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**

RESPONSE TO QUESTIONS FROM SHAREHOLDERS PRIOR TO THE ANNUAL GENERAL MEETING TO BE HELD ON 31 JULY 2026

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 its upcoming annual general meeting ("**AGM**") to be held on 31 July 2026 and would like to thank the shareholders for submitting their questions in advance of the AGM.

The Board wishes to announce the following in response to the substantial and relevant questions[1] submitted by the shareholders:

Q1. Can you provide more colour on the impact of the Iran war, Straits of Hormuz blockade and the rise in energy prices on the Company? Please explain and elaborate.

Company's response

The Group has not experienced material adverse impacts or disruptions as a result of the geopolitical tensions in the Middle East. This is primarily because the Group's operations are concentrated in China, where the energy mix is predominantly derived from coal-fired and clean energy sources, resulting in relatively stable energy costs within China. In addition, the Group's products are not energy-related and are not exported to the Middle East. Accordingly, the Group has not experienced any direct impact from the geopolitical tensions to date.

However, the Company notes these tensions may create indirect impacts through volatile energy prices, increased freight costs and supply chain disruptions. The Group will continue to monitor the developments closely and implement risk mitigation measures as may be appropriate. In the meantime, the Group will continue to diversify its customer base and expand its agricultural markets across Southeast Asia and other regions to reduce its reliance on any single market.

Q2. The recent warrants have seen a very poor exercise rate. As at the warrant expiry date of 23 June 2026, per page 141 of the Company's annual report for the financial year ended 31 March 2026, the warrant exercise rate is NIL. What went wrong? Was the warrant conversion price set too high at 4.5 cents? Was the warrant conversion period set too short? Why did no one, not even the Management and the Board exercise their warrants? Please explain and elaborate.

[1] The Company has made some editorial amendments to certain questions received from the shareholders to ensure that the questions are clear. For the avoidance of doubt, the editorial amendments do not change the meaning of the questions from the shareholders.

<u>*Company's response:*</u>

In determining the exercise price (including any discount and/or premium), the Directors had taken into account, *inter alia*, the historical performance of the Group, historical prices of the Company's shares in the past twelve (12) months, issue prices for the Company's past placement exercises, discount rate and subscription rate of the Company's previous rights issue, the size of the Company's rights cum warrants issue which was completed on 21 June 2024 and 24 June 2024 respectively, and the Group's fundraising needs.

With regards to the exercise period, the Company notes that an exercise period of two (2) years is within the range of market practice for similar corporate exercises.

Lastly, whether to exercise the warrants is matter of each warrantholder's personal investment decision and can be influenced by a myriad of reasons, to which the Company is not privy. Accordingly, the Company is not in the position to comment on the investment decisions of individual warrantholders, including Directors, members of Management and other shareholders.

Q3 By not exercising their warrants, does it indicate that the Management and the Board have no faith and confidence about the Company? Does the Management and the Board feel that the Company Share price is overvalued, or otherwise? Please explain and elaborate.

<u>*Company's response:*</u>

As disclosed in the Company's response to question 2 above, the Company is not in the position to comment on the investment decisions of individual warrantholders, which includes Directors and members of Management. This is because the decision-making of individual warrantholders can be affected by a myriad of reasons, to which the Company is not privy.

By Order of the Board

Liang Chengwang
Executive Chairman and Chief Executive Officer

27 July 2026

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*This announcement has been reviewed by the Company's sponsor, RHB Bank Berhad ("**Sponsor**") in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**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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