



FOOD EMPIRE HOLDINGS LIMITED

(Co Registration No: 200001282G)

LOAN AGREEMENT

The Board of Directors of Food Empire Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") refer to its earlier announcements on 2 March 2016, 3 March 2016, 16 March 2016 and 18 March 2016 in connection with the Company's 51% owned subsidiary, Hallyu Ventures Pte Ltd ("**HVPL**")'s investment in Caffebene Co., Ltd. ("**Caffebene**").

HVPL has entered into a loan agreement with Caffebene and K3 Private Equity Fund No.5, the largest shareholder of Caffebene (collectively, the "**Parties**"), whereby HVPL agreed to extend to Caffebene an unsecured loan of KRW 11,060,000,000.00 (the "**Loan**").

The Loan will be funded by HVPL through investment amount to be received from its joint venture partners, Future Investment Holdings Pte. Ltd. ("**FIHPL**") and Sweet Blossom Holdings Ltd ("**SBHL**") in amounts proportionate to their respective equity stakes in HVPL being 51% and 49% respectively both to be completed by 31 January 2017.

The Loan is partially repayable through a conversion of new common stocks at the par value of KRW 500.00 per common stock ("**Conversion Price**") in the capital of Caffebene on 30 June 2017 and the balance will be repayable in cash or by conversion of new common stocks at the Conversion Price in the capital of Caffebene on 31 December 2017 pursuant to the terms and subject to the conditions of the loan agreement.

The extension of the Loan to Caffebene is for general working capital.

Save for the interests of Mr Anthoni Salim and Universal Integrated Corporation Consumer Products Pte Ltd in HVPL, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect in the above transaction.

By Order of the Board

Tan Cher Liang
Company Secretary

27 December 2016