



FOOD EMPIRE HOLDINGS LIMITED

(Co Registration No: 200001282G)

SUBSCRIPTION OF ADDITIONAL SHARES IN THE COMPANY'S SUBSIDIARY, TEA AVENUE PTE. LTD.

The Board of Directors of Food Empire Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to announce that the Company's wholly-owned subsidiary, Future Investment Holdings Pte Ltd ("**FIHPL**"), and the Company's associate company, Empire Teas (Pvt) Ltd, through the latter's wholly-owned subsidiary, Capital Empire Pte Ltd ("**CEPL**"), have subscribed additional 574,830 ordinary shares in the share capital of Tea Avenue Pte. Ltd. ("**TAPL**") for an aggregate cash consideration of SGD574,830.00 (approximately USD425,800.00), in proportion to their respective shareholdings in TAPL.

FIHPL which holds 60% shareholding in TAPL has subscribed for 344,898 ordinary shares for a cash consideration of SGD344,898.00 (approximately USD255,480.00) and CEPL which holds the remaining 40% shareholding in TAPL has subscribed for 229,932 ordinary shares for a cash consideration of SGD229,932.00 (approximately USD170,320.00).

Following completion of the new share subscription, the total issued and paid-up share capital of TAPL has increased from SGD310,000.00 (equivalent to USD247,861.00) comprising 310,000 ordinary shares to SGD884,830.00 (approximately USD673,661.00) comprising 884,830 ordinary shares in which FIHPL holds 530,898 ordinary shares and CEPL holds 353,932 ordinary shares.

The above transaction was funded through internal resources and is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the current financial year.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

By Order of the Board

Tan Cher Liang
Company Secretary

3 August 2016