

UNITED FOOD HOLDINGS LIMITED

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

(Company Registration No: 28925)

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

TABLE OF CONTENTS

SN	Description	Page
1	CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	2
2	CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION	4
3	CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY	5
4	CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS	7
5	NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS	8
6	OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2	11
7	ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT	25

UNITED FOOD HOLDINGS LIMITED

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE TWELVE MONTHS ENDED 31 MARCH 2024

	Group					
	3 months ended			12 months ended		
	31 March 2024	31 March 2023	Change	31 March 2024	31 March 2023	Change
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
CONTINUING OPERATIONS						
Revenue	294	325	(9.5)	1,175	1,313	(10.5)
Cost of sales	(139)	(247)	(43.7)	(477)	(767)	(37.8)
Gross profit	155	78	98.7	698	546	27.8
Other income, net	33	(8)	N/M	42	14	200.0
Selling and distribution costs	(51)	(58)	(12.1)	(199)	(219)	(9.1)
Administrative expenses	(1,489)	(1,139)	30.7	(12,399)	(11,143)	11.3
Finance expenses	(640)	(8)	N/M	(955)	(344)	177.6
Other expenses, net	-	-	N/M	(18)	-	N/M
Profit/(loss) before tax	(1,992)	(1,135)	75.5	(12,831)	(11,146)	15.1
Income tax expenses	-	-	N/M	-	(2)	N/M
Profit/(loss) for the period	(1,992)	(1,135)	75.5	(12,831)	(11,148)	15.1
					-	
Attributable to :						
Owners of the Company	(1,825)	(1,090)	67.4	(12,049)	(10,136)	18.9
Non-controlling interest	(167)	(45)	271.1	(782)	(1,012)	(22.7)

Note: N/A - Not applicable
N/M – Not meaningful

UNITED FOOD HOLDINGS LIMITED

	Group					
	3 months ended			12 months ended		
	31 March 2024	31 March 2023	Change	31 March 2024	31 March 2023	Change
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Profit/(loss) for the period	(1,992)	(1,135)	75.5	(12,831)	(11,148)	15.1
Other comprehensive income/(loss)						
Exchange differences on translation of financial statements of foreign operation	(197)	452	N/M	579	1,521	(61.9)
Total comprehensive profit/(loss) for the period	<u>(2,189)</u>	<u>(683)</u>	220.5	<u>(12,252)</u>	<u>(9,627)</u>	27.3
Attributable to :						
Owners of the Company	<u>(1,975)</u>	<u>(521)</u>	279.1	<u>(11,554)</u>	<u>(8,146)</u>	41.8
Non-controlling interest	<u>(214)</u>	<u>(162)</u>	32.1	<u>(698)</u>	<u>(1,481)</u>	(52.9)
The Group's profit before tax is arrived at after charging:						
	Group					
	3 months ended			12 months ended		
	31 March 2024	31 March 2023	Change	31 March 2024	31 March 2023	Change
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Depreciation of plant and equipment	167	226	(26.1)	707	903	(21.7)
Depreciation of right of use asset	286	286	0.0	1,146	1,146	0.0
Amortisation of intangible assets	-	-	N/M	-	-	N/M
Finance cost	<u>640</u>	<u>8</u>	7900.0	<u>955</u>	<u>344</u>	177.6

UNITED FOOD HOLDINGS LIMITED

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2024

	Group		Company	
	31/3/2024	31/3/2023	31/3/2024	31/3/2023
	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS				
Non-current assets				
Investment in subsidiary	-	-	9	9
Property, plant and equipment	544	1,251	-	-
Right-of-use assets	19,542	20,688	-	-
Intangible asset - patents	-	-	-	-
Goodwill	3,049	3,049	-	-
	<u>23,135</u>	<u>24,988</u>	<u>9</u>	<u>9</u>
Current assets				
Inventories	1,881	1,881	-	-
Trade and other receivables	142,880	144,711	115	111
Amount due from subsidiaries	-	-	106,957	107,450
Cash and cash equivalents	735	1,328	474	914
	<u>145,496</u>	<u>147,920</u>	<u>107,546</u>	<u>108,475</u>
Total assets	<u>168,631</u>	<u>172,908</u>	<u>107,555</u>	<u>108,484</u>
EQUITY AND LIABILITIES				
Capital and Reserves				
Issued capital	18,685	18,685	18,685	18,685
Reserves	84,691	96,245	66,764	74,183
Equity attributable to owners				
of the company	103,376	114,930	85,449	92,868
Non-controlling interest	(5,026)	(4,328)	-	-
	<u>98,350</u>	<u>110,602</u>	<u>85,449</u>	<u>92,868</u>
LIABILITIES				
Current liabilities				
Trade and other payables	58,032	50,045	7,092	2,091
Amounts due to subsidiaries	-	-	15,014	13,525
Current tax payable	2,259	2,271	-	-
Borrowings	9,990	9,990	-	-
Contingent considerations	-	-	-	-
	<u>70,281</u>	<u>62,306</u>	<u>22,106</u>	<u>15,616</u>
Non-current liabilities				
Deferred tax liabilities	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total equity and liabilities	<u>168,631</u>	<u>172,908</u>	<u>107,555</u>	<u>108,484</u>

UNITED FOOD HOLDINGS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE TWELVE MONTHS ENDED 31 MARCH 2024

Group									
	Issued capital	Share premium	Contributed surplus	Accumulated losses	Exchange translation reserve	Capital redemption reserve	Non- controlling interest	Total	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 April 2023	18,685	58,276	397,141	(356,874)	(5,280)	2,982	(4,328)	110,602	
Transactions with the owners recognised directly in equity									
Issue of new shares	-	-	-	-	-	-	-	-	-
Acquisitions of subsidiaries	-	-	-	-	-	-	-	-	-
Total transactions with the owners recognised directly in equity	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period									
Profit/(loss) for the period	-	-	-	(12,049)	-	-	(782)	(12,831)	
Exchange differences on translation of financial statements of foreign operation	-	-	-	-	495	-	84	579	
Total comprehensive profit/(loss) for the period	-	-	-	(12,049)	495	-	(698)	(12,252)	
Balance at 31 March 2024	18,685	58,276	397,141	(368,923)	(4,785)	2,982	(5,026)	98,350	
	-								
Group									
	Issued capital	Share premium	Contributed surplus	Accumulated losses	Exchange translation reserve	Capital redemption reserve	Non- controlling interest	Total	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 April 2022	18,685	58,276	397,141	(346,738)	(7,270)	2,982	(2,847)	120,229	
Transactions with the owners recognised directly in equity									
Issue of new shares	-	-	-	-	-	-	-	-	-
Acquisitions of subsidiaries	-	-	-	-	-	-	-	-	-
Total transactions with the owners recognised directly in equity	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period									
Profit/(Loss) for the period	-	-	-	(10,136)	-	-	(1,012)	(11,148)	
Exchange differences on translation of financial statements of foreign operation	-	-	-	-	1,990	-	(469)	1,521	
Total comprehensive loss for the period	-	-	-	(10,136)	1,990	-	(1,481)	(9,627)	
Balance at 31 March 2023	18,685	58,276	397,141	(356,874)	(5,280)	2,982	(4,328)	110,602	

UNITED FOOD HOLDINGS LIMITED

Company								
		Issued capital	Share premium	Contributed surplus	Accumulated losses	Exchange translation reserve	Capital redemption reserve	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 April 2023		18,685	58,276	397,141	(377,953)	(6,263)	2,982	92,868
Transactions with the owners recognised directly in equity								
Issue of new shares		-	-	-	-	-	-	-
Acquisitions of subsidiaries		-	-	-	-	-	-	-
Total transactions with the owners recognised directly in equity		-	-	-	-	-	-	-
Total comprehensive income for the period								
Loss for the period		-	-	-	(8,080)	-	-	(8,080)
Exchange differences on translation of financial statements of foreign operation		-	-	-	-	661	-	661
Total comprehensive income for the period		-	-	-	(8,080)	661	-	(7,419)
Balance at 31 March 2024		18,685	58,276	397,141	(386,033)	(5,602)	2,982	85,449
								-
Company								
		Issued capital	Share premium	Contributed surplus	Accumulated losses	Exchange translation reserve	Capital redemption reserve	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 April 2022		18,685	58,276	397,141	(372,543)	(7,884)	2,982	96,657
Transactions with the owners recognised directly in equity								
Issue of new shares		-	-	-	-	-	-	-
Acquisitions of subsidiaries		-	-	-	-	-	-	-
Total transactions with the owners recognised directly in equity		-	-	-	-	-	-	-
Total comprehensive income for the period								
Profit for the period		-	-	-	(5,410)	-	-	(5,410)
Exchange differences on translation of financial statements of foreign operation		-	-	-	-	1,621	-	1,621
Total comprehensive loss for the period		-	-	-	(5,410)	1,621	-	(3,789)
Balance at 31 March 2023		18,685	58,276	397,141	(377,953)	(6,263)	2,982	92,868

UNITED FOOD HOLDINGS LIMITED

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE TWELVE MONTHS ENDED 31 MARCH 2024

	Group	
	12 months ended	
	31 March 2024	31 March 2023
	RMB'000	RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	(12,831)	(11,146)
Adjustments for:		
Amortisation of land use rights and intangible assets - patents	-	-
Depreciation of plant and equipment	707	903
Depreciation of right of use assets	1,146	1,146
Translation difference	909	1,959
Finance cost	955	344
Bank interest income	-	(7)
Cash flow used in operating activities before working capital changes	(9,114)	(6,801)
Change in inventories	-	69
Change in trade and other receivables	1,501	3,545
Change in trade and other payables	5,902	744
Cash used in operations	(1,711)	(2,443)
Tax paid	-	-
Net cash (used in) / generated from operating activities	(1,711)	(2,443)
CASH FLOWS FROM INVESTING ACTIVITIES		
Deposit for potential business acquisitions	-	-
Refund of deposit from potential business acquisitions	-	-
Interest received	-	7
Net cash generated from / (used in) investing activities	-	7
CASH FLOW FROM FINANCING ACTIVITIES		
Advance from (Repayment to) a shareholder	1,153	(730)
Repayment of bank loan - interest	(35)	(344)
Net cash (used in) / generated from financing activities	1,118	(1,074)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(593)	(3,510)
Exchange differences	-	-
Cash and cash equivalents at the beginning of period	1,328	4,838
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	735	1,328

UNITED FOOD HOLDINGS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CON'T)

1. Corporate information

United Food Holdings Limited (the “**Company**”) was incorporated in Bermuda on 14 August 2000 with limited liability under the Companies Act 1981 of Bermuda. The Company’s registered office is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business of the Group is located at 16F The Hong Kong Club Building, 3A Chater Road Central, Hong Kong.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are that of investment holding, trading of food products, additive related and animal feed/traditional medicine segment including L-Ascorbyl Palmitate or anti-oxidant manufactory machineries related selling.

These condensed interim financial statements as at and for the twelve months ended 31 March 2024 relate to the Company and its subsidiaries (collectively, the “**Group**”).

2. Summary of significant accounting policies

These condensed interim consolidated financial statements for the twelve months ended 31 March 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore.

The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with **SFRS(I)**s, except for the adoption of new and amended standards as set out in Note 2.1.

The financial statements are presented in RMB and all values are rounded to the nearest thousand (\$’000), except when otherwise indicated.

2.1 New and amended standards adopted by the Group

There are no new standards, amendments to standards and interpretations effective for annual periods beginning on or after 1 April 2022, which will result in significant impact on the condensed interim financial statements of the Group.

2.2 Use of estimates and judgments

In preparing the condensed interim financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as described in the last annual financial statements as at and for the year ended 31 March 2022.

2.3 Auditor’s review

The condensed financial statements presented have not been audited or reviewed by the Company’s auditor.

3. Seasonality of operations

The Group’s businesses are not affected significantly by seasonal or cyclical factors during the financial period.

UNITED FOOD HOLDINGS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CON'T)

4. Segment and revenue information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

The Board of Directors considers the business from a business segment perspective. Management manages and monitors the business in the three primary business segments: trading, additive related, animal feed/traditional medicine business.

	Trading	Additive related	Animal feed/ traditional medicine	Consolidated
	RMB'000	RMB'000	RMB'000	RMB'000
For the twelve months ended 31 March 2024				
Revenue				
Segment revenue to external parties	-	1,175	-	1,175
Segment gross profit/(loss)	-	698	-	698
For the twelve months ended 31 March 2023				
Revenue				
Segment revenue to external parties	-	1,243	70	1,313
Segment gross profit/(loss)	-	549	-3	546

(a) Reconciliation

A reconciliation of segment gross profit/(loss) to net profit/(loss) is as follows,	For the twelve months ended 31 March 2024	For the twelve months ended 31 March 2023
	RMB'000	RMB'000
Segment gross profit/(loss) for reportable segments	698	546
Other income, net	42	14
Selling and distribution costs	(199)	(219)
Administrative expenses	(12,399)	(11,143)
Finance expenses	(955)	(344)
Other expenses, net	(18)	-
Profit/(loss) before tax	(12,831)	(11,146)
Income tax expenses	-	(2)
Net profit/(loss) for the period	(12,831)	(11,148)

UNITED FOOD HOLDINGS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CON'T)

4. Segment and revenue information (con't)

(b) Geographical information

	Trading	Additive related	Animal feed/ traditional medicine	Consolidated
	RMB'000	RMB'000	RMB'000	RMB'000
For the twelve months ended 31 March 2024				
Geographical information:				
Mainland China	-	1,175	-	1,175
Hong Kong	-	-	-	-
	-	1,175	-	1,175
For the twelve months ended 31 March 2023				
Geographical information:				
Mainland China	-	1,243	70	1,313
Hong Kong	-	-	-	-
	-	1,243	70	1,313

The Group's property, plant and equipment are located mainly in China as at 31 March 2024.

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

5. Profit/(loss) before tax

	Group					
	3 months ended			12 months ended		
	31 March 2024	31 March 2023	Change	31 March 2024	31 March 2023	Change
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Profit/(loss) for the period	(1,992)	(1,135)	75.5	(12,831)	(11,148)	15.1
Other comprehensive income/(loss)						
Exchange differences on translation of financial statements of foreign operation	(197)	452	N/M	579	1,521	(61.9)
Total comprehensive profit/(loss) for the period	<u>(2,189)</u>	<u>(683)</u>	220.5	<u>(12,252)</u>	<u>(9,627)</u>	27.3
Attributable to :						
Owners of the Company	<u>(1,975)</u>	<u>(521)</u>	279.1	<u>(11,554)</u>	<u>(8,146)</u>	41.8
Non-controlling interest	<u>(214)</u>	<u>(162)</u>	32.1	<u>(698)</u>	<u>(1,481)</u>	(52.9)
The Group's profit before tax is arrived at after charging:						
	Group					
	3 months ended			12 months ended		
	31 March 2024	31 March 2023	Change	31 March 2024	31 March 2023	Change
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Depreciation of plant and equipment	167	226	(26.1)	707	903	(21.7)
Depreciation of right of use asset	286	286	0.0	1,146	1,146	0.0
Amortisation of intangible assets	-	-	N/M	-	-	N/M
Finance cost	<u>640</u>	<u>8</u>	7900.0	<u>955</u>	<u>344</u>	177.6

6. Taxation

The Group's calculation on the period income tax expense using tax rate that would be applicable to the expected total annual earnings, the major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group			
	3 months ended		12 months ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	RMB'000	RMB'000	RMB'000	RMB'000
Current income tax expenses	-	-	-	(2)

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

7. Earnings per share

	Group			
	3 months ended		12 months ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	RMB	RMB	RMB	RMB
PROFIT/(LOSS) PER ORDINARY SHARE				
(i) Based on weighted average number of ordinary shares in issue				
- For profit (loss) for the period	(0.01)	(0.01)	(0.06)	(0.05)
- For profit (loss) from continuing operations for the period	(0.01)	(0.01)	(0.06)	(0.05)
(ii) On a fully diluted basis				
- For profit (loss) for the period	(0.01)	(0.01)	(0.05)	(0.04)
- For profit (loss) from continuing operations for the period	(0.01)	(0.01)	(0.05)	(0.04)

8. Property, Plant and Equipment (“PPE”)

As at 31 March 2024, the Group’s PPE amounts to RMB0.5 million.

9. Borrowings

Amount repayable in one year or less

Group			
As at 31/3/2024		As at 31/3/2023	
Secured	Unsecured	Secured	Unsecured
RMB’000	RMB’000	RMB’000	RMB’000
9,990	-	9,990	-

The bank loan of RMB 9.99 million is secured by a charge on certain land use rights and building.

10. Share Capital

	Number of ordinary shares '000	Amount HK\$000
Group and Company		
Beginning and end of financial year 2024	187,902	18,790
Beginning and end of financial year 2023	187,902	18,790

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

There is no change in the Company's share capital during the twelve months ended 31 March 2024. The Company does not hold any treasury shares as at 31 March 2024 and 31 March 2023. The Company does not have any shares that issued on conversion of any outstanding convertibles as at 31 March 2024 and 31 March 2023.

11. Net Asset Value

	Group		Company	
	31/3/2024	31/3/2023	31/3/2024	31/3/2023
	RMB	RMB	RMB	RMB
NET ASSETS VALUE PER ORDINARY SHARE				
Net asset backing per ordinary share based on existing issued share capital as at the end of the period report on	0.55	0.61	0.45	0.49

12. Financial assets and financial liabilities

	Group		Company	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets				
Trade and other receivables	142,880	144,711	115	111
Amount due from subsidiaries	-	-	106,957	107,450
Cash and cash equivalents	735	1,328	474	914
Total undiscounted financial assets	143,615	146,039	107,546	108,475
Financial liabilities				
Trade and other payables	58,032	50,045	7,092	2,091
Amounts due to subsidiaries	-	-	15,014	13,525
Current tax payable	2,259	2,271	-	-
Borrowings	9,990	9,990	-	-
Total undiscounted financial liabilities	70,281	62,306	22,106	15,616

13. Related party transactions

The Group does not have any related party transaction during this period.

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

14. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

The Company has engaged KPMG Services Pte. Ltd. (“**KPMG**”) to perform the special audit and the Company is working towards completing the special audit by second half of 2024. The Company expects to convene the annual general meeting for the financial year ended 31 March 2023 by second half of 2024. The Company would also submit to SGX-ST afresh application for an extension of time to meet the requirements of Rule 1314 of the Listing Manual.

The Company and its subsidiaries, Shenzhen Baoyao Agricultural Products Ltd. and Brighten Ocean International Ltd. have engaged a legal counsel and entered into a deed of termination (“**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. (“**HBXR**”), (ii) 80% of the total equity interest in Chengde Purun Shengwu Zhiyao Co., Ltd. (“**CDPR**”) and (iii) 80% of the issued and paid-up share capital of Benchmark Trade Limited.

The Company has on 30 May 2023 announced the Termination. The Company will be applying for a waiver from compliance with Rules 1014(2) and 1014(5) of the Listing Manual of the SGX-ST subject to the receipt of the 1st Tranche of RMB2 million from the Vendors. The Group’s Non-Executive Chairman and controlling shareholder, Ms Song Yanan (“**Ms Song**”) is working on the Termination. Ms Song will update the Company to make the necessary announcement(s) as and when there is any material development.

a. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed.

b. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

a) Updates on the efforts taken to resolve each outstanding audit issue.

The auditors had issued a Disclaimer of Opinion due to its inability to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements for FY2022. Full details of the Disclaimer of Opinion were released on 14 December 2023 to SGX-ST via SGXNet.

1. Veracity, existence and completeness of bank balances

- i. Inability to obtain bank confirmation and bank statements
- ii. Veracity of the bank statements and bank balance

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

Management has provided to the Board and the Audit Committee (“AC”) a notarized declaration in China dated 14 October 2020 by its employees that they had obtained directly from the bank the above bank statements. In addition, the Board and the AC have noted that these local or rural bank accounts had been closed and are now opened with a state-owned bank, China Construction Bank, which showed an account balance of RMB 24.0 million based on the bank statement as at 27 July 2020.

The Company has appointed KPMG as special auditor following the approval obtained from SGX-ST for the aforesaid appointment on 14 December 2021. The special audit is currently in progress and is targeted to be completed by second half of 2024.

2. Acquisition of 80% shareholding interests in the Target companies

- (a) Profit Warranty
- (b) Valuation of contingent consideration for the Acquisition

The Company and its subsidiaries, Shenzhen Baoyao Agricultural Products Ltd. and Brighten Ocean International Ltd. have engaged a legal counsel and entered into a deed of termination (“**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 HBXR, (ii) 80% of the total equity interest in C DPR and (iii) 80% of the issued and paid-up share capital of Benchmark Trade Limited.

The Company has on 30 May 2023 announced the Termination. The Company will be applying for a waiver from compliance with Rules 1014(2) and 1014(5) of the Listing Manual of the SGX-ST subject to the receipt of the 1st Tranche of RMB2 million from the Vendors. The Group’s Non-Executive Chairman and controlling shareholder, Ms Song is working on the Termination. Ms Song will update the Company to make the necessary announcement(s) as and when there is any material development.

3. Sales and Purchases – Kangweijian (“KWJ”) and Zhongfan

Zhongfan is an equipment provider and has been providing the Group with corresponding equipment customization, installation, maintenance and other services. The LAP equipment sold to the Group’s downstream companies is mainly provided by Zhongfan.

Based on the sales secured so far, the equipment of the downstream manufacturers could not be arranged in time as a result of some parts of the equipment assembly could not be imported from overseas, hence the order and delivery could not be fulfilled. To address this issue, the Group widened its geographic scope to work with multiple downstream industrial countries including Europe and India. The Group has identified Zhongfan as its downstream strategic partner for the sale of LAP equipment in 2021. Zhongfan will consolidate the components.

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

Zhongfan is one of the Group's equipment suppliers. The revenue stream of the Group was mainly selling customized equipment to the customer. In order for Zhongfan to provide the corresponding equipment, the Group would need to pay them in advance. These funds were mainly from the operating capital.

HBXR had signed a total 5 purchase contracts with Zhongfan, and prepaid RMB49 million for the purchase. The equipment includes a special tank for production, an evaporator, fully automatic vertical scraper centrifuge for filtering products, two in one washing and filtering, rake vacuum dryer for drying products, and the expansion of the food additive production line of KWJ installation items, etc. HBXR began to order the corresponding equipment from Zhongfan in 3Q 2020.

HBXR had entered into 3 sales contracts with KWJ for RMB77 million. The products sold include special tanks for production, evaporators, fully automatic vertical scraper centrifuges for filtration, two in one washing and filtration, rake vacuum dryer used and the expansion and installation project of the food additive production line of KWJ, etc. HBXR will provide project management expertise, production installation expertise and use of its patent for the sales contracts. The production of LAP equipment would be assembled in China which required special environment and technical know-how, which KWJ has the capability and capacity.

The annual report for FY2022 of the Company have been finalized and the accounting entries of Zhongfan have been properly recorded after the completion of the delivery to KWJ. The claims and debts have been transferred to KWJ in FY2023. Please refer to the announcement "Debt Restructuring Framework – update on HBXR's trade receivables owing by Kangweijian" released on 27 November 2023 for more details.

4. Recoverability of deposits paid to Shenzhen Shareihome Technology Co., Ltd. ("SST")

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 audit.

In general, the basic data for the valuation assessment had been collected and is at the stage of data verification.

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

Subject to the satisfaction of the due diligence exercise to be carried 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 AC has instructed for the immediate refund of the SST deposit given the expiry of the long stop date. The AC has also yet to receive any draft reports from the respective Professionals. Ms Song is working on the transaction and will update the Company to make the necessary announcement(s) as and when there is any material development.

5. Impairment assessment of non-current assets of the Group
Additives segment
Animal Feed and traditional medicine

The impairment was based on the valuation report provided by the valuer, Ascent Partners. The valuation on the non-current assets of the Group was conducted in accordance with the requirements of the audit procedures.

The reported low revenue of the entities to be valued is mainly due to the pandemic impact and the lack of gas supply, which has been taken into consideration in the valuation, with very low projected production outputs in the first forecasted year and gradually increase in production outputs in the subsequent forecasted years as well as a high company specific risk premium added in the discount rate to account for the uncertainty. For the gas supply issue, Ascent Partners have obtained the official public notice in August 2020 from the local authority which had indicated an expected gas resumption in October 2020. Management and valuer had relied on this date as basis for their forecast going forward.

The goodwill related to Really Time Trading Limited ("RTTL") was formed due to the consideration paid was greater than the net value at the time of acquisition. RTTL had provided profit guarantee and had achieved the profit guarantee within the two years. As such, the numbers on the books were just historical records.

6. Impairment of trade receivables

Trade Receivables by RTTL

RTTL is actively making efforts to collect the outstanding receivables and has recovered more than HKD9.45 million as of 31 March 2022. The AC has instructed to seek legal recourse against RTTL customers for payment based on the purchase contracts. Ms Song is working on the RTTL transaction and will update the Company to make the necessary announcement(s) as and where there is any material development.

The Company expects to recover the remaining outstanding receivables from Shenzhen Huipusen Logistics Supply Chain Co., Ltd by Q4 of 2024.

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

The AC has instructed for the recovery of the Shenzhen Huipusen Logistics Supply Chain Co through appropriate legal recourse. Ms Song is working on the Shenzhen Huipusen Logistics Supply Chain Co transaction and will update the Company to make the necessary announcement(s) as and when there is any material development.

Trade Receivables by KWJ

Please refer to the announcement “Debt Restructuring Framework – update on HBXR’s trade receivables owing by Kangweijian” released on 27 November 2023 for more details.

7. Going concern – Limitation of scope and fundamental uncertainty relating to the going concern basis

Despite the Group has net tangible assets of RMB 117.2 million (FY2021: RMB 121.3 million) and the current assets exceeded the current liabilities by RMB 93.2 million (FY2021: RMB 96.3 million), the Group reported profit before taxation of RMB 0.6 million (2021: loss before taxation of RMB 70.5 million) for the financial year ended 31 March 2022 and recorded cash generated from operating activities of RMB 3.5 million (2021: cash used in operating activities of RMB 58.3 million).

Notwithstanding the matters referred below, the management of the Company are of the opinion that the going concern is appropriate:

- (a) The impact on the contingent consideration recognised as income and the effect on profit warranty;
- (b) Lack of supply of natural gas for the use of production by the respective entity, HBXR and CDPR;
- (c) The impact on the sanctions imposed by the authority to cease production by HBXR and CDPR; and
- (d) No new business ventures were identified in the future period.

According to management, they believe that there is reasonable ground that the deposits of RMB 81.7 million can be recoverable and that the trade receivable of RMB 58.3 million is collectable to meet the future cashflows needs. Efforts are continuously met to identify new business opportunity given the challenging condition placed by HBXR. Where possible, new external borrowings will be sought by the Group.

The Company would endeavor to continue addressing the outstanding audit matters. Further, the Group’s Chairwoman and controlling shareholder, Ms Song has indicated to the Board that she will continue to support the Group’s working capital requirement until 4 August 2025. Ms Song has provided working capital funding equivalent to RMB1.2 million in February 2024 and a further RMB0.7 million by the end of May 2024. Ms Song has provided working capital funding of RMB3.0 million in total by the end of May 2024 and will provide financial support to the Company on a need basis.

The AC has instructed for (1) the immediate refund of the SST deposit given the expiry of the long stop date, and (2) Ms Song to provide an immediate RMB5 million by end February 2024 to support short-term working capital. Ms Song has agreed to provide the funding in February 2024. Ms Song is

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

working on these transactions and will update the Company to make the necessary announcement(s) as and when there is any material development.

- b) Confirmation from the Board that the impact of all outstanding audit issues in the financial statements have been adequately disclosed.

The Board confirmed that the impact of all outstanding audit issues in the financial statements have been adequately disclosed.

- c. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -**

- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Condensed Interim Consolidated Statement of Comprehensive Income

Revenue

The Group recorded revenue of RMB0.29 million in the fourth quarter ended 31 March 2024 (“4Q2024”) compared to RMB0.33 million in 4Q2023, representing a decrease of 9.5%. The revenue of RMB0.29 million was mainly the technical service provided from the Group's Additives Related Segment.

The Group recorded revenue of RMB1.2 million for the year ended 31 March 2024 (“FY2024”) compared to RMB1.3 million in FY2023, representing a decrease of 10.5%. The revenue of RMB1.2 million was mainly from the Group's Additives Related Segment.

Gross profit

The Group recorded a gross profit margin of 52.7% for the continuing operations in 4Q2024 which was mainly contributed by Additive Related Segment.

The Group recorded a gross profit margin of 59.4% for the continuing operations in FY2024 which was mainly contributed by Additive Related Segment.

Other income

Other income of RMB42, 000 was recorded in FY2024 comprised mainly rent received and public subsidy.

Administrative expenses

Administrative expenses of RMB12.4 million was recorded in FY2024 compared to RMB11.1 million in FY2023, representing an increase of 11.3%. The increase was mainly due to professional fees and salary expenses accrued at the end of the year.

Condensed Interim Statements of Financial Position

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

PPE, land use rights, intangible assets-patents

The decrease in PPE, land use rights and intangible assets was mainly attributable to depreciation and amortization charges, which were derived based on the closing balance of the audited financial statements as of 31 March 2022.

Goodwill

Goodwill is from the acquisition of Really Time Trading Limited, which was completed in August 2017.

Goodwill of RMB3.0 million was derived based on the closing balance of the audited financial statements as of 31 March 2022.

Trade and other receivables.

Trade receivables were mainly the receivables of Really Time Trading Limited and HBXR

Other receivables include deposits paid to the vendors of potential acquisition projects amounting to RMB85.0 million, which will become part of the consideration after the completion of the acquisitions and/or refundable after the cancellation of the acquisitions.

The details of trade and other receivables as at 31 March 2024 were as follows:

Trade and other receivables	Amount (RMB)	Amount received as of 31 March 2024	Nature of underlying Transactions	Repayment Status
HBXR's trade receivables-康维健	42,874,000	RMB4,669,500	Provision of services and supplies in the Group's Additives Related Segment.	Please refer to the announcement "Debt Restructuring Framework – update on HBXR's trade receivables owing by Kangweijian" released on 27 November 2023 for more details.
HBXR's trade receivables-德福实业	5,727,000	-	FY2022 adjustment	
Really time's trade receivables	4,153,000	HKD2,400,000	-	-
Sundry trade receivables	556,000	-	-	-
SST	85,000,000	-	The amount of RMB85.0 million comprised of RMB35.0 million refundable deposit for investment in SST and RMB50.0 million interest free loan. The holding company of SST is Shenzhen Taifeng Technology Co., Ltd. which held by Tomobo Intelligence	The AC has unanimously instructed for the refund of the SST deposit given the expiry of the long stop date. Ms Song is working on the SST transaction and will update the Company to make the necessary announcement(s) as and when there is any material development.

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

			Technology Co. Limited. The legal representative of SST is Lou Jin.	
CDPR's other receivables	2,379,000	-	-	-
HBXR's other receivables	1,267,000	-	-	-
Sundry other receivables	924,000	-	-	-
Total	142,880,000			

Non-controlling interest.

Non-controlling interest comprises minority shareholder interests from RTTL, HBXR, CDPR and Benchmark.

Trade and other payables

The trade payables were mainly from trading segment and other payables were mainly the other payables from subsidiaries of the acquisition of HBXR, and CDPR. Also included in other payable was a cash purchase consideration from acquisition of new subsidiaries of RMB10 million which have not been paid as at 31 March 2024.

The details of trade and other payables as at 31 March 2024 were as follows:

Trade and other payables	Amount (RMB)	Nature of underlying transactions	Related parties or not
Really time's trade payables	7,012,000	Operation	Not
Hebei project's trade payables	2,229,000	Operation	Not
Sundry trade payables	30,000	Operation	Not
Shareholder's loan	2,311,000	Operation	Yes
Hebei Acquisition payables	10,000,000	Operation	Not
CDPR's other payables	12,202,000	Operation	Not
HBXR's other payables	14,989,000	Operation	Not
Professional fees and salary expenses accrued	5,728,000	Operation	Not
Really time's other payable	1,814,000	Operation	Not
YR's other payables	764,000	Operation	Not
Sundry other payables	953,000	Operation	Not
Total	58,032,000		

Contingent considerations

Contingent considerations arose from the Acquisition which was completed in September 2018. The contingent consideration comprises the convertible bond to be issued which is contingent on the profit guarantee of the vendors. The contingent consideration is classified as financial liability measured at fair value, changes in fair value is recognized in profit and loss. In view of the unexpected COVID-19 outbreak, profit guarantee of the vendors for FY2023 might not be met.

No Bonds have been issued as of to date as the amount of Bonds to be issued varies or depends on the amount of profits that are generated by CDPR, HBXR and Benchmark under the profits warranty given by the vendors in the Sales and Purchase Agreement.

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

The Company and its subsidiaries, Shenzhen Baoyao Agricultural Products Ltd. and Brighten Ocean International Ltd. have engaged a legal counsel and 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 HBXR, (ii) 80% of the total equity interest in CDPR and (iii) 80% of the issued and paid-up share capital of Benchmark Trade Limited. Please refer to the announcement in relation to the Termination released on 30 May 2023 for more details.

The Company has on 30 May 2023 announced the Termination. The Company will be applying for a waiver from compliance with Rules 1014(2) and 1014(5) of the Listing Manual of the SGX-ST subject to the receipt of the 1st tranche of RMB2 million from the Vendors. Ms Song is working on the Termination and will update the Company to make the necessary announcement(s) as and when there is any material development.

Cash flow statement

Net cash flow of RMB0.6 million was used in FY2024, in which net cash of RMB1.7 million was used in operating activities and net cash of RMB1.1million was generated in financing activities. There were no investing activities in FY2024.

d. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has been previously disclosed to the shareholders.

e. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The prolonged COVID-19 outbreak has significant adverse impact on the Group's Trading Segment businesses and the Company has suspended this business segment since the end of 2019.

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. 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 announcements in accordance with the listing rules of the SGX-ST at the appropriate junctures.

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

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

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 HBXR, (ii) 80% of the total equity interest in CDPR and (iii) 80% of the issued and paid-up share capital of Benchmark Trade Limited. Please refer to the announcement in relation to the Termination released on 30 May 2023 for more details. The Company will be applying for a waiver from compliance with Rules 1014(2) and 1014(5) of the Listing Manual of the SGX-ST subject to the receipt of the 1st tranche of RMB2 million from the Vendors. Ms Song is working on the Termination and will update the Company to make the necessary announcement(s) as and when there is any material development.

Ms. Song has agreed to a debt restructuring framework and entered into a Quartet agreement with the related parties in connection with HBXR's trade receivables owing by Kangweijian. The details of the debt restructuring framework were released on 27 November 2023 to SGX-ST via SGXNet.

f. Dividends

(i) Current financial period reported on

Any dividend declared for the current financial period reported on?

No.

(ii) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(iii) Date payable

Not applicable.

(iv) Books closure date

Not applicable.

g. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared (recommended) for the twelve months ended 31 March 2024 as the Company is in an accumulated loss position and the available cash is required for working capital.

h. Interested person transaction disclosure

The Company does not have any Interested Person Transaction.

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

i. Confirmation pursuant to Rule 720(1) of the listing manual

The Board of Directors of United Food Holdings Limited hereby confirms that the undertakings from all its Directors and Executive Officers as required in the format as set out under Rule 720(1) of the Listing Manual were procured.

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- j. In the review of performance, the factors leading to any material changes in contribution to turnover and earnings by the business or geographical segments.**

Please refer to item c.

k. Analysis of Sales:

	31 March 2024 RMB'000	31 March 2023 RMB'000	% increase/ (decrease)
(a) Sales reported for first half year	587	661	(11.20)
(b) Operating profit/ loss after tax before deducting non-controlling interests reported for first half year	(9,322)	(8,834)	5.52
(c) Sales reported for second half year	588	652	(9.82)
(d) Operating profit/ loss after tax before deducting non-controlling interests reported for second half year	(3,509)	(2,314)	51.64

- l. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable.

- m. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director, CEO, or substantial shareholder of the issuer pursuant to the Rule 704(13) of the Listing Manual in the format below.**

Pursuant to Rule 704(13) of the Listing Manual of SGX-ST, the Group would like to confirm that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a Director, Chief Executive Officer or substantial shareholder of the Company.

- n. Disclosure pursuant to Rule 706A of the Listing Manual**

During the financial year ended 31 March 2024, the Group did not acquire or dispose shares in an entity which will result in that entity in becoming or ceasing to be, a subsidiary or associated company of the Group, or result in a change in the Group's shareholding percentage in a subsidiary or associated company since the end of the previous reporting period, up to 31 March 2024.

UNITED FOOD HOLDINGS LIMITED

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (Con't)

BY ORDER OF THE BOARD
UNITED FOOD HOLDINGS LIMITED

Song Yanan

Non-Executive Chairman

30 May 2024