ZHONGXIN FRUIT AND JUICE LIMITED
(Company Registration No. 200208395H)
(Incorporated in the Republic of Singapore)

MATERIAL VARIANCES BETWEEN THE AUDITED FINANCIAL STATEMENTS AND THE UNAUDITED FINANCIAL RESULTS ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

The Board of Directors (the "**Board**") of Zhongxin Fruit and Juice Limited (the "**Company**" and together with its subsidiaries, collectively the "**Group**") refers to the unaudited financial results announcement for the financial year ended 30 June 2017 ("**FY2017**") released on 25 August 2017 via the SGXNET ("**Preliminary Unaudited Results**").

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Company wishes to inform that subsequent to the release of the Preliminary Unaudited Results, certain adjustments have been made to the Company's statement of financial position for the audited financial statements for FY2017 (the "**Audited Financial Statements**").

The adjustment made does not impact the Group's consolidated statement of profit or loss and other comprehensive income or statements of financial position.

The details and explanation of the adjustment are shown below:-

1. A statement of financial position (for the issuer), together with a comparative unaudited result.

	Company			
	Audited Financial Statements FY2017 RMB'000	Preliminary Unaudited Results FY2017 RMB'000	Variance RMB'000	Note
ASSETS				
Non-current Assets				
Investment in joint venture	10,451	-	10,451	1
Investment in subsidiaries	48,223	48,223	-	
Property, plant and equipment	2	2	-	
	58,676	48,225	10,451	1
Current Assets				
Cash and cash equivalents	6,230	6,230	-	
Receivable from subsidiaries	68,951	68,951	-	
	75,181	75,181	-	
Total Assets	**133,857**	**123,406**	10,451	1
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital	252,093	252,093	-	
Accumulated losses	(119,406)	(129,857)	10,451	1
Equity attributable to owners of the Company	**132,687**	**122,236**	10,451	1
Current Liabilities				
Trade and other payables	1,170	1,170	-	
	1,170	1,170	-	
Total Liabilities	**1,170**	**1,170**	-	
Total Equity and Liabilities	**133,857**	**123,406**	10,451	1

2. Net asset value (for the issuer) per ordinary shares based on the total number of issued shares excluding treasury shares of the issuer, together with a comparative unaudited result.

	Company		Variance	Note
	Audited Financial Statements FY2017	Preliminary Unaudited Results FY2017		
Net assets value ("NAV") (RMB'000)	132,687	122,236	10,451	1
Number of shares	1,055,459,201	1,055,459,201	-	
Net assets value per ordinary share based on total number of issued shares excluding treasury shares (RMB cents)	12.57	11.58	0.99	1

Explanatory Notes for the material variances:

1. The difference of RMB10.45 million is due to the reversal of allowance for impairment in respect of the Company's investment in its joint venture, Linyi SDIC Zhonglu Fruit Juice Co., Ltd (the "**Reversal**") (the "**Joint Venture**").

   Management has carried out a review of the recoverable amount of the investment in the Joint Venture, having regard to its existing and future performance. The Company had taken the initial view that no reversal of allowance for impairment was required on a prudent basis. However, after consultation with the external auditors, the Company had re-assessed that the allowance for impairment was no longer required, leading to the Reversal.

By Order of the Board

Zhang Jiming
Executive Chairman
10 October 2017

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**") for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.*

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

The contact person for the Sponsor is Mr. Lance Tan, Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, and E-mail: sponsorship@ppcf.com.sg).