UNITED FOOD HOLDINGS LIMITED
(Incorporated in Bermuda as an exempted company limited by shares)
(Company Registration Number: 28925)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST")

The Board of Directors (the **"Board"**) of United Food Holdings Limited (the **"Company",** and together with its subsidiaries, the **"Group**") refers to its announcements dated 4 June 2019 and 6 June 2019 in relation to the notification of inclusion on the Watch-list due to the Financial Entry Criteria and Minimum Trading Price (**"MTP"**) Entry Criteria pursuant to Listing Rule 1311 with effect from 6 June 2019 and regulatory announcement issued by Singapore Exchange Regulation on 11 May 2020 in relation to removal of MTP rule with effect from 1 June 2020.

Pursuant to Rule 1313(2) of the Listing Manual of the SGX-ST, the Company must, for the period in which it remains on the Watch-list, provide the market with a quarterly update on its efforts and the progress made in meeting the exit criterion of the Watch-list.

Update on Unaudited Financial Performance and Financial Position

The Group recorded revenue of RMB0.3 million in the fourth quarter ended 31 March 2023 ("**4Q2023**") compared to RMB55.2 million in 4Q2022, representing a decrease of 99.4%. The revenue of RMB0.3 million was mainly from the services and supplies in the Group's Additives Related Segment.

For more details on the results and financial position of the Group and of the Company, please refer to the unaudited financial statements announcement for 4Q2023 released via SGXNET on 30 May 2023.

Update on Future Direction and Other Material Development

The Company has engaged KPMG Services Pte. Ltd. to perform a special audit on the following matters:-

a) Veracity of transactions involving Hebei Xingrun Shengwu Keji Gufen Co., Ltd. and Chengde Purun Shengwu Zhiyao Co., Ltd.; and
b) Inconsistencies of bank balances with respect to Shenzhen Yi Kei Logistics Supply-Chain Ltd and Shenzhen Bao Yao Agricultural Products Ltd.

The special audit report was not able to be finalised by 31 October 2022 and the reason had been announced in the announcement dated 22 October 2022. The Company targets to complete and release the special audit via SGXNet by second quarter of 2023 and would submit an updated timeline to SGX-ST seeking approval for further extension of time to release the Company's special audit report.

The Company had on 20 June 2022 received an in-principal approval from SGX-ST on the extension of time to meet the Financial Exit Criteria for the removal from the Watch-list ("**Waiver**"), subject to the conditions of the Waiver to be fulfilled. Upon clearance of the special audit, the Company will submit afresh application for the Waiver to SGX-ST.

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 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., (ii) 80% of the total equity interest in Chengde Purun Shengwu Zhiyao Co., Ltd. and (iii) 80% of the issued and paid-up share capital of Benchmark Trade Limited. Please refer to the announcement in relation to the entry into the deed of termination released on 30 May 2023 for more details.

Save for the above, there are no other material developments that may have a significant impact on the financial position of the Group or any other updates on its future direction.

The Company will continue to make efforts and consider various options to meet the requirements of Rule 1314 of the SGX-ST's Listing Manual pursuant to the Financial Entry exit criteria and would update its shareholders in due course.

BY ORDER OF THE BOARD

Song Yanan
Non-Executive Chairman
30 May 2023