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

VOLUNTARY DISCLOSURE – UPDATE ON COMPULSORY ACQUISITION OF A PORTION OF THE LAND OF XUZHOU ZHONGXIN FRUIT & JUICE COMPANY LIMITED BY THE COUNTY OF FENGXIAN

The Board of Directors (the "**Board**") of Zhongxin Fruit and Juice Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that a portion of the land and structure of its wholly-owned subsidiary, Xuzhou Zhongxin Fruit & Juice Company Limited ("**Xuzhou Zhongxin**"), (comprising 10,141.73 square meters of land and 306 square meters of structure, representing 6.67% of Xuzhou Zhongxin's total land area of 152,040 square meters) ("**Land Strip**") adjourning Baiyi river has been acquired by the county of Fengxian for the purpose of creating a garden belt for Baiyi river ("**Compulsory Acquisition**") pursuant to a Compulsory Acquisition Agreement (the "**Agreement**") entered into between Xuzhou Zhongxin and the relevant authority of Fengxian ("**Fengxian Authority**") on 17 October 2014. Fengxian Authority would compensate Xuzhou Zhongxin approximately RMB3.16 million in cash in relation to the Compulsory Acquisition.

The cash compensation was derived from arm's length negotiation between Xuzhou Zhongxin and Fengxian Authority as well as the valuation of the Land Strip commissioned on 10 June 2014 by Fengxian Authority that was carried out by Jiangsu Wangda Property Valuation Consulting Co., Ltd., (**"Jiangsu Wangda"**) with an appraised value of the Land Strip at approximately RMB2.53 million.

As at 30 June 2014, the book value of the Land Strip was approximately RMB0.57 million representing 0.87% of the Group's total net asset value of RMB65.39 million. On 7 July 2015, Fengxian Authority had disbursed RMB500,000 being the first partial payment of the compensation to Xuzhou Zhongxin.

The Land Strip is currently not in use and there is no plan on the use of the Land Strip. As such, there is no material impact on the operations and financials of the Group, save for a disposal gain arising from the Compulsory Acquisition for the financial year ending 30 June 2016.

None of the Directors and the controlling shareholders of the Company has any interest, direct or indirect, in the Compulsory Acquisition, save for their respective shareholdings in the Company.

By Order of the Board

Zhang Jiming
Executive Chairman
8 July 2015

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 Thomas Lam, Associate Director, Continuing Sponsorship, at16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.