000
Land and buildings	31,059	24,420
Plant and machinery	38,325	40,355
Other equipment	2,562	2,648
Capital work-in-progress	280	247
	<u>72,226</u>	<u>67,670</u>

Information on the borrowing facilities of the Group is disclosed in Note 28.

13. LEASES

Group as a lessee

The Group has lease contracts for various items of leasehold land, office and factory premises and motor vehicles used in its operations. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options, which are further discussed below.

The Group also has certain leases of machinery, storage facilities and office premises with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

13. LEASES (cont'd)

Group as a lessee (cont'd)

(a) Carrying amounts of right-of-use assets

Group	Leasehold land	Office and factory premises	Motor Vehicles	Total
	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January 2023	7,493	5,317	284	13,094
Additions	644	1,297	-	1,941
Depreciation	(184)	(2,195)	(74)	(2,453)
Effects of lease modifications	-	(38)	-	(38)
Exchange realignment	(3)	(954)	5	(952)
At 31 December 2023 and 1 January 2024	7,950	3,427	215	11,592
Additions	-	3,199	-	3,199
Depreciation	(190)	(2,415)	(75)	(2,680)
Gain of control of a subsidiary	-	230	-	230
Effects of lease modifications	-	514	-	514
Exchange realignment	(6)	(210)	(5)	(221)
At 31 December 2024	7,754	4,745	135	12,634

Company	Motor Vehicles
	US\$'000
At 1 January 2023	284
Depreciation	(74)
Exchange realignment	5
At 31 December 2023 and 1 January 2024	215
Depreciation	(75)
Exchange realignment	(5)
At 31 December 2024	135

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

13. LEASES (cont'd)

Group as a lessee (cont'd)

(b) Lease liabilities

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
At 1 January	4,677	6,362	116	150
Additions	3,199	1,297	-	-
Accretion of interest	489	511	2	3
Payments	(2,661)	(2,490)	(40)	(40)
Gain of control of a subsidiary	288	-	-	-
Effects of lease modifications	514	(38)	-	-
Exchange realignment	(255)	(965)	(3)	3
At 31 December	6,251	4,677	75	116
Current	2,395	2,170	39	39
Non-current	3,856	2,507	36	77

The maturity analysis of lease liabilities is disclosed in Note 38b.

(c) Amounts recognised in profit or loss

	Group	
	2024 US\$'000	2023 US\$'000
Depreciation expense of right-of-use assets	2,680	2,453
Interest expense on lease liabilities (Note 7)	489	511
Lease expense not capitalised in lease liabilities and included in general and administrative expenses:		
- Expense relating to short-term leases	1,432	1,115
- Expense relating to low-value assets	21	24
Total amount recognised in profit or loss	4,622	4,103

(d) Total cash outflow

The Group had total cash outflows for leases, including short-term leases and low-value assets, amounting to US\$4,114,000 (2023: US\$4,273,000). The Group also had non-cash additions to right-of-use assets and lease liabilities of US\$3,199,000 (2023: US\$1,297,000) in 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

13. LEASES (cont'd)

Group as a lessee (cont'd)

(e) Extension options

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	Within five years	Group More than five years	Total
	US\$'000	US\$'000	US\$'000
2024			
Extension options expected not to be exercised	–	6,650	6,650
2023			
Extension options expected not to be exercised	–	3,165	3,165

14. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024	2023
	US\$'000	US\$'000
Unquoted shares, at cost	44,485	44,485

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

14. INVESTMENTS IN SUBSIDIARIES *(cont'd)*

Composition of the Group

Details of the subsidiaries as at 31 December are as follows:

Name of company (Country of incorporation)	Principal activities	Percentage of equity held by the Group	
		2024 %	2023 %
<i>Held by the Company</i>			
Future Enterprises Pte Ltd ⁽¹⁾ (Singapore)	Sales and marketing of instant food and beverages	100	100
EPIQ Food Services Pte Ltd ⁽¹⁾ (Singapore)	Investment holding	100	100
Empire APAC Pte Ltd ^{*(12)} (Singapore)	Investment holding	100	–
Future Investment Holdings Pte Ltd ⁽¹⁾ (Singapore)	Investment holding	100	100
<i>Held by Future Enterprises Pte Ltd</i>			
FER (HK) Limited ⁽³⁾ (Hong Kong)	Investment holding	100	100
WELLDiS LLP ^{**⁽⁶⁾} (Kazakhstan)	Distribution, procurement, wholesale and trade of beverage products	100	100
Empire Manufacturing Sdn Bhd ⁽²⁾ (Malaysia)	Manufacturing food and beverages and real estate activities relating to own or lease property	100	100
Empire International Sdn Bhd ⁽²⁾ (Malaysia)	International procurement centre, procuring and selling of raw materials, processed and non-processed food and finished goods	100	100
Food Excellence Specialist Sdn Bhd ⁽²⁾ (Malaysia)	Manufacturing food and beverages	100	100
Mei Ka Fei (Hohhot) Trade Co., Ltd ⁽¹⁰⁾ (People's Republic of China)	Trading (import and export) of Group's products	100	100
Empire Food Trading Co Ltd ⁽⁹⁾ (Mongolia)	General trading	100	100

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

14. INVESTMENTS IN SUBSIDIARIES *(cont'd)*

Composition of the Group *(cont'd)*

Name of company (Country of incorporation)	Principal activities	Percentage of equity held by the Group	
		2024 %	2023 %
<i>Held by Future Enterprises Pte Ltd <i>(cont'd)</i></i>			
FES Products LLC ⁽¹¹⁾ (Russia)	Manufacturing and distribution of instant food and beverages	100	100
FES (Vietnam) Co., Ltd ⁽²⁾ (Vietnam)	Manufacturing and distribution of instant food and beverages	100	100
FES UKR LLC ⁽²⁾ (Ukraine)	Production, preparation, packaging and distribution of instant beverages	100	100
Ukragroinvest-2005 LLC ⁽⁶⁾ (Ukraine)	Dormant	100	100
FE Foods Philippines Inc. ⁽⁶⁾ (Philippines)	Dormant	100	100
FE Global DMCC ⁽⁴⁾ (United Arab Emirates – Dubai)	Marketing management, foodstuff & beverages, snack food, tea, coffee, confectionary and chocolate trading	100	100
FE Food (Cambodia) Co., Ltd. ⁽⁷⁾ (Cambodia)	Wholesale of food and beverages	100	100
Indus Coffee (Vietnam) Co., Ltd. ⁽²⁾ (Vietnam)	Manufacturing and export of freeze-dried instant coffee	100	–
FES Food International FZE ⁽¹²⁾ (United Arab Emirates)	Food & beverages, snack food, dairy products, tea, coffee, confectionery & chocolate and raw materials trading	100	–
Tea House LLP ^{**⁽⁶⁾(13)} (Kazakhstan)	Production and sale of tea and infusions	50.50	–
<i>Held by FER (HK) Limited</i>			
FES International FZE ^{***⁽⁴⁾} (United Arab Emirates – Dafza)	Dormant	–	100
<i>Held by Ukragroinvest-2005 LLC</i>			
FE Production Ltd ⁽⁶⁾ (Ukraine)	Manufacturing of food products	100	100

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

14. INVESTMENTS IN SUBSIDIARIES *(cont'd)*

Composition of the Group *(cont'd)*

Name of company (Country of incorporation)	Principal activities	Percentage of equity held by the Group	
		2024 %	2023 %
<i>Held by Future Investment Holdings Pte Ltd</i>			
Coffee One Coffee System Pte Ltd ⁽⁵⁾ (Singapore)	Dormant	51	51
Empire Manufacturing Kazakhstan LLP ^{**⁽⁶⁾} (Kazakhstan)	Production and sales of instant coffee and tea	100	100
Hallyu Ventures Pte Ltd ⁽¹⁾ (Singapore)	Investment holding company	51	51
<i>Jointly held by EPIQ Food Services Pte Ltd and Future Investment Holdings Pte Ltd</i>			
Global Food Excellence Ltd ⁽⁸⁾ (Nigeria)	Marketing support of Group's products	100	100
Indus Coffee Private Limited ⁽²⁾ (India)	Manufacturing and packaging of instant coffee	100	100

⁽¹⁾ Audited by Ernst & Young LLP, Singapore.

⁽²⁾ Audited by associated firms of Ernst & Young LLP, Singapore.

⁽³⁾ Audited by Chow & Ng CPA Limited.

⁽⁴⁾ Audited by Rao & Ross Chartered Accountants.

⁽⁵⁾ Undergoing voluntary liquidation, not required to be audited in 2024.

⁽⁶⁾ Not required to be audited by the law of its country of incorporation.

⁽⁷⁾ Audited by BG Associates Ltd.

⁽⁸⁾ Audited by UHY Maaji and Co.

⁽⁹⁾ Audited by Peace and Perfect Audit LLC.

⁽¹⁰⁾ Audited by Hohhot Jing Xiang Lian He Accounting Firm.

⁽¹¹⁾ Audited by TSATR – Audit Services LLC.

⁽¹²⁾ Newly incorporated, not required to be audited in 2024.

⁽¹³⁾ In 2024, Tea House LLP was reclassified from investments in associates and joint venture to investment in subsidiaries as the Group gained control over Tea House LLP. There was no change in shareholding interest.

* Audited by Ernst & Young LLP, Singapore for the purposes of group reporting.

** Audited by Grant Thornton LLP, Kazakhstan for the purposes of group reporting.

*** Entity liquidated in 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

14. INVESTMENTS IN SUBSIDIARIES *(cont'd)*

Gain of control of a subsidiary

On 16 May 2024, the Group's wholly owned subsidiary Future Enterprises Pte Ltd ("FEPL") amended the foundation agreement with Avira Holdings B.V. ("Foundation Agreement") pursuant to which FEPL has control over Tea House LLP ("Tea House"). Following the completion of the Foundation Agreement, Tea House became a subsidiary of FEPL. There was no change in the shareholding interest of FEPL in Tea House.

During the current financial year, the Group completed a provisional purchase price allocation exercise of Tea House and recognised a provisional gain on bargain purchase of US\$1,598,000 which is presented under 'Other income' line item of the consolidated income statement. The 49.5% non-controlling interest's share of the provisional gain on bargain purchase is presented under 'Non-controlling interest' line item of the consolidated income statement.

The fair value of the identifiable assets and liabilities of Tea House as at the date of gain of control were:

	2024 US\$'000
Assets	
Property, plant and equipment	4,189
Intangible assets	2,555
Inventories	6,655
Trade receivables	6,211
Cash and cash equivalents	1,444
	<u>21,054</u>
Liabilities	
Trade payables and accruals	(11,872)
Income tax payable	(13)
Deferred tax liabilities	(106)
	<u>(11,991)</u>
Total identifiable net assets at fair value	<u>9,063</u>
Proportion of the Group's ownership	50.50%
Group's share of net identifiable assets at fair value	4,577
Provisional bargain purchase on gain of control of a subsidiary	<u>(807)</u>
Transfer from cost of investment in joint venture	<u>3,770</u>
<u>Net cash inflow on gain of control of a subsidiary</u>	
Cash consideration	-
Add: Cash and cash equivalents of a subsidiary acquired	<u>1,444</u>
Net cash inflow from gain of control of a subsidiary	<u>1,444</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

15. INVESTMENTS IN ASSOCIATES AND JOINT VENTURE

The Group's investments in associates and joint venture are summarised below:

	Group	
	2024 US\$'000	2023 US\$'000
Investments in associates		
Triple Ace Ventures Limited	3,522	3,588
Empire Teas (PVT) Ltd	4,981	5,322
Caffe Bene Co., Ltd.	-	-
Other associates	-	-
	8,503	8,910
Investment in joint venture		
Tea House LLP	-	3,715
	8,503	12,625

Details of the associates and joint venture are as follows:

Name of company (Country of incorporation)	Principal activities	Percentage of equity held by the Group	
		2024 %	2023 %
Held by subsidiaries			
Triple Ace Ventures Limited ⁽¹⁾ (British Virgin Islands)	Investment holding	50.00	50.00
Empire Teas (PVT) Ltd ⁽²⁾ (Sri Lanka)	Exporter of bulk, packet and bagged tea	30.00	30.00
Caffe Bene Co., Ltd. ⁽³⁾ (South Korea)	Coffee house chain	19.18	19.18
101 Caffe S.r.l. ⁽⁴⁾ (The Republic of Italy)	Distribution of coffee paraphernalia including pods, pads and capsules through its franchise network	22.48	22.48
Positive Food Ventures Private Limited ⁽⁵⁾ (India)	Manufacturing and marketing ready-to-drink beverages	33.13	33.13
Tea House LLP ⁽⁶⁾⁽⁷⁾ (Kazakhstan)	Production and sale of tea and infusions	-	50.50

⁽¹⁾ Audited by N.D,S & Co, Chartered Accountants, India.

⁽²⁾ Audited by Ernst & Young, Sri Lanka.

⁽³⁾ Audited by Dong-A & Song-Kang Accounting Corporation, Korea.

⁽⁴⁾ Audited by BDO, Italy.

⁽⁵⁾ Audited by Chirag Sehgal & Co., Chartered Accountants, India.

⁽⁶⁾ Not required to be audited by the law of its country of incorporation.

⁽⁷⁾ In 2024, Tea House LLP was reclassified from investments in associates and joint venture to investment in subsidiaries as the Group gained control over Tea House LLP (Note 14).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

15. INVESTMENTS IN ASSOCIATES AND JOINT VENTURE *(cont'd)*

The summarised financial information in respect of the Group's material associates based on their financial statements and a reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

Summarised balance sheet

	Triple Ace Ventures Limited		Empire Teas (PVT) Ltd		Caffe Bene Co., Ltd.	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Current assets	3,426	2,543	53,727	48,314	1,594	1,910
Non-current assets	7,473	8,417	9,620	6,611	1,727	5,411
Total assets	10,899	10,960	63,347	54,925	3,321	7,321
Current liabilities	(3,791)	(3,709)	(44,900)	(35,651)	(12,849)	(13,550)
Non-current liabilities	(64)	(74)	(1,844)	(1,534)	(6,678)	(11,987)
Total liabilities	(3,855)	(3,783)	(46,744)	(37,185)	(19,527)	(25,537)
Net assets/(liabilities)	7,044	7,177	16,603	17,740	(16,206)	(18,216)
Proportion of the Group's ownership	50.00%	50.00%	30.00%	30.00%	19.18%	19.18%
Group's share of net assets/ (liabilities)	3,522	3,588	4,981	5,322	(3,108)	(3,493)
Goodwill on acquisition	-	-	-	-	8,440	8,440
Fair value adjustment on acquisition	-	-	-	-	2,123	2,123
Impairment loss	-	-	-	-	(4,281)	(4,281)
Accumulated share of unrecognised losses	-	-	-	-	495	880
Transfer to investment in subsidiaries	-	-	-	-	-	-
Others	-	-	-	-	(3,669)	(3,669)
Carrying amount of the investments	3,522	3,588	4,981	5,322	-	-

Summarised statement of comprehensive income

	Triple Ace Ventures Limited		Empire Teas (PVT) Ltd		Caffe Bene Co., Ltd.	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Revenue	2,578	2,785	79,996	87,618	5,347	10,327
Profit/(loss) after tax	792	359	(2,782)	442	(404)	(1,625)
Other comprehensive income	(925)	(2,126)	1,949	1,834	2,414	52
Total comprehensive income	(133)	(1,767)	(833)	2,276	2,010	(1,573)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

15. INVESTMENTS IN ASSOCIATES AND JOINT VENTURE *(cont'd)*

Aggregate information about the Group's investments in associates that are not individually material are as follows:

	Group	
	2024	2023
	US\$'000	US\$'000
Loss for the year	(4,210)	(1,825)
Other comprehensive income	(5)	(57)
Total comprehensive income	<u>(4,215)</u>	<u>(1,882)</u>

During the year ended 31 December 2024, the Group received dividend income from Empire Teas (PVT) Ltd of US\$91,000 (2023: US\$108,000).

The associates and joint venture have no capital commitments and contingent liabilities as at 31 December 2024 (2023: Nil).

16. INTANGIBLE ASSETS

	Goodwill	Group Brands	Total
	US\$'000	US\$'000	US\$'000
Cost			
At 1 January 2023, 31 December 2023 and 1 January 2024	7,489	8,361	15,850
Gain of control of a subsidiary	-	2,555	2,555
Exchange realignment	(1,288)	(405)	(1,693)
At 31 December 2024	<u>6,201</u>	<u>10,511</u>	<u>16,712</u>
Accumulated impairment			
At 1 January 2023	805	6,743	7,548
Write-back of impairment loss	-	(498)	(498)
At 31 December 2023 and 1 January 2024	805	6,245	7,050
Write-back of impairment loss	-	(523)	(523)
At 31 December 2024	<u>805</u>	<u>5,722</u>	<u>6,527</u>
Net carrying amount			
At 31 December 2024	<u>5,396</u>	<u>4,789</u>	<u>10,185</u>
At 31 December 2023	<u>6,684</u>	<u>2,116</u>	<u>8,800</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

16. INTANGIBLE ASSETS (cont'd)

Impairment testing of goodwill and brands

Goodwill and brands acquired through business combinations have been allocated to the Group's cash-generating units ("CGUs") or group of CGUs for impairment testing.

The carrying amounts of goodwill and brands allocated to each of the Group's CGUs or group of CGUs are as follows:

	Group	
	2024	2023
	US\$'000	US\$'000
Goodwill		
- Procurement business for the Group's Russia operating segment	3,509	4,797
- Manufacturing and trading businesses in Malaysia	1,887	1,887
	5,396	6,684
Brands	4,789	2,116
	10,185	8,800

During the financial year ended 31 December 2024, the Group recognised US\$2,555,000 of brands on its consolidated balance sheet as part of its gain in control of Tea House LLP (Note 14).

The recoverable amounts of the Group's CGUs or group of CGUs have been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The pre-tax discount rate applied to the cash flow projections and the forecasted growth rate used to extrapolate cash flow projections beyond the five-year period are as follows:

	Goodwill				Brands	
	Procurement business for the Group's Russia operating segment		Manufacturing and trading businesses in Malaysia		2024	2023
	2024	2023	2024	2023		
Terminal growth rates	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Pre-tax discount rates	19.87%	30.05%	17.51%	23.27%	25.85%	36.01%

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

16. INTANGIBLE ASSETS *(cont'd)*

Key assumptions used in the value-in-use calculations

The calculations of value-in-use for the Group's CGUs or group of CGUs are most sensitive to the following assumptions:

Forecasted sales growth – For the first five years of forecasted sales growth, sales are based on actual values achieved in the years preceding the start of the budget period. These are adjusted over the budget period of the next five years. An average sales growth of 3% (2023: 5%) and 4% (2023: 4%) per annum were applied for brands and goodwill respectively for the next five years.

Royalty rate – Royalty rates are based on the median royalty rates of an average of comparable royalty rates extracted from a published database provider.

Terminal growth rates – The forecasted growth rates beyond the five years period are based on published industry research and do not exceed the long-term average growth rate for the mature industry that the Group's CGU or group of CGUs are in.

Pre-tax discount rates – Discount rates represent the current market assessment of the risks specific to each CGU or group of CGUs, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Sensitivity to changes in assumptions

With regard to the assessment of value-in-use for the Group's CGUs or group of CGUs, management believes that no reasonably possible change in all of the above key assumptions would cause the recoverable amounts of the units to materially fall below its carrying amount.

Impairment loss

During the year, the Group recognised a write-back of impairment loss of US\$523,000 (2023: US\$498,000) on its Petrovskaya Sloboda brand due to improvement in the performance of the brand.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

17. DEFERRED TAX

Deferred tax as at 31 December relates to the following:

	Group	
	2024	2023
	US\$'000	US\$'000
Deferred tax assets/(liabilities):		
Provisions	1,995	1,850
Unutilised tax losses	1,456	480
Excess of net book value over tax written down value	(9,035)	(7,974)
Unrealised profits on inventories	2,002	2,001
Others	(287)	(191)
	<u>(3,869)</u>	<u>(3,834)</u>
Presented as:		
Deferred tax assets	3,893	3,861
Deferred tax liabilities	<u>(7,762)</u>	<u>(7,695)</u>

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities, and when deferred tax assets and the deferred tax liabilities relate to the same taxation authority.

Deferred tax assets are recognised to the extent that realisation of the related tax benefits through future taxable profits are probable.

Unrecognised tax losses

At the end of the reporting period, the Group has tax losses of approximately US\$1,908,000 (2023: US\$2,535,000) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these unutilised tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the subsidiaries operate. The tax losses have no expiry date except for amounts of US\$1,828,000 (2023: US\$2,449,000) which have expiry periods ranging from 1 to 10 years from the date that the losses were incurred.

Unrecognised temporary differences relating to investments in subsidiaries

At the end of the reporting period, no deferred tax liability (2023: US\$Nil) has been recognised for taxes that would be payable on the undistributed earnings of certain of the Group's subsidiaries as the Group has determined that undistributed earnings of its subsidiaries will not be distributed in the foreseeable future.

Such temporary differences for which no deferred tax liability has been recognised amounted to US\$101,036,000 (2023: US\$83,681,000).

Tax consequences of proposed dividends

There are no income tax consequences (2023: US\$Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 10).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

18. INVENTORIES

	Group	
	2024	2023
	US\$'000	US\$'000
Balance sheet:		
Raw materials	55,047	31,409
Packaging materials	12,098	10,319
Finished products/trading goods	43,659	34,992
Total inventories at lower of cost and net realisable value	110,804	76,720
Income statement:		
Inventories recognised as an expense in cost of sales	273,080	229,510
Inclusive of the following charge:		
- Inventories written-down	1,347	328

19. AMOUNTS DUE FROM/(TO) SUBSIDIARIES (NON-TRADE)

	Company	
	2024	2023
	US\$'000	US\$'000
Amounts due from subsidiaries	8,666	14,331
Amounts due to subsidiaries	(20)	(21)

The amounts due from and due to subsidiaries are unsecured, non-interest bearing, expected to be settled in cash and are repayable on demand.

20. AMOUNTS DUE FROM/(TO) ASSOCIATES AND JOINT VENTURE (NON-TRADE)

	Group	
	2024	2023
	US\$'000	US\$'000
Non-current		
Loan to joint venture	-	4,040
Current		
Amount due from an associate	1,118	1,118
Amount due from joint venture	-	15
Amount due to joint venture	-	(178)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

20. AMOUNTS DUE FROM/(TO) ASSOCIATES AND JOINT VENTURE (NON-TRADE) (cont'd)

The Group has loans to associates that are impaired at the end of the reporting period. The movement in allowance accounts used to record the impairment are as follows:

	Group	
	2024	2023
	US\$'000	US\$'000
Loans to associates	5,099	5,364
Allowance for impairment	(5,099)	(5,364)
	-	-
	5,364	5,359
	-	5
	(265)	-
	5,099	5,364

Amounts due from/(to) associates and joint venture (non-trade)

The current amount due from an associate is unsecured, non-interest bearing, expected to be settled in cash and is repayable on demand.

The current amount due from joint venture relates to the interest charged on the loan arrangement with the Group's joint venture, Tea House LLP (Note 15). The amount was unsecured, expected to be settled in cash and was repayable on demand. During the financial year ended 31 December 2024, Tea House LLP became a subsidiary of the Group which resulted in the Nil balance of the current amount due from joint venture as at 31 December 2024.

The current amount due to joint venture was unsecured, non-interest bearing, expected to be settled in cash and was repayable on demand. This amount was fully settled in 2024.

Loans to associates and joint venture

Loan to joint venture was unsecured, bore interest at 8.4% per annum (2023: 8.4%) and expected to be settled in cash and was repayable in instalments from 2026 to 2029.

The loan to joint venture was disbursed via one of the Group's wholly owned subsidiary, Future Enterprises Pte Ltd, to Tea House LLP. During the financial year ended 31 December 2024, Tea House LLP became a subsidiary of the Group which resulted in the Nil balance of the loan to joint venture as at 31 December 2024.

Loans to associates are unsecured, non-interest bearing and repayable on demand. The loans are repayable either by cash or by issuance of common shares by the associates. The loans remain fully impaired as of 31 December 2024 and 2023.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

21. AMOUNT DUE TO A MINORITY SHAREHOLDER (NON-TRADE)

	Group	
	2024	2023
	US\$'000	US\$'000
Non-current		
Amount due to a minority shareholder (non-trade)	(3,960)	-
Current		
Amount due to a minority shareholder (non-trade)	(168)	-

The non-current amount due to a minority shareholder (non-trade) is unsecured, bears interest at 8.4% per annum and expected to be settled in cash and is repayable in instalments from 2026 to 2029.

The current amount due to a minority shareholder (non-trade) relates to the interest charged on the non-current amount due to a minority shareholder.

22. AMOUNTS DUE FROM/(TO) RELATED PARTIES

	Group	
	2024	2023
	US\$'000	US\$'000
Amounts due from related parties (trade)	324	191
Amount due to a related party (non-trade)	(817)	(792)

The amounts due from related parties are unsecured, non-interest bearing and are on 30 to 60 days' credit terms.

The amount due to a related party is unsecured, non-interest bearing and is repayable on demand.

23. TRADE RECEIVABLES

	Group	
	2024	2023
	US\$'000	US\$'000
Trade receivables	49,924	39,418
Allowance for expected credit losses	(388)	(1,257)
	49,536	38,161

Trade receivables are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Significant trade receivables denominated in foreign currencies as at 31 December are as follows:

	Group	
	2024	2023
	US\$'000	US\$'000
United States Dollar	6,024	5,409
Malaysia Ringgit	1,586	2,434

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

23. TRADE RECEIVABLES *(cont'd)*

Expected credit losses

The movement in allowance for expected credit losses of trade receivables is computed based on lifetime ECL are as follows:

	Group	
	2024 US\$'000	2023 US\$'000
Movement in allowance accounts:		
At 1 January	1,257	1,666
Charge for the year	304	7
Written off	(896)	(4)
Written back	(127)	(119)
Exchange realignment	(150)	(293)
At 31 December	388	1,257

24. OTHER RECEIVABLES

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Staff advances	196	236	-	-
Tax recoverable	3,346	3,169	-	-
Sundry receivables	1,405	1,262	18	10
Allowance for doubtful receivables	(33)	(38)	-	-
	4,914	4,629	18	10
Current	4,442	4,240	18	10
Non-current	472	389	-	-

	Group	
	<i>Individually impaired</i>	
	2024 US\$'000	2023 US\$'000
Movement in allowance accounts:		
At 1 January	38	37
Charge for the year	10	1
Written back	(3)	-
Written off	(7)	-
Exchange realignment	(5)	-
At 31 December	33	38

Staff advances are unsecured and non-interest bearing.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

25. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
Cash at banks and on hand	44,819	45,071	1,787	1,618
Short-term deposits	86,033	86,215	23,053	36,031
Cash and short-term deposits	130,852	131,286	24,840	37,649

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits earn interest at the respective short-term deposit rates.

Significant cash and short-term deposits denominated in foreign currencies as at 31 December are as follows:

	Group		Company	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
United States Dollar	2,688	4,442	841	803
Singapore Dollar	1,201	762	-	-
Euro	308	303	-	-
Malaysia Ringgit	1,606	1,056	-	-

26. TRADE PAYABLES AND ACCRUALS

	Group		Company	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
Trade payables	33,661	28,981	77	461
Accruals	22,445	20,789	5,149	5,636
Total trade payables and accruals	56,106	49,770	5,226	6,097
Current	55,771	49,770	-	-
Non-current	335	-	-	-

Trade payables are non-interest bearing and normally settled on 60 days' terms.

Significant trade payables and accruals denominated in foreign currencies as at 31 December are as follows:

	Group		Company	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
United States Dollar	13,913	5,213	4,092	4,428
Singapore Dollar	1,568	1,699	-	-
Euro	472	480	-	-
Malaysia Ringgit	7,488	5,499	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

27. AMOUNTS DUE TO ASSOCIATES (TRADE)

	Group	
	2024	2023
	US\$'000	US\$'000
Amounts due to associates (trade)	328	188

The amounts due to associates are unsecured, non-interest bearing and repayable on demand.

28. INTEREST-BEARING LOANS AND BORROWINGS

	Group	
	2024	2023
	US\$'000	US\$'000
Current		
Revolving credit loans	13,709	3,621
Term loans	14,156	11,412
	<u>27,865</u>	<u>15,033</u>
Non-current		
Term loans	11,567	21,387
Total loans and borrowings	<u>39,432</u>	<u>36,420</u>

	Denomination	Interest (p.a)	Maturity	Group	
				2024	2023
				US\$'000	US\$'000
Current Revolving Credit					
Loan 1	USD	SOFR + 1.60% to 2.25%	2025/2024	8,027	3,621
Loan 2	USD	COF + 1.25%	2025	1,323	-
Loan 3	VND	5.30%	2025	4,359	-
				<u>13,709</u>	<u>3,621</u>
Current Term Loans					
Loan 4	USD	COF + 1.75%	2025/2024	2,906	1,530
Loan 5	USD	SOFR + 2.45%	2025/2024	11,250	8,700
Loan 6	SGD	1.75%	2024	-	1,182
				<u>14,156</u>	<u>11,412</u>
Non-Current Term Loans					
Loan 4	USD	COF + 1.75%	2029	9,554	8,124
Loan 5	USD	SOFR + 2.45%	2026	2,013	13,263
				<u>11,567</u>	<u>21,387</u>
Total loans and borrowings				<u>39,432</u>	<u>36,420</u>

COF – Cost of Funds is the difference between the average yield of interest obtained from loans and the average rate of interest paid for deposits and other such funds.

SOFR – The Secured Overnight Financing Rate is a benchmark interest rate for dollar-denominated derivatives and loans.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. INTEREST-BEARING LOANS AND BORROWINGS *(cont'd)*

	Group	
	2024	2023
	US\$'000	US\$'000
Secured ¹	33,750	35,238
Unsecured ²	5,682	1,182
Total loans and borrowings	39,432	36,420

¹ The loans are secured by mortgages on the borrowing subsidiaries' leasehold and freehold properties, plant, equipment and machineries, inventories, trade and other receivables and corporate guarantees issued by the Company.

² The loans are unsecured and are covered by corporate guarantees issued by the Company.

A reconciliation of liabilities arising from the Group's financing activities is as follows:

	1 January 2024	Cash flows	Non-cash changes		31 December 2024
			Foreign exchange movement	Accretion of interest	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Loans and borrowings	36,420	304	(128)	2,836	39,432

	1 January 2023	Cash flows	Non-cash changes		31 December 2023
			Foreign exchange movement	Accretion of interest	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Loans and borrowings	38,254	(4,385)	33	2,518	36,420

29. OTHER PAYABLES

	Group		Company	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
Rental and other deposits	214	233	-	-
Advance payments received from customers	4,080	1,616	-	-
Payables for purchase of property, plant and equipment	486	274	-	-
Sundry payables	1,564	1,560	-	281
Total other payables	6,344	3,683	-	281

The sundry payables are non-interest bearing and are normally settled on 120 days' terms.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

30. REDEEMABLE EXCHANGEABLE NOTES

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Redeemable exchangeable notes	37,170	-	-	-

During the current financial year, the Group's wholly-owned subsidiary, Empire APAC Pte. Ltd. issued redeemable exchangeable notes to Merit Genesis Pte Ltd and Apex Genesis Pte Ltd at an aggregate value of US\$40,000,000 that are convertible into new ordinary shares in the capital of the Company. The redeemable exchangeable notes bear interest at 5.5% per annum, payable on a semi-annual basis. The redeemable exchangeable notes are carried at fair value through profit and loss. During the financial year ended 31 December 2024, the Group recognised a fair value gain on redeemable exchangeable notes of US\$2,830,000, presented under 'Other income' line item in the consolidated income statement.

31. SHARE CAPITAL AND TREASURY SHARES

(a) Share capital

	Group and Company	
	2024 US\$'000	2023 US\$'000
Issued and fully paid:		
At beginning of the year		
550,142,999 (2023: 548,072,999) ordinary shares including treasury shares	47,502	46,168
Issued under employee share option		
Nil (2023: 50,000) ordinary shares issued at exercise price of S\$0.308	-	15
Nil (2023: 1,430,000) ordinary shares issued at exercise price of S\$0.669	-	945
Nil (2023: 130,000) ordinary shares issued at exercise price of S\$0.556	-	70
Nil (2023: 400,000) ordinary shares issued at exercise price of S\$0.679	-	265
Nil (2023: 60,000) ordinary shares issued at exercise price of S\$0.667	-	39
At end of the year		
550,142,999 (2023: 550,142,999) ordinary shares including treasury shares	47,502	47,502

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

As at 31 December 2024, the total number of unissued ordinary shares of the Company under options granted to eligible employees and Directors under the 2012 Option Scheme and 2022 Option Scheme amounted to 6,225,000 (2023: 12,740,000) and 7,515,000 (2023: 6,670,000) shares respectively. Details of outstanding options are set out in Note 33.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

31. SHARE CAPITAL AND TREASURY SHARES *(cont'd)*

(b) Treasury shares

	Group and Company	
	2024	2023
	US\$'000	US\$'000
At beginning of the year		
24,088,600 (2023: 14,297,300) treasury shares	14,001	6,569
Purchase of 7,084,600 (2023: 10,101,300) treasury shares	6,201	7,595
7,170,000 (2023: 310,000) treasury shares reissued pursuant to equity compensation plan	(4,304)	(163)
At end of the year		
24,003,200 (2023: 24,088,600) treasury shares	15,898	14,001

Treasury shares relate to ordinary shares of the Company that are held by the Company.

32. RESERVES

	Group		Company	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
Foreign currency translation reserve	(39,925)	(26,854)	(33)	1,415
Share-based payment reserve	3,715	3,939	3,715	3,939
Accumulated profits	298,426	285,056	37,545	51,241
	262,216	262,141	41,227	56,595

(a) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(b) Share-based payment reserve

The share-based payment reserve represents the equity-settled share options granted to employees (Note 33). The reserve is made up of the cumulative value of services rendered from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

33. EMPLOYEE BENEFITS

	Group	
	2024	2023
	US\$'000	US\$'000
Salaries, wages and other staff benefits	61,833	52,306
Employer's contribution to defined contribution plans, including Central Provident Fund	5,764	5,205
Value of employee services received from the issuance of share options and share awards	948	663
	<u>68,545</u>	<u>58,174</u>

The Food Empire Holdings Limited Share Option Scheme (the "2012 Option Scheme") was approved and adopted at the Company's Extraordinary General Meeting held on 27 April 2012 which has since expired on 22 April 2022.

The Food Empire Holdings Limited Share Option Scheme (the "2022 Option Scheme") was approved and adopted at the Company's Extraordinary General Meeting held on 22 April 2022.

The 2012 Option Scheme and 2022 Option Scheme applies to eligible employees and Directors of the Group, other than the controlling shareholders who are not Directors or employees. The participation of Directors who are controlling shareholders, associates of controlling shareholders or nominated by the controlling shareholders of the Group is subject to independent shareholders' approval.

The total number of shares in respect of which options may be offered shall not exceed 15% of the Company's total issued share capital (excluding Shares held by the Company as treasury shares and subsidiary holdings, if any) on the day immediately preceding the offer date.

The 2012 Option Scheme and 2022 Option Scheme are administered by the RC.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

33. EMPLOYEE BENEFITS (cont'd)

Movements in the number of share options outstanding under the 2012 Option Scheme and 2022 Option Scheme as at 31 December 2024 and the details of the 2012 Option Scheme and 2022 Option Scheme are as follows:

	Number of holders at end of year	Number of options outstanding at 1.1.2024	Number of options granted during the financial year	Number of options lapsed during the financial year	Number of options exercised during the financial year	Number of options outstanding at 31.12.2024	Exercise price per share \$	Exercise period	Remaining contractual life (years)
2012 Option Scheme									
2016 Options	1	430,000	-	-	(410,000)	20,000	0.308	4 July 2017 to 3 July 2026	1.5
2017 Options	6	550,000	-	-	-	550,000	0.693	23 May 2018 to 22 May 2027	2.4
2018 Options	6	3,250,000	-	-	(1,900,000)	1,350,000	0.679	16 March 2019 to 15 March 2028	3.3
2019 Options	6	3,930,000	-	-	(3,245,000)	685,000	0.556	15 March 2020 to 14 March 2029	4.3
2020 Options	14	4,580,000	-	-	(960,000)	3,620,000 ⁽¹⁾	0.667	6 March 2021 to 5 March 2030	5.3
		12,740,000	-	-	(6,515,000)	6,225,000			
2022 Option Scheme									
2022 Options	19	3,370,000	-	-	(655,000)	2,715,000 ⁽²⁾	0.536	1 June 2023 to 31 May 2032	7.4
2023 Options	20	3,300,000	-	-	-	3,300,000 ⁽³⁾	1.004	1 June 2024 to 31 May 2033	8.4
2024 Options	14	-	1,500,000	-	-	1,500,000 ⁽⁴⁾	1.116	1 June 2025 to 31 May 2034	9.4
		19,410,000	1,500,000	-	(7,170,000)	13,740,000			
Weighted average exercise price per share (\$)		0.674	1.116	-	0.570	0.767			

⁽¹⁾ Includes 100,000 outstanding options which are exercisable from 6 March 2021 to 5 March 2025.

⁽²⁾ Includes 180,000 outstanding options which are exercisable from 1 June 2023 to 31 May 2027.

⁽³⁾ Includes 200,000 outstanding options which are exercisable from 1 June 2024 to 31 May 2028.

⁽⁴⁾ Includes 200,000 outstanding options which are exercisable from 1 June 2025 to 31 May 2029.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

33. EMPLOYEE BENEFITS (cont'd)

Movements in the number of share options outstanding under the 2012 Option Scheme and 2022 Option Scheme as at 31 December 2023 and the details of the 2012 Option Scheme and 2022 Option Scheme are as follows:

	Number of holders at end of year	Number of options outstanding at 1.1.2023	Number of options granted during the financial year	Number of options lapsed during the financial year	Number of options exercised during the financial year	Number of options outstanding at 31.12.2023	Exercise price per share S\$	Exercise period	Remaining contractual life (years)
2012 Option Scheme									
2013 Options	-	2,930,000	-	(1,500,000)	(1,430,000)	-	0.669	8 March 2014 to 7 March 2023	-
2016 Options	4	680,000	-	-	(250,000)	430,000	0.308	4 July 2017 to 3 July 2026	2.5
2017 Options	6	550,000	-	-	-	550,000	0.693	23 May 2018 to 22 May 2027	3.4
2018 Options	8	3,650,000	-	-	(400,000)	3,250,000	0.679	16 March 2019 to 15 March 2028	4.3
2019 Options	16	4,090,000	-	-	(160,000)	3,930,000 ⁽¹⁾	0.556	15 March 2020 to 14 March 2029	5.3
2020 Options	18	4,640,000	-	-	(60,000)	4,580,000 ⁽²⁾	0.667	6 March 2021 to 5 March 2030	6.3
		16,540,000	-	(1,500,000)	(2,300,000)	12,740,000			
2022 Option Scheme									
2022 Options	19	3,450,000	-	-	(80,000)	3,370,000 ⁽³⁾	0.536	1 June 2023 to 31 May 2032	8.4
2023 Options	20	-	3,300,000	-	-	3,300,000 ⁽⁴⁾	1.004	1 June 2024 to 31 May 2033	9.4
		19,990,000	3,300,000	(1,500,000)	(2,380,000)	19,410,000			
Weighted average exercise price per share (S\$)		0.613	1.004	0.669	0.621	0.674			

⁽¹⁾ Includes 100,000 outstanding options which are exercisable from 15 March 2020 to 14 March 2024.

⁽²⁾ Includes 200,000 outstanding options which are exercisable from 6 March 2021 to 5 March 2025.

⁽³⁾ Includes 200,000 outstanding options which are exercisable from 1 June 2023 to 31 May 2027.

⁽⁴⁾ Includes 200,000 outstanding options which are exercisable from 1 June 2024 to 31 May 2028.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

33. EMPLOYEE BENEFITS *(cont'd)*

Out of the 13,740,000 (2023: 19,410,000) outstanding options on 31 December 2024, 9,225,000 (2023: 14,040,000) share options are exercisable as at 31 December 2024.

The fair value of the share options as at the date of grant was estimated by an external valuer using Black Scholes Valuation Model and Trinomial Tree Model, taking into account the terms and conditions under which the options were granted. The inputs to the model used for the options granted are shown below:

(a) 2016 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.00975
Expected volatility (%)	45.921
Risk-free rate (%)	1.474
Expected life of option (years)	5.6
Weighted average share price (S\$)	<u>0.308</u>

(b) 2017 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.0065
Expected volatility (%)	49.123
Risk-free rate (%)	1.654
Expected life of option (years)	5.78
Weighted average share price (S\$)	<u>0.693</u>

(c) 2018 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.00643
Expected volatility (%)	46.206
Risk-free rate (%)	2.163
Expected life of option (years)	5.89
Weighted average share price (S\$)	<u>0.679</u>

(d) 2019 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.00637
Expected volatility (%)	44.859
Risk-free rate (%)	2.080
Expected life of option (years)	6.05
Weighted average share price (S\$)	<u>0.556</u>

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33. EMPLOYEE BENEFITS (cont'd)

(e) 2020 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.00642
Expected volatility (%)	43.268
Risk-free rate (%)	1.120
Expected life of option (years)	6.25
Weighted average share price (S\$)	<u>0.667</u>

(f) 2022 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.00816
Expected volatility (%)	43.530
Risk-free rate (%)	2.630
Expected life of option (years)	6.88
Weighted average share price (S\$)	<u>0.536</u>

(g) 2023 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.02997
Expected volatility (%)	35.500
Risk-free rate (%)	2.900
Expected life of option (years)	5.95
Weighted average share price (S\$)	<u>1.004</u>

(h) 2024 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.01964
Expected volatility (%)	35.510
Risk-free rate (%)	3.320
Expected life of option (years)	6.59
Weighted average share price (S\$)	<u>1.116</u>

NOTES TO THE FINANCIAL STATEMENTS

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33. EMPLOYEE BENEFITS (cont'd)

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

The Food Empire Holdings Limited Performance Share Plan ("2022 Award Plan") was approved and adopted at the Company's Extraordinary General Meeting held on 22 April 2022.

The 2022 Award Plan applies to eligible employees and Directors of the Group, other than the Group Non-Executive Directors (including independent Directors). Controlling Shareholders and their Associates are not eligible to participate in the 2022 Award Plan.

The total number of shares in respect of which awards may be offered shall not exceed 15% of the Company's total issued share capital (excluding Shares held by the Company as treasury shares and subsidiary holdings, if any) on the day immediately preceding the offer date.

The participants of the 2022 Award Plan will receive shares provided that certain prescribed performance targets or vesting conditions are met within a prescribed performance period. The performance period for the awards granted is three years. The number of shares that will vest for each participant will be determined at the end of the performance period based on the level of attainment of the performance targets.

The 2022 Award Plan is administered by the RC.

	Number of holders at year end	Number of share awards outstanding at 1.1.2024	Number of share awards granted during the financial year	Number of share awards lapsed during the financial year	Number of share awards outstanding at 31.12.2024	Performance condition period
2022 Award Plan						
2022 Share Awards	1	657,211	-	-	657,211	1 June 2022 to 31 December 2024
2023 Share Awards	1	632,771	-	-	632,771	1 January 2023 to 31 December 2025
2024 Share Awards	1	-	786,982	-	786,982	1 January 2024 to 31 December 2026
		<u>1,289,982</u>	<u>786,982</u>	<u>-</u>	<u>2,076,964</u>	

The fair value of the share awards as at the date of grant was estimated by an external valuer using Monte Carlo Simulation Model, taking into account the terms and conditions under which the awards were granted. The inputs to the model used for the awards granted are shown below:

(a) 2022 Share Awards

	<u>Group Grant</u>
Average dividend per share (S\$)	0.01075
Expected volatility (%)	39.4
Risk-free rate (%)	2.32
Weighted average share price (S\$)	<u>0.54</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

33. EMPLOYEE BENEFITS *(cont'd)*

(b) 2023 Share Awards

	Group Grant
Average dividend per share (S\$)	0.01058
Expected volatility (%)	38.7
Risk-free rate (%)	2.88
Weighted average share price (S\$)	<u>0.65</u>

(c) 2024 Share Awards

	Group Grant
Average dividend per share (S\$)	0.03506
Expected volatility (%)	34.5
Risk-free rate (%)	2.89
Weighted average share price (S\$)	<u>1.13</u>

34. SEGMENT INFORMATION

For management purposes, the Group is organised into five reportable segments based on geographical locations. The five main segments are:

- (i) Russia
- (ii) South-East Asia
- (iii) Ukraine, Kazakhstan and CIS markets
- (iv) South Asia
- (v) Others

In presenting information on the basis of geographical segments, the segment revenue and results for sale of ingredients are based on the physical location of the factories.

For all other sales, the segment revenue and results are based on the geographical locations of the customers. This is consistent with the manner which the Group's chief operating decision makers review the segment results of the Group.

The Group regularly reviews each reportable segment results for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from the operating profit or loss in the consolidated financial statements.

Transfer pricing between operating parties, are on arm's length basis in a manner similar to transactions with third parties.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

34. SEGMENT INFORMATION *(cont'd)*

	Russia		South-East Asia		Ukraine, Kazakhstan and CIS markets		South Asia		Others		Per consolidated financial statements	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenue												
Total segment sales	147,233	152,417	264,761	239,738	124,679	110,737	83,014	68,357	20,154	20,956	639,841	592,205
Inter-segment sales ^(a)	(5,498)	(9,157)	(135,410)	(138,104)	-	-	(21,663)	(19,229)	(923)	-	(163,494)	(166,490)
Segment sales to external customers	141,735	143,260	129,351	101,634	124,679	110,737	61,351	49,128	19,231	20,956	476,347	425,715
Results												
Segment results	14,112	27,121	16,000	15,872	25,106	25,074	19,122	13,197	817	291	75,157	81,555
Interest income	1,557	1,661	802	842	1,074	1,237	353	382	189	213	3,975	4,335
Interest expenses	(742)	(858)	(996)	(116)	(368)	(50)	(2,128)	(2,509)	(5)	(6)	(4,239)	(3,539)
Share of profits/(losses) of associates and joint venture	396	179	-	-	(62)	1,354	(834)	133	-	(325)	(500)	1,341
Income tax expense	(2,734)	(4,648)	(3,938)	(6,198)	(1,311)	(2,444)	(4,213)	(2,656)	(125)	(89)	(12,321)	(16,035)
Non-controlling interest	-	1	-	-	26	-	-	-	(367)	43	(341)	44
Depreciation of property, plant and equipment	(964)	(653)	(3,072)	(2,701)	(664)	(445)	(4,264)	(4,530)	(32)	(33)	(8,996)	(8,362)
Depreciation of right-of-use assets	(1,532)	(1,574)	(484)	(403)	(458)	(300)	(163)	(138)	(43)	(38)	(2,680)	(2,453)
Provisional bargain purchase on gain of control of a subsidiary	-	-	-	-	1,598	-	-	-	-	-	1,598	-
Fair value gain on redeemable exchangeable notes	-	-	2,830	-	-	-	-	-	-	-	2,830	-
Write-back of impairment loss on brand	303	296	-	-	220	202	-	-	-	-	523	498
Other non-cash expenses ^(b)	(648)	(319)	(1,239)	(362)	(265)	(76)	(294)	(103)	(32)	(16)	(2,478)	(876)
Profit attributable to equity shareholders of the Company	9,748	21,206	9,903	6,934	24,896	24,552	7,579	3,776	402	40	52,528	56,508

^(a) Inter-segment revenues are eliminated on consolidation.

^(b) Other non-cash expenses consist of allowance for doubtful debts, bad debts written off, inventories written down and value of employee services received from the issuance of share options and share awards as presented in the respective notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

34. SEGMENT INFORMATION *(cont'd)*

	Ukraine, Kazakhstan and CIS markets						Others				Per consolidated financial statements	
	Russia		South-East Asia		South Asia		South Asia		Others		Per consolidated financial statements	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Assets												
Segment assets	60,576	66,558	246,229	217,088	55,250	36,352	95,211	81,115	2,815	1,792	460,081	402,905
Liabilities												
Segment liabilities	(13,923)	(16,637)	(102,679)	(51,129)	(8,507)	(4,188)	(36,295)	(35,594)	(2,589)	(864)	(163,993)	(108,412)
Other Information												
Investments in associates and joint venture	3,522	3,588	-	-	-	3,714	4,981	5,323	-	-	8,503	12,625
Additions to non-current assets	2,163	654	17,175	10,822	3,253	321	2,232	1,555	342	2	25,165	13,354

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

34. SEGMENT INFORMATION *(cont'd)*

Segment revenue information based on the product segment of external customers are as follows:

	Group	
	2024 US\$'000	2023 US\$'000
Beverages	356,388	324,366
Ingredients	86,490	71,294
Others	33,469	30,055
	<u>476,347</u>	<u>425,715</u>

Non-current assets information based on the geographical location of the assets are as follows:

	Group	
	2024 US\$'000	2023 US\$'000
Russia	11,005	12,359
South-East Asia	63,479	50,709
Ukraine, Kazakhstan and CIS markets	9,534	1,314
South Asia	57,145	59,343
Others	350	8
	<u>141,513</u>	<u>123,733</u>

Non-current assets information presented above consist of property, plant and equipment, right-of-use assets, and intangible assets as presented in the consolidated balance sheet.

Information about major customers

Revenue from six major customers amounted to US\$99,004,000 (2023: US\$85,964,000), arising from sale of goods in the Russia, Kazakhstan and CIS markets segments.

35. COMMITMENTS AND CONTINGENCIES

Capital commitments

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	2024 US\$'000	2023 US\$'000
Capital commitments in respect of property, plant and equipment	<u>42,136</u>	<u>6,589</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

35. COMMITMENTS AND CONTINGENCIES *(cont'd)*

Guarantees

The Company has given corporate guarantees to banks amounting to US\$145,884,000 (2023: US\$142,440,000) to secure banking facilities granted to its subsidiaries.

Financial support

The Company has agreed to provide financial support to certain subsidiaries to meet their liabilities as and when they fall due and to subordinate the amounts due from them subject to the settlement of other liabilities.

36. RELATED PARTY TRANSACTIONS

(a) Sale and purchase of goods and services and other transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	2024 US\$'000	2023 US\$'000
Group		
<u>Triple Ace Ventures Limited and its subsidiaries</u> ^(a)		
- Lease payments made to Triple Ace Ventures Limited and its subsidiaries	1,588	1,479
<u>UDI Marketing Sdn Bhd</u> ^(b)		
- Sale of goods	716	621
<u>PT Indokemika Jayatama</u> ^(b)		
- Sale of goods	1,455	1,100
<u>Ever Resources International (Hong Kong) Limited</u> ^(b)		
- Purchase of goods	-	5,518
Company		
<u>Subsidiaries</u>		
- Management fees received	1,793	2,055

^(a) Companies associated to one of the directors and substantial shareholders, Mr Sudeep Nair.

^(b) Companies associated to Universal Integrated Corporation Consumer Products Pte Ltd., a substantial shareholder of the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

36. RELATED PARTY TRANSACTIONS *(cont'd)*

(b) Compensation of key management personnel

	Group	
	2024 US\$'000	2023 US\$'000
Salaries, wages and other staff benefits	8,475	9,109
Central Provident Fund contributions	35	37
Value of employee services received from the issuance of share options and share awards	623	438
Total compensation paid to key management personnel	9,133	9,584
Comprise amounts paid to:		
Directors of the Group	5,520	5,496
Other key management personnel	3,613	4,088
Total compensation paid to key management personnel	9,133	9,584

The remuneration of key management personnel is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

In addition to their salaries, certain Directors also participate in the 2012 Option Scheme, 2022 Option Scheme and 2022 Award Plan granted under the Food Empire Holdings Limited Share Option Scheme and Food Empire Holdings Limited Performance Share Plan. For the exercise period, the terms and conditions of the share options granted to the Directors were the same as those granted to other employees of the Company as described in Note 33.

As at 31 December, share options outstanding to the Directors and other key management personnel of the Company are as follows:

	Outstanding share options	
	2024 '000	2023 '000
Directors	2,180	5,200
Other key management personnel	4,350	7,370
	6,530	12,570

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

37. FAIR VALUE OF ASSETS AND LIABILITIES

(a) Fair value hierarchy

The Group categorises fair value measurement using a fair value hierarchy that is dependent on the valuation input used as follows:

- (i) Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- (ii) Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- (iii) Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs at different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

There have been no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial years ended 2024 and 2023.

(b) Liabilities measured at fair value

The following table shows an analysis of financial liabilities measured at fair value at the end of the reporting period:

	Date of valuation	Note	Fair value measurements using Significant observable	
			inputs (Level 2) US\$'000	Total US\$'000
2024				
Liability measured at fair value:				
	31 December 2024			
Redeemable exchangeable notes		30	37,170	37,170

Determination of fair value

The fair value of redeemable exchangeable notes is determined using Binomial Tree model as of the date of valuation. Management has also assessed the credit spread of the Group and determined that there is no significant change in the liability's credit risk from inception date to valuation date. As a result, the cumulative change in the fair value of the redeemable exchangeable notes that is attributable to changes in credit risk of the liability is determined to be Nil.

(c) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of trade and other receivables, cash and cash equivalents, amounts due from subsidiaries (non-trade), current amounts due from associates and joint venture (non-trade), amounts due from related parties (trade), trade and other payables, current lease liabilities, current interest-bearing loans and borrowings, amounts due to subsidiaries (non-trade), amount due to a related party (non-trade), current amount due to a minority shareholder (non-trade) and amounts due to associates and joint venture (trade and non-trade) are reasonable approximation of fair values due to their short-term nature.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

37. FAIR VALUE OF ASSETS AND LIABILITIES *(cont'd)*

(c) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value *(cont'd)*

The carrying amounts of non-current lease liabilities, interest-bearing loans and borrowings and amount due to a minority shareholder (non-trade) are reasonable approximation of fair values as their interest rate approximate the market lending rate.

The carrying amount of non-current amount due from joint venture reasonably approximates fair value as the effect of discounting these cash flows based on the expected receipt dates is not significant.

(d) Classification of assets and liabilities

Group 2024	Financial assets/ (liabilities) at amortised cost US\$'000	Financial liabilities at fair value through profit or loss US\$'000	Non- financial assets/ (liabilities) US\$'000	Total US\$'000
Assets				
Property, plant and equipment	-	-	118,694	118,694
Right-of-use assets	-	-	12,634	12,634
Investments in associates and joint venture	-	-	8,503	8,503
Intangible assets	-	-	10,185	10,185
Deferred tax assets	-	-	3,893	3,893
Inventories	-	-	110,804	110,804
Prepaid operating expenses	-	-	7,767	7,767
Deposits	857	-	-	857
Amounts due from associates and joint venture (non-trade)	1,118	-	-	1,118
Amounts due from related parties (trade)	324	-	-	324
Trade receivables	49,536	-	-	49,536
Other receivables	1,372	-	3,542	4,914
Cash and cash equivalents	130,852	-	-	130,852
	184,059	-	276,022	460,081
Liabilities				
Trade payables and accruals	(56,106)	-	-	(56,106)
Other payables	(2,264)	-	(4,080)	(6,344)
Lease liabilities	(6,251)	-	-	(6,251)
Interest-bearing loans and borrowings	(39,432)	-	-	(39,432)
Amounts due to associates (trade)	(328)	-	-	(328)
Redeemable exchangeable notes	-	(37,170)	-	(37,170)
Amount due to minority shareholder (non-trade)	(4,128)	-	-	(4,128)
Amount due to a related party (non-trade)	(817)	-	-	(817)
Income tax payable	-	-	(5,655)	(5,655)
Deferred tax liabilities	-	-	(7,762)	(7,762)
	(109,326)	(37,170)	(17,497)	(163,993)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

37. FAIR VALUE OF ASSETS AND LIABILITIES *(cont'd)*

(d) Classification of assets and liabilities *(cont'd)*

Group 2023	Financial assets/ (liabilities) at amortised cost	Non- financial assets/ (liabilities)	Total
	US\$'000	US\$'000	US\$'000
Assets			
Property, plant and equipment	-	103,341	103,341
Right-of-use assets	-	11,592	11,592
Investments in associates and joint venture	-	12,625	12,625
Intangible assets	-	8,800	8,800
Deferred tax assets	-	3,861	3,861
Inventories	-	76,720	76,720
Prepaid operating expenses	-	5,872	5,872
Deposits	654	-	654
Amounts due from associates and joint venture (non-trade)	5,173	-	5,173
Amounts due from related parties (trade)	191	-	191
Trade receivables	38,161	-	38,161
Other receivables	1,224	3,405	4,629
Cash and cash equivalents	131,286	-	131,286
	<u>176,689</u>	<u>226,216</u>	<u>402,905</u>
Liabilities			
Trade payables and accruals	(49,770)	-	(49,770)
Other payables	(2,067)	(1,616)	(3,683)
Lease liabilities	(4,677)	-	(4,677)
Interest-bearing loans and borrowings	(36,420)	-	(36,420)
Amounts due to associates (trade)	(188)	-	(188)
Amount due to joint venture (non-trade)	(178)	-	(178)
Amount due to a related party (non-trade)	(792)	-	(792)
Income tax payable	-	(5,009)	(5,009)
Deferred tax liabilities	-	(7,695)	(7,695)
	<u>(94,092)</u>	<u>(14,320)</u>	<u>(108,412)</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

37. FAIR VALUE OF ASSETS AND LIABILITIES *(cont'd)*

(d) Classification of assets and liabilities *(cont'd)*

Company 2024	Financial assets/ (liabilities) at amortised cost	Non- financial assets/ (liabilities)	Total
	US\$'000	US\$'000	US\$'000
Assets			
Right-of-use assets	-	135	135
Investments in subsidiaries	-	44,485	44,485
Prepaid operating expenses	-	27	27
Amounts due from subsidiaries (non-trade)	8,666	-	8,666
Trade receivables	93	-	93
Other receivables	18	-	18
Cash and cash equivalents	24,840	-	24,840
	<u>33,617</u>	<u>44,647</u>	<u>78,264</u>
Liabilities			
Trade payables and accruals	(5,226)	-	(5,226)
Lease liabilities	(75)	-	(75)
Amounts due to subsidiaries (non-trade)	(20)	-	(20)
Income tax payable	-	(112)	(112)
	<u>(5,321)</u>	<u>(112)</u>	<u>(5,433)</u>
Company 2023			
	Financial assets/ (liabilities) at amortised cost	Non- financial assets/ (liabilities)	Total
	US\$'000	US\$'000	US\$'000
Assets			
Right-of-use assets	-	215	215
Investments in subsidiaries	-	44,485	44,485
Prepaid operating expenses	-	24	24
Amounts due from subsidiaries (non-trade)	14,331	-	14,331
Other receivables	10	-	10
Cash and cash equivalents	37,649	-	37,649
	<u>51,990</u>	<u>44,724</u>	<u>96,714</u>
Liabilities			
Trade payables and accruals	(6,097)	-	(6,097)
Lease liabilities	(116)	-	(116)
Amounts due to subsidiaries (non-trade)	(21)	-	(21)
Other payables	(281)	-	(281)
Income tax payable	-	(103)	(103)
	<u>(6,515)</u>	<u>(103)</u>	<u>(6,618)</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks.

The Group and the Company does not apply hedge accounting.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group sells mainly to Russia, South-East Asia, Ukraine, Kazakhstan and CIS markets. Hence, risk is concentrated on the trade receivables in these countries.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 90 days when they fall due, which are derived based on the Group's historical information.

The Group considers "low risk" to be an investment grade credit rating with at least one major rating agency for those investments with credit rating. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Actual or expected significant changes in the operating results of the borrower
- Significant increases in credit risk on other financial instruments of the same borrower
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(a) Credit risk *(cont'd)*

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or the borrower
- A breach of contract, such as a default or past due event
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty.

The Group categorises a loan or receivable for potential write-off when a debtor fails to make contractual payments more than 150 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for each class of financial assets.

Trade receivables

The Group provides for lifetime expected credit losses for all trade receivables, and contract assets using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers based on geographical region. The loss allowance provision as at 31 December 2024 and 2023 incorporates forward-looking information such as forecast of economic conditions where the gross domestic product may change significantly over the next year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(a) Credit risk *(cont'd)*

Trade receivables *(cont'd)*

Summarised below is the information about the credit risk exposure on the Group's trade receivables using the provision matrix:

	Current	1-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	121-150 days past due	More than 150 days	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
2024								
Gross carrying amount	41,240	6,490	1,644	81	72	9	388	49,924
Loss allowance provision	-	-	-	-	-	-	(388)	(388)
	41,240	6,490	1,644	81	72	9	-	49,536
2023								
Gross carrying amount	34,156	3,467	492	44	1	1	1,257	39,418
Loss allowance provision	-	-	-	-	-	-	(1,257)	(1,257)
	34,156	3,467	492	44	1	1	-	38,161

Information regarding loss allowance movement of trade receivables are disclosed in Note 23.

Exposure to credit risk

At the end of the reporting period, the Group's and Company's maximum exposure to credit risk is represented by the carrying amounts of each financial assets in the balance sheets, as well as in the case of the Company, the financial guarantees provided by the Company as disclosed in Note 38(b).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(a) Credit risk *(cont'd)*

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the end of the reporting period is as follows:

	Group	
	2024 US\$'000	2023 US\$'000
Russia	12,937	7,848
South-East Asia	15,893	13,165
Ukraine, Kazakhstan and CIS markets	13,750	11,126
South Asia	6,635	5,737
Others	321	285
	<u>49,536</u>	<u>38,161</u>

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group. Cash and cash equivalents that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Notes 20, 23 and 24.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

At the end of reporting period, approximately 71% (2023: 41%) of the Group's loans and borrowings will mature in less than one year based on the carrying amount reflected in the financial statements.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by Management to finance the Group's operation and to mitigate the effects of fluctuations in cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(b) Liquidity risk *(cont'd)*

Analysis of financial instruments by remaining contractual maturities

The tables below summarise the maturity profile of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

Group 2024	Within 1 year US\$'000	Within 1 to 5 years US\$'000	More than 5 years US\$'000	Total US\$'000
Financial assets:				
Trade and other receivables	50,908	-	-	50,908
Deposits	857	-	-	857
Amounts due from associates and joint venture (non-trade)	1,118	-	-	1,118
Amounts due from related parties (trade)	324	-	-	324
Cash and cash equivalents	130,852	-	-	130,852
Total undiscounted financial assets	184,059	-	-	184,059

Financial liabilities:

Amounts due to associates (trade)	(328)	-	-	(328)
Amount due to minority shareholder (non-trade)	(500)	(4,611)	-	(5,111)
Amount due to a related party (non-trade)	(817)	-	-	(817)
Interest-bearing loans and borrowings	(29,823)	(12,809)	-	(42,632)
Lease liabilities	(2,874)	(3,934)	(2,094)	(8,902)
Redeemable exchangeable notes	(2,200)	(48,800)	-	(51,000)
Trade and other payables	(58,035)	(335)	-	(58,370)
Total undiscounted financial liabilities	(94,577)	(70,489)	(2,094)	(167,160)
Total net undiscounted financial assets/(liabilities)	89,482	(70,489)	(2,094)	16,899

Group 2023	Within 1 year US\$'000	Within 1 to 5 years US\$'000	More than 5 years US\$'000	Total US\$'000
Financial assets:				
Trade and other receivables	39,385	-	-	39,385
Deposits	654	-	-	654
Amounts due from associates and joint venture (non-trade)	1,487	4,133	1,095	6,715
Amounts due from related parties (trade)	191	-	-	191
Cash and cash equivalents	131,286	-	-	131,286
Total undiscounted financial assets	173,003	4,133	1,095	178,231

Financial liabilities:

Amounts due to associates (trade)	(188)	-	-	(188)
Amount due to joint venture (non-trade)	(178)	-	-	(178)
Amount due to a related party (non-trade)	(792)	-	-	(792)
Interest-bearing loans and borrowings	(17,087)	(22,821)	(52)	(39,960)
Lease liabilities	(2,485)	(2,161)	(2,089)	(6,735)
Trade and other payables	(51,836)	-	-	(51,836)
Total undiscounted financial liabilities	(72,566)	(24,982)	(2,141)	(99,689)
Total net undiscounted financial assets/(liabilities)	100,437	(20,849)	(1,046)	78,542

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(b) Liquidity risk *(cont'd)*

Analysis of financial instruments by remaining contractual maturities *(cont'd)*

Company 2024	Within 1 year US\$'000	Within 1 to 5 years US\$'000	More than 5 years US\$'000	Total US\$'000
Financial assets:				
Amounts due from subsidiaries (non-trade)	8,666	-	-	8,666
Trade and other receivables	111	-	-	111
Cash and cash equivalents	24,840	-	-	24,840
Total undiscounted financial assets	33,617	-	-	33,617
Financial liabilities:				
Trade payables and accruals	(5,226)	-	-	(5,226)
Lease liabilities	(40)	(36)	-	(76)
Amounts due to subsidiaries (non-trade)	(20)	-	-	(20)
Total undiscounted financial liabilities	(5,286)	(36)	-	(5,322)
Total net undiscounted financial assets/(liabilities)	28,331	(36)	-	28,295
Company 2023				
Financial assets:				
Amounts due from subsidiaries (non-trade)	14,331	-	-	14,331
Other receivables	10	-	-	10
Cash and cash equivalents	37,649	-	-	37,649
Total undiscounted financial assets	51,990	-	-	51,990
Financial liabilities:				
Trade payables and accruals	(6,097)	-	-	(6,097)
Other payables	(281)	-	-	(281)
Lease liabilities	(41)	(78)	-	(119)
Amounts due to subsidiaries (non-trade)	(21)	-	-	(21)
Total undiscounted financial liabilities	(6,440)	(78)	-	(6,518)
Total net undiscounted financial assets/(liabilities)	45,550	(78)	-	45,472

The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. Financial guarantee contracts are recorded in the contractual maturity analysis based on the maximum amount guaranteed. They are allocated to the earliest date they can be drawn.

Company	1 year or less US\$'000	2024 Over 1 year US\$'000	Total US\$'000	1 year or less US\$'000	2023 Over 1 year US\$'000	Total US\$'000
Financial guarantees	145,884	-	145,884	142,440	-	142,440

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from interest-bearing loans and borrowings with floating interest rates. The Group monitors the interest rate on loans and borrowings closely to ensure that the loans and borrowings are maintained at favourable rates. At the end of the reporting period, the Group manages its interest risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in interest rate, with all other variables held constant.

	Group	
	Increase/ decrease in basis points	Effect on profit, net of tax US\$'000
2024		
Cash and cash equivalents	+10	131
Interest-bearing loans and borrowings	+100	(289)
2023		
Cash and cash equivalents	+10	131
Interest-bearing loans and borrowings	+100	(262)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(c) Interest rate risk *(cont'd)*

The following tables set out the carrying amount, by maturity, of the Group's and the Company's financial instruments that are exposed to interest rate risk:

Group	Within 1 year US\$'000	1-2 years US\$'000	2-3 years US\$'000	3-4 years US\$'000	4-5 years US\$'000	More than 5 years US\$'000	Total US\$'000
2024							
<i>Floating rate</i>							
Cash and cash equivalents	130,852	-	-	-	-	-	130,852
Interest-bearing loans and borrowings	27,865	5,045	3,032	3,114	376	-	39,432
2023							
<i>Floating rate</i>							
Cash and cash equivalents	131,286	-	-	-	-	-	131,286
Interest-bearing loans and borrowings	15,033	14,031	4,792	1,230	1,282	52	36,420
Company							
2024							
<i>Floating rate</i>							
Cash and cash equivalents	24,840	-	-	-	-	-	24,840
2023							
<i>Floating rate</i>							
Cash and cash equivalents	37,649	-	-	-	-	-	37,649

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(d) Foreign currency risk

The Group has transactional currency exposures arising from sales, purchases or operating costs by operating units in currencies other than the unit's functional currency.

The Management ensures that the net exposure is maintained at an acceptable level by buying and selling foreign currencies at spot rates where necessary to address short-term fluctuations.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the Euro, Malaysia Ringgit (RM), Ukrainian Hryvnia (UAH), Russian Ruble (RUB), Indian Rupee (INR), Singapore Dollar (SGD) and Kazakhstan Tenge (KZT) against the respective functional currencies of the Group entities, with all variables held constant.

		Group	
		Profit before tax	
		2024	2023
		US\$'000	US\$'000
Euro/USD	- strengthened 5% (2023: 5%)	(13)	(7)
	- weakened 5% (2023: 5%)	13	7
RM/USD	- strengthened 5% (2023: 5%)	(379)	(209)
	- weakened 5% (2023: 5%)	379	209
UAH/USD	- strengthened 5% (2023: 5%)	360	95
	- weakened 5% (2023: 5%)	(360)	(95)
RUB/USD	- strengthened 10% (2023: 10%)	115	(902)
	- weakened 10% (2023: 10%)	(115)	902
INR/USD	- strengthened 5% (2023: 5%)	1,549	1,308
	- weakened 5% (2023: 5%)	(1,549)	(1,308)
SGD/USD	- strengthened 5% (2023: 5%)	(393)	675
	- weakened 5% (2023: 5%)	393	(675)
KZT/USD	- strengthened 5% (2023: 5%)	234	64
	- weakened 5% (2023: 5%)	(234)	(64)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

39. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2024 and 2023.

A gearing ratio with a specific measurement basis has been disclosed as this is the measure used to monitor capital. The Group considers both capital and net debt as relevant components of funding, hence part of its capital management.

The Group monitors its capital structure as follows:

	2024 US\$'000	2023 US\$'000
Interest-bearing loans and borrowings (Note 28)	39,432	36,420
Lease liabilities (Note 13)	6,251	4,677
Trade payables and accruals (Note 26)	56,106	49,770
Other payables (Note 29)	6,344	3,683
Redeemable exchangeable notes (Note 30)	37,170	-
Less: Cash and cash equivalents (Note 25)	(130,852)	(131,286)
Net debt/(cash)	14,451	(36,736)
Equity attributable to the equity shareholders of the Company	293,820	295,642
Capital and net debt	308,271	258,906
Gearing Ratio	5%	-14%

40. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Directors on 18 March 2025.

SHAREHOLDERS' INFORMATION

As at 07 March 2025

Class of equity securities	:	Ordinary share
No. of equity securities (excluding treasury shares)	:	526,544,799
Voting rights	:	One vote per share

As at 7 March 2025, the total number of treasury shares held is 23,598,200. The treasury shares as a percentage of the total number of issued shares excluding treasury shares is 4.48%.

DIRECTORS' SHAREHOLDINGS AS AT 7 MARCH 2025

(As recorded in the Register of Directors' Shareholdings)

	Direct Interest	%	Deemed Interest	%
Tan Wang Cheow	-	-	115,814,600	22.00
Tan Guek Ming	27,547,400	5.23	88,267,200	16.76
Sudeep Nair	8,700,000	1.65	60,076,399	11.41
Ong Kian Min	1,175,000	0.22	-	-
Saw Meng Tee	120,000	0.02	-	-

SUBSTANTIAL SHAREHOLDERS AS AT 7 MARCH 2025

(As recorded in the Register of Substantial Shareholders)

	Direct Interest	%	Deemed Interest	%
Tan Wang Cheow ⁽¹⁾	-	-	115,814,600	22.00
Tan Guek Ming ⁽²⁾	27,547,400	5.23	88,267,200	16.77
Sudeep Nair ⁽³⁾	8,700,000	1.65	60,076,399	11.41
FMR LLC on behalf of the managed accounts of its direct and indirect subsidiaries & FIL Ltd. on behalf of the managed accounts of its direct and indirect subsidiaries	-	-	42,525,000	8.08
Anthoni Salim ⁽⁴⁾	-	-	132,079,200	25.08
Trevose International Pte Ltd ⁽⁵⁾	-	-	132,079,200	25.08
Universal Integrated Corporation Consumer Products Pte. Ltd.	132,079,200	25.08	-	-

Notes:

- ⁽¹⁾ Mr Tan Wang Cheow is deemed to have an interest in the 52,440,000 shares held by United Overseas Bank Nominees (Private) Limited. Mr Tan Wang Cheow is the spouse of Mdm Tan Guek Ming, and is deemed to have an interest in the 63,374,600 shares which Mdm Tan Guek Ming has an interest in.
- ⁽²⁾ Mdm Tan Guek Ming is deemed to have an interest in the 35,827,200 shares held by DBS Nominees (Private) Limited. Mdm Tan Guek Ming is spouse of Mr Tan Wang Cheow, and is deemed to have an interest in the 52,440,000 shares which Mr Tan Wang Cheow has an interest in.
- ⁽³⁾ Mr Sudeep Nair is deemed to have an interest in the 60,076,399 shares held by DBSN Services Pte Ltd, DBS Nominees (Private) Limited and Raffles Nominees (Pte.) Limited.
- ⁽⁴⁾ Mr Anthoni Salim is the controlling shareholder of Trevose International Pte Ltd, which is the sole shareholder of Universal Integrated Corporation Consumer Products Pte Ltd. Accordingly, Mr Anthoni Salim is deemed to have an interest in the shares held by Universal Integrated Corporation Consumer Products Pte Ltd.
- ⁽⁵⁾ Trevose International Pte Ltd is the sole shareholder of Universal Integrated Corporation Consumer Products Pte Ltd. Accordingly, Trevose International Pte Ltd is deemed to have an interest in the shares held by Universal Integrated Corporation Consumer Products Pte Ltd.

PUBLIC FLOAT

As at 7 March 2025, 31.11% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of SGX-ST.

STATISTICS OF SHAREHOLDINGS

As at 07 March 2025

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	7	0.34	229	0.00
100 - 1,000	181	8.72	103,243	0.02
1,001 - 10,000	1,089	52.48	5,667,101	1.08
10,001 - 1,000,000	766	36.92	45,295,367	8.60
1,000,001 and above	32	1.54	475,478,859	90.30
Total	2,075	100.00	526,544,799	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	188,357,900	35.77
2	DBS NOMINEES (PRIVATE) LIMITED	75,264,643	14.29
3	DBSN SERVICES PTE. LTD.	44,547,999	8.46
4	TAN GUEK MING	27,547,400	5.23
5	RAFFLES NOMINEES (PTE.) LIMITED	21,574,900	4.10
6	MAYBANK SECURITIES PTE. LTD.	14,692,000	2.79
7	OON PENG HENG	9,433,600	1.79
8	SUDEEP NAIR	8,700,000	1.65
9	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	8,061,800	1.53
10	CITIBANK NOMINEES SINGAPORE PTE LTD	7,992,895	1.52
11	PHILLIP SECURITIES PTE LTD	7,708,040	1.46
12	ESTATE OF TAN BIAN CHYE, DECEASED	7,480,800	1.42
13	KOH PUAY LING	7,400,000	1.41
14	ABN AMRO CLEARING BANK N.V.	5,559,900	1.06
15	LIM SIEW KHENG	4,260,000	0.81
16	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	3,934,400	0.75
17	OON PENG LIM	3,734,300	0.71
18	UOB KAY HIAN PRIVATE LIMITED	3,563,900	0.68
19	OON PENG LAM	2,970,000	0.56
20	TAN SIOK CHER	2,810,000	0.53
	Total	455,594,477	86.52

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“**AGM**”) of Food Empire Holdings Limited (the “**Company**”) will be convened and held at Four Points by Sheraton Singapore, Riverview, Jubilee Ballroom, 4th Storey, 382 Havelock Road, Singapore 169629 on Thursday, 17 April 2025 at 3.00 p.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the year ended 31 December 2024 together with the Auditor’s Report thereon.

(Resolution 1)
2. To declare a first and final dividend of S\$0.06 per ordinary share (one-tier tax exempt) and a special dividend of S\$0.02 per ordinary share (one-tier tax exempt) for the financial year ended 31 December 2024.

(Resolution 2)
3. To re-elect the following Directors of the Company retiring pursuant to Article 115 of the Constitution of the Company:

Mr. Tan Wang Cheow **(Resolution 3)**
Mr. Koh Yew Hiap **(Resolution 4)**
Mr. Saw Meng Tee **(Resolution 5)**

Mr. Tan Wang Cheow will, upon re-election as a Director of the Company, remain as the Executive Chairman and member of the Nominating Committee.

*Mr. Koh Yew Hiap will, upon re-election as a Director of the Company, remain as a member of the Audit Committee and Remuneration Committee and will be considered non-independent pursuant to Rule 704(8) of the Main Board Listing Rules of Singapore Exchange Securities Trading Limited (“**SGX-ST**”).*

Mr. Saw Meng Tee will, upon re-election as the Lead Independent Director of the Company, remain as Chairman of Audit Committee and member of the Nominating Committee and Remuneration Committee and will be considered independent pursuant to Rule 704(8) of the Main Board Listing Rules of SGX-ST.
4. To approve the payment of Directors’ fees of S\$490,122.00 for the year ended 31 December 2024 (2023: S\$471,271.00).

(Resolution 6)
5. To re-appoint Ernst & Young LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.

(Resolution 7)
6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

7. Authority to issue shares

That pursuant to Section 161 of the Companies Act 1967 of Singapore (the “**Companies Act**”) and Rule 806 of the Main Board Listing Rules of SGX-ST, the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other Instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (a) new shares arising from the conversion or exercise of any convertible securities;
 - (b) new shares arising from the exercise of share options or vesting of share awards; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;

provided that adjustments in accordance with (2)(a) or (2)(b) above is only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time this Resolution is passed.

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier. [See Explanatory Note (i)]

(Resolution 8)

NOTICE OF ANNUAL GENERAL MEETING

8. **Authority to issue shares under the Food Empire Holdings Limited Employees' Share Option Scheme ("2012 Option Scheme")**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered under the 2012 Option Scheme to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted by the Company under the 2012 Option Scheme approved by shareholders on 27 April 2012, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the 2012 Option Scheme and all other share-based incentive schemes of the Company shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier. [See Explanatory Note (ii)]

(Resolution 9)

9. **Authority to grant options and to issue shares under the Food Empire Holdings Limited Employees' Share Option Scheme 2022 ("2022 Option Scheme")**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant options under the 2022 Option Scheme and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted or to be granted by the Company under the 2022 Option Scheme approved by shareholders on 22 April 2022, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the 2022 Option Scheme and all other share-based incentive schemes of the Company shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier. [See Explanatory Note (iii)]

(Resolution 10)

10. **Authority to grant awards and to issue shares under the Food Empire Holdings Limited Performance Share Plan ("2022 Award Plan")**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant awards under the 2022 Award Plan and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to vesting of awards under the 2022 Award Plan approved by shareholders on 22 April 2022, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the 2022 Award Plan and all other share-based incentive schemes of the Company shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier. [See Explanatory Note (iv)]

(Resolution 11)

By Order of the Board

Kevin Cho
Company Secretary

Singapore
1 April 2025

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

- (i) The Ordinary Resolution 8 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, up to a number not exceeding, in total, fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company, of which up to twenty per centum (20%) may be issued other than on a pro rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

- (ii) Although the 2012 Option Scheme expired on 22 April 2022, outstanding options granted prior to that date subsist and remain exercisable in accordance with the rules of the 2012 Option Scheme.

The Ordinary Resolution 9 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the exercise of options granted under the 2012 Option Scheme and all other share-based incentive schemes of the Company up to a number not exceeding in aggregate (for the entire duration of the 2012 Option Scheme) fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time.

- (iii) The Ordinary Resolution 10 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the exercise of options granted or to be granted under the 2022 Option Scheme and all other share-based incentive schemes of the Company up to a number not exceeding in aggregate (for the entire duration of the 2022 Option Scheme) fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time.

- (iv) The Ordinary Resolution 11 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the awards granted or to be granted under the 2022 Award Plan and all other share-based incentive schemes of the Company up to a number not exceeding in aggregate (for the entire duration of the 2022 Award Plan) fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

General

1. This AGM will be held in a wholly physical format. **There will be no option for the members to participate virtually.**

Printed copies of the Annual Report, this Notice of AGM and attached Proxy Form will be sent by post to members. These documents have also been made available on the website of the Singapore Exchange Securities Trading Limited at (<https://www.sgx.com/securities/company-announcements>) ("**SGXNet**") and the Company's website at (www.foodempire.com).

2. Appointment of proxy/proxies

- 2.1. A member who is not a relevant intermediary is entitled to appoint one or two proxies to attend, speak and vote at the AGM. Where such member appoints two proxies, the appointments shall be invalid unless he/she/it specifies the proportion of his/her/its shareholding concerned to be represented by each proxy in the Proxy Form.

A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number and class of Shares in relation to which each proxy has been appointed in the Proxy Form.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

- 2.2. A member who wishes to appoint a proxy or proxies must complete the Proxy Form before submitting it in the manner set out below.

The Proxy Form may be accessed at SGXNet and will also be made available on the Company's website at (www.foodempire.com).

The Proxy Form must be submitted to the Company in the following manner:

- (a) if submitted personally or by post, be lodged at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue #14-07, Keppel Bay Tower, Singapore 098632; or
- (b) if submitted electronically, be submitted via email to the Company's Share Registrar at foodempire-agmegm2025@boardroomlimited.com,

and in each case, must be lodged or received not less than 48 hours before the time fixed for the AGM.

- 2.3. A member can choose to appoint the Chairman of the AGM as his/her/its proxy.
- 2.4. A proxy need not be a member of the Company.

NOTICE OF ANNUAL GENERAL MEETING

- 2.5. The Proxy Form must be signed by the appointor or his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney. Where the Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company), if the Proxy Form is submitted by post or sent personally, be lodged with the Proxy Form or, if the Proxy Form is submitted electronically by email, be emailed with the Proxy Form, failing which the Proxy Form may be treated as invalid.
- 2.6. The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form (including any related attachment).
- 2.7. In the case of a member whose Shares are entered against his/her/its name in the Depository Register, the Company may reject any Proxy Form lodged if such member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.
- 2.8. Completion and return of the Proxy Form does not preclude a member from attending, speaking and voting at the AGM. The appointment of a proxy/proxies shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the AGM.
- 2.9. CPF/SRS investors may:
 - (a) vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators and are advised to consult their respective CPF Agent Banks or SRS Operators if they require further information regarding their appointment as proxies; or
 - (b) appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 7 April 2025.
3. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore.
4. The Company will conduct a Question-and-Answer Session during the AGM/EGM to be held on 17 April 2025.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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FOOD EMPIRE HOLDINGS LIMITED(Company Registration No. 200001282G)
(Incorporated in the Republic of Singapore)**PROXY FORM**

Annual General Meeting (“AGM”)

(Please see notes overleaf before completing this Form)

IMPORTANT:

1. This AGM will be held in a wholly physical format. **There will be no option for the members to participate virtually.** Printed copies of the Notice of AGM, the Annual Report and this Proxy Form will be sent by post to members. These documents will also be published on the Company’s website at (www.foodempire.com) and will also be made available on SGXNet.
2. Members who wish to exercise their voting rights at the AGM may: (a) vote at the AGM themselves; or (b) appoint a proxy/proxies or representatives to vote at the AGM on their behalf.
3. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We*, _____ (Name)

NRIC/Passport/Company Registration No. _____

of _____ (Address)

being a member/members* of Food Empire Holdings Limited (the “Company”), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

*and/or

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or if no person is named in the above boxes, the Chairman of the AGM, as my/our* proxy to attend, speak and vote for me/us* on my/our* behalf at the AGM of the Company to be convened and held at Four Points by Sheraton Singapore, Riverview Jubilee Ballroom, 4th Storey, 382 Havelock Road, Singapore 169629 on Thursday, 17 April 2025 at 3.00 p.m. and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for or against, or to abstain from voting on the resolution to be proposed at the AGM as indicated hereunder.

No.	Resolutions	For ⁽¹⁾	Against ⁽¹⁾	Abstain ⁽¹⁾
1	Adoption of Directors’ Statement and Audited Financial Statements for the year ended 31 December 2024			
2	Proposed first and final dividend and special dividend			
3	Re-election of Mr Tan Wang Cheow as a Director			
4	Re-election of Mr Koh Yew Hiap as a Director			
5	Re-election of Mr Saw Meng Tee as a Director			
6	Approval of Directors’ fees amounting to S\$490,122.00			
7	Re-appointment of Ernst & Young LLP as Auditors			
8	Authority to issue shares			
9	Authority to issue shares under the Food Empire Holdings Limited Employees’ Share Option Scheme (“2012 Option Scheme”)			
10	Authority to grant options and to issue shares under the Food Empire Holdings Limited Employees’ Share Option Scheme 2022 (“2022 Option Scheme”)			
11	Authority to grant awards and to issue shares under the Food Empire Holdings Limited Performance Share Plan (“2022 Award Plan”)			

⁽¹⁾ Voting will be conducted by poll. If you wish your proxy/proxies to cast all your votes “For” or “Against” or “Abstain” on the resolution to be proposed at the AGM, please tick a “/” or a “X” within the box provided. Alternatively, please indicate the number of Shares “For” or “Against” or “Abstain” in the “For” or “Against” or “Abstain” box. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deem fit on the resolution to be proposed at the AGM if no voting instruction is specified, and on any other matter arising at the AGM and at any adjournment thereof.

Dated this _____ day of _____ 2025

Signature (s) of Member(s) or Common Seal of Corporate Member

* To delete as appropriate

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

NOTES:

1. A member should insert the total number of Shares. If a member has Shares entered against his/her/its name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), he/she/it should insert that number of Shares. If a member has Shares registered in his/her/its name in the Register of Members, he/she/it should insert that number of Shares. If a member has Shares entered against his/her/its name in the Depository Register and Shares registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of Shares entered against his/her/its name in the Depository Register and registered in his/her/its name in the Register of Members. If no number is inserted, this Proxy Form shall be deemed to relate to all the Shares held by the member.
2. A member who wishes to appoint a proxy or proxies must complete the Proxy Form before submitting it in the manner set out below. This Proxy Form may be accessed at the SGXNet and will also be made available on the Company's website (www.foodempire.com).
3. A member who is not a relevant intermediary is entitled to appoint one or two proxies to attend, speak and vote at the AGM. Where such member appoints two proxies, the appointments shall be invalid unless he/she/it specifies the proportion of his/her/its shareholding concerned to be represented by each proxy in the Proxy Form.

A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed in the Proxy Form.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

4. The Proxy Form must be submitted to the Company in the following manner:
 - (a) if submitted personally or by post, be lodged at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue #14-07, Keppel Bay Tower, Singapore 098632; or
 - (b) if submitted electronically, be submitted via email to the Company's Share Registrar at foodempire-agmegm2025@boardroomlimited.com,

and in each case, must be lodged or received not less than 48 hours before the time fixed for the AGM.

5. A member can choose to appoint the Chairman of the AGM as his/her/its proxy.
6. A proxy need not be a member of the Company.
7. This Proxy Form must be signed by the appointor or his attorney duly authorised in writing. Where this Proxy Form is executed by a corporation, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney. Where this Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company), if this Proxy Form is submitted by post or sent personally, be lodged with this Proxy Form or, if this Proxy Form is submitted electronically by email, be emailed with this Proxy Form, failing which this Proxy Form may be treated as invalid.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore.
9. Completion and return of this Proxy Form does not preclude a member from attending, speaking and voting at the AGM. The appointment of a proxy/proxies shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the AGM.

Personal Data Privacy:

By submitting the instrument appointing a proxy or proxies, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 1 April 2025.

General:

The Company shall be entitled to reject this Proxy Form if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form (including any related attachment). In addition, in the case of Shares entered in the Depository Register, the Company may reject any Proxy Form lodged if the member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive

Tan Wang Cheow
(Executive Chairman)

Sudeep Nair
(Group CEO and Executive Director)

Non-Executive

Tan Guek Ming *(Non-Independent)*

Koh Yew Hiap *(Non-Independent)*

Ong Kian Min *(Non-Independent)*

Saw Meng Tee *(Lead Independent)*

Tan Cher Liang *(Independent)*

Adrian Chan Pengee *(Independent)*

AUDIT COMMITTEE

Saw Meng Tee *(Chairman)*

Tan Guek Ming

Koh Yew Hiap

Tan Cher Liang

Adrian Chan Pengee

NOMINATING COMMITTEE

Tan Cher Liang *(Chairman)*

Tan Wang Cheow

Ong Kian Min

Saw Meng Tee

Adrian Chan Pengee

REMUNERATION COMMITTEE

Adrian Chan Pengee *(Chairman)*

Tan Guek Ming

Koh Yew Hiap

Saw Meng Tee

Tan Cher Liang

COMPANY SECRETARY

Kevin Cho

REGISTERED OFFICE

1 Harbourfront Avenue, #14-07

Keppel Bay Tower

Singapore 098632

Telephone number : (65) 6536 5355

Fax number : (65) 6536 1360

BUSINESS OFFICE

7 Tampines Grande

#03-01 Asia Green

Singapore 528736

Telephone number : (65) 6622 6900

Fax number : (65) 6744 8977

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.

1 Harbourfront Avenue, #14-07

Keppel Bay Tower

Singapore 098632

Telephone number : (65) 6536 5355

Fax number : (65) 6536 1360

AUDIT PARTNER-IN-CHARGE

Lim Tze Yuen

(w.e.f. the financial year ended 31 December 2022)

AUDITORS

Ernst & Young LLP

One Raffles Quay

North Tower, Level 18

Singapore 048583

PRINCIPAL BANKERS

DBS Bank Limited

Overseas-Chinese Banking
Corporation Limited

United Overseas Bank Limited

DRIVING GROWTH STRENGTHENING ASIA

It is a story of connection—
a group of vibrant youths gathers on a
bustling street, sharing laughter, dreams,
and Food Empire's products.

Through a modern manga-style comic,
this year's report captures the spirit of
Food Empire—dynamic and growing.



FOOD EMPIRE HOLDINGS LIMITED

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