ZIXIN GROUP HOLDINGS
紫心集团控股

(formerly known as China Star Food Group)
(Incorporated in the Republic of Singapore with Unique Entity No.: 200718683N)
Website: **www.zixingroup.com.sg**
SGX stock code: **42W**

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED IN RESPECT OF NUTRYFARM INTERNATIONAL LIMITED'S "REGULATORY ACTIONS BY SGX" ANNOUNCEMENT DATED 16 JUNE 2023

Unless otherwise defined, all capitalised terms shall bear the same meanings ascribed to them in the Public Reprimand (as defined below).

The board of directors (the "**Board**" or the "**Directors**") of Zixin Group Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcement of NutryFarm International Limited dated 16 June 2023 entitled "Regulatory Actions by SGX" (the "**Public Reprimand**").

The Company has through its continuing sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"), received queries from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 21 June 2023 in relation to the Public Reprimand.

The queries raised by the SGX-ST, as well as the Company's responses are set out below.

Q1. In the Public Reprimand, Mr. Ng Poh Khoon Jimmy, being one of the former Non-Executive and Non-Independent Directors of Nutryfarm International Limited ("Nutryfarm"), was publicly reprimanded for breaching Listing Rule 703(1)(b) read with paragraph 4 of Appendix 7.1

Catalist Rule 720(1) provides that an issuer must also comply with Catalist Rule 406(3) on a continuing basis, which requires among others, a consideration of the character and integrity of directors and management. We note that Mr. Ng Poh Khoon Jimmy was appointed as Independent Director of the Company on 31 May 2018. As Mr. Ng Poh Kim Jimmy was named as one of the individuals publicly reprimanded due to his role as a former Non-Executive and Non-Independent Director of Nutryfarm, please provide the Nominating Committee's and Sponsor's assessment on his suitability to remain as one of the Independent Directors of the Company, including the factors considered.

Company's Response

The Company's Nominating Committee ("**NC**") and the Board have reviewed the Public Reprimand and have discussed the suitability of Mr. Ng Poh Khoon Jimmy ("**NPK**") to remain as the Non-Executive and Independent Director of the Company, including consideration of the requirements under the Catalist Rule 406(3). NPK has recused himself from these discussions in view of his involvement in this matter.

Following the review and discussions, the NC and the Board are of the view that NPK would be suitable to remain as the Non-Executive and Independent Director of the Company, in view of the following considerations:

(a) after further consultation with NPK, NPK has confirmed that the breach raised in the Public Reprimand was an one-off incident and that he has been and shall be more vigilant in fulfilling his duties as a director of the Company, in particular duties pertaining to disclosure of material information;

(b) having assessed NPK's performance for the financial years ended 31 March 2022 ("**FY2022**") and 31 March 2023 ("**FY2023**"), the Board and the NC are of the view that NPK has demonstrated commitment to his various roles, and has contributed to both the Board and the Company effectively. Aside from attending all Board, Audit Committee, Remuneration Committee and NC meetings in FY2022 and FY2023, NPK has also been proactive in his roles with the respective committees and as an Independent Director of the Company;

(c) the Board and the NC also note that the Public Reprimand did not require undertakings from NPK to cease holding directorships on the board of directors, or a role as a key executive officer of issuers whose securities are listed on the Mainboard or Catalist; and

(d) based on the aforesaid, the NC and the Board are of the view that NPK's ability to oversee or manage the Company has not been compromised, and that his character or integrity as the Non-Executive and Independent Director of the Company has not been impinged by reason of the breach as set out in the Public Reprimand.

Sponsor's Response

In assessing NPK's suitability to remain on the Board, the Sponsor has (a) held separate discussions with NPK to obtain his representations and explanations with regards to, among others the circumstances of and events leading up to the Public Reprimand; (b) in relation to the Company, considered NPK's conduct and contributions as a Non-Executive and Independent Director since the Sponsor was appointed as the Company's continuing sponsor with effect from 20 April 2019, including but not limited to NPK's consistent attendance at all Board meetings and meetings of Board committees (collectively, the "**Meetings**"), NPK's involvement and interactions with the Company and the Board during the various Meetings as well as through email communications pertaining to listing compliance matters of the Company; (c) noted that save for the Public Reprimand, no other enforcement actions were taken by SGX RegCo against NPK; and (d) conducted refreshed desktop public searches on NPK and noted that, save for the Public Reprimand, there were no other material negative findings in respect of NPK. Based on the aforementioned and having regard to the Remaining NC's assessment set out above, nothing has come to the Sponsor's attention that NPK is not suitable to remain as one of the Independent Directors of the Company.

The Company will continue to update shareholders on further material developments as and when appropriate.

By Order of the Board

Liang Chengwang
Executive Chairman and Chief Executive Officer

23 June 2023

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*This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. ("**Sponsor**") in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Mr Andrew Leo, Chief Executive Officer, at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.