

UNITED FOOD HOLDINGS LIMITED

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

(Company Registration No. 28925)

RESPONSES TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED IN RELATION TO THE (1) RESIGNATION OF CHIEF MARKETING OFFICER AND (2) CHANGES IN THE COMPOSITION OF THE BOARD

Unless otherwise specified, all capitalised terms used herein shall have the meanings ascribed to them in the announcements made by United Food Holdings Limited on (1) on 26 July 2024 with respect to the resignation of chief marketing officer; and (2) 18 July 2024 and 29 July 2024 with respect to the changes in the composition of the Board.

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 questions raised by Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) with respect to the changes in the composition of the Board (the “**Changes**”):-

SGX-ST Query 1

The Company had cited, among others, “the primary focus of the Company’s activities was not on developing new businesses but rather on addressing [historical] legacy issues” and “[the] lack of understanding regarding the history behind certain issues has proven challenging to provide satisfactory replies [in response to SGX-ST Queries]” as reasons for the resignation of Mr Fan Yandong (“**Mr Fan**”) and Mr Jin Chao (“**Mr Jin**”). Noting that Mr Fan had voted for the (i) Entry into Cooperative Agreement with SST announced on 21 June 2024, (ii) Update to Debt Restructuring Framework in respect of HBXR’s Trade Receivables owing by Kangweijian announced on 21 June 2024 and (iii) Termination of SPA and Asset Disposal Agreement announced on 27 June 2024, please explain why Mr Fan had voted for the aforementioned agreements despite a “lack of understanding regarding the history behind certain issues” and disclose his basis for doing so.

Company’s response:

The Company received explanations from Mr Fan as follows:

- (1) He clarified that the “lack of understanding regarding the history behind certain issues” was due to the tight timeline and incomplete background and information of the Company’s legacy issues, not lack of judgement in facing the current situation of the Company.
- (2) Upon his appointment as Executive Director in March 2024, the aforesaid agreements had expired and no further measures were taken to address the legacy issues.

SGX-ST Query 2

The Company further disclosed that the Non-Executive Chairman, Ms Song Yanan (“**Ms Song**”) will be “overseeing the Group’s business operations and other relevant administrative functions with support from the current managerial team” and “the preparation of the Company’s 1QFY2025 financial statements as well as the audit for FY March 2023 and FY March 2024 assisted by the current finance team” in the interim before the replacement for Mr Fan and Mr Chao is appointed.

- (i) In view of the foregoing, please disclose whether the Company will be redesignating Ms Song from a Non-Executive Chairman to an Executive Chairman as she take on the executive roles and responsibilities in the interim.

Company’s response:

The Company has shortlisted candidates for the position of Independent Director and will appoint these two Independent Directors as soon as the selection process is completed. During this period, Ms. Song will be redesignated as the Executive Chairman, temporarily taking on more executive responsibilities.

- (ii) With reference to Ms Song’s particulars per Appendix 7.4.1 of the Listing Manual that was released on 15 August 2016, we note that her past working experience was primarily as the Personal Assistant to the Chairman of the Board for Renrenle Commercial Group Co. Ltd. In that regard, please substantiate how the Nominating Committee (“NC”) has assessed Ms Song to be a suitable candidate to oversee the Group’s business operations and financial management in the interim and the bases for such assessment.

Company’s response:

Ms. Song has extensive management experience, particularly in large-scale enterprise operations and strategic decision-making. Her career began with the family business Renrenle Group, where she demonstrated excellent management skills in various fields. The Nomination Committee (“NC”) evaluated her suitability based on the following criteria:

1. Leadership Skills:

Ms. Song has shown outstanding leadership and organizational skills in several key positions. She can effectively manage complex tasks and coordinate with various parties to ensure smooth company operations. Her leadership style emphasizes collaboration and innovation, which has been crucial in driving the Company forward.

2. Strategic Insight:

Ms. Song’s close collaboration with the Chairman of Renrenle Commercial Group has given her a deep understanding of the strategic direction and financial management of large enterprises. Her extensive experience enables her to quickly adapt and handle complex business issues, ensuring that the Company’s strategic decisions align with its long-term interests.

3. Commitment to the Company:

As a controlling shareholder, Ms. Song has demonstrated a deep commitment and dedication to the Company. Her profound understanding of the Company's values, culture, and goals makes her a suitable leader during this transition period. Her long-term commitment ensures stability and continuity during management changes.

4. Ms. Song Yanan's Personal Achievements:

Ms. Song is optimistic, cheerful, and innovative. Her early career experiences with the family business provided her with broad business vision and deep insight, always striving for excellence. She has continued to practice management and innovation in chain retail, health, biotechnology, and investment sectors. She has continuously improved herself, earning master's degrees from Tsinghua University and the Chinese University of Hong Kong. She also serves as an entrepreneurial mentor for MBA students at Tsinghua University's School of Economics and Management, learning from entrepreneurs across industries. She is also the Vice President of the China Quality Agricultural Products Development and Service Association and has been awarded the title of "Ambassador of Love" by the China Red Cross General Office Career Development Center for her active participation in public welfare activities.

Educational Background:

- 2018-2020: Tsinghua University Wudaokou School of Finance, EMBA
- 2014-2016: The Chinese University of Hong Kong, Master's in Logistics and Supply Chain Management

Work Experience:

- 2016 to present: Chairman of the Board, United Food Holdings Limited. The Company was established in 1995 and listed on the Singapore Exchange Mainboard in 2001, being the first private Chinese company in the food industry to be listed on SGX Mainboard.

Family Business:

Ms. Song's family business, Renrenle Group, was founded in 1996 and listed on the Shenzhen Stock Exchange in 2010. It is a leading modern retail enterprise group and one of the top 500 enterprises in China.

Conclusion:

The Board of Directors is confident in the appointment of Ms. Song and the Company's management arrangements. Her experience and skills will provide the necessary leadership and strategic guidance during this transition period. We believe the Company will continue to progress and maintain stability and growth under her leadership. We look forward to the Company's future development and appreciate the continued attention and support from the Exchange.

SGX-ST Query 3

The Company had similarly cited “other personal commitments” as the reason for the resignation of Mr Liu Yang (“Mr Liu”), Chief Marketing Officer [Key Management].

- (i) Please elaborate on the reasons for his resignation, noting that Mr Liu had been appointed since 29 September 2017 and was not holding any other concurrent appointments as of the date of his appointment.

Company’s response:

Mr. Liu resigned for the pursuit of his personal career development. The primary reason why Mr. Liu joined the Company is to leverage his experience in the pharmaceutical and food fields to contribute his professionalism in marketing, raw material and commodity procurement to the newly acquired LAP project of the Company at the relevant time. Due to various force majeure factors, the LAP project was unable to be operated in recent years and its fate is still unclear. Hence, he intends to find a more stable platform where his capabilities can be maximized.

- (ii) Please disclose who will be overseeing “marketing and procurement functions of the Company” after the cessation of Mr Liu’s appointment on 31 July 2024. To also provide information on his/her relevant track record and qualifications, among others, in accordance to Appendix 7.4.1 of the Listing Manual.

Company’s response:

Following the resignation of Mr. Liu as Chief Marketing Officer, the Group has determined that, due to minimal sales transactions in 2024, the marketing and procurement functions will not be required at this time.

By Order of the Board

Song Yanan
Non-Executive Chairman
2 August 2024