

UNITED FOOD HOLDINGS LIMITED

Third Quarter Financial Statement Announcement

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3) RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

CONSOLIDATED INCOME STATEMENT FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2015

CONTINUING OPERATIONS	Notes	3 months ended		Change %	9 months ended		Change %
		30/09/15 RMB'000	30/09/14 RMB'000		30/09/15 RMB'000	30/09/14 RMB'000	
Revenue	(A)	121,132	1,326,032	(90.87)	2,129,598	3,797,398	(43.92)
Cost of sales	(B)	(161,873)	(1,292,253)	(87.47)	(2,291,974)	(3,740,164)	(38.72)
Gross (loss) / profit		(40,741)	33,779	N/M	(162,376)	57,234	N/M
Other income and gains	(C)	599	2,082	(71.23)	5,255	10,227	(48.62)
Selling and distribution expenses	(D)	(1,405)	(2,862)	(50.91)	(7,034)	(8,273)	(14.98)
Administrative expenses	(E)	(20,581)	(5,383)	282.33	(35,113)	(18,483)	89.97
Other expenses, net	(F)	(114,968)	(377)	N/M	(537,109)	(1,095)	N/M
(Loss) / profit before tax		(177,096)	27,239	N/M	(736,377)	39,610	N/M
Tax	(G)	-	-		-	-	
		(177,096)	27,239	N/M	(736,377)	39,610	N/M
DISCONTINUED OPERATION							
Loss for the period from a discontinued operation		(685)	(5,756)	(88.10)	(2,054)	(15,861)	(87.05)
Loss for the period		(685)	(5,756)	(88.10)	(2,054)	(15,861)	(87.05)
.Attributable to: Owners of the Company		(177,781)	21,483	N/M	(738,431)	23,749	N/M
(LOSS) / EARNINGS PER SHARE							
-Basic		(RMB1.62)	0.20*		(RMB6.71)	0.22*	N/M
-Diluted		N/A	N/A		N/A	N/A	

*Restated

Note: For Notes (A) to (G), please refer to item 8 for further analysis.
N/M – Not Meaningful

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2015**

	Group					
	3 months ended			9 months ended		
	30/09/15 RMB'000	30/09/14 RMB'000	Change %	30/09/15 RMB'000	30/09/14 RMB'000	Change %
(Loss) / profit for the period	(177,781)	21,483	N/M	(738,431)	23,749	N/M
Other comprehensive income	-	-	-	-	-	-
Total comprehensive (expense) / income attributable to owners of the Company	<u>(177,781)</u>	<u>21,483</u>	N/M	<u>(738,431)</u>	<u>23,749</u>	N/M

The (loss) / profit before tax is arrived at after charging the followings:

	Group					
	3 months ended			9 months ended		
	30/09/15 RMB'000	30/09/14 RMB'000	Change %	30/09/15 RMB'000	30/09/14 RMB'000	Change %
Amortization of land use rights	2,125	2,125	-	6,374	6,374	-
Depreciation	12,176	16,927	(28.07)	40,745	53,805	(24.27)
Research and development costs	150	495	(69.70)	571	1,206	(52.65)
Loss on sales of raw soybeans	-	-	-	231,106	-	N/M
Loss on soybean contracts	114,818	-	N/M	114,818	-	N/M
Impairment for prepayments, deposits and other receivables	-	-	-	189,708	-	N/M
	-	-	-	-	-	-

1(b)(i) A statement of financial positions (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

**CONSOLIDATED AND COMPANY STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2015**

		Group		Company	
	Notes	30/09/15 RMB'000	31/12/14 RMB'000	30/09/15 RMB'000	31/12/14 RMB'000
NON-CURRENT ASSETS					
Investment in subsidiaries		-	-	223,738	223,738
Property, plant and equipment		289,288	330,033	-	-
Land use rights		46,108	52,482	-	-
Total non-current assets		335,396	382,515	223,738	223,738
CURRENT ASSETS					
Inventories	(H)	35,273	553,389	-	-
Amounts due from subsidiaries		-	-	527,077	536,667
Prepayments, deposits and other receivables	(I)	-	57,116	-	-
Restricted bank deposits	(J)	338,550	388,093	-	-
Cash and bank balances	(J)	50,227	82,330	506	495
Total current assets		424,050	1,080,928	527,583	537,162
CURRENT LIABILITIES					
Trade payables	(K)	3,851	5,028	-	-
Other payables, deposits received and accruals	(L)	88,472	47,687	72	742
Total current liabilities		92,323	52,715	72	742
NET CURRENT ASSETS		331,727	1,028,213	527,511	536,420
Net Assets		667,123	1,410,728	751,249	760,158
EQUITY					
Equity attributable to owners of the Company					
Issued capital		294,465	294,465	294,465	294,465
Reserves		372,658	1,111,089	456,784	460,519
Proposed final dividend		-	5,174	-	5,174
Total equity		667,123	1,410,728	751,249	760,158

For Note (H) - (L), please refer to item 8 for further analysis.

1(b)(ii) Aggregate amount of group’s borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30/09/15		As at 31/12/14	
Secured	Unsecured	Secured	Unsecured
RMB’000	RMB’000	RMB’000	RMB’000
N/A	N/A	N/A	N/A

Amount repayable after one year

As at 30/09/15		As at 31/12/14	
Secured	Unsecured	Secured	Unsecured
RMB’000	RMB’000	RMB’000	RMB’000
N/A	N/A	N/A	N/A

Details of any collateral

N/A

The Audit Committee (“AC”) noted that the agreed upon procedures (“AUP”) report had stated the following (see the announcement on Update On Independent Review Into The Losses Suffered By The Group released via SGXNET to SGX-ST on 18 September 2015):

- although Bohai Bank in Jinan City had in their written bank confirmation received by post, confirmed that the Group's bank balance as at 30 June 2015 was RMB 335 million (which was in the form of pledged time deposits), Bohai Bank's confirmation did not indicate whether there were any banking facilities granted to the Group and whether the Group had used any banking facilities by 30 June 2015;
- on the other hand, Management had advised that the RMB 335 million in time deposits in Bohai Bank had been pledged for banking facilities of an equivalent amount, and such arrangement was made for the Group to apply for letters of credit, when necessary, for the purpose of overseas procurement of soybeans. However, the banking facilities were not utilised as the Group had suspended the importation of soybeans;
- as a result, during the course of the AUP, there was a proposal to conduct a second visit to Bohai Bank to further seek clarification from Bohai Bank regarding the banking facilities, and also to obtain the bank statements from the bank on the spot, which was not achieved during the first visit to Bohai Bank due to a lack of sufficient authorisation documents required by the bank. However, Management took the view that a second visit to Bohai Bank was not necessary as the banking facilities were not utilised because the Group had suspended the importation of soybeans.

Although Management had advised that the Group’s borrowings and debt securities were “NIL” as at 30 September 2015, the AC noted that there has not been sufficient independent verification to confirm that the Group did not utilise the banking facilities (of up to RMB 335 million) granted by Bohai Bank against the RMB 335 million in pledged time deposits at the said bank. The AC will direct the external auditors to pay special attention to this Bohai bank account during the year-end audit.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

CONSOLIDATED STATEMENT OF CASH FLOWS

**Group
3 months ended**

	Note	30/9/15 RMB'000	30/9/14 RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / profit before tax			
From continuing operations		(177,096)	27,239
From a discontinued operation		(685)	(5,756)
Adjustment for:			
Amortization of land use rights		2,125	2,125
Depreciation		12,176	16,927
Accrued loss on soybean contracts		74,008	-
Interest income		(599)	(2,584)
		<u>(90,071)</u>	<u>37,951</u>
Decrease in inventories		43,328	1,045
Decrease in prepayments, deposits and other receivables		40,317	11,458
Increase in trade payables		1,941	176
(Decrease)/increase in other payables, deposits received and accruals		<u>(23,148)</u>	<u>10,249</u>
		<u>(27,633)</u>	<u>60,879</u>
Interest received		599	2,584
Net cash inflow from operating activities		<u>(27,034)</u>	<u>63,463</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash transferred to restricted bank deposits		-	(198,947)
Cash transferred from restricted bank deposits		73,791	143,285
Net cash from / (used in) investing activities		<u>73,791</u>	<u>(55,662)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		46,757	7,801
Cash and cash equivalents at beginning of period		<u>3,470</u>	<u>36,199</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD			
		<u>50,227</u>	<u>44,000</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	(J)	<u>50,227</u>	<u>44,000</u>

For Note (J), please refer to Item 8 for further analysis.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group

	Issued capital RMB'000	Proposed final dividend RMB'000	Retained Profits / (Accumulated Losses) RMB'000	Statutory reserve RMB'000	Capital redemption reserve RMB'000	Share premium RMB'000	Total RMB'000
Balance as at 1 January 2015	294,465	5,174	578,757	19,431	2,982	509,919	1,410,728
Profit for 1Q15	-	-	2,609	-	-	-	2,609
Balance as at 31 March 2015	294,465	5,174	581,366	19,431	2,982	509,919	1,413,337
Loss for 2Q15	-	-	(563,259)	-	-	-	(563,259)
Dividend paid – 2014 final	-	(5,174)	-	-	-	-	(5,174)
Balance as at 30 June 2015	294,465	-	18,107	19,431	2,982	509,919	844,904
Loss for 3Q15	-	-	(177,781)	-	-	-	(177,781)
Balance as at 30 September 2015	294,465	-	(159,674)	19,431	2,982	509,919	667,123

Group

	Issued capital RMB'000	Retained profits RMB'000	Statutory reserve RMB'000	Capital redemption reserve RMB'000	Share premium RMB'000	Total RMB'000
Balance as at 1 January 2014	294,465	558,368	19,431	2,982	509,919	1,385,165
Loss for 1Q14	-	(2,950)	-	-	-	(2,950)
Balance as at 31 March 2014	294,465	555,418	19,431	2,982	509,919	1,382,215
Profit for 2Q14	-	5,216	-	-	-	5,216
Balance as at 30 June 2014	294,465	560,634	19,431	2,982	509,919	1,387,431
Profit for 3Q14	-	21,483	-	-	-	21,483
Balance as at 30 September 2014	294,465	582,117	19,431	2,982	509,919	1,408,914

Company	Issued capital RMB'000	Proposed final dividend RMB'000	Accumulated losses RMB'000	Capital redemption reserve RMB'000	Share premium RMB'000	Total RMB'000
Balance as at 1 January 2015	294,465	5,174	(52,382)	2,982	509,919	760,158
Loss for 1Q15		–	(932)	–	–	(932)
Balance as at 31 March 2015	294,465	5,174	(53,314)	2,982	509,919	759,226
Loss for 2Q15	–	–	(1,404)	–	–	(1,404)
Dividend paid – 2014 final	–	(5,174)	–	–	–	(5,174)
Balance as at 30 June 2015	294,465	–	(54,718)	2,982	509,919	752,648
Loss for 3Q15	–	–	(1,399)	–	–	(1,399)
Balance as at 30 September 2015	294,465	–	(56,117)	2,982	509,919	751,249

Company	Issued capital RMB'000	Accumulated losses RMB'000	Capital redemption reserve RMB'000	Share premium RMB'000	Total RMB'000
Balance as at 1 January 2014	294,465	(41,383)	2,982	509,919	765,983
Loss for 1Q14	–	(1,252)	–	–	(1,252)
Balance as at 31 March 2014	294,465	(42,635)	2,982	509,919	764,731
Loss for 2Q14	–	(1,218)	–	–	(1,218)
Balance as at 30 June 2014	294,465	(43,853)	2,982	509,919	763,513
Loss for 3Q14	–	(738)	–	–	(738)
Balance as at 30 September 2014	294,465	(44,591)	2,982	509,919	762,775

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

Following the shareholders' approval obtained at a special general meeting on 22 April 2015, the Company had consolidated its 10 existing issued ordinary shares into 1 ordinary share with effect from 16 June 2015. Accordingly, adjustments had been made to the number of shares.

There were no shares held as treasury shares and the Company does not have any shares that may be issued on conversion of any outstanding convertibles as at 30 September 2015 and 31 December 2014.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceeding year.

There were *110,080,868 and 1,100,808,740 ordinary shares in issue as at 30 September 2015 and 31 December 2014.

The Company did not hold any treasury shares as at 30 September 2015 and 31 December 2014.

*After the completion of share consolidation on 16 June 2015.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

N/A

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

N/A

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has applied the same accounting policies and methods of computation in the preparation of the consolidated financial statements for the current reporting period compared with the audited financial statements as at 31 December 2014.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The adoption of the new or revised IFRS that are mandatory for financial year beginning on or after 1 January 2015. The adoption of these IFRS has no significant impact on the Group's consolidated financial statements.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group			
	3 months ended		9 months ended	
	30/09/15	30/09/14 (Restated)*	30/09/15	30/09/14 (Restated)*
(LOSS) / EARNINGS PER ORDINARY SHARE				
(i) Based on weighted average number of ordinary shares in issue	(RMB1.62)	RMB0.20	(RMB6.71)	RMB0.22
(ii) On a fully diluted basis	-	-	-	-

- (i) (Loss) / earnings per ordinary share on the existing issued share capital is computed based on the weighted average number of ordinary shares in issue during three months and nine months ended 30 September 2015 of *110,080,868 shares (three months and nine months ended 30 September 2014: *110,080,868 shares).

*After the completion of share consolidation on 16 June 2015. The Company has consolidated 10 ordinary shares into 1 ordinary share in the capital of the Company and the weighted average number of ordinary shares used for the calculation of earnings per share for the corresponding period in 2014 has been adjusted for the effect of the share consolidation.

- (ii) There were no potential dilutive ordinary shares in existence for the three months and nine months ended 30 September 2015 and 2014. Accordingly, no diluted earnings per share has been presented.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	30/09/15	31/12/14 (Restated)*	30/09/15	31/12/14 (Restated)*
NET ASSETS VALUE PER ORDINARY SHARE				
Net asset backing per ordinary share based on existing issued share capital as at the end of the period reported on	RMB6.06	RMB12.82	RMB6.82	RMB6.91

The net asset value for the Group and the Company per ordinary share were calculated based on *110,080,868 shares in issue as at 30 September 2015 and 31 December 2014 respectively.

*After the completion of share consolidation on 16 June 2015. The Company has consolidated 10 ordinary shares into 1 ordinary share in the capital of the Company and the number of ordinary shares in issue used for the calculation of net asset value per ordinary share for as at 31 December 2014 has been adjusted for the effect of the share consolidation.

- 8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Performance Review

(A) Revenue and pre-tax profit / (loss)

3Q15 vs 3Q14

The Group recorded a decrease in revenue of 90.87% from approximately RMB1.33 billion in 3Q14 to approximately RMB121.13 million in 3Q15. The significant decrease was mainly due to the temporary suspension of the production of the soybean processing division since 5 July 2015.

The Group recorded a loss before tax of approximately RMB177.78 million in 3Q15 against a profit before tax of approximately RMB21.48 million in 3Q14. This was due mainly to the temporary suspension of the soybean processing division and an additional loss of RMB114.82 million recognised in connection with the Group's decision to cancel 11 shipments of soybean stated in the announcement of 2Q15.

Due to the uncertainty of supply of utilities as well as raw material costs which was not commensurate with the soybean product prices, a decision was made to cancel the remaining 11 shipments of soybeans in August 2015. Pursuant to the purchase agreements with the soybean supplier, the Group would be liable for the losses suffered by the supplier. And the quantum of the losses amount would actually depend on the price of soybean at the time of settlement of payment.

Based on the market future prices of soybean at end of September 2015, the total loss expected to be suffered by the Group's soybean supplier was approximately RMB304.53 million. In this regard, the Group recorded an additional loss of RMB114.82 million in 3Q15 which represented the excess of the total expected loss over the impairment of RMB189.71 million made by the Group in respect of the prepayments and deposits to the supplier in the 2Q15.

3Q15 vs 2Q15

The Group recorded a decrease of 87.76% in revenue on a quarter to quarter basis (3Q15 vs 2Q15, as depicted below):

	<u>Group</u>		
<u>Revenue</u>	<u>3Q15</u>	<u>2Q15</u>	<u>Change</u>
	<u>RMB'000</u>	<u>RMB'000</u>	<u>%</u>
Pig rearing	-	-	
Animal feed	71,094	52,241	36.09
Soybean processing	50,038	937,758	(94.66)
Total	<u>121,132</u>	<u>989,999</u>	<u>(87.76)</u>

The Group recorded a decrease of 70.57% in loss before tax on a quarter to quarter basis (3Q15 vs 2Q15, as depicted below):

	<u>Group</u>		
<u>Pre-tax loss</u>	<u>3Q15</u>	<u>2Q15</u>	<u>Change</u>
	<u>RMB'000</u>	<u>RMB'000</u>	<u>%</u>
Pig rearing	(685)	(684)	0.15
Animal feed	(16,755)	(2,307)	626.27
Soybean processing	<u>(159,541)</u>	<u>(559,581)</u>	<u>(73.64)</u>
Total	<u>(176,981)</u>	<u>(562,509)</u>	<u>(68.54)</u>
Interest income	599	2,169	(72.38)
Unallocated expenses	<u>(1,399)</u>	<u>(2,856)</u>	<u>(51.02)</u>
Loss before tax	<u>(177,781)</u>	<u>(563,259)</u>	<u>(68.44)</u>

Soybean Processing

Revenue of the soybean processing division decreased by 94.66% from approximately RMB937.76 million in 2Q15 to approximately RMB50.04 million in 3Q15. The decline was attributable to temporary suspension of the production of the division since 5 July 2015.

The division recorded a loss of approximately RMB159.54 million in 3Q15 was due mainly to an additional loss amounting to RMB114.82 million in respect of the cancellation of 11 shipments of soybean.

Animal Feed

The animal feed division recorded an increase in revenue of 36.09% from approximately RMB52.24 million in 2Q15 to approximately RMB71.09 million in 3Q15. This was mainly attributable to an increase in quantity sold.

The division recorded a higher loss of approximately RMB16.76 million in 3Q15 compared to RMB2.31 million in 2Q15. This was due mainly to the decline in the selling prices of feed products and the additional maintenance costs incurred for the production facility.

(B) Cost of Sales

The Group recorded a gross loss margin of 33.63% in 3Q15 against a gross profit margin of 2.55% in 3Q14. It was mainly attributable to the drop in the selling prices of soybean products and animal feeds during the period, the temporary suspension of soybean business and over-supply of animal feed products in the market.

(C) Other income and gains

Other income and gains decreased by 71.23% in 3Q15 compared to 3Q14. This was mainly attributable to a lower interest income earned.

(D) Selling and distribution expenses

In line with the decrease in sales revenue, the Group incurred a lower selling and distribution expenses in 3Q15 compared to 3Q14.

(E) Administrative expenses

Administrative expenses increased by 282.33% in 3Q15 compared to 3Q14. This was due mainly to the re-allocation of amortization and depreciation of the property, plant and equipment of the soybean processing division into the administrative expenses after the temporary suspension of its production.

(F) Other expenses, net

The increase in other expenses was mainly attributable to an additional loss amounting to RMB114.82 million in respect of the cancellation of 11 shipments of soybean.

(G) Tax

Tax has not been provided by the Group as it did not derive any assessable profits for the period.

Linyi Shengquan Grease Co. Ltd. (a subsidiary of the Company and incorporated in the People's Republic of China) is subject to a corporate income tax rate of 25% on its assessable profits for the 9 months ended 30 September 2015 (30 September 2014: 25%).

(H) Inventories

The decrease in inventories was due mainly to the depletion of soybeans on 5 July 2015 and the temporary suspension of the production of its soybean products.

(I) Prepayment, deposits and other receivables

As at 31 December 2014, the balance mainly represented the prepayments and deposits made to the Group's soybean supplier.

Due to the cancellation of the 11 shipments of soybean which led to the difficulty to recover the prepayments and deposits balance, the Group made a full impairment of RMB189.71 million in 2Q15 in respect of the then balance due from the supplier. There was no additional prepayment made to the supplier during 3Q15 because of the temporary suspension of soybean processing business.

(J) Cash and bank balances and deposits

The Group's restricted bank deposits were pledged as security for the issuance of letters of credits to its suppliers and banking facilities. The decrease in restricted bank deposits was due mainly to the settlement of the Group's letters of credit and certain restricted bank deposits were released and transferred to the current bank accounts.

The decrease in cash and bank balances was as a result of the operating cash outflows for business activities.

(K) Trade payables

The decrease in trade payables was due mainly to settlement made in the period.

(L) Other payables, deposits received and accruals

The increase in other payables, deposits received and accruals was due mainly to an accrual of RMB74.01 million for the loss of unsettled contracts related to the 11 shipments of soybeans based on the market future prices of soybean at the end of September 2015, which was partially offset by the settlement of the VAT obligation related to the soybean processing business during the period .

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The announcement is in line with the commentary made in item 10 of the Company's results announcement released to SGX-ST via SGXNet on 18 September 2015 and the profit guidance announcement made on 4 November 2015.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

As stated in the Company's announcement released via SGXNet on 10 July 2015, the Group had depleted its soybeans inventory on 5 July 2015. Due to the anti-pollution issue in Linyi, the Group has temporarily suspended production of its soybean products, pending a review of the business operating environment and its financial position. The soybean processing is the Group's primary business which contributes towards more than 90% of the Group's revenue. The Group will however continue its animal feed production business.

The industry in which the Group operates in continues to face soybean prices volatility, stiff competition price sensitivity and uncertainties arising from changes to China's economic environment

The Company will monitor and assess the situation before deciding whether and when to resume the Group's soybeans processing operation. The Company will also be on the lookout for any opportunity on the use or sale of the the land vacated by the Group's pig rearing business.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No

(c) Date Payable

N/A

(d) Books Closure Date

N/A

12. If no dividend has been declared/recommendeded, a statement to that effect

N/A

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

	9 months ended 30/09/15 RMB'000	Share of total (%)	9 months ended 30/09/14 RMB'000	Share of total (%)	% Change
<u>Revenue</u>					
Pig rearing	-		49,758	1.29	(100)
Animal feed	176,091	8.27	170,248	4.43	3.43
Soybean processing	1,953,507	91.73	3,627,149	94.28	(46.14)
	<u>2,129,598</u>	<u>100.00</u>	<u>3,847,155</u>	<u>100.00</u>	(44.64)
<u>(Loss) / profit before tax</u>					
Pig rearing	(1,177)	0.17	(6,317)	(7.96)	(81.37)
Animal feed	(16,653)	2.41	5,553	7.00	399.89
Soybean processing	(672,969)	97.42	80,058	100.96	N/M
	<u>(690,799)</u>	<u>100.00</u>	<u>79,294</u>	<u>100.00</u>	N/M
Amortization and depreciation	(47,119)		(60,179)		(21.70)
Interest income	5,085		9,252		(45.04)
Unallocated expenses	(5,598)		(4,618)		(21.22)
(Loss) / profit before tax	<u>(738,431)</u>		<u>23,749</u>		N/M

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to item 8

15. A breakdown of sales

Please refer to item 13

16. Aggregate Value Of Interested Person Transactions Entered Into For The Nine Months Ended 30 September 2015

Pursuant to Rule 920 of the SGX-ST's Listing Manual, details of the aggregate value of interested person transactions entered into the 9 months period ended 30 September 2015, were as follows: -

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Jiang Quan Hotel	RMB Expenses paid in relation to catering and accommodation services provided by Jiang Quan Hotel 310,000	Nil*
Linyi Zhiheng Logistics Co., Ltd ²	Expenses paid in relation to transportation of soybeans provided by Linyi Zhiheng Logistics Co., Ltd 17,946,000	

*The Company does not have an IPT Mandate.

Notes :

1. Jiang Quan Hotel is owned by the nephew of Mr Wang Tingbao, a Director and substantial shareholder of the Company.
2. Linyi Zhiheng Logistics Co. Ltd is controlled by the elder brother of Mr. Wang Tingbao, a Director and substantial shareholder of the Company.

BY ORDER OF THE BOARD

Wang Tingbao
Director
13 November 2015

CONFIRMATION BY DIRECTORS PURSUANT TO RULE 705(5) OF THE LISTING MANUAL OF THE SGX-ST

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of United Food Holdings Limited which may render the financial results for the 3rd Quarter ended 30 September 2015 to be false or misleading in any material aspect.

For and on behalf of the
Board of Directors of
United Food Holdings Limited

David Yip Wai Sun
Director

Wang Tingbao
Director