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 FORTH QUARTER RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

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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 June 2025 with respect to the Forth Quarter Results for the financial year ended 31 March 2025 (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 Forth Quarter Results for the financial year ended 31 March 2025 (the "**Financial Results" or "4Q FY2025 Results**"):-

SGX-ST Query 1

During the financial year ended 31 March 2025 ("FY2025"), the Company fully impaired RMB 82.0 million and RMB 4.1 million in receivables from SST and RTTL, respectively. Despite issuing a demand letter to SST in January 2025, no response has been received to date. Prof. Ling supports pursuing legal action against RTTL and SST, including enforcing the shareholder guarantee to protect the Company's rights. Please disclose the following:

a) Has the Company initiated any legal proceedings against SST and/or RTTL to recover the impaired receivables? If yes, please provide the date the proceedings were commenced, the jurisdiction and name of the court, the case reference number, the current status of the proceedings, the next scheduled hearing date, a timeline of all key milestones to-date, and the expected date of conclusion. If not, please explain: (i) the reasons for not initiating legal action; (ii) the rationale behind the delay or inaction; (iii) the basis for the impairment of the receivables; and (iv) how the directors have fulfilled their fiduciary duties and acted in the best interests of the Company and its minority shareholders, noting that the recoverability of these receivables would enable the Company to provide an exit offer to its shareholders.

Company's response:

The company has not pursued legal action against SST and RTTL, as it believes negotiation offers a more cost-effective approach to debt recovery. Additionally, the company is concerned that initiating legal proceedings could further strain its relationship with SST and RTTL, potentially jeopardizing its ability to collect outstanding balances.

Despite negotiations, no settlements have been received from SST or RTTL. Given the low likelihood of recovering the outstanding balances, the company has recorded full impairments for these amounts.

The directors actively oversee the debt collection process, urging the company to expedite legal proceedings against SST and RTTL to safeguard the interests of minority shareholders.

The Company has not appointed an external auditor. In addition, there is currently no internal auditor, legal counsel, or company secretary in place. As such, Mr. Chng and Prof Ling are unable to verify the accuracy of these statements.

b) Given that the SST debt is personally guaranteed by Ms. Song Yanan ("Ms. Song"), Chairman of the Company's board of directors, please explain: (i) why the Company has not taken steps to enforce her personal guarantee; (ii) the legal and commercial rationale for this decision; and (iii) how this is in the best interests of the Company and its minority shareholders, particularly in light of the absence of an exit offer from Ms. Song.

Company's response:

The company, alongside Ms. Song, has made significant efforts to recover the outstanding balance owed by SST through both negotiation and legal measures. As no settlement has been received from SST to date, the company is now preparing to initiate legal action as the next step. Ms. Song remains committed to exerting her best efforts to recover all outstanding amounts from SST, prioritizing the interests of the company and its minority shareholders.

The Company has not appointed an external auditor. In addition, there is currently no internal auditor, legal counsel, or company secretary in place. As such, Mr. Chng and Prof Ling are unable to verify the accuracy of these statements.

c) Whether the Company has waived any portion of the RMB 82.0 million debt due from SST, or any claims against Ms. Song under her personal guarantee. If any waiver has occurred, please explain: (i) the legal and commercial basis for the waiver; (ii) why shareholder approval was not sought; and (iii) how the Company has ensured compliance with applicable listing rules and regulations in relation to such waiver.

Company's response:

The company has not waived any portion of the RMB 82.0 million debt owed by SST and is actively considering legal proceedings as the next course of action.

SGX-ST Query 2

The Company previously disclosed that it has initiated legal action to recover HBXR's RMB 42.9 million trade receivable from Kangweijian and is closely monitoring the collection progress. Please

disclose the following:

a) What specific legal action has the Company taken to recover the RMB 42.9 million trade receivable from Kangweijian? Please provide the type of legal action, the date it was initiated, the jurisdiction and name of the court, the case reference number, the current status of the proceedings, the next scheduled hearing date (if applicable), a timeline of key milestones, and the expected date of resolution.

Company's response:

The company has issued demand letter to Kangweijian to recover the receivable balances of RMB 42.9 million due from Kangweijian.

The Company has not appointed an external auditor. In addition, there is currently no internal auditor, legal counsel, or company secretary in place. As such, Mr. Chng and Prof Ling are unable to verify the accuracy of these statements.

b) Despite the stated legal action, why does the receivable remain outstanding as at 31 March 2025? Please explain the obstacles or delays encountered in the recovery process and the steps the Company has taken to overcome these challenges.

Company's response:

The primary reason for the outstanding balance is the company's failure to provide satisfactory after-sale services and maintenance ("Services") to Kangweijian following equipment installation. Kangweijian has indicated its unwillingness to settle the outstanding balances until the Services are provided. Due to the departure of relevant expertise and a lack of qualified staff to deliver the Services, the company is actively negotiating with Kangweijian to resolve these issues. Concurrently, the company is seeking to recruit suitable expertise to fulfill the Service requirements.

The Company has not appointed an external auditor. In addition, there is currently no internal auditor, legal counsel, or company secretary in place. As such, Mr. Chng and Prof Ling are unable to verify the accuracy of these statements.

c) Is Kangweijian currently operational? Please explain why the Company has not pursued stronger enforcement actions (e.g., asset seizure, winding-up proceedings, etc.) to recover the outstanding debt, and how the Company's current approach aligns with the best interests of shareholders.

Company's response:

Kangweijian remains operational. However, given the unresolved Service issues, the company believes it is premature to pursue stronger enforcement actions against Kangweijian until the Services can be provided. To protect shareholder interests, the company is currently focused on negotiating with Kangweijian to recover as much of the outstanding debt as possible prior to delivering the Services.

The Company has not appointed an external auditor. In addition, there is currently no internal auditor, legal counsel, or company secretary in place. As such, Mr. Chng and Prof Ling are unable to verify the accuracy of these statements.

SGX-ST Query 3

We note that the borrowings appear to have been fully settled, notwithstanding that no repayment of borrowings was recorded in FY2025. Please explain the reasons for the decrease in borrowings from RMB 9.99 million as at 31 March 2024 to NIL as at 31 March 2025.

Company's response:

As of 31 March 2025, the RMB 9.99 million in borrowings was reclassified as a disposal group held for sale, with no settlements made during FY2025.

SGX-ST Query 4

Regarding the Company's update on the exit offer as announced on 30 May 2025, please clarify the following:

a) The reasons behind the Independent Financial Adviser's ("IFA") request for a legal opinion concerning the guarantee of SST's receivables;

Company's response:

Given that the SST receivable constitutes a significant asset of the company, the Independent Financial Adviser ("IFA") considers its recoverability a critical factor in determining the exit offer.

b) The implications this legal opinion may have on the exit offer;

Company's response:

This raises the question of whether the controlling shareholder is obligated to enforce the guarantee of SST's receivables when calculating the exit offer.

c) The date on which this request was raised by the IFA;

Company's response:

The IFA raised this request in mid-May 2025.

d) The current status of this legal opinion, including why the Company requires more than a month until July 2025 to finalise it, and a further month until August 2025 to complete the

appointment of the IFA. Please explain why these processes cannot be expedited or undertaken concurrently;

Company's response:

The company has dedicated significant time to identifying suitable lawyers and negotiating engagement terms. It has appointed legal counsel and is collaborating with them to issue a legal opinion. The company aims to finalize the legal opinion and appoint the IFA promptly.

e) Apart from the legal opinion, please disclose whether there are any other outstanding matters that remain unresolved and could potentially delay the appointment of the IFA and / or finalisation of the exit offer. If so, kindly provide details of these matters, including the steps the Company is taking to address them and the indicative timeline for their resolution;

Company's response:

Apart from the legal opinion, no other matter has been identified that could potentially delay the appointment of the IFA and finalization of the exit offer.

f) The Company has stated that it intends to work with the IFA to provide relevant financial information and clarify the proposed offer arrangements by late August 2025, with the exit offer expected to be launched in September 2025 following the necessary regulatory approvals. Please specify the nature of the financial information the Company is required to furnish to the IFA. Additionally, please outline the key milestones the Company expects to achieve from now until the close of the exit offer, and explain whether the Company has taken into account the timeline for consultation with the Securities Industry Council (SIC) when formulating this indicative timeline;

Company's response:

The Company will provide latest financial information including the assets and liabilities details to IFA to review when considering the exit offer. Please see below for the key milestones the Company expects to achieve until the close of the exit offer.

July 2025: Finalization of legal opinion by lawyer;

Mid-August 2025: Completion of the IFA client acceptance procedures and formal appointment;

Late August 2025: The Company will work with the IFA and provide relevant financial information and clarify the proposed offer arrangements and consultation with the SIC in relation to the exit offer;

September 2025: Following regulatory approvals, the Company will issue a formal announcement within two weeks and expects to close the Exit Offer by the end of

September 2025.

g) It is stated that the Company has secured a firm commitment from its controlling shareholder, Ms. Song, to advance the relevant arrangements for delisting and the exit offer. Please elaborate on the party / parties providing the exit offer and the progress and status of the exit offer proposal. Who is overseeing the arrangements and execution of the exit offer and delisting process?

Company's response:

The controlling shareholder, company management, and the IFA are actively working on the exit offer, providing regular updates on its progress and status. Concurrently, the Board of Directors is overseeing the arrangements and execution of the exit offer and delisting process.

By Order of the Board

Song Yanan
Non-Executive Chairman
4 July 2025