



Food Empire

FUTURE

Food Empire Annual Report 2025

READY

POST
BILT
TILES



The
FUTURE
is not a destination
but a field of

POSSIBILITIES

**Food Empire approaches it with focus.
Guided by strategy. Grounded in fundamentals.
Committed to building value that lasts.**

INTO THE FUTURE

Quantum Computer

Quantum computers use qubits to address complex problems. They have the potential to accelerate medical research, support climate initiatives, and improve the safety and efficiency of a wide range of industries.

Driverless Vehicle

Self-driving cars use sensors and artificial intelligence to operate autonomously. They have the potential to improve road safety, reduce emissions, save time, and prioritise passenger safety in transportation systems.

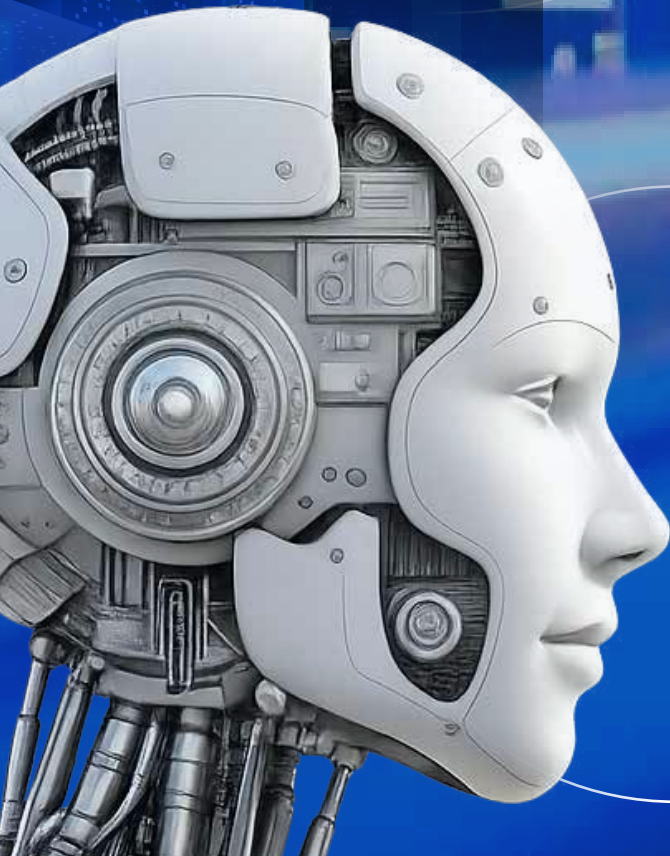


Smart City

A smart city leverages digital technology and data to enhance the efficiency and sustainability of urban services. These initiatives enable cities to respond more effectively to residents' needs and improve quality of life.

Humanoid

Humanoids are versatile, bipedal robots built to resemble and move like humans, designed to work alongside people and enhance productivity.



New technologies are shaping the future — improving our lives and building a stronger, more resilient world.

Chatbots

Chatbots are AI-powered tools that interact with users, automate tasks, provide instant support, and help industries operate more efficiently.



Flying Cars

Flying cars could enable aerial mobility, cut commute times, and open up new transportation options for future urban environments.



Hyper-Realism

Virtual reality and hyper-realistic simulations create immersive environments that support better decision-making, minimise errors, and build practical skills across industries.



THE FUTURE OF FLAVOUR & PRODUCTION

AgTech and AI in Crop Production

The journey begins at the source, with AI-driven precision agriculture transforming how raw materials are cultivated. By analysing data from satellites, drones, and ground sensors, intelligent systems provide microscopic insight into crop health. This enables predictive irrigation, early disease detection, and targeted resource application. This maximises yield and quality while minimising waste and environmental impact, securing a sustainable and superior supply of food crops such as coffee, tea, and potatoes.

Food Inspection and Digital Quality Assurance

Quality assurance is being redefined by digital fingerprinting, transforming a sensory art into an exact data science. Advanced AI analyses the molecular profile of raw ingredients in seconds, predicting flavour, detecting hidden defects invisible to the eye, and guaranteeing intrinsic quality without the need for physical roasting or tasting. This technology also empowers intelligent blending, using simulations to maintain perfect, consistent taste profiles across variable global supplies, ensuring consumer trust in every single serving.



The future of food is being written today at the intersection of agriculture, data, and automation. From the fields where our raw materials grow to the final product on the shelf, a technological revolution is ensuring greater efficiency, unmatched quality, and sustainable resilience for the industry.

Food Production and Hyper-Automation

Inspired by advanced manufacturing, food production is entering the era of the cognitive factory. Hyper-automation, powered by robotics and machine vision, handles intricate tasks from precise blending to packaging with unwavering consistency. AI monitors production variables in real-time, such as moisture content and temperature, to maintain absolute quality control. Self-optimising systems streamline workflows for efficiency and minimal waste, all within lights-out facilities.

AI and Autonomous Robotics in the Supply Chain

Autonomous robots and AI-enabled smart warehouses optimise inventory and fulfil orders with unprecedented speed. Predictive logistics algorithms forecast demand to pre-position stock closer to consumers, enabling faster delivery and reducing food miles. This agile network is increasingly supported by sustainable electric and autonomous freight solutions, paving the way for a cleaner, more resilient, and efficient global distribution system.

FUTURE READY

The future is taking shape through new technologies, evolving ideas, and emerging possibilities. At Food Empire, we prepare for this future by building the right capabilities today — staying focused, adaptable, and grounded in what we do best.

Download a copy of the Annual Report 2025 now!
Or visit: foodempire.listedcompany.com/ar.html



CONTENTS

5
About
Food Empire
Holdings Limited

6
Our Global
Presence

8
Executive
Chairman's
Message

10
Group CEO's
Message

12
Board of Directors

15
Financial Highlights

16
Operations and
Financial Review

18
Awards and
Accolades

20
New Product
Releases

22
Market and
Social Activities

30
Voices from
Our Global Leaders

32
Sustainability
Report Summary

33
Corporate
Governance Report

59
Financial
Statements

157
Shareholders'
Information

159
Notice of AGM
Proxy Form

Corporate
Information

ABOUT FOOD EMPIRE HOLDINGS LIMITED

Bloomberg Code: FEH:SP

SGX Mainboard-listed Food Empire Holdings ("**Food Empire**" or together with its subsidiaries, the "**Group**") is a multinational food and beverage manufacturing and distribution group headquartered in Singapore. The Group's primary business is instant coffee beverages, which is retailed under its flagship and award-winning MacCoffee and CaféPHỐ brands.

Anchored by strong, market-leading brands and an extensive distribution network, Food Empire's reach extends to more than 60 countries across North Asia, Eastern Europe, South-East Asia, South Asia, Central Asia, Middle East, and North America. The Group's growing branded consumer business is supported by a vertically integrated business model that comprises 10 manufacturing facilities in 6 countries and 23 offices worldwide.

Besides instant coffee, Food Empire offers a range of other beverages such as tea and hot chocolate under its family of proprietary brands including Petrovskaya Sloboda, Klassno and Hillway. The Group is also involved in the snack manufacturing and distribution business under its Kracks brand.

For business excellence, Food Empire has been named thrice by Forbes Asia as one of the "Best Under a Billion" companies. The Group was listed in Fortune magazine's 2025 Fortune Southeast Asia 500 list, joining the ranks of the region's largest 500 companies by revenue. In the Edge Singapore Billion Dollar Club Awards 2025, Food Empire achieved a prestigious haul of five awards, including the top honour of "Company of the Year" in the special Centurion category. In 2020/2021, Food Empire was named Winner of The Enterprise Award at the Singapore Business Awards.

For more information, please visit: www.foodempire.com

MISSION STATEMENT

We aim to be a leading global food and beverage company providing quality products. We will achieve this goal as we have the people, the passion and the enterprising spirit to make a difference.



OUR GLOBAL PRESENCE

4,693
EMPLOYEES

23
OFFICES
WORLDWIDE

10
MANUFACTURING
FACILITIES





EXECUTIVE CHAIRMAN'S MESSAGE



Dear Shareholders

FY2025 marked the 25th anniversary of Food Empire's listing on the Mainboard of the Singapore Exchange Securities Trading Limited, which occurred in 2000. When we began this journey, we embarked with a simple mission: to become a leading global food and beverage company providing quality products, guided by the belief that with the right people, passion and enterprising spirit, we could make a difference.

Twenty-five years later, we manage a dynamic portfolio of more than 200 instant beverage and snack products, supported by an extensive distribution network spanning over 60 countries and holding brand leadership positions in several key markets. We have also established a strong global presence, with our headquarters in Singapore and 22 other offices worldwide. Our growing branded consumer business is further supported by a vertically integrated business model comprising 10 manufacturing facilities, with many more along the way as I will explain further below.

Operating primarily in emerging markets, which are often characterised by political shifts and challenging economic conditions, has shaped our organisation over the years. In the process, we have cultivated a management team that has learnt to navigate crises and resolve complex issues on the ground with agility, both independently and in close collaboration with our senior leadership. Today, we are supported by a strong, experienced and resilient management team that has weathered many challenges and developed the capability to operate effectively in highly volatile environments while continuing to deliver strong results.

In FY2025, with President Donald Trump returning to the White House, sweeping tariffs were imposed on many countries based on trade imbalances, reflecting his "America First" policy to prioritise national interests.

While these tariffs did not have a direct impact on Food Empire, given our limited exposure to the US market, we closely monitored their potential effects on operating costs and consumer sentiment in affected countries, which could in turn influence demand for our products. Against this backdrop and with the ongoing geopolitical tensions, I am pleased to report that our core markets performed strongly. We delivered our fifth consecutive year of record performance, with revenue crossing the half-billion-dollar mark for the first time to reach US\$576.9 million, while normalised net profit after tax ("NPAT") achieved a record high of US\$68.6 million¹.

As we enter 2026, a new and evolving situation in the Middle East has emerged, posing potential risks to oil prices, shipping routes, and associated logistics costs. We are closely monitoring these developments and will adapt our strategies where necessary to mitigate any potential impact on our business.

Enhancing Shareholder Value

FY2025 was truly a year of significant milestones. In addition to our record performance, Food Empire declared its first-ever interim dividend of 3.0 Singapore cents per share following our strong half-year results.

In line with the stellar performance, the Board has proposed a final dividend of 5.0 Singapore cents per share and a special dividend of 4.0 Singapore cents per share. This brings the total dividend for FY2025 to 12.0 Singapore cents per share — the highest dividend in the Company's history.

Subject to shareholders' approval at the upcoming Annual General Meeting, the Group would have returned a total of S\$228.5 million to shareholders between FY2021 and FY2025, comprising S\$196.0 million in dividends and S\$32.5 million through share buybacks. This reflects our strong commitment to creating and returning value to our shareholders.

Securing Market Leadership

Despite the tariff situation that disrupted global trade and affected market sentiment, Food Empire emerged stronger than ever in our core markets. We attribute this resilience to the strength of our key brands and our experienced management team, whose agility

¹ Excludes a one-off non-cash, fair value accounting loss on Redeemable Exchangeable Notes ("REN") amounting to US\$32.6 million in FY2025.

and responsiveness enabled the Group to identify opportunities and implement effective strategies to drive growth.

We achieved revenue growth across all our core segments, driven primarily by price gains and higher sales volumes, as our continued investments in brand building translated into strong customer acquisition and enhanced brand loyalty.

Notably, our Russia segment achieved its best-ever performance in FY2025, with sales increasing by 34.8%. Central Asia, our second-best performing segment during the year, recorded a 25.6% increase in sales, driven mainly by strong performance in Kazakhstan supported by effective promotions and improved distribution networks.

Meanwhile, our South-East Asia segment also delivered robust growth, registering a 14.3% increase in revenue, led primarily by Vietnam, where we remain the market leader in the iced coffee segment.

Strengthening Our Capabilities

To further strengthen our market reach and support brand-building efforts across our core markets, Food Empire continued to invest in capacity expansion projects.

During FY2025, we successfully completed the construction of our coffee-mix manufacturing facility in Kazakhstan, with production commencing in the first quarter of 2026. We are also nearing completion of the expansion of our snack factory in Malaysia and expect to commence production in the first half of 2026.

In addition, we are embarking on the construction of our second spray-dried soluble coffee facility in India, which is expected to be completed by 2027. Construction has also begun on a new freeze-dried soluble coffee facility in Vietnam, which is projected to be completed by 2028.

Looking ahead, we remain cautiously optimistic about sustaining our growth momentum. While we continue to monitor macroeconomic challenges such as geopolitical conflicts, trade tensions and currency volatility, the strength of our core brands and our disciplined expansion strategy position us well for the next decade of growth.

Strategically, we raised approximately S\$41.8 million in net proceeds through a placement of treasury shares, attracting prominent institutional investors. This has strengthened our capital base for future growth while also serving as a strong validation of our market valuation and long-term prospects.

To remain future-ready in an increasingly technology-driven world, we are also preparing our workforce for a more productive future supported by AI-enabled tools and solutions. We will continue to upskill our employees and equip them with a deeper understanding of how AI applications can enhance productivity and operational effectiveness.

Examples of these applications include areas such as information compilation, report preparation, data analytics for market expansion, production planning, product launch planning and trend tracking thus enabling us to make better strategic decisions and achieve stronger outcomes.

Improving Brand Recognition

Food Empire received several awards and accolades for business excellence in FY2025.

We were included in Fortune Magazine's 2025 Fortune Southeast Asia 500 list, joining the ranks of the region's 500 largest companies by revenue. At The Edge Singapore Billion Dollar Club Awards 2025, Food Empire garnered an impressive five awards, including the top honour of "Company of the Year" in the special Centurion category, recognising our strong and consistent performance.

In addition, we were named by Forbes Asia as one of the "Best Under a Billion" companies for the third time.

Giving Back to the Community

Beyond business performance, Food Empire was also recognised as a "Champion" in the Leadership for Good category at the 2025 Brands for Good Awards, in recognition of the Group's positive social impact.

During the year, we continued our philanthropic efforts across our markets, contributing to causes that are close to our hearts.

In May 2025, Food Empire jointly hosted an indoor skydiving event at AltitudeX for beneficiaries of the VIVA Foundation, an organisation dedicated to saving the lives of children with cancer. The event gave the children the opportunity to experience the thrill of flying and the freedom of movement regardless of their physical condition.

In July 2025, we donated S\$200,000 to establish the "Food Empire Food Science & Technology Bursary", providing financial support for undergraduates at the National University of Singapore's Faculty of Science who are pursuing Food Science and Technology as a major. Beyond financial support, we also plan to explore research collaborations with the faculty to create pathways for innovation that will benefit students, the broader industry and consumers.

Beyond Singapore, Food Empire has also been involved in many CSR events across our markets as a continuation of our efforts to give back to the community (see pages 28 and 29 of the annual report for a full list of CSR activities).

Appreciation

I would like to take this opportunity to thank our management team, employees, business partners, service providers, friends and shareholders for their dedication and trust as we celebrate 25 years of success and embark on the next chapter of our journey together.

I would also like to commend our management team and all our present and former colleagues around the world for their contributions over the past 25 years. Their sound business strategies and excellent execution have built a resilient business capable of delivering outstanding performance.

As we continue to invest in the Company's future, I am confident that even better years lie ahead for Food Empire.

MR TAN WANG CHEOW

Executive Chairman

GROUP CEO'S MESSAGE

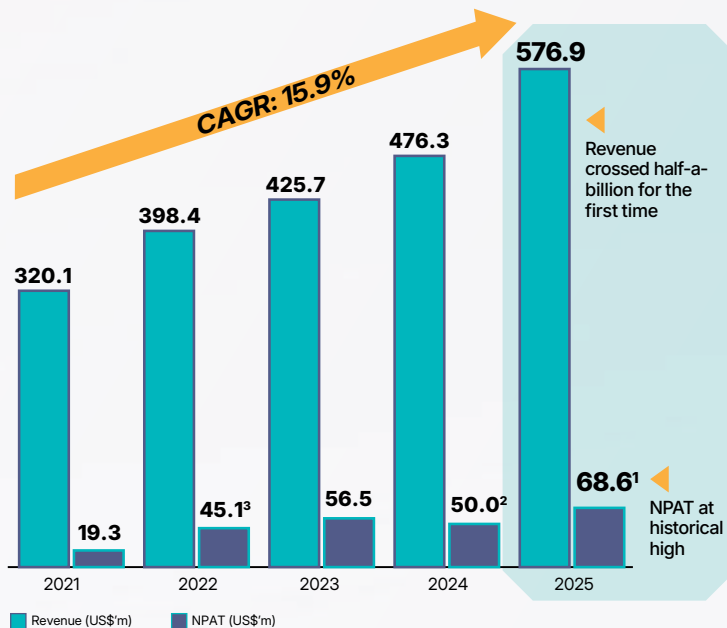


Dear Shareholders

FY2025 was Food Empire's most successful year. Our results surpassed those of any year in the 25 years since our listing on the SGX-ST in 2000, reinforcing our confidence that our business strategies and disciplined investments are driving the Group along the right path towards sustainable growth.

Today, Food Empire stands as a globally integrated food and beverage company with market leading brands such as our flagship MacCoffee and CaféPho brands, an expanding manufacturing network and a growing international presence. For over a decade, we have purposefully undertaken capacity building projects to reinforce our vertically integrated business model and this supported the rapid growth of our branded consumer business while driving greater efficiency. It culminated in a year of record performance for the Group in FY2025 when our revenue surpassed the half-billion US dollar milestone for the first time, rising to US\$576.9 million (see Figure 1).

Figure 1: Five consecutive years of record performance



Both EBITDA and net profit after tax ("NPAT") on a normalised basis also hit new highs, increasing 45.0% and 37.0% respectively to US\$113.5 million¹ and US\$68.6 million¹ in FY2025. Reflecting the strong bottom-line growth, normalised basic earnings per share rose to 12.55 US cents from 9.45 US cents in FY2024.

We achieved a strong performance despite a complex global operating environment with trade tensions and ongoing geopolitical conflicts that created a lot of uncertainties for businesses and weakened consumer sentiments. It is a clear testament to the strength of our strategy and execution by our time-tested management team.

FY2025 Market Highlights

In FY2025, we maintained our proven strategy to invest in marketing and promotional campaigns that drive brand loyalty and awareness. As a result, we achieved revenue growth across all key markets.

Russia delivered the strongest performance, with revenue rising 34.8% to US\$191.0 million, driven by higher volumes, price gains and improved in-store execution across a wider product range, alongside a 10% appreciation of

the Russian Ruble against the US dollar. On a like-for-like basis, revenue increased by 20.9% in local currency terms, reflecting solid underlying business performance.

The Group's South-East Asia segment achieved higher sales of 14.3% to US\$147.8 million in FY2025 driven by sustained growth from its Vietnam market, which contributed more than half the revenue in this segment as a result of effective marketing and customer engagement activities, targeted sales strategies and new product launches.

The Central Asia segment was the second-best performing segment, with revenue rising 25.6% to US\$102.0 million. Growth across the segment's core markets was supported by higher sales volumes and price gains. Kazakhstan delivered the strongest performance, benefiting from effective promotional activities, improved product availability and stronger in-store presence, as well as the full-year consolidation of Tea House LLP, which became a subsidiary of the Group in May 2024.

¹ Excludes a one-off non-cash, fair value accounting loss on REN amounting to US\$32.6 million in FY2025.

² Excludes a non-cash, fair value accounting gain on REN amounting to US\$2.8 million in FY2024.

³ Excludes a one-off gain from the disposal of non-core asset of US\$15.0 million in FY2022.

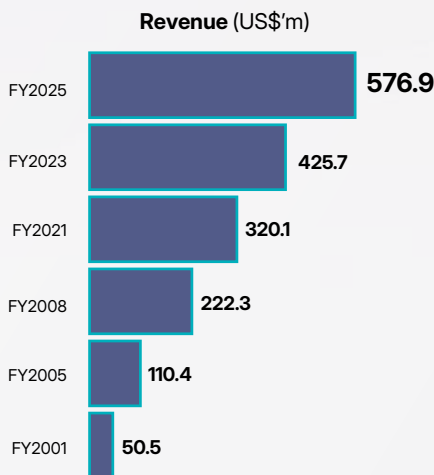
Operational Excellence and Vertical Integration

A key pillar of our long-term strategy is our vertically integrated operating model and diversified geographical presence, which has allowed us to switch our focus quickly so as to tap opportunistically on growth regions when required. This strategy has served us well and I believe it will continue to serve us well in an increasingly polarised world.

Figure 2 illustrates Food Empire's revenue growth journey as the Group progressively crossed each US\$100 million milestone over the years. Between FY2010 and FY2021, the business navigated a period marked by global volatility and economic disruptions. During this time, we made a strategic pivot towards Asia, building our team from the ground up and investing in capacity expansion to support the geographical growth of our branded consumer business.

These efforts strengthened the Group's resilience by establishing a broader operating base across two continents. Since FY2021, Food Empire has accelerated its growth trajectory, reaching successive US\$100 million revenue milestones at a faster pace. With stronger foundations, enhanced capabilities and ongoing investments to strengthen our vertically integrated business model, we believe the Group is well-positioned to sustain this momentum as we enter our next phase of growth.

Figure 2: Revenue milestones over the past 25 years



Looking ahead, Food Empire will continue to reap the benefits from the past decade of capex investments that are gradually coming onstream. In FY2025, we completed several important infrastructure milestones that will strengthen our manufacturing backbone. In Kazakhstan, we completed our first coffee-mix manufacturing facility, increasing total production capacity by approximately 15% to better serve the growing market in Central Asia. In Malaysia, we concluded the expansion of our snack manufacturing facility, where a new production line is expected to increase output by around 50% when it becomes operational in the first half of 2026.

To ramp up for the next phase of growth, we have also initiated new investments to support future demand. Construction has commenced on a freeze-dried soluble coffee facility in Vietnam, with completion expected in 2028, while our spray-dried soluble coffee capacity in India, expected to be completed in 2027, will be expanded by approximately 60%. These projects reinforce our long-term commitment to building scalable production capabilities

close to key growth markets, which increases our adaptability and ability to navigate difficult environments.

We will continue to invest heavily in brand building. At the same time, our recent share placement exercise in September 2025 that raised approximately S\$41.8 million in net proceeds positions us to pursue more suitable opportunities to strengthen our vertically integrated business model to support our branded consumer business.

Delivering Value to Shareholders

A record year deserves to be shared. In view of the Group's strong performance and in celebration of Food Empire Holdings' 25th anniversary of listing, the Board of Directors has proposed a final dividend of 5.0 Singapore cents per ordinary share, together with a special dividend of 4.0 Singapore cents per ordinary share. Combined with the Group's first-ever interim dividend of 3.0 Singapore cents per ordinary share declared earlier in the year, this brings the total dividend for FY2025 to 12.0 Singapore cents per ordinary share, the highest dividend ever paid by the Group.

Food Empire has consistently demonstrated a robust commitment to enhance shareholder value through its strong dividend track record and strategic share buyback initiatives. Over the past several years, our dividend payouts have not only reflected our sustained profitability but have also positioned us significantly above industry norms. This commitment is evident in our consistent annual increases in dividends, which have rewarded our shareholders generously. Furthermore, our share buyback programme has effectively returned capital to our investors, further underscoring our confidence in the Company's long-term growth prospects. We will continue to prioritise shareholder returns while focusing on delivering sustainable long-term value.

Future Ready

As we look to the future, our priorities remain clear, deepening our presence in our core markets, strengthening our global manufacturing network and continuing to build brands that resonate with consumers worldwide. The theme of this report is Future Ready, and that is precisely where Food Empire is today. With the brands, the infrastructure and the financial strength to lead through change, the foundations are in place. The next chapter begins now.

Appreciation

Finally, I would like to thank all shareholders for your unwavering support over the years. Food Empire will continue to build upon its solid foundations to deliver long term value for our shareholders.

I also extend my sincere appreciation to our Board of Directors for their wise counsel and to our management team and employees across the Group for your commitment to excellence that made this record-breaking year possible. I look forward to achieving more new milestones with you!

MR SUDEEP NAIR

Group Chief Executive Officer
and Executive Director

BOARD OF DIRECTORS



MR TAN WANG CHEOW PBM
Executive Chairman

Mr Tan has been providing leadership to the Board of Directors since April 2000. Mr Tan founded Food Empire and has been instrumental in guiding the Group's business, including taking the company public in 2000. As Executive Chairman, Mr Tan is responsible for the achievement of the Group's long-term goals. His role includes providing strategic leadership and exploring business opportunities for the Group. A passionate believer in the power of brands, Mr Tan is actively involved in the marketing and branding activities across the Group.

Mr Tan has been active in the local grassroots community since 1990. He received the Service to Education Award in 2014 and 2020 from the Ministry of Education. He was also awarded the Public Service Medal in 2014 for his significant contributions to society and to the field of business. He holds a Bachelor of Accountancy from the National University of Singapore. In 2018, he received the NUS Business School Eminent Award (Senior Alumni Category) for excelling in Singapore and beyond, and for his contributions to community service. Mr Tan also served as Chairman of the School Advisory Committee of Woodgrove Secondary School from 2010 to 2020. In 2019, he was recognised by Influential Brands as Asia's Top Chairman of the Year. He is also a Member of the NUS Medicine International Council (NIC).



MDM TAN GUEK MING
Non-Executive Director

Mdm Tan was appointed to the Board as a Non-Executive Director in April 2000. Mdm Tan brings both financial and business expertise to the Board, having held both executive and non-executive directorships in listed companies with interests in property, hospitality and the food and beverage sectors. She holds a Bachelor of Accountancy Degree (Second Class Honours) from the National University of Singapore and has numerous years of leadership experience in the fields of accounting and auditing.



MR SUDEEP NAIR
*Group Chief Executive Officer
and Executive Director*

Mr Nair has been with the Group since 1993 and has served as an Executive Director on the Board since July 2005.

Prior to his appointment to the Board, he was primarily responsible for the launch and establishment of the Group's brands and businesses in Eastern Europe and CIS countries from 1994 to 2005.

In October 2012, Mr Nair was appointed as the Group CEO in addition to his continuing role as Executive Director. Since 2012, he is also responsible for the Group's diversification and growth strategy including overall oversight of its day-to-day operations. His role includes geographical expansion of business, as well as identifying new businesses and M&A opportunities for the Group. Mr Nair has over 32 years of experience in building and managing the Group's business.



MR KOH YEW HIAP
Non-Executive Director

Mr Koh joined the Board as a Non-Executive Director in March 2007. Mr Koh has a distinguished career in business and is the Managing Director of Universal Integrated Corporation Consumer Products Pte Ltd and United Detergent Industries Sdn Bhd. He also sits on the Board of Directors of various companies within the Salim Group. He holds a Bachelor of Arts (Economics) Honours from the University of Manchester.



MR ONG KIAN MIN
Non-Executive Director

Mr Ong first joined the Board in April 2000 and served as an Independent Non-Executive Director until December 2021. He is currently serving as a Non-Executive Director and a member of the Nominating Committee. As a lawyer and corporate adviser, Mr Ong brings invaluable legal and business experience to the Board. He was called to the Bar of England and Wales in 1988 and to the Singapore Bar the following year. In his more than 30 years of legal practice, he focused on corporate and commercial law such as mergers and acquisitions, joint ventures, restructuring and corporate finance. In addition to his legal practice, he is also the Managing Director of Kanesaka Sushi Private Limited, which invests in and operates Japanese fine-dining restaurants in Singapore.

In 1979, Mr Ong was awarded the President's Scholarship and Police Force Scholarship. He holds a Bachelor of Laws (Hons) external degree from the University of London and a Bachelor of Science (Hons) degree from the Imperial College of Science and Technology in England. Mr Ong was a Member of Parliament of Singapore from January 1997 to April 2011.



MR TAN CHER LIANG PBM
Independent Director

Mr Tan was appointed to the Board as a Non-Executive Independent Director on 24 April 2020. He is the Chairman of the Nominating Committee and a member of the Audit Committee and Remuneration Committee. He has more than 40 years of experience in corporate advisory and general management.

Currently, he also serves on the boards of various public and private companies in Singapore including as Non-Executive Chairman of Vibrant Group Limited, a Non-Executive Director of Kingsmen Creatives Ltd, an Independent Director of Hiap Seng Industries Limited and IPC Corporation Ltd. He is a Trustee of Kwan Im Thong Hood Cho Temple and a Director of D S Lee Foundation.

Mr Tan is a qualified financial professional from the Association of Chartered Certified Accountants of the United Kingdom. He was conferred the Public Service Medal (PBM) in 1996.



MR SAW MENG TEE
Lead Independent Director

Mr Saw is currently the Lead Independent Director of the Board since January 2022, where he also serves as Chairman of the Audit Committee since April 2020, and a member of both the Nominating Committee and Remuneration Committee. He was first appointed to the Board in April 2019. Mr Saw brings both Corporate Finance and Accounting experience to the Board, having worked formerly in industries with that domain and having started a firm of Chartered Accountants in 1999, EisnerAmper PAC, the Singapore member of EisnerAmper Global. He is currently the Managing Partner of EisnerAmper Singapore as well as a Director with EisnerAmper Global.

He has been very active in the restructuring and insolvency space. In 2025, he was nominated by Global Restructuring Review for the Insolvency Practitioner of the Year award.

Mr Saw has been on the Board of Directors for other SGX mainboard listed companies. He was also a Director of a Bermuda based insurance company listed on the New York stock exchange. He holds a Bachelor of Accountancy from Nanyang Technological University. His other professional memberships include: Fellow Chartered Accountant Singapore, Fellow Chartered Accountant (ICAEW) and Fellow of the Insolvency Practitioners Association of Singapore.



MR ADRIAN CHAN PENGEE
Independent Director

Mr Adrian Chan was appointed to the Board as an Independent Director on 1 January 2022. He is Chairman of the Remuneration Committee and a member of the Audit Committee and the Nominating Committee.

Mr Chan is Head of Corporate at the law firm, Lee & Lee, and has been in legal practice for over three decades. He is Vice-Chairman of the Singapore Institute of Directors and serves on the Legal Service Commission of Singapore. He is an independent director on the boards of several listed companies on the SGX and the SGX has appointed him to its Catalyst Advisory Panel to review Catalyst Sponsor and Registered Professional applications.

He has been appointed to Singapore Management University's Enterprise Board and the Institutional Review Board of the Singapore Polytechnic. He has served on the Board of the Accounting and Corporate Regulatory Authority of Singapore and is currently a member of its Corporate Law Advisory Panel.

Luxury in Every Sip

Naturally smooth.
Pure satisfaction.



FINANCIAL HIGHLIGHTS

(US\$'000)	2025	2024	2023	2022
Revenue	576,917	476,347	425,715	398,362
EBITDA	80,883³	81,104 ²	86,852	83,373 ¹
EBITDA (Normalised)	113,475	78,274	86,852	68,373
Profit before taxation	59,663³	65,190 ²	72,499	70,706 ¹
Profit before taxation (Normalised)	92,255	62,360	72,499	55,706
Net profit after taxation	35,966³	52,869 ²	56,464	60,068 ¹
Net profit after taxation (Normalised)	68,558	50,039	56,464	45,068

FINANCIAL INDICATORS

Debt to Equity Ratio	15.5%⁵	15.4% ⁴	14.0%	16.2%
Working Capital Ratio	3.2	3.1	3.4	3.4
Quick Ratio	2.2	2.0	2.4	2.4
EBITDA Margin	14.0%	17.0%	20.4%	20.9%
Basic EPS (US cents)	6.59	9.98	10.75	11.28
NAV per share (US cents)	67.33	55.84	56.20	51.84

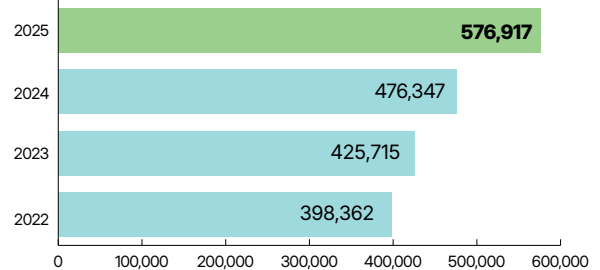
REVENUE BY GEOGRAPHICAL REGIONS (US\$'000)

Russia	190,990	141,735	143,260	148,384
South-East Asia	147,784	129,351	101,634	92,718
Central Asia	101,975	81,219	71,166	56,140
South Asia	70,958	61,351	49,128	39,600
Europe	48,608	45,154	43,994	45,026
Others	16,602	17,537	16,533	16,494
	576,917	476,347	425,715	398,362

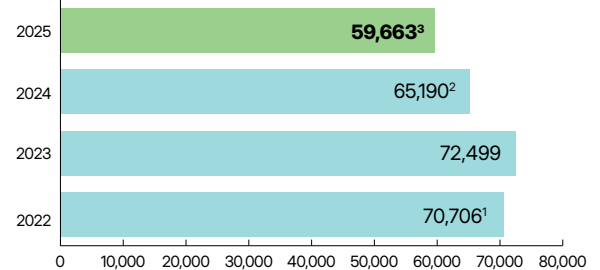
REVENUE BY PRODUCT GROUP (US\$'000)

Beverages	453,157	356,388	324,366	299,315
Ingredients	99,853	86,490	71,294	63,124
Others	23,907	33,469	30,055	35,923
	576,917	476,347	425,715	398,362

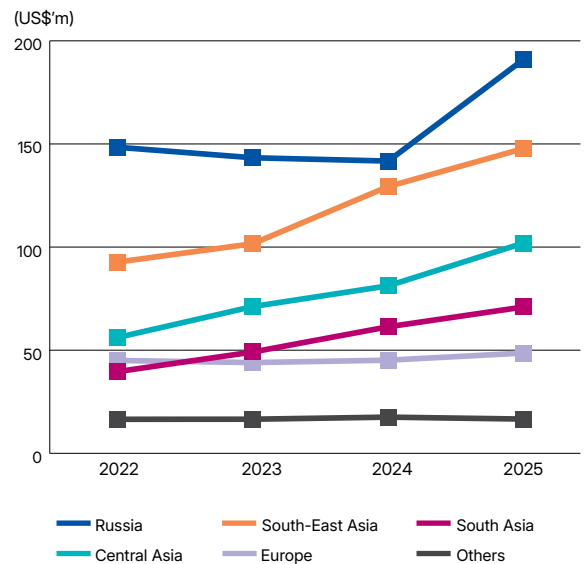
REVENUE (US\$'000)



PROFIT BEFORE TAX (US\$'000)



REVENUE BY GEOGRAPHICAL REGIONS



¹ Includes a one-off gain from the disposal of non-core asset of US\$15.0 million in FY2022.

² Includes a non-cash fair value accounting gain on REN amounting to US\$2.8 million in FY2024.

³ Includes a one-off non-cash fair value accounting loss on REN amounting to US\$32.6 million in FY2025.

⁴ Excludes REN amounting to US\$37.2 million recorded under non-current liabilities of the consolidated balance sheets.

⁵ Excludes REN amounting to US\$36.8 million recorded under non-current liabilities of the consolidated balance sheets.

OPERATIONS AND FINANCIAL REVIEW

FINANCIAL PERFORMANCE

The Group delivered its fifth consecutive year of record growth with revenue surpassing half-a-billion USD for the first time to reach US\$576.9 million, normalised EBITDA crossed the US\$100 million mark to US\$113.5 million, while normalised net profit after tax ("**NPAT**") surged to US\$68.6 million¹ for the financial year ended 31 December 2025 ("**FY2025**").

This is the strongest performance in Company history and it was a result of Food Empire's continued investment in brand-building efforts. The Group's customer engagement activities are tailored to each market to retain customer loyalty and increase customer acquisition, and the positive outcomes are reflected in its revenue performance.

In FY2025, the Group's revenue was boosted by strong growth across its segments² including Russia (up 34.8% to US\$191.0 million), South-East Asia (up 14.3% to US\$147.8 million), Central Asia (up 25.6% to US\$102.0 million), South Asia (up 15.7% to US\$71.0 million) and Europe (up 7.6% to US\$48.6 million). For the purpose of comparing underlying performance, Russia had achieved a 20.9% increase in revenue in local currency terms.

The Group achieved a normalised NPAT of US\$68.6 million¹ in FY2025 as compared to a normalised NPAT of US\$50.0 million¹. Sales and marketing expenses rose 34.8% from US\$36.1 million in FY2024 to US\$48.7 million in FY2025 in view of higher spending on advertising and promotions throughout the year to boost sales. General and administrative expenses increased 14.4% from US\$45.0 million in FY2024 to US\$51.5 million in FY2025 in view of higher staff cost.

In September 2025, Food Empire raised net proceeds of approximately S\$41.8 million from the placement of 17.0 million treasury shares. The exercise enabled the Group to monetise treasury shares from share buybacks over the years, and strengthened the Group's war chest, which positions it to pursue growth opportunity, optimise its balance sheet and reinforce long-term investor confidence, attracting strong interest from prominent institutional and strategic investors including Amova Asset Management, ICH Capital and Lion Global Investors Limited.



¹ Excludes a one-off non-cash, fair value accounting loss on REN amounting to US\$32.6 million in FY2025 (FY2024: excludes a fair value accounting gain on REN amounting to US\$2.8 million).

² To better reflect Food Empire's geographical focus, the Group has re-categorised its revenue into six segments including Russia, South-East Asia, Central Asia, South Asia, Europe and Others.

OPERATIONS AND FINANCIAL REVIEW

FINANCIAL POSITION

The Group's trade payables and accruals increased by US\$15.6 million from US\$55.8 million as at 31 December 2024 to US\$71.4 million as at 31 December 2025 due to higher procurement from the South India and Russia operations coupled with the appreciation of the Russian Ruble and higher accrued cash compensation in relation to the REN and staff cost.

The Group generated a cash inflow of US\$87.1 million from operating activities in FY2025, bringing its cash and cash equivalents to US\$180.8 million as at 31 December 2025 (US\$130.9 million as at 31 December 2024).

The Group's net assets as at 31 December 2025 was US\$370.2 million. The net asset value per ordinary share (excluding non-controlling interests) as at 31 December 2025 was 67.33 US cents as compared to 55.84 US cents as at 31 December 2024.



AWARDS & ACCOLADES

Listed in the Fortune Southeast Asia 500



In 2025, Food Empire was listed in the **Fortune Southeast Asia 500** for the first time — a proud milestone that recognises the Group's growth, strong brands, and the collective efforts of its employees, partners, and customers across the region.

Food Empire Makes a Clean Sweep at The Edge Singapore Billion Dollar Club Awards 2025



Food Empire delivered an outstanding performance at the The Edge Singapore Billion Dollar Club Awards 2025, achieving a rare clean sweep of five awards, including the highest honour of Company of the Year (Centurion Category). The other awards were Overall Sector Winner, Highest Returns to Shareholders Over Three Years, Highest Growth in Profit After Tax Over Three Years, and Highest Weighted Return on Equity Over Three Years. These accolades reflect the Group's strong fundamentals, disciplined execution, and commitment to long-term value creation.

A Record-Breaking Six Awards at the International ARC Awards 2025



Food Empire achieved its best results to date at the prestigious International ARC Awards, reflecting the Group's commitment to excellence in corporate reporting.

The Group won six awards including:

- **GOLD** — Traditional Annual Report
- **GOLD** — Cover Photo/Design
- **GOLD** — Illustrations
- **GOLD** — Design/Graphics
- **SILVER** — PDF Version of the Annual Report
- **HONOURS** — Interior Design

Marking 17 consecutive years of international recognition, this achievement reinforces our leadership in transparent and engaging corporate reporting. It also highlights our team's creativity and dedication in presenting the Food Empire story — combining data with clear and purposeful communication to all stakeholders.

We are proud of this success and inspired to continue raising the bar.

CaféPHỐ Honoured as Top Coffee Brand



CaféPHỐ was honoured as the Top Coffee Brand at the Influential Brands Award Ceremony, a recognition of the Group's dedication to delivering the authentic taste of Vietnam through quality ingredients and time-honoured traditions. This accolade reflects the trust of customers and the Group's commitment to excellence.



MacCoffee Recognised as "Leader Among 3-in-1 Coffee in Uzbekistan in 2024" for the 4th Consecutive Year!

MacCoffee was recognised as the leading 3-in-1 coffee brand in Uzbekistan at the VIII Brand Awards International gala in May 2025, marking its fourth consecutive year at the top. This accolade reaffirms MacCoffee's commitment to quality and its continued preference among consumers in the market.



Recognised as a Company of Good

Food Empire strongly believes that doing good is just as important as doing well. This honour from the National Volunteer & Philanthropy Centre reflects the Group's focus on corporate social responsibility, sustainable innovation, and empowering communities.

The Company of Good recognition represents the Group's efforts to create meaningful impact alongside other purpose-driven organisations.

The Group remains committed to fostering positive change and building a better future for all, leading with purpose and making every action count.

Champion in Leadership for Good — Brands for Good Awards 2025

Food Empire was honoured to be named Champion in the Leadership for Good category at the Brands for Good Awards 2025.

Held at Orchard Hotel and graced by Minister Edwin Tong, the event celebrated organisations making a positive social impact. With Extraordinary People as the event's official beneficiary, Food Empire was proud to support initiatives that empower communities, furthering our shared mission of creating meaningful change.



FUTURE FORWARD

NEW PRODUCT RELEASES

MacCoffee Espresso di Torino

MacCoffee Espresso di Torino is the Group's latest premium freeze-dried instant coffee, for consumers who value convenience without compromising on flavour. Inspired by Northern Italian coffee traditions and the coffee culture of Turin, the blend inherits its distinctive character and flavour profile.

It features a classic Arabica–Robusta mix of about 70–75% Arabica and 25–30% Robusta, delivering a balanced body, subtle bitterness and chocolate notes. Medium roasting enhances the aroma and brings the flavours together in a fuller, more harmonious taste.

Espresso di Torino offers a rich, smooth taste with a velvety body and a distinct dark-chocolate finish — enjoyment that is always within reach.





MacCoffee CaféPHỐ Weasel Coffee 3-in-1

MacCoffee CaféPHỐ Weasel 3-in-1 is crafted from premium imported, weasel-processed coffee beans. It delivers an authentic taste and aroma that are naturally smooth with low bitterness. This luxurious blend offers pleasant creaminess and balanced sweetness for a truly satisfying experience.

Hillway ZAPP Energy Drink (Lemon Flavour)

Hillway ZAPP is a unique energy drink that unleashes a burst of energy with a refreshing, natural lemon flavour. Supercharged by a powerful formula of Taurine, Inositol, and B Vitamins (B3, B5, B6, B12), Hillway ZAPP is more than just a typical energy boost. It is the key to unlocking sharp focus and sustained alertness.



Hillway Bird's Nest with Coconut Jelly

Hillway Bird's Nest with Coconut Jelly is a refreshing harmony of lightly sweet bird's nest and rock sugar, brought to life with fun, chewy coconut jelly. Each sip delivers a cooling, feel-good experience that soothes your body and uplifts your mood. More than just a drink, it is a refined choice for modern lifestyles where health meets indulgence.



MacCoffee Instant Iced Milk Coffee



Inspired by the bold and creamy coffee preferences cherished by the Vietnamese, MacCoffee Instant Iced Milk Coffee delivers a bold, aromatic, and delightfully indulgent instant milk coffee, with a sweet, lingering finish.

Its robust flavour shines in every sip, harmoniously blended with creamy milk for a satisfying experience that can be enjoyed all day.



Melosa Instant 3-in-1 Cereal

At Melosa, we believe a drink should nourish, refresh, and sustain you. Blending wholesome cereals with smooth flavours, we craft instant cereal drinks that are convenient and satisfying — made with

quality ingredients for a wholesome boost anytime, anywhere.

MacCoffee Mê Kông Milk Coffee

Inspired by the preference for bold and creamy coffee in the Mekong region, MacCoffee Mê Kông Milk Coffee delivers an instant milk coffee that is bold, aromatic, and delightfully indulgent, with a sweet, lingering finish.

Whether enjoyed hot or iced, in a small cup or a large mug, the coffee's robust flavour shines in every sip, harmoniously blended with creamy milk for a satisfying experience from the first taste to the last.

Experience MacCoffee Mê Kông Milk Coffee for a vibrant, energising day!



CaféPHỐ Hot Milk Coffee

Start your day with CaféPHỐ Hot Milk Coffee — hot, rich, bold coffee blended with smooth, creamy milk for a velvety taste. With its rich taste and smooth consistency, it has quickly become the top choice for those who truly appreciate the art of coffee.



CaféPHỐ Iced Milk Coffee RTD

For the first time ever, experience the authentic taste of Vietnamese iced milk coffee in a convenient can.

CaféPHỐ brings you the bold, rich flavour of traditional Vietnamese coffee, perfectly blended with creamy milk for a smooth and refreshing taste.

Enjoy café-quality coffee anytime, anywhere — just grab, sip, and savour!



MARKET ACTIVITIES



Showcasing Innovation at Anuga 2025

Food Empire showcased its innovation and portfolio at Anuga 2025 in Germany, one of the world's leading food trade fairs. The booth highlighted new product launches, sustainability initiatives, and global market expansion, offering an excellent platform to engage international partners, strengthen brand presence, and explore emerging opportunities in the food and beverage industry.

MacCoffee: From Cup to Cart

During the festive season, spanning late November through year-end, Food Empire Africa executed a wet sampling activation for MacCoffee at a leading supermarket in the Democratic Republic of the Congo. Freshly brewed samples at the point of purchase turned curious shoppers into immediate buyers, boosting brand visibility during one of the year's busiest retail periods.



MacCoffee Powers the Corporate Champions League

The 4th season of the Corporate Champions League in Uzbekistan showcased exceptional teamwork, skill, and energy — powered by MacCoffee. From the opening kick-off to the final whistle, MacCoffee kept all players and spectators energised and focused throughout the tournament.

A huge congratulations to all the teams who demonstrated incredible skill and sportsmanship. We are especially proud of the MacCoffee Uzbekistan team for competing with passion and exemplifying the team spirit that MacCoffee represents.

This event went beyond the game itself; it strengthened community ties and promoted an active lifestyle. Here's to many more seasons of champion energy!



Brewing Connections at the Heart of Baghdad

Klassno successfully participated in Baghdad's annual Tea and Coffee Festival, a major event that attracted approximately 100,000 visitors. Through strategically placed booths, the brand generated strong interest and directly engaged 15,000–20,000 attendees.

The festival served as a vibrant hub, uniting diverse audiences from across Iraq and neighbouring countries, and provided an ideal platform for fostering community and brand engagement. Klassno's participation, amplified by product giveaways and television coverage, significantly boosted brand awareness, with consumers actively seeking Klassno products in the Baghdad market following the festival.



Driving Prominent Brand Exposure in Ulaanbaatar

Our high-impact mobile advertising campaign in Ulaanbaatar, Mongolia, delivered prominent brand exposure in the latter half of 2025. With fully branded buses reaching 20,000–25,000 consumers daily on major routes, the initiative successfully elevated awareness for our brands and strengthened our engagement with the capital's urban audience.



Moving the City with CaféPHỐ and MacCoffee

In 2025, CaféPHỐ and MacCoffee became familiar sights for daily commuters in the Kyiv Metro. Campaigns ran during the spring (March–May) and autumn (September–October), reaching around 1.6 million people with frequent, repeated exposure. This consistent visibility strengthened brand recognition and kept both brands top of mind throughout the year.



MARKET ACTIVITIES



Celebrating Diversity with Hillway at DIA's International Day

We were thrilled to participate in Dubai International Academy's (DIA) International Day—a vibrant celebration of cultures, unity, and community spirit. From the colourful Parade of Nations to lively performances, the event showcased the richness of diversity. Over 1,200 guests visited our booth to enjoy Hillway's signature 3-in-1 Karak Chai, with Cardamom and Masala with Ginger emerging as clear favourites. It was a great opportunity for Hillway to connect with a diverse audience and share what we love most—authentic, flavourful chai that brings people together.

Brewing Kapwa, One Cup at a Time

At Barrio Fiesta Dubai 2025, Klassno went beyond serving coffee to fostering connection. Each cup offered a moment of kapwa, as familiar flavours sparked smiles, stories, and a sense of home. From reunions with longtime Klassno fans to new visitors discovering their favourite brew, our booth reflected the community's vibrant energy. We thank everyone for making Klassno a part of this memorable celebration.



MacCoffee Lights Up Erbil with Festive Cheer

Food Empire Iraq celebrated the season with two major 15-day Christmas festivals in Erbil, attracting 73,000 visitors. The campaign delighted over 31,000 visitors with MacCoffee samplings, receiving more than 90% positive feedback. Through 600 prize giveaways and on-site promotions, the initiative generated 14,500 sales orders, significantly boosting brand visibility and consumer engagement in the region.



MacCoffee Energises Tashkent's Retro Car Exhibition

MacCoffee brought its energy to Central Park, Tashkent, at the city's Retro Car Exhibition, where our booth proved a major attraction. Over 1,120 visitors enjoyed MacCoffee RTD and Cappuccino Di Torino samples, demonstrating how great taste brings people together. From refreshing sips to exciting giveaways, the event offered a fantastic opportunity to engage with the community and share the MacCoffee experience with Tashkent's car enthusiasts.



MacCoffee Takes Centre Stage

Food Empire enhanced the visibility of MacCoffee through a high-impact outdoor advertising campaign in August. Large-format billboards were displayed at Sochi International Airport, across Sochi city, at Makhachkala Uytash Airport, and throughout Pyatigorsk. Strategically placed in high-traffic locations, the campaign strengthened brand recall and reinforced MacCoffee's market presence among travellers and urban consumers.

Innovation and Collaboration at Our New Home

The opening of our new headquarters in January marked a pivotal moment in our corporate journey. More than an office, this state-of-the-art facility serves as a platform to foster collaboration and drive innovation. Built to empower our team and support growth, it reflects the collective effort of our employees and the unwavering support of our partners. We are deeply grateful to all who made this vision a reality and look forward to leveraging this inspiring environment to embrace new opportunities.



MARKET ACTIVITIES

Full Throttle Flavours at Road to Victory

Food Empire supported the Road-to-Victory Motorcycle Festival, organised by the United Biker Front and held at Kyivska Rus Park in Ukraine from 19–21 September. Our sampling booth distributed over 4,000 cups of MacCoffee Di Torino, CaféPHÓ, and Hillway, achieving strong visibility and engagement targets through direct consumer interaction.



Savouring Tradition with Nauryz

In March 2025, Food Empire Kazakhstan launched its Kazakh tea brand Nauryz in Almaty. The integrated campaign included a music video featuring an emerging artist, an advertisement with a national celebrity as brand ambassador, and a festive TV concert. The campaign reached over 3 million people across digital and TV platforms and strengthened Nauryz's positioning as an authentic modern brand, rejuvenating traditional tea occasions for a new generation of consumers.

Time to Cool Down with MacCoffee RTD

In August 2025, MacCoffee executed a month-long promotional campaign across key cities in Kazakhstan to promote its ready-to-drink coffee range. The activation took place at petrol stations — a strategic sales channel for the brand—where customers received a complimentary can of MacCoffee RTD with their purchase.



The campaign reached an estimated 500,000 consumers, reinforcing MacCoffee RTD as a convenient, on-the-go beverage choice whilst strengthening the brand's presence in high-traffic retail environments.



MacCoffee Enters the Multiverse

In September 2025, MacCoffee successfully engaged with Azerbaijan's pop culture community through participation in the country's inaugural Comic Con. The brand activation centred on distributing MacCoffee Cappuccino di Torino samples to cosplayers and attendees, generating positive reception and meaningful brand interaction within the festival environment.



Leadership in a Changing World

Food Empire was honored to have our Executive Chairman, Mr Tan Wang Cheow, join industry leaders at the IKHLAS Capital 2025 Conference in Johor Bahru. He shared insights on navigating global uncertainty, digital disruption, and emerging regional opportunities during a panel titled *"From Trade Wars to Tech Shifts: Entrepreneurial Realities in a Fractured Global Market."* Attendees also experienced CaféPHỐ Vietnamese iced coffee and our signature products at the Food Empire booth, reflecting our commitment to innovation, leadership, and brand excellence.



HILLWAY ZAPP Ignites Youth Energy at Career Fair

In October, during the Ho Chi Minh City University of Technology Career Fair, the Food Empire Vietnam Marketing team launched HILLWAY ZAPP Energy Drink through an engaging wet sampling activity. The initiative successfully connected with young, energetic students, reaching approximately 2,000 visitors, with 1,920 bottles of the product delivered to the target audience. The activity strengthened brand visibility, fostered direct engagement with the key demographic, and demonstrated effective execution in line with marketing objectives.



SOCIAL ACTIVITIES



Shining for a Cause: The Starry Night Gala

The Starry Night Charity Gala, presented by Food Empire and Brands for Good, raised funds for the VIVA Foundation for Children with Cancer. Graced by Guest of Honour Mr George Yeo, the evening featured heartfelt performances by the Foundation's beneficiaries and a charity auction generously supported by our donors and guests.



Empowering Future F&B Leaders

Food Empire contributed S\$200,000 to establish the Food Empire Food Science & Technology Bursary at the National University of Singapore (NUS), supporting undergraduates in the Department of Food Science and Technology and empowering the next generation of F&B leaders. Beyond financial aid, we are exploring research collaborations with NUS to advance food science — an initiative that reflects our commitment to nurturing talent and strengthening Singapore's presence in the global F&B industry.

Creating Moments That Soar!

Food Empire was honoured to collaborate with AltitudeX in support of the VIVA Foundation for Children with Cancer, providing young beneficiaries with an unforgettable flight experience. The event was graced by Guest of Honour Dr Choo Pei Ling, Member of Parliament for Tengah. We extend our heartfelt thanks to all supporters who made the day possible. Our Food Empire volunteers were delighted to spend time with the children, sharing smiles and creating a day full of joy, community spirit, and meaningful moments.



Sowing Seeds of Love at Lang Tre Humanitarian Centre

In December, Food Empire Vietnam conducted its year-end charity trip, Sowing Seeds of Love, to Lang Tre Humanitarian Centre in Cẩm Mỹ District, Đồng Nai Province. The facility provides shelter, care, and rehabilitation for orphaned children and individuals with severe disabilities. Employees delivered essential daily necessities, food supplies, practical care items, cash contributions, and company products. This heartfelt gesture expressed compassion and encouragement for vulnerable groups during the meaningful year-end period, reinforcing the company's enduring commitment to social responsibility and community support.





Welcoming Future Leaders to Our Vietnam Facility

Food Empire welcomed students from Woodgrove Secondary School to our Vietnam manufacturing facility as part of their Overseas Learning Programme. The visit offered students a chance to explore Vietnam's business culture, develop cross-cultural collaboration skills, gain insight into our production processes, and sample innovative products, including Hillway instant bubble tea. Initiatives like this reflect Food Empire's commitment to inspiring the next generation through learning, innovation, and exchange.

Enhancing Community Well-Being Through Water Access

Indus Coffee has installed modern drinking water facilities to provide safe, reliable, and clean drinking water to surrounding communities. This initiative directly benefits over 2,200 local families in the villages, supports more than 140,000 annual visitors to the ecologically important Nelapattu Bird Sanctuary, and ensures essential access for patients and staff at the Government Hospital in Naidupeta.

By delivering sustainable infrastructure that addresses a fundamental human need, these projects promote public health, reduce waterborne disease risks, improve quality of life, and strengthen long-term community resilience in the regions where we operate.



Giving the Gift of Life

Demonstrating our shared values in action, employees at Empire Manufacturing came together for a company-hosted blood donation drive. The initiative mobilised 55 team members, successfully collecting 48 units of blood to support Malaysia's healthcare needs. This reflects our commitment to civic engagement and the collective impact of our people in contributing meaningfully to society.

Growing A Greener Future

On World Environment Day, the spray-dried team at Indus Coffee planted tree saplings at their premises and led a Clean-up Drive in Mambattu Village. Staff volunteers cleared plastic waste and empowered the community by distributing dustbins for waste segregation, fostering sustainable practices and lasting environmental impact.



VOICES FROM OUR GLOBAL LEADERS

Over 14 years at Food Empire, one of the most memorable experiences has been collaborating with colleagues from diverse cultures and markets. Learning from different perspectives, understanding new ways of thinking, and seeing how culture shapes business has been enriching, inspiring, and at the heart of my journey here.



WILLIAM FONG

*Group Chief Financial Officer
Food Empire Singapore*

One of my most memorable experiences at Food Empire was leading a team through cultural differences and language barriers, while adapting to unfamiliar weather and varied working mentalities. As team leader, I set clear goals, aligned the team, and cultivated open communication and collaboration. This experience stands out as it demonstrated how strong leadership, teamwork, and mutual understanding can overcome challenges to deliver high-quality results on time.



RAVI GOWDA NANDEESH

*Director
Indus Coffee,
India & Vietnam*

*Empire Manufacturing,
Kazakhstan*

The most memorable experience has been Food Empire Vietnam's strategic transformation. By advancing through innovation, automation, and now full-scale digitisation, we have aligned our operations with global market trends. This evolution reflects our team's agility in building a scalable foundation, ensuring long-term operational stability and sustainable value creation for shareholders.



RAGHAV RAMAN SONI

*General Director
Food Empire Vietnam*

One of my most memorable experiences was building the brand from the ground up. The early years were full of challenges, but with persistence and strong company support, our efforts began to pay off. After ten years of dedication, 2014 became a breakthrough year, marking the peak of our hard work. Since then, growth has continued, and by 2025 our results have nearly doubled. I am confident even greater achievements lie ahead.



NATAVAN ALIYEVA

*Country Manager
Food Empire CIS,
Turkmenistan*

What is one memorable experience you've had while working here?

One of my most memorable experiences has been witnessing the resilience of our Food Empire Ukraine team. When the conflict began, our primary concern was simply to maintain operational stability. Instead, our colleagues exceeded every expectation. For the fourth year in a row, they have continued to deliver strong business results despite constant disruption and deeply challenging circumstances. They are truly the silent heroes of our organisation, reminding us that Food Empire's strength ultimately lies in the dedication and character of its people.



MAXIM VOSTRIKOV
Financial Director
Food Empire Ukraine

One of my most memorable experiences has been building Food Excellence Specialist from an empty plot of land into the state-of-the-art, world-class facility it is today. Seeing it take shape fills me with pride, and it would not have been possible without a team built on trust and shared inspiration.



JIMMY SIM
Factory Director
Food Excellence Specialist (NDC),
Malaysia

One memorable experience was leading our team through the challenges of 2025. We successfully restructured our sales operations amidst significant currency fluctuations and launched targeted promotions that stabilised and fulfilled our annual plans. This collective effort has laid a formidable foundation for future growth. With all prerequisites now in place, we look to 2026 with great optimism—a year poised for breakthrough success, driven in part by our exciting new product pipeline.



DMITRY ROMAZANOV
National Sales Director
Food Empire Russia

My most memorable experience was my first interview with management, where I truly felt how much the company values people and principles. That moment shaped my decision to join Food Empire. In 2025, celebrating 20 years with the MacCoffee 3-in-1 brand, I continue to carry these values forward with my teams.



GULIYA VAIZHUMINA
Sales Manager
(East Region)
Food Empire Kazakhstan

SUSTAINABILITY REPORT SUMMARY

This section provides a broad overview of Food Empire's progress and development in sustainability-related matters in FY2025. The scope of reporting covers the Company's operations in Singapore, Vietnam and Russia. Although Malaysia and India remain outside our full reporting coverage, we continue to report on renewable energy initiatives, including solar projects, and highlight community contributions from these entities. Our report is prepared in accordance with the Singapore Exchange Securities Trading Limited's ("SGX-ST") Listing Manual, with reference to the Global Reporting Initiative's ("GRI") Standards 2021. The Sustainability Report 2025 contains information for the financial year ended 31 December 2025 and should be read together with the Annual Report to provide a holistic picture of our business and performance.

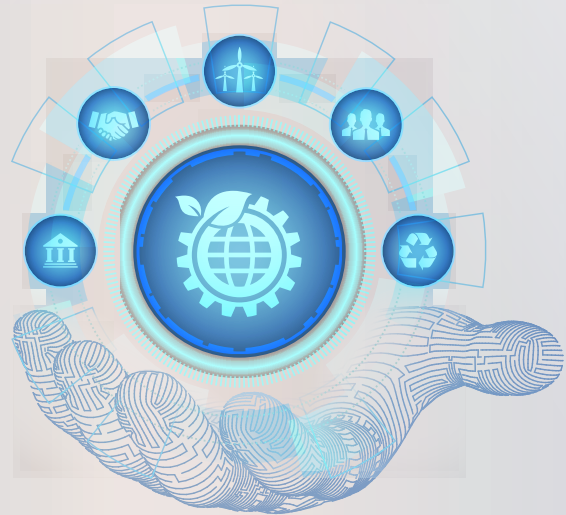
In FY2025, while production increased, total energy consumption decreased compared with the previous year, reflecting improved energy efficiency across our manufacturing facilities in Russia and Vietnam. These reductions were driven by targeted and structural enhancements rather than temporary adjustments. In Vietnam, the transition to electric forklifts reduced reliance on liquefied petroleum gas for material handling, contributing to lower direct energy consumption. Across key manufacturing sites, production processes were further optimised to enhance efficiency and reduce energy intensity.

Further, renewable energy generation increased from the previous year, driven primarily by enhanced solar output in Malaysia and India. At Indus Coffee in India, solar energy continued to be generated on the factory premises, complemented by the production of steam for process heating using rice husk and coffee waste as primary fuel sources. This integration of biomass into operations supports both resource efficiency and circularity. These initiatives reflect the steady integration of renewable solutions into our operational footprint and a measured transition towards cleaner energy sources.

In FY2025, our CSR initiatives reflected a sustained commitment to programmes focused on education, community development and environmental awareness. In Russia and Vietnam, we maintained partnerships with local schools and community organisations, providing learning resources and infrastructure support. In India and Malaysia, renewable energy awareness initiatives and environmental campaigns were conducted to encourage sustainable practices at the community level. Lastly, in Singapore, we continued to support education initiatives and raised funds for children with cancer. Through these efforts, we

seek to ensure that our growth contributes positively to the communities in which we operate.

In FY2025, we also enhanced our climate-related disclosures in line with the emerging IFRS Sustainability Disclosure Standards. We commenced alignment with IFRS S1 and IFRS S2 by incorporating climate-related risks and opportunities into governance oversight, strategic planning and risk management processes. This marks an important step in strengthening transparency and positioning the Group for evolving regulatory and investor expectations.



SUSTAINABILITY SNAPSHOTS

Reduction in direct energy and electricity consumption intensity

Increase in renewable energy generation

Enhancement of climate-related disclosures in line with IFRS SDS

Continuation of education, environmental and community initiatives across multiple countries

CORPORATE GOVERNANCE REPORT

Food Empire Holdings Limited (the “**Company**”) together with its subsidiaries (the “**Group**”) are committed to maintaining good corporate governance to enhance and protect the interests of the Company’s shareholders. The Company recognises the importance of practicing good corporate governance and supports the Code of Corporate Governance 2018 (the “**Code**”). The Company has complied in all material respects with the principles and guidelines in the Code. Where there are deviations from the Code, appropriate explanations will be provided.

This report outlines the corporate governance framework and practices adopted by the Company with reference given to the principles of the Code.

A) BOARD MATTERS

- Principle 1: Effective Board to lead and control the Company

The principal functions of the Board are:

- 1) supervising the Management of the business and affairs of the Group;
- 2) approving Board policies, overall strategic plans, key operational initiatives, financial and human resources objectives of the Group;
- 3) reviewing and monitoring the performance and rewarding of key management;
- 4) overseeing the processes for evaluating the adequacy and effectiveness of internal controls, risk management, financial reporting and compliance;
- 5) approving the nomination of the Board of Directors and appointment of key management personnel;
- 6) approving annual budgets, major funding, investment and divestment proposals; and
- 7) assuming responsibility for corporate governance.

The Board also plays an important role in setting the Company’s values and standards, establishing framework of prudent and effective controls, engaging with stakeholder groups and overseeing the sustainability issues of the Group.

Each member of the Board has a fiduciary duty to discharge his or her duties and responsibilities in the best interest of the Company at all times and to take into account the interests of key stakeholder groups in their decision-making.

To facilitate effective management, the Board has delegated certain functions to various Board Committees. The Board Committees operate under clearly defined terms of reference. The Chairman of the respective committees will report to the Board the outcomes of the committee meetings.

There are three Board Committees:

- Audit Committee (“**AC**”)
- Remuneration Committee (“**RC**”)
- Nominating Committee (“**NC**”)

The Board approves transactions exceeding certain threshold limits set by the Board, while delegating authority for transactions below those limits to Board Committees and the Management via a structured Delegation of Authority matrix. This matrix is reviewed on a regular basis. The Board Committees and the Management remain accountable to the Board. Matters which specifically require the Board’s approval involve conflicts of interests of a substantial shareholder or a Director, material acquisitions and disposal of assets, corporate or financial restructuring, share issuances, dividends and other returns to shareholders. The Directors and the Group’s employees are also guided by The Food Empire Business Ethics and Code of Conduct and Employee Handbook, which prescribe the standards of ethical behaviour. Any director facing conflicts of interests will recuse himself or herself from discussions and decisions involving the issues of conflict.

CORPORATE GOVERNANCE REPORT

A) BOARD MATTERS *(cont'd)* - Principle 1: Effective Board to lead and control the Company *(cont'd)*

The Board conducts scheduled meetings on a quarterly basis. Ad-hoc meetings are convened as and when circumstances require. Telephonic or videoconferences via audio-visual communication at Board meetings are allowed under the Company's Constitution.

The Non-Executive Directors ("**NED**") and Independent NEDs ("**INED**") always constructively challenge and help develop proposals on strategy and review Management's performance in meeting agreed goals and objectives, and monitor the reporting of Management's performance. Where necessary, NEDs and/or INEDs led by the Lead Independent Director ("**Lead ID**") may meet among themselves without the presence of Management outside of Board meetings.

The Board met 8 times in 2025 (including Annual General Meeting and Extraordinary General Meeting) and the attendance of the Directors at meetings of the Board and Board Committees, and general meetings for the financial year ended 31 December 2025 ("**FY2025**") as well as the frequency of these meetings, are disclosed as follows:

Directors	Board Meeting	AC Meeting	NC Meeting	RC Meeting	Annual General Meeting	Extraordinary General Meeting
Tan Wang Cheow	6	N/A	1	N/A	1	1
Sudeep Nair	6	N/A	N/A	N/A	1	1
Tan Guek Ming	6	4	N/A	2	1	1
Koh Yew Hiap	6	4	N/A	2	1	1
Ong Kian Min	6	N/A	1	N/A	1	1
Saw Meng Tee	6	4	1	2	1	1
Tan Cher Liang	6	4	1	2	1	1
Adrian Chan Pengee	5	4	1	2	1	1
No. of Meetings Held in 2025	6	4	1	2	1	1

The Directors are appointed based on the strength of their skills and experience and potential to contribute to the Company. The current Board comprises business leaders and professionals. Profiles of the Directors can be found under the 'Board of Directors' section of this annual report.

All new directors appointed to the Board, if any, will be provided with a formal letter of appointment. The Company has an orientation programme for new directors, and the newly appointed directors are briefed on matters relating to the Group's business activities, its strategic directions and policies, the regulatory environment in which the Group operates and the Company's corporate governance practices.

The Company will also arrange for first-time directors, if any, to undergo training on their roles and responsibilities as directors of a listed company organised by the Singapore Institute of Directors ("**SID**") for an understanding of their legal and fiduciary obligations as individuals and of the Board as a whole. Briefings by the Executive Chairman, Group Chief Executive Officer ("**Group CEO**"), Group Chief Financial Officer ("**Group CFO**") and all the department heads will be done to familiarise the new directors with the Company's business and operations.

CORPORATE GOVERNANCE REPORT

A) BOARD MATTERS *(cont'd)*

- Principle 1: Effective Board to lead and control the Company (cont'd)

The Management monitors changes to regulations and accounting standards. The Directors are briefed on the new updates to the requirements of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Companies Act 1967 (the "**Act**") or other regulations/statutory requirements from time to time by external professionals, such as the auditors, Company Secretary, or at seminars. If required, all Directors will receive further training. The Company is responsible for arranging and funding the training of Directors. As at the date of this report, all Directors have attended the mandatory training on sustainability matters organised by SID, as prescribed under Rule 720(7) of the SGX-ST Listing Manual.

The Company has adopted a policy whereby Directors are welcome to request further explanations, briefings or informal discussions on any aspect of the Group's operations or business issues from Management. The NEDs and INEDs are briefed and updated on major developments and the progress of the Group at the Board meetings.

- Provision 1.6: Board members to have complete, adequate and timely information

In order to ensure that the Board is able to fulfil its responsibilities, Management provides the Board members with complete, adequate and timely information. The Management also provides quarterly updates on the latest developments in the Group, financial and management accounts, operational metrics, audit findings, risk dashboard and reports, and other financial information.

The Board is provided with board papers and related materials with explanatory information such as facts, resources needed, risk analysis and strategies, financial impact, expected outcomes and recommendations to facilitate discussion and decision-making before the Board and Board Committees' meetings. Any material variance between any projections and the actual results of budgets is disclosed and explained to the Board. Employees who can provide additional insight into matters to be discussed will be present at the relevant time during the meetings.

The Directors have been provided with the contact particulars of the Company's senior management staff and the Company Secretary to facilitate access. The Directors also have separate and independent access to any external advisers (if necessary) at the Company's expense.

The Company Secretary (or representative(s)) will attend Board and Board Committees' meetings as required by the Board. They are responsible for ensuring that Board procedures are followed and that the Company has complied with the requirements of the Act and the SGX-ST Listing Manual. The appointment and removal of the Company Secretary are subject to the Board's approval.

The Directors are informed and are aware that they may take independent professional advice at the Company's expense, where necessary, in furtherance of their duties.

CORPORATE GOVERNANCE REPORT

B) BOARD COMPOSITION AND GUIDANCE

- Principle 2: Independent and diversity elements of the Board

As at the date of this report, the Board comprises eight Directors, three of whom are independent. The Board composition is as follows:

Mr Tan Wang Cheow	Executive Chairman
Mr Sudeep Nair	Group CEO and Executive Director (“ED”)
Mdm Tan Guek Ming	NED
Mr Koh Yew Hiap	NED
Mr Ong Kian Min	NED
Mr Saw Meng Tee	Lead ID
Mr Tan Cher Liang	INED
Mr Adrian Chan Pengee	INED

The core competencies of the Board members are as follows:

Directors	Accounting/ Finance/Business/ Management Experience	Industry Knowledge	Strategic Planning	Law
Tan Wang Cheow	✓	✓	✓	
Sudeep Nair	✓	✓	✓	
Tan Guek Ming	✓	✓	✓	
Koh Yew Hiap	✓	✓	✓	
Ong Kian Min	✓		✓	✓
Saw Meng Tee	✓	✓	✓	
Tan Cher Liang	✓	✓	✓	
Adrian Chan Pengee	✓		✓	✓

The Directors are professionals in their own fields with industrial, financial and legal backgrounds. Together they provide the Group with a wealth of knowledge, expertise and experience to ensure the Group remains competitive and competent. The INEDs contribute their independent views and objective judgements on issues of strategy, business performance, resources and standards of conduct.

The independence of each INED is assessed at least annually by the NC.

The Company has a Board Diversity Policy in place, which sets out the approach to achieve diversity in the Company’s Board. The Company recognises and embraces the importance and benefits of having a diverse Board to enhance the quality of its performance. It is accordingly committed to promoting diversity of the Board. The Board comprises one female Director and Directors with various skills, knowledge and experience, age groups, ethnicity and culture, geographical background and tenure. The Board, with the concurrence of the NC, is also of the view that the composition of the Board and the Board Committees, as a group, provides an appropriate balance and diversity of skills, experience, ethnicity, gender, age and knowledge of the Group. No individual or group dominates the decision-making process of the Board and Board Committees.

The Board is of the view that it has made good progress in achieving its objectives under the Board Diversity Policy of the Company. As part of the Board renewal process, the NC will review these objectives from time to time and may recommend changes or may recommend additional objectives to achieve greater diversity.

The NC is of the view that the current Board and Board Committees have the necessary competencies, skills and attributes to meet the Group’s targets and to respond to the demands facing the Group.

CORPORATE GOVERNANCE REPORT

B) BOARD COMPOSITION AND GUIDANCE *(cont'd)*

- Principle 2: Independent and diversity elements of the Board (cont'd)

The NC is also of the view that the current Board size of eight Directors is appropriate, taking into account the nature and scope of the Company's operations. The Company has a majority of NEDs on its Board. The Board is of the view that a Director's independence cannot be determined arbitrarily with reference to set period of service. However, the NC recognises that the Board renewal process is of utmost importance. Having regard to the experience and leadership of the founder Chairman, Mr Tan Wang Cheow, it is in the best interest of the Company to maintain his executive chairmanship in the Company so that the Board could have the benefit of a Chairman who is knowledgeable about the business of the Group, which he founded and is capable to guide and watch over the best interests of the Company. Notwithstanding that the current size of the Board is appropriate, the Company will continue to search for suitable candidates for appointment as new INED to ensure that there is a majority of INEDs on the Board where the founder Chairman, Mr Tan, is not an Independent Director ("ID") as required by Provision 2.2 of the Code. Taking into consideration the nine year tenure limit for INED, the NC will continue to monitor the progress of the Board renewal, also taking into account the commitment, experience and invaluable advice each Director offers when deciding on the Board renewal in the interest of a smooth transition, and the Company will announce the reconstitution of its Board membership to SGX-ST at the appropriate time.

C) CHAIRMAN AND GROUP CHIEF EXECUTIVE OFFICER

- Principle 3: Clear division of responsibilities at the top of the Company

The roles of the Executive Chairman and Group CEO are separate to ensure a clear division of responsibilities, balance of power, increased accountability and greater capacity of the Board for independent decision-making. The Executive Chairman and the Group CEO do not have any familial relationship with each other.

The Executive Chairman, Mr Tan Wang Cheow, is the founder of the Company and he is primarily responsible for overseeing the Group's strategies, which include developing new markets and exploring opportunities for acquisitions.

The Group CEO, Mr Sudeep Nair, is responsible for the Group's diversification and growth strategy, including overall oversight of the day-to-day operations. His roles include geographical expansion of the business as well as identifying new businesses and merger and acquisition opportunities for the Group. Mr Nair has over 32 years of experience in building and managing the Group's business.

In addition, the Executive Chairman has responsibility for the workings of the Board and ensuring the integrity and effectiveness of its governance processes. The Executive Chairman is also responsible for representing the Board to shareholders, ensuring that Board meetings are held when necessary, setting the Board meeting agendas and ensuring that the Board members are provided with adequate and timely information. He promotes high standards of corporate governance and an open environment for debate and ensures that NEDs are able to speak freely and contribute effectively. Regular meetings are scheduled to enable the Board to perform its duties and agendas are prepared in consultation with Management as well as the Company Secretary. At the AGM and other shareholders' meetings, the Executive Chairman plays a pivotal role in fostering constructive dialogue between shareholders, key stakeholder groups, the Board and Management.

The Lead ID, Mr Saw Meng Tee, shall be available to shareholders where they have concerns and for which contact through the normal channels of the Executive Chairman or Management is inappropriate or inadequate. He shall also represent the INEDs in responding to shareholders' questions and comments that are directed to the INEDs as a group at any general meetings of the Company.

The Lead ID may call for meetings of the INEDs as and when necessary and provide feedback to the Executive Chairman after such meetings.

In carrying out their duties, the Executive Chairman, Group CEO and Lead ID are also guided by the Company's Terms of Reference of the Executive Chairman, Group CEO and Lead ID.

CORPORATE GOVERNANCE REPORT

D) BOARD MEMBERSHIP

- Principle 4: Formal and transparent process of appointment of new Directors

The NC comprises:

Mr Tan Cher Liang (Chairman)
 Mr Tan Wang Cheow
 Mr Ong Kian Min
 Mr Saw Meng Tee
 Mr Adrian Chan Pengee

The NC has a majority of INEDs including the NC Chairman.

The scope and responsibilities of the NC include:

- 1) identifying candidates and reviewing all nominations for all appointments and re-appointments to the Board of Directors, including making recommendations on the composition of the Board and balance between EDs, NEDs and INEDs;
- 2) reviewing the Board structure, size, diversity and composition;
- 3) reviewing the strength and attributes of the existing Directors, including assessing the effectiveness of the Board and Board Committees and the contribution by individual Directors;
- 4) reviewing the independence of Directors annually;
- 5) considering and making recommendations on the nominations of Directors retiring by rotation;
- 6) reviewing Board succession plans for Directors, in particular the Executive Chairman, the Group CEO and key management personnel;
- 7) making recommendations to the Board on comprehensive training and professional development programmes for the Board; and
- 8) deciding whether a Director is able to and has adequately carried out his or her duties as a Director of the Company, particularly when he or she has multiple Board representations.

Dates of last re-election/re-appointment

<u>Directors</u>	<u>Date of last re-election/re-appointment</u>
Tan Wang Cheow	17 April 2025
Sudeep Nair	25 April 2023
Tan Guek Ming	25 April 2023
Koh Yew Hiap	17 April 2025
Ong Kian Min	19 April 2024
Tan Cher Liang	19 April 2024
Saw Meng Tee	17 April 2025
Adrian Chan Pengee	19 April 2024

The Board has in place a succession planning policy for key management personnel. The NC also reviews succession and development plans for key management personnel, which will be subsequently approved by the Board.

CORPORATE GOVERNANCE REPORT

D) BOARD MEMBERSHIP (cont'd)

- Principle 4: Formal and transparent process of appointment of new Directors (cont'd)

The NC has reviewed the multiple board seats held by the Directors to determine if they have been adequately carrying out their duties as Directors of the Company. Though some of the Directors have multiple board representations, the NC is satisfied that the Directors have devoted sufficient time and attention to the Company. The Board determined that it is not necessary to set a maximum number of listed board representations that any Director may hold, as all the Directors are able to devote time to the Company's affairs despite their other commitments.

The listed company directorships and principal commitments of each Director as at 31 December 2025 are as follows:

Name of Director	Directorships in Other Listed Companies	Other Principal Commitments
Tan Wang Cheow	Nil	<ul style="list-style-type: none"> Food Empire Holdings Ltd Group of companies – Executive Chairman
Sudeep Nair	Nil	<ul style="list-style-type: none"> Food Empire Holdings Ltd Group of companies – Group CEO & ED
Tan Guek Ming	Nil	Nil
Koh Yew Hiap	Nil	<ul style="list-style-type: none"> Universal Integrated Corporation Consumer Products Pte Ltd Group of companies – Director/Managing Director
Ong Kian Min	<ul style="list-style-type: none"> YHI International Limited – INED OUE REIT Management Pte Ltd (As Manager of OUE REIT (listed)) – INED 	Nil
Tan Cher Liang	<ul style="list-style-type: none"> Vibrant Group Limited – Non-Executive Chairman Kingsmen Creatives Limited – NED IPC Corporation Limited – INED Hiap Seng Industries Limited – INED 	<ul style="list-style-type: none"> Kwan Im Thong Hood Cho Temple – Trustee D S Lee Foundation – Director
Saw Meng Tee	Nil	<ul style="list-style-type: none"> EisnerAmper PAC – Managing Partner
Adrian Chan Pengee	<ul style="list-style-type: none"> Hong Fok Corporation Limited – Non-Executive Chairman First Reit Management Limited (As Manager of First REIT (listed)) – Lead ID Keppel Infrastructure Fund Management Pte Ltd (As Trustee-Manager of Keppel Infrastructure Trust (listed)) – INED TeleChoice International Limited – INED HC Surgical Specialists Limited – Non-Executive Chairman 	<ul style="list-style-type: none"> Lee & Lee – Head of Corporate & Senior Partner Shared Services For Charities Limited – Director Singapore Institute of Directors – Vice-Chairman Legal Service Commission – Member Singapore Management University's Enterprise Board – Member aLife Ltd. – Director

CORPORATE GOVERNANCE REPORT

D) BOARD MEMBERSHIP *(cont'd)*

- Principle 4: Formal and transparent process of appointment of new Directors *(cont'd)*

The Board renewal is an ongoing process and the NC is responsible for identifying and recommending new Board members, after considering the necessary and desirable competencies. In its search and selection process for new directors, the NC considers the attributes, including the diversity of skills (such as legal background), knowledge and experience (including experience in manufacturing and food business) on the Board. Other considerations include, but are not limited to background, gender, age, and ethnicity. The short-listed candidates would be required to furnish their curricula vitae stating in detail their qualification, working experience, employment history, in addition to completing certain prescribed forms to enable the NC to assess the candidate's independence status and compliance with the Company's established internal guidelines. Thereafter, the NC will interview the candidates and make its recommendation to the Board for approval. In accordance with the Company's Constitution, the new director will hold office until the next AGM and, if eligible, can stand for re-election.

The NC may tap into its networking contacts and/or engage external search consultants to undertake research on, or to assess a candidate for new positions on the Board. The NC can engage other independent experts if necessary, to help it carry out its duties and responsibilities. Recommendations for new Board members are put to the Board for its consideration.

The Company does not have any alternate director on its Board.

E) BOARD PERFORMANCE

- Principle 5: Formal assessment of the effectiveness of the Board, Board Committees and contributions of each Director

The NC has formulated an evaluation process for assessing the effectiveness of the Board and Board Committees and the contributions of each Director. The assessment parameters include:

- a) attendance at Board and Board Committees' meetings;
- b) participation in meetings and special contributions, including Management's access to the Director for guidance or the exchange of views outside the formal environment of Board meetings;
- c) introducing contacts of strategic benefit to the Group; and
- d) progress of implementation of the board diversity policy.

The Board's evaluation process is performed annually, whereby questionnaires were sent by the external company secretarial agent to the Directors, and the results of the evaluation were tabled to the NC for deliberation. The results of the performance evaluation showed that the overall performance of the Board, Board Committees and contribution of the individual Directors were in the categories of "consistently good". The Chairman of the NC reported the results of the evaluation and recommended areas for improvement to the Board Chairman. The NC and the Board were satisfied with the overall performance in FY2025.

CORPORATE GOVERNANCE REPORT

F) REMUNERATION MATTERS

- *Principle 6: Formal and transparent procedure for fixing remuneration packages of Directors and key management personnel*
- *Principle 7: Remuneration of Directors and key management personnel should be appropriate but not excessive*
- *Principle 8: Remuneration policy, level and mix of remuneration and procedure for setting remuneration*

The RC comprises:

Mr Adrian Chan Pengee (Chairman)
 Mdm Tan Guek Ming
 Mr Koh Yew Hiap
 Mr Tan Cher Liang
 Mr Saw Meng Tee

All five members of the RC are NEDs. The RC has a majority of INEDs, including the RC Chairman.

The RC's main responsibility is to review and recommend a framework for the remuneration of the Board members and key executives of the Group that is appropriate and proportionate to the sustained performance and value creation. The objective is to motivate and retain executives, link rewards to corporate and individual performance, attract the best talent in order to maximise shareholder value and align with the interest of other key stakeholders of the Company.

The remuneration of the EDs is based on service agreements signed upon their appointments. The service agreements will continue unless otherwise terminated by either party giving not less than three months' notice in writing. Under the service agreements, the EDs are entitled to a share of profits on the Group's profit after tax, on top of the monthly salary and bonus. The remuneration of the EDs is not subject to shareholders' approval.

The NEDs and INEDs receive directors' fees determined based on factors such as duties and responsibilities, effort and time spent for serving on the Board and Board Committees.

Following a market benchmarking exercise conducted by Mercer (Singapore) Pte. Ltd. in early 2026, the Directors' Fee Structure was revised such that directors are paid a fixed annual fee instead of separate fees based on their appointments to the Board and Board Committees.

In FY2025, all NEDs were paid an all-in annual fee of S\$79,000 and all INEDs were paid an all-in annual fee of S\$98,000. The additional fee paid to an INED who acts as the Lead ID was S\$10,000.

The aggregate directors' fees are subject to final approval by the shareholders at the AGM.

On 22 April 2022, the Company had obtained its shareholders' approval for the adoption of two new share schemes, Food Empire Holdings Limited Employee Share Option Scheme ("**2022 Option Scheme**") and Food Empire Holdings Limited Performance Share Plan ("**2022 Award Plan**").

The 2022 Option Scheme applies to eligible employees and Directors of the Group, other than the Controlling shareholders who are not Directors or employees. The participation of Directors who are Controlling shareholders, associates of Controlling shareholders or nominated by the Controlling shareholders of the Group in the 2022 Option Scheme is subject to independent shareholders' approval. Additional information on the previous and current share option schemes can be found on pages 60 to 65 and 130 to 135 of the annual report.

The 2022 Award Plan applies to eligible employees and Directors of the Group, other than the Group NEDs (including IDs). Controlling Shareholders and their Associates are not eligible to participate in the 2022 Award Plan. Additional information on the 2022 Award Plan can be found on pages 66 to 67 and 135 to 137 of the annual report.

CORPORATE GOVERNANCE REPORT

F) REMUNERATION MATTERS *(cont'd)*

- **Principle 6: Formal and transparent procedure for fixing remuneration packages of Directors key management personnel** *(cont'd)*
- **Principle 7: Remuneration of Directors and key management personnel should be appropriate but not excessive** *(cont'd)*
- **Principle 8: Remuneration policy, level and mix of remuneration and procedure for setting remuneration** *(cont'd)*

Although the Code recommends the disclosure of amounts and breakdown of remuneration of each individual Director, Group CEO and top five key management personnel on a named basis, the Board has decided not to adopt this practice for the top five key management personnel because it is of the view that such disclosure may be detrimental to the Group's interest as it may lead to poaching of executives within a highly competitive industry and may compromise the personal safety of the individuals concerned as they travel to or work within some emerging markets. It also wishes to maintain confidentiality of remuneration within the Group for more harmonious and effective human resource management and deployment of executives across the many countries in which the Group operates.

The aggregate total remuneration paid to the top five key management personnel (who are not the Directors or the Group CEO) was S\$5,138,942 in FY2025.

The Company has implemented the clawback provision for its key office holders. The clawback will be triggered by events such as material violation of risk limits, misstatement of financial results, misconduct or fraud.

The Company engages external remuneration consultant to advise the Board on remuneration matters from time to time.

The breakdown of the remuneration of the Directors for FY2025 is set out in the table below:

Name of Director	Designation	Base/ Fixed Salary		Variable/ Performance- related Income/ Bonuses		Benefits in Kind		Total	
		US\$	(S\$)	US\$	(S\$)	US\$	(S\$)	US\$	(S\$)
Mr Tan Wang Cheow	Executive Chairman	432,357	560,774	2,931,474	3,802,171	53,967	69,996	3,417,798	4,432,941
Mr Sudeep Nair	Group CEO & ED	419,306	543,847	2,117,176	2,746,012	624,226	809,632	3,160,708	4,099,491

Name of Director	Designation	Directors' Fees (S\$)	Benefits in Kind (S\$)	Total (S\$)
Mr Saw Meng Tee	Lead ID	108,000	-	108,000
Mr Tan Cher Liang	INED	98,000	-	98,000
Mr Adrian Chan Pengee	INED	98,000	-	98,000
Mdm Tan Guek Ming	NED	79,000	-	79,000
Mr Koh Yew Hiap	NED	79,000	-	79,000
Mr Ong Kian Min	NED	79,000	-	79,000

The shares granted under the 2022 Option Scheme and/or 2022 Award Plan to Directors and Group CEO are shown in the Directors' Statement on pages 61 to 67.

Save as disclosed above, the Directors and Group CEO are not paid any other fees, allowances and benefits.

CORPORATE GOVERNANCE REPORT

F) REMUNERATION MATTERS *(cont'd)*

- **Principle 6: Formal and transparent procedure for fixing remuneration packages of Directors key management personnel** *(cont'd)*
- **Principle 7: Remuneration of Directors and key management personnel should be appropriate but not excessive** *(cont'd)*
- **Principle 8: Remuneration policy, level and mix of remuneration and procedure for setting remuneration** *(cont'd)*

To maintain confidentiality of remuneration, the names, amounts and breakdown of remuneration of the top five key executives (who are not Directors or Executive Chairman or Group CEO) are not stated.

There are no employees who are substantial shareholders of the Company or immediate family members of a Director or the Executive Chairman or the Group CEO or a substantial shareholder whose remuneration exceeds S\$100,000 during FY2025.

The RC and the Board are of the view that the level and structure of remuneration of the Directors and key management personnel are aligned with the long-term interests and risk management policies of the Company.

The Board believes that the remuneration information disclosed is sufficient for shareholders to have an adequate appreciation of the remuneration of the Directors, Executive Chairman, Group CEO and top five key management personnel.

The Board also believes that there is sufficient transparency in the Company's remuneration policies, level and mix of remuneration, the procedures for setting remuneration, and the relationships between remuneration performance and value creation are consistent with the intent of provision 8 of the Code, taking into account the strategic objectives of the Company pursuant to Principle 8.1 of the Code.

G) ACCOUNTABILITY AND AUDIT

- **Principle 9: Sound systems of risk management and internal controls**

The Board is accountable to the shareholders while the Management of the Group is accountable to the Board. The Board is committed to providing timely information to the shareholders and the public with a balanced, clear and understandable assessment of the Group's financial updates, position and prospects on a quarterly basis.

The Company believes that presenting a balanced view of its performance, position and prospects is imperative to maintaining shareholders' confidence and trust.

The Management provides quarterly management reports to the Board members and also presents to the Board the Group's quarterly and full year accounts and the AC reports on the results for review and approval. In compliance with the SGX-ST's requirement for half yearly reporting, the Board approves the half year and full results and authorises the release of the results to SGX-ST and the public via SGXNet.

The Board also reviews legislation and regulatory compliance reports from the Management to ensure that the Group complies with relevant statutory reporting requirements.

The Board is also responsible for the governance of risk and sets the tone and direction for the Group in the way risks are managed in the Group's businesses. The Board has ultimate responsibility for approving the strategy of the Group in a manner which addresses key stakeholders' expectations and does not expose the Group to an unacceptable level of risk.

The Board approves the key risk management policies, ensures a sound system of risk management and internal controls, and monitors performance against them. In addition to determining the approach to risk governance, the Board sets and instils the right risk-focused culture throughout the Group for effective risk governance.

CORPORATE GOVERNANCE REPORT

G) ACCOUNTABILITY AND AUDIT *(cont'd)*

- Principle 9: Sound systems of risk management and internal controls *(cont'd)*

The Board has approved a Group Risk Management Framework for the identification of key risks within the business which is aligned with the ISO 31000:2018 Risk Management framework. To enhance the effectiveness of the enterprise risk management (“ERM”) framework, the Group implemented the Orion ERM system, a third-party software that automates the risk management, internal control and assurance functions, and enables these functions to be managed on an integrated platform.

The AC oversees risk governance which includes the following roles and responsibilities:

- 1) proposes the risk governance approach and risk policies for the Group to the Board;
- 2) reviews the risk management methodology adopted by the Group;
- 3) reviews the strategic, financial, operational, regulatory, compliance, information technology (“IT”) and other emerging risks relevant to the Group, as identified by Management; and
- 4) reviews Management’s assessment of risks and its action plans to mitigate such risks.

The AC assumed the function of the Board risk committee to oversee the Group’s ERM framework and policies.

Management presented an annual assurance report to the AC and the Board on the Group’s risk profile, the risk mitigation action plans and the results of various assurance activities carried out on the adequacy of Group’s internal controls including financial, operational, compliance and IT controls, and risk management systems. Such assurance activities include control self-assessments performed by Management, internal and external audits, and external certifications conducted by various external professional service firms.

The Board has obtained a written confirmation from the Executive Chairman, Group CEO and Group CFO that:

- 1) the financial records have been properly maintained and the financial statements give a true and fair view of the Group’s operations and finances; and
- 2) the Group maintains effective and adequate risk management and internal control systems.

The Executive Chairman, Group CEO and Group CFO have obtained assurances from the respective risk and control owners.

Based on the risk management framework and internal controls established and maintained by the Group, works performed by the internal and external auditors, external certification firms, and annual reviews performed by Management, various Board Committees and the Board, the Board (with the concurrence of the AC) is satisfied that the Group’s risk management and internal control systems addressing financial, operational, compliance and IT risks, were adequate and effective as at 31 December 2025.

The Board and the AC are also responsible for (a) monitoring the Company’s risk of becoming subject to, or violating, any Sanction Law; and (b) ensuring timely and accurate disclosures to SGX-ST and other relevant authorities.

CORPORATE GOVERNANCE REPORT

G) ACCOUNTABILITY AND AUDIT *(cont'd)*

- Principle 9: Sound systems of risk management and internal controls *(cont'd)*

The Group has in place adequate and effective internal controls to monitor, address and mitigate sanctions-related risks. The Company will continue to monitor all markets and update shareholders on any material impact of such risk on the financials and operations of the Group, if any, and also the cessation of sanctions-related risk via announcement to SGXNet.

The Board notes that the system of internal controls and risk management established by the Company provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

H) AUDIT COMMITTEE

- Principle 10: Establishment of AC with written terms of reference

The AC comprises:

Mr Saw Meng Tee (Chairman)
 Mdm Tan Guek Ming
 Mr Tan Cher Liang
 Mr Koh Yew Hiap
 Mr Adrian Chan Pengee

All five members of the AC are NEDs. The AC has a majority of INEDs, including the AC Chairman. The AC members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience.

None of the AC members was a former partner or director of the Company's external auditors, Ernst & Young LLP ("**EY**" or "**External Auditors**"), within a period of two (2) years or hold any financial interest in EY.

During the year, the AC carried out its functions in accordance with its written terms of reference.

The AC meets with Management and/or the auditors of the Group on a regular basis to discuss and review:

- a) the audit plan of the External Auditors of the Group, the results of their examination and evaluation of the Group's systems of internal accounting controls, their independence and the non-audit services provided by them;
- b) risk or exposure that exists and the steps Management has taken to minimise these risks for the Group;
- c) the Group's financial results for submission to the Board;
- d) the assistance given by the Group's officers to the External Auditors;
- e) the remuneration and terms of engagement of the External Auditors;
- f) the re-appointment or removal of the External Auditors and recommend it to the Board for obtaining approval from the shareholders;

CORPORATE GOVERNANCE REPORT

H) AUDIT COMMITTEE *(cont'd)*

- Principle 10: Establishment of AC with written terms of reference *(cont'd)*

- g) the Group's interested person transactions in accordance with the requirements of the SGX-ST Listing Manual;
- h) the assurance from the Executive Chairman, Group CEO and Group CFO on the financial records and financial statements;
- i) the significant financial reporting issues and judgements to ensure integrity of the financial statements and financial results announcements relating to the financial performance of the Company;
- j) the financial statements of the Company and the consolidated financial statements of the Group before their submission to the Board of Directors and the External Auditors' report on those financial statements;
- k) the adequacy and effectiveness of the Group's material internal controls, including financial, operational, compliance and IT controls, as well as sanctions-related risk controls and risk management systems via reviews carried out by the internal auditors;
- l) the audit plans of the internal auditors;
- m) the results of their internal audit; and
- n) the independence, adequacy and effectiveness of the external audit results and internal audit function of the Group.

Apart from the duties listed above, the AC has the authority to commission and review the findings of internal investigations into any matter involving suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Group's operating results or financial position.

In performing its functions, the AC has:

- a) full access to and co-operation from the Management and has full discretion to invite any Director and executive officer to attend its meetings;
- b) been given reasonable resources to enable it to discharge its duties and responsibilities properly; and
- c) the express authority to conduct investigation into any matters within its terms of reference.

During FY2025, the AC held four meetings. The AC meets with the External Auditors without the presence of Management at least once annually.

CORPORATE GOVERNANCE REPORT

H) AUDIT COMMITTEE *(cont'd)* – **Principle 10: Establishment of AC with written terms of reference** *(cont'd)*

The AC has reviewed the internal procedures set up by the Company to identify and report, and where necessary, seek approval for interested person transactions to ensure they are fair and reasonable and on an arm's length basis, and with the assistance of the Management, reviewed interested person transactions. The AC is of the opinion that the internal procedures have been complied with.

The External Auditors provided regular updates and periodic briefings to the AC on changes or amendments to accounting standards to enable the members of the AC to keep abreast of such changes and their corresponding impact on the financial statements, if any.

The total fees paid to EY (including overseas EY entities) for FY2025 are as disclosed in the table below:

	US\$'000	% of total fees paid
Audit Fees	428	89.2
Non-Audit Fees	52	10.8
Total Fees Paid	480	100.0

The AC has reviewed the non-audit services provided by the External Auditors and is satisfied with the independence of the External Auditors.

Different auditors have been appointed for some of the overseas subsidiaries. The names of these audit firms are disclosed under Note 14 of the financial statements. This matter has been reviewed by the AC and the Board and both are satisfied that these appointments did not compromise the standard and effectiveness of the audit of the Group.

The Group has complied with Rules 712 and 716 of the SGX-ST Listing Manual in relation to its external auditors.

The AC has recommended to the Board that EY be nominated for re-appointment as auditors at the forthcoming AGM of the Company.

The AC has established the Whistle-blowing policy where staff of the Group may, in confidence, raise concerns about possible improprieties in financial matters that might have a significant impact on the Group, such as actions that may lead to incorrect financial reporting, unlawful and/or otherwise amount to serious improper conduct according to Company policy. The AC is responsible for oversight and monitoring of any whistleblowing incident. The Company ensures the identity of the whistleblower is kept confidential and will provide protection to the whistleblower against detrimental or unfair treatment.

CORPORATE GOVERNANCE REPORT

H) AUDIT COMMITTEE *(cont'd)* – **Principle 10: Establishment of AC with written terms of reference** *(cont'd)*

Significant financial statement reporting matters

In the review of the Company's financial statements for FY2025, the AC considered a number of significant matters and has discussed with Management the accounting principles that were applied and their judgement of items that might affect the financial statements.

The following key audit matters impacting the financial statements were discussed with Management and the External Auditor of the Company and were reviewed by the AC:

Significant matters	How the AC reviewed these matters
1. Revenue recognition	<p>The AC reviewed Management's approach and assessment of the internal controls over the recognition of revenue. The AC was satisfied that Management's approach and assessment of internal controls over revenue recognition were appropriate.</p> <p>Please refer to pages 69 to 70 of the External Auditors' report and Note 2.20 (Material accounting policy information), Note 3.2c (Significant accounting estimates and judgements) and Note 4 (Notes on Revenue) of the financial statements for further details.</p>
2. Recoverability of trade receivables	<p>The AC considered Management's approach and methodology used in the evaluation of the Group's trade receivables for impairment. The Group determines expected credit losses for trade receivables by making debtor-specific assessment for credit-impaired debtors and using provision matrix method for outstanding trade receivables. The AC was satisfied that the approach and methodology used by Management in the process was appropriate.</p> <p>Please refer to page 70 of the External Auditors' report and Note 2.13 (Material accounting policy information), Note 3.2b (Significant accounting estimates and judgements), and Note 23 (Notes on Trade Receivables) of the financial statements for further details.</p>
3. Impairment assessment of intangible assets	<p>The AC considered Management's approach and methodology applied to the valuation model in impairment assessment of the Group's intangible assets, including the key assumptions for growth rates, cash-flow expectations and the discount rates used. The AC was satisfied that the approach and methodology in the impairment assessment used by Management were appropriate.</p> <p>Please refer to page 71 of the External Auditors' report and Note 2.12 (Material accounting policy information), Note 3.2a (Significant accounting estimates and judgements), and Note 16 (Notes on Intangible Assets) of the financial statements for further details.</p>

CORPORATE GOVERNANCE REPORT

H) **AUDIT COMMITTEE** *(cont'd)* **- Principle 10.4: Internal audit function**

The Group outsources its internal audit function to a professional service firm, Yang Lee & Associates (“**YLA**” or “**Internal Auditor**”). YLA is a professional services firm that specialises in the provision of internal audit, ERM and sustainability reporting advisory services. The firm was set up in year 2005 and currently maintains an outsourced internal audit portfolio of SGX-ST listed companies in distribution, manufacturing, services, food & beverage and property development industries. The Internal Auditor is guided by the International Standards for the Professional Practice of Internal Auditing (IIA Standards) issued by the Institute of Internal Auditors. YLA is a corporate member of the Institute of Internal Auditors Singapore and is staffed with professionals with knowledge and experience in internal audit, risk management and other relevant disciplines.

The Internal Auditor reports directly to the AC and internal control weaknesses identified during the internal audit reviews and the recommended corrective actions are reported to the AC periodically. The AC approves the hiring, removal, evaluation and compensation to the Internal Auditor. The Internal Auditor has unfettered access to all the Group’s documents, records, properties and personnel, including access to the AC.

The AC reviews and approves the internal audit scope and plan to ensure that there is sufficient coverage of the Group’s activities. It also oversees the implementation of the internal audit plan and ensures the Internal Auditor has appropriate standing and that Management provides the necessary co-operation and adequate resources to enable the Internal Auditor to perform its function.

The Internal Auditor completed three reviews during FY2025 in accordance with the internal control testing plan developed and approved by the Board under the Group’s risk management framework. The findings and recommendations of the Internal Auditor, Management’s responses, and Management’s implementation of the recommendations have been reviewed and discussed with the AC.

The AC reviewed and confirmed that YLA is a suitable professional service firm to meet the Company’s internal audit obligations, having regard to the adequacy of resources, independence and experience of the firm and the assigned engagement director, number and experience of supervisory and professional staff assigned to internal audits.

The AC meets with the Internal Auditor without the presence of Management at least once annually.

I) **SHAREHOLDER RIGHTS AND ENGAGEMENT** **- Principle 11: Shareholder rights and conduct of general meetings**

The Group’s corporate governance culture and awareness promotes fair and equitable treatment of all shareholders.

The Group is committed to providing shareholders with adequate, timely and sufficient information pertaining to changes in the Group’s business which could have a material impact on the Company’s share price.

Shareholders are given the opportunity to participate effectively and vote at general meetings of the Company where relevant rules and procedures governing the meetings are clearly communicated. A relevant intermediary may appoint more than two proxies to attend and vote at the AGM. The Company reserves the rights to allow any observers to attend its AGM.

Price sensitive information is first publicly released via SGXNet before any meeting with any group of investors or analysts. Results are announced within the mandatory period on a half yearly basis to SGX-ST. The Company also practices releasing quarterly business updates to SGX-ST.

CORPORATE GOVERNANCE REPORT

I) SHAREHOLDER RIGHTS AND ENGAGEMENT *(cont'd)*

- Principle 11: Shareholder rights and conduct of general meetings *(cont'd)*

The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Company has an internal guide in determining the quantum of any dividend payable. The declaration of dividend is subject to various factors such as the Group's profitability, free cash flow and capital commitment. If the Company declares a final dividend at an annual general meeting and the dividend is approved by shareholders, it is usually paid to the shareholders within 30 days after the date of the annual general meeting.

All shareholders (except those who own the shares through nominees) of the Company will receive annual report, circulars and notices of general meeting of the Company. The notices are also advertised in newspapers and available at SGX-ST's website. The Constitution of the Company allows a member of the Company to appoint one or two proxies to attend and vote at all general meetings on his/her behalf.

Resolutions to be passed at general meetings are always separate and distinct in terms of issue so that shareholders are able to exercise their right to approve or deny the issue or motion. Shareholders can also exercise their right to vote in absentia by the use of proxies. The Company has been conducting electronic poll voting for all resolutions passed at the general meetings of shareholders for greater transparency in the voting process. Shareholders or their proxies are briefed by the appointed polling agent on the poll voting procedures at the AGM. The appointed scrutineer will ensure that the poll process is properly carried out and the counting of the votes is verified by the scrutineer.

The Chairmen of the AC, NC and RC are present and available to address questions at the AGM. The External Auditors shall be present to assist the Directors in addressing any relevant queries by shareholders. All directors of the Company and External Auditors attended the AGM of the Company held on 17 April 2025.

The Company Secretary prepares minutes of general meetings, which incorporate substantial comments or queries from shareholders and responses from the Board and the Management, where relevant. The minutes of general meetings will be published on the SGXNet within one (1) month from the date of the meeting. The Company also makes available minutes of general meetings to shareholders upon their requests.

2026 AGM

The Company will hold its upcoming AGM physically to engage with its shareholders.

- Principle 12: Engagement with shareholders

The Board ensures that all shareholders are treated fairly and equitably. All material information which would likely affect the price or value of the Company's shares shall be disclosed adequately and in a timely manner. The communication is through announcement on SGXNET and make available on the Company's website <https://www.foodempire.com/>.

The Company's substantial shareholders, including the institutional shareholder whose shareholding exceeds 5% other than the Controlling shareholders, are shown in the Statistics of Shareholding on page 158 of the annual report.

The Company has in place an Investor Relations ("IR") policy outlining the principles and practices adopted in the course of its IR activities, including communication with shareholders and the investment community. The policy reflects avenues for communication between shareholders and the Company, including shareholders' meetings, the Company's annual report and sustainability report, the information available on the Company's website, results announcements, meetings with analysts and media, and describes how shareholders may contact the Company should they have questions. The policy thus allows for an ongoing exchange of views with shareholders, thereby promoting timely, effective and transparent communication.

CORPORATE GOVERNANCE REPORT

J) MANAGING STAKEHOLDER RELATIONSHIPS – Principle 13: Engagement with stakeholders

The Company's key stakeholders are listed in its Sustainability Report. They are the Company's shareholders, its employees and workers, its consumers, its suppliers and business partners, communities, government and regulators, and its financiers.

The Company recognises the importance of developing and growing our employees and is committed to ensuring that all learning, training and development activities and programmes are made available to all our full-time employees. The Company encourages our employees to pursue relevant training programmes to build up their competencies and for career development opportunities.

The type of training and development programmes extended to our employees include new employee induction programme, On-the-Job training, in-house training, external training, management/leadership development, seminars and conferences, technical skill training, workplace health and safety training and etc. In addition, the Company provides professional memberships to employees for their self-development and to stay abreast of the latest development in their professional fields.

The Sustainability Report also outlines how relationships with these key stakeholders are managed.

The Company has a Stakeholder Engagement Policy in place. The policy shows how the Company engages its key stakeholders regularly through various channels to understand their key interests, needs and expectations and respond to their concerns promptly. Stakeholders can communicate or write to the Company via its website.

The Group's other policies including the Board Diversity Policy, the IR Policy and Whistle-blowing Policy facilitate the Group's engagement with its key stakeholders. The Sustainability Report outlines the Group's policies, practices, performance and targets in relation to its Economic and Environmental, Social and Governance activities. Developed with reference to the Global Reporting Initiative Standards 2016 (Core option), the Group endeavours to communicate how sustainability is embedded in its business practices and value chain across its operations in the report.

The Board is supported by a Sustainability Steering Committee chaired by the NED, Mr Ong Kian Min. The committee comprises two board members, the Group Executive Chairman, Group CFO and COO. The Sustainability Steering Committee provides direction and targets, and lead and co-ordinate the annual reporting effort by the Sustainability Working Committee.

The Group has commenced an internal review process for its sustainability reporting and prioritised the gaps identified for the sustainability working team to follow up for closure over the next few years. At the same time, the Group has started to align with climate-related disclosure standards issued by the International Financial Reporting Standards International Sustainability Standards Board ("IFRS ISSB"). A preliminary gap assessment against IFRS ISSB climate-related disclosures S1/S2 was conducted to map out alignment in phases with focus on governance, strategy and risk management pillars.

The Sustainability Report also covers amongst others:

- a) the Company's working emphasis to ensure food safety for consumers
- b) the safety, health and environment policy for the Group's employees
- c) the training and development plan for employees
- d) the Company's initiatives and effort to employ eco-friendly and sustainable value chain process
- e) the Company's outreach and interaction with the relevant communities
- f) the Company's zero tolerance policy towards fraud, bribery and corruption.

Detailed information on the Group's efforts on sustainability management in FY2025 will be disclosed in the Sustainability Report for FY2025. The Company will comply with Rule 711A of the SGX-ST Listing Manual and targets to issue its Sustainability Report for FY2025 on a standalone basis within the timeline stipulated by the SGX-ST. It will be published on the Company's website and made available on the SGXNet.

CORPORATE GOVERNANCE REPORT

SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (SGX-ST LISTING MANUAL REQUIREMENTS)

(i) Dealing in Securities

The Company has in place an internal policy prohibiting share dealings by Directors and officers of the Group while in possession of unpublished material or price sensitive information during the period commencing one month prior to the announcement of the Company's half year and annual financial results and two weeks before the announcement of its 1st quarter and 3rd quarter business update announcements and ending on the date of the announcement of the relevant results or business updates. Directors and officers of the Group are expected to observe the insider trading laws at all times even when dealing in securities within the permitted trading period.

The Directors and officers of the Group are strongly discouraged from dealing in the Company's securities on short-term considerations.

During FY2025, the Company has complied with the best practices on dealing in securities in accordance with Rule 1207(19) of the SGX-ST Listing Manual.

(ii) Material Contracts

Other than those disclosed in the financial statements, the Group did not enter into any material contracts involving interests of the Directors or Controlling shareholders and no such material contracts still subsist at the end of the financial year.

(iii) Risk Management Policies and Processes

Operating in Emerging Markets

The Group's sales are generated mainly from developing countries where economic, social, political and regulatory frameworks are less developed, resulting in uncertainties that could have a direct or indirect impact on sales and profitability.

The Group is also subject to changes in policies by the governments of these countries, which may have an impact through (i) changes in laws and regulations; (ii) changes in customs and import tariffs; (iii) restrictions on currency conversions and remittances; and (iv) the stability of the banking system.

The Group and its in-country teams constantly monitor the ongoing macro environment of key markets to identify potential areas of problems and develop suitable strategies around them, including the possibility of rationalising some business operations if the situation warrants.

The Group maintains an internal control system which includes policies and procedures and information systems to mitigate this risk.

Foreign Exchange Exposure

The Group has transactional currency exposures arising from sales, purchases or operating costs by operating units in currencies other than the unit's functional currency.

The Group maintains an internal control and monitoring system which includes policies and procedures and information systems to mitigate this risk.

The Group closely monitors its macro operating environment and will consider entering into appropriate hedging transactions to mitigate the exchange risk exposure, if necessary.

CORPORATE GOVERNANCE REPORT

SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 *(cont'd)* (SGX-ST LISTING MANUAL REQUIREMENTS) *(cont'd)*

(iii) Risk Management Policies and Processes *(cont'd)*

Credit Risk of Customers

In the normal course of its business, the Group extends credit terms to its customers, primarily to those located in developing countries. In the event of any significant devaluation or depreciation of the currencies of these markets or if any major customer encounters financial difficulties, the Group would be exposed to the risk of non-collectability of some of its trade receivables.

The Group maintains an internal control system which includes policies, procedures and information systems to mitigate this risk.

Under its credit policy, credit evaluations are performed for new customers and ongoing evaluations are also performed for existing customers. Other key mitigating controls include established credit limits, regular reviews and follow up on trade receivables ageing.

Dependence on Key Personnel

The EDs and the country/general managers in the Group's key markets have contributed significantly to the success of the Group. The loss of the services of any of these key personnel without suitable replacement will adversely affect the Group's operations and financial performance.

The Group maintains an internal control system which includes human resource measures, policies and procedures, information systems to mitigate this risk.

The Group has implemented remuneration packages aimed at retaining existing personnel and conducts regular performance reviews to reward key management personnel who contribute to the success of the Group.

Investment Risk

In the normal course of its business, the Group may invest in setting up new businesses or production plants and by way of acquisition of existing businesses. Investments in unfamiliar territories, new businesses or products could carry a high risk of failure due to a lack of visibility and knowledge of the business nature and market. Besides the initial capital, the Group may also have to support the new investments financially after acquisition.

The Group maintains an internal control system which includes policies and procedures and information systems to mitigate this risk.

Under its investment policy, a delegation of authority matrix is established for approval of different levels of investments. Due diligence exercises are conducted prior to acquisition and exposure to investment risk is monitored through regular reporting to Management and the Board on investment performance.

Information Technology Risk

The Group has implemented IT management controls and security controls to ensure an appropriate level of security awareness at all times by users of the Group's IT systems.

The Group has also put in place appropriate policies and control procedures to manage the risk of data privacy breaches.

Sanctions-related Risk

The Group may be, or may become exposed to various sanctions-related risks through various means such as sanctions-related laws or regulations.

The Group has in place adequate and effective internal controls, where practicable, to monitor, address and mitigate sanctions-related risk.

CORPORATE GOVERNANCE REPORT

SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd)
(SGX-ST LISTING MANUAL REQUIREMENTS) (cont'd)

(iv) Interested Person Transactions

Interested person transactions ("IPT") carried out during the financial year which falls under Chapter 9 of the SGX-ST Listing Manual are as follows:

Name of interested person	Nature of relationship	Aggregate value of all IPT during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholder's mandate pursuant to Rule 920)		Aggregate value of all IPT conducted under shareholder's mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
		2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
a) Triple Ace Ventures Limited and its subsidiaries	Companies associated to Mr Sudeep Nair (Group CEO and ED)				
- Payment of lease liabilities		2,081	1,588	-	-
b) UDI Marketing Sdn Bhd	Company associated to Universal Integrated Corporation Consumer Products Pte Ltd (Controlling Shareholder)				
- Sales of goods		472	716	-	-
c) PT Indokemika Jayatama	Company associated to Universal Integrated Corporation Consumer Products Pte Ltd (Controlling Shareholder)				
- Sales of goods		1,649	1,455	-	-

CORPORATE GOVERNANCE REPORT

SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (cont'd) (SGX-ST LISTING MANUAL REQUIREMENTS) (cont'd)

(v) Utilisation of Proceeds

As at the date of this Annual Report, the proceeds from the utilisation of proceeds of (i) the gross proceeds in relation to the issuance of 5.5% redeemable exchangeable notes in aggregate principal amount of US\$40,000,000 by its wholly owned subsidiary, Empire APAC Pte. Ltd. (the “**REN Issuance**”) and (ii) the gross proceeds of S\$42,840,000 from the placement of 17,000,000 treasury shares (the “**Placement of Treasury Shares**”) as follows:

(i) Utilisation of Proceeds from REN Issuance

	Amount US\$'million
Use of Proceeds from REN Issuance	
Expenses incurred in relation to REN Issuance	1.4
Capex Expenditure for Empire Manufacturing Kazakhstan LLP	5.0
Capex Expenditure for Indus Coffee (Vietnam) Co., Ltd	12.7
Total Amount Disbursed	19.1

The utilisation of the proceeds is consistent with the intended use as disclosed in the previous announcements in relation to the REN Issuance.

(ii) Use of proceeds from Placement of Treasury Shares

	Amount S\$'million
Use of Proceeds from the Placement of Treasury Shares	
Expenses incurred in relation to the Proposed Placement	1.0
Total Amount Disbursed	1.0

The utilisation of the proceeds is consistent with the intended use as disclosed in the previous announcements from the Placement of Treasury Shares.

CORPORATE GOVERNANCE REPORT

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-APPOINTMENT

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the information relating to the Directors who are seeking re-appointment at the forthcoming Annual General Meeting of the Company, as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST is set out below:

Name	Mr Sudeep Nair (Group CEO and ED)	Mdm Tan Guek Ming (NED)	Mr Ong Kian Min (NED)
Date of appointment	24 April 2020	8 April 2000	8 April 2000
Date of last re-appointment	25 April 2023	25 April 2023	19 April 2024
Age	56	66	65
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on the re-appointment	Based on the recommendation of the NC, the Board (save for Mr Sudeep Nair who abstained from deliberating his own re-election) propose to the Company's shareholders to approve the re-election of Mr Sudeep as a Director of the Company.	Based on the recommendation of the NC, the Board (save for Mdm Tan Guek Ming who abstained from deliberating her own re-election) propose to the Company's shareholders to approve the re-election of Mdm Tan as a Director. Mdm Tan will remain members of the AC and RC.	Based on the recommendation of the NC, the Board (save for Mr Ong Kian Min who abstained from deliberating his own re-election) proposes to the Company's shareholders to approve the re-election of Mr Ong as a Director. Mr Ong will remain member of the NC.
Whether the appointment is executive, and if so, the area of responsibility	Executive	Non-Executive	Non-Executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Group CEO and ED	NED and members of the AC and RC	NED and member of the NC
Professional qualifications	Bachelor of Science, University of Delhi	Bachelor of Accountancy (Second Class Honours), National University of Singapore	Bachelor of Laws (Hons)(Ext), University of London, UK Bachelor of Science (Hons), Imperial College of Science & Technology, London, UK
Working experience and occupation(s) in the past 10 years	Group CEO and ED of Food Empire Holdings Limited	NED of Food Empire Holdings Limited	From October 2000 to present: Consultant, Drew & Napier LLC From January 2010 to present: Executive Director, Kanesaka Sushi Private Limited
Shareholding interest in the listed issuer and its subsidiaries (as at 6 March 2026)	500,000 (direct interest) 70,803,725 (deemed interest)	27,547,400 (direct interest) and 35,827,200 (deemed interest), and 52,440,000 (deemed interest) is held by her spouse, Mr Tan Wang Cheow via United Overseas Bank Nominees Pte Ltd	1,175,000 (direct interest)
Any relationship (including immediate family relationships) with any existing director, existing executive director, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	Spouse of Executive Chairman, Mr Tan Wang Cheow	None
Conflict of interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the Company	Yes	Yes	Yes

CORPORATE GOVERNANCE REPORT

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-APPOINTMENT *(cont'd)*

Other principal commitments including directorships

Name	Mr Sudeep Nair (Group CEO and ED)	Mdm Tan Guek Ming (NED)	Mr Ong Kian Min (NED)
Past (for the last 5 years)	FER (HK) Limited FES International FZE FES Products LLC (Non-Executive Chairman & Board member)	None	Breadtalk Group Limited Penguin International Ltd GMG Global Ltd Hupsteel Limited Jaya Holdings Limited One Eternity Foundation Company Limited Alpha Advisory Pte. Ltd. GPTW Institute (Singapore) Pte. Ltd. OUE Hospitality REIT Management Pte. Ltd.
Present	Bestgate Investments Limited FE Global DMCC Empire APAC Pte. Ltd.	Future Enterprises Pte. Ltd. Nisedaj Investments Pte. Ltd. Future Engineering and Communication Pte. Ltd. Jodasen Ventures Limited	Independent Non-executive Director, YHI International Limited Director, JEKKA-MOLLE Pte. Ltd. Director, Kanesaka Sushi Private Limited Director, QEnergy Pte Ltd Independent Non-executive Director, OUE Hospitality Trust Management Pte. Ltd. Non-executive Deputy Chairman and Director, Silverlake Axis Ltd Independent Non-executive Director, OUE REIT Management Pte. Ltd.

CORPORATE GOVERNANCE REPORT

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-APPOINTMENT *(cont'd)*

Information required pursuant to Listing Rule 704(7)

Name	Mr Sudeep Nair (Group CEO and ED)	Mdm Tan Guek Ming (NED)	Mr Ong Kian Min (NED)
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgement against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i) Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:			
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

FINANCIAL STATEMENTS

60

Directors'
Statement

69

Independent
Auditor's Report

74

Consolidated
Income
Statement

75

Consolidated
Statement of
Comprehensive
Income

76

Balance Sheets

78

Statements of
Changes in Equity

82

Consolidated
Cash Flow
Statement

84

Notes to the
Financial
Statements

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Food Empire Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2025.

OPINION OF THE DIRECTORS

In the opinion of the directors,

- (i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date; and
- (ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS

The directors of the Company in office at the date of the statement are:

Tan Wang Cheow
Sudeep Nair
Tan Guek Ming
Koh Yew Hiap
Ong Kian Min
Tan Cher Liang
Saw Meng Tee
Adrian Chan Pengee

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Except for the Food Empire Holdings Limited Share Option Scheme (the "2012 Option Scheme" and "2022 Option Scheme") and the Food Empire Holdings Limited Performance Share Plan (the "2022 Award Plan"), neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

DIRECTORS' STATEMENT

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The following directors of the Company, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in shares and share options of the Company, as stated below:

Name of Director	Shares held in the name of the Directors		Shareholdings in which Directors are deemed to have an interest		Shares held in the name of the Directors	Shareholdings in which Directors are deemed to have an interest
	At the beginning of the year	At the end of the year	At the beginning of the year	At the end of the year	As at 21 January 2026	As at 21 January 2026
The Company						
Ordinary shares						
Tan Wang Cheow	-	-	115,814,600	115,814,600	-	115,814,600
Sudeep Nair	8,700,000	500,000	60,076,399	70,803,725	500,000	70,803,725
Tan Guek Ming	27,547,400	27,547,400	88,267,200	88,267,200	27,547,400	88,267,200
Ong Kian Min	1,020,000	1,175,000	-	-	1,175,000	-
Saw Meng Tee	120,000	150,000	-	-	150,000	-
Adrian Chan Pengee	-	105,000	-	-	105,000	-

Name of Director	Share options held in the name of the Directors	
	At the beginning of the year	At the end of the year
The Company		
Options to subscribe for ordinary shares exercisable from 6 March 2021 to 5 March 2030 at S\$0.667 per share		
Sudeep Nair	1,500,000	-
Ong Kian Min ⁽¹⁾	100,000	-
Options to subscribe for ordinary shares exercisable from 1 June 2023 to 31 May 2027 at S\$0.536 per share		
Adrian Chan Pengee	50,000	-
Ong Kian Min	50,000	15,000
Saw Meng Tee	30,000	-
Tan Cher Liang	50,000	50,000

⁽¹⁾ Options to subscribe for ordinary shares expire on 5 March 2025.

DIRECTORS' STATEMENT

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES *(cont'd)*

Name of Director	Share options held in the name of the Directors		Share options held in the name of the Directors
	At the beginning of the year	At the end of the year	As at 21 January 2026
<i>The Company</i>			
Options to subscribe for ordinary shares exercisable from 1 June 2024 to 31 May 2028 at S\$1.004 per share			
Adrian Chan Pengee	50,000	15,000	15,000
Ong Kian Min	50,000	30,000	30,000
Saw Meng Tee	50,000	50,000	50,000
Tan Cher Liang	50,000	50,000	50,000
Options to subscribe for ordinary shares exercisable from 1 June 2025 to 31 May 2029 at S\$1.116 per share			
Adrian Chan Pengee	50,000	30,000	30,000
Ong Kian Min	50,000	50,000	50,000
Saw Meng Tee	50,000	50,000	50,000
Tan Cher Liang	50,000	50,000	50,000
Options to subscribe for ordinary shares exercisable from 2 June 2026 to 1 June 2030 at S\$1.754 per share			
Adrian Chan Pengee	-	50,000	50,000
Ong Kian Min	-	50,000	50,000
Saw Meng Tee	-	50,000	50,000
Tan Cher Liang	-	50,000	50,000

DIRECTORS' STATEMENT

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES *(cont'd)*

Name of Director	Share awards held in the name of the Directors		Share awards held in the name of the Directors
	At the beginning of the year	At the end of the year	As at 21 January 2026
The Company			
Share awards granted based on the performance conditions from 1 June 2022 to 31 December 2024			
Sudeep Nair	657,211	-	-
Share awards granted based on the performance conditions from 1 January 2023 to 31 December 2025			
Sudeep Nair	632,771	-	-
Share awards granted based on the performance conditions from 1 January 2024 to 31 December 2026			
Sudeep Nair	357,718	357,718	357,718
Share awards granted based on the performance conditions from 1 January 2025 to 31 December 2027			
Sudeep Nair	-	402,820	402,820
Share awards granted based on the performance conditions from 1 January 2026 to 31 December 2028			
Sudeep Nair	-	-	161,838

By virtue of Section 7 of the Singapore Companies Act 1967, Mr Tan Wang Cheow and Mdm Tan Guek Ming are deemed to have an interest in the Company's subsidiaries at the end of the financial year.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year, nor as at 21 January 2026.

SHARE OPTIONS

The Food Empire Holdings Limited Share Option Scheme (the "2012 Option Scheme") was approved and adopted at an Extraordinary General Meeting of the Company held on 27 April 2012, which has since expired on 22 April 2022.

The Food Empire Holdings Limited Share Option Scheme (the "2022 Option Scheme") was approved and adopted at an Extraordinary General Meeting of the Company held on 22 April 2022.

The 2012 Option Scheme and 2022 Option Scheme are administered by the Remuneration Committee ("RC").

The total number of shares over which RC may grant new share options pursuant to 2012 Option Scheme and 2022 Option Scheme, when aggregated with the aggregate number of shares that are granted under any other share option schemes or share plans of the Company, shall not exceed fifteen per cent (15%) of the total number of all issued shares (excluding Shares held by the Company as treasury shares and subsidiary holdings, if any) on the day preceding that date.

DIRECTORS' STATEMENT

SHARE OPTIONS *(cont'd)*

2012 Option Scheme and 2022 Option Scheme

Details of the 2012 Option Scheme and 2022 Option Scheme at the end of the financial year were as follows:

	Number of holders at year end	Number of options outstanding at 1.1.2025	Number of options granted during the financial year	Number of options lapsed during the financial year	Number of options exercised during the financial year	Number of options outstanding at 31.12.2025	Exercise price per share \$	Exercise period
2012 Option Scheme								
2016 Options	1	20,000	-	-	(10,000)	10,000	0.308	4 July 2017 to 3 July 2026
2017 Options	5	550,000	-	-	(152,500)	397,500	0.693	23 May 2018 to 22 May 2027
2018 Options	4	1,350,000	-	-	(850,000)	500,000	0.679	16 March 2019 to 15 March 2028
2019 Options	5	685,000	-	-	(200,000)	485,000	0.556	15 March 2020 to 14 March 2029
2020 Options	10	3,620,000	-	-	(2,370,000)	1,250,000	0.667	6 March 2021 to 5 March 2030
		<u>6,225,000</u>	<u>-</u>	<u>-</u>	<u>(3,582,500)</u>	<u>2,642,500</u>		
2022 Option Scheme								
2022 Options	11	2,715,000	-	(90,000)	(1,390,000)	1,235,000	0.536	1 June 2023 to 31 May 2032
2023 Options	19	3,300,000	-	(300,000)	(535,000)	2,465,000	1.004	1 June 2024 to 31 May 2033
2024 Options	14	1,500,000	-	-	(20,000)	1,480,000	1.116	1 June 2025 to 31 May 2034
2025 Options	14	-	1,500,000	-	-	1,500,000	1.754	2 June 2025 to 1 June 2035
		<u>7,515,000</u>	<u>1,500,000</u>	<u>(390,000)</u>	<u>(1,945,000)</u>	<u>6,680,000</u>		
		<u>13,740,000</u>	<u>1,500,000</u>	<u>(390,000)</u>	<u>(5,527,500)</u>	<u>9,322,500</u>		

DIRECTORS' STATEMENT

SHARE OPTIONS *(cont'd)*

2012 Option Scheme and 2022 Option Scheme *(cont'd)*

The options granted to Directors of the Company and participants who received 5% or more of the total number of options available under the 2012 Option Scheme and 2022 Option Scheme are as follows:

Name of Director	Aggregate options granted since commencement of 2012 Option Scheme and 2022 Option Scheme to end of financial year	Aggregate options exercised since commencement of 2012 Option Scheme and 2022 Option Scheme to end of financial year	Aggregate options lapsed/cancelled since commencement of 2012 Option Scheme and 2022 Option Scheme to end of financial year	Aggregate options outstanding as at end of financial year
2012 Option Scheme				
Saw Meng Tee	100,000	(100,000)	-	-
Ong Kian Min	500,000	(400,000)	(100,000)	-
Sudeep Nair	7,500,000	(6,000,000)	(1,500,000)	-
2022 Option Scheme				
Adrian Chan Pengee	200,000	(105,000)	-	95,000
Ong Kian Min	200,000	(55,000)	-	145,000
Saw Meng Tee	200,000	(50,000)	-	150,000
Tan Cher Liang	200,000	-	-	200,000

Since the commencement of the 2012 Option Scheme and 2022 Option Scheme till the end of the financial year:

- 26,350,000 options were granted for 2012 Option Scheme
- 9,750,000 options were granted for 2022 Option Scheme
- No options had been granted to the controlling shareholders of the Company or their associates
- No options had been granted to the Directors appointed by the controlling shareholders
- No options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporation had been granted
- No participant other than Mr Sudeep Nair has been granted 5% or more of the total options available under the 2012 Option Scheme

Except as disclosed above, there were no unissued shares of the Company or its subsidiaries under options as at the end of the financial year. There are no options granted at a discount during the financial year.

DIRECTORS' STATEMENT

PERFORMANCE SHARE PLAN

The Food Empire Holdings Limited Performance Share Plan (the "2022 Award Plan") was approved and adopted at an Extraordinary General Meeting of the Company held on 22 April 2022.

The 2022 Award Plan is administered by the Remuneration Committee ("RC").

The total number of shares over which RC may grant new awards ("Share Awards") pursuant to the 2022 Award Plan, when aggregated with the aggregate number of shares that are granted under any other share option schemes or share plans of the Company, shall not exceed fifteen per cent (15%) of the total number of all issued shares (excluding Shares held by the Company as treasury shares and subsidiary holdings, if any) on the day preceding that date.

The conditional Share Awards are granted to eligible participants. Depending on the achievement of pre-determined targets over a three-year performance period, the RC will determine an achievement factor which will then be applied to the conditional Shares Awards to determine the final number of shares to be awarded at the end of the respective performance periods ("Final Share Awards").

2022 Award Plan

Details of the 2022 Award Plan at the end of the financial year are as follows:

	Share Awards holders at year end	Balance as at 1.1.2025	Shares Awards granted during the financial year	Shares Awards vested/ lapsed during the financial year	Balance as at 31.12.2025	Aggregate Share Awards granted since commencement of the 2022 Award Plan to end of financial year	Performance condition period
2022 Award Plan							
2022 Share Awards	-	-	-	-	-	657,211	1 June 2022 to 31 December 2025
2023 Share Awards	1	632,771	-	(632,771)	-	632,771	1 January 2023 to 31 December 2025
2024 Share Awards	6	786,982	-	(71,544)	715,438	786,982	1 January 2024 to 31 December 2026
2025 Share Awards	6	-	1,001,122	(80,564)	920,558	1,001,122	1 January 2025 to 31 December 2027
		1,419,753	1,001,122	(784,879)	1,635,996	3,078,086	

DIRECTORS' STATEMENT

PERFORMANCE SHARE PLAN (cont'd)

2022 Award Plan (cont'd)

	Final Share Awards holders at year end	Balance as at 1.1.2025	Final Share Awards granted during the financial year	Final Share Awards released during the financial year	Balance as at 31.12.2025	Aggregate ordinary shares released to participant since commencement of the 2022 Award Plan to end of financial year
2022 Award Plan						
2022 Final Share Awards	1	1,027,326	991,826	(1,027,326)	991,826	1,027,326

Details of the share awards granted to Directors of the Company under the 2022 Award Plan are as follows:

Name of Director	Aggregate Share Awards granted since commencement of the 2022 Award Plan to end of financial year	Aggregate Share Awards vested since commencement of the 2022 Award Plan to end of financial year	Aggregate Share Awards outstanding since commencement of the 2022 Award Plan as at end of financial year
Share Awards			
Sudeep Nair	2,050,520	(1,289,982)	760,538
Name of Director	Aggregate Final Share Awards granted since commencement of the 2022 Award Plan to end of financial year	Aggregate Final Share Awards released since commencement of the 2022 Award Plan to end of financial year	Aggregate ordinary shares released to participant since commencement of the 2022 Award Plan to end of financial year
Final Share Awards			
Sudeep Nair	2,019,152	1,027,326	1,027,326

DIRECTORS' STATEMENT

AUDIT COMMITTEE

The Audit Committee carried out its functions in accordance with Section 201B (5) of the Singapore Companies Act 1967. The functions performed by the Audit Committee are detailed in the Report on Corporate Governance.

AUDITOR

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditors.

On behalf of the Board of Directors,

Tan Wang Cheow

Director

Sudeep Nair

Director

Singapore
18 March 2026

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOOD EMPIRE HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Food Empire Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 December 2025, the statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) (SFRS(I)) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled our responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

1. Revenue recognition

We refer to Note 2.20 (Material accounting policy information), Note 3.2c (Significant accounting estimates and judgements) and Note 4 (Note on Revenue).

Revenue is measured taking into account of discounts and rebates earned by customers on the Group's sales, which give rise to variable consideration under SFRS(I) 15. Variable consideration is estimated and is recognised as revenue to the extent that it is highly probable that a significant reversal in revenue recognised up-to-date will not occur when the discount and rebate amounts are subsequently finalised. In addition, due to the multitude and variety of contractual terms across the Group's operating markets, the estimation of variable consideration arising from discounts and rebates is considered to be complex and judgemental. As such, we considered this to be a key audit matter.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOOD EMPIRE HOLDINGS LIMITED *(cont'd)*

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(cont'd)*

Key audit matters *(cont'd)*

1. Revenue recognition *(cont'd)*

As part of our audit procedures, we evaluated the appropriateness of the Group's revenue recognition accounting policies. We obtained an understanding of the revenue recognition process, performed a walkthrough of the significant class of transactions and evaluated the design of the relevant internal controls for effectiveness. We also tested the effectiveness of the management's internal controls over the timing of the revenue recognition and gross or net presentation of revenue. In addition, we read significant sales contracts and revenue arrangements, and performed inquiries of management to understand the potential impact of the various terms on revenue recognition, and to also determine if the arrangement is appropriately identified as a contract in accordance with SFRS(I) 15.

In respect of discounts and rebates and the relating variable consideration recognised during the year, we checked to the terms of agreements and other supporting documents. We assessed the appropriateness of the method used and the reasonableness of data and assumptions used such as historical experience and purchasing patterns in the estimation of variable consideration and determination of the amount of revenue to be recognised. We also assessed the adequacy of disclosures in Note 2.20a and Note 4.

2. Recoverability of trade receivables

We refer to Note 2.13 (Material accounting policy information), Note 3.2b (Significant accounting estimates and judgements) and Note 23 (Note on Trade Receivables).

Trade receivable balances of US\$55,541,000 are significant to the Group as they represented 15.0% of the Group's net assets as at 31 December 2025. The collectability of trade receivables is a key element of the Group's working capital management, which is managed on an ongoing basis by management. The Group determines expected credit losses for trade receivables by making debtor-specific assessment for credit-impaired debtors and using provision matrix method for the remaining group of debtors. In determining the estimated credit loss allowance for the Group's trade receivables as at year end, management had considered various factors such as the age of the outstanding balances, historical payment and credit loss patterns over an appropriate period, facts and circumstances specific to the countries and economic environments where the Group operates, correlation between economic conditions and historical credit losses, as well as the forecast of future macro-economic conditions over the expected life of the Group's trade receivables, which require significant management judgement. This estimation is further affected by the economic uncertainty brought on by the ongoing conflict between Russia and Ukraine. Accordingly, we determined that this is a key audit matter.

As part of our audit procedures, we assessed the Group's processes and key controls relating to the monitoring of trade receivables, including the process in determining whether a debtor is credit-impaired. We also considered ageing of the receivables to identify collection risks. We evaluated management's assumptions and inputs used in the computation of historical credit loss rates and reviewed data and information that management had used to make forward-looking adjustments, including consideration on impact arising from the ongoing conflict between Russia and Ukraine. We requested trade receivable confirmations and reviewed for collectability by way of obtaining evidence of subsequent receipts from the trade receivables. We held discussions with management on their assessment of the recoverability of long outstanding receivables in particular receivables that could be affected by the ongoing conflict between Russia and Ukraine, analysed trend of collections and assessed management's assumptions used to determine expected credit losses for such trade receivables notably through consideration of their specific profiles and risks.

We assessed the adequacy of the Group's disclosures on the trade receivables and the related credit risk in Note 38a.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOOD EMPIRE HOLDINGS LIMITED *(cont'd)*

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(cont'd)*

Key audit matters *(cont'd)*

3. Impairment assessment of intangible assets

We refer to Note 2.12 (Material accounting policy information), Note 3.2a (Significant accounting estimates and judgements) and Note 16 (Note on Intangible Assets).

As at 31 December 2025, intangible assets comprise goodwill of US\$6,448,000 and brand of US\$4,646,000, representing 1.7% and 1.3% of the Group's net assets respectively. The Group annually carries out an impairment assessment using a value-in-use model which is based on discounted cash flows of the cash generating units ("CGUs"). Management estimated the recoverable value using assumptions in respect of future market and economic conditions to estimate expected revenue and margin, inflation rate, discount rates and economic growth. As disclosed in Note 16, the Group's goodwill is allocated to each of the Group's CGUs or group of CGUs. As intangible assets impairment assessment requires management to apply significant judgement in determining the key assumptions, especially in the current economic uncertainty, we determined this a key audit matter.

As part of our audit procedures, we assessed the reasonableness of the key assumptions applied by the Group in determining the recoverable amounts of each CGU. In particular, we tested the underlying assumptions by comparing to historical results for reasonableness, with considerations of the impact on growth forecasts due to the ongoing conflict between Russia and Ukraine. We involved our internal specialist to assess the reasonableness of discount rates and long-term growth rates used by the Group by checking the discount rate to comparable companies and comparing the long-term growth rate to external economic data. We also considered the risk of potential management bias by using our own set of assumptions in developing a range of possible values to evaluate management's point estimates; and performed sensitivity analysis on reasonably possible reduction in the assumed growth rates.

We also considered the adequacy of the note disclosures concerning those key assumptions to which the outcome of the impairment test is most sensitive.

Other information

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOOD EMPIRE HOLDINGS LIMITED *(cont'd)*

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(cont'd)*

Responsibilities of management and directors for the financial statements *(cont'd)*

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOOD EMPIRE HOLDINGS LIMITED *(cont'd)*

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *(cont'd)*

Auditor's responsibilities for the audit of the financial statements *(cont'd)*

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Sam Lo Geok Lim.

Ernst & Young LLP

Public Accountants
and Chartered Accountants

Singapore
18 March 2026

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 December 2025

	Note	2025 US\$'000	2024 US\$'000
Revenue	4	576,917	476,347
Cost of sales		(383,399)	(331,955)
Gross profit		193,518	144,392
Selling and marketing expenses		(48,657)	(36,092)
General and administrative expenses		(51,493)	(45,019)
Operating profit		93,368	63,281
Other income	5	3,248	6,725
Other expenses	6	(33,963)	(4,052)
Net finance costs	7	(4,645)	(264)
Share of profits/(losses) of associates and joint venture		1,655	(500)
Profit before taxation	8	59,663	65,190
Income tax expense	9	(23,697)	(12,321)
Profit for the year		35,966	52,869
Profit/(loss) attributable to:			
Equity shareholders of the Company		35,990	52,528
Non-controlling interest		(24)	341
		35,966	52,869
Earnings per share			
Basic earnings per share (in cents)	11	6.59	9.98
Diluted earnings per share (in cents)	11	6.16	9.93

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2025

	2025 US\$'000	2024 US\$'000
Profit for the year	35,966	52,869
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation gain/(loss)	18,050	(13,929)
Share of other comprehensive income of associates and joint venture	926	239
Other comprehensive income for the year, net of tax	18,976	(13,690)
Total comprehensive income for the year	54,942	39,179
Total comprehensive income attributable to:		
Equity shareholders of the Company	54,942	39,457
Non-controlling interest	-	(278)
	54,942	39,179

BALANCE SHEETS

As at 31 December 2025

	Note	Group		Company	
		2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Non-Current Assets					
Property, plant and equipment	12	130,807	118,694	-	-
Right-of-use assets	13	21,512	12,634	65	135
Investments in subsidiaries	14	-	-	44,485	44,485
Investments in associates	15	11,085	8,503	-	-
Intangible assets	16	11,094	10,185	-	-
Other receivables	24	-	472	-	-
Deferred tax assets	17	4,991	3,893	255	-
		<u>179,489</u>	<u>154,381</u>	<u>44,805</u>	<u>44,620</u>
Current Assets					
Inventories	18	126,686	110,804	-	-
Prepayments		17,510	7,767	25	27
Deposits		711	857	-	-
Amounts due from subsidiaries (non-trade)	19	-	-	41,040	8,666
Amount due from an associate (non-trade)	20	618	1,118	-	-
Amounts due from related parties (trade)	22	455	324	-	-
Trade receivables	23	55,541	49,536	51	93
Other receivables	24	3,733	4,442	33	18
Cash and short-term deposits	25	181,537	130,852	33,749	24,840
		<u>386,791</u>	<u>305,700</u>	<u>74,898</u>	<u>33,644</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS

As at 31 December 2025

	Note	Group		Company	
		2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Current Liabilities					
Trade payables and accruals	26	71,432	55,771	10,637	5,226
Other payables	29	11,314	6,344	-	-
Lease liabilities	13	2,939	2,395	38	39
Interest-bearing loans and borrowings	28	24,318	27,865	-	-
Amount due to a subsidiary (non-trade)	19	-	-	-	20
Amounts due to associates (trade)	27	191	328	-	-
Amount due to a non-controlling shareholder (non-trade)	21	1,018	168	-	-
Amount due to a related party (non-trade)	22	850	817	-	-
Income tax payable		6,216	5,655	-	112
		118,278	99,343	10,675	5,397
Net Current Assets		268,513	206,357	64,223	28,247
Non-Current Liabilities					
Provision	30	334	335	-	-
Lease liabilities	13	8,508	3,856	-	36
Interest-bearing loans and borrowings	28	21,671	11,567	-	-
Redeemable exchangeable notes	31	36,793	37,170	-	-
Amount due to a non-controlling shareholder (non-trade)	21	2,970	3,960	-	-
Deferred tax liabilities	17	7,487	7,762	-	-
		77,763	64,650	-	36
Net Assets		370,239	296,088	109,028	72,831
Equity					
Share capital	32	47,502	47,502	47,502	47,502
Treasury shares	32	(4,454)	(15,898)	(4,454)	(15,898)
Reserves	33	324,923	262,216	65,980	41,227
		367,971	293,820	109,028	72,831
Non-controlling interest		2,268	2,268	-	-
Total Equity		370,239	296,088	109,028	72,831

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2025

Group	Attributable to equity shareholders of the Company								
	Share capital	Treasury shares	Foreign currency translation reserve	Share-based payment reserve	Other reserves	Accumulated profits	Total	Non-controlling interest	Total equity
2025	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 January 2025	47,502	(15,898)	(39,925)	3,715	-	298,426	293,820	2,268	296,088
Profit for the year	-	-	-	-	-	35,990	35,990	(24)	35,966
<u>Other comprehensive income</u>									
Foreign currency translation gain	-	-	18,026	-	-	-	18,026	24	18,050
Share of other comprehensive income of associates	-	-	926	-	-	-	926	-	926
Total comprehensive income for the year	-	-	18,952	-	-	35,990	54,942	-	54,942
<u>Contributions by and distributions to owners</u>									
Value of employee services received from the issuance of share options and share awards	-	-	-	1,338	-	-	1,338	-	1,338
Dividends paid to shareholders of the Company (Note 10)	-	-	-	-	-	(45,090)	(45,090)	-	(45,090)
Redeemable exchangeable notes (Note 31)	-	-	-	-	33,323	-	33,323	-	33,323
Expiry of share options	-	-	-	(20)	-	20	-	-	-
Purchase of treasury shares (Note 32)	-	(5,633)	-	-	-	-	(5,633)	-	(5,633)
Placement of treasury shares	-	11,809	-	-	20,618	-	32,427	-	32,427
Treasury shares reissued pursuant to shared-based incentive plans	-	5,268	-	(1,428)	(996)	-	2,844	-	2,844
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	-	11,444	-	(110)	52,945	(45,070)	19,209	-	19,209
Balance as at 31 December 2025	47,502	(4,454)	(20,973)	3,605	52,945	289,346	367,971	2,268	370,239

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2025

Group 2024	Attributable to equity shareholders of the Company							
	Share capital US\$'000	Treasury shares US\$'000	Foreign currency translation reserve US\$'000	Share-based payment reserve US\$'000	Accumulated profits US\$'000	Total US\$'000	Non-controlling interest US\$'000	Total equity US\$'000
Balance as at 1 January 2024	47,502	(14,001)	(26,854)	3,939	285,056	295,642	(1,149)	294,493
Profit for the year	-	-	-	-	52,528	52,528	341	52,869
<u>Other comprehensive income</u>								
Foreign currency translation loss	-	-	(13,310)	-	-	(13,310)	(619)	(13,929)
Share of other comprehensive income of associates and joint venture	-	-	239	-	-	239	-	239
Total comprehensive income for the year	-	-	(13,071)	-	52,528	39,457	(278)	39,179
<u>Contributions by and distributions to owners</u>								
Value of employee services received from the issuance of share options and share awards	-	-	-	948	-	948	-	948
Dividends paid to shareholders of the Company (Note 10)	-	-	-	-	(39,158)	(39,158)	-	(39,158)
Purchase of treasury shares (Note 32)	-	(6,201)	-	-	-	(6,201)	-	(6,201)
Treasury shares reissued pursuant to shared-based incentive plans	-	4,304	-	(1,172)	-	3,132	-	3,132
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	-	(1,897)	-	(224)	(39,158)	(41,279)	-	(41,279)
<u>Others</u>								
Gain of control of a subsidiary without a change in ownership interest but a change in control	-	-	-	-	-	-	3,695	3,695
Total others	-	-	-	-	-	-	3,695	3,695
Balance as at 31 December 2024	47,502	(15,898)	(39,925)	3,715	298,426	293,820	2,268	296,088

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2025

Company 2025	Share capital US\$'000	Treasury shares US\$'000	Foreign currency translation reserve US\$'000	Share- based payment reserve US\$'000	Other reserves US\$'000	Accumulated profits US\$'000	Total equity US\$'000
Balance as at 1 January 2025	47,502	(15,898)	(33)	3,715	-	37,545	72,831
Profit for the year	-	-	-	-	-	48,347	48,347
<u>Other comprehensive income</u>							
Foreign currency translation gain	-	-	1,964	-	-	-	1,964
Total comprehensive income for the year	-	-	1,964	-	-	48,347	50,311
<u>Contributions by and distributions to owners</u>							
Value of employee services received from the issuance of share options and share awards	-	-	-	1,338	-	-	1,338
Dividends paid to shareholders of the Company	-	-	-	-	-	(45,090)	(45,090)
Expiry of share options	-	-	-	(20)	-	20	-
Purchase of treasury shares	-	(5,633)	-	-	-	-	(5,633)
Placement of treasury shares	-	11,809	-	-	20,618	-	32,427
Treasury shares reissued pursuant to shared-based incentive plans	-	5,268	-	(1,428)	(996)	-	2,844
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	-	11,444	-	(110)	19,622	(45,070)	(14,114)
Balance as at 31 December 2025	47,502	(4,454)	1,931	3,605	19,622	40,822	109,028

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2025

Company 2024	Share capital US\$'000	Treasury shares US\$'000	Foreign currency translation reserve US\$'000	Share-based payment reserve US\$'000	Accumulated profits US\$'000	Total equity US\$'000
Balance as at 1 January 2024	47,502	(14,001)	1,415	3,939	51,241	90,096
Profit for the year	-	-	-	-	25,462	25,462
<u>Other comprehensive income</u>						
Foreign currency translation loss	-	-	(1,448)	-	-	(1,448)
Total comprehensive income for the year	-	-	(1,448)	-	25,462	24,014
<u>Contributions by and distributions to owners</u>						
Value of employee services received from the issuance of share options and share awards	-	-	-	948	-	948
Dividends paid to shareholders of the Company	-	-	-	-	(39,158)	(39,158)
Purchase of treasury shares	-	(6,201)	-	-	-	(6,201)
Treasury shares reissued pursuant to share-based incentive plans	-	4,304	-	(1,172)	-	3,132
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners	-	(1,897)	-	(224)	(39,158)	(41,279)
Balance as at 31 December 2024	47,502	(15,898)	(33)	3,715	37,545	72,831

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 December 2025

	Note	2025 US\$'000	2024 US\$'000
Cash flows from operating activities			
Profit before taxation		59,663	65,190
Adjustments for:			
Depreciation of property, plant and equipment	12	9,503	8,996
Depreciation of right-of-use assets	13	2,843	2,680
Loss/(gain) on disposal of property, plant and equipment	5/6	438	(50)
Bargain purchase on gain of control of a subsidiary		(1,326)	(1,598)
Gain on disposal of a subsidiary		(49)	-
Fair value loss/(gain) on redeemable exchangeable notes	5/6	32,592	(2,830)
Interest income	7	(4,227)	(3,975)
Interest expenses	7	8,872	4,239
(Write-back of impairment loss)/impairment loss on trade receivables	23	(14)	177
Impairment loss on other receivables	24	66	7
Inventories written-down	18	635	544
Allowance for inventories	18	642	803
Share of (profits)/losses of associates and joint venture		(1,655)	500
Write-back of impairment loss on brand	16	-	(523)
Value of employee services received from the issuance of share options and share awards		1,338	948
Exchange realignment		2,219	488
Operating cash flows before changes in working capital		111,540	75,596
Changes in working capital			
Increase in trade and other receivables		(4,901)	(8,597)
Increase in inventories		(7,492)	(35,804)
Increase in trade and other payables and provision		11,606	6,106
Cash flows from operations		110,753	37,301
Income taxes paid		(23,690)	(11,777)
Net cash flows from operating activities		87,063	25,524
Cash flows from investing activities			
Interest received		4,266	4,300
Purchase of property, plant and equipment		(22,220)	(24,430)
Proceeds from disposal of property, plant and equipment		43	253
Prepayment of right-of-use assets		(3,764)	-
Net cash inflow on gain of control of a subsidiary	14	-	1,444
Net cash inflow on disposal of a subsidiary		49	-
Dividends received from an associate		-	91
Net cash flows used in investing activities		(21,626)	(18,342)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 December 2025

	Note	2025 US\$'000	2024 US\$'000
Cash flows from financing activities			
Interest paid		(5,947)	(4,476)
Dividends paid to shareholders of the Company	10	(45,090)	(39,158)
Payment of principal portion of lease liabilities		(2,611)	(2,172)
Repayment of principal portion of interest-bearing loans and borrowings		(138,788)	(63,541)
Proceeds from interest-bearing loans and borrowings		144,602	66,681
Proceeds from redeemable exchangeable notes	31	-	40,000
Proceeds from reissuance of treasury shares pursuant to share-based incentive plans		2,844	3,132
Purchase of treasury shares		(5,633)	(6,201)
Placement of treasury shares		33,219	-
		(17,404)	(5,735)
Net cash flows used in financing activities			
Net increase in cash and cash equivalents		48,033	1,447
Effect of exchange rate changes on cash and cash equivalents		1,923	(1,881)
Cash and cash equivalents at beginning of year		130,852	131,286
		180,808	130,852
Cash and cash equivalents at end of year	25		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

1. CORPORATE INFORMATION

The financial statements of Food Empire Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Directors on 18 March 2026.

The Company is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office of the Company is located at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632. The principal place of business of the Company is located at 7 Tampines Grande, #03-01, Asia Green, Singapore 528736.

The principal activity of the Company is investment holding. The principal activities and other details of the subsidiaries are disclosed in Note 14 to the financial statements.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)).

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below. The consolidated financial statements provide comparative information in respect of the previous period.

The Company’s functional currency is Singapore Dollars (“S\$” or “SGD”) while the financial statements are presented in United States Dollars (“US\$” or “USD”). The Group adopted USD as the presentation currency as it is more reflective of the business operations of the Group, where transactions are mostly in USD.

All values in the tables are rounded to the nearest thousand (US\$’000), except when otherwise stated.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2025. The adoption of these new standards and interpretations did not have any material effect on the financial performance or position of the Group.

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
SFRS(I) 9, SFRS(I) 7: Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to SFRS(I)s—Volume 11	1 January 2026
SFRS(I) 18: Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Except for the below, the directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.3 Standards issued but not yet effective *(cont'd)*

SFRS(I) 18: Presentation and Disclosure in Financial Statements

SFRS(I) 18 is a new standard that replaces SFRS(I) 1-1 Presentation of Financial Statements. SFRS(I) 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to SFRS(I) 1-7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

SFRS(I) 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. SFRS(I) 18 will apply retrospectively.

The amendments will have impact on the disclosure in the financial statements but not on the measurement or recognition of any items in the Group's financial statements.

2.4 Basis of consolidation and business combination

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangements with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.4 Basis of consolidation and business combination *(cont'd)*

(a) Basis of consolidation *(cont'd)*

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

(b) Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

Non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, are recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.4 Basis of consolidation and business combination *(cont'd)*

(b) Business combinations and goodwill *(cont'd)*

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

2.5 Transactions with non-controlling interest

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.6 Foreign currency

The financial statements are presented in United States Dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operations are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

(b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into USD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.7 Investment in subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's balance sheet, investments in subsidiaries are accounted for at cost less impairment losses.

2.8 Investment in associates and joint ventures

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss in profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.9 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Freehold properties	- 10-50 years
Leasehold properties	- Over the remaining term of lease between 1-60 years
Plant and machinery	- 5-15 years
Furniture and fittings and other equipment	- 3-15 years
Factory and office equipment	- 5-10 years
Computers	- 3-5 years
Motor vehicles	- 3-5 years
Forklifts	- 10 years
Leasehold improvements	- 5-10 years

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.10 Intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the profit or loss in the year in which the expenditure is incurred.

The useful lives of the intangible assets are assessed as indefinite.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.10 Intangible assets *(cont'd)*

Brands

The brand, Petrovskaya Sloboda was acquired in a business combination in 2007. The useful life of the brand is estimated to be indefinite because based on the current market share of the brand, management believes there is no foreseeable limit to the period over which the brand is expected to generate net cash inflows for the Group.

The brands under Tea House LLP were acquired upon the gain in control of Tea House LLP in 2024. The useful life of the brand is estimated to be indefinite because based on the current market share of the brand, management believes there is no foreseeable limit to the period over which the brand is expected to generate net cash inflows for the Group.

2.11 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The Group has debt instruments which are held at amortised cost.

Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.11 Financial instruments *(cont'd)*

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference in the respective carrying amounts and the consideration paid is recognised in profit or loss.

(c) Redeemable exchangeable notes

The Group had redeemable exchangeable notes that were designated at fair value through profit or loss in their entirety on initial recognition as of 31 December 2024. During the year ended 31 December 2025, there was a substantial modification to the terms of the notes, which resulted in a change in classification of the notes to compound instruments. The fair value of the notes at the date of modification is allocated to the liability component and equity component, which are separately presented on the consolidated balance sheet.

The liability component is recognised initially at its fair value, determined using a market interest rate for equivalent notes without the convertible feature. It is subsequently carried at amortised cost (net of transaction costs) using the effective interest method until the liability is extinguished on conversion or redemption of the notes.

The difference between the fair value of the notes at the date of modification, and the liability component is allocated to the conversion option (equity component), which is presented in equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not adjusted in subsequent periods. When the conversion option is exercised, its carrying amount is transferred to the share capital. When the conversion option lapses, its carrying amount is transferred to retained earnings.

Transaction costs are apportioned between the liability and equity components of the notes, based on the allocation of initial fair value of the notes to the liability and equity components when the notes are recognised on the date of substantial modification.

2.12 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.12 Impairment of non-financial assets *(cont'd)*

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

2.13 Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.14 Cash and short-term deposits

Cash and short-term deposits comprise cash on hand and cash with banks or financial institutions, including fixed deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.15 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Raw materials: costs of direct materials and goods purchased for resale are stated on a weighted average basis.
- Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average basis.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.17 Financial guarantee

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.13 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

2.18 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.19 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.19 Leases *(cont'd)*

As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold land	- 33–60 years
Office and factory premises	- 2–3 years
Motor vehicles	- 2–3 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.12. The Group's right-of-use assets are presented within Note 13.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are disclosed in Note 13.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.20 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Sale of goods

Revenue is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied. The goods are often sold with a right of return and with retrospective volume rebates based on the aggregate sales over a period of time.

The amount of revenue recognised is based on the estimated transaction price, which comprises the contractual price, net of discounts and rebates. Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting date, the Group updates its assessment of the estimated transaction price, including its assessment of whether an estimate of variable consideration is constrained. The corresponding amounts are adjusted against revenue in the period in which the transaction price changes.

(b) Others

Other revenue is recognised when the Group satisfies its performance obligation upon the rendering of services.

2.21 Employee benefits

(a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. For example, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.21 Employee benefits *(cont'd)*

(c) Employee equity compensation benefits

Employee share option plans

Employees (including senior executives and Directors) of the Group receive remuneration in the form of share options as consideration for services rendered ('equity-settled share based payment transactions').

The cost of these equity-settled share based payment transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted which takes into account market condition and non-vesting conditions. This cost is recognised in profit or loss, with a corresponding increase in the share-based payment reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The employee share option reserve is transferred to accumulated profits upon expiry of the share option.

Where the employee share option plan is cancelled, it is treated as if it vested on the date of cancellation, and any expense that otherwise would have been recognised for services received over the remaining vesting period is recognised immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph. All cancellations of equity-settled transaction awards are treated equally.

2.22 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.22 Taxes *(cont'd)*

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

2.23 Segment reporting

For management purposes, the Group is organised into operating segments based on their geographical locations which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 35, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.24 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.25 Treasury shares

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at costs and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

2.26 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

Management is of the opinion that there is no significant judgement made in the process of applying the Group's accounting policies.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Impairment of intangible assets

As disclosed in Note 16 to the financial statements, the recoverable amounts of the cash-generating units which goodwill and brands have been allocated to are determined based on value-in-use calculations. The value-in-use calculations are based on a discounted cash flow model. The recoverable amount is most sensitive to the discount rates used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. The key assumptions applied in the determination of the value-in-use are disclosed and further explained in Note 16 to the financial statements. The carrying amount of the intangible assets as at 31 December 2025 is US\$11,094,000 (2024: US\$10,185,000).

(b) Allowance for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances as well as forecasted economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 23.

The carrying amount of trade receivables as at 31 December 2025 is US\$55,541,000 (2024: US\$49,536,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS *(cont'd)*

3.2 Key sources of estimation uncertainty *(cont'd)*

(c) Variable consideration arising from discounts and rebates

Revenue is measured taking into account of discounts and rebates earned by customers on the Group's sales, which give rise to variable consideration under SFRS(I) 15. Variable consideration is estimated and is constrained to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty is subsequently resolved.

The Group provides rebates to some of its customers if the customers reach a certain threshold of purchase. The Group applied the "most likely amount method" to estimate the variable consideration to which it will be entitled.

For the financial year ended 31 December 2025, the Group recognised revenue amounting to US\$576,917,000 (2024: US\$476,347,000).

(d) Income taxes

Certain subsidiaries are operating in countries where the practical application of tax legislation is subject to varying interpretations. There is a risk that these subsidiaries could be exposed to further tax liabilities on their income, value added taxes/sales taxes and other taxes for current and prior financial years, if the tax authorities adopt a different interpretation of the tax legislation at the time of finalisation of these tax returns.

(e) Uncertainty arising from on-going conflict between Russia and Ukraine

As at the date of the financial statements, the armed conflict between Russia and Ukraine is still ongoing. As the situation remains volatile and may evolve, the Group is closely monitoring the financial impact to its Russia and Ukraine operations. Based on the information available and the Group's current financial position and resources, the Group has assessed that the use of the going concern assumption remains reasonable.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

4. REVENUE

Disaggregation of revenue

Group segments	Sale of goods		Rental income		Others		Total revenue	
	2025	2024	2025	2024	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Primary geographical markets								
Russia	190,990	141,735	-	-	-	-	190,990	141,735
South-East Asia	147,775	129,348	3	-	6	3	147,784	129,351
Central Asia	101,975	81,219	-	-	-	-	101,975	81,219
South Asia	70,897	61,351	-	-	61	-	70,958	61,351
Europe	48,599	45,146	9	8	-	-	48,608	45,154
Others	16,560	17,437	-	-	42	100	16,602	17,537
Total	576,796	476,236	12	8	109	103	576,917	476,347

Timing of transfer of goods or services

At a point in time	576,796	476,236	-	-	109	103
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Rental income from the Group's operating leases is accounted for on a straight-line basis over the lease term of the contract.

5. OTHER INCOME

	Group	
	2025	2024
	US\$'000	US\$'000
Bargain purchase on gain of control of a subsidiary	1,326	1,598
Fair value gain on redeemable exchangeable notes (Note 31)	-	2,830
Gain on disposal of property, plant and equipment	-	50
Gain on disposal of a subsidiary	49	-
Write-back of impairment loss on brand	-	523
Sales of scrapped items	393	349
Government grants ⁽¹⁾	1,192	526
Insurance claims	118	546
Miscellaneous income	170	303
	3,248	6,725

⁽¹⁾ Government grants mainly relate to grant income under the Remission of Duties and Taxes on Exported Products scheme and energy cost subsidies in India.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

6. OTHER EXPENSES

	Group	
	2025 US\$'000	2024 US\$'000
Foreign exchange loss	933	4,052
Fair value loss on redeemable exchangeable notes (Note 31)	32,592	-
Loss on disposal of property, plant and equipment	438	-
	33,963	4,052

7. NET FINANCE (COSTS)/INCOME

	Group	
	2025 US\$'000	2024 US\$'000
Interest income from:		
- Bank deposits	4,227	3,975
Interest expenses on:		
- Bank loans	(2,712)	(2,836)
- Lease liabilities	(515)	(489)
- Redeemable exchangeable notes	(2,554)	(368)
- Others	(92)	(546)
Total net interest expenses	(1,646)	(264)
Cash compensation on redeemable exchangeable notes (Note 31)	(2,999)	-
Net finance costs	(4,645)	(264)

8. PROFIT BEFORE TAXATION

The following items have been included in arriving at profit before taxation:

	Group	
	2025 US\$'000	2024 US\$'000
Audit fees paid to:		
- Auditors of the Company	292	236
- Other auditors	302	236
Non-audit fees paid to:		
- Auditors of the Company	52	40
- Other auditors	131	99
Directors' fee:		
- Directors of the Group	400	347
Depreciation of property, plant and equipment	9,503	8,996
Depreciation of right-of-use assets	2,843	2,680
(Write-back of impairment loss)/impairment loss on trade receivables	(14)	177
Impairment loss on other receivables	66	7
Inventories written-down	635	544
Allowance for inventories	642	803
Advertising and promotion expenses	17,566	10,298
Legal and professional fees	2,360	3,016
Office upkeep and administrative expenses	2,797	2,337
Employee benefits expense (Note 34)	83,688	68,545

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

9. INCOME TAX EXPENSE

Major components of income tax expense

The major components of income tax expense for the years ended 31 December 2025 and 2024 are:

	Group	
	2025	2024
	US\$'000	US\$'000
Consolidated income statement		
Current income tax		
- Current income taxation	24,193	12,836
- Under/(over) provision in respect of prior years	534	(396)
	<u>24,727</u>	<u>12,440</u>
Deferred income tax		
- Origination and reversal of temporary differences	(1,214)	(432)
- Under provision in respect of prior years	184	313
	<u>(1,030)</u>	<u>(119)</u>
Income tax expense recognised in profit or loss	<u>23,697</u>	<u>12,321</u>

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2025 and 2024 is as follows:

	Group	
	2025	2024
	US\$'000	US\$'000
Accounting profit before tax	<u>59,663</u>	<u>65,190</u>
Tax at the domestic rates applicable to profits in the countries where the Group operates	12,124	15,398
Adjustments:		
Non-deductible expenses	12,570	5,533
Income not subject to taxation	(556)	(5,603)
Effect of partial tax exemption and tax relief	(1,150)	(802)
Deferred tax assets not recognised	181	113
Effect of change in domestic tax rate	-	(110)
Under/(over) provision of current taxation in respect of prior years	534	(396)
Under provision of deferred taxation in respect of prior years	184	313
Deferred tax asset recognised on current year reinvestment allowance incentive	(32)	(2,051)
Others	(158)	(74)
Income tax expense recognised in profit or loss	<u>23,697</u>	<u>12,321</u>

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

9. INCOME TAX EXPENSE *(cont'd)*

On 23 May 2023, the International Accounting Standards Board (the Board) issued International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12 which clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (the OECD), including tax law that implements Qualified Domestic Minimum Top-up Taxes. The Group has adopted these amendments. However, they are not yet applicable for the current reporting year as the Group's consolidated revenue is currently below the threshold of EUR 750 million.

10. DIVIDENDS

	Group and Company	
	2025	2024
	US\$'000	US\$'000
Declared and paid during the financial year:		
<i>Dividends on ordinary shares:</i>		
- Final exempt (one-tier) dividend for 2024: S\$0.0600 (2023: S\$0.0500) per share	24,575	19,579
- Special exempt (one-tier) dividend for 2024: S\$0.0200 (2023: S\$0.0500) per share	8,192	19,579
- Interim exempt (one-tier) dividend for 2025: S\$0.0300 (2024: S\$Nil) per share	12,323	-
	45,090	39,158
Proposed but not recognised as a liability as at 31 December:		
<i>Dividends on ordinary shares, subject to shareholder approval at the Annual General Meeting:</i>		
- Final exempt (one-tier) dividend for 2025: S\$0.0500 (2024: S\$0.0600) per share	21,518	24,575
- Special exempt (one-tier) dividend for 2025: S\$0.0400 (2024: S\$0.0200) per share	17,214	8,192
	38,732	32,767

11. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share are calculated by dividing the profit for the year, net of tax, attributable to ordinary equity shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The following table reflects the profit and shares data used in the computation of basic earnings per share for the years ended 31 December:

	Group	
	2025	2024
	US\$'000	US\$'000
Net profit for the year used in computing basic earnings per share	35,990	52,528
	No. of shares '000	
Weighted average number of ordinary shares used in basic earnings per share computation*	546,560	526,140

* The weighted average number of shares takes into account the weighted average effect of changes in treasury shares transactions during the year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

11. EARNINGS PER SHARE *(cont'd)*

(b) Diluted earnings per share

Diluted earnings per share are calculated by dividing the profit for the year, net of tax, attributable to original equity shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the profit and shares data used in the computation of dilutive earnings per share for the years ended 31 December:

	Group	
	2025	2024
	US\$'000	US\$'000
Net profit for the year used in computing diluted earnings per share	35,990	52,528
	No. of shares '000	
Weighted average number of shares issued, used in basic earnings per share computation*	546,560	526,140
Dilutive effect of share options	37,423	2,957
Weighted average number of ordinary shares used in diluted earnings per share computation*	583,983	529,097

* The weighted average number of shares takes into account the weighted average effect of changes in treasury shares transactions during the year.

In 2024, 4,165,000 share options granted to employees under the existing employee share option plans had not been included in the calculation of diluted earnings per share because they were anti-dilutive. There were none in 2025.

Since the end of the financial year, senior executives have exercised the options to acquire 1,822,000 (2024: 505,000) ordinary shares. There were no significant transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

12. PROPERTY, PLANT AND EQUIPMENT

Group	Land and buildings	Plant and machinery, furniture and other equipment	Factory and office equipment and computers	Forklifts and motor vehicles	Leasehold improvements	Capital work-in-progress	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Cost							
At 1 January 2024	41,370	86,269	7,191	2,839	7,361	18,363	163,393
Additions	436	1,155	375	109	1,531	18,361	21,967
Disposals	(20)	(437)	(306)	(203)	(1,198)	-	(2,164)
Gain of control of a subsidiary	2,486	5,440	56	-	-	-	7,982
Reclassifications	7,366	12,561	874	262	1,812	(22,875)	-
Exchange realignment	(615)	(1,856)	(200)	(122)	(103)	(303)	(3,199)
At 31 December 2024 and 1 January 2025	51,023	103,132	7,990	2,885	9,403	13,546	187,979
Additions	545	794	188	431	227	16,910	19,095
Disposals	(1)	(1,280)	(87)	(127)	(40)	-	(1,535)
Gain of control of a subsidiary	1,592	-	-	-	-	-	1,592
Disposal of a subsidiary	-	(13)	-	-	-	-	(13)
Reclassifications	7,973	2,449	252	298	485	(11,457)	-
Exchange realignment	116	1,922	288	207	206	354	3,093
At 31 December 2025	61,248	107,004	8,631	3,694	10,281	19,353	210,211
Accumulated depreciation and impairment loss							
At 1 January 2024	6,488	40,916	5,842	2,151	4,655	-	60,052
Charge for the year	974	6,410	630	275	707	-	8,996
Disposals	(4)	(297)	(383)	(174)	(1,103)	-	(1,961)
Gain of control of a subsidiary	252	3,501	40	-	-	-	3,793
Exchange realignment	(103)	(1,194)	(146)	(83)	(69)	-	(1,595)
At 31 December 2024 and 1 January 2025	7,607	49,336	5,983	2,169	4,190	-	69,285
Charge for the year	999	6,638	593	244	1,029	-	9,503
Disposals	-	(830)	(84)	(127)	(14)	-	(1,055)
Disposal of a subsidiary	-	(13)	-	-	-	-	(13)
Exchange realignment	(10)	1,240	185	128	141	-	1,684
At 31 December 2025	8,596	56,371	6,677	2,414	5,346	-	79,404
Net carrying amount							
At 31 December 2025	52,652	50,633	1,954	1,280	4,935	19,353	130,807
At 31 December 2024	43,416	53,796	2,007	716	5,213	13,546	118,694

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

12. PROPERTY, PLANT AND EQUIPMENT *(cont'd)*

Capitalisation of borrowing costs

The Group's property, plant and equipment include borrowing costs arising from bank loans made specifically for the purpose of the construction of property, plant and equipment. During the financial year, the borrowing costs capitalised and included in capital work-in-progress amounted to US\$530,000 (2024: US\$237,000).

As at 31 December 2025, land and buildings consist of freehold properties of US\$24,935,000 (2024: US\$16,512,000) and leasehold properties of US\$27,717,000 (2024: US\$26,904,000).

The following are the carrying amounts of property, plant and equipment that are mortgaged to obtain bank loans:

	Group	
	2025	2024
	US\$'000	US\$'000
Land and buildings	39,161	31,059
Plant and machinery	35,263	38,325
Other equipment	2,839	2,562
Capital work-in-progress	16,849	280
	94,112	72,226

Information on the borrowing facilities of the Group is disclosed in Note 28.

13. LEASES

Group as a lessee

The Group has lease contracts for various items of leasehold land, office and factory premises and motor vehicles used in its operations. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension, which are further discussed below.

The Group also has certain leases of machinery, storage facilities and office premises with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

13. LEASES (cont'd)

Group as a lessee (cont'd)

(a) Carrying amounts of right-of-use assets

Group	Leasehold land	Office and factory premises	Motor vehicles	Total
	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January 2024	7,950	3,427	215	11,592
Additions	-	3,199	-	3,199
Depreciation	(190)	(2,415)	(75)	(2,680)
Gain of control of a subsidiary	-	230	-	230
Effects of lease modifications	-	514	-	514
Exchange realignment	(6)	(210)	(5)	(221)
At 31 December 2024 and 1 January 2025	7,754	4,745	135	12,634
Additions	3,763	7,635	-	11,398
Depreciation	(193)	(2,574)	(76)	(2,843)
Effects of lease modifications	-	9	-	9
Exchange realignment	(3)	311	6	314
At 31 December 2025	11,321	10,126	65	21,512

Company	Motor Vehicles
	US\$'000
At 1 January 2024	215
Depreciation	(75)
Exchange realignment	(5)
At 31 December 2024 and 1 January 2025	135
Depreciation	(76)
Exchange realignment	6
At 31 December 2025	65

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

13. LEASES (cont'd)

Group as a lessee (cont'd)

(b) Lease liabilities

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
At 1 January	6,251	4,677	75	116
Additions	7,635	3,199	-	-
Accretion of interest	515	489	1	2
Payments	(3,126)	(2,661)	(41)	(40)
Gain of control of a subsidiary	-	288	-	-
Effects of lease modifications	9	514	-	-
Exchange realignment	163	(255)	3	(3)
At 31 December	11,447	6,251	38	75
Current	2,939	2,395	38	39
Non-current	8,508	3,856	-	36

The maturity analysis of lease liabilities is disclosed in Note 39b.

(c) Amounts recognised in profit or loss

	Group	
	2025 US\$'000	2024 US\$'000
Depreciation expense of right-of-use assets	2,843	2,680
Interest expense on lease liabilities (Note 7)	515	489
Lease expense not capitalised in lease liabilities and included in general and administrative expenses:		
- Expense relating to short-term leases	2,072	1,432
- Expense relating to low-value assets	17	21
Total amount recognised in profit or loss	5,447	4,622

(d) Total cash outflow

The Group had total cash outflows for leases, including short-term leases, low-value assets and prepayments of right-of-use assets amounting to US\$8,979,000 (2024: US\$4,114,000). The Group also had non-cash additions to right-of-use assets and lease liabilities of US\$7,635,000 (2024: US\$3,199,000) in 2025.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

13. LEASES (cont'd)

Group as a lessee (cont'd)

(e) Extension options

The Group has several lease contracts that include extension. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises judgement in determining whether these extension options are reasonably certain to be exercised.

Set out below are the potential future (undiscounted) cash outflow that have not been included in lease liabilities because it is not reasonably certain that the leases will be extended:

	Within five years	Group More than five years	Total
	US\$'000	US\$'000	US\$'000
2025			
Extension options expected not to be exercised	–	6,506	6,506
2024			
Extension options expected not to be exercised	–	6,650	6,650

14. INVESTMENTS IN SUBSIDIARIES

	Company	
	2025	2024
	US\$'000	US\$'000
Unquoted shares, at cost	44,485	44,485

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

14. INVESTMENTS IN SUBSIDIARIES *(cont'd)*

Composition of the Group

Details of the subsidiaries as at 31 December are as follows:

Name of company (Country of incorporation)	Principal activities	Percentage of equity held by the Group	
		2025 %	2024 %
<i>Held by the Company</i>			
Future Enterprises Pte Ltd ⁽¹⁾ (Singapore)	Sales and marketing of instant food and beverages	100	100
EPIQ Food Services Pte Ltd ⁽¹⁾ (Singapore)	Investment holding	100	100
Empire APAC Pte Ltd ⁽¹⁾ (Singapore)	Investment holding	100	100
Future Investment Holdings Pte Ltd ⁽¹⁾ (Singapore)	Investment holding	100	100
<i>Held by Future Enterprises Pte Ltd</i>			
FER (HK) Limited ⁽³⁾ (Hong Kong)	Investment holding	100	100
WELLDIS LLP ^{*(6)} (Kazakhstan)	Distribution, procurement, wholesale and trade of beverage products	100	100
Empire Manufacturing Sdn Bhd ⁽²⁾ (Malaysia)	Manufacturing food and beverages and real estate activities relating to own or lease property	100	100
Empire International Sdn Bhd ⁽²⁾ (Malaysia)	International procurement centre, procuring and selling of raw materials, processed and non-processed food and finished goods	100	100
Food Excellence Specialist Sdn Bhd ⁽²⁾ (Malaysia)	Manufacturing food and beverages	100	100
Mei Ka Fei (Hohhot) Trade Co., Ltd ⁽¹⁰⁾ (People's Republic of China)	Trading (import and export) of Group's products	100	100
Empire Food Trading Co Ltd ⁽⁹⁾ (Mongolia)	General trading	100	100

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

14. INVESTMENTS IN SUBSIDIARIES *(cont'd)*

Composition of the Group *(cont'd)*

Name of company (Country of incorporation)	Principal activities	Percentage of equity held by the Group	
		2025 %	2024 %
<i>Held by Future Enterprises Pte Ltd <i>(cont'd)</i></i>			
FES Products LLC ⁽¹¹⁾ (Russia)	Manufacturing and distribution of instant food and beverages	100	100
FES (Vietnam) Co., Ltd ⁽²⁾ (Vietnam)	Manufacturing and distribution of instant food and beverages	100	100
FES UKR LLC ⁽²⁾ (Ukraine)	Production, preparation, packaging and distribution of instant beverages	100	100
Ukragroinvest-2005 LLC ⁽⁶⁾ (Ukraine)	Dormant	100	100
FE Foods Philippines Inc. ⁽⁵⁾ (Philippines)	Dormant	100	100
FE Global DMCC ⁽⁵⁾ (United Arab Emirates – Dubai)	Dormant	100	100
FE Food (Cambodia) Co., Ltd. ⁽⁷⁾ (Cambodia)	Wholesale of food and beverages	100	100
Indus Coffee (Vietnam) Co., Ltd. ⁽²⁾ (Vietnam)	Manufacturing and export of freeze-dried instant coffee	100	100
FES Food International FZE ⁽⁴⁾ (United Arab Emirates)	Food & beverages, snack food, dairy products, tea, coffee, confectionery & chocolate and raw materials trading	100	100
Tea House LLP ^{*(6)(12)} (Kazakhstan)	Production and sale of tea and infusions	50.50	50.50
<i>Held by Ukragroinvest-2005 LLC</i>			
FE Production Ltd ^{***(6)} (Ukraine)	Manufacturing of food products	-	100

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

14. INVESTMENTS IN SUBSIDIARIES (cont'd)

Composition of the Group (cont'd)

Name of company (Country of incorporation)	Principal activities	Percentage of equity held by the Group	
		2025 %	2024 %
Held by Future Investment Holdings Pte Ltd			
Coffee One Coffee System Pte Ltd ^{**} (5) (Singapore)	Dormant	–	51
Empire Manufacturing Kazakhstan LLP ^{*(6)} (Kazakhstan)	Production and sales of instant coffee and tea	100	100
Hallyu Ventures Pte Ltd ⁽¹⁾ (Singapore)	Investment holding company	51	51
Jointly held by EPIQ Food Services Pte Ltd and Future Investment Holdings Pte Ltd			
Global Food Excellence Ltd ⁽⁸⁾ (Nigeria)	Dormant	100	100
Indus Coffee Private Limited ⁽²⁾ (India)	Manufacturing and packaging of instant coffee	100	100

⁽¹⁾ Audited by Ernst & Young LLP, Singapore.

⁽²⁾ Audited by associated firms of Ernst & Young LLP, Singapore.

⁽³⁾ Audited by Chow & Ng CPA Limited.

⁽⁴⁾ Audited by Kreston Menon Chartered Accountants.

⁽⁵⁾ Undergoing voluntary liquidation, not required to be audited in 2024/2025.

⁽⁶⁾ Not required to be audited by the law of its country of incorporation.

⁽⁷⁾ Audited by Moore (Cambodia) Co., Ltd. (Formerly known as BG Associates Ltd.)

⁽⁸⁾ Audited by UHY Maaji and Co.

⁽⁹⁾ Audited by Peace and Perfect Audit LLC.

⁽¹⁰⁾ Audited by Hohhot Jing Xiang Lian He Accounting Firm.

⁽¹¹⁾ Audited by TSATR – Audit Services LLC.

⁽¹²⁾ In 2024, Tea House LLP was reclassified from investments in associates and joint venture to investment in subsidiaries as the Group gained control over Tea House LLP. There was no change in shareholding interest.

* Audited by Grant Thornton LLP, Kazakhstan for the purposes of group reporting.

** Entity liquidated in 2025.

*** Entity disposed in 2025.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

14. INVESTMENTS IN SUBSIDIARIES *(cont'd)*

Gain of control of a subsidiary

On 16 May 2024, the Group's wholly owned subsidiary, Future Enterprises Pte Ltd ("FEPL"), amended the foundation agreement with Avira Holdings B.V. ("Foundation Agreement") pursuant to which FEPL has control over Tea House LLP ("Tea House"). Following the completion of the Foundation Agreement, Tea House became a subsidiary of FEPL. There was no change in the shareholding interest of FEPL in Tea House.

During the financial year ended 31 December 2025, the Group completed the purchase price allocation ("PPA") exercise of Tea House. The Group recognised an overall gain on bargain purchase of US\$2,924,000. The 49.5% non-controlling interest's share of the gain on bargain purchase is presented under 'Non-controlling interest' line of the balance sheet and consolidated income statement.

The fair value of the identifiable assets and liabilities as at the date of gain of control of Tea House were:

	2024 <u>US\$'000</u>
Assets	
Property, plant and equipment	5,780
Intangible assets	2,289
Inventories	6,655
Trade receivables	6,211
Cash and cash equivalents	1,444
	<u>22,379</u>
Liabilities	
Trade payables and accruals	(11,872)
Income tax payable	(13)
Deferred tax liabilities	(106)
	<u>(11,991)</u>
Total identifiable net assets at fair value	<u>10,388</u>
Proportion of the Group's ownership	50.50%
Group's share of net identifiable assets at fair value	5,246
Bargain purchase on gain of control of a subsidiary	<u>(1,476)</u>
Transfer from cost of investment in joint venture	<u>3,770</u>
<u>Net cash inflow on gain of control of a subsidiary</u>	
Cash consideration	-
Add: Cash and cash equivalents of a subsidiary acquired	<u>1,444</u>
Net cash inflow from gain of control of a subsidiary	<u>1,444</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

15. INVESTMENTS IN ASSOCIATES

The Group's investments in associates are summarised below:

	Group	
	2025 US\$'000	2024 US\$'000
Investments in associates		
Triple Ace Ventures Limited	5,634	3,522
Empire Teas (PVT) Ltd	5,451	4,981
Caffe Bene Co., Ltd.	-	-
Other associates	-	-
	11,085	8,503

Details of the associates are as follows:

Name of company (Country of incorporation)	Principal activities	Percentage of equity held by the Group	
		2025 %	2024 %
Held by subsidiaries			
Triple Ace Ventures Limited ⁽¹⁾⁽⁷⁾ (United Arab Emirates)	Investment holding	50.00	50.00
Empire Teas (PVT) Ltd ⁽²⁾ (Sri Lanka)	Exporter of bulk, packet and bagged tea	30.00	30.00
Caffe Bene Co., Ltd. ⁽³⁾⁽⁶⁾ (South Korea)	Coffee house chain	19.18	19.18
101 Caffe S.r.l. ⁽⁴⁾ (The Republic of Italy)	Dormant	22.48	22.48
Positive Food Ventures Private Limited ⁽⁵⁾ (India)	Dormant	33.13	33.13

⁽¹⁾ Audited by N.D,S & Co, Chartered Accountants, India for FY2024.

⁽²⁾ Audited by Ernst & Young, Sri Lanka.

⁽³⁾ Audited by Dong-A & Song-Kang Accounting Corporation, Korea for FY2024.

⁽⁴⁾ Audited by BDO, Italy.

⁽⁵⁾ Audited by Chirag Sehgal & Co., Chartered Accountants, India.

⁽⁶⁾ Not required to be audited by the law of its country of incorporation.

⁽⁷⁾ Audited by NBN Auditing of Accounts, United Arab Emirates.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

15. INVESTMENTS IN ASSOCIATES (cont'd)

The summarised financial information in respect of the Group's material associates based on their financial statements and a reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

Summarised balance sheet

	Triple Ace Ventures Limited		Empire Teas (PVT) Ltd		Caffe Bene Co., Ltd.	
	2025	2024	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Current assets	4,154	3,426	55,918	53,727	1,603	1,594
Non-current assets	9,959	7,473	9,253	9,620	405	1,727
Total assets	14,113	10,899	65,171	63,347	2,008	3,321
Current liabilities	(2,765)	(3,791)	(44,766)	(44,900)	(12,319)	(12,849)
Non-current liabilities	(81)	(64)	(2,234)	(1,844)	(7,219)	(6,678)
Total liabilities	(2,846)	(3,855)	(47,000)	(46,744)	(19,538)	(19,527)
Net assets/(liabilities)	11,267	7,044	18,171	16,603	(17,530)	(16,206)
Proportion of the Group's ownership	50.00%	50.00%	30.00%	30.00%	19.18%	19.18%
Group's share of net assets/(liabilities)	5,634	3,522	5,451	4,981	(3,362)	(3,108)
Goodwill on acquisition	-	-	-	-	8,440	8,440
Fair value adjustment on acquisition	-	-	-	-	2,123	2,123
Impairment loss	-	-	-	-	(4,281)	(4,281)
Accumulated share of unrecognised losses	-	-	-	-	749	495
Others	-	-	-	-	(3,669)	(3,669)
Carrying amount of the investments	5,634	3,522	5,451	4,981	-	-

Summarised statement of comprehensive income

	Triple Ace Ventures Limited		Empire Teas (PVT) Ltd		Caffe Bene Co., Ltd.	
	2025	2024	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenue	3,785	2,578	82,681	79,996	3,233	5,347
Profit/(loss) after tax	1,849	792	2,436	(2,782)	(443)	(404)
Other comprehensive income	2,374	(925)	(868)	1,949	(882)	2,414
Total comprehensive income	4,223	(133)	1,568	(833)	(1,325)	2,010

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

15. INVESTMENTS IN ASSOCIATES *(cont'd)*

Aggregate information about the Group's investments in associates that are not individually material are as follows:

	Group	
	2025 US\$'000	2024 US\$'000
Loss for the year	-	(4,210)
Other comprehensive income	-	(5)
Total comprehensive income	-	(4,215)

For the financial year ended 31 December 2025, the Group's associates that are not individually material are dormant. The Group has discontinued the recognition of its share of losses as the carrying amount of the investments in these associates has been reduced to US\$Nil.

As of 31 December 2025, the accumulated share of unrecognised losses for the Group's associates that are not individually material is US\$1,139,000 (2024: US\$1,139,000).

During the year ended 31 December 2025, the Group received dividend income from Empire Teas (PVT) Ltd of US\$Nil (2024: US\$91,000).

The associates have no capital commitments and contingent liabilities as at 31 December 2025 (2024: US\$Nil).

There are no significant restrictions on the ability of the Group's associates to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group.

16. INTANGIBLE ASSETS

	Goodwill	Group Brands	Total
	US\$'000	US\$'000	US\$'000
Cost			
At 1 January 2024	7,489	8,361	15,850
Gain of control of a subsidiary	-	2,555	2,555
Exchange realignment	(1,288)	(405)	(1,693)
At 31 December 2024 and 1 January 2025	6,201	10,511	16,712
Gain of control of a subsidiary	-	(266)	(266)
Exchange realignment	1,052	123	1,175
At 31 December 2025	7,253	10,368	17,621
Accumulated impairment			
At 1 January 2024	805	6,245	7,050
Write-back of impairment loss	-	(523)	(523)
At 31 December 2024, 1 January 2025 and 31 December 2025	805	5,722	6,527
Net carrying amount			
At 31 December 2025	6,448	4,646	11,094
At 31 December 2024	5,396	4,789	10,185

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

16. INTANGIBLE ASSETS (cont'd)

Impairment testing of goodwill and brands

Goodwill and brands acquired through business combinations have been allocated to the Group's cash-generating units ("CGUs") or group of CGUs for impairment testing.

The carrying amounts of goodwill and brands allocated to each of the Group's CGUs or group of CGUs are as follows:

	Group	
	2025	2024
	US\$'000	US\$'000
Goodwill		
- Procurement business for the Group's Russia operating segment	4,561	3,509
- Manufacturing and trading businesses in Malaysia	1,887	1,887
	6,448	5,396
Brands	4,646	4,789
	11,094	10,185

During the financial year ended 31 December 2025, following the completion of the purchase price allocation, the carrying value of brands was adjusted to US\$2,289,000 (2024: US\$2,555,000) on its consolidated balance sheet as part of its gain in control of Tea House LLP (Note 14).

The recoverable amounts of the Group's CGUs or group of CGUs have been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The pre-tax discount rate applied to the cash flow projections and the forecasted growth rate used to extrapolate cash flow projections beyond the five-year period are as follows:

	Goodwill				Brands	
	Procurement business for the Group's Russia operating segment		Manufacturing and trading businesses in Malaysia		2025	2024
	2025	2024	2025	2024		
Terminal growth rates	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Pre-tax discount rates	17.33%	19.87%	12.03%	17.51%	12.08%	25.85%

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

16. INTANGIBLE ASSETS (cont'd)

Key assumptions used in the value-in-use calculations

The calculations of value-in-use for the Group's CGUs or group of CGUs are most sensitive to the following assumptions:

Forecasted sales growth – For the first five years of forecasted sales growth, sales are based on actual values achieved in the years preceding the start of the budget period. These are adjusted over the budget period of the next five years. An average sales growth of 8% (2024: 3%) and 4% (2024: 4%) per annum were applied for brands and goodwill respectively for the next five years.

Royalty rate – Royalty rates are based on the median royalty rates of an average of comparable royalty rates extracted from a published database provider.

Terminal growth rates – The forecasted growth rates beyond the five years period are based on published industry research and do not exceed the long-term average growth rate for the mature industry that the Group's CGUs or group of CGUs are in.

Pre-tax discount rates – Discount rates represent the current market assessment of the risks specific to each CGU or group of CGUs, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Sensitivity to changes in assumptions

With regard to the assessment of value-in-use for the Group's CGUs or group of CGUs, management believes that no reasonably possible change in all of the above key assumptions would cause the recoverable amounts of the units to materially fall below its carrying amount.

Impairment loss

During the financial year ended 31 December 2025, the Group recognised a write-back of impairment loss of US\$Nil (2024: US\$523,000) on its brand - Petrovskaya Sloboda due to improvement in the performance of the brand.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

17. DEFERRED TAX

Deferred tax as at 31 December relates to the following:

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Deferred tax assets/(liabilities):				
Provisions	2,606	1,995	-	-
Unutilised tax losses	1,794	1,456	255	-
Excess of net book value over tax written down value	(9,033)	(9,035)	-	-
Unrealised profits on inventories	2,465	2,002	-	-
Others	(328)	(287)	-	-
	<u>(2,496)</u>	<u>(3,869)</u>	<u>255</u>	<u>-</u>
Presented as:				
Deferred tax assets	4,991	3,893	255	-
Deferred tax liabilities	<u>(7,487)</u>	<u>(7,762)</u>	<u>-</u>	<u>-</u>

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities, and when deferred tax assets and the deferred tax liabilities relate to the same taxation authority.

Deferred tax assets are recognised to the extent that realisation of the related tax benefits through future taxable profits are probable.

Unrecognised tax losses

At the end of the reporting period, the Group has tax losses of approximately US\$1,127,000 (2024: US\$1,908,000) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these unutilised tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the subsidiaries operate. The tax losses have no expiry date except for amounts of US\$1,098,000 (2024: US\$1,828,000) which have expiry periods ranging from 1 to 10 years from the date that the losses were incurred.

Unrecognised temporary differences relating to investments in subsidiaries

At the end of the reporting period, no deferred tax liability (2024: US\$Nil) has been recognised for taxes that would be payable on the undistributed earnings of certain of the Group's subsidiaries as the Group has determined that undistributed earnings of its subsidiaries will not be distributed in the foreseeable future.

Such temporary differences for which no deferred tax liability has been recognised amounted to US\$145,977,000 (2024: US\$101,036,000).

Tax consequences of proposed dividends

There are no income tax consequences (2024: US\$Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 10).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

18. INVENTORIES

	Group	
	2025 US\$'000	2024 US\$'000
Balance sheet:		
Raw materials	64,395	55,047
Packaging materials	11,451	12,098
Finished products/trading goods	50,840	43,659
Total inventories at lower of cost and net realisable value	126,686	110,804
Income statement:		
Inventories recognised as an expense in cost of sales	318,752	273,080
Inclusive of the following charge:		
- Inventories written-down	635	544
- Allowance for inventories	642	803

19. AMOUNTS DUE FROM/(TO) SUBSIDIARIES (NON-TRADE)

	Company	
	2025 US\$'000	2024 US\$'000
Amounts due from subsidiaries (non-trade)	41,040	8,666
Amount due to a subsidiary (non-trade)	-	(20)

The amounts due from and due to subsidiaries are unsecured, non-interest bearing, expected to be settled in cash and are repayable on demand.

20. AMOUNT DUE FROM AN ASSOCIATE (NON-TRADE)

	Group	
	2025 US\$'000	2024 US\$'000
Current		
Amount due from an associate	618	1,118

The Group has loans to associates that are impaired at the end of the reporting period. The movement in allowance accounts used to record the impairment are as follows:

	Group	
	2025 US\$'000	2024 US\$'000
Loans to associates	5,099	5,099
Allowance for expected credit losses	(5,099)	(5,099)
	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

20. AMOUNT DUE FROM AN ASSOCIATE (NON-TRADE) (cont'd)

	Group	
	<i>Individually impaired</i>	
	2025	2024
	US\$'000	US\$'000
Movement in allowance accounts:		
At 1 January	5,099	5,364
Exchange realignment	-	(265)
At 31 December	<u>5,099</u>	<u>5,099</u>

Amount due from an associate (non-trade)

The current amount due from an associate is unsecured, non-interest bearing, expected to be settled in cash and is repayable on demand.

Loans to associates

Loans to associates are unsecured, non-interest bearing and repayable on demand. The loans are repayable either by cash or by issuance of common shares by the associates. The loans remain fully impaired as of 31 December 2025 and 2024.

21. AMOUNT DUE TO A NON-CONTROLLING SHAREHOLDER (NON-TRADE)

	Group	
	2025	2024
	US\$'000	US\$'000
Non-current		
Amount due to a non-controlling shareholder (non-trade)	<u>(2,970)</u>	<u>(3,960)</u>
Current		
Amount due to a non-controlling shareholder (non-trade)	<u>(1,018)</u>	<u>(168)</u>

The non-current amount due to a non-controlling shareholder (non-trade) is unsecured, bears interest at 8.4% per annum and expected to be settled in cash and is repayable in instalments from 2027 to 2029 (2024: 2026 to 2029). The current amount due to a non-controlling shareholder (non-trade) relates to the interest charged and the principal instalment due in 2026.

22. AMOUNTS DUE FROM/(TO) RELATED PARTIES

	Group	
	2025	2024
	US\$'000	US\$'000
Amounts due from related parties (trade)	<u>455</u>	<u>324</u>
Amount due to a related party (non-trade)	<u>(850)</u>	<u>(817)</u>

The amounts due from related parties are unsecured, non-interest bearing and are on 30 to 60 days' credit terms.

The amount due to a related party is unsecured, non-interest bearing and is repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

23. TRADE RECEIVABLES

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Trade receivables	55,926	49,924	51	93
Allowance for expected credit losses	(385)	(388)	-	-
	<u>55,541</u>	<u>49,536</u>	<u>51</u>	<u>93</u>

Trade receivables are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Significant trade receivables denominated in foreign currencies as at 31 December are as follows:

	Group	
	2025 US\$'000	2024 US\$'000
United States Dollar	8,003	6,024
Malaysia Ringgit	<u>1,624</u>	<u>1,586</u>

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	Group	
	2025 US\$'000	2024 US\$'000
Movement in allowance accounts:		
At 1 January	388	1,257
Charge for the year	402	304
Written off	-	(896)
Written back	(416)	(127)
Exchange realignment	11	(150)
At 31 December	<u>385</u>	<u>388</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

24. OTHER RECEIVABLES

	Group		Company	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
Staff advances	119	196	-	-
Tax recoverable	2,451	3,346	-	-
Sundry receivables	1,260	1,405	33	18
Allowance for expected credit losses	(97)	(33)	-	-
	<u>3,733</u>	<u>4,914</u>	<u>33</u>	<u>18</u>
Current	3,733	4,442	33	18
Non-current	-	472	-	-

	Group	
	2025	2024
	US\$'000	US\$'000
Movement in allowance accounts:		
At 1 January		38
Charge for the year		66
Written back		(3)
Written off		(7)
Exchange realignment		(5)
At 31 December		<u>33</u>

Staff advances are unsecured and non-interest bearing.

25. CASH AND SHORT-TERM DEPOSITS

	Group		Company	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
Cash at banks and on hand	75,872	44,819	1,758	1,787
Short-term deposits	105,665	86,033	31,991	23,053
Cash and short-term deposits	<u>181,537</u>	<u>130,852</u>	<u>33,749</u>	<u>24,840</u>

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying short-term periods and earn interest at the respective short-term deposit rates.

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following:

	Group	
	2025	2024
	US\$'000	US\$'000
Cash and short-term deposits	181,537	130,852
Less: Bank overdraft (Note 28)	(729)	-
Cash and cash equivalents	<u>180,808</u>	<u>130,852</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

25. CASH AND SHORT-TERM DEPOSITS *(cont'd)*

Significant cash and short-term deposits denominated in foreign currencies as at 31 December are as follows:

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
United States Dollar	6,095	2,688	1,186	841
Singapore Dollar	821	1,201	-	-
Euro	2,230	308	-	-
Malaysia Ringgit	1,747	1,606	-	-

26. TRADE PAYABLES AND ACCRUALS

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Trade payables	41,823	33,661	959	77
Accruals	29,609	22,110	9,678	5,149
Total trade payables and accruals	71,432	55,771	10,637	5,226

Trade payables are non-interest bearing and normally settled on 60 days' term.

Significant trade payables and accruals denominated in foreign currencies as at 31 December are as follows:

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
United States Dollar	15,938	13,913	5,353	4,092
Singapore Dollar	1,224	1,233	-	-
Euro	406	472	-	-
Malaysia Ringgit	8,023	7,488	-	-

27. AMOUNTS DUE TO ASSOCIATES (TRADE)

	Group	
	2025 US\$'000	2024 US\$'000
Amounts due to associates (trade)	191	328

The amounts due to associates are unsecured, non-interest bearing and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

28. INTEREST-BEARING LOANS AND BORROWINGS

	Group	
	2025 US\$'000	2024 US\$'000
Current		
Revolving credit loans	16,216	13,709
Term loans	7,373	14,156
Bank overdraft	729	-
	24,318	27,865
Non-current		
Term loans	21,671	11,567
	45,989	39,432

	Denomination	Interest (p.a)	Maturity	Group	
				2025 US\$'000	2024 US\$'000
Current Revolving Credit Loans					
Loan 1	USD	SOFR + 1.83% to 2.25%	2026/2025	9,101	8,027
Loan 2	MYR	COF + 1.25%	2026/2025	985	1,323
Loan 3	VND	5.70% to 6.20%	2026/2025	6,130	4,359
				16,216	13,709
Current Term Loans					
Loan 4	USD	COF + 1.75%	2026/2025	3,932	2,906
Loan 5	USD	SOFR + 2.45%	2026/2025	2,013	11,250
Loan 6	USD	SOFR + 1.50%	2026	1,428	-
				7,373	14,156
Non-Current Term Loans					
Loan 4	USD	COF + 1.75%	2030/2029	10,099	9,554
Loan 5	USD	SOFR + 2.45%	2026	-	2,013
Loan 6	USD	SOFR + 1.50%	2031	8,572	-
Loan 7	USD	SOFR + 2.05%	2032	3,000	-
				21,671	11,567
Bank overdraft					
Bank overdraft	INR	MCLR + 1.00%	2026	729	-
				729	-
Total loans and borrowings				45,989	39,432

COF – Cost of Funds is the difference between the average yield of interest obtained from loans and the average rate of interest paid for deposits and other such funds.

SOFR – The Secured Overnight Financing Rate is a benchmark interest rate for dollar-denominated derivatives and loans.

MCLR – The Marginal Cost of Funds Based Lending Rate is the minimum interest rate set by banks in India.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

28. INTEREST-BEARING LOANS AND BORROWINGS (cont'd)

	Group	
	2025	2024
	US\$'000	US\$'000
Secured ¹	38,874	33,750
Unsecured ²	7,115	5,682
Total loans and borrowings	45,989	39,432

¹ The loans are secured by mortgages on the borrowing subsidiaries' leasehold and freehold properties, plant, equipment and machineries, inventories, trade and other receivables and corporate guarantees issued by the Company.

² The loans are unsecured and are covered by corporate guarantees issued by the Company.

A reconciliation of liabilities arising from the Group's financing activities is as follows:

	Non-cash changes				Equity component on initial recognition	31 December 2025
	1 January 2025	Cash flows	Foreign exchange movement	Accretion of interest		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Loans and borrowings	39,432	3,831	14	2,712	-	45,989
Redeemable exchangeable notes	37,170	(2,200)	-	5,553	(2,999)	36,793
	Non-cash changes				Reclassification to trade payables and accruals	31 December 2024
	1 January 2024	Cash flows	Foreign exchange movement	Accretion of interest	Fair value gain	US\$'000
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Loans and borrowings	36,420	304	(128)	2,836	-	39,432
Redeemable exchangeable notes	-	40,000	-	368	(2,830)	37,170

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

29. OTHER PAYABLES

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Rental and other deposits	352	214	-	-
Advance payments received from customers	3,974	4,080	-	-
Payables for purchase of property, plant and equipment	3,510	486	-	-
Sundry payables	3,478	1,564	-	-
Total other payables	11,314	6,344	-	-

The sundry payables are non-interest bearing and are normally settled on 120 days' term.

30. PROVISION

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Provision for restoration costs	334	335	-	-

Provision relates to the estimated cost of restoring the Group's leased asset, expected to be utilised at the end of the lease term. Movement in the provision as of 31 December are as follows:

	Group	
	2025 US\$'000	2024 US\$'000
At 1 January	335	-
Additions	-	335
Exchange realignment	(1)	-
At 31 December	334	335

31. REDEEMABLE EXCHANGEABLE NOTES

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Redeemable exchangeable notes	36,793	37,170	-	-

During the previous financial year ended 31 December 2024, the Group's wholly-owned subsidiary, Empire APAC Pte. Ltd. ("Empire APAC") issued redeemable exchangeable notes ("REN") to Merit Genesis Pte Ltd and Apex Genesis Pte Ltd (collectively the "Investors") at an aggregate value of US\$40,000,000 that are convertible into new ordinary shares in the capital of the Company. The REN bear interest at 5.5% per annum, payable on an annual basis. The REN were carried at fair value through profit and loss. During the previous financial year ended 31 December 2024, the Group recognised a non-cash, fair value gain on REN of US\$2,830,000.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

31. REDEEMABLE EXCHANGEABLE NOTES *(cont'd)*

On 30 June 2025, the Group and the Investors entered into a Second Supplemental Agreement. Following the revised terms, the REN were assessed to meet the definition of a compound instrument. The revised terms also include certain clauses which require the Group to compensate the Investors in cash in the event of certain corporate actions. These corporate actions include dividends declared by the Group in excess of 6.0 cents per ordinary share, with the excess amount payable to the Investors in cash. As at 30 June 2025, the liability and equity components of the REN were measured at US\$36,439,000 and US\$33,323,000 respectively. The liability component of the REN is subsequently measured at amortised cost. In addition, the Group recognised a one-off, non-cash fair value loss on REN of US\$32,592,000. There are no changes to the original commercial terms of the REN.

32. SHARE CAPITAL AND TREASURY SHARES

(a) Share capital

	Group and Company	
	2025	2024
	US\$'000	US\$'000
Issued and fully paid:		
At beginning and end of the year		
550,142,999 (2024: 550,142,999) ordinary shares including treasury shares	47,502	47,502

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

As at 31 December 2025, the total number of unissued ordinary shares of the Company under options granted to eligible employees and Directors under the 2012 Option Scheme and 2022 Option Scheme amounted to 2,642,500 (2024: 6,225,000) and 6,680,000 (2024: 7,515,000) shares respectively. Details of outstanding options are set out in Note 34.

(b) Treasury shares

	Group and Company	
	2025	2024
	US\$'000	US\$'000
At beginning of the year		
24,003,200 (2024: 24,088,600) treasury shares	15,898	14,001
Placement of 17,000,000 (2024: Nil) treasury shares	(11,809)	-
Purchase of 3,134,500 (2024: 7,084,600) treasury shares	5,633	6,201
6,554,826 (2024: 7,170,000) treasury shares reissued pursuant to equity compensation plan	(5,268)	(4,304)
At end of the year		
3,582,874 (2024: 24,003,200) treasury shares	4,454	15,898

Treasury shares relate to ordinary shares of the Company that are held by the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

33. RESERVES

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Foreign currency translation reserve	(20,973)	(39,925)	1,931	(33)
Share-based payment reserve	3,605	3,715	3,605	3,715
Other reserves	52,945	-	19,622	-
Accumulated profits	289,346	298,426	40,822	37,545
	<u>324,923</u>	<u>262,216</u>	<u>65,980</u>	<u>41,227</u>

(a) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(b) Share-based payment reserve

The share-based payment reserve represents the equity-settled share options granted to employees (Note 34). The reserve is made up of the cumulative value of services rendered from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options.

(c) Other reserves

The other reserves represent the gain on placement of treasury shares (Note 32), the loss equity-settled share options granted to employees settled by way of treasury shares (Note 34) and the equity component of the redeemable exchangeable notes (Note 31).

34. EMPLOYEE BENEFITS

	Group	
	2025 US\$'000	2024 US\$'000
Salaries, wages and other staff benefits	73,223	60,414
Employer's contribution to defined contribution plans, including Central Provident Fund	9,127	7,183
Value of employee services received from the issuance of share options and share awards	1,338	948
	<u>83,688</u>	<u>68,545</u>

The Food Empire Holdings Limited Share Option Scheme (the "2012 Option Scheme") was approved and adopted at the Company's Extraordinary General Meeting held on 27 April 2012 which has since expired on 22 April 2022.

The Food Empire Holdings Limited Share Option Scheme (the "2022 Option Scheme") was approved and adopted at the Company's Extraordinary General Meeting held on 22 April 2022.

The 2012 Option Scheme and 2022 Option Scheme applies to eligible employees and Directors of the Group, other than the controlling shareholders who are not Directors or employees. The participation of Directors who are controlling shareholders, associates of controlling shareholders or nominated by the controlling shareholders of the Group is subject to independent shareholders' approval.

The total number of shares in respect of which options may be offered shall not exceed 15% of the Company's total issued share capital (excluding Shares held by the Company as treasury shares and subsidiary holdings, if any) on the day immediately preceding the offer date.

The 2012 Option Scheme and 2022 Option Scheme are administered by the RC.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

34. EMPLOYEE BENEFITS (cont'd)

Movements in the number of share options outstanding under the 2012 Option Scheme and 2022 Option Scheme as at 31 December 2025 and the details of the 2012 Option Scheme and 2022 Option Scheme are as follows:

	Number of holders of options at end of year	Number of options outstanding at 1.1.2025	Number of options granted during the financial year	Number of options lapsed during the financial year	Number of options exercised during the financial year	Number of options outstanding at 31.12.2025	Exercise price per share S\$	Exercise period	Remaining contractual life (years)
2012 Option Scheme									
2016 Options	1	20,000	-	-	(10,000)	10,000	0.308	4 July 2017 to 3 July 2026	0.5
2017 Options	5	550,000	-	-	(152,500)	397,500	0.693	23 May 2018 to 22 May 2027	1.4
2018 Options	4	1,350,000	-	-	(850,000)	500,000	0.679	16 March 2019 to 15 March 2028	2.3
2019 Options	5	685,000	-	-	(200,000)	485,000	0.556	15 March 2020 to 14 March 2029	3.3
2020 Options	10	3,620,000	-	-	(2,370,000)	1,250,000	0.667	6 March 2021 to 5 March 2030	4.3
		6,225,000	-	-	(3,582,500)	2,642,500			
2022 Option Scheme									
2022 Options	11	2,715,000	-	(90,000)	(1,390,000)	1,235,000 ⁽¹⁾	0.536	1 June 2023 to 31 May 2032	6.4
2023 Options	19	3,300,000	-	(300,000)	(535,000)	2,465,000 ⁽²⁾	1.004	1 June 2024 to 31 May 2033	7.4
2024 Options	14	1,500,000	-	-	(20,000)	1,480,000 ⁽³⁾	1.116	1 June 2025 to 31 May 2034	8.4
2025 Options	14	-	1,500,000	-	-	1,500,000 ⁽⁴⁾	1.754	2 June 2025 to 1 June 2035	9.4
		13,740,000	1,500,000	(390,000)	(5,527,500)	9,322,500			
Weighted average exercise price per share (S\$)		0.767	1.754	0.896	0.666	0.981			

⁽¹⁾ Includes 65,000 outstanding options which are exercisable from 1 June 2023 to 31 May 2027.

⁽²⁾ Includes 145,000 outstanding options which are exercisable from 1 June 2024 to 31 May 2028.

⁽³⁾ Includes 180,000 outstanding options which are exercisable from 1 June 2025 to 31 May 2029.

⁽⁴⁾ Includes 200,000 outstanding options which are exercisable from 1 June 2026 to 31 May 2030.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

34. EMPLOYEE BENEFITS (cont'd)

Movements in the number of share options outstanding under the 2012 Option Scheme and 2022 Option Scheme as at 31 December 2024 and the details of the 2012 Option Scheme and 2022 Option Scheme are as follows:

	Number of holders of options at end of year	Number of options outstanding at 1.1.2024	Number of options granted during the financial year	Number of options lapsed during the financial year	Number of options exercised during the financial year	Number of options outstanding at 31.12.2024	Exercise price per share S\$	Exercise period	Remaining contractual life (years)
2012 Option Scheme									
2016 Options	1	430,000	-	-	(410,000)	20,000	0.308	4 July 2017 to 3 July 2026	1.5
2017 Options	6	550,000	-	-	-	550,000	0.693	23 May 2018 to 22 May 2027	2.4
2018 Options	6	3,250,000	-	-	(1,900,000)	1,350,000	0.679	16 March 2019 to 15 March 2028	3.3
2019 Options	6	3,930,000	-	-	(3,245,000)	685,000	0.556	15 March 2020 to 14 March 2029	4.3
2020 Options	14	4,580,000	-	-	(960,000)	3,620,000 ⁽¹⁾	0.667	6 March 2021 to 5 March 2030	5.3
		12,740,000	-	-	(6,515,000)	6,225,000			
2022 Option Scheme									
2022 Options	19	3,370,000	-	-	(655,000)	2,715,000 ⁽²⁾	0.536	1 June 2023 to 31 May 2032	7.4
2023 Options	20	3,300,000	-	-	-	3,300,000 ⁽³⁾	1.004	1 June 2024 to 31 May 2033	8.4
2024 Options	14	-	1,500,000	-	-	1,500,000 ⁽⁴⁾	1.116	1 June 2025 to 31 May 2034	9.4
		19,410,000	1,500,000	-	(7,170,000)	13,740,000			
Weighted average exercise price per share (S\$)		0.674	1.116	-	0.570	0.767			

⁽¹⁾ Includes 100,000 outstanding options which are exercisable from 6 March 2021 to 5 March 2025.

⁽²⁾ Includes 200,000 outstanding options which are exercisable from 1 June 2023 to 31 May 2027.

⁽³⁾ Includes 200,000 outstanding options which are exercisable from 1 June 2024 to 31 May 2028.

⁽⁴⁾ Includes 200,000 outstanding options which are exercisable from 1 June 2025 to 31 May 2029.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

34. EMPLOYEE BENEFITS *(cont'd)*

Out of the 9,322,500 (2024: 13,740,000) outstanding options on 31 December 2025, 6,022,500 (2024: 9,225,000) share options are exercisable as at 31 December 2025.

The fair value of the share options as at the date of grant was estimated by an external valuer using Black Scholes Valuation Model and Trinomial Tree Model, taking into account the terms and conditions under which the options were granted. The inputs to the model used for the options granted are shown below:

(a) 2016 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.00975
Expected volatility (%)	45.921
Risk-free rate (%)	1.474
Expected life of option (years)	5.6
Weighted average share price (S\$)	<u>0.308</u>

(b) 2017 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.0065
Expected volatility (%)	49.123
Risk-free rate (%)	1.654
Expected life of option (years)	5.78
Weighted average share price (S\$)	<u>0.693</u>

(c) 2018 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.00643
Expected volatility (%)	46.206
Risk-free rate (%)	2.163
Expected life of option (years)	5.89
Weighted average share price (S\$)	<u>0.679</u>

(d) 2019 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.00637
Expected volatility (%)	44.859
Risk-free rate (%)	2.080
Expected life of option (years)	6.05
Weighted average share price (S\$)	<u>0.556</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

34. EMPLOYEE BENEFITS *(cont'd)*

(e) 2020 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.00642
Expected volatility (%)	43.268
Risk-free rate (%)	1.120
Expected life of option (years)	6.25
Weighted average share price (S\$)	<u>0.667</u>

(f) 2022 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.00816
Expected volatility (%)	43.530
Risk-free rate (%)	2.630
Expected life of option (years)	6.88
Weighted average share price (S\$)	<u>0.536</u>

(g) 2023 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.02997
Expected volatility (%)	35.500
Risk-free rate (%)	2.900
Expected life of option (years)	5.95
Weighted average share price (S\$)	<u>1.004</u>

(h) 2024 Options

	Group
	<u>Grant - 10 years</u>
Average dividend per share (S\$)	0.01964
Expected volatility (%)	35.510
Risk-free rate (%)	3.320
Expected life of option (years)	6.59
Weighted average share price (S\$)	<u>1.116</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

34. EMPLOYEE BENEFITS (cont'd)

(i) 2025 Options

	Group Grant - 10 years
Average dividend per share (S\$)	0.0521
Expected volatility (%)	33.24
Risk-free rate (%)	2.200
Expected life of option (years)	6.38
Weighted average share price (S\$)	<u>1.754</u>

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

The Food Empire Holdings Limited Performance Share Plan ("2022 Award Plan") was approved and adopted at the Company's Extraordinary General Meeting held on 22 April 2022.

The 2022 Award Plan applies to eligible employees and Directors of the Group, other than the Group Non-Executive Directors (including independent Directors). Controlling Shareholders and their Associates are not eligible to participate in the 2022 Award Plan.

The total number of shares in respect of which awards may be offered shall not exceed 15% of the Company's total issued share capital (excluding Shares held by the Company as treasury shares and subsidiary holdings, if any) on the day immediately preceding the offer date.

The participants of the 2022 Award Plan will receive shares provided that certain prescribed performance targets or vesting conditions are met within a prescribed performance period. The performance period for the awards granted is three years. The number of shares that will vest for each participant will be determined at the end of the performance period based on the level of attainment of the performance targets.

The 2022 Award Plan is administered by the RC.

	Number of holders at year end	Number of share awards outstanding at 1.1.2025	Number of share awards granted during the financial year	Number of share awards vested or lapsed during the financial year	Number of share awards outstanding at 31.12.2025	Performance condition period
2022 Award Plan						
2023 Share Awards	1	632,771	-	(632,771)	-	1 January 2023 to 31 December 2025
2024 Share Awards	6	786,982	-	(71,544)	715,438	1 January 2024 to 31 December 2026
2025 Share Awards	6	-	1,001,122	(80,564)	920,558	1 January 2025 to 31 December 2027
		<u>1,419,753</u>	<u>1,001,122</u>	<u>(784,879)</u>	<u>1,635,996</u>	

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

34. EMPLOYEE BENEFITS (cont'd)

	Number of holders at year end	Number of share awards outstanding at 1.1.2024	Number of share awards granted during the financial year	Number of share awards vested during the financial year	Number of share awards outstanding at 31.12.2024	Performance condition period
2022 Award Plan						
2022 Share Awards	1	657,211	-	(657,211)	-	1 June 2022 to 31 December 2024
2023 Share Awards	1	632,771	-	-	632,771	1 January 2023 to 31 December 2025
2024 Share Awards	1	-	786,982	-	786,982	1 January 2024 to 31 December 2026
		1,289,982	786,982	(657,211)	1,419,753	

The fair value of the share awards as at the date of grant was estimated by an external valuer using Monte Carlo Simulation Model, taking into account the terms and conditions under which the awards were granted. The inputs to the model used for the awards granted are shown below:

(a) 2022 Share Awards

	Group Grant
Average dividend per share (S\$)	0.01075
Expected volatility (%)	39.4
Risk-free rate (%)	2.32
Weighted average share price (S\$)	0.54

(b) 2023 Share Awards

	Group Grant
Average dividend per share (S\$)	0.01058
Expected volatility (%)	38.7
Risk-free rate (%)	2.88
Weighted average share price (S\$)	0.65

(c) 2024 Share Awards

	Group Grant
Average dividend per share (S\$)	0.03506
Expected volatility (%)	34.5
Risk-free rate (%)	2.89
Weighted average share price (S\$)	1.13

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

34. EMPLOYEE BENEFITS *(cont'd)*

(d) 2025 Share Awards – January 2025

	Group Grant
Average dividend per share (S\$)	0.03763
Expected volatility (%)	33.1
Risk-free rate (%)	2.71
Weighted average share price (S\$)	<u>0.98</u>

(e) 2025 Share Awards – June 2025

	Group Grant
Average dividend per share (S\$)	0.07586
Expected volatility (%)	30.5
Risk-free rate (%)	2.03
Weighted average share price (S\$)	<u>1.74</u>

35. SEGMENT INFORMATION

For management purposes, the Group is organised into six reportable segments based on geographical locations. The six main segments are:

- (i) Russia
- (ii) South-East Asia
- (iii) Central Asia
- (iv) South Asia
- (v) Europe
- (vi) Others

In presenting information on the basis of geographical segments, the segment revenue and results for sale of ingredients are based on the physical location of the factories.

For all other sales, the segment revenue and results are based on the geographical locations of the customers. This is consistent with the manner which the Group's chief operating decision makers review the segment results of the Group.

The Group regularly reviews each reportable segment results for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from the operating profit or loss in the consolidated financial statements. During the financial year ended 31 December 2025, the Group revised its reportable segments following an internal review. The reportable segments disclosed in the previous year ended 31 December 2024 are Russia, South-East Asia, Ukraine, Kazakhstan and CIS markets, South Asia and Others.

Transfer pricing between operating parties, are on arm's length basis in a manner similar to transactions with third parties.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

35. SEGMENT INFORMATION (cont'd)

	Russia		South-East Asia		Central Asia		South Asia		Europe		Others		Per consolidated financial statements	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenue														
Total segment sales	198,970	147,233	196,251	264,761	81,219	101,975	83,014	107,605	48,608	45,154	152,939	18,460	806,348	639,841
Inter-segment sales ^(a)	(7,980)	(5,498)	(48,467)	(135,410)	-	-	(21,663)	(36,647)	-	-	(136,337)	(923)	(229,431)	(163,494)
Segment sales to external customers	190,990	141,735	147,784	129,351	81,219	101,975	61,351	70,958	48,608	45,154	16,602	17,537	576,917	476,347
Results														
Segment results	36,947	14,112	9,507	16,000	17,380	25,526	19,122	25,875	10,142	7,759	879	784	108,876	75,157
Interest income	1,638	1,557	819	802	789	942	353	355	316	294	157	180	4,227	3,975
Interest expenses	(209)	(742)	(6,560)	(996)	(543)	(543)	(2,128)	(1,520)	(32)	(25)	(8)	(5)	(8,872)	(4,239)
Share of profits/(losses) of associates and joint venture	924	396	-	-	(62)	-	731	(834)	-	-	-	-	1,655	(500)
Income tax expense	(8,814)	(2,734)	(3,547)	(3,938)	(412)	(3,292)	(4,213)	(7,069)	(785)	(900)	(190)	(124)	(23,697)	(12,321)
Non-controlling interest	-	-	-	-	(12)	(12)	26	-	-	(403)	36	36	24	(341)
Depreciation of plant and equipment	(1,026)	(964)	(3,250)	(3,072)	(482)	(482)	(4,390)	(4,264)	(315)	(339)	(40)	(32)	(9,503)	(8,996)
Depreciation of right-of-use assets	(1,774)	(1,532)	(443)	(484)	(290)	(300)	(143)	(143)	(160)	(171)	(23)	(40)	(2,843)	(2,680)
Bargain purchase on gain of control of a subsidiary	-	-	-	-	1,326	1,326	-	-	-	-	-	-	1,326	1,598
Gain on disposal of a subsidiary	-	-	-	-	-	-	-	-	49	-	-	-	-	49
Fair value (loss)/gain on redeemable exchangeable notes ^(b)	-	-	(32,592)	2,830	-	-	-	-	-	-	-	-	(32,592)	2,830
Write-back of impairment loss on brand	-	303	-	-	-	-	-	-	-	220	-	-	-	523
Other non-cash expenses ^(c)	(279)	(648)	(1,007)	(1,239)	(489)	(489)	(20)	(20)	(745)	(64)	(120)	(28)	(2,660)	(2,478)
Profit/(loss) attributable to equity shareholders of the Company	27,407	9,748	(37,073)	9,903	22,676	18,158	13,819	13,819	8,470	6,371	691	771	35,990	52,528

^(a) Inter-segment revenues are eliminated on consolidation.

^(b) In FY2025, the Group recorded a one-off, non-cash, fair value loss on redeemable exchangeable notes ("REN") of US\$32,592,000. Subsequent to the entry into a Second Supplemental Agreement with the noteholders on 30 June 2025, the REN is no longer measured at fair value through profit or loss. In FY2024, the Group recorded a non-cash, fair value gain on REN of US\$2,830,000.

^(c) Other non-cash expenses consist of allowance for expected credit losses, bad debts written off, inventories written down and value of employee services received from the issuance of share options and share awards as presented in the respective notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

35. SEGMENT INFORMATION (cont'd)

	Russia		South-East Asia		Central Asia		South Asia		Europe		Others		Per consolidated financial statements	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Assets														
Segment assets	94,745	60,576	259,727	246,229	55,720	34,318	98,232	95,211	20,696	20,932	37,160	2,815	566,280	460,081
Liabilities														
Segment liabilities	(27,231)	(13,923)	(101,962)	(102,679)	(18,626)	(5,465)	(35,581)	(36,295)	(2,955)	(3,042)	(9,686)	(2,589)	(196,041)	(163,993)
Other Information														
Investments in associates	5,634	3,522	-	-	-	-	5,451	4,981	-	-	-	-	11,085	8,503
Additions to non-current assets	8,244	2,163	9,807	17,175	9,781	3,049	2,204	2,232	300	204	157	342	30,493	25,165

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

35. SEGMENT INFORMATION *(cont'd)*

Segment revenue information based on the product segment of external customers are as follows:

	Group	
	2025 US\$'000	2024 US\$'000
Beverages	453,157	356,388
Ingredients	99,853	86,490
Others	23,907	33,469
	576,917	476,347

Non-current assets information based on the geographical location of the assets are as follows:

	Group	
	2025 US\$'000	2024 US\$'000
Russia	19,274	11,005
South-East Asia	68,872	63,479
Central Asia	19,794	8,743
South Asia	54,442	57,145
Europe	702	791
Others	329	350
	163,413	141,513

Non-current assets information presented above consist of property, plant and equipment, right-of-use assets, and intangible assets as presented in the consolidated balance sheet.

Information about major customers

Revenue from six major customers amounted to US\$120,148,000 (2024: US\$99,004,000), arising from sale of goods in the Russia and Central Asia market segments.

36. COMMITMENTS AND CONTINGENCIES

Capital commitments

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	2025 US\$'000	2024 US\$'000
Capital commitments in respect of property, plant and equipment	49,209	42,136

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

36. COMMITMENTS AND CONTINGENCIES *(cont'd)*

Guarantees

The Company has given corporate guarantees to banks amounting to US\$268,538,000 (2024: US\$145,884,000) to secure banking facilities granted to its subsidiaries.

Financial support

The Company has agreed to provide financial support to certain subsidiaries to meet their liabilities as and when they fall due and to subordinate the amounts due from them subject to the settlement of other liabilities.

37. RELATED PARTY TRANSACTIONS

(a) Sale and purchase of goods and services and other transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	2025	2024
	US\$'000	US\$'000
Group		
<u>Triple Ace Ventures Limited and its subsidiaries</u> ^(a)		
- Lease payments made to Triple Ace Ventures Limited and its subsidiaries	2,081	1,588
<u>UDI Marketing Sdn Bhd</u> ^(b)		
- Sale of goods	472	716
<u>PT Indokemika Jayatama</u> ^(b)		
- Sale of goods	1,649	1,455
Company		
<u>Subsidiaries</u>		
- Management fees received	2,319	1,793

^(a) Companies associated to one of the directors and substantial shareholders, Mr Sudeep Nair.

^(b) Companies associated to Universal Integrated Corporation Consumer Products Pte Ltd., a substantial shareholder of the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

37. RELATED PARTY TRANSACTIONS *(cont'd)*

(b) Compensation of key management personnel

	Group	
	2025 US\$'000	2024 US\$'000
Salaries, wages and other staff benefits	9,520	8,475
Central Provident Fund contributions	48	35
Value of employee services received from the issuance of share options and share awards	973	623
Total compensation paid to key management personnel	10,541	9,133
Comprise amounts paid to:		
Directors of the Group	6,578	5,520
Other key management personnel	3,963	3,613
Total compensation paid to key management personnel	10,541	9,133

The remuneration of key management personnel is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

In addition to their salaries, certain Directors also participate in the 2012 Option Scheme, 2022 Option Scheme and 2022 Award Plan granted under the Food Empire Holdings Limited Share Option Scheme and Food Empire Holdings Limited Performance Share Plan. For the exercise period, the terms and conditions of the share options granted to the Directors were the same as those granted to other employees of the Company as described in Note 34.

As at 31 December, share options outstanding to the Directors and other key management personnel of the Company are as follows:

	Outstanding share options	
	2025 '000	2024 '000
Directors	590	2,180
Other key management personnel	2,590	4,350
	3,180	6,530

38. FAIR VALUE OF ASSETS AND LIABILITIES

(a) Fair value hierarchy

The Group categorises fair value measurement using a fair value hierarchy that is dependent on the valuation input used as follows:

- (i) Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- (ii) Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- (iii) Level 3 – Unobservable inputs for the asset or liability.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

38. FAIR VALUE OF ASSETS AND LIABILITIES *(cont'd)*

(a) Fair value hierarchy *(cont'd)*

Fair value measurements that use inputs at different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

There have been no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial years ended 2025 and 2024.

(b) Liabilities measured at fair value

The following table shows an analysis of financial liabilities measured at fair value at 31 December 2024:

	Date of valuation	Note	Fair value measurements using Significant observable inputs (Level 2)	
			US\$'000	Total US\$'000
2024				
Liability measured at fair value:				
Redeemable exchangeable notes	31 December 2024	30	37,170	37,170

The Group does not have any financial liabilities measured at fair value at 31 December 2025.

Determination of fair value

The fair value of redeemable exchangeable notes was determined using Binomial Tree model as of the date of valuation. Management also assessed the credit spread of the Group and determined that there was no significant change in the liability's credit risk from inception date to valuation date. As a result, the cumulative change in the fair value of the redeemable exchangeable notes that is attributable to changes in credit risk of the liability was determined to be US\$Nil.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

38. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

(c) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of trade and other receivables, cash and short-term deposits, amounts due from subsidiaries (non-trade), amount due from an associate (non-trade), amounts due from related parties (trade), trade and other payables, current lease liabilities, current interest-bearing loans and borrowings, amounts due to subsidiaries (non-trade), amount due to a related party (non-trade), current amount due to a non-controlling shareholder (non-trade) and amounts due to associates (trade) are reasonable approximation of fair values due to their short-term nature.

The carrying amounts of non-current lease liabilities, interest-bearing loans and borrowings, redeemable exchangeable notes and amount due to a non-controlling shareholder (non-trade) are reasonable approximation of fair values as their interest rate approximate the market lending rate.

(d) Classification of assets and liabilities

Group 2025	Financial assets/ (liabilities) at amortised cost	Non-financial assets/ (liabilities)	Total
	US\$'000	US\$'000	US\$'000
Assets			
Property, plant and equipment	-	130,807	130,807
Right-of-use assets	-	21,512	21,512
Investments in associates	-	11,085	11,085
Intangible assets	-	11,094	11,094
Deferred tax assets	-	4,991	4,991
Inventories	-	126,686	126,686
Prepayments	-	17,510	17,510
Deposits	711	-	711
Amount due from an associate (non-trade)	618	-	618
Amounts due from related parties (trade)	455	-	455
Trade receivables	55,541	-	55,541
Other receivables	1,163	2,570	3,733
Cash and short-term deposits	181,537	-	181,537
	<u>240,025</u>	<u>326,255</u>	<u>566,280</u>
Liabilities			
Trade payables and accruals	(71,432)	-	(71,432)
Other payables	(7,340)	(3,974)	(11,314)
Provision	(334)	-	(334)
Lease liabilities	(11,447)	-	(11,447)
Interest-bearing loans and borrowings	(45,989)	-	(45,989)
Redeemable exchangeable notes	(36,793)	-	(36,793)
Amount due to a non-controlling shareholder (non-trade)	(3,988)	-	(3,988)
Amount due to an associate (trade)	(191)	-	(191)
Amount due to a related party (non-trade)	(850)	-	(850)
Income tax payable	-	(6,216)	(6,216)
Deferred tax liabilities	-	(7,487)	(7,487)
	<u>(178,364)</u>	<u>(17,677)</u>	<u>(196,041)</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

38. FAIR VALUE OF ASSETS AND LIABILITIES *(cont'd)*

(d) Classification of assets and liabilities *(cont'd)*

Group 2024	Financial assets/ (liabilities) at amortised cost	Financial liabilities at fair value through profit or loss	Non- financial assets/ (liabilities)	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Assets				
Property, plant and equipment	-	-	118,694	118,694
Right-of-use assets	-	-	12,634	12,634
Investments in associates and joint venture	-	-	8,503	8,503
Intangible assets	-	-	10,185	10,185
Deferred tax assets	-	-	3,893	3,893
Inventories	-	-	110,804	110,804
Prepayments	-	-	7,767	7,767
Deposits	857	-	-	857
Amount due from an associate (non-trade)	1,118	-	-	1,118
Amounts due from related parties (trade)	324	-	-	324
Trade receivables	49,536	-	-	49,536
Other receivables	1,372	-	3,542	4,914
Cash and short-term deposits	130,852	-	-	130,852
	<u>184,059</u>	<u>-</u>	<u>276,022</u>	<u>460,081</u>
Liabilities				
Trade payables and accruals	(55,771)	-	-	(55,771)
Other payables	(2,264)	-	(4,080)	(6,344)
Provision	(335)	-	-	(335)
Lease liabilities	(6,251)	-	-	(6,251)
Interest-bearing loans and borrowings	(39,432)	-	-	(39,432)
Amounts due to associates (trade)	(328)	-	-	(328)
Redeemable exchangeable notes	-	(37,170)	-	(37,170)
Amount due to a non-controlling shareholder (non-trade)	(4,128)	-	-	(4,128)
Amount due to a related party (non-trade)	(817)	-	-	(817)
Income tax payable	-	-	(5,655)	(5,655)
Deferred tax liabilities	-	-	(7,762)	(7,762)
	<u>(109,326)</u>	<u>(37,170)</u>	<u>(17,497)</u>	<u>(163,993)</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

38. FAIR VALUE OF ASSETS AND LIABILITIES *(cont'd)*

(d) Classification of assets and liabilities

Company 2025	Financial assets/ (liabilities) at amortised cost	Non- financial assets/ (liabilities)	Total
	US\$'000	US\$'000	US\$'000
Assets			
Right-of-use assets	-	65	65
Investments in subsidiaries	-	44,485	44,485
Deferred tax assets	-	255	255
Prepayments	-	25	25
Amounts due from subsidiaries (non-trade)	41,040	-	41,040
Trade receivables	51	-	51
Other receivables	33	-	33
Cash and short-term deposits	33,749	-	33,749
	74,873	44,830	119,703
Liabilities			
Trade payables and accruals	(10,637)	-	(10,637)
Lease liabilities	(38)	-	(38)
	(10,675)	-	(10,675)
Company 2024	Financial assets/ (liabilities) at amortised cost	Non- financial assets/ (liabilities)	Total
	US\$'000	US\$'000	US\$'000
Assets			
Right-of-use assets	-	135	135
Investments in subsidiaries	-	44,485	44,485
Prepayments	-	27	27
Amounts due from subsidiaries (non-trade)	8,666	-	8,666
Trade receivables	93	-	93
Other receivables	18	-	18
Cash and short-term deposits	24,840	-	24,840
	33,617	44,647	78,264
Liabilities			
Trade payables and accruals	(5,226)	-	(5,226)
Lease liabilities	(75)	-	(75)
Amount due to a subsidiary (non-trade)	(20)	-	(20)
Income tax payable	-	(112)	(112)
	(5,321)	(112)	(5,433)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks.

The Group and the Company does not apply hedge accounting.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and short-term deposits), the Group and the Company minimise credit risk by dealing with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group sells mainly to Russia, South-East Asia, Central Asia, South Asia and Europe markets. Hence, risk is concentrated on the trade receivables in these countries.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 90 days when they fall due, which are derived based on the Group's historical information.

The Group considers "low risk" to be an investment grade credit rating with at least one major rating agency for those investments with credit rating. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Actual or expected significant changes in the operating results of the borrower
- Significant increases in credit risk on other financial instruments of the same borrower
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(a) Credit risk *(cont'd)*

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or the borrower
- A breach of contract, such as a default or past due event
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty.

The Group categorises a loan or receivable for potential write-off when a debtor fails to make contractual payments more than 150 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for each class of financial assets.

Trade receivables

The Group provides for lifetime expected credit losses for all trade receivables, and contract assets using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers based on geographical region. The loss allowance provision as at 31 December 2025 and 2024 incorporates forward-looking information such as forecast of economic conditions where the gross domestic product may change significantly over the next year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(a) Credit risk *(cont'd)*

Trade receivables *(cont'd)*

Summarised below is the information about the credit risk exposure on the Group's trade receivables using the provision matrix:

	Current	1-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	121-150 days past due	More than 150 days	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
2025								
Gross carrying amount	47,424	6,379	1,689	41	4	18	371	55,926
Loss allowance provision	(5)	(5)	(7)	(13)	-	-	(355)	(385)
	47,419	6,374	1,682	28	4	18	16	55,541
2024								
Gross carrying amount	41,240	6,490	1,644	81	72	9	388	49,924
Loss allowance provision	-	-	-	-	-	-	(388)	(388)
	41,240	6,490	1,644	81	72	9	-	49,536

Information regarding loss allowance movement of trade receivables are disclosed in Note 23.

Exposure to credit risk

At the end of the reporting period, the Group's and Company's maximum exposure to credit risk is represented by the carrying amounts of each financial assets in the balance sheets, as well as in the case of the Company, the financial guarantees provided by the Company as disclosed in Note 39(b).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(a) Credit risk *(cont'd)*

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the end of the reporting period is as follows:

	Group	
	2025	2024
	US\$'000	US\$'000
Russia	20,209	12,937
South-East Asia	9,677	15,893
Central Asia	8,744	8,163
South Asia	9,437	6,635
Europe	6,105	5,587
Others	1,369	321
	55,541	49,536

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group. Cash and short-term deposits that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Notes 20, 23 and 24.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

At the end of reporting period, approximately 53% (2024: 71%) of the Group's loans and borrowings will mature in less than one year based on the carrying amount reflected in the financial statements.

The Group monitors its liquidity risk and maintains a level of cash and short-term deposits deemed adequate by Management to finance the Group's operation and to mitigate the effects of fluctuations in cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The tables below summarise the maturity profile of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

Group 2025	Within 1 year US\$'000	Within 1 to 5 years US\$'000	More than 5 years US\$'000	Total US\$'000
Financial assets:				
Trade and other receivables	56,704	-	-	56,704
Deposits	711	-	-	711
Amount due from an associate (non-trade)	618	-	-	618
Amounts due from related parties (trade)	455	-	-	455
Cash and short-term deposit	181,537	-	-	181,537
Total undiscounted financial assets	240,025	-	-	240,025

Financial liabilities:				
Amount due to an associate (trade)	(191)	-	-	(191)
Amount due to a non-controlling shareholder (non-trade)	(1,351)	(3,469)	-	(4,820)
Amount due to a related party (non-trade)	(850)	-	-	(850)
Interest-bearing loans and borrowings	(25,902)	(21,719)	(2,108)	(49,729)
Lease liabilities	(4,503)	(9,613)	(1,928)	(16,044)
Redeemable exchangeable notes	(2,200)	(46,600)	-	(48,800)
Trade and other payables	(78,772)	-	-	(78,772)
Provision	-	(334)	-	(334)
Total undiscounted financial liabilities	(113,769)	(81,735)	(4,036)	(199,540)
Total net undiscounted financial assets/(liabilities)	126,256	(81,735)	(4,036)	40,485

Group 2024	Within 1 year US\$'000	Within 1 to 5 years US\$'000	More than 5 years US\$'000	Total US\$'000
Financial assets:				
Trade and other receivables	50,908	-	-	50,908
Deposits	857	-	-	857
Amounts due from associates and joint venture (non-trade)	1,118	-	-	1,118
Amounts due from related parties (trade)	324	-	-	324
Cash and short-term deposits	130,852	-	-	130,852
Total undiscounted financial assets	184,059	-	-	184,059

Financial liabilities:				
Amounts due to associates (trade)	(328)	-	-	(328)
Amount due to a non-controlling shareholder (non-trade)	(500)	(4,611)	-	(5,111)
Amount due to a related party (non-trade)	(817)	-	-	(817)
Interest-bearing loans and borrowings	(29,823)	(12,809)	-	(42,632)
Lease liabilities	(2,874)	(3,934)	(2,094)	(8,902)
Redeemable exchangeable notes	(2,200)	(48,800)	-	(51,000)
Trade and other payables	(58,035)	-	-	(58,035)
Provision	-	(335)	-	(335)
Total undiscounted financial liabilities	(94,577)	(70,489)	(2,094)	(167,160)
Total net undiscounted financial assets/(liabilities)	89,482	(70,489)	(2,094)	16,899

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(b) Liquidity risk *(cont'd)*

Analysis of financial instruments by remaining contractual maturities *(cont'd)*

Company 2025	Within 1 year US\$'000	Within 1 to 5 years US\$'000	More than 5 years US\$'000	Total US\$'000
Financial assets:				
Amounts due from subsidiaries (non-trade)	41,040	-	-	41,040
Trade and other receivables	84	-	-	84
Cash and short-term deposits	33,749	-	-	33,749
Total undiscounted financial assets	74,873	-	-	74,873
Financial liabilities:				
Trade payables and accruals	(10,637)	-	-	(10,637)
Lease liabilities	(38)	-	-	(38)
Total undiscounted financial liabilities	(10,675)	-	-	(10,675)
Total net undiscounted financial assets	64,198	-	-	64,198
Company 2024				
	Within 1 year US\$'000	Within 1 to 5 years US\$'000	More than 5 years US\$'000	Total US\$'000
Financial assets:				
Amounts due from subsidiaries (non-trade)	8,666	-	-	8,666
Trade and other receivables	111	-	-	111
Cash and short-term deposits	24,840	-	-	24,840
Total undiscounted financial assets	33,617	-	-	33,617
Financial liabilities:				
Trade payables and accruals	(5,226)	-	-	(5,226)
Lease liabilities	(40)	(36)	-	(76)
Amount due to a subsidiary (non-trade)	(20)	-	-	(20)
Total undiscounted financial liabilities	(5,286)	(36)	-	(5,322)
Total net undiscounted financial assets/(liabilities)	28,331	(36)	-	28,295

The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. Financial guarantee contracts are recorded in the contractual maturity analysis based on the maximum amount guaranteed. They are allocated to the earliest date they can be drawn.

Company	1 year or less US\$'000	2025 Over 1 year US\$'000	Total US\$'000	1 year or less US\$'000	2024 Over 1 year US\$'000	Total US\$'000
Financial guarantees	268,538	-	268,538	145,884	-	145,884

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from interest-bearing loans and borrowings with floating interest rates. The Group monitors the interest rate on loans and borrowings closely to ensure that the loans and borrowings are maintained at favourable rates. At the end of the reporting period, the Group manages its interest risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in interest rate, with all other variables held constant.

	Group	
	Increase/ decrease in basis points	Effect on profit, net of tax US\$'000
		<hr/>
2025		
Cash and short-term deposits	+10	182
Interest-bearing loans and borrowings	+100	(374)
		<hr/>
2024		
Cash and short-term deposits	+10	131
Interest-bearing loans and borrowings	+100	(289)
		<hr/>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(d) Foreign currency risk

The Group has transactional currency exposures arising from sales, purchases or operating costs by operating units in currencies other than the unit's functional currency.

The Management ensures that the net exposure is maintained at an acceptable level by buying and selling foreign currencies at spot rates where necessary to address short-term fluctuations.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the Euro, Malaysia Ringgit (RM), Ukrainian Hryvnia (UAH), Russian Ruble (RUB), Indian Rupee (INR), Singapore Dollar (SGD) and Kazakhstan Tenge (KZT) against the respective functional currencies of the Group entities, with all variables held constant.

		Group	
		Profit before tax	
		2025	2024
		US\$'000	US\$'000
Euro/USD	- strengthened 5% (2024: 5%)	108	(13)
	- weakened 5% (2024: 5%)	(108)	13
RM/USD	- strengthened 5% (2024: 5%)	(270)	(379)
	- weakened 5% (2024: 5%)	270	379
UAH/USD	- strengthened 5% (2024: 5%)	63	360
	- weakened 5% (2024: 5%)	(63)	(360)
RUB/USD	- strengthened 10% (2024: 10%)	(1,696)	115
	- weakened 10% (2024: 10%)	1,696	(115)
INR/USD	- strengthened 5% (2024: 5%)	492	1,549
	- weakened 5% (2024: 5%)	(492)	(1,549)
SGD/USD	- strengthened 5% (2024: 5%)	(1,989)	(393)
	- weakened 5% (2024: 5%)	1,989	393
KZT/USD	- strengthened 5% (2024: 5%)	1,081	234
	- weakened 5% (2024: 5%)	(1,081)	(234)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

40. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2025 and 2024.

A gearing ratio with a specific measurement basis has been disclosed as this is the measure used to monitor capital. The Group considers both capital and net debt as relevant components of funding, hence part of its capital management.

The Group monitors its capital structure as follows:

	2025 US\$'000	2024 US\$'000
Interest-bearing loans and borrowings (Note 28)	45,989	39,432
Lease liabilities (Note 13)	11,447	6,251
Trade payables and accruals (Note 26)	71,432	55,771
Other payables (Note 29)	11,314	6,344
Provision (Note 30)	334	335
Redeemable exchangeable notes (Note 31)	36,793	37,170
Less: Cash and short-term deposit (Note 25)	(181,537)	(130,852)
Net (cash)/debt	(4,228)	14,451
Equity attributable to the equity shareholders of the Company	367,971	293,820
Capital and net debt	363,743	308,271
Gearing Ratio	N.M.	5%

N.M. – Not meaningful

41. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Directors on 18 March 2026.

SHAREHOLDERS' INFORMATION

As at 6 March 2026

Class of equity securities	: Ordinary share
No. of equity securities (excluding treasury shares)	: 548,510,425
Voting rights	: One vote per share

As at 6 March 2026, the total number of treasury shares held is 1,632,574. The treasury shares as a percentage of the total number of issued shares excluding treasury shares is 0.30%.

DIRECTORS' SHAREHOLDINGS AS AT 6 MARCH 2026

(As recorded in the Register of Directors' Shareholdings)

	Direct Interest	%	Deemed Interest	%
Tan Wang Cheow	-	-	115,814,600	21.11
Tan Guek Ming	27,547,400	5.02	88,267,200	16.09
Sudeep Nair	500,000	0.09	70,803,725	12.91
Ong Kian Min	1,175,000	0.21	-	-
Saw Meng Tee	150,000	0.03	-	-
Adrian Chan Pengee	105,000	0.02	-	-
Tan Cher Liang	85,000	0.02	-	-

SUBSTANTIAL SHAREHOLDERS AS AT 6 MARCH 2026

(As recorded in the Register of Substantial Shareholders)

	Direct Interest	%	Deemed Interest	%
Tan Wang Cheow ⁽¹⁾	-	-	115,814,600	21.11
Tan Guek Ming ⁽²⁾	27,547,400	5.02	88,267,200	16.09
Sudeep Nair ⁽³⁾	500,000	0.09	70,803,725	12.91
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	7.75
Anthoni Salim ⁽⁴⁾	-	-	132,079,200	24.08
Trepose International Pte Ltd ⁽⁵⁾	-	-	132,079,200	24.08
Universal Integrated Corporation Consumer Products Pte. Ltd.	132,079,200	24.08	-	-

Notes:

- ⁽¹⁾ 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.
- ⁽²⁾ 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.
- ⁽³⁾ Mr Sudeep Nair is deemed to have an interest in the 70,803,725 shares held by DBSN Services Pte Ltd, DBS Nominees (Private) Limited and Raffles Nominees (Pte.) Limited.
- ⁽⁴⁾ Mr Anthoni Salim is the controlling shareholder of Trepose 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.
- ⁽⁵⁾ Trepose International Pte Ltd is the sole shareholder of Universal Integrated Corporation Consumer Products Pte Ltd. Accordingly, Trepose International Pte Ltd is deemed to have an interest in the shares held by Universal Integrated Corporation Consumer Products Pte Ltd.

PUBLIC FLOAT

As at 6 March 2026, 33.21% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of SGX-ST.

STATISTICS OF SHAREHOLDINGS

As at 6 March 2026

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	7	0.35	229	0.00
100 – 1,000	253	12.86	153,700	0.03
1,001 – 10,000	1,081	54.96	5,161,151	0.94
10,001 – 1,000,000	594	30.20	39,476,318	7.20
1,000,001 and above	32	1.63	503,819,027	91.83
Total	1,967	100.00	548,610,425	100.00

The distribution of shareholdings information in the table above does not take into account the 100,000 shares acquired by the Company through purchases on the SGX Stock Exchange (previously known as Singapore Exchange) on 4 March 2026 and held as treasury shares.

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1.	United Overseas Bank Nominees (Private) Limited	187,651,500	34.20
2.	DBS Nominees (Private) Limited	85,818,209	15.64
3.	DBSN Services Pte. Ltd.	50,484,607	9.20
4.	Tan Guek Ming	27,547,400	5.02
5.	Raffles Nominees (Pte.) Limited	20,231,662	3.69
6.	HSBC (Singapore) Nominees Pte Ltd	17,360,303	3.16
7.	Citibank Nominees Singapore Pte Ltd	14,747,372	2.69
8.	Maybank Securities Pte. Ltd.	14,692,100	2.68
9.	Oon Peng Heng	9,433,600	1.72
10.	BNP Paribas Nominees Singapore Pte. Ltd.	8,081,800	1.47
11.	Estate of Tan Bian Chye, Deceased	7,480,800	1.36
12.	Koh Puay Ling	6,582,800	1.20
13.	OCBC Securities Private Limited	5,375,200	0.98
14.	CGS International Securities Singapore Pte. Ltd.	4,901,374	0.89
15.	Phillip Securities Pte Ltd	4,332,447	0.79
16.	Lim Siew Kheng	4,260,000	0.78
17.	ABN AMRO Clearing Bank N.V.	3,589,400	0.65
18.	UOB Kay Hian Private Limited	3,425,200	0.62
19.	BPSS Nominees Singapore (Pte.) Ltd.	3,372,282	0.61
20.	Tan Siok Cher	2,810,000	0.51
	Total	482,178,056	87.86

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

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“**AGM**”) of Food Empire Holdings Limited (the “**Company**”) will be convened and held at Four Points by Sheraton Singapore, Riverview, Jubilee Ballroom, 4th Storey, 382 Havelock Road, Singapore 169629 on Friday, 17 April 2026 at 3.00 p.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the year ended 31 December 2025 together with the Auditor’s Report thereon. **(Resolution 1)**
2. To declare a final dividend of S\$0.05 per ordinary share (one-tier tax exempt) and a special dividend of S\$0.04 per ordinary share (one-tier tax exempt) for the financial year ended 31 December 2025. **(Resolution 2)**
3. To re-elect the following Directors of the Company retiring pursuant to Article 115 of the Constitution of the Company:

Mr. Sudeep Nair	(Resolution 3)
Mdm. Tan Guek Ming	(Resolution 4)
Mr. Ong Kian Min	(Resolution 5)

Mr. Sudeep Nair will, upon re-election as a Director of the Company, remain as the Group Chief Executive Officer of the Company.

Mdm. Tan Guek Ming will, upon re-election as a Director of the Company, remain as a member of the Audit Committee and Remuneration Committee and will be considered non-independent.

Mr. Ong Kian Min will, upon re-election as a Director of the Company, remain as a member of the Nominating Committee and will be considered non-independent.
4. To approve the payment of Directors’ fees of S\$541,000.00 for the year ended 31 December 2025 (2024: S\$490,122.00). **(Resolution 6)**
5. To re-appoint Ernst & Young LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 7)**
6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

7. Authority to issue shares

That pursuant to Section 161 of the Companies Act 1967 of Singapore (the “**Companies Act**”) and Rule 806 of the Main Board Listing Rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other Instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (a) new shares arising from the conversion or exercise of any convertible securities;
 - (b) new shares arising from the exercise of share options or vesting of share awards; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;

provided that adjustments in accordance with (2)(a) or (2)(b) above is only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time this Resolution is passed.

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier. [See Explanatory Note (i)]

(Resolution 8)

NOTICE OF ANNUAL GENERAL MEETING

8. **Authority to issue shares under the Food Empire Holdings Limited Employees' Share Option Scheme ("2012 Option Scheme")**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered under the 2012 Option Scheme to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted by the Company under the 2012 Option Scheme approved by shareholders on 27 April 2012, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the 2012 Option Scheme and all other share-based incentive schemes of the Company shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier. [See Explanatory Note (ii)]

(Resolution 9)

9. **Authority to grant options and to issue shares under the Food Empire Holdings Limited Employees' Share Option Scheme 2022 ("2022 Option Scheme")**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant options under the 2022 Option Scheme and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted or to be granted by the Company under the 2022 Option Scheme approved by shareholders on 22 April 2022, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the 2022 Option Scheme and all other share-based incentive schemes of the Company shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier. [See Explanatory Note (iii)]

(Resolution 10)

10. **Authority to grant awards and to issue shares under the Food Empire Holdings Limited Performance Share Plan ("2022 Award Plan")**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant awards under the 2022 Award Plan and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to vesting of awards under the 2022 Award Plan approved by shareholders on 22 April 2022, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the 2022 Award Plan and all other share-based incentive schemes of the Company shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier. [See Explanatory Note (iv)]

(Resolution 11)

NOTICE OF ANNUAL GENERAL MEETING

11. The renewal of the Share Buyback Mandate

That:

- (1) for the purposes of Sections 76C and 76E of 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 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) on-market purchase(s) 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 ("**Market Purchase**"); 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;
 - (c) the date on which purchases or acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated; or
 - (d) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by the Company in general meeting;
- (3) in this resolution;

"**Maximum Price**", in relation to a Share to be purchased or acquired, 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

NOTICE OF ANNUAL GENERAL MEETING

"Average Closing Price" means (1) the average of the Closing Market Prices of the Shares over the last five (5) Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and (2) deemed to be adjusted for any corporate action which occurs during such five-Market Day period and the day of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase;

"Closing Market Price" means the last dealt price for a Share transacted through the SGX-ST's trading system as shown in any publication of the SGX-ST or other sources;

"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;

"date 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; 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.

All capitalised terms used in this Notice which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the Appendix (including supplements and modifications thereto). Shareholders should refer to the Appendix for information relating to, *inter alia*, the proposed renewal of the Share Buyback Mandate. [See Explanatory Note (v)]

(Resolution 12)

By Order of the Board

Kevin Cho
Company Secretary

Singapore
1 April 2026

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

- (i) The Ordinary Resolution 8 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, up to a number not exceeding, in total, fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company, of which up to twenty per centum (20%) may be issued other than on a pro rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

- (ii) Although the 2012 Option Scheme expired on 22 April 2022, outstanding options granted prior to that date subsist and remain exercisable in accordance with the rules of the 2012 Option Scheme.

The Ordinary Resolution 9 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the exercise of options granted under the 2012 Option Scheme and all other share-based incentive schemes of the Company up to a number not exceeding in aggregate (for the entire duration of the 2012 Option Scheme) fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time.

- (iii) The Ordinary Resolution 10 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the exercise of options granted or to be granted under the 2022 Option Scheme and all other share-based incentive schemes of the Company up to a number not exceeding in aggregate (for the entire duration of the 2022 Option Scheme) fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time.

- (iv) The Ordinary Resolution 11 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the awards granted or to be granted under the 2022 Award Plan and all other share-based incentive schemes of the Company up to a number not exceeding in aggregate (for the entire duration of the 2022 Award Plan) fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time.

NOTICE OF ANNUAL GENERAL MEETING

- (v) The Ordinary Resolution 12 above, if passed, will empower the Directors to exercise all powers of the Company to purchase or otherwise acquire (whether by way of market purchases or off-market purchases) up to ten per centum (10%) of the total number of issued Shares on the terms of the Share Buyback Mandate set out in the Appendix. The authority conferred by this Resolution will continue in force until the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held or the date on which purchases or acquisitions of Shares are carried out to the full extent mandated, whichever is the earlier, unless previously revoked or varied at a general meeting.

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.

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 2025 ("**FY2025**"), based on certain assumptions, is set out in Clause 2.7 of the appendix to the annual report for FY2025 dated 1 April 2026 on the proposed renewal of the Share Buyback Mandate.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

General

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

Printed copies of the Annual Report, this Notice of AGM and 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. Appointment of proxy/proxies

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

- 2.2. 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-agm2026@boardroomlimited.com,

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

- 2.3. A member can choose to appoint the Chairman of the AGM as his/her/its proxy.
- 2.4. A proxy need not be a member of the Company.

NOTICE OF ANNUAL GENERAL MEETING

- 2.5. 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.
- 2.6. 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).
- 2.7. 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 AGM, as certified by The Central Depository (Pte) Limited to the Company.
- 2.8. Completion and return of the Proxy Form does not preclude a member from attending, speaking and voting at the AGM. The appointment of a proxy/proxies shall be deemed to be revoked if a member attends the AGM 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 AGM.
- 2.9. CPF/SRS investors may:
 - (a) vote at the AGM 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 AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 7 April 2026.
3. 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 AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore.
4. The Company will conduct a Question-and-Answer Session during the AGM to be held on 17 April 2026.

Personal data privacy:

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

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FOOD EMPIRE HOLDINGS LIMITED(Company Registration No. 200001282G)
(Incorporated in the Republic of Singapore)**PROXY FORM**

Annual General Meeting ("AGM")

(Please see notes overleaf before completing this Form)

IMPORTANT:

1. This AGM 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 AGM, the Annual Report 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. Members who wish to exercise their voting rights at the AGM may: (a) vote at the AGM themselves; or (b) appoint a proxy/proxies or representatives to vote at the AGM on their behalf.
3. 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 AGM, as my/our* proxy to attend, speak and vote for me/us* on my/our* behalf at the AGM of the Company to be convened and held at Four Points by Sheraton Singapore, Riverview Jubilee Ballroom, 4th Storey, 382 Havelock Road, Singapore 169629 on Friday, 17 April 2026 at 3.00 p.m. 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 AGM as indicated hereunder.

No.	Resolutions	For ⁽¹⁾	Against ⁽¹⁾	Abstain ⁽¹⁾
1	Adoption of Directors' Statement and Audited Financial Statements for the year ended 31 December 2025			
2	Proposed final dividend and special dividend			
3	Re-election of Mr. Sudeep Nair as a Director			
4	Re-election of Mdm. Tan Guek Ming as a Director			
5	Re-election of Mr. Ong Kian Min as a Director			
6	Approval of Directors' fees amounting to S\$541,000.00			
7	Re-appointment of Ernst & Young LLP as Auditors			
8	Authority to issue shares			
9	Authority to issue shares under the Food Empire Holdings Limited Employees' Share Option Scheme ("2012 Option Scheme")			
10	Authority to grant options and to issue shares under the Food Empire Holdings Limited Employees' Share Option Scheme 2022 ("2022 Option Scheme")			
11	Authority to grant awards and to issue shares under the Food Empire Holdings Limited Performance Share Plan ("2022 Award Plan")			
12	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 AGM, please tick a "✓" 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 AGM if no voting instruction is specified, and on any other matter arising at the AGM and at any adjournment thereof.

Dated this _____ day of _____ 2026

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

* To delete as appropriate

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

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 AGM. 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 AGM, 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-agm2026@boardroomlimited.com, and in each case, must be lodged or received not less than 48 hours before the time fixed for the AGM.
5. A member can choose to appoint the Chairman of the AGM 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 AGM, 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 AGM. The appointment of a proxy/proxies shall be deemed to be revoked if a member attends the AGM 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 AGM.

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 AGM dated 1 April 2026.

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

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive

Tan Wang Cheow
(Executive Chairman)

Sudeep Nair
(Group CEO and Executive Director)

Non-Executive

Tan Guek Ming (Non-Independent)

Koh Yew Hiap (Non-Independent)

Ong Kian Min (Non-Independent)

Saw Meng Tee (Lead Independent)

Tan Cher Liang (Independent)

Adrian Chan Pengee (Independent)

AUDIT COMMITTEE

Saw Meng Tee (Chairman)

Tan Guek Ming

Koh Yew Hiap

Tan Cher Liang

Adrian Chan Pengee

NOMINATING COMMITTEE

Tan Cher Liang (Chairman)

Tan Wang Cheow

Ong Kian Min

Saw Meng Tee

Adrian Chan Pengee

REMUNERATION COMMITTEE

Adrian Chan Pengee (Chairman)

Tan Guek Ming

Koh Yew Hiap

Saw Meng Tee

Tan Cher Liang

COMPANY SECRETARY

Kevin Cho

REGISTERED OFFICE

1 Harbourfront Avenue, #14-07
Keppel Bay Tower
Singapore 098632
Telephone number : (65) 6536 5355
Fax number : (65) 6536 1360

BUSINESS OFFICE

7 Tampines Grande
#03-01 Asia Green
Singapore 528736
Telephone number : (65) 6622 6900
Fax number : (65) 6744 8977

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue, #14-07
Keppel Bay Tower
Singapore 098632
Telephone number : (65) 6536 5355
Fax number : (65) 6536 1360

AUDIT PARTNER-IN-CHARGE

Sam Lo Geok Lim
(w.e.f. the financial year ended 31 December 2025)

AUDITORS

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583

PRINCIPAL BANKERS

DBS Bank Limited
Overseas-Chinese Banking
Corporation Limited
United Overseas Bank Limited



FOOD EMPIRE HOLDINGS LIMITED

7 Tampines Grande

#03-01 Asia Green

Singapore 528736

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