

CIRCULAR DATED 3 APRIL 2024

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Food Empire Holdings Limited ("**Company**"), you should forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or transferee or the stockbroker, bank or agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

The Extraordinary General Meeting ("**EGM**") will be held in a wholly physical format. Shareholders will be able to attend and fully participate at the EGM in person. **There will be no option for the Shareholders to participate virtually.**

The Singapore Exchange Securities Trading Limited takes no responsibility for the accuracy of any of the statements or opinions made or reports contained in this Circular.



FOOD EMPIRE HOLDINGS LIMITED

(Company Registration No. 200001282G)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS in relation to the PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

IMPORTANT DATES AND TIMES:

Last date and time for submission of instrument appointing a proxy	:	17 April 2024 at 3.30 p.m.
Date and time of EGM	:	19 April 2024 at 3.30 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 3.00 p.m. on the same day and at the same place)
Place of EGM	:	ParkRoyal Collection Marina Bay, Atrium Ballroom, Level 5, 6 Raffles Boulevard, Singapore 039594

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DEFINITIONS

In this Circular, the following definitions apply throughout except where the context otherwise requires:

“CDP”	:	The Central Depository (Pte) Limited
“Company”	:	Food Empire Holdings Limited
“Companies Act”	:	The Companies Act 1967 of Singapore
“Constitution”	:	The constitution of the Company
“Directors” or “Board”	:	The directors of the Company for the time being
“2023 EGM”	:	The extraordinary general meeting of the Company held on 25 April 2023
“EGM”	:	The extraordinary general meeting of the Company to be held on 19 April 2024, notice of which is set out on pages 27 to 30 of this Circular
“EPS”	:	Earnings per Share
“Group”	:	The Company and its subsidiaries
“Latest Practicable Date”	:	The latest practicable date prior to printing of this Circular, being 11 March 2024
“Listing Manual”	:	The listing manual of the SGX-ST, including any amendments made thereto up to the Latest Practicable Date
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“NTA”	:	Net tangible assets
“Proxy Form”	:	The proxy form in respect of the EGM as attached to this Circular
“Registrar”	:	Registrar of Companies appointed under the Companies Act and includes any Deputy or Assistant Registrar of Companies
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
“Securities and Futures Act”	:	The Securities and Futures Act 2001 of Singapore
“Shareholders”	:	Persons who are registered holders of the Shares, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to those Shares, mean Depositors whose Securities Accounts are credited with Shares

DEFINITIONS

“Shares”	:	Ordinary shares in the capital of the Company
“Subsidiary Holdings”	:	Shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act
“Substantial Shareholder”	:	A Shareholder who has an interest in not less than 5% of the total number of issued Shares (excluding treasury shares)
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers
“S\$” and “cents”	:	Singapore dollars and cents, respectively
“US\$” and “US cents”	:	United States dollars and cents, respectively
“per cent.” or “%”	:	Per centum or percentage

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Securities and Futures Act or any statutory modification thereof and not otherwise defined in the Circular shall have the same meaning assigned to it under the Companies Act, the Securities and Futures Act or any statutory modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

Any discrepancies in figures included in this Circular between the listed amounts and the totals thereof and/or the respective percentages are due to rounding.

LETTER TO SHAREHOLDERS

FOOD EMPIRE HOLDINGS LIMITED

(Company Registration No. 200001282G)
(Incorporated in the Republic of Singapore)

Directors:

Tan Wang Cheow (Executive Chairman)
Sudeep Nair (Group CEO and Executive Director)
Tan Guek Ming (Non-Independent Non-Executive Director)
Koh Yew Hiap (Non-Independent Non-Executive Director)
Ong Kian Min (Non-Independent Non-Executive Director)
Saw Meng Tee (Lead Independent Non-Executive Director)
Tan Cher Liang (Independent Non-Executive Director)
Adrian Chan Pengee (Independent Non-Executive Director)

Registered Office:

1 Harbourfront Avenue #14-07,
Keppel Bay Tower,
Singapore 098632

3 April 2024

To : The Shareholders of
Food Empire Holdings Limited

Dear Sir/Madam

1. INTRODUCTION

- 1.1 The Directors are convening an EGM to be held on 19 April 2024 to seek Shareholders' approval for the proposed renewal of the share buyback mandate (the "**Proposal**").
- 1.2 The purpose of the Circular is to provide Shareholders with information relating to the Proposal.
- 1.3 M/s Wong Thomas & Leong is the legal adviser to the Company in relation to the proposed renewal of the share buyback mandate.

2. PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

2.1 Background

At the 2023 EGM, the Shareholders had approved, *inter alia*, the renewal of a mandate to enable the Company to purchase or otherwise acquire its issued Shares (the "**Share Buyback Mandate**").

The Share Buyback Mandate will expire on the date of the forthcoming Annual General Meeting (the "**AGM**") to be held on 19 April 2024 immediately preceding the EGM. Accordingly, the Directors propose that the Share Buyback Mandate be renewed at the EGM immediately following the AGM.

2.2 Rationale for Share Buyback Mandate

The rationale for the Company to undertake the purchase or acquisition of its issued Shares is as follows:

- (i) The proposed Share Buyback Mandate will give the Directors the flexibility to purchase or acquire its issued Shares during the period when the Share Buyback Mandate is in force, if and when the circumstances permit;

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- (ii) Share purchases or acquisitions may, depending on market conditions and funding arrangements at the time, allow the Directors to better manage the Company's capital structure with a view to enhancing the EPS and/or net asset value per Share; and
- (iii) Purchases or acquisitions of the Shares may, in appropriate circumstances, also help mitigate short-term market volatility in the Company's share price, offset the effects of short-term speculation and bolster Shareholders' confidence.

The Directors will decide whether to effect the purchases or acquisitions of Shares after taking into account the prevailing market conditions, the financial position of the Group and other relevant factors. Share purchases or acquisitions will only be made if the Directors believe that such purchases or acquisitions would benefit the Group.

2.3 Authority and Limits on the Share Buyback Mandate

The authority and limitations placed on the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate, if renewed at the EGM, are summarised below:

2.3.1 *Maximum Number of Shares*

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Buyback Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares of the Company as at the date of the EGM at which the renewal of the Share Buyback Mandate is approved. Treasury shares and Subsidiary Holdings shall be disregarded for the purposes of computing the 10% limit.

2.3.2 *Duration of Authority*

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the EGM at which the renewal of the Share Buyback Mandate is approved up to:

- (a) the date on which the next Annual General Meeting of the Company is or is required by law to be held; or
- (b) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by the Company in general meeting; or
- (c) the date on which purchases or acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated,

whichever is the earliest.

2.3.3 *Manner of Purchases or Acquisitions of Shares*

Purchases or acquisitions of Shares may be made by way of:

- (a) on-market purchases ("**Market Purchases**"), transacted on the SGX-ST through the SGX-ST's trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

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- (b) off-market purchases (“**Off-Market Purchases**”) effected pursuant to an equal access scheme (as defined in Section 76C of the Companies Act).

The Directors may impose such terms and conditions which are consistent with the Share Buyback Mandate, the Listing Manual and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. Under the Companies Act, an Off-Market Purchase must, however, satisfy all the following conditions:

- (a) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (b) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (c) the terms of all the offers shall be the same, except that there shall be disregarded:
 - (i) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;
 - (ii) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
 - (iii) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Additionally, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document containing at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed share buyback;
- (d) the consequences, if any, of share buybacks by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the share buybacks, if made, could affect the listing of the Shares on the SGX-ST;
- (f) details of any share buyback made by the Company in the previous 12 months (whether through Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (g) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

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2.3.4 **Purchase Price**

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. The purchase price to be paid for the Shares must not exceed the maximum price (the “**Maximum Price**”) as set out below:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase, 120% of the Highest Last Dealt Price,

in either case, excluding related expenses of the purchase or acquisition.

For the above purposes:

“**Average Closing Price**” means (1) the average of the closing market prices of the Shares over the last 5 Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase and (2) deemed to be adjusted for any corporate action which occurs during the relevant 5-day period and the day on which the Market Purchase is made;

“**Highest Last Dealt Price**” means the highest price transacted for a Share as recorded on the SGX-ST on the Market Day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

“**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 **Status of Purchased Shares**

Shares purchased or acquired by the Company will be deemed cancelled immediately on purchase or acquisition and all rights and privileges attached to the Shares will expire on cancellation, unless such Shares are held by the Company as treasury shares. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are cancelled and not held as treasury shares.

2.5 **Treasury Shares**

The Company may hold or deal with Shares purchased or acquired by it as treasury shares. A summary of some of the provisions on treasury shares under the Companies Act is set out below:

2.5.1 **Maximum Holdings**

The number of Shares held as treasury shares shall not at any time exceed 10% of the total number of issued Shares. For these purposes, “treasury shares” shall be read as including shares held by a subsidiary under Sections 21(4B) or 21(6C) of the Companies Act.

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2.5.2 ***Voting and Other Rights***

The Company shall not exercise any right in respect of treasury shares and any purported exercise of such right is void. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

No dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a greater or smaller number is also permitted if the total value of the treasury shares after the subdivision or consolidation is the same as before.

2.5.3 ***Disposal and Cancellation***

Where Shares are held as treasury shares, the Company may at any time but subject always to the Take-over Code:

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister for Finance may by order prescribe.

Under the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as (i) the date of the sale, transfer, cancellation and/or use of such treasury shares; (ii) the purpose of such sale, transfer, cancellation and/or use of such treasury shares; (iii) the number of treasury shares which have been sold, transferred, cancelled and/or used; (iv) the number of treasury shares before and after such sale, transfer, cancellation and/or use; (v) the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed before and after such sale, transfer, cancellation and/or use; and (vi) the value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.6 **Sources of Funds**

In purchasing or acquiring its Shares, the Company may only apply funds legally available for such purchase or acquisition as provided in the Constitution and in accordance with applicable laws in Singapore.

Under the Companies Act, a payment made by the Company in consideration of the purchase or acquisition of its Shares may be made out of the Company's profits as well as out of capital, so long as the Company is solvent.

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The Company intends to use the Group's internal resources to finance its purchases or acquisitions of Shares pursuant to the Share Buyback Mandate. The amount of funding required for the Company to purchase or acquire Shares under the Share Buyback Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired and the consideration paid at the relevant time.

2.7 Financial Effects

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Buyback Mandate will depend on, *inter alia*, the number of Shares purchased or acquired, the price paid for such Shares, whether the Shares are purchased or acquired out of profits and/or capital of the Company and whether the Shares purchased or acquired are held by the Company as treasury shares or cancelled.

The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 31 December 2023, are based on the assumptions set out below.

2.7.1 *Number of Shares Acquired or Purchased*

As at the Latest Practicable Date, the total number of issued and paid-up Shares of the Company is 550,142,999 out of which 22,163,200 Shares are held by the Company as treasury shares. There are no Subsidiary Holdings as at the Latest Practicable Date. Assuming:

- (a) no further Shares are issued;
- (b) no further Shares held by the Company as treasury shares are transferred pursuant to the Company's employees' share schemes;
- (c) no further Shares are purchased or acquired by the Company and held as treasury shares; and
- (d) no Shares are held as Subsidiary Holdings,

on or prior to the EGM, not more than 52,797,979 Shares (representing 10% of the 527,979,799 Shares in issue (excluding Shares held by the Company as treasury shares)) as at that date may be purchased or acquired by the Company pursuant to the proposed Share Buyback Mandate.

2.7.2 *Purchase or Acquisition made out of Profits and/or Capital*

Under the Companies Act, the Company may purchase or acquire its Shares out of its profits and/or capital so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (which shall include any expenses (including brokerage or commission) incurred directly in the purchase or acquisition of Shares) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

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Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, this will not reduce the amount available for the distribution of cash dividends by the Company.

(a) ***Purchases or Acquisitions made entirely out of capital***

The financial effects on the purchase or acquisition of Shares by the Company made entirely out of capital are based on the purchase or acquisition of 52,797,979 Shares.

In the case of Market Purchases by the Company made entirely out of capital and assuming that the Company purchases or acquires 52,797,979 Shares at the Maximum Price of S\$1.476 for each Share (being the price equivalent to 5% above the average of the closing market prices of the Shares over the last 5 Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 52,797,979 Shares is S\$77,930,000 (rounded to the nearest thousand).

In the case of Off-Market Purchases by the Company made entirely out of capital and assuming that the Company purchases or acquires 52,797,979 Shares at the Maximum Price of S\$1.728 for each Share (being the price equivalent to 20% above the highest price transacted for a Share as recorded on the SGX-ST on the Market Day on which there were trades in the Shares immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 52,797,979 Shares is S\$91,235,000 (rounded to the nearest thousand).

(b) ***Purchases or Acquisitions made entirely out of profits***

Based on the audited financial statements of the Company and the Group for the financial year ended 31 December 2023, the Company has distributable reserves of approximately US\$51,241,000. The financial effects on the purchase or acquisition of Shares by the Company made entirely out of profits are based on the utilisation of funds of up to US\$51,241,000.

In the case of Market Purchases by the Company made entirely out of profits and assuming the use of distributable reserves of the Company of up to US\$51,241,000 for the purchase or acquisition of Shares at the Maximum Price of S\$1.476 or US\$1.097 (based on the exchange rate of S\$1.3457 to US\$1.0000) for each Share (being the price equivalent to 5% above the average of the closing market prices of the Shares over the last 5 Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date), the maximum number of Shares (rounded to the nearest 1,000 Shares) which can be purchased or acquired by the Company is 46,710,000 Shares representing approximately 8.85% of the total number of Shares in issue as at the Latest Practicable Date.

LETTER TO SHAREHOLDERS

In the case of Off-Market Purchases by the Company made entirely out of profits and assuming the use of distributable reserves of the Company of up to US\$51,241,000 for the purchase or acquisition of Shares at the Maximum Price of S\$1.728 or US\$1.284 (based on the exchange rate of S\$1.3457 to US\$1.0000 for each Share (being the price equivalent to 20% above the highest price transacted for a Share as recorded on the SGX-ST on the Market Day on which there were trades in the Shares immediately preceding the Latest Practicable Date), the maximum number of Shares (rounded to the nearest 1,000 Shares) which can be purchased or acquired by the Company is 39,907,000 Shares representing approximately 7.56% of the total number of Shares in issue as at the Latest Practicable Date.

2.7.3 *Illustrative Financial Effects*

For illustrative purposes only, based on the audited financial statements of the Company and the Group for the financial year ended 31 December 2023, the assumptions stated above and assuming the purchases or acquisitions of Shares by the Company are funded solely from internal resources and the transaction costs incurred for the purchases or acquisitions of the Shares are insignificant and are ignored, the effects of such purchases or acquisitions of Shares by way of Market Purchases and Off-Market Purchases on the financial positions of the Company and the Group under each of the Scenarios A to D described below are as follows:

LETTER TO SHAREHOLDERS

(1) Market Purchases

	GROUP				
	Before Share Purchase	After Share Purchase			
		Scenario A	Scenario B	Scenario C	Scenario D
As at 31 December 2023	←	US\$'000			→
Share capital	47,502	47,502	47,502	47,502	42,943
Reserves	262,141	262,141	262,141	210,900	208,781
	309,643	309,643	309,643	258,402	251,724
Treasury shares	(14,001)	(65,242)	(71,920)	(14,001)	(14,001)
	295,642	244,401	237,723	244,401	237,723
Less : Non-controlling Interests	(1,149)	(1,149)	(1,149)	(1,149)	(1,149)
Total Equity	294,493	243,252	236,574	243,252	236,574
Non-current liabilities	31,589	31,589	31,589	31,589	31,589
Non-current assets	144,648	144,648	144,648	144,648	144,648
Current assets	258,257	207,016	200,338	207,016	200,338
Current liabilities	76,823	76,823	76,823	76,823	76,823
Net current assets	181,434	130,193	123,515	130,193	123,515
Total liabilities	108,412	108,412	108,412	108,412	108,412
NTA ¹	286,842	235,601	228,923	235,601	228,923
Number of Shares ²	527,979,799	481,269,799	475,181,820	481,269,799	475,181,820
<u>Financial Ratios</u>					
NTA per Share ³ (US cents)	54.33	48.95	48.18	48.95	48.18
Diluted EPS (US cents)	10.59	11.61	11.76	11.61	11.76
Gearing ratio ⁴ (times)	0.37	0.45	0.46	0.45	0.46
Current ratio ⁵ (times)	3.36	2.69	2.61	2.69	2.61

Notes:

- NTA does not equal total equity as the Group had US\$8,800,000 worth of intangible assets and non-controlling interests of US\$1,149,000.
- Based on the number of Shares issued as at the Latest Practicable Date (excluding 22,163,200 Shares held in treasury) and adjusted for the effect of the Share purchases (excluding such Shares purchased and held in treasury).
- NTA per Share is defined as NTA divided by total number of Shares issued as at the Latest Practicable Date (excluding 22,163,200 Shares held in treasury) and adjusted for the effect of the Share purchases (excluding such Shares purchased and held in treasury).
- Gearing ratio equals total liabilities divided by total equity.
- Current ratio equals current assets divided by current liabilities.

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	COMPANY				
	Before Share Purchase	After Share Purchase			
		Scenario A	Scenario B	Scenario C	Scenario D
As at 31 December 2023	← US\$'000 →				
Share capital	47,502	47,502	47,502	47,502	42,943
Reserves	56,595	56,595	56,595	5,354	3,235
	104,097	104,097	104,097	52,856	46,178
Treasury shares	(14,001)	(65,242)	(71,920)	(14,001)	(14,001)
Total Equity	90,096	38,855	32,177	38,855	32,177
Non-current liabilities	77	77	77	77	77
Non-current assets	44,700	44,700	44,700	44,700	44,700
Current assets	52,014	773	52,014	773	52,014
Current liabilities	6,541	6,541	64,460	6,541	64,460
Net current assets/(liabilities)	45,473	(5,768)	(12,446)	(5,768)	(12,446)
Total liabilities	6,618	6,618	64,537	6,618	64,537
NTA ¹	90,096	38,855	32,177	38,855	32,177
Number of Shares ²	527,979,799	481,269,799	475,181,820	481,269,799	475,181,820
Financial Ratios					
NTA per Share ³ (US cents)	17.06	8.07	6.77	8.07	6.77
Diluted EPS (US cents)	7.79	8.54	8.65	8.54	8.65
Gearing ratio ⁴ (times)	0.07	0.17	2.01	0.17	2.01
Current ratio ⁵ (times)	7.95	0.12	0.81	0.12	0.81

Notes:

1. NTA equals total equity.
2. Based on the number of Shares issued as at the Latest Practicable Date (excluding 22,163,200 Shares held in treasury) and adjusted for the effect of the Share purchases (excluding such Shares purchased and held in treasury).
3. NTA per Share is defined as NTA divided by total number of Shares issued as at the Latest Practicable Date (excluding 22,163,200 Shares held in treasury) and adjusted for the effect of the Share purchases (excluding such Shares purchased and held in treasury).
4. Gearing ratio equals total liabilities divided by total equity.
5. Current ratio equals current assets divided by current liabilities.

LETTER TO SHAREHOLDERS

- (a) Scenario A: Market Purchases of 46,710,000 Shares made entirely out of profits and held as treasury shares

As illustrated under Scenario A in the tables above, such purchase of Shares will have the effect of reducing the working capital and NTA of the Company and of the Group by the US\$ value of the Shares purchased. The consolidated NTA per Share of the Group as at 31 December 2023 will decrease from 54.33 US cents to 48.95 US cents.

Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated diluted EPS of the Group for the financial year ended 31 December 2023 would be increased from 10.59 US cents to 11.61 US cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (b) Scenario B: Market Purchases of 52,797,979 Shares made entirely out of capital and held as treasury shares

As illustrated under Scenario B in the tables above, such purchase of Shares will have the effect of reducing the working capital and NTA of the Company and of the Group by the US\$ value of the Shares purchased. The consolidated NTA per Share of the Group as at 31 December 2023 will decrease from 54.33 US cents to 48.18 US cents.

Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated diluted EPS of the Group for the financial year ended 31 December 2023 would be increased from 10.59 US cents to 11.76 US cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (c) Scenario C: Market Purchases of 46,710,000 Shares made entirely out of profits and cancelled

As illustrated under Scenario C in the tables above, such purchase of Shares will have the effect of reducing the working capital and NTA of the Company and of the Group by the US\$ value of the Shares purchased. The consolidated NTA per Share of the Group as at 31 December 2023 will decrease from 54.33 US cents to 48.95 US cents.

Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated diluted EPS of the Group for the financial year ended 31 December 2023 would be increased from 10.59 US cents to 11.61 US cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (d) Scenario D: Market Purchases of 52,797,979 Shares made entirely out of capital and cancelled

As illustrated under Scenario D in the tables above, such purchase of Shares will have the effect of reducing the working capital and NTA of the Company and of the Group by the US\$ value of the Shares purchased. The consolidated NTA per Share of the Group as at 31 December 2023 will decrease from 54.33 US cents to 48.18 US cents.

Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated diluted EPS of the Group for the financial year ended 31 December 2023 would be increased from 10.59 US cents to 11.76 US cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

LETTER TO SHAREHOLDERS

(2) Off-Market Purchases

	GROUP				
	Before Share Purchase	After Share Purchase			
		Scenario A	Scenario B	Scenario C	Scenario D
As at 31 December 2023	←	US\$'000			→
Share capital	47,502	47,502	47,502	47,502	42,943
Reserves	262,141	262,141	262,141	210,900	198,907
	309,643	309,643	309,643	258,402	241,850
Treasury shares	(14,001)	(65,242)	(81,794)	(14,001)	(14,001)
	295,642	244,401	227,849	244,401	227,849
Less : Non-controlling Interests	(1,149)	(1,149)	(1,149)	(1,149)	(1,149)
Total Equity	294,493	243,252	226,700	243,252	226,700
Non-current liabilities	31,589	31,589	31,589	31,589	31,589
Non-current assets	144,648	144,648	144,648	144,648	144,648
Current assets	258,257	207,016	190,464	207,016	190,464
Current liabilities	76,823	76,823	76,823	76,823	76,823
Net current assets	181,434	130,193	113,641	130,193	113,641
Total liabilities	108,412	108,412	108,412	108,412	108,412
NTA ¹	286,842	235,601	219,049	235,601	219,049
Number of Shares ²	527,979,799	488,072,799	475,181,820	488,072,799	475,181,820
<u>Financial Ratios</u>					
NTA per Share ³ (US cents)	54.33	48.27	46.10	48.27	46.10
Diluted EPS (US cents)	10.59	11.45	11.76	11.45	11.76
Gearing ratio ⁴ (times)	0.37	0.45	0.48	0.45	0.48
Current ratio ⁵ (times)	3.36	2.69	2.48	2.69	2.48

Notes:

- NTA does not equal total equity as the Group had US\$8,800,000 worth of intangible assets and non-controlling interests of US\$1,149,000.
- Based on the number of Shares issued as at the Latest Practicable Date (excluding 22,163,200 Shares held in treasury) and adjusted for the effect of the Share purchases (excluding such Shares purchased and held in treasury).
- NTA per Share is defined as NTA divided by total number of Shares issued as at the Latest Practicable Date (excluding 22,163,200 Shares held in treasury) and adjusted for the effect of the Share purchases (excluding such Shares purchased and held in treasury).
- Gearing ratio equals total liabilities divided by total equity.
- Current ratio equals current assets divided by current liabilities.

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	COMPANY				
	Before Share Purchase	After Share Purchase			
		Scenario A	Scenario B	Scenario C	Scenario D
As at 31 December 2023	←	US\$'000			→
Share capital	47,502	47,502	47,502	47,502	42,943
Reserves	56,595	56,595	56,595	5,354	(6,639)
	104,097	104,097	104,097	52,856	36,304
Treasury shares	(14,001)	(65,242)	(81,794)	(14,001)	(14,001)
Total Equity	90,096	38,855	22,303	38,855	22,303
Non-current liabilities	77	77	77	77	77
Non-current assets	44,700	44,700	44,700	44,700	44,700
Current assets	52,014	773	52,014	773	52,014
Current liabilities	6,541	6,541	74,334	6,541	74,334
Net current assets/(liabilities)	45,473	(5,768)	(22,320)	(5,768)	(22,320)
Total liabilities	6,618	6,618	74,411	6,618	74,411
NTA ¹	90,096	38,855	22,303	38,855	22,303
Number of Shares ²	527,979,799	488,072,799	475,181,820	488,072,799	475,181,820
Financial Ratios					
NTA per Share ³ (US cents)	17.06	7.96	4.69	7.96	4.69
Diluted EPS (US cents)	7.79	8.42	8.65	8.42	8.65
Gearing ratio ⁴ (times)	0.07	0.17	3.34	0.17	3.34
Current ratio ⁵ (times)	7.95	0.12	0.70	0.12	0.70

Notes:

1. NTA equals total equity.
2. Based on the number of Shares issued as at the Latest Practicable Date (excluding 22,163,200 Shares held in treasury) and adjusted for the effect of the Share purchases (excluding such Shares purchased and held in treasury).
3. NTA per Share is defined as NTA divided by total number of Shares issued as at the Latest Practicable Date (excluding 22,163,200 Shares held in treasury) and adjusted for the effect of the Share purchases (excluding such Shares purchased and held in treasury).
4. Gearing ratio equals total liabilities divided by total equity.
5. Current ratio equals current assets divided by current liabilities.

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- (a) Scenario A: Off-Market Purchases of 39,907,000 Shares made entirely out of profits and held as treasury shares

As illustrated under Scenario A in the tables above, such purchase of Shares will have the effect of reducing the working capital and NTA of the Company and of the Group by the US\$ value of the Shares purchased. The consolidated NTA per Share of the Group as at 31 December 2023 will also decrease from 54.33 US cents to 48.27 US cents.

Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated diluted EPS of the Group for the financial year ended 31 December 2023 would be increased from 10.59 US cents to 11.45 US cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (b) Scenario B: Off-Market Purchases of 52,797,979 Shares made entirely out of capital and held as treasury shares

As illustrated under Scenario B in the tables above, such purchase of Shares will have the effect of reducing the working capital and NTA of the Company and of the Group by the US\$ value of the Shares purchased. The consolidated NTA per Share of the Group as at 31 December 2023 will also decrease from 54.33 US cents to 46.10 US cents.

Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated diluted EPS of the Group for the financial year ended 31 December 2023 would be increased from 10.59 US cents to 11.76 US cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (c) Scenario C: Off-Market Purchases of 39,907,000 Shares made entirely out of profits and cancelled

As illustrated under Scenario C in the tables above, such purchase of Shares will have the effect of reducing the working capital and NTA of the Company and of the Group by the US\$ value of the Shares purchased. The consolidated NTA per Share of the Group as at 31 December 2023 will also decrease from 54.33 US cents to 48.27 US cents.

Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated diluted EPS of the Group for the financial year ended 31 December 2023 would be increased from 10.59 US cents to 11.45 US cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

- (d) Scenario D: Off-Market Purchases of 52,797,979 Shares made entirely out of capital and cancelled

As illustrated under Scenario D in the tables above, such purchase of Shares will have the effect of reducing the working capital and NTA of the Company and of the Group by the US\$ value of the Shares purchased. The consolidated NTA per Share of the Group as at 31 December 2023 will also decrease from 54.33 US cents to 46.10 US cents.

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Assuming that the purchase of Shares had taken place on 1 January 2023, the consolidated diluted EPS of the Group for the financial year ended 31 December 2023 would be increased from 10.59 US cents to 11.76 US cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

SHAREHOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT ABOVE ARE PURELY FOR ILLUSTRATIVE PURPOSES ONLY (BASED ON THE AFOREMENTIONED ASSUMPTIONS). IN PARTICULAR, IT IS IMPORTANT TO NOTE THAT THE ABOVE ILLUSTRATIONS ARE BASED ON HISTORICAL FIGURES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND ARE NOT NECESSARILY REPRESENTATIVE OF FUTURE FINANCIAL PERFORMANCE.

Although the Share Buyback Mandate would authorise the Company to purchase or acquire up to 10% of its issued Shares (excluding treasury shares and Subsidiary Holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of its issued Shares (excluding treasury shares and Subsidiary Holdings). In particular, the Directors do not intend to exercise the Share Buyback Mandate to such an extent if such exercise would materially and adversely affect the liquidity and/or the orderly trading of the Shares and/or the financial position of the Group and/or result in the Company being delisted from the SGX-ST. Further, the Company may cancel all or part of the Shares purchased or hold all or part of the Shares purchased in treasury.

2.8 Taxation

Shareholders who are in doubt as to their respective tax positions or the tax implications of Share purchases by the Company, or, who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

2.9 Take-over

Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

2.9.1 *Obligation to make a Take-over Offer*

If, as a result of any purchase or acquisition by the Company of the Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

2.9.2 *Persons Acting in Concert*

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

LETTER TO SHAREHOLDERS

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights; and
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

For the above purpose, a company is an associated company of another company if the second-mentioned company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company.

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

2.9.3 ***Effect of Rule 14 and Appendix 2***

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or, if such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of 6 months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of 6 months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buyback Mandate.

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Based on the Company's Register of Directors' Shareholdings and the Company's Register of Substantial Shareholders as at the Latest Practicable Date as set out in Clause 3 of this Circular, the Directors are not aware of any of the Substantial Shareholders of the Company who would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code if the Company undertakes, as permitted by the proposed Share Buyback Mandate, share purchases up to the maximum limit of 10% of its Shares (excluding any Shares held by the Company as treasury shares) as at the Latest Practicable Date.

Shareholders who are in doubt as to their obligations, if any, to make a take-over offer under the Take-over Code as a result of any purchase of Shares by the Company should consult the Securities Industry Council and/or their professional advisers at the earliest opportunity.

2.10 Details of Previous Share Buybacks

As at the Latest Practicable Date, the Company had, pursuant to the Share Buyback Mandate approved by the Shareholders at the 2023 EGM, purchased or acquired an aggregate of 8,268,700 Shares by way of Market Purchases. The highest and lowest price paid was S\$1.40410 and S\$0.95535 per Share respectively. The total consideration (including clearing charges etc.) paid was S\$8,955,810.22.

As at the Latest Practicable Date, the Company had not purchased or acquired any Shares by way of Off-Market Purchases pursuant to the Share Buyback Mandate approved by the Shareholders at the 2023 EGM.

2.11 Listing Status

The Listing Manual requires a listed company to ensure that at least 10% of the total number of issued shares (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is at all times held by the public.

The expression "public" is defined under the Listing Manual as persons other than (a) the directors, chief executive officer, substantial shareholders or controlling shareholders of the listed company or its subsidiaries and (b) the associates (as defined in the Listing Manual) of the persons described in paragraph (a) herein.

As at the Latest Practicable Date, there are 168,279,300 Shares in the hands of the public, representing 31.87% of the total number of issued Shares of the Company (excluding the Shares held in treasury). Assuming that the Company purchases up to the full 10% limit pursuant to the Share Buyback Mandate from the public on the Latest Practicable Date, the number of Shares in the hands of the public would be reduced to 115,481,321 Shares, representing 24.30% of the issued Shares of the Company (excluding the Shares held in treasury).

Accordingly, the Company is of the view that there is a sufficient number of Shares (excluding the Shares held in treasury) held by public shareholders which would permit the Company to undertake purchases or acquisitions of its Shares up to the full 10% limit pursuant to the proposed Share Buyback Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

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2.12 No Purchases during Price Sensitive Developments

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase of Shares pursuant to the Share Buyback Mandate at any time after a price-sensitive development has occurred or has been the subject of consideration and/or a decision of the Board until such price-sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares through Market Purchases or Off-Market Purchases during the period of one month immediately preceding the announcement of the Company’s half year and full year results.

2.13 Reporting Requirements

Under the Listing Manual, any purchases or acquisitions by the Company of its Shares pursuant to the Share Buyback Mandate must be reported by the Company to the SGX-ST not later than 9.00 a.m.:

- (a) in the case of a Market Purchase, on the Market Day following the day of purchase of any of its Shares; and
- (b) in the case of an Off-Market Purchase, on the second Market Day after the close of acceptances of the offer.

Such announcement (which must be in the form prescribed by the Listing Manual) shall include, *inter alia*, details of the total number of Shares authorised for purchase, the date of purchase, the total number of Shares purchased, the number of Shares cancelled, the number of Shares held as treasury shares, the purchase price per Share or the highest and lowest price per Share (as applicable), the total consideration paid for the Shares (including stamp duties and clearing charges), the number of Shares purchased as at the date of the announcement (on a cumulative basis), the number of issued Shares (excluding treasury shares and Subsidiary Holdings) after purchase, the number of treasury shares held after purchase and the number of Subsidiary Holdings after purchase.

Under the Companies Act:

- (a) within 30 days of the passing of a resolution to approve or renew the Share Buyback Mandate, the Directors shall lodge with the Registrar a copy of the resolution;
- (b) the Directors shall lodge with the Registrar a notice (in the prescribed form) of a purchase or acquisition of Shares within 30 days of such purchase or acquisition; and
- (c) within 30 days of the cancellation or disposal of treasury shares in accordance with the Companies Act, the Directors shall lodge with the Registrar a notice of the cancellation or disposal with such particulars as may be required in the prescribed form.

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3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

3.1 Shareholding Interests of Directors

Based on the information in the Company's Register of Directors' Shareholdings as at the Latest Practicable Date, the interests of the Directors in the Shares of the Company are set out as follows:

Directors	Direct Interest		Deemed Interest	
	Number of Shares Held	% ¹	Number of Shares Held	% ¹
Tan Wang Cheow ^{2,3}	-	-	115,814,600	21.94
Tan Guek Ming ^{4,5}	27,547,400	5.22	88,267,200	16.72
Sudeep Nair ^{6,7}	5,700,000	1.08	60,076,399	11.38
Ong Kian Min ⁸	1,020,000	0.19	-	-
Koh Yew Hiap	-	-	-	-
Saw Meng Tee ⁹	-	-	-	-
Tan Cher Liang ¹⁰	-	-	-	-
Adrian Chan Pengee ¹¹	-	-	-	-

Notes:

- All references to percentage shareholding of the Shares in issue in this Clause 3.1 are rounded to the nearest two decimal places and based on 527,979,799 Shares in issue (excluding 22,163,200 Shares held in treasury) as of the Latest Practicable Date.
- 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.
- 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.
- 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.
- Mr Sudeep Nair holds 4,500,000 unexercised Options granted under the Food Empire Holdings Limited Employees' Share Option Scheme 2012. The Company has granted an award of 1,647,700 Shares to Mr Sudeep Nair pursuant to the Food Empire Holdings Limited Performance Share Plan 2022, subject to pre-determined performance targets being met over the performance period.
- Mr Ong Kian Min holds 100,000 unexercised Options granted under the Food Empire Holdings Limited Employees' Share Option Scheme 2012 and 100,000 unexercised Options granted under the Food Empire Holdings Limited Employees' Share Option Scheme 2022.
- Mr Saw Meng Tee holds 100,000 unexercised Options granted under the Food Empire Holdings Limited Employees' Share Option Scheme 2012 and 100,000 unexercised Options granted under the Food Empire Holdings Limited Employees' Share Option Scheme 2022.
- Mr Tan Cher Liang holds 100,000 unexercised Options granted under the Food Empire Holdings Limited Employees' Share Option Scheme 2022.
- Mr Adrian Chan Pengee holds 100,000 unexercised Options granted under the Food Empire Holdings Limited Employees' Share Option Scheme 2022.

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3.2 Shareholding Interests of Substantial Shareholders

Based on the information in the Company's Register of Substantial Shareholders as at the Latest Practicable Date, the interests of the Substantial Shareholders of the Company (other than Directors) in the Shares of the Company are set out as follows:

Substantial Shareholders (other than Directors)	Direct Interest		Deemed Interest	
	Number of Shares Held	% ¹	Number of Shares Held	% ¹
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	8.05
Anthoni Salim ²	-	-	132,079,200	25.02
Trevose International Pte Ltd ³	-	-	132,079,200	25.02
Universal Integrated Corporation Consumer Products Pte Ltd	132,079,200	25.02	-	-

Notes:

- All references to percentage shareholding of the Shares in issue in this Clause 3.2 are rounded to the nearest two decimal places and based on 527,979,799 Shares in issue (excluding 22,163,200 Shares held in treasury) as of the Latest Practicable Date.
- 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.
- 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.

4. RECOMMENDATION

The Directors are of the opinion that the proposed renewal of the Share Buyback Mandate is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the Share Buyback Mandate (set out in the Notice of EGM) to be proposed at the EGM to be held on 19 April 2024.

5. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 27 to 30 of this Circular, will be held at ParkRoyal Collection Marina Bay, Atrium Ballroom, Level 5, 6 Raffles Boulevard, Singapore 039594 on Friday, 19 April 2024 at 3.30 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 3.00 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without any modifications, the ordinary resolution as set out in the Notice of EGM. **There will be no option for the Shareholders to participate virtually.**

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6. ACTION TO BE TAKEN BY SHAREHOLDERS

Please refer to the Notice of EGM and the Company's announcement dated 3 April 2024 entitled "General Meetings to be held on 19 April 2024" for further information, including the steps to be taken by Shareholders to participate in the EGM. This announcement may be accessed at the Company's website at (www.foodempire.com) and will also be made available at the website of the Singapore Exchange Securities Trading Limited at (<https://www.sgx.com/securities/company-announcements>) ("SGXNet").

A Shareholder who is unable to attend the EGM may appoint a proxy/proxies to attend, speak and vote at the EGM on his/her/its behalf at the EGM, if he/she/it wishes to exercise his/her/its voting rights at the EGM.

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-agmegm2024@boardroomlimited.com,

and in each case, must be lodged or received not less than 48 hours before the time fixed for the EGM. Completion and return of a Proxy Form by a Shareholder will not prevent him/her/it from attending, speaking and voting in person at the EGM if he/she/it so wishes, in place of his/her/its proxy/proxies.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he/she/it is shown to have Shares entered against his/her/its name in the Depository Register, as certified by the CDP, at least 72 hours before the time set for the EGM.

7. INSPECTION OF DOCUMENTS

Copies of the following documents are available for inspection at the registered office of the Company at 1 Harbourfront Avenue #14-07, Keppel Bay Tower, Singapore 098632, during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Constitution; and
- (b) the Annual Report of the Company for the financial year ended 31 December 2023.

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8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposal, and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular 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 Circular in its proper form and context.

Yours faithfully

For and on behalf of the Board of Directors of
Food Empire Holdings Limited

Kevin Cho
Company Secretary

NOTICE OF EXTRAORDINARY GENERAL MEETING

FOOD EMPIRE HOLDINGS LIMITED

(Company Registration No. 200001282G)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

All capitalised terms used in this Notice of Extraordinary General Meeting which are not defined herein shall, unless the context otherwise requires, have the same meaning ascribed to them in the Company's Circular to the Shareholders dated 3 April 2024.

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("**EGM**") of Food Empire Holdings Limited (the "**Company**") will be convened and held at ParkRoyal Collection Marina Bay, Atrium Ballroom, Level 5, 6 Raffles Boulevard, Singapore 039594 on Friday, 19 April 2024 at 3.30 p.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 3.00 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution:

Ordinary Resolution

The renewal of the Share Buyback Mandate

That:

- (1) for the purposes of Sections 76C and 76E of the Companies Act 1967 of Singapore (the "**Companies Act**"), the exercise by the Directors of the Company ("**Directors**") of all the powers of the Company to purchase or otherwise acquire issued ordinary shares ("**Shares**") in the capital of the Company not exceeding in aggregate the **Prescribed Limit** (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the **Maximum Price** (as hereafter defined), whether by way of:
 - (a) market purchase(s) ("**Market Purchase**") on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") through the SGX-ST's trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
 - (b) off-market purchase(s) ("**Off-Market Purchase**") if effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) (as defined in Section 76C of the Companies Act) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,and otherwise in accordance with all other laws and regulations and listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");
- (2) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this resolution and expiring on the earliest of:
 - (a) the date on which the next Annual General Meeting of the Company is held;
 - (b) the date by which the next Annual General Meeting of the Company is required by law to be held; and
 - (c) the date on which purchases or acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated;

NOTICE OF EXTRAORDINARY GENERAL MEETING

(3) in this resolution:

“Maximum Price”, in relation to a Share to be purchased, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Highest Last Dealt Price; and

“Prescribed Limit” means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this resolution (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST) as at that date),

where

“Average Closing Price” means (i) the average of the closing market prices of the Shares over the last 5 market days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase; and (ii) deemed to be adjusted for any corporate action which occurs during the relevant 5-day period and the day on which the Market Purchase is made; and

“Highest Last Dealt Price” means the highest price transacted for a Share as recorded on the SGX-ST on the market day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

“day of the making of the offer” means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

“market day” means a day on which the SGX-ST is open for trading in securities; and

(4) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this resolution.

By Order of the Board

Kevin Cho
Company Secretary

Singapore
3 April 2024

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTES:

General

1. This EGM will be held in a wholly physical format. **There will be no option for the members to participate virtually.**

Printed copies of the Circular to Shareholders dated 3 April 2024 (on the proposed renewal of the share buyback mandate), this Notice of Extraordinary General Meeting and the 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. Arrangements relating to the conduct of the EGM, including:

- (a) attendance at the EGM by the members, including the CPF/SRS investors, and where applicable, duly appointed proxies and representatives; and
- (b) voting at the EGM (i) by the members, including the CPF/SRS investors, themselves; or (ii) through their duly appointed proxy/proxies and representatives,

are set out in the Company’s announcement dated 3 April 2024 titled “General Meetings to be held on 19 April 2024” which has been uploaded together with this Notice of EGM, the Circular to Shareholders dated 3 April 2024 (on the proposed renewal of the share buyback mandate) and the attached Proxy Form on SGXNet on the same day. The same may also be accessed at the Company’s website (www.foodempire.com).

3. Appointment of proxy/proxies

- 3.1 A member who is not a relevant intermediary is entitled to appoint one or two proxies to attend, speak and vote at the EGM. 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 EGM, 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.

- 3.2 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-agmeqm2024@boardroomlimited.com.

and in each case, must be lodged or received not less than 48 hours before the time fixed for the EGM.

- 3.3 A member can choose to appoint the Chairman of the EGM as his/her/its proxy.

- 3.4 A proxy need not be a member of the Company.

- 3.5 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.

- 3.6 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).

- 3.7 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 EGM, as certified by The Central Depository (Pte) Limited to the Company.

NOTICE OF EXTRAORDINARY GENERAL MEETING

- 3.8 Completion and return of the Proxy Form does not preclude a member from attending, speaking and voting at the EGM. The appointment of a proxy/proxies shall be deemed to be revoked if a member attends the EGM 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 EGM.
- 3.9 CPF/SRS investors may:
- (a) vote at the EGM 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 EGM as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 8 April 2024.
4. 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 EGM, in accordance with Section 179 of the Companies Act 1967 of Singapore.

Others

5. The Company intends to use internal resources to finance the purchases of its Shares. The amount of funding required for the Company to purchase or acquire its Shares and the financial impact on the Company and the Group arising from such purchases or acquisitions of the Shares pursuant to the Share Buyback Mandate will depend, *inter alia*, on the aggregate number of Shares purchased or acquired, the consideration paid at the relevant time, whether the Shares are purchased or acquired out of profits and/or capital of the Company and whether the Shares purchased or acquired are held in treasury or cancelled.
6. An illustration of the financial impact of a purchase or an acquisition of Shares by the Company pursuant to the Share Buyback Mandate on the audited financial statements of the Company and the Group for the financial year ended 31 December 2023, based on certain assumptions, is set out in Clause 2.7 of the Circular to Shareholders dated 3 April 2024 (on the proposed renewal of the share buyback mandate).

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM 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 EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (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.

PROXY FORM

FOOD EMPIRE HOLDINGS LIMITED
(Company Registration No. 200001282G)
(Incorporated In the Republic of Singapore)

PROXY FORM

Extraordinary General Meeting ("EGM")
(Please see notes overleaf before completing this Form)

IMPORTANT:

1. This EGM 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 EGM, the Company's Circular to the members dated 3 April 2024 (on the proposed renewal of the share buyback mandate) 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. Arrangements relating to the conduct of the EGM, including (a) attendance at the EGM in person; (b) voting at the EGM by (i) the members, including the CPF/SRS investors, themselves; or (ii) their duly appointed proxy/proxies or representatives, are set out in the Company's announcement dated 3 April 2024 titled "General Meetings to be held on 19 April 2024". The announcement may be accessed on the SGXNet and at the Company's website at the URL above.
3. Members who wish to exercise their voting rights at the EGM may: (a) vote at the EGM themselves; or (b) appoint a proxy/proxies or representatives to vote at the EGM on their behalf.
4. 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 EGM, as my/our* proxy to attend, speak and vote for me/us* on my/our* behalf at the EGM of the Company to be convened and held at ParkRoyal Collection Marina Bay, Atrium Ballroom, Level 5, 6 Raffles Boulevard, Singapore 039594 on Friday, 19 April 2024 at 3.30 p.m. (or as soon thereafter following the conclusion of the Annual General Meeting of the Company to be held at 3.00 p.m. on the same day and at the same place) 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 EGM as indicated hereunder.

Ordinary Resolution	For ⁽¹⁾	Against ⁽¹⁾	Abstain ⁽¹⁾
To approve the renewal of the Share Buyback Mandate			

(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 EGM, please tick "✓" 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 EGM if no voting instruction is specified, and on any other matter arising at the EGM and at any adjournment thereof.

Dated this _____ day of _____ 2024

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Member(s) or Common Seal of Corporate Member

* To delete as appropriate

All capitalised terms used in this Proxy Form which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the Company's circular to its members dated 3 April 2024.

PROXY FORM

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 EGM. 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 EGM, 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-agmegm2024@boardroomlimited.com,

and in each case, must be lodged or received not less than 48 hours before the time fixed for the EGM.

5. A member can choose to appoint the Chairman of the EGM 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 EGM, 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 EGM. The appointment of a proxy/proxies shall be deemed to be revoked if a member attends the EGM 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 EGM.

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 EGM dated 3 April 2024.

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 EGM, as certified by The Central Depository (Pte) Limited to the Company.