

RESPONSES TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED IN RELATION TO THE DISCLAIMER OF OPINION BY INDEPENDENT AUDITOR ON FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

- **Responses to questions raised pursuant to the Company's announcement dated 6 September 2021**
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Unless otherwise expressly defined herein, all capitalized terms in this announcement shall bear the same meanings ascribed to them under the Company's announcements dated 6 September 2021 and 13 September 2021.

The board of directors (the "**Board**") of United Food Holdings Limited (the "**Company**", and collectively with its subsidiaries, the "**Group**") refers to the Company's announcements dated 6 September 2021 and 13 September 2021 in relation to the disclaimer of opinion by Independent Auditor on Financial Statements for the financial year ended 31 March 2021 and responses to the queries from Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in relation thereto (the "**Announcements**").

The Board wishes to provide its responses to the following questions raised by the SGX-ST:-

SGX-ST Query 4

Page 4 of 30 – Audit Disclaimer relating to the Veracity of HBXR transactions

In the audit disclaimer, it was stated that "in the months of September 2019 to December 2019, while the records showed a production output of the Antioxidant Product of approximately 939 kilograms ("kg") during this period, there was little production activity to support such output."

SGX: The Company must explain how it managed to record production output of 939kg during the period from September 2019 to December 2019, when there was little production activity by HBXR to support such output. Please also provide the Independent Valuer's explanation how it satisfied itself of its assumptions on such production activity when it provided the market valuation of HBXR set out in its valuation report. Please confirm if the Independent Valuer is of the view that its valuation can be relied upon, and the value contained in its valuation report is reliable and accurately reflects the market value of the assets in HBXR being valued.

Company's response:

There was a booking error in the recording during the period from April 2019 to December 2019. The production output of 939 kg worth approximately RMB180,000.

Ascent Partners confirmed that its valuation can be relied upon, and the value contained in its valuation report is reliable and accurately reflects the market value of the assets in HBXR being valued.

SGX-ST Query 15

Page 11 of 30 – Audit Disclaimer on the Impairment of trade receivables (Cont'd)

In the audit disclaimer, it was stated that "Based on the information available to us, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the reasonableness of management's ECL assessment on these trade receivables amounting to RMB 13.1 million as at 31 March 2021. Based on information available to us, a majority of these trade receivables were either loss-making or have insufficient assets to repay the Group. In addition, there were no collections from these debtors during the financial year ended 31 March 2021 nor as of the date of this report. Consequently, we were unable to determine whether any adjustments to these amounts were necessary."

SGX: Disclose the identity of each of these customers, their date of incorporation and paid-up capital, their principal business and address, when these sales were made, and why they were unable to pay for their purchases during the period when the sales were made. Disclose the members of the board of directors of RTTL, the legal representative/s and the key management personnel of RTTL at the point when such sales were made. Disclose if any of these debtors of RTTL were/are interested persons of RTTL, or of the Company.

Company's response:

The list of customers of RTTL is as follows:

No.	Name of Customers	Date of Incorporation	Paid-up Capital	Principal Business	Address
1.	Global Diamec Limited	6 May 2015	HKD10 million	International trading	Flat/RM D, 8/F, Pylon Tower No. 12-16 Fui Yiu Kok Street, Tsuen Wan, N.T., Hong Kong
2.	Huidong XianFu Wanmao Yiyou Xian Company	6 April 2012	RMB 5 million	International and domestic trading	1 st Floor, No. 91 Xiping Road, Pingshan, Huidong County, People's Republic of China
3.	Huizhou Shi Zhong Fanshi Ye You Xian Company	3 August 2017	RMB 1 million	International and domestic trading	1 st Floor, No. 14, Danshui Golf Road, Huiyang District, Huizhou City, People's Republic of China
4.	Shengzhen HuiPu Sengwu Liugong Yinli Anyou Xian Company	9 October 2014	RMB 30 million	Supply chain management, technical development of e-commerce platform, Research & Development and sales of computer software and hardware, and International and domestic trading	Room 201, Building A, No.1, Qianwan 1 st Road, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen, People's Republic of China

By Order of the Board

Song Yanan
Non-Executive Chairman
 14 September 2021