

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

ONGOING INVESTIGATIONS ON FALSE CLAIMS AT A MALAYSIAN SUBSIDIARY

The Board of Directors of Food Empire Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that the Group has uncovered certain transactions on 30 January 2024 involving false claims for cash advances made by a junior staff at its wholly owned subsidiary in Malaysia, Food Excellence Specialist Sdn Bhd (“**FESSB**”).

Following the discovery, FESSB made a police report in Malaysia and engaged a lawyer for legal assistance. It has since suspended the employee involved while investigations are on-going. The Company is also working with its external and internal auditors for a review of FESSB’s internal control processes and compliance.

Based on preliminary investigations, the Group does not expect the falsified transactions to have any material impact on the consolidated financial results of the Group for the current financial year.

The Group has established internal control systems in place and is of the opinion that these internal controls are intact and adequate. However, the Board of Directors notes that no internal control can provide absolute assurance against human acts of non-compliance.

The business and operations of FESSB are not affected by the investigations and will continue as normal. The Company will monitor the progress of the investigations and make further announcement(s) as and when there are material development(s) and as appropriate.

By order of the Board

Kevin Cho
Company Secretary
09 February 2024