ZIXIN GROUP HOLDINGS
紫心集团控股

(Incorporated in the Republic of Singapore with Unique Entity No.: 200718683N)
Website: www.zixingroup.com.sg
SGX stock code: 42W

Zixin Group forms Joint Venture Company with reputed Joint Venture Partners in Língāo County, Hainan Province

- **Joint venture company was incorporated with a registered paid-up capital of RMB 120 million for the primary purpose of the Revitalisation Project in Hainan Province, China**

  ☑ **CITIC Construction, being the key lead, holds 51%, while Hui Teng, Zixin Biotech, and Li Ao hold 44%, 3%, and 2% respectively**

- **Zixin Group believes its goodwill and ambition to generate healthier food sources, will also bring forth healthy growth for the organisation in the long term**

For Immediate Release

SINGAPORE, 3 July 2023 – Zixin Group Holdings Limited 紫心集团控股 ("**Zixin**" or the "**Company**" and together with its subsidiaries, the "**Zixin Group**"), a leading sweet potato biotech-focused value chain operator, refers to the press releases dated 3 October 2022(1) and 17 April 2023(2) regarding its participation in the rural revitalisation project in Língāo County, Hainan Province, China (the "**Revitalisation Project**").

(References: (1) CSFG Press Release – Participation in Rural Revitalisation Project https://links.sgx.com/1.0.0/corporate-announcements/0LF6A22UI45Q3E91/d125dac98b455a254bb457bee90f4daf25769a530027220d454f1c540364d6cd and (2) ZGH Press Release – Zixin Group and JV Partners commence Rural Revitalisation Project https://links.sgx.com/1.0.0/corporate-announcements/PPKGUBE3MUA6QJY8/7fd839975273388d9f1ec8718746795f8cce5ef952442f0f7fd36a89d05b3c49)

The Group wishes to update that its wholly-owned subsidiary, Fujian Zixin Biotechnological Potato Co., Ltd. 福建紫心生物薯业有限公司 ("**Zixin Biotech**"), and CITIC Construction Co., Ltd.中信建设有限责任公司 ("**CITIC Construction**"), Huiteng Xile Tourism and Culture Co., Ltd. 内蒙古辉腾锡勒旅游文化股份有限公司 ("**Hui Teng**") and Liao Ecological Technology Group Co., Ltd. 利奥生态科技集团有限公司 ("**Li Ao**") (collectively, the "**Joint Venture Partners**") have, on 26 June 2023, incorporated a joint venture company, Hainan Xinwei Land Development Co., Ltd 海南省信维全域土地投资开发有限公司 ("**Hainan Xinwei**") with a registered paid-up capital of RMB 120.0 million.

The capital contributed and the shareholding ascribed to the respective Joint Venture Partners in Hainan Xinwei are as follows:

Joint Venture Partners	Capital Contribution (RMB' million)	Shareholding in Hainan Xinwei
CITIC Construction	61.2	51%
Hui Teng	52.8	44%
Zixin Biotech	3.6	3%
Li Ao	2.4	2%
Total	**120.0**	**100%**

The incorporation of Hainan Xinwei forms part of the official agreement between the Língão People's Government 临高县人民政府 (the "**Língão Government**") and the Joint Venture Partners, where a deposit of RMB 20.0 million (equivalent to approximately S$3.9 million) will be held as a deposit and/or guarantee by the Língão Government for the Revitalisation Project during the agreed timeline of three (3) years.

The Revitalisation Project in Língão County which involves 12 administrative villages and covers 8,961.33 hectares (equivalent to approximately 89,613,300 square metres) is segregated into primary and secondary projects. The primary project focuses on land development with stipulated milestones to be completed within three (3) years, which will be carried out in phases to allow the secondary projects which involve agricultural and tourism activities to progress in tandem.

The Executive Chairman and Chief Executive Officer of Zixin Group, Mr. Liang Chengwang (梁承旺), said, "**With the lifting of the extremely strict Covid-19 restrictions in China earlier this year, coupled with the Chinese government's motivation to 'accelerate the construction of an agricultural power'[(3)], we are also accelerating our progress in tandem with our Joint Venture Partners as we prepare for the commencement of the secondary projects in the Revitalisation Project in Hainan Province. We are honoured to participate in the projects in Hainan Province, and we strive to contribute effectively to our country's mission in addressing food security.**

At Zixin Group, we will continue to harness our competencies in our biotech-focused sweet potato circular economy to bring quality and nutritional value to our lives through healthier food sources. We believe our goodwill and ambition to generate healthier food sources will also bring forth healthy growth to our organisation, as with every consumer."

(Reference: (3) International Poverty Reduction in China https://www.iprcc.org.cn/article/4BdUtWxl32D)

Further Announcements

The Company will make further update announcements on SGXNet in compliance with the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist as appropriate or when there are material developments in respect of the same.

Cautionary Note:

Shareholders and potential investors are advised to exercise caution when dealing with the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants, or other professional advisers before trading in or making any investment decision regarding the Company's shares.

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Zixin Group Holdings Limited 紫心集团控股

(Stock code – SGX: **42W** | Bloomberg: **ZXGH SP** | Reuters: **42W.SI**)

Zixin Group Holdings Limited (formerly known as China Star Food Group Limited) ("**Zixin**" or the "**Company**" and together with its subsidiaries, the "**Zixin Group**") is a leading sweet potato biotech-focused value chain operator in China. Through its wholly-owned subsidiaries, the Group harnesses its biotechnology capabilities to strengthen and support its core business areas: (a) **cultivation and supply** – (i) research and development on sweet potato varieties to cultivate own sweet potato seedlings, (ii) sweet potato cultivation techniques and solutions to improve the quality and yield for farmlands, and (iii) fresh sweet potato supply, (b) **product innovation and food production** – food processing techniques to maximise nutrient retention in proprietary branded products, (c) **brand building, marketing and distribution** – building of proprietary brands of healthier snacks through targeted marketing campaigns and various distribution platforms (traditional and e-commerce) throughout China, and (d) **recovery and recycling** – recovering nutritional content from sweet potato peels, and converting waste materials such as sweet potato peels, stems and leaves into main ingredients for poultry and animal feed. The Zixin Group will continue to reinforce its circular economy business model in these four main areas to further enhance their effectiveness.

The Zixin Group aims to be a leading sweet potato focused agritech operator globally, leveraging on smart ecological agriculture, utilising biotech throughout its value chain to produce quality sweet potato seedlings, healthier snack food and functional food, as well as deploying modern marketing and distribution methods such as online and retail e-commerce sales channels to complement its traditional wholesalers and distributors, to promote its proprietary brands for better market reach.

Please visit the Company's website at www.zixingroup.com.sg for more information.

Issued for and on behalf of **Zixin Group Holdings Limited** by:

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

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

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