

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

DILUTION OF SHAREHOLDINGS IN 101 CAFFE S.R.L.

*[This announcement should be read together with the announcement on 20 May 2020 in relation to a Sales & Purchase Agreement entered into by Food Empire Holdings Limited's wholly-owned subsidiary, Future Investment Holdings Pte Ltd ("**FIH**") with Fidirev Societa' Fiduciaria S.r.l. ("**Fidirev**"), Lascola Holdings Ltd ("**Lascola**"), Gonnella Umberto and 101 Caffe S.r.l. ("**101 Caffe**").]*

The Board of Directors of Food Empire Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to announce that the Company's associate company, 101 Caffe had increased its share capital following the issuance of new shares in 101 Caffe to Fidirev for a consideration of EUR800,000 (approximately USD920,000). The cash will be used by 101 Caffe for its working capital and expansion purposes.

As a result of the above, the interest of the Company in the enlarged share capital of 101 Caffe will be diluted from 23.98% to 22.48% (the "**Dilution**").

The Dilution 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

Kevin Cho
Company Secretary

Date: 21 July 2020