



(Incorporated in the Republic of Singapore with Unique Entity No.: 200718683N)

Website: [www.zixingroup.com.sg](http://www.zixingroup.com.sg)

SGX stock code: **42W**

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**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SECOND HALF  
("2H FY2024")  
AND  
FINANCIAL YEAR ENDED 31 MARCH 2024  
("FY2024")**

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*This announcement has been prepared by Zixin Group Holdings Limited (the "**Company**") and together with its subsidiaries, the "**Group**") and reviewed by the Company's sponsor, RHB Bank Berhad, through its Singapore branch ("**Sponsor**") in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst (the "**Catalist Rules**").*

*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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## A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	Group					
		2H FY2024	2H FY2023	Change	FY2024	FY2023	Change
		Unaudited RMB'000	Audited RMB'000	%	Unaudited RMB'000	Audited RMB'000	%
<b>Revenue</b>	<b>4</b>	201,256	104,841	92.0	318,447	219,600	45.0
Cost of sales		(134,093)	(77,802)	72.4	(216,576)	(160,381)	35.0
Gross profit		67,163	27,039	148.4	101,871	59,219	72.0
Interest income		112	669	(83.8)	727	933	(22.1)
Other income		188	145	29.7	974	632	54.1
Marketing and distribution costs		(18,704)	(17,401)	7.5	(34,409)	(30,804)	11.7
Administrative expenses		(23,120)	(20,293)	13.9	(42,535)	(35,746)	19.0
Other operating expenses		(384)	(194)	97.9	(384)	(194)	97.9
Other losses		(856)	(250)	242.4	(2,456)	(1,599)	53.6
Finance costs		(1,247)	(1,015)	22.9	(2,323)	(1,869)	24.3
<b>Profit/(Loss) before income tax</b>	<b>5</b>	23,152	(11,300)	n.m.	21,465	(9,428)	n.m.
Income tax expenses	<b>6</b>	(6,395)	(2,927)	118.5	(8,111)	(4,762)	70.3
<b>Profit/(Loss) for the period/year, net of tax</b>		16,757	(14,227)	n.m.	13,354	(14,190)	n.m.
<b>Other comprehensive income/(loss):</b>							
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Exchange differences on translating foreign operations		(291)	(478)	39.1	657	106	519.8
<b>Total comprehensive income/(loss) for the period/year</b>		16,466	(14,705)	n.m.	14,011	(14,084)	n.m.

**Profit/(Loss) for the period/year, net of tax, attributable to:**

Owners of the Company	16,757	(14,227)	n.m.	13,354	(14,190)	n.m.
Non-controlling interests	–	–	n.m.	–	–	n.m.
Profit/(Loss) for the period/year	<u>16,757</u>	<u>(14,227)</u>	n.m.	<u>13,354</u>	<u>(14,190)</u>	n.m.

**Total comprehensive income/(loss) for the period/year, attributable to:**

Owners of the Company	16,466	(14,705)	n.m.	14,011	(14,084)	n.m.
Non-controlling interests	–	–	n.m.	–	–	n.m.
Total comprehensive income/(loss) for the period/year	<u>16,466</u>	<u>(14,705)</u>	n.m.	<u>14,011</u>	<u>(14,084)</u>	n.m.

**Earnings/(Losses) per share for profit/(loss) attributable to the owners of the Company during the years:**

Basic (RMB in cent)	<b>7</b>			0.97	(1.03)	n.m.
Diluted (RMB in cent)	<b>7</b>			<u>0.97</u>	<u>(1.03)</u>	n.m.

n.m. - not meaningful

**B. Condensed Interim Consolidated Statement of Financial Position**

	Note	Group		Company	
		31-Mar-2024	31-Mar-2023	31-Mar-2024	31-Mar-2023
		(Unaudited) RMB'000	(Audited) RMB'000	(Unaudited) RMB'000	(Audited) RMB'000
<b>ASSETS</b>					
<b><u>Non-Current Assets</u></b>					
Property, plant and equipment	8	175,744	142,228	–	–
Intangible assets	9	69,442	75,284	–	–
Investment in subsidiaries		–	–	519,636	519,636
Long-term investments		900	–	–	–
Other assets, non-current	10	91,279	82,664	–	–
Deferred tax assets		–	1,471	–	–
<b>Total Non-Current Assets</b>		<b>337,365</b>	<b>301,647</b>	<b>519,636</b>	<b>519,636</b>
<b><u>Current Assets</u></b>					
Inventories		2,652	1,963	–	–
Trade and other receivables	11	53,789	21,945	106,238	102,943
Other assets, current	10	62,871	56,225	450	129
Cash and bank balances		156,151	205,496	7	6,074
<b>Total Current Assets</b>		<b>275,463</b>	<b>285,629</b>	<b>106,695</b>	<b>109,146</b>
<b>Total Assets</b>		<b>612,828</b>	<b>587,276</b>	<b>626,331</b>	<b>628,782</b>
<b>EQUITY AND LIABILITIES</b>					
<b><u>Equity</u></b>					
Share capital		239,150	239,150	938,574	938,574
Retained earnings/(accumulated losses)		226,604	214,616	(372,692)	(364,607)
Other reserves		48,178	46,155	54,819	50,970
<b>Total Equity</b>		<b>513,932</b>	<b>499,921</b>	<b>620,701</b>	<b>624,937</b>
<b><u>Non-Current Liabilities</u></b>					
Other payables, non-current		6,466	2,740	–	–
Lease liability, non-current		33	246	–	–
<b>Total Non-Current Liabilities</b>		<b>6,499</b>	<b>2,986</b>	<b>–</b>	<b>–</b>
<b><u>Current Liabilities</u></b>					
Trade and other payables	12	31,372	37,071	5,630	3,845
Income tax payables		2,300	–	–	–
Lease liability, current		225	198	–	–
Other financial liabilities	13	58,500	47,100	–	–
<b>Total Current Liabilities</b>		<b>92,397</b>	<b>84,369</b>	<b>5,630</b>	<b>3,845</b>
<b>Total Liabilities</b>		<b>98,896</b>	<b>87,355</b>	<b>5,630</b>	<b>3,845</b>
<b>Total Equity and Liabilities</b>		<b>612,828</b>	<b>587,276</b>	<b>626,331</b>	<b>628,782</b>

**C. Condensed Interim Consolidated Statement of Changes in Equity****Group**

	<b>Share capital (Audited) RMB'000</b>	<b>Other reserves (Audited) RMB'000</b>	<b>Retained earnings (Audited) RMB'000</b>	<b>Total equity (Audited) RMB'000</b>
Balance at 1 April 2022	239,150	44,945	229,910	514,005
Total comprehensive income/(loss) for the year				
Loss for the period	–	–	(14,190)	(14,190)
Other comprehensive income	–	106	–	106
Total comprehensive income/(loss) for the year	–	106	(14,190)	(14,084)
Transactions with owners, recognized directly in equity				
Transferred from retained earnings to other reserves	–	1,104	(1,104)	–
Balance as at 31 March 2023	239,150	46,155	214,616	499,921
	<b>Share capital (Unaudited) RMB'000</b>	<b>Other reserves (Unaudited) RMB'000</b>	<b>Retained earnings (Unaudited) RMB'000</b>	<b>Total equity (Unaudited) RMB'000</b>
Balance at 1 April 2023	239,150	46,155	214,616	499,921
Total comprehensive income for the year				
Profit for the period	–	–	13,354	13,354
Other comprehensive income	–	657	–	657
Total comprehensive income for the year	–	657	13,354	14,011
Transactions with owners, recognized directly in equity				
Transferred from retained earnings to other reserves	–	1,366	(1,366)	–
Balance as at 31 March 2024	239,150	48,178	226,604	513,932

**Company**

	<b>Share capital (Audited) RMB'000</b>	<b>Other reserves (Audited) RMB'000</b>	<b>Retained earnings (Audited) RMB'000</b>	<b>Total equity (Audited) RMB'000</b>
Balance at 1 April 2022	938,574	40,778	(357,616)	621,736
Total comprehensive income/(loss) for the year				
Loss for the year	–	–	(6,992)	(6,992)
Other comprehensive income	–	10,192	–	10,192
Total comprehensive income/(loss) for the year	–	10,192	(6,992)	3,200
Balance as at 31 March 2023	<u>938,574</u>	<u>40,778</u>	<u>(357,616)</u>	<u>621,736</u>
	<b>Share capital (Unaudited) RMB'000</b>	<b>Other reserves (Unaudited) RMB'000</b>	<b>Retained earnings (Unaudited) RMB'000</b>	<b>Total equity (Unaudited) RMB'000</b>
Balance at 1 April 2023	938,574	50,970	(364,608)	624,936
Total comprehensive income/(loss) for the year				
Loss for the year	–	–	(8,085)	(8,085)
Other comprehensive income	–	3,849	–	3,849
Total comprehensive income/(loss) for the year	–	3,849	(8,085)	(4,236)
Balance as at 31 March 2024	<u>938,574</u>	<u>54,819</u>	<u>(372,692)</u>	<u>620,701</u>

**D. Condensed Interim Consolidated Statement of Cash Flow**

	Note	Group	
		FY2024 (Unaudited) RMB'000	FY2023 (Audited) RMB'000
<b>Cash flows from operating activities</b>			
Profit/(Loss) before income tax		21,465	(9,428)
Interest income	5	(727)	(933)
Interest expense	5	2,323	1,869
Depreciation of property, plant and equipment		15,324	15,177
Property, plant and equipment written-off		849	281
Amortisation of intangible assets		5,294	1,824
Loss on disposal of property, plant and equipment		–	1,375
Impairment gain on trade receivables and other assets		158	(97)
Exchange differences on translating functional to presentation currency		657	106
<b>Operating cash flow before changes in working capital</b>		<b>45,343</b>	<b>10,174</b>
Inventories		(689)	476
Trade and other receivables		(32,002)	19,340
Other assets		59,739	17,770
Trade and other payables		(1,973)	4,499
Net cash flows generated from operations		<b>70,418</b>	<b>52,259</b>
Income tax paid		(4,339)	(924)
<b>Net cash flows generated/(used in) from operating activities</b>		<b>66,079</b>	<b>51,335</b>
<b>Cash flows from investing activities</b>			
Additions to property, plant and equipment	8	(49,335)	(33,044)
Payment for land lease		–	(23,281)
Proceed from disposal of property, plant and equipment		–	2,776
Addition of long-term investments		(900)	–
Payment of upfront payment for supplies of sweet potatoes		(75,000)	–
Interest income received		727	933
<b>Net cash flows used in investing activities</b>		<b>(124,508)</b>	<b>(52,616)</b>
<b>Cash flows from financing activities</b>			
Proceed from issuance of shares		–	–
Proceeds from new bank loans	11	58,500	64,600
Repayment of bank loans	11	(47,100)	(53,300)
Payment of lease liabilities		7	(160)
Interest expense paid		(2,323)	(1,869)
<b>Net cash flows generated from financing activities</b>		<b>9,084</b>	<b>9,271</b>
Net change in cash and cash equivalents		(49,345)	7,990
Cash and cash equivalents at beginning of financial year		205,496	197,506
<b>Cash and cash equivalents at end of financial year</b>		<b>156,151</b>	<b>205,496</b>

## E. Notes to the Condensed Interim Consolidated Financial Statements for the Financial Year Ended 31 March 2023

### 1. Corporate information

Zixin Group Holdings Limited (the “**Company**”) is a limited liability company incorporated in Singapore. The Company is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). These condensed interim consolidated financial statements as at and for the second half and full year ended 31 March 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The registered office and principal place of business of the Company is located at 60 Paya Lebar Road, #13-40 Paya Lebar Square, Singapore 409051.

The principal activity of the Company is that of an investment holding company. The principal activities of the Company’s subsidiaries are disclosed in the Group’s annual consolidated financial statements as at 31 March 2023. The Group is a leading sweet potato biotech-focused integrated industrial value chain operator in the People’s Republic of China (the “**PRC**” or “**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 of sweet potato varieties to cultivate sweet potato seedlings, and (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 propriety 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.

### 2. Basis of preparation

The condensed interim consolidated financial statements for the financial year ended 31 March 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the financial year ended 31 March 2023.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim consolidated financial statements are presented in Chinese Renminbi dollars (“**RMB**”), which is the Company’s functional currency, and all values are rounded to the nearest thousand (“**RMB’000**”) except when otherwise indicated.

#### 2.1. New and amended standards adopted by the Group

The Group and the Company have adopted the new and revised SFRS(I)s, and interpretations of SFRS(I) that are effective for the annual period beginning on 1 April 2023. The Group did not have to change its accounting policies or make any retrospective adjustments as a result of adopting those standards.

#### 2.2. Use of judgement and estimates

In preparing the condensed interim consolidated financial statement, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.



### 3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

### 4. Segment and revenue information

#### 4.1 Reportable Segments

Not applicable. The Group only has one (1) operating segment (sweet potatoes related products) and one (1) geographical segment (the PRC). There are no operating segments or reportable segments disclosed as required by SFRS(I) 8.

#### 4.2 Revenue

	<u>Group</u>	
	<b>FY2024 (Unaudited) RMB'000</b>	<b>FY2023 (Audited) RMB'000</b>
<u>Revenue:</u>		
Sweet potato processed products	260,348	187,477
Sweet potatoes	58,099	32,123
	318,447	219,600
<u>Timing of transfer of goods or service:</u>		
At a point in time	318,447	219,600

### 5. Profit/(Loss) before income tax

Profit/(Loss) before income tax is stated after charging the administrative expenses following:

	<u>Group</u>	
	<b>FY2024 (Unaudited) RMB'000</b>	<b>FY2023 (Audited) RMB'000</b>
Amortisation of intangible assets	5,019	1,368
Depreciation of property, plant and equipment	11,030	10,898
Impairment losses/(gain) on trade receivables	158	(97)
Research and development expenses	6,701	4,185
Employee benefits expense	8,020	7,640
Seedlings nursery fees	1,813	1,956
	18,743	26,134

### 6. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	<u>Group</u>	
	<b>FY2024 (Unaudited) RMB'000</b>	<b>FY2023 (Audited) RMB'000</b>
<b>Current tax expense:</b>		
Current year	5,542	2,454
Under/(Over)provision in prior financial year	1,098	(1,660)
	6,640	794
Deferred income tax – net debit to profit or loss	1,471	3,970
Total income tax expense	8,111	4,764

## 7. Earnings/(Losses) per share

The basic earnings/(losses) per share is calculated based on the consolidated earnings/(losses) attributable to equity holders of the Company divided by the weighted average number of shares in issue of 1,383,818,000 (31 March 2023: 1,383,818,000) shares during the financial year. Dilutive potential ordinary shares are deemed to have been converted into ordinary shares at the beginning of the year or if later, the date of the issue of the potential ordinary shares.

The following table illustrates the numerators and denominators used to calculate basic and diluted (losses)/earnings per share:

	<u>Group</u>	
	FY2024 (Unaudited) RMB'000	FY2023 (Audited) RMB'000
<b>Basic earnings/(losses) per share</b>		
Profit/(Losses), net of tax attributable to owners of the Company	13,354	(14,190)
Weighted average number of ordinary shares in issue ('000)	1,383,818	1,383,818
Basic earnings/(losses) per share (RMB cents)	0.97	(1.03)

As the Company does not have any dilutive potential ordinary shares, the basic earnings/(losses) per share and diluted earnings/(losses) per share for 31 March 2024 are the same i.e., RMB 0.97 cents (31 March 2023: RMB (1.03) cents) per share.

## 8. Property, plant and equipment ("PPE")

During the financial year ended 31 March 2024, the Group acquired PPE (mainly construction-in-progress and renovations) amounting to approximately RMB 49.3 million (31 March 2023: RMB 33.9 million) and wrote off PPE with a net book value of approximately RMB 0.9 million (31 March 2023: RMB 0.3 million).

The Group did not dispose of PPE during the financial year ended 31 March 2024 (31 March 2023: RMB 4.4 million).

## 9. Intangible assets

<u>Group</u>	<u>Right-of-use assets</u> RMB'000	<u>Manufacturing patents</u> RMB'000	<u>Software</u> RMB'000	<u>Favourable supply contracts</u> RMB'000	<u>Total</u> RMB'000
<b>Cost:</b>					
At 1 April 2022	42,215	2,762	338	12,822	58,137
Additions	40,040	–	–	–	40,040
At 31 March 2023 and 2024	82,255	2,762	338	12,822	98,177
<b>Accumulated amortisation:</b>					
At 1 April 2022	6,469	1,441	338	10,257	18,504
Amortisation for the year	1,548	276	–	–	1,824
At 31 March 2023	8,017	1,716	338	10,257	20,328
Amortisation for the year	5,668	174	–	–	5,842
At 31 March 2024	13,685	1,890	338	10,257	26,170
<b>Accumulated impairment:</b>					
At 1 April 2022, 31 March 2023 and 2024	–	–	–	2,565	2,565
<b>Carrying amount:</b>					
At 31 March 2023	74,238	1,046	–	–	75,284
At 31 March 2024	68,570	872	–	–	69,442

## 9. Intangible Assets (cont'd)

### Right-of-use assets

The right-of-use assets are the land use rights for four (4) parcels of land located in Liancheng County of Fujian Province, the People's Republic of China.

As at 31 March 2024, the land use rights of the Group for two (2) parcels of land with carrying amount of RMB 5,697,000 and RMB 23,154,000 respectively (31 March 2023: RMB 5,839,000 and RMB 23,717,000 respectively) are mortgaged for bank loans.

In March 2023, Liancheng Dizhongbao Modern Agriculture Development Co., Ltd (“**Dizhongbao**”), a subsidiary of the Group, had entered into several land use right lease agreements with several suppliers (the “**Co-operatives**”) on top of the existing purchase agreement and Land Use Rights Transfer Agreements (the “**Agreements**”) for compensation to Co-operatives and farmers on the arising cost of land lease in Liancheng county. The land use right lease agreements of approximately RMB 40,000,000 last until end of the purchase agreement and Agreements. This is a one-off payment and there will not be any additional cost incurred until end of the land use right lease agreements.

## 10. Other assets

	<u>Group</u>		<u>Company</u>	
	<u>31-Mar-2024</u> <u>(Unaudited)</u> <u>RMB'000</u>	<u>31-Mar-2023</u> <u>Audited</u> <u>RMB'000</u>	<u>31-Mar-2024</u> <u>(Unaudited)</u> <u>RMB'000</u>	<u>31-Mar-2023</u> <u>Audited</u> <u>RMB'000</u>
Upfront payments	3,752	2,670	450	129
Upfront payments for supplies of sweet potatoes (Note A)	140,089	117,700	–	–
Deferred expenses	4,835	14,719	–	–
Others	5,475	3,800	–	–
	<u>154,151</u>	<u>138,889</u>	<u>450</u>	<u>129</u>
Presented in the statements of financial position as:				
Other assets, non-current	91,279	82,664	–	–
Other assets, current	62,871	56,225	450	129
	<u>154,150</u>	<u>138,889</u>	<u>450</u>	<u>129</u>

### Note A: Advance payment for supplies of sweet potatoes

The Group, through one of its subsidiaries, Dizhongbao, had entered into various purchase contracts with the Co-operatives to secure the supply of quality fresh sweet potatoes at reasonable prices.

All the above-mentioned agreements carry similar terms. The agreements last for fifteen (15) years and grant Dizhongbao with the first right of refusal of the supply of fresh sweet potatoes. In return, Dizhongbao pays prepayments to the suppliers once every five (5) years. The prepayments are used to offset the purchase within the five (5) years. In case of the prepayments are fully utilised within the five (5) years, the payment of subsequent purchase is due according to the agreed terms per respective contract.

**11. Trade and other receivables**

	<b>Group</b>		<b>Company</b>	
	<b>31-Mar-2024 (Unaudited) RMB'000</b>	<b>31-Mar-2023 Audited RMB'000</b>	<b>31-Mar-2024 (Unaudited) RMB'000</b>	<b>31-Mar-2023 Audited RMB'000</b>
<u>Trade receivables:</u>				
Outside parties	53,022	21,009	–	–
Less: Allowance for impairment loss on receivables	(278)	(120)	–	–
	<u>52,744</u>	<u>20,889</u>	<u>–</u>	<u>–</u>
<u>Other receivables:</u>				
Subsidiaries	–	–	106,236	102,943
Outside parties	1,043	1,056	–	–
Refundable deposits	2	–	2	–
	<u>1,045</u>	<u>1,056</u>	<u>106,238</u>	<u>102,943</u>
Total trade and other receivables	<u>53,789</u>	<u>21,945</u>	<u>106,238</u>	<u>102,943</u>

**12. Trade and other payables**

	<b>Group</b>		<b>Company</b>	
	<b>31-Mar-2024 (Unaudited) RMB'000</b>	<b>31-Mar-2023 Audited RMB'000</b>	<b>31-Mar-2024 (Unaudited) RMB'000</b>	<b>31-Mar-2023 Audited RMB'000</b>
<u>Trade payables:</u>				
Outside parties	24,245	10,079	–	–
<u>Other payables:</u>				
Outside parties	6,677	25,994	4,175	2,304
Subsidiaries	–	–	1,005	537
Director/shareholder	450	1,004	450	1,004
	<u>7,127</u>	<u>26,998</u>	<u>5,630</u>	<u>3,845</u>
Total trade and other payables	<u>31,372</u>	<u>37,071</u>	<u>5,630</u>	<u>3,845</u>

**13. Other financial liabilities**

	<b>Group</b>	
	<b>31-Mar-2024 (Unaudited) RMB'000</b>	<b>31-Mar-2023 Audited RMB'000</b>
Bank loans A (unsecured) (Note 13.1)	14,500	13,100
Bank loans B (secured) (Note 13.2)	44,000	34,000
	<u>58,500</u>	<u>47,100</u>

**13.1. Bank loans A (unsecured)**

The bank loans are repayable within 12 months and renewable annually. The bank loans bear fixed interest rates of 3.95% - 5.50% (31 March 2023: 4.35% - 5.50%) per annum and are repayable within 12 months.

The bank loans are unsecured, guaranteed by a local credit guarantee company and/or one of the Company's directors and his spouse.

**13. Other financial liabilities (cont'd)****13.2. Bank loans B (secured)**

The loans are secured by mortgages of a leasehold building and land use rights of the Group. The bank loans bear fixed interest rate of 3.21% - 4.00% (2023: 4.00%) per annum and are repayable within 12 months.

A summary of the Group's borrowings and debt securities is as follows:

	<b>31-Mar-2024</b>		<b>31-Mar-2023</b>	
	<b>(Unaudited)</b>		<b>Audited</b>	
	<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
Amount repayable in one year or less, or on demand	44,000	14,500	34,000	13,100
Amount repayable after one year	–	–	–	–
<b>Total borrowings</b>	<b>44,000</b>	<b>14,500</b>	<b>34,000</b>	<b>13,100</b>

**14. Financial assets and financial liabilities**

The following table categorises the carrying amount of financial assets and liabilities recorded as at 31 March 2024 and 31 March 2023:

	<b>Group</b>		<b>Company</b>	
	<b>31-Mar-2024</b>	<b>31-Mar-2023</b>	<b>31-Mar-2024</b>	<b>31-Mar-2023</b>
	<b>(Unaudited)</b>	<b>Audited</b>	<b>(Unaudited)</b>	<b>Audited</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
<b>Financial assets:</b>				
At amortised cost:-				
Cash and cash equivalents	156,151	205,496	7	6,074
Trade and other receivables	53,789	21,945	106,238	102,943
	<u>209,940</u>	<u>227,441</u>	<u>106,245</u>	<u>109,017</u>
<b>Financial liabilities:</b>				
At amortised cost:-				
Trade and other payables	37,838	39,811	5,630	3,845
Other financial liabilities	58,500	47,100	–	–
Lease liability	225	444	–	–
	<u>96,563</u>	<u>87,355</u>	<u>5,630</u>	<u>3,845</u>

**15. Subsequent events**

During FY2024, on 28 March 2024, the Company announced that the Company is proposing to undertake a renounceable non-underwritten rights cum warrants issue.

On 24 April 2024, the Company announced that the Company had received the listing and quotation notice from SGX-ST on 23 April 2024 for the listing and quotation of the rights shares, the warrants and the warrant shares on Catalist, subject to conditions fulfilled.

On 17 May 2024, the Company announced the record date for the purpose of determining the provisional allotments of the right shares with warrants.

There are no other known subsequent events from 31 March 2024 to the date of this announcement, which will lead to adjustments to this set of condensed interim consolidated financial statements.

**Other Information Required pursuant to Appendix 7C of the Catalyst Rules for the Financial Year Ended 31 March 2024**

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There were no changes in the issued share capital of the Company during the financial year ended 31 March ("FY") 2024 and 31 March 2023.

The Company does not have any outstanding options, convertibles, treasury shares and subsidiary holdings as at 31 March 2024 and 31 March 2023. Accordingly, the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding is nil as at 31 March 2024 and 31 March 2023.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

	As at 31-Mar-2024	As at 31-Mar-2023
Total number of issued shares	1,383,818,100	1,383,818,100

The Company did not have any treasury shares as at 31 March 2024 and 31 March 2023.

**1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable, as the Company did not have any treasury shares during and as at the end of the current financial period reported on.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable, as the Company did not have any subsidiary holdings during and as at the end of the current financial period reported on.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice**

The figures have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of a matter)**

Not applicable.

- 3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**
- (a) Updates on the efforts taken to resolve each outstanding audit issue.**
  - (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

**This is not required for any audit issue that is material uncertainty relating to going concern.**

(a) Not applicable.

(b) Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those in the most recently audited consolidated financial statements for FY2023 as set out in the Company's annual report for FY2023.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted all the applicable new and revised Financial Reporting Standards ("**FRS**") in Singapore and the related Interpretations to FRS ("**INT FRS**") that are relevant to its operation and effective for the accounting periods beginning on or after 1 April 2023. The adoption of these new and revised FRS did not result in any substantial change to the Group's and the Company's accounting policies and has no significant impact on the financial statements for the current financial reporting period.

- 6. Earnings per ordinary share of the Group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**
- (a) based on the weighted average number of ordinary shares in issue; and**
  - (b) on a fully diluted basis (detailing any adjustments made to the earnings).**

Please refer to paragraph E7 above.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the**  
**(a) Current period reported on; and**  
**(b) Immediately preceding financial year**

Net asset value (“NAV”)	Group		Company	
	31-Mar-2024 (Unaudited)	31-Mar-2023 (Audited)	31-Mar-2024 (Unaudited)	31-Mar-2023 (Audited)
NAV (RMB'000)	513,932	499,921	620,701	624,937
Number of ordinary shares in issue (in thousands)	1,383,818	1,383,818	1,383,818	1,383,818
NAV per ordinary share (RMB)	0.37	0.36	0.45	0.45

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group’s business. The review must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

### **Consolidated Statement of Comprehensive Income**

#### **Revenue**

The revenue of the Group for the second half financial year ended 31 March 2024 (“**2H FY2024**”) increased by approximately RMB 96.4 million or 92.0% from RMB 104.8 million for the second half financial year ended 31 March 2023 (“**2H FY2023**”) to RMB 201.3 million in 2H FY2023. The revenue of the Group for FY2024 increased by approximately RMB 98.9 million or 45.0% from RMB 219.6 million for FY2023 to RMB 318.4 million in FY2024.

Revenue in the first quarter of FY2024 was impacted by the surge in COVID-19 infections following the easing of stringent precautionary measures and travelling restrictions by the Chinese government in December 2022 and early 2023. The mass infections led to temporary cessation of business operations and hence, economic slowdown and lower consumer spending. The gradual economic recovery second quarter of FY2024 onwards, resulted in improvement in higher revenue in the remaining of FY2024.

During 2H FY2024, the revenue from sales of sweet potato processed products increased by approximately RMB 72.3 million or 80.7% from RMB 89.6 million in 2H FY2023 to RMB 161.9 million in 2H FY2024. The revenue from sales of sweet potatoes increased from approximately RMB 15.2 million in 2H FY2023 to approximately RMB 39.4 million, which increased approximately RMB 24.1 million or 158.5%. In FY2024, the revenue from sales of sweet potato processed products increased from RMB 187.5 million in FY2023 to RMB 260.3 million in FY2024, representing an increase of approximately RMB 72.9 million or 38.9% over FY2023. The sales of sweet potatoes also increased by approximately RMB 26.0 million or 80.9% from RMB 32.1 million in FY2023 to RMB 58.1 million in FY2024.



**Gross Profit and Gross Profit Margin**

Gross profit in 2H FY2024 increased by approximately RMB 40.1 million or 148.4% from RMB 27.0 million in 2H FY2023 to RMB 67.2 million in 2H FY2024. In FY2024, the gross profit increased by approximately RMB 42.7 million or 72.0% from approximately RMB 59.2 million in FY2023 to RMB 101.9 million. The increase in gross profit for both 2H FY2024 and FY2024 was mainly due to the increase in revenue in 2H FY2024 and FY2024 as compared to 2H FY2023 and FY2023 of RMB 96.4 million and RMB 98.9 million respectively. The Group's gross profit margin increased from approximately 25.8% in 2H FY2023 to 33.4% in 2H FY2024 and increased from 27.0% in FY2023 to 32.0% in FY2024. The increase was mainly due to the increased of sales in 2H FY2024 which lead to more efficient operations through economies of scale, better utilization of resources, which lower the per-unit cost of production of its sweet potato processed product in 2H FY2024 and overall increased in the gross profit margin in FY2024.

**Interest Income**

Interest income decreased by approximately RMB 0.6 million or 83.3% from RMB 0.7 million in 2H FY2023 to RMB 0.1 million in 2H FY2024. During FY2024, interest income decreased from RMB 0.9 million in FY2023 to RMB 0.7 million, representing a decrease of approximately RMB 0.2 million or 22.1%. The decrease in interest income over the respective periods were mainly due to the decrease in interest received from banks on the back of a decrease in average cash and bank balances held by the Group in 2H FY2024 and FY2024 as compared to 2H FY2023 and FY2023 respectively.

**Other Income**

Other income increased from RMB 145,000 in 2H FY2023 to RMB 188,000 in 2H FY2024, representing an increase of RMB 43,000 or approximately 29.7%. During FY2024, other income increased from RMB 632,000 in FY2023 to RMB 974,000, representing an increase of RMB 342,000 or approximately 54.1%. The increase was mainly due to other income from sales of excess in-house cultivated sweet potato seedlings in FY2024 and subsidies received from e-commerce platform.

**Marketing and Distribution Costs**

Marketing and distribution costs increased by approximately RMB 1.3 million or 7.5% from RMB 17.4 million in 2H FY2023 to RMB 18.7 million in 2H FY2024. During FY2024, marketing and distribution costs increased from RMB 30.8 million in FY2023 to RMB 34.4 million in FY2024, representing a increase of approximately RMB 3.6 million or 11.7%. The increased in 2H FY2024 as compared to 2H FY2023 was mainly due to the increase in delivery charges, publicity expenses and operating expenses of RMB 1.0 million, RMB 0.3 million and RMB 1.6 million respectively, which was partially offset against the decreased in advertisements costs of RMB 1.1 million. The increase for FY2024 was mainly due to the increase in delivery charges, publicity expense and operating expenses of RMB 1.0 million, RMB 1.7 million and RMB 4.9 million respectively and partially offset against advertisement expenses of RMB 3.1 million.

**Administrative Expenses**

Administrative expenses increased by approximately RMB 2.8 million or 13.9% from RMB 20.3 million in 2H FY2023 to RMB 23.1 million in 2H FY2024. During FY2024, administrative expenses increased by approximately RMB 6.8 million or 19.0% from RMB 35.7 million in FY2023 to RMB 42.5 million in FY2024.

The increase in administrative expenses for 2H FY2024 was mainly due to the increase in amortization of intangible assets, research and developments expenses and provision of doubtful debts of RMB 1.8 million, RMB 1.3 million, and RMB 0.2 million respectively, which was partially offset by the decrease in audit fee of RMB 0.5 million. The increase in administrative expenses for FY2024 was mainly due to increases in amortization of intangible assets and research and development expenses of RMB 3.9 million and RMB 2.2 million respectively, which was partially offset by the decrease in director's remuneration of RMB 0.4 million and consultancy fee of RMB 0.4 million.

**Other Operating Expenses**

Other operating expenses increased by approximately RMB 0.2 million or 97.9% from RMB 0.2 million in FY2023 to RMB 0.4 million in FY2024. The increase in other operating expenses mainly related to the cost of sales for the excess in-house cultivated sweet potato seedlings sold.

**Other Losses**

Other losses increased by approximately RMB 0.6 million or 242.4% from RMB 0.3 million in 2H FY2023 to RMB 0.9 million in 2H FY2024 and increased by approximately RMB 0.9 million or 53.6% in FY2023 from RMB 1.6 million to RMB 2.5 million in FY2024. In 2H FY2024 and FY2024, other losses increased mainly due to the increase in property, plant and equipment written-off and donation expenses.

**Finance Costs**

Finance costs increased by approximately RMB 0.2 million or 22.9% from RMB 1.0 million in 2H FY2023 to RMB 1.2 million in 2H FY2024. During FY2024, the finance costs increased by approximately RMB 0.5 million or 24.3% from RMB 1.9 million in FY2023 to RMB 2.3 million in FY2024. The overall increase in 2H FY2024 and FY2024 were mainly due to the increase in interest charged by the bank for borrowings taken on by the Group in 2H FY2024 and FY2024 as compared to 2H FY2023 and FY2023.

**Income Tax Expenses**

The Group recorded income tax expense of approximately RMB 8.1 million in FY2024 as compared to income tax expenses of RMB 4.8 million in FY2023. The increase in income tax expenses for FY2024 was mainly due to current year income tax expenses for FY2024 as a result of higher profits generated for FY2024, deferred income tax expenses and under-provision of income tax expenses in prior financial year.

## **Consolidated Statement of Financial Position**

**The comparative performance for both the assets and liabilities are based on the Group's financial statements as at 31 March 2024 and 31 March 2023.**

### **Non-current Assets**

There was an increase in the Group's total non-current assets of approximately RMB 35.7 million or 11.8%, from RMB 301.6 million as at 31 March 2023 to RMB 337.4 million as at 31 March 2024. This was mainly due to an increase in property, plant and equipment of approximately RMB 33.5 million and other assets, non-current of approximately RMB 8.6 million, partially offset by decrease in intangible assets of approximately RMB 5.8 million. As at 31 March 2024, other assets (non-current) amounted to approximately RMB 91.3 million, comprising mainly advance payments to the Co-operatives for the long-term supply contracts of fresh sweet potatoes.

PPE increased by approximately RMB 33.5 million or 23.6%, from RMB 142.2 million as at 31 March 2023 to RMB 175.7 million as at 31 March 2024. This was due to additions to PPE which was partially offset by the depreciation expense and PPE written-off in FY2024.

Intangible assets decreased by approximately RMB 5.8 million or 7.8%, from RMB 75.3 million as at 31 March 2023 to RMB 69.4 million as at 31 March 2024. The decrease was mainly due to the amortisation expense in FY2024.

Deferred tax assets decreased by approximately RMB 1.5 million or 100.0% from RMB 1.5 million as at 31 March 2023 to RMB nil as at 31 March 2024. The decrease in deferred tax assets was mainly due to the fully utilisation of unutilised losses of the Company's subsidiary which was brought forward for future utilisation of income tax expenses/credit.

### **Current Assets**

Inventories increased by approximately RMB 0.7 million or 35.1% from RMB 2.0 million as at 31 March 2023 to RMB 2.7 million as at 31 March 2024. The increase in inventories were mainly due to the increased in sales orders received during March 2024 as compared to the same period last year, which resulted higher stock level to secure the coming orders in April 2024.

Trade and other receivables increased by approximately RMB 31.8 million or 145.1% from RMB 21.9 million as at 31 March 2023 to RMB 53.8 million as at 31 March 2024. The increase was mainly due to higher sales during the period of January to March 2024 as compared to same period last year, where the customer having a credit term from 30-90 days.

Other assets (current) increased by approximately RMB 6.6 million or 11.8% from RMB 56.2 million as at 31 March 2023 to RMB 62.8 million as at 31 March 2024. This was mainly due to the higher utilisation of prepayment to the Group's suppliers of fresh sweet potatoes or professional service providers in the next 12 months.

Cash and bank balances decreased by approximately RMB 49.3 million or 24.0%. Please refer to the "Consolidated Statement of Cash Flows" section below for more details on the change in cash and cash equivalents of the Group.

As a result of the above, the Group's total current assets decreased by approximately RMB 10.2 million or 3.6% from RMB 285.6 million as at 31 March 2023 to RMB 275.5 million as at 31 March 2024.

**Non-Current Liabilities**

Other payables, non-current increased from RMB 2.7 million to RMB 6.5 million by approximately RMB 3.7 million or 136.0%. The increase was mainly due to the an additional leasing contract which lead to an increase in long term other payables to service provider.

**Current Liabilities**

Trade and other payables decreased by approximately RMB 5.7 million or 15.4% from RMB 37.1 million as at 31 March 2023 to RMB 31.4 million as at 31 March 2024. This was mainly due to the efficient in settlement of trade payables to its suppliers as compared to the previous corresponding period and the other payables for land lease had been paid as at 31 March 2024.

Other financial liabilities increased by RMB 11.4 million or approximately 24.2% from RMB 47.1 million as at 31 March 2023 to RMB 58.5 million as at 31 March 2024. This was mainly due to the increase in short-term borrowings undertaken by the Group as at 31 March 2024.

As a result of the above, the Group's current liabilities increased by approximately RMB 8.0 million or 9.5% from RMB 84.4 million as at 31 March 2023 to RMB 92.4 million as at 31 March 2024.

Consequent to the decrease in current assets and the increase in current liabilities as set out above, the Group recorded positive working capital of approximately RMB 183.1 million as at 31 March 2024.

**Consolidated Statement of Cash Flows**

The Group recorded net cash generated from operating activities of approximately RMB 66.1 million in FY2024 as compared to net cash from operating activities of approximately RMB 51.3 million in FY2023. In respect of FY2024, the net cash generated from operating activities comprised mainly the positive operating cash flow before changes in working capital of approximately RMB 45.3 million, adjusted by net working capital outflow of approximately RMB 20.8 million. Increased in changes in other assets of approximately RMB 59.7 million and partially offset against decrease in changes in trade and other receivables of approximately RMB 32.0 million, trade and other payables of approximately RMB 2.0 million and inventories of approximately RMB 0.7 million formed the bulk of the changes in working capital of approximately RM 20.8 million for FY2024.

Net cash used in investing activities amounted to approximately RMB 124.5 million in FY2024 as compared to approximately RMB 52.6 million in FY2023. The increase was mainly due to the construction and redevelopment of a plot of land by Fujian Zixin Biological Potato Co., Ltd., as well as other additions to property, plant and equipment and payment for upfront payment for supplies of sweet potatoes.

Net cash generated from financing activities amounted to approximately RMB 9.0 million in FY2024 as compared to net cash from financing activities of approximately RMB 9.3 million in FY2023. This decrease was mainly due to the increased of interest expenses paid as compared to FY2023.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable, as no specific forecast or prospect statement was previously provided.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

China saw a strong post-Covid rebound and registered an economic growth of 5.2% in 2023. The Chinese government announced its commitment to sound fundamentals and updating policies to address near-term challenges and drive sustainable, high-quality growth.<sup>(1)</sup>

Amidst the macroeconomic transition, the Group remains committed and prudent in expanding its integrated circular economy industrial value chain beyond Liancheng County, Fujian Province, China.

The Group piloted its integrated circular economy industrial value chain model with strategic business partners in complementary industries, especially the automatic sweet potato sorting lines and cold storage process from 2H FY2024. This process increases efficiency and minimises manpower requirements on washing and sorting, improves sweet potato content and quality analysis, and extends shelf life, all of which improve the Group's front-end operational efficiency and reduce sweet potato spoilage. The Group believes this outsourced processing service will enhance standardisation for fresh sweet potato products and higher sales revenue with lower probability of spoilage.

The planned expansion into high-tech manufacturing and research capabilities has progressed to interior renovation, followed by the installation of equipment and machinery. The Group expects manufacturing to begin in stages by the end of September 2024.

The Group continues to work with a third-party operator, which uses the Group's its propriety probiotic fermentation formulation on agricultural waste materials (spoiled sweet potatoes as well as sweet potato peels, stems, and leaves) as part of the recovery and recycling process, converting waste materials into base ingredients for poultry and animal feed. Currently, testing and feed trials are being conducted with feed manufacturers on the base ingredients recovered from sweet potato waste materials. As these sweet potato waste-derived base feed ingredients are raw materials to be used in feed manufacturing, the relevant authorities must certify that the feeds prepared using sweet potato waste-derived base ingredients as a substitute for soymeal or corn meet all standards including nutritional contents and safety, and this certification process is likely to take some time to complete.

The Group will update shareholders on any material developments as and when they arise.

Reference:

- (1) Advancing China's Sustainable Economic Growth  
<https://www.imf.org/en/News/Articles/2024/03/24/sp032424-md-cdf-remarks#:~:text=Zooming%20in%20on%20China%2C%20we,there%20are%20also%20tremendous%20opportunities.>

**11. Dividend**

If decision regarding dividend has been made:

- (a) **Whether an interim (final) dividend has been declared (recommended); and**  
No.
- (b) **Previous corresponding period**  
No.
- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived.**  
No.
- (d) **The date the dividend is payable.**  
Not applicable.
- (e) **The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**  
Not applicable.

**12. If no dividend has been declared/recommended, a statement to that effect and reason(s) for the decision.**

No dividend has been declared FY2024. The decision not to distribute dividends stems from the Group's strategy to preserve its cash resources, taking into account the uncertainty of market conditions and the expansion of its operational activities in the upcoming year. By conserving cash resources, the Group aims to safeguard its ongoing operations and the progress of completions of renovations and equipment and machinery acquisition in the new factory. This approach is intended to prevent significant disruptions to the completions timeline, as any delays would lead to increased overall costs.

In addition to the above, the Group intends to retain its cash resources for exploring any opportunities in increasing contracted farmlands through Co-operatives which will require advance payment for supplies of sweet potato.

The board of directors of the Company (the "**Board**") will continue to observe the situation and assess, among others, the Group's financial performance and position in respect of the relevant financial period, before deciding on whether to declare dividends.

- 13. If the group has obtained a general mandate from shareholders for interested person transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company has not obtained an IPT mandate pursuant to Rule 920(1)(a)(ii) of the Catalist Rules.

There was no IPT of S\$100,000 and above (or equivalent) for the current financial period reported on.

**14. Use of proceeds**

Following the completion of the placement exercise by the Company on 19 November 2021 (the “**FY2022 Placement**”) where the Company had raised S\$11,900,000 in net proceeds (the “**Net Cash Proceeds**”), the Company had subsequently provided an update on the change in use of proceeds in respect of the FY2022 Placement via an announcement on 15 March 2024. In this regard, the Board wishes to provide an update on the utilisation of the Net Cash Proceeds from the FY2022 Placement as at the date of this announcement:

<b>Intended Use of the Net Cash Proceeds</b>	<b>Balance brought forward from 10 May 2024 (S\$'000)</b>	<b>Amount utilised as of the date of this announcement (S\$'000)</b>	<b>Balance (S\$'000)</b>
Renovation expenses, and acquisition of equipment and machinery for Fujian Zixin’s new manufacturing facilities	7,573	–	7,573

**15. Negative confirmation pursuant to Rule 705(5)**

Not applicable for full year results announcement.

**16. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers in accordance with Rule 720(1) of the Catalist Rules.

**17. Acquisitions and realisations pursuant to Rule 706(A)**

**Incorporation of an associate**

On 29 June 2023, the Group entered into a strategic collaboration agreement with the Agricultural Genomics Institute at Shenzhen which is a government-supported scientific research organisation held by the Chinese Academy of Agricultural Sciences 中国农业科学院深圳农业基因组研究所. The Company through its wholly owned subsidiary, Fujian Zixin Biotechnological Potato., Ltd., incorporated the following 20% owned associated company with Fujian Good Villa Agroecological Technology Co., Ltd. 福建鼓龙农业生态科技有限公司, and AgSino China Digital Nutrition Technology (Shenzhen) Co., Ltd. 中农数字营养科技（深圳）有限公司.

Name of company	:	Shenzhen Zixin Provenance Biotechnology Co., Ltd. 深圳紫心种源生物科技有限公司
Date of incorporation	:	12 July 2023
Country of incorporation	:	PRC
Registered capital	:	RMB 10.0 million
Principal activity	:	Providing professional training, technical support, and management services as well as facilitating seamless cooperation across the integrated industrial value chain and supporting industries.

As at the date of this announcement, the Group has not made any capital contribution to Shenzhen Zixin Provenance Biotechnology Co., Ltd..

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the incorporation of Shenzhen Zixin Provenance Biotechnology Co., Ltd..

Save as disclosed above, there is no other acquisition and/or sale of shares in any subsidiaries or associated companies of the Group since 31 March 2023 (being the end of the previous financial year end) and up to the date hereof which is required to be reported under Rule 706(A) of the Catalist Rules.

## Part II Additional Information Required for Full Year Announcement

**18. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable. The Group only has one (1) operating segment (sweet potatoes snack foods) and one (1) geographical segment (PRC).

**19. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Not applicable. The Group only has one (1) operating segment (sweet potatoes snack foods) and one (1) geographical segment (PRC).

**20. A breakdown of sales as follows:**

	Group		
	FY2024 RMB'000	FY2023 RMB'000	Increase / (Decrease) %
(a) Sales reported for first half year	117,191	114,759	2.1
(b) Operating profit/(loss) after tax before deducting minority interests reported for first half year	(3,403)	37	n.m.
(c) Sales reported for second half year	201,256	104,841	92.0
(d) Operating profit/(loss) after tax before deducting minority interests reported for second half year	16,757	(14,227)	n.m.

n.m. - not meaningful



**21. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable. No dividend has been declared or recommended for FY2024 and FY2023.

**22. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

There are no persons occupying managerial positions in the Company or any of its principal subsidiaries who are relatives of a director or chief executive officer or substantial shareholder of the Company.

By Order of the Board  
**Zixin Group Holdings Limited**

LIANG CHENGWANG  
Executive Chairman and Chief Executive Officer

30 May 2024