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

PROPOSED PLACEMENT OF AN AGGREGATE OF UP TO 17,000,000 TREASURY SHARES IN THE CAPITAL OF THE COMPANY

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1. BACKGROUND

The Board of Directors of Food Empire Holdings Limited (the "**Company**" together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 23 September 2025 entered into a placement agreement (the "**Agreement**") with CGS International Securities Singapore Pte. Ltd. as placement agent (the "**Placement Agent**" or "**CGS SG**"). The Placement Agent has appointed UOB-Kay Hian Holdings Limited as sub-placement agent in relation to the Proposed Placement (as defined below).

The period of CGS SG's engagement pursuant to the Agreement shall be for a period of 30 days commencing from the date of acceptance of the Agreement ("**Engagement Period**").

Pursuant to the Agreement, the Company has agreed to offer, by way of a private placement, and the Placement Agent has agreed to, on a best efforts basis, procure purchasers for an aggregate of up to 17,000,000 treasury shares held by the Company (the "**Placement Shares**" and each a "**Placement Share**") at a price of S$2.52 (the "**Placement Price**") for each Placement Share (the "**Proposed Placement**").

As at the date of this announcement, the Company has an issued share capital comprising 529,847,125 issued ordinary shares (the "**Shares**"), excluding 20,295,874 treasury shares. Assuming that the Placement Shares are fully sold, the Placement Shares to be sold represent approximately 3.21% of the Company's existing issued share capital (excluding treasury shares) and approximately 3.09% of the Company's existing issued share capital (including treasury shares).

2. THE PROPOSED PLACEMENT

2.1. The Placement Price

Pursuant to the terms and conditions of the Agreement, the Company has agreed to sell and transfer the Placement Shares, and the Placement Agent has agreed to, on a best efforts basis, procure purchasers for up to 17,000,000 Placement Shares at the Placement Price for each Placement Share.

The Placement Price was arrived at pursuant to a series of discussions with the Placement Agent, taking into account, *inter alia*, the prevailing market price of the Shares, and represents a discount of approximately 5.38% to the volume weighted average price of S$2.6634 per Share based on trades done on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 23 September 2025, being the full market day on which the Placement Agreement was signed. The Placement Price represents a premium of 3.27% to the 30-day volume weighted average price, based on trades done on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 23 September 2025, being the full market day on which the Agreement was signed.

2.2. The Placement Shares

The Placement Shares will not be offered for sale to, nor will purchases be procured from, nor will any invitation be made for purchases from or sale of the Placement Shares to, any person who is an existing director or substantial shareholder of the Company or other persons specified in Rule 812(1) of the Listing Manual of the SGX-ST. In addition, the Placement Shares to be transferred under the Proposed Placement will not be transferred so as to transfer a controlling interest in the Company without the prior approval of the shareholders of the Company in general meeting pursuant to Rule 803 of the Listing Manual of the SGX-ST.

The Placement Shares, when sold and transferred, shall be free from all charges, claims, securities, pledges, liens, equities, encumbrances or any other interests whatsoever and shall rank in all respects *pari passu* with and carry all rights similar to the Shares existing at the date of completion of the Proposed Placement (the "**Completion Date**"), save that they shall not rank for any entitlements, distributions, dividends or rights (if any), the record date in respect of which falls prior to the Completion Date.

Under the Agreement, the Company has agreed to pay to the Placement Agent, a placement fee of 2.25% on the number of the Placement Shares placed out multiplied by the Placing Price per Placement Share.

2.3. Salient terms of the Agreement

Under the Agreement, CGS SG's obligations in relation to the Proposed Placement are subject to the following terms and conditions:

(a) The Placement Shares may, at the sole and absolute discretion of the Company, be maintained in a securities account with the Central Depository (Pte) Limited prescribed by CGS SG to facilitate the Proposed Placement;

(b) For a period commencing on the date of the acceptance of the terms and conditions of the Agreement and ending on Settlement Day, the Company agrees that the Company will not, and will cause each of their respective affiliates not to initiate, enter into or further any discussions with any third party regarding the Proposed Placement, or invite or appoint any third party to participate in the Proposed Placement or any similar transaction without CGS SG's prior knowledge and written consent;

(c) The Company and CGS SG shall at all times comply with the laws and regulations in force in any jurisdiction to which the Company and CGS SG are subject to in connection with the performance of the respective obligations relating to the Proposed Placement; and

(d) The representations and warranties as set out in Clause 5 and Schedule I are true, accurate, and not misleading, as of the Effective Date, as of the Placement Day and as of the Settlement Day and shall at all times and without delay keep CGS SG informed of any material development that would materially affect or be likely to materially affect the Proposed Placement.

The Agreement shall lapse at the end of the Engagement Period unless mutually agreed to be extended or earlier terminated as provided below.

3. RATIONALE FOR THE PROPOSED PLACEMENT AND USE OF PROCEEDS

The Proposed Placement allows Food Empire to recycle its capital productively while enhancing trading liquidity and free float. Improved liquidity strengthens price discovery, supports index eligibility, and broadens the Company's institutional investor base. A fair and resilient share price is strategically important, as it enhances the Company's flexibility to consider shares as a potential tool in future corporate or strategic initiatives, while also supporting employee share-based incentive programmes and ensuring sustainable value creation for shareholders.

In addition, the Proposed Placement is expected to broaden the institutional investor base and position the Group to pursue growth opportunities, optimise its balance sheet and reinforce long-term investor confidence.

Based on the Placement Price of S$2.52 per Placement Share and assuming all of the Placement Shares are sold, the Proposed Placement will allow the Company to raise net cash proceeds (after deducting estimated expenses of approximately S$1.1 million) of approximately S$41.7 million (the "**Net Proceeds**").

The Company intends to utilise the Net Proceeds for working capital purposes and such Net Proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or

marketable securities, or used for any other purpose on a short-term basis, as the Board may, in its absolute discretion, deem appropriate in the interests of the Group.

The Company will make periodic announcements on the utilisation of the net proceeds from the Proposed Placement as and when such funds are materially disbursed, and whether the use of Net Proceeds is in accordance with the stated use. The Company will also provide a status report on the utilisation of such Net Proceeds in the Company's annual report(s). Where the Net Proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the relevant announcements and status report. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

5. GENERAL

5.1. The Proposed Placement will be undertaken pursuant to Sections 274 and 275 of the Securities and Futures Act 2001. As such, no prospectus or offer information statement will be issued by the Company in connection therewith.

5.2. None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Placement, other than through their shareholdings in the Company.

5.3. The Company will make the relevant announcement(s) as and when there are any material developments relating to the Proposed Placement, including upon completion of the sale of the Placement Shares.

5.4. Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. The Proposed Placement is subject to certain conditions. There is no certainty or assurance as at the date of this announcement that the Proposed Placement will be completed or that no changes will be made to the terms thereof. Shareholders and potential investors should exercise caution when trading in Shares of the Company, and where in doubt as to the action they should take, they should consult their financial, tax or other professional adviser immediately.

BY ORDER OF THE BOARD
FOOD EMPIRE HOLDINGS LIMITED

TAN WANG CHEOW
EXECUTIVE CHAIRMAN
23 September 2025