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**

USE OF PROCEEDS FROM FY2022 PLACEMENT AND FY2024 RIGHTS CUM WARRANTS ISSUE

Unless otherwise defined, all capitalised terms shall bear the same meaning ascribed to them in the FY2024 Annual Report (as defined below).

1. 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:

   (a) the Company's announcements dated 21 September 2021, 23 September 2021, 14 October 2021, 29 October 2021, 10 November 2021 and 19 November 2021 in relation to the placement exercise that was completed by the Company on 19 November 2021 ("**FY2022 Placement**");

   (b) the Company's announcement dated 15 March 2024 in relation to the change in use of the proceeds from FY2022 Placement (the "**Change in Use of Proceeds Announcement**");

   (c) the Company's announcements dated 28 March 2024, 24 April 2024, 17 May 2024, 30 May 2024 and 24 June 2024 in relation to the issuance of 144,481,810 rights share with 577,927,240 free detachable warrants, in which the rights shares and warrants were duly issued on 21 June 2024 and 24 June 2024 respectively ("**FY2024 Rights Cum Warrants Issue**"); and

   (d) the Company's annual report for the financial year ended 31 March 2024 (the "**FY2024 Annual Report**") dated 15 July 2024, in which the Company provided the latest update on the utilisation of the Placement Net Cash Proceeds and the Rights Net Cash Proceeds.

2. The utilisation of the Placement Net Cash Proceeds as at the date of this announcement is set out as follows:

Intended Use of the Placement Net Cash Proceeds	**Balance brought forward from 15 July 2024 (S$'000)**	**Amount utilised as at the date of this announcement (S$'000)**	**Balance (S$'000)**
Renovation expenses, and acquisition of equipment and machinery for Fujian Zixin's new manufacturing facilities	6,592	4,752	1,840

3. The utilisation of the Rights Net Cash Proceeds as at the date of this announcement is set out as follows:

Intended Use of the Rights Net Cash Proceeds	Balance brought forward from 15 July 2024 (S$'000)	Amount utilised as at the date of this announcement (S$'000)	Balance (S$'000)
Expansion of the Group's business and operations in the People's Republic of China	1,262	-	1,262
General working capital for the Group's activities in Singapore and expansion of the Group's business and operations in Singapore[(1)]	525	525	-

Note:
(1) A breakdown of the amount utilised for the working capital of the Group is as follows:

	Working Capital (S$'000)
Summary of expenses	
Employee Benefit Expenses	345
Professional Fee	71
Administrative Expenses	70
Directors' Fee	39
Total	525

4. With reference to the Change in Use of Proceeds Announcement pertaining to the share capital of Fujian Zixin Biotechnological Potato Co., Ltd. ("**Fujian Zixin**"), and in furtherance to fund Fujian Zixin's renovation expenses and purchase of equipment and machinery for its new manufacturing facilities, the Company wishes to update the shareholders that:

   (a) the Company's application for the reduction of Fujian Zixin's authorised share capital from RMB 80,000,000 to RMB, 60,000,000 was approved on 22 March 2024; and

   (b) the Company has utilised the Placement Net Cash Proceeds to fulfil the remaining share capital requirement of Fujian Zixin, and the paid-up share capital of Fujian Zixin was increased from RMB 55,053,043 to RMB 60,000,000 on 15 August 2024.

5. The Company will continue to make periodic announcements as and when the balance of the Placement Net Cash Proceeds and the Rights Net Cash Proceeds are materially disbursed or utilised and will also provide a status report on the use of proceeds in the Company's interim and full year financial statements, as well as its annual report.

Liang Chengwang
Executive Chairman and Chief Executive Officer

25 October 2024

*This announcement has been prepared by the Company and reviewed by the Company's sponsor, RHB Bank Berhad (the "**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 assumes 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.

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