

FOR IMMEDIATE RELEASE

Food Empire partners IE Singapore on investment initiatives in Andhra Pradesh, India

- **IE Singapore to provide assistance in the form of financing, general advisory, as well as engagement with the Government of Andhra Pradesh**
- **The Government of Andhra Pradesh, India, to support Food Empire's foray into the Indian market, by providing a conducive investment environment for Food Empire to capitalise upon**
- **Group views partnership with the two parties as a strategic platform to solidify their market positioning in India and derive new avenues for top-line growth**

Singapore, 27 February 2018 – Food Empire Holdings Limited (“Food Empire”, together with its subsidiaries, the “Group”), an international food and beverages company headquartered in Singapore, announced that it has entered into a MOU on 25 February 2018 with Industries and Commerce (Food Processing) Department, the Government of Andhra Pradesh (“State Government”), to set up its second Instant Coffee processing facility in Andhra Pradesh, India. The investment, valued at approximately INR 319 crores (USD 50 million), with expectation to generate 350 new jobs, will be made under Food Empire's Indus Coffee subsidiary and in partnership with IE Singapore.



An impression of the existing Instant Coffee processing facility in Andhra Pradesh, India

Under the MOU, the State Government will facilitate provision of necessary assistance for Food Empire's entry to market in India and improve investment environment for Food Empire, which includes prompt land acquisition, adequate infrastructure development and offering attractive incentives as per the policies and rules and regulations of the State Government. The State Government will also support Food Empire's participation in significant projects in Andhra Pradesh, wherever feasible. Such participation may include providing advisory services, setting up manufacturing facilities, industrial development, research and development and/or implementation support.

Additionally, IE Singapore will provide assistance in the form of financing and general advisory. IE Singapore's close connection to the Andhra Pradesh Government shall also further promote bilateral collaborative relationship between the working parties, with positive implications upon Food Empire.

In return, Food Empire can support the development of infrastructure in Andhra Pradesh, through the opening of its new Instant Coffee processing plant, considering the India's Government focus on promoting manufacturing and industrialisation in Andhra Pradesh and facilitating conducive investment environment. Food and beverage manufacturing and processing remains the core business of the Company, and by playing on its competitive strengths, Food Empire seeks to grow its operations while engaging in a mutual cooperation with the State Government.

With India expected to rank amongst the top three manufacturing bases in the world by 2020, coupled with a projected target for India's manufacturing sector to reach US\$1 trillion by 2025, Food Empire's strategic partnership with the State Government shall then enable Food Empire to strengthen their foothold in India and serve new markets for top-line growth.

On the potential of India's manufacturing sector, Mr. Tan Wang Cheow, Executive Chairman of Food Empire commented, **"Andhra Pradesh in India is particularly favourable for manufacturing related investments, given the presence of a supportive state government, the availability of skilled labour and reliable utilities supply. This, together with the attractive growth prospects projected for India's manufacturing sector presents an immense potential for our Instant Coffee processing forays into that market. With the targeted investment location in close proximity to our existing plant in Manbattu, this shall also provide additional synergies for us to capitalise upon."**

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About Food Empire Holdings Limited (Bloomberg Code: FEH SP)

SGX Mainboard-listed Food Empire Holdings (Food Empire) is a global branding and manufacturing company in the food and beverage sector. Its products include instant beverage products, frozen convenience food, confectionery and snack food.

Food Empire's products are exported to over 60 countries, in markets such as Russia, Ukraine, Kazakhstan, Central Asia, China, Indochina, the Middle East, Mongolia and the US. The Group has 24 offices (representative and liaison) worldwide. The Group operates eight manufacturing facilities in Malaysia, Myanmar, Vietnam, Russia and Ukraine.

Food Empire's products include a wide variety of beverages, such as regular and flavoured coffee mixes and cappuccinos, chocolate drinks and flavoured fruit teas. It also markets instant breakfast cereal, potato crisps and assorted frozen convenience foods.

Food Empire's strength lies in its proprietary brands – including MacCoffee, Petrovskaya Sloboda, Klassno, Hyson, OrienBites and Kracks. MacCoffee – the Group's flagship brand – has been consistently ranked as the leading 3-in1 instant coffee brand in the Group's core market of Russia, Ukraine and Kazakhstan. The Group employs sophisticated brand building activities, localized to match the flavour of the local markets in which its products are sold.

Since its public listing in 2000, Food Empire has won numerous accolades and awards including being recognized as one of the "Most Valuable Singapore Brands" by IE Singapore, while MacCoffee has been ranked as one of "The Strongest Singapore Brands". Forbes Magazine has twice named Food Empire as one of the "Best under a Billion" companies in Asia and the company has also been awarded one of Asia's "Top Brand" by Influential Brands.

For more information, please refer to: <http://www.foodempire.com>

**Issued for and on behalf of Food Empire Holdings Limited.
by Financial PR Pte Ltd**

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