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

UPDATE ON PROPOSED ASSET RESTRUCTURING AFFECTING HOLDING COMPANY, SDIC ZHONGLU FRUIT JUICE CO., LTD

The Board of Directors ("**Board**") of Zhongxin Fruit and Juice Limited (the "**Company**") refers to the Company's announcements on 16 June 2014 and 15 July 2014. Further to the announcements, the Company has received notification that SDIC Zhonglu Fruit Juice Co., Ltd. ("**SDIC Zhonglu**"), the holding corporation of the Company, has announced the details on their proposed asset restructuring ("**Proposed Zhonglu Restructuring**") and has resumed trading on the Shanghai Stock Exchange.

Based on the information as announced by SDIC Zhonglu, the Board understands that the Proposed Zhonglu Restructuring involves the injection of new integrated healthcare related services assets and businesses into SDIC Zhonglu and the transfer of all existing assets, liabilities, businesses and operations of SDIC Zhonglu to Shanghai SDIC Xieli Development LP ("**SDIC Xieli**"), a limited partnership controlled by State Development & Investment Corporation ("**SDIC**"). This will include a transfer of existing 560,598,425 shares representing 53.11% of the share capital of the Company from SDIC Zhonglu to a nominee vehicle of SDIC Xieli ("**Proposed Shares Transfer**").

The Proposed Zhonglu Restructuring is subject to, *inter alia*, approvals of Chinese regulatory authorities and by the shareholders of SDIC Zhonglu. The Proposed Shares Transfer is further subject to the Securities Industry Council's ("**Council**") ruling that no mandatory general offer is required to be made under Rule 14 of the Singapore Code on Take-Overs and Mergers, and if such ruling is granted with conditions, the fulfilment of any conditions associated to such ruling. SDIC Xieli has informed the Company that they had made an application to the Council and will update the Company of the outcome of the application.

The Board is of the opinion that the Proposed Zhonglu Restructuring is not expected to have any operational or financial impact on the Company and its subsidiaries should the Proposed Shares Transfer takes place together with the transfer of all other assets, liabilities, businesses and operations of SDIC Zhonglu to SDIC Xieli.

The Company will provide further update as and when appropriate.

Shareholders and potential investors are advised to exercise caution in the trading of the Company's shares. Shareholders and investors are also advised to read any further announcements by the Company carefully, and where in doubt as to the action that they should take, they should consult their financial, tax or other professional adviser immediately.

By Order of the Board

Zhang Jian
Executive Chairman
19 September 2014

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 relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

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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