

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

---

**ENTRY OF NON-BINDING TERM SHEET WITH IKHLAS CAPITAL IN RELATION TO STRATEGIC PARTNERSHIP AND REDEEMABLE EXCHANGEABLE NOTE**

---

**1. INTRODUCTION**

The Board of Directors of Food Empire Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that the Company has on 21 June 2024 entered into a non-binding term sheet (the “**Term Sheet**”) with Ikhlas Capital Singapore Pte. Ltd. (the “**Strategic Investor**” or “**Ikhlas Capital**” and together with the Company, the “**Parties**”), in relation to the establishment of a strategic partnership with Ikhlas Capital and the proposed issuance of Redeemable Exchangeable Note (“**REN**”) of up to US\$40 million to Ikhlas Capital (the “**Proposed Issuance**”). The investment will be made into a special purpose vehicle (“**SPV**”) wholly owned by the Company that will hold or possess the option to hold a portfolio of business operations, including the Company’s Southeast Asian and South Asian business.

**2. INFORMATION OF THE STRATEGIC INVESTOR**

Ikhlas Capital is an ASEAN private equity fund manager focused on growth, transformation and cross border value creation. The founding partners of Ikhlas Capital, Messrs Nazir Razak, Kenny Kim, Gita Wirjawan and Cesar Purisima, are well-known ASEAN professionals who have spent a combined total of more than 100 years of their careers in the region and are highly recognised leaders in their respective professional fields and countries. Investors of Ikhlas Capital include over 50 ASEAN institutions and family offices.

Ikhlas Capital is licensed by the Monetary Authority of Singapore and has on-ground presence in Singapore, Kuala Lumpur, Jakarta and Manila.

**3. RATIONALE FOR THE STRATEGIC PARTNERSHIP AND THE PROPOSED ISSUANCE**

The rationale for the strategic partnership is for the Group to work with Ikhlas Capital to develop and expand its business in Southeast Asia and South Asia.

Ikhlas Capital will inject an initial capital of US\$40 million for this strategic partnership into the SPV that will hold or possess the option to hold a portfolio of business operations including the Company’s Southeast Asian and South Asian business, via a 5-year REN and a 5.5% annual interest based on terms and structured to be finalised in a definitive agreement. The proceeds will drive capital expenditures and mergers and acquisitions in these regions. Ikhlas Capital shall have the right (but not the obligation) to exchange the REN into new shares of the Company at a share price of S\$1.09 per share and such new shares are to be listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), and to be ranked pari passu with the then existing issued shares of the Company.

The Board believes that, beyond capital injection, Ikhlas Capital’s local presence, knowledge, and network in Southeast Asia will help the Group further accelerate growth and scale in Southeast Asia and internationally.

Shareholders are to note that the Parties intend to execute a definitive agreement within 60 days from the date of signing of the Non-binding Term Sheet and the terms and structure of the Proposed Issuance will be subjected to further discussions between both Parties to establish definitive agreement(s).

#### **4. NO PROSPECTUS OR OFFER INFORMATION STATEMENT**

The REN will be undertaken by way of private placement in Singapore in accordance with Section 272B of the Securities and Futures Act 2001. As such, no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore in connection with the REN.

#### **5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

Save for their respective shareholdings in the Company, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company) in the REN.

#### **6. 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 strategic partnership and Proposed Issuance, 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 this 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 this announcement in its proper form and context.

#### **7. CAUTION IN TRADING**

The Company will make further announcements as and when there are material updates on the strategic partnership and the Proposed Issuance, including the entry into definitive agreement in accordance with the listing rules of the SGX-ST at the appropriate time. In the meantime, the Board wishes to advise shareholders of the Company and potential investors to exercise caution in their dealings in shares of the Company, and where in doubt as to the action they should take, they should consult their financial, tax and other advisers.

By order of the Board

Kevin Cho  
Company Secretary

24 June 2024