

Financial Statements and Related Announcement::Full Yearly Results

Issuer & Securities

Issuer/ Manager	UNITED FOOD HOLDINGS LIMITED
Securities	UNITED FOOD HOLDINGS LIMITED - BMG9232V2045 - AZR
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Announcement Details

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For Financial Period Ended	31/12/2017
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UNITED FOOD HOLDINGS LIMITED

Full Year Financial Statements And Dividend Announcement

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

The figures presented below have not been audited.

1(a) An income statement and a statement of comprehensive income, for the group together with a comparative statement for the corresponding period of the immediately preceding financial year

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2017

	Note	Group					
		3 months ended		Change %	12 months ended		Change %
		31/12/2017 RMB'000	31/12/2016 RMB'000		31/12/2017 RMB'000	31/12/2016 RMB'000	
CONTINUING OPERATIONS							
Revenue	(A)	10,192	-	N/M	34,932	-	N/M
Cost of sales		(9,299)	-	N/M	(33,463)	-	N/M
Gross profit / (loss)	(B)	893	-	N/M	1,469	-	N/M
Other income		10	-	N/M	10	-	N/M
Administrative expenses		(1,839)	(2,584)	(28.8)	(4,157)	(4,893)	(15.0)
Loss before tax from continuing operations		(936)	(2,584)	(63.8)	(2,678)	(4,893)	(45.3)
Income tax expenses		(317)	-	N/M	(393)	-	N/M
Loss for the year from continuing operations		(1,253)	(2,584)	(51.5)	(3,071)	(4,893)	(37.2)
DISCONTINUED OPERATION							
Loss for the year from a discontinued operation		(30,292)	(92,971)	(67.4)	(65,343)	(224,370)	(70.9)
Loss for the period		(31,545)	(95,555)	(67.0)	(68,414)	(229,263)	(70.2)
Attributable to :							
Owners of the Company		(31,716)	(95,555)	(66.8)	(68,635)	(229,263)	(70.1)
Non-controlling interest		171	-	N/M	221	-	N/M

LOSS PER SHARE

Note: For Notes (A) – (B), please refer to Item 8.

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

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2017**

The Group's loss before tax is arrived at after charging:

	Group					
	3 months ended			12 months ended		
	31/12/2017	31/12/2016	Change	31/12/2017	31/12/2016	Change
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Loss for the period	(31,545)	(95,555)	(67.0)	(68,414)	(229,263)	(70.2)
Other comprehensive income/(loss)						
Exchange differences on translation of financial statements of foreign operation	(1,349)	(82)	1545.1	(1,202)	(263)	357.0
Total comprehensive loss for the period	<u>(32,894)</u>	<u>(95,637)</u>	(65.6)	<u>(69,616)</u>	<u>(229,526)</u>	(69.7)
Attributable to :						
Owners of the Company	<u>(33,136)</u>	<u>(95,637)</u>	(65.4)	<u>(69,911)</u>	<u>(229,526)</u>	(69.5)
Non-controlling interest	<u>242</u>	<u>-</u>	N/M	<u>295</u>	<u>-</u>	N/M

The Group's loss before tax is arrived at after charging:

	Group					
	3 months ended			12 months ended		
	31/12/2017	31/12/2016	Change	31/12/2017	31/12/2016	Change
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Depreciation*	1,740	(9,377)	(81.4)	13,332	26,170	(49.1)
Amortisation of land use rights	848	649	30.7	6,638	7,719	(14.0)
Impairment loss for property, plant and equipment	11,925	51,547	(76.9)	11,925	51,547	(76.9)
Impairment loss for land use rights	9,019	-	N/M	9,019	-	N/M
Loss on sales of raw materials and consumables	-	14,096	N/M	-	14,096	N/M
Provision for litigation claim	-	11,557	N/M	-	11,557	N/M

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

**CONSOLIDATED AND COMPANY STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017**

	Note	Group		Company	
		31/12/2017 RMB'000	31/12/2016 RMB'000	31/12/2017 RMB'000	31/12/2016 RMB'000
ASSETS					
Non-current assets					
Investment in subsidiary		-	-	9	9
Property, plant and equipment	3	68,557	68,557	-	-
Land use rights		36,087	36,087	-	-
Goodwill	(C)	12,742	-	-	-
		<u>12,745</u>	<u>104,644</u>	<u>9</u>	<u>9</u>
Current assets					
Inventories	(D)	-	15,253	-	-
Trade receivables	(E)	11,695	-	-	-
Other receivables	(E)	60,107	75,273	106	-
Amount due from subsidiaries		-	-	43,630	-
Cash and cash equivalents		62,973	24,292	1,006	-
		<u>134,775</u>	<u>114,818</u>	<u>44,742</u>	<u>-</u>
Disposal group classified as held for sale		77,850	-	-	-
		<u>212,625</u>	<u>114,818</u>	<u>44,742</u>	<u>-</u>
Total assets		<u>225,370</u>	<u>219,462</u>	<u>44,751</u>	<u>9</u>
EQUITY AND LIABILITIES					
Capital and Reserves					
Issued capital		15,975	11,779	15,975	11,779
Reserves		169,292	190,474	14,106	(28,433)
Equity attributable to owners of the company		185,267	202,253	30,081	(16,654)
Non-controlling interest	(F)	1,109	-	-	-
		<u>186,376</u>	<u>202,253</u>	<u>30,081</u>	<u>(16,654)</u>
LIABILITIES					
Current liabilities					
Trade and other payables	(G)	25,147	4,588	1,131	1,947
Amounts due to subsidiaries		-	-	13,539	13,919
Amount due to a shareholder	(H)	321	1,064	-	797
Current tax payable		598	-	-	-
Provision	(I)	-	11,557	-	-
		<u>26,066</u>	<u>17,209</u>	<u>14,670</u>	<u>16,663</u>
Disposal group classified as held for sale		12,928	-	-	-
Total liabilities		<u>38,994</u>	<u>17,209</u>	<u>14,670</u>	<u>16,663</u>
Total equity and liabilities		<u>225,370</u>	<u>219,462</u>	<u>44,751</u>	<u>9</u>

Note: For Notes (C) to (I), please refer to Item 8.

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31/12/2017		As at 31/12/2016	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
N/A	321	N/A	1,064

Amount repayable after one year

As at 31/12/2017		As at 31/12/2016	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
N/A	N/A	N/A	N/A

Details of any collateral

N/A

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2017**

	<u>Group</u>	
	12 months ended	
	31/12/2017	31/12/2016
	RMB'000	RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax		
From continuing operations	(2,678)	(215,100)
From a discontinued operation	(65,343)	(14,163)
Adjustments for:		
Depreciation of property, plant and equipment	13,332	26,170
Amortisation of land use rights	6,638	7,719
Impairment loss on property, plant and equipment	11,925	51,547
Impairment loss on land use rights	9,019	-
Provision for claim	-	11,557
Translation differences	(1,115)	(367)
Bank interest income	(10)	(586)
Cash flow used in operating activities before working capital changes	<u>(28,232)</u>	<u>(133,223)</u>
Change in inventories	5,568	46,089
Change in trade and other receivables	28,145	(74,915)
Change in trade and other payables	1,225	1,330
Cash generated from (used in) operations	<u>6,706</u>	<u>(160,719)</u>
Interest received	10	586
Net cash generated from / (used in) operating activities	<u>6,716</u>	<u>(160,133)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash from acquisition of a subsidiary	<u>(15,849)</u>	-
Net cash used in investing activities	<u>(15,849)</u>	-
CASH FLOW FROM FINANCING ACTIVITIES		
Advance from a shareholder	-	1,064
Repayment of advance to a shareholder	(671)	-
Proceeds from issue of new shares	52,925	-
Net cash generated from financing activities	<u>52,254</u>	<u>1,064</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	43,121	(159,069)
Effect of exchange rate changes on balances hed in foreign currencies	(5)	104
Cash and cash equivalents at the beginning of year	24,292	183,257
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	<u>67,408</u>	<u>24,292</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group

	Issued capital RMB'000	Share premium RMB'000	Contributed surplus RMB'000	Accumulated losses RMB'000	Exchange translation reserve RMB'000	Statutory reserves RMB'000	Capital redemption reserve RMB'000	Non- controlling interest RMB'000	Total RMB'000
Balance at 1 January 2017	11,779	-	397,141	(229,263)	183	19,431	2,982	-	202,253
Transactions with the owners recognised directly in equity									
Issue of new shares	4,196	48,729	-	-	-	-	-	-	52,925
Acquisition of subsidiaries	-	-	-	-	-	-	-	814	814
Total transactions with the owners recognised directly in equity	4,196	48,729	-	-	-	-	-	814	53,739
Total comprehensive income for the period									
Loss for the period	-	-	-	(68,635)	-	-	-	221	(68,414)
Exchange differences on translation of financial statements of foreign operation	-	-	-	-	(1,276)	-	-	74	(1,202)
Total comprehensive loss for the period	-	-	-	(68,635)	(1,276)	-	-	295	(69,616)
Balance at 31 December 2017	15,975	48,729	397,141	(297,898)	(1,093)	19,431	2,982	1,109	186,376

Group

	Issued capital RMB'000	Share premium RMB'000	Contributed surplus RMB'000	Accumulated losses RMB'000	Exchange translation reserve RMB'000	Statutory reserves RMB'000	Capital redemption reserve RMB'000	Non- controlling interest RMB'000	Total RMB'000
Balance at 1 January 2016	294,465	509,919	-	(395,464)	446	19,431	2,982	-	431,779
Cancellation of shares arising from Capital Reduction	(282,686)		282,686						-
Share Premium Reduction and crediting to contributed surplus		(509,919)	509,919						-
Offset of credit arising from Capital Reorganisation against accumulated losses			(395,464)	395,464					-
Total comprehensive income for the period									
Loss for the period	-	-	-	(229,263)	-	-	-	-	(229,263)
Exchange differences on translation of financial statements of foreign operation	-	-	-	-	(263)	-	-	-	(263)
Total comprehensive loss for the period	-	-	-	(229,263)	(263)	-	-	-	(229,526)
Balance at 31 December 2016	11,779	-	397,141	(229,263)	183	19,431	2,982	-	202,253

Company

	Issued capital RMB'000	Share premium RMB'000	Contributed surplus RMB'000	Accumulated losses RMB'000	Exchange translation reserve RMB'000	Capital redemption reserve RMB'000	Total RMB'000
Balance at 1 January 2017	11,779	-	397,141	(427,148)	(1,408)	2,982	(16,654)
Transactions with the owners recognised directly in equity							
Issue of new shares	4,196	48,729	-	-	-	-	52,925
Acquisition of subsidiaries	-	-	-	-	-	-	-
Total transactions with the owners recognised directly in equity	4,196	48,729	-	-	-	-	52,925
Total comprehensive income for the period							
Loss for the period	-	-	-	(4,731)	-	-	(4,731)
Exchange differences on translation of financial statements of foreign operation	-	-	-	-	(1,459)	-	(1,459)
Total comprehensive loss for the period	-	-	-	(4,731)	(1,459)	-	(6,190)
Balance at 31 December 2017	15,975	48,729	397,141	(431,879)	(2,867)	2,982	30,081

Company

	Issued capital RMB'000	Share premium RMB'000	Contributed surplus RMB'000	Accumulated losses RMB'000	Exchange translation reserve RMB'000	Capital redemption reserve RMB'000	Total RMB'000
Balance at 1 January 2016	294,465	509,919	-	(817,719)	446	2,982	(9,907)
Cancellation of shares arising from Capital Reduction	(282,686)		282,686				-
Share Premium Reduction and crediting to contributed surplus		(509,919)	509,919				-
Offset of credit arising from Capital Reorganisation against accumulated losses			(395,464)	395,464			-
Total comprehensive income for the period							
Loss for the period	-	-	-	(4,893)	-	-	(4,893)
Exchange differences on translation of financial statements of foreign operation	-	-	-	-	(1,854)	-	(1,854)
Total comprehensive loss for the period	-	-	-	(4,893)	(1,854)	-	(6,747)
Balance at 31 December 2016	11,779	-	397,141	(427,148)	(1,408)	2,982	(16,654)

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the year ended 31 December 2017, the Company issued and allotted 47,820,516 shares for cash with net proceeds of HK\$52,925,000 and recorded RMB48,729,000 within share premium.

There were no treasury shares and subsidiary holdings. The Company does not have any shares that may be issued on conversion of any outstanding convertibles as at 31 December 2017 and 31 December 2016.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Issued and fully paid:

At 1 January 2017	110,080,868
Issue of new shares - 20 February 2017	22,016,173
Issue of new shares - 22 August 2017	25,804,343
At 31 December 2017	<u>157,901,384</u>

The Company did not hold any treasury shares as at 31 December 2017 and 31 December 2016.

1(d)(iv) A statement showing all sales, transfer, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

N/A

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

N/A

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited nor reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

N/A

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has applied the same accounting policies and methods of computation in the preparation of the consolidated financial statements for the current reporting period compared with the audited financial statements as at 31 December 2016.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The adoption of the new or revised IFRS that are mandatory for financial year beginning on or after 1 January 2017, and such adoption has no significant impact on the Group's consolidated financial statements.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	31/12/2017 RMB	31/12/2016 RMB	31/12/2017 RMB	31/12/2016 RMB
LOSS PER ORDINARY SHARE				
(i) Based on weighted average number of ordinary shares in				
- For loss for the period	(0.20)	(0.87)	(0.44)	(2.08)
- For loss from continuing operations for the period	(0.01)	(0.02)	(0.02)	(0.04)
(ii) On a fully diluted basis				
- For loss for the period	(0.20)	(0.87)	(0.44)	(2.08)
- For loss from continuing operations for the period	(0.01)	(0.02)	(0.02)	(0.04)

(i) Loss per ordinary share on the existing issued share capital is computed based on the weighted average number of shares in issue during three and twelve months ended 31 December 2017 of 157,901,384 and 157,342,671 shares (three and twelve months ended 31 December 2016 of 110,080,868 and 110,080,868 shares).

(ii) There were no potential dilutive ordinary shares in existence for the three and twelve months ended 31 December 2017 and 31 December 2016, respectively and accordingly, no diluted loss per share has been presented.

7. Net asset value (for the issuer and group) per ordinary share based on the total number issued share excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	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	1.18	1.84	0.19	(0.15)

The net asset value for the Group and the Company per ordinary share were calculated based on 157,901,384 shares and 110,080,868 shares in issue as at 31 December 2017 and 31 December 2016, respectively.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Performance Review

(A) Revenue from continuing operations

The Group recorded revenue of RMB10.2 million in the Fourth quarter ended 31 December 2017 ("4Q2017") compared to RMB0 million in 4Q2016. The revenue of RMB10.2 million is from Trading Segment due to the acquisition of Really Time Trading Limited in August 2017.

The Group recorded revenue of RMB34.9 million in the year ended 31 December 2017 (FY2017) compared to RMB0 million in FY2016. The revenue of RMB34.9 is from Trading Segment due to the acquisition of Really Time Trading Limited in August 2017.

Revenue from discontinued operations

The Group's investments in Post-Ante Trading Limited, Globe Bright Limited, Linyi Shengquan Grease Co., Ltd ("SQ Grease") and Linyi Jiang Tian Trading Limited related to the soybean processing, feed production and pig rearing operating segments are classified as assets held for sale at 31 December 2017 as the Group has received approval at the Special General Meeting ("SGM") on March 29, 2018 to dispose of the operations.

Soybean Processing

The Group's Soybean Processing Segment recorded no revenue in FY2017 and FY2016, because this segment was suspended since 5 July 2015.

Feed Production

The Group's Feed Production Segment recorded RMB33.0 million in 4Q2017 compared to RMB36.4 million in 4Q2016. The 9.3% decrease in revenue was mainly due to the closure of one of our production centres since October 2016 and a decrease in the sales volume.

The Group's Feed Production Segment recorded RMB133.9 million in FY2017 compared to RMB265.7 million in FY2016.

(B) Gross profit

Gross profit from continuing operations

The Group recorded a gross profit margin of 4.2% for the continuing operations in FY2017 which was contributed by trading segment, which only commenced operations during the current financial year.

Gross profit from discontinued operations

The Group recorded a gross profit margin of 1.1% for the discontinued operations in FY2017 which was contributed by feed production segment compare to a gross loss margin of 26.7% in FY2016. The increase in gross profit is mainly due to an increase in selling prices of our animal feed products and a decrease in cost of goods sold of those products in FY2017.

(C) Goodwill

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

(D) Inventories

The decrease in inventories was due mainly to a decrease in inventory volume of our raw materials and finished goods.

(E) Trade receivables and Other receivables

Trade receivables is mainly the trade receivable of Really Time Trading Limited.

Other receivables included deposits paid to the vendors of two potential acquisition projects of RMB60.0 million paid in FY2016, which will become part of the consideration after the completion of the acquisition and/or refundable after the cancellation of the acquisitions. The potential acquisition projects have business operations which are similar in scope to the Group.

(F) Non-controlling interest

Non-controlling interest is the Minority shareholder interest from Really Time Trading Limited, the Group completed the acquisition of Really Time Trading Limited in August 2017.

(G) Trade and other payables

Trade payables is mainly the trade payables of Really Time Trading Limited. The increase in other payables, deposit received and accruals was due mainly to an increase in deposit received in 4Q2017.

(H) Amount due to a shareholder

Amount due to a shareholders are denominated in Hong Kong dollars, unsecured, non- interest bearing and repayable on demand.

(I) Provision

Provision included that for litigation claim amounting to RMB11.6 million, and it was made because the Group had closed one of our pig rearing centres in FY2014, and had faced a litigation dispute with regards to an equipment procurement contract. The court judgement in respect of this claim had been reached in the financial year 2016 in favour of the plaintiff. Even though the Group is deliberating on its available legal action(s), it has made a provision for litigation claim of RMB11.6 million to be prudent. This provision relates to discontinued operations.

(J) Cash flow statement

Net cash flow of RMB43.1 million was generated in 2017 mainly due to issuance of new shares.

(K) Legal and compliance risk identified

Following the closure of the soybean processing as a result of environmental enforcement by the government of the People's Republic of China ("PRC"), the Group realised the impact local regulations and standards had on the flexibility of its businesses and its ability to respond to changing market conditions. Accordingly, the Group is reviewing its cost and management structures to provide more flexibility.

The Group's management is dedicated to finding viable solutions to satisfy compliance requirements and mitigate compliance risks, in particular the risks associated with the Group's existing operations in Shandong, and the Group's exposure to potential claims or disputes in such a volatile period. With references made to the announcements made on 17 October 2017, 16 November 2017 and 24 November 2017 for the disposal of the aforementioned operations and affected business units and subsequently the disposal have been granted approval by the shareholders in the SGM held on 29 March 2018. Hence the Group has been able to mitigate the aforementioned compliance and legal risks and is in the process of completing the disposal.

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

The announcement is in line with the profit guidance announcement of 28 March 2018.

10. A commentary at the date of the announcement of the 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

With references made to the announcements made on 17 October 2017, 16 November 2017 and 24 November 2017 for disposal of the aforementioned operations and affected business units and subsequently the disposal have been granted approval by the shareholders at the SGM held on 29 March 2018. Hence the Group has been able to mitigate the aforementioned compliance and legal risks and is in the process of completing the disposal.

As announced on 5 October 2017, the Company is currently in the midst of an acquisition that focuses in the agribusiness and animal feed operations and are involved in the development, manufacture and sale of animal feed and animal feed-related products in People's Republic of China ("PRC"). The Target Companies also owns patents and conducts extensive research and development into bio-chemical related technologies, and the development, synthesis and sale of antioxidants.

This proposed acquisition together with the existing trading business of the Group will improve shareholder value for the Group in FY2018 and beyond. The circular for this acquisition is pending approval from SGX. However, with the official shares transfers process in PRC requiring approximately 3 months to complete, there is a risk for the acquisition of not completing due to the time constraint of the acquisition's long stop date being 30 June 2018. The Group's management is currently working diligently with the SGX to meet the deadline.

Moving forward, the Group concluded that the future pursuit of the Company would mainly aim at sustainable developments within the food industry, and to also achieve continuous ethical issues in maximizing on i) transparency ii) fairness iii) humanitarian iii) socially responsibility and iv) food safety and quality assurance.

11. Dividend

a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No

(c) Date Payable

N/A

(d) Books Closure Date

N/A

12. If no dividend has been declared/recommendeded, a statement to that effect

No dividend has been declared.

13. Confirmation that the issue has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

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.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

	Continuing operations						Discontinued operations						Consolidated			
	Trading		Others		Sub-total		Soybean processing		Feed production		Pig rearing				Sub-total	
	2017 RMB'000	2016 RMB'000	2017 RMB'000	2016 RMB'000	2017 RMB'000	2016 RMB'000	2017 RMB'000	2016 RMB'000	2017 RMB'000	2016 RMB'000	2017 RMB'000	2016 RMB'000	2017 RMB'000	2016 RMB'000	2017 RMB'000	2016 RMB'000
revenue																
external customers	34,932	-	-	-	34,932	-	-	-	133,940	265,744	-	-	133,940	265,744	168,872	265,744
Segment results	1,950	-	(4,964)	(4,893)	(3,014)	(4,893)	(18,484)	(34,983)	(6,012)	(78,942)	-	(14,163)	(24,496)	(128,088)	(27,510)	(132,981)
Reconciliations:																
Corporate and other unallocated income and expenses															(40,914)	(96,868)
Bank interest income															10	586
Loss for the year															<u>(68,414)</u>	<u>(229,263)</u>

Geographical information

Revenues	Group		
	2017 RMB'000	2016 RMB'000	Change %
Mainland China	133,940	265,744	(49.6)
Hong Kong	34,932	-	N/M
	<u>168,872</u>	<u>265,744</u>	(36.5)

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to Items 8 and 14.

16. Analysis of sales

	Group		
	2017 RMB'000	2016 RMB'000	Change %
(a) Revenue reported for 1st half year	-	-	N/M
(b) Operating loss after tax reported for 1st half year	(25,640)	(93,678)	(72.6)
(d) Revenue reported for 2nd half year	34,932	-	N/M
(e) Operating loss after tax reported for 2nd half year	(42,774)	(135,585)	(67.9)

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

N/A

18. **Aggregate Value Of Interested Person Transactions Entered Into For The Twelve Months Ended 31 December 2017**

Pursuant to Rule 920 of the SGX-ST's Listing Manual, details of the aggregate value of interested person transactions entered into for the twelve months ended 31 December 2017, were as follows: -

The Company does not have an IPT Mandate.

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Jiang Quan Hotel*	<p style="text-align: right;">RMB</p> Expenses paid in relation to catering and accommodation services provided by Jiang Quan Hotel <p style="text-align: right;">300,000</p>	Nil

* Jiang Quan Hotel is owned by the nephew of Mr Wang Tingbao, substantial shareholder of the Company.

19. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.**

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.

**BY ORDER OF THE BOARD
UNITED FOOD HOLDINGS LIMITED**

**Wu Xiaoran
Director
29 March 2018**