UNITED FOOD HOLDINGS LIMITED
(Incorporated in Bermuda as an exempted company limited by shares)
(Company Registration No. 28925)

PROPOSED ACQUISITION OF 80% SHAREHOLDING INTERESTS IN THE TARGET COMPANIES AS A MAJOR TRANSACTION

RECEIPT OF IN-PRINCIPLE APPROVAL FROM SGX-ST

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*Where capitalised terms are used in this announcement and not otherwise defined, such capitalised terms shall bear the same meanings as ascribed to them in the announcement made by United Food Holdings Limited (the "**Company**") on 5 October 2017 relating to the Proposed Acquisition.*

1. The Board of Directors is pleased to announce that SGX-ST had on 24 May 2018 granted its in-principle approval ("**AIP**") for the listing and quotation of up to 38,576,307 Conversion Shares in the issued and paid-up share capital of the Company pursuant to the full conversion of the Bonds to be issued in connection with the Proposed Acquisition.

2. The SGX-ST has granted the AIP subject to the following conditions:

   (a) Compliance with the SGX-ST's listing requirements;

   (b) Shareholders' approval for the Proposed Acquisition at a meeting to be convened;

   (c) Disclosure in the Circular to Shareholders of the undertaking by the Non-Executive Chairman, Ms Song Yanan that:

      (i) She will not dispose of or transfer her interest in the Company to a level below 20%. The moratorium will be valid until 31 December 2021; and

      (ii) She will vote against any proposal by a Shareholder to appoint the Vendors to the Company's Board of Directors (should the need arise).

   (d) Submission of the following documents:

      (i) a written confirmation from the Company that the terms of the Bonds comply with Rule 829(1) of the Listing Manual;

      (ii) a written undertaking from the Company that it will comply with Rule 803 of the Listing Manual;

      (iii) a written undertaking from the Company that it will not place the Bonds to persons prohibited under Rule 812(1) of the Listing Manual; and

      (iv) a written undertaking from the Company to announce any adjustment made pursuant to Rule 829(1) of the Listing Manual.

3. The Company had provided the written confirmations under paragraphs 2(d)(iii) and 2(d)(iv) above to SGX-ST.

4. Shareholders should note that the approval in-principle by SGX-ST is not to be taken as an indication of the merits of the Proposed Acquisition, the Bonds and the Conversion Shares, the Company and/or its subsidiaries.

5. A circular containing further details of the Proposed Acquisition, and enclosing notice of special general meeting in connection therewith, will be despatched to shareholders in due course.

By Order of the Board

Song Yanan
Non-Executive Chairman

Date: 25 May 2018