UNITED FOOD HOLDINGS LIMITED
(Incorporated in Bermuda as an exempted company limited by shares)
(Company Registration Number: 28925)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST")

The Board of Directors (the **"Board"**) of United Food Holdings Limited (the **"Company",** and together with its subsidiaries, the **"Group**") refers to its announcements dated 4 June 2019 and 6 June 2019 in relation to the notification of inclusion on the Watch-list due to the Financial Entry Criteria and Minimum Trading Price (**"MTP"**) Entry Criteria pursuant to Listing Rule 1311 with effect from 6 June 2019 and regulatory announcement issued by Singapore Exchange Regulation on 11 May 2020 in relation to the removal of MTP rule with effect from 1 June 2020.

Pursuant to Rule 1313(2) of the Listing Manual of the SGX-ST, the Company must, for the period in which it remains on the Watch-list, provide the market with a quarterly update on its efforts and the progress made in meeting the exit criterion of the Watch-list.

Update on Unaudited Financial Performance and Financial Position

The Group recorded revenue of RMB0.29 million in the third quarter ended 31 December 2023 ("**3QFY2024**") compared to RMB0.33 million in the third quarter ended 31 December 2022, representing a decrease of 10.1%. The revenue of RMB0.29 million was mainly from the services and supplies in the Group's Additives Related Segment.

For more details on the results and financial position of the Group and of the Company, please refer to the unaudited financial statements announcement for 3QFY2024 released via SGXNET on 8 February 2024.

Update on Future Direction and Other Material Development

1. Special Audit

   The Company has engaged KPMG Services Pte. Ltd. ("**KPMG**") to perform the special audit and the Company is working towards completing the special audit in the first half of 2024.

2. Entry into Deed of Termination

   The Company and its subsidiaries, Shenzhen Baoyao Agricultural Products Ltd. and Brighten Ocean International Ltd. had entered into a Deed of Termination with Chengde Xingxinda Shengwu Keji Co., Ltd., Chengde Pumeida Shengwu Keji Co., Ltd. and Lin Zhongshi in relation to the sale and purchase agreement dated 5 October 2017, as amended and supplemented by the supplemental agreements entered into by the parties on 26 June 2018, 1 October 2018 and 7 June 2019 for the acquisition of (i) 80% of the total equity interests in Hebei Xingrun Shengwu Keji Gufen Co., Ltd., (ii) 80% of the total equity interest in Chengde Purun Shengwu Zhiyao Co., Ltd. and (iii) 80% of the issued and paid-up share capital of Benchmark Trade Limited. Please refer to the announcement in relation to the entry into the Deed of Termination released on 30 May 2023 and the announcement in relation to the Company's response to SGX queries dated 30 August 2023 for more details.

   The Company will provide further details and development in the subsequent announcement(s) at the appropriate junctures.

3. Shenzhen Shareihome Technology Co., Ltd. ("**SST**") Acquisition

   The Company engaged the following professionals to perform due diligence on the SST acquisition:- a) Baker Tilly as auditors; b) Crowe Horwath Capital Pte. Ltd. as the financial advisor; c) Cushman & Wakefield as the valuer; and d) Rajah & Tan LLP ("**R&T**") as a legal counsel in Singapore & JunHe LLP as a legal counsel in Beijing as the collaboration partner with R&T.

(collectively, the '**Professionals**'). According to the management, the Professionals have conducted the fieldwork and collected the corresponding data respectively. At present, the legal fieldwork in PRC China had been completed. The auditors had also completed collecting the audit samples and materials and are now in discussion on the extended scope of the audit. In general, the basic data for the valuation assessment had been collected and is at the stage of data verification. The Company expects the due diligence exercise will take another month or so for the respective professionals to issue their report. Subject to the satisfaction of the due diligence exercise to be carried out by the Group's engaged professional valuer, the Company's right of conversion of the security deposit of RMB85 million into equity interest in the capital of SST shall be contingent upon the Company obtaining all relevant approvals (including from its shareholders).

The Company will provide further details in subsequent announcement(s) in accordance with the listing rules of the SGX-ST at the appropriate junctures.

Save for the above, there are no other material developments that may have a significant impact on the financial position of the Group or any other updates on its future direction.

The Company will continue to make efforts and consider various options to meet the requirements of Rule 1314 of the SGX-ST's Listing Manual pursuant to the Financial Entry exit criteria and would update its shareholders in due course.

BY ORDER OF THE BOARD

Song Yanan
Non-Executive Chairman
8 February 2024