

**UNITED FOOD HOLDINGS LIMITED**

**(Incorporated in Bermuda as an exempted company limited by shares)**

(Company Registration No. 28925)

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**RESPONSES TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED IN RELATION TO THE FIRST QUARTER RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

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*Unless otherwise specified, all capitalised terms used herein shall have the meanings ascribed to them in the announcement made by United Food Holdings Limited on 10 October 2024 with respect to the First Quarter Results for the financial period ended 30 June 2024 (the “**Announcement**”).*

The board of directors (the “**Board**”) of United Food Holdings Limited (the “**Company**”, and collectively with its subsidiaries, the “**Group**”) wishes to provide its responses to the following queries raised by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) with respect to the First Quarter Results for the financial period ended 30 June 2024 (the “**Financial Results**” or “**1Q FY2025 Results**”):-

**SGX-ST Query 1**

In its 1Q FY2025 Results, the Company disclosed other expenses of RMB 4.1 million in 1Q2025 (RMB 0 million in 1Q2024) due to impairment of trade receivable from Really Time Trading Limited (“RTTL”). It was further disclosed that the impact of impairment on other receivable from RTTL were considered due to long outstanding and the Company will commence legal action to recover this outstanding.

- (i) Please disclose how the amount of impairment of trade receivables was determined and provide the Board's assessment of the reasonableness of the methodologies used to determine amount of impairment;

**Company's response:**

The impairment represents the outstanding amount of trade receivable of Real Time Trading Limited namely Shenzhen Huipusen Logistics Supply Chain Co., Ltd (“Huipusen”), since the amount has been outstanding for more than three years. No settlement has been received after financial year 2023 even the Company has communicated with Huipusen to request for settlement. In addition, after considering the past settlement record and current economic condition, full impairment has been made.

- (ii) Please disclose the nature of other receivables from RTTL, including the aging of such receivables; and

**Company's response:**

The amount represents the trade receivable due from Huipusen, which arise from trading transaction between Real Time Trading Limited and Huipusen before financial year 2021. Such receivable has been outstanding for more than 3 years, therefore the receivable ageing is more than 3 years.

- (iii) Please disclose the outstanding amount to be recovered from the legal action; why legal recourse was not taken earlier and an indicative timeline for the recovery.

**Company's response:**

In the past, the Company requested for settlement through email, physical meeting and phone call with Huipusen, and Huipusen has made settlement of approximately RMB 1.45 million during financial year 2023, therefore the Company did not take legal action to collect the outstanding before. However there is no further settlement from Huipusen even the Company has communicated with Huipusen for settlement after financial year 2023. Therefore the Company consider to take legal action to collect the remaining balance. The Company cannot estimate the time for settlement from Huipusen at this moment but the Company will request for settlement within three months through legal action.

**SGX-ST Query 2**

Please provide a breakdown of the administrative expenses of RMB 1.8 million in 1Q FY2025 that the Company had continued to incur despite not generating any revenue from business activities for the same period. In your response, please also include the detailed explanation for each line item.

**Company's response:**

<b>Breakdown</b>	<b>RMB</b>	<b>%</b>
Directors fee (Note 1)	249,820	13.79%
Salaries (Note 1)	371,302	20.49%
Rental expenses (Note 2)	301,059	16.61%
Travelling expenses (Note 3)	271,260	14.97%
Insurance expenses (Note 4)	182,000	10.04%
Exchange difference (Note 5)	202,025	11.15%
Legal and professional fees (Note 6)	67,312	3.72%
Other expenses (Note 7)	167,283	9.23%
<b>Total</b>	<b>1, 812,062</b>	<b>100.00%</b>

Note 1: Amount represents directors' fee, administrative staff and accounting staff salaries during first quarter of financial year 2025.

Note 2: Amount represents rental expenses for Beijing and Shenzhen office.

Note 3: Amount represents travelling expenses for business trip between Singapore and People's Republic of China.

Note 4: Amount represents insurance expenses in relation to directors and officers liability insurance.

Note 5: Amount represents the difference resulting from translating a given number of units of one currency into another currency at different exchange rates.

Note 6: Amount represents legal and professional fee incurred for trading resumption.

Note 7: Amount represents other office and administrative expenses incurred during first quarter of financial year 2025.

### **SGX-ST Query 3**

With regards to the delisting notification of 14 August 2024, please disclose the Company's progress with the exit offer to shareholders and provide an indicative timeline with the milestones stated.

#### **Company's response:**

The Company is making its best efforts to complete the Exit Offer, and the following are the key developments and milestones achieved thus far:

End of October 2024: The company is currently searching independent financial adviser and expects to appoint a suitable independent financial adviser (IFA) by the end of October 2024.

November 2024: The Company, in collaboration with the IFA, will finalize amendments to the Exit Offer and submit them to the relevant regulators for final review.

Mid-December 2024: Subject to regulatory approval, the Company will make a formal announcement within the subsequent two weeks. The Exit Offer is expected to be formally completed by the end of December 2024.

The Company is currently in the process of appointing new company secretary – RSM Stone Forest to handle delisting process. Once the appointment is completed, the Company will make relevant announcement.

By Order of the Board

Song Yanan  
Non-Executive Chairman  
18 October 2024