

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**

Corporate Insights with Phillip Capital

与辉立资本的企业见解

14 August 2024

2024年8月14日

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Overview of Zixin Group
紫心集团概况

- **Zixin Group is a leading biotech-focused sweet potato integrated circular economy industrial value chain operator in China**
  紫心集团是中国一家领先的以生物科技为核心的甘薯综合产业价值链运营商
- **Listed on the Catalist of Singapore Exchange since April 2016**
  自2016年4月在新加坡交易所凯利板上市
- **Zixin Group harnesses its biotechnology capabilities to strengthen and support its core business areas:**
  紫心集团利用其生物科技能力来加强和支持其核心业务领域：
  - ➔ cultivation and supply
    栽培与供应
  - ➔ product innovation and food production
    产品创新及食品生产
  - ➔ brand building, marketing and distribution channel building
    品牌建设、营销和分销渠道建设
  - ➔ R&D on recovery and recycling
    回收与再循环研发

Core Biotech Competencies
核心生物技术能力

- Zixin Group's core proprietary biotech competencies developed through our wholly-owned subsidiary, Fujian Zixin Biotechnological Potato Co., Ltd. ("**Zixin Biotech**"), focus on the **research and development** ("**R&D**") **of extraction and production techniques to maximise the uses and applications of sweet potatoes in snack products and functional food products**, that offer health benefits beyond their nutritional value.

  紫心集团通过全资子公司福建紫心生物薯业有限公司（简称「**紫心生物**」）开发的核心专有生物科技能力，专注于**萃取和生产技术的研究与开发**（"研发"），以**最大限度地提高甘薯在休闲食品和功能性食品的用途和应用**，从而提供超出其营养价值的健康益处。

- These **R&D fundamentals drive the growth across Zixin Group's business operations**.

  这些**研发基础推动了紫心集团各业务板块的增长**。

Cultivation and Supply
栽培与供应

连城县地中宝现代农业发展有限公司
LIANCHENG DIZHONGBAO MODERN AGRICULTURAL DEVELOPMENT CO.,LTD.

- Zixin Group's wholly-owned subsidiary, Liancheng Dizhongbao Modern Agriculture Development Co., Ltd ("**Dizhongbao**"), supported through Zixin Biotech, focuses on (i) **sweet potato seedlings cultivation**; (ii) **farming solutions and techniques** through the provision of cultivation technical support and supply of dedicated agricultural materials including sweet potato seedlings and fertilizers; and (iii) **sales of fresh orange and purple sweet potatoes from our contracted farmlands** where we provided the seedlings, farming solutions and technical support.

  紫心集团的全资子公司连城县地中宝现代农业发展有限公司（简称「**地中宝**」）通过紫心生物提供支持，专注于（一）甘薯种苗培育；（二）通过提供种植技术支持和专用农用材料（包括甘薯秧苗和肥料），提供种植解决方案和技术指导；以及（三）从我们提供种苗、种植解决方案和技术支持的承包农田供应与销售新鲜的红薯和紫薯。

- Currently, Dizhongbao has a dedicated area of **300mu** (approximately 200,001m^2) for **seedlings cultivation**, to **satisfy the Group's contracted farmland of 8,268.6mu** (approximately 5,512,427.6m^2) through Cooperatives in Liancheng County and its vicinity for cultivation and production of our selected varieties of orange and purple sweet potatoes.

  目前，地中宝有300亩（约200,001平方米）专门用于种苗培育，以满足集团通过连城县及周边合作社承包的8,268.6亩（约5,512,427.6平方米）耕地，种植和生产我们选定的红薯和紫薯品种。

Cultivation and Supply
栽培与供应

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Product Innovation and Food Production
产品创新及食品生产

- Zixin Group's wholly-owned subsidiary, Fujian Zilaohu Food Co., Ltd. ("**Zilaohu**") focuses **on continuous innovation and production techniques of our mainstay sweet potato snack products, to keep abreast of consumers' preferences and production efficiency**.

  紫心集团的全资子公司福建紫老虎食品有限公司（简称「**紫老虎**」）专注于**甘薯休闲产品的持续创新和生产技术，以紧跟消费者的喜好并提高生产效率**。

- Investment in **R&D on the recipes as well as production techniques for higher nutritional value snack food and functional food products** to match consumer preferences and snack food trends in China and overseas.

  投资**研发营养价值更高的休闲食品和功能性食品的配方和生产技术**，以迎合国内外消费者的喜好和休闲食品的发展趋势。

- **Achieved a utilisation rate of 85%** of our current total annual snack product production capacity of approximately 13,440 tonnes in FY2024.

  在2024财年，我们目前约13, 440吨的休闲食产品**年总产能利用率达到85%**。

Product Innovation and Food Production
产品创新及食品生产

Our Product Ranges
我们的产品系列



01 Candied Fruit
蜜饯果脯



02 Fruits & Vegetables
蔬果系列



03 Bakery Products
烘培食品



04 Ready-to-eat
即食食品



05 Fresh Food Series
鲜食系列



06 Fruit Powder Series
果粉系列



07 Meal Replacement
代餐食品



08 Candy Series
糖果系列

Branding, Marketing, and Distribution Channel Building
品牌建设、营销和分销渠道建设

- The adoption of **e-commerce, online sales platforms, and video marketing strategies** such as "livestreaming" **complements our entrenched distribution network and channels**, providing our distributors and consumers with alternative options, and allowing us to **engage with our consumers through more targeted marketing campaigns and distribution channels**.

  通过电子商务、在线销售平台和视频营销战略（如“直播”）的采用，补充了我们固有的分销网络和渠道，为分销商和消费者提供了其他选择，也使我们能够通过更有针对性的营销活动和分销渠道与消费者互动。

- Committed to **expanding our distribution network to bring our patented fresh sweet potato varieties and high-nutrition sweet potato snack products** to more consumers in China and overseas.

  将继续致力于扩大我们的分销网络，将我们的专利新鲜甘薯品种和高营养甘薯休闲产品带给中国和海外更多的消费者。



Branding, Marketing, and Distribution Channel Building
品牌建设、营销和分销渠道建设













R&D on Recovery and Recycling
回收与再循环研发

- Fujian Zixin Fungal Biotechnology Co., Ltd. ("**Zixin Fungal Biotech**"), a wholly-owned subsidiary of Zixin Group, has been restructured to concentrate on the **R&D of potential uses of agricultural waste materials**, including sweet potato peels, stems, and leaves, to create **nutritious feed source for livestock and poultry**.

  福建紫草生物科技有限公司（简称「**紫草生物科技**」）是紫心集团的全资子公司，已进行重组，**专注于研发农业废料的潜在用途，包括甘薯皮、茎和叶，为牲畜和家禽提供营养饲料的原料**。

- As an integrated sweet potato industrial value chain operator, the **cost and effort** required to dispose of these agricultural waste materials are **likely to rise in tandem with the increase in cultivation base and volume of processed sweet potato snack products**.

  作为甘薯产业价值链的综合运营商，处理这些农业废料所需的**成本和工作量可能会随着种植基地和加工甘薯休闲食品数量的增加而增加**。

- Sweet potato probiotic-infused feed ingredients will **improve the digestive health of poultry and livestock, potentially increasing their survival rate and wellness**.

  添加了甘薯益生菌的饲料原料将**改善家禽和牲畜的消化系统健康，有可能提高它们的存活率和健康水平**。

Financial Performance
财务绩效

FYE 31 March (RMB'000) 截至3月31日财政年（人民币千元）	FY2024 2024财年	FY2023 2023财年	Variance (%) 差异
Revenue 收入	318,447	219,600	+ 45.0
Gross profit 毛利	101,871	59,219	+ 72.0
Gross margin 毛利率	32.0%	27.0%	+ 5.0 ppt
Profit / (Loss) before tax 税前盈利/(亏损)	21,465	(9,428)	n.m.
Net profit / (loss) after tax 税后净利/(亏损)	13,354	(14,190)	n.m.
Earnings per share (RMB cents)(1) 每股收益（人民币分）	0.97	(1.03)	n.m.

Note:

(1) Basic earnings per share was computed based on the weighted average number of approximately 1.4 billion shares for FY2024 and FY2023.
每股基本收益根据2024财年和2023财年约14亿股的加权平均数计算。

Financial Position Analysis
财务财务状况分析

As at 31 March (RMB'000) 截至3月31日（人民币千元）	2024	2023	Variance (%) 差异
Shareholders' equity ("NAV") **股东权益（净资产值）**	**513,932**	**499,921**	**+ 2.8**
Current assets **流动资产**	**275,463**	**285,629**	**(3.6)**
Cash and bank balances 现金和银行余额	156,151	205,496	(24.0)
Non-current assets **非流动资产**	**337,365**	**301,647**	**+ 11.8**
Non-current liabilities **非流动负债**	**6,499**	**2,986**	**+ 117.6**
Current liabilities **流动负债**	**92,397**	**84,369**	**+ 9.5**
Working capital (1) **营运资金**	**183,066**	**201,260**	**(9.0)**
NAV per share (2) (RMB cents) **每股资产净值（人民币 分）**	**37.14**	**36.13**	**+ 2.8**

Notes:

(1) Working capital was computed using current assets less current liabilities. 营运资金是用流动资产减去流动负债计算出来的。

(2) Net asset value per share was computed based on the number of approximately 1.4 billion shares as at 31 March 2024 and as at 31 March 2023. 每股净资产价值根据截至2024年3月31日和2023年3月31日的约14亿股数量计算。

Operational Highlights
运营亮点

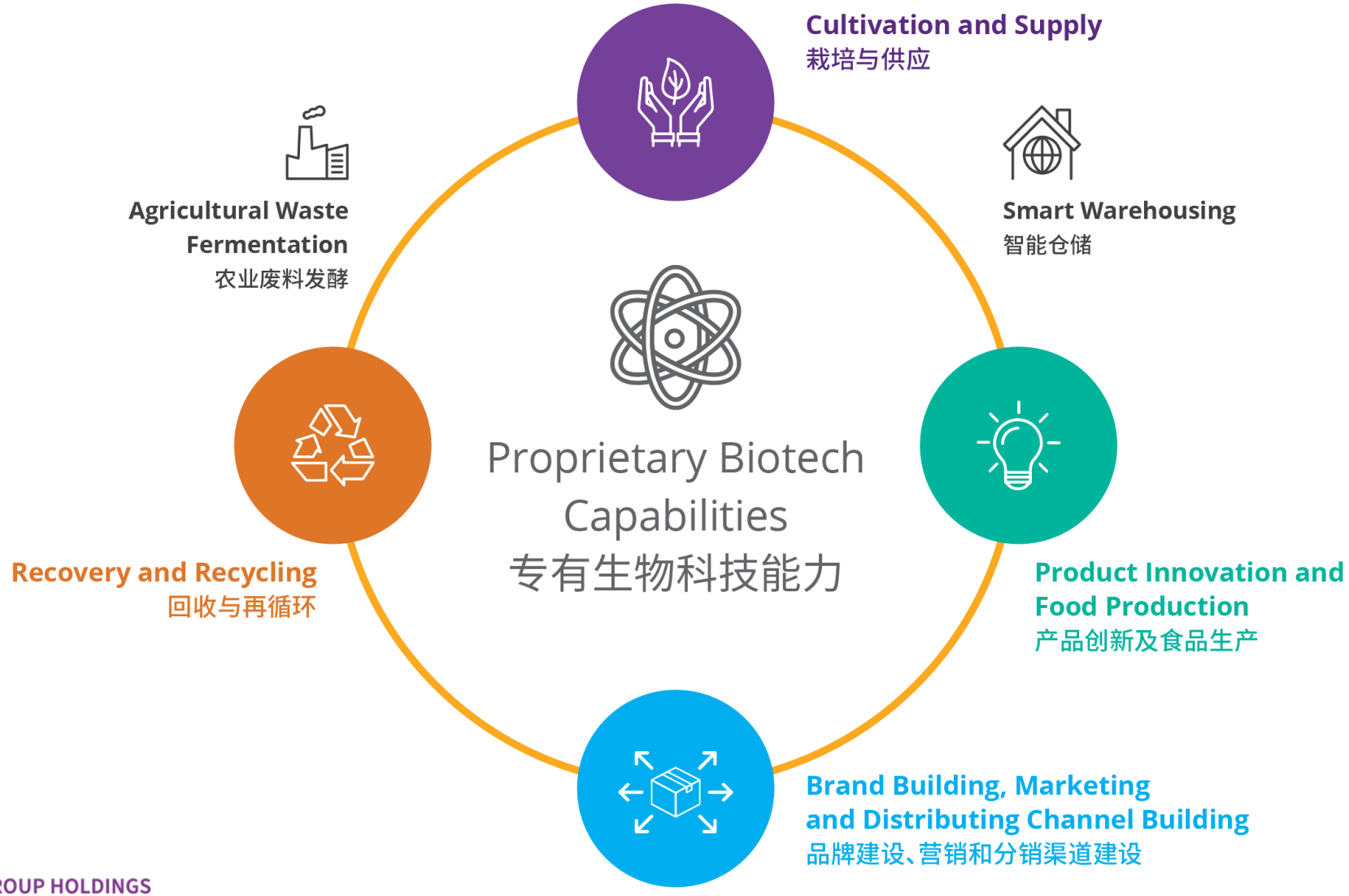
- **Zixin Group returned to profitability in 2H FY2024 and FY2024**
  紫心集团于2024财年下半年和2024财年回复盈利

- **Zixin Group is fine-tuning our integrated circular economy industrial value chain with the outsourced support of complementary industries such as smart warehousing and agricultural waste fermentation**
  紫心集团通过智能仓储、农业废料发酵等互补产业的外包支持，完善我们的综合循环经济产业价值链

- **Looking forward to monetise our innovation initiatives:**
  期待将我们的创新举措货币化
  - ➔ the high-tech manufacturing facility to commence production of functional food product using proprietary extraction and production techniques in phases starting at the end of September 2024
    该高科技制造工厂将从2024年9月底开始分阶段开始使用专有的提取和生产技术生产功能性食品
  - ➔ tests and feed trials are being conducted by feed manufacturers who use sweet potato probiotic-infused feed ingredients for poultry and livestock
    使用甘薯益生菌饲料配料饲养家禽和牲畜的饲料生产商正在进行测试和饲料试验

Zixin Group's Biotech-focused Sweet Potato Integrated Circular Economy Industrial Value Chain Business Model

紫心集团以生物科技为核心的甘薯综合循环经济产业价值链商业模式



Investment Merits
投资优势

1. **Outsourced smart warehousing to improve Zixin Group's front-end operational efficiency and reduce sweet potato spoilage**
   外包智能仓储提高紫心集团前端运营效率，减少甘薯变质

2. **Proprietary probiotic fermentation formulation for sweet potato agricultural waste materials is expected to provide an alternative choice for feed manufacturers(1)**
   针对甘薯农业废料的专有益生菌发酵配方有望为饲料生产商提供另一种选择

3. **Replicability of Zixin Group's biotech-focused sweet potato integrated circular economy industrial value chain business model in rural revitalization projects would be a major long-term growth driver**
   紫心集团以生物科技为核心的甘薯综合循环经济产业价值链商业模式在乡村振兴项目中的可复制性，将成为长期增长的主要驱动力

Note:

1. To the best of the Directors' knowledge, third-party feed manufacturers will seek necessary accreditation/approvals for such feeds that include sweet potato probiotic-infused feed ingredients recovered from sweet potato agricultural waste materials.
   据董事们所知，第三方饲料生产商将为包含从甘薯农业废料中回收的甘薯益生菌饲料成分的此类饲料寻求必要的认证/批准。

Our Ambition
我们的雄心壮志

Zixin Group's business model **addresses agricultural challenges and reduces risks.** We believe our sweet potato integrated industrial value chain is **able to address concerns about food safety, food security, and feed security**.

紫心集团的商业模式解决了农业挑战并降低了风险。我们相信，我们的甘薯综合产业价值链能够解决人们对食品安全、粮食安全和饲料安全的担忧。

Q&A Session
问答环节



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