

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

RECEIPT OF A SETTLEMENT PAYMENT

The Board of Directors ("**Board**") of Zhongxin Fruit and Juice Limited (the "**Company**" together with its subsidiaries, "**Group**") wishes to announce that the Group has received a settlement payment of RMB 27.5 million from the ultimate beneficial controlling shareholder of Sanmenxia Tianyu Investment Co., Ltd ("**Purchaser**") in relation to the matters as elaborated below.

On 31 August 2006, the Group disposed Sanmenxia Lakeside Fruit Juice Co., Ltd ("**SLFJ**"), a then subsidiary of the Group to the Purchaser. Prior to the disposal, SLFJ had obtained a loan of RMB 15 million from the Bank of China. The loan was guaranteed by Xuzhou Zhongxin Fruit & Juice Company Limited ("**XZFJ**"), a wholly owned subsidiary of the Group. As part of the terms of disposal, the Purchaser undertook to indemnify XZFJ against any claim under the guarantee.

On 4 December 2006, the Bank of China filed a lawsuit against SLFJ and XZFJ to recover the outstanding amount of approximately RMB 22.75 million. XZFJ had settled the Bank of China's claim.

Since then, the Group has been pursuing claim against the Purchaser (which had already been struck off) and its controlling shareholders under the indemnity. Through a series of court processes, the ultimate beneficial controlling shareholder of the Purchaser, a local government authority of Hubin district of Sanmenxia, and XZFJ have agreed on a final settlement of RMB 27.5 million which includes interest and default interest, and on 13 October 2021, XZFJ received the settlement payment in full.

The Board would like to take this opportunity to express its appreciation to the management of XZFJ and the Group's legal advisers in China for their relentless effort to close the above chapter.

By Order of the Board

Tham Mun Chee
Lead Independent Director
15 October 2021

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the relevant rules 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 accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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