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 to replicate integrated circular economy business model in Lánkǎo County, Kāifēng City, Hénán Province, China



- **Zixin Group has entered into a strategic collaboration agreement with the People's Government of Lánkǎo County, Hénán Province for a rural revitalisation initiative in Lánkǎo County, Kāifēng City, Hénán Province to drive economic developments and enhance the level of agricultural modernisation**
- **Zixin Group possesses a replicable template for the construction of its integrated circular economy business model, focusing on technological escalation for each business areas to improve quality, technology enhancement, productivity and generate accretive economic value across the industrial value chain sustainably for the long term**

For Immediate Release

SINGAPORE, 21 July 2023 – SGX Catalist listed **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, today announced that its wholly-owned subsidiary, Fujian Biotechnological Potato Co., Ltd. 福建紫心生物薯业有限公司 ("**Zixin Biotech**"), which primarily owns and operates the sweet potato industrial value chain in Liánchéng County, Fújiàn Province, had on 19 July 2023 entered into a strategic collaboration agreement with the People's

Government of Lánkǎo County, Hénán Province 河南省兰考县人民政府 for the rural revitalisation initiative in Lánkǎo County, Kāifēng City, Hénán Province, China (the "**Strategic Collaboration**")[(1)].

(Reference: (1) https://mp.weixin.qq.com/s/zRYGt9NAdvROzfgh-S1eNA)

The Strategic Collaboration

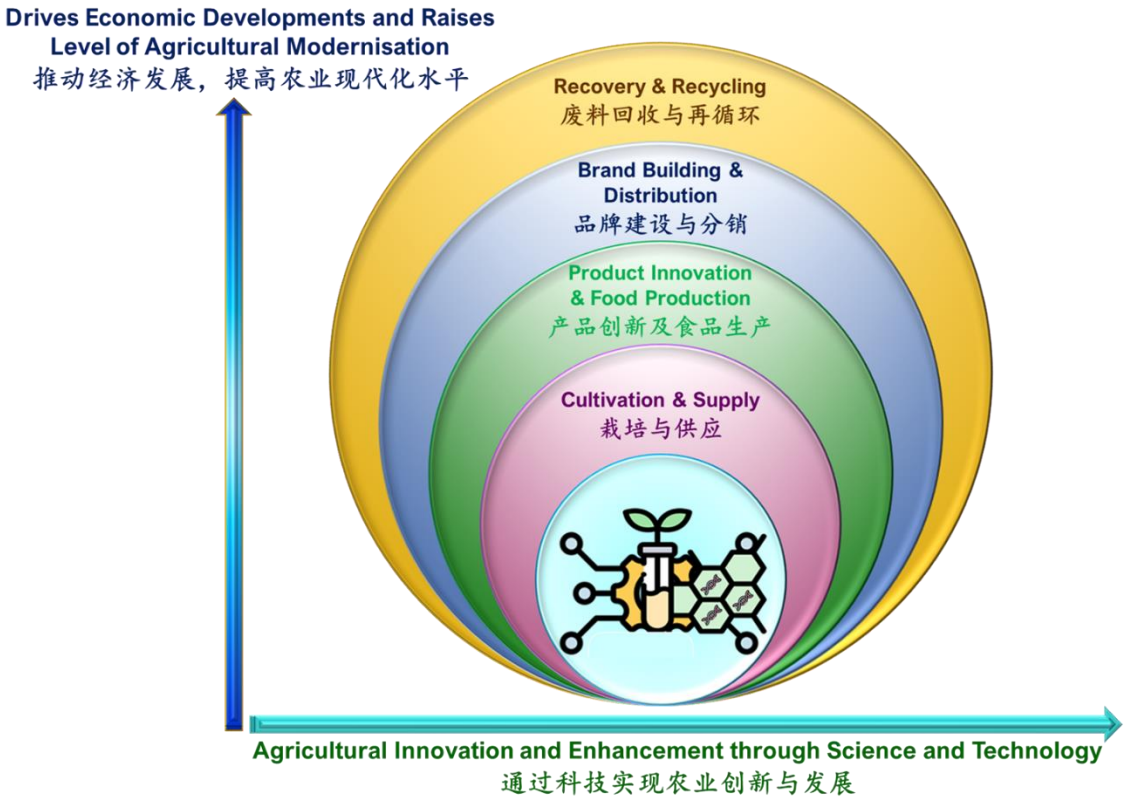
The objective of the Strategic Collaboration between the Lánkǎo County Government and Zixin Biotech is to construct a sustainable sweet potato integrated circular economy industrial value chain that drives economic developments, and enhances the level of agricultural modernisation, especially in the areas of product quality and technology enhancement, in Lánkǎo County, Kāifēng City, Hénán Province (the "**Hénán Rural Revitalisation Project**"). The Hénán Rural Revitalisation Project will mirror Zixin Group's established biotech-focused sweet potato circular economy business model in Liánchéng County, Fújiàn Province. This Strategic Collaboration is for five (5) years, starting from July 2023 to June 2028, and includes, among others, the progressive development of (i) a 10,000mu sweet potato model plantation, (ii) an innovation service centre, and (iii) an industrial operations and investment entity. Detailed discussion is currently underway and further details on the Strategic Collaboration will be announced by the Company in due course.

Commenting on the Strategic Collaboration, the Executive Chairman and Chief Executive Officer of Zixin Group, Mr. Liang Chengwang (梁承旺) said, "**Lánkǎo County will be the first place that we expand beyond our base in Liancheng County. We are appreciative of the opportunity to share our success of our biotech-focused sweet potato integrated circular economy business model with the local communities of Lánkǎo County, raising their level of agricultural modernisation, and thereby driving economic developments for the county.**

We possess a replicable template to construct our integrated sweet potato circular economy business model, focusing on technological escalation for each business area in tandem with the progress of the Hénán Rural Revitalisation Project, raising quality and productivity, technology enhancement, and generating accretive economic value across the industrial chain sustainably at the same time.

Beginning with cultivation and supply, where emphasis will be on soil improvement, cultivation techniques and solutions, as well as the suitable sweet potato varieties in order to improve the quality of sweet potatoes and yield from the farmland. As sweet potato

cultivation requires approximately 150 days to harvest, we will propose to grow an alternate crop on the same piece of farmland, which could potentially maximise the use of farmland and create additional income. Following the harvests, the farmers can sell their agricultural waste for recovery and recycling purposes, which could net a gain for them. Overall, the yield of the same piece of farmland will be raised through our integrated circular economy business model. This will assist the local farmers to achieve more sustainable and higher earnings, and thereby improve their living standards."



Zixin Group believes that the progression from a business area such as cultivation and supply to food production, is likely to attract companies related to the food manufacturing industry to Lánkǎo County in support of business expansion, and thereby drive economic growth. The economic value of Lánkǎo County will continue to grow in tandem as business activities push forward in the formation of the sweet potato industrial value chain with complementing industries.

Mr. Liang adds, "**The recent strategic collaboration with the Agricultural Genomics Institute at Shenzhen, which is held by the Chinese Academy of Agricultural Sciences, as well as our joint venture with Fujian Good Villa Agroecological Technology Co., Ltd, and AgSino China Digital Nutrition Technology (Shenzhen) Co., Ltd. will further strengthen our position in the sweet potato agricultural industry in China.[(2)] As our core biotech assets are enriched with a**

databank of genomics of sweet potato varieties, environmental and climate analysis, and digital agriculture solutions to address the suitability concerns of different agricultural regions in China, this could potentially accelerate Zixin Group's expansion with sustainable replication of our biotech-focused sweet potato circular economy business model throughout China. This in turn, could potentially address the increasing concerns over food security and animal feed security.[(3)]**"**

(References: (2) https://links.sgx.com/FileOpen/20230718-ZGH%20Strategic%20Collaboration%20and%20JV%20to%20Strengthen%20Core%20Biotech.ashx?App=Announcement&FileID=765678 and (3) https://www.channelnewsasia.com/world/black-sea-grain-deal-expire-russia-suspension-crimea-bridge-damage-3634216)

The Company will continue to update shareholders and the investing public on any material developments of the Group as and when they arise.

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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.

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, "**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. Zixin Group will continue to reinforce its circular economy business model in these four main areas to further enhance their effectiveness.

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 Zixin Group Holdings Limited (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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