

ZHONGXIN FRUIT AND JUICE LIMITED
AND ITS SUBSIDIARIES
(Company Registration Number: 200208395H)

Unaudited Condensed Interim Financial Statements
For the Six Months ended 31 December 2022

TABLE OF CONTENTS

A	Condensed interim consolidated statement of profit or loss and other comprehensive income	3
B	Condensed interim statements of financial position	4
C	Condensed interim statements of changes in equity	5
D	Condensed interim consolidated statement of cash flows	6
E	Notes to the condensed interim consolidated financial statements	7
F	Other information required by Listing Rule Appendix 7C	21

ZHONGXIN FRUIT AND JUICE LIMITED(Incorporated in Singapore)
(Co. Reg. No. 200208395H)**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Note	Group		Increase / (Decrease) %
		6 months ended		
		31 Dec 2022 RMB'000	31 Dec 2021 RMB'000	
Revenue	4	52,753	80,631	(34.6%)
Cost of sales		(40,111)	(62,264)	(35.6%)
Gross profit		12,642	18,367	(31.2%)
<u>Other income:</u>				
Other operating income		2,235	29,100	(92.3%)
<u>Operating expenses:</u>				
Distribution expenses		(3,628)	(7,140)	(49.2%)
Administrative expenses		(5,856)	(4,137)	41.6%
Finance costs		(1,526)	(2,270)	(32.8%)
Share of (loss) / profit from equity accounted joint venture		(1,478)	676	n.m.
Profit before income tax	6	2,389	34,596	(93.1%)
Income tax	7	(725)	(444)	63.3%
Profit for the period		1,664	34,152	(95.1%)
Other comprehensive income for the period, net of tax				
Item that will not be reclassified to profit or loss				
Defined benefit plan remeasurements		-	(10)	n.m.
Total comprehensive income for the period		1,664	34,142	(95.1%)
attributable to owners of the Company				
Earnings per share for earnings attributable to owners of the Company (RMB cents):				
- Basic	9	0.16	3.24	
- Diluted	9	0.16	3.24	

n.m. - not meaningful

ZHONGXIN FRUIT AND JUICE LIMITED(Incorporated in Singapore)
(Co. Reg. No. 200208395H)**B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

	Note	Group		Company	
		As at		As at	
		31 Dec 2022	30 June 2022	31 Dec 2022	30 June 2022
		RMB'000	RMB'000	RMB'000	RMB'000
ASSETS					
Non-Current Assets					
Investment in joint venture		12,457	13,935	6,347	6,347
Investment in subsidiaries		-	-	19,473	19,473
Property, plant and equipment	11	44,099	45,491	1	1
Right of use assets		6,413	6,506	-	-
		<u>62,969</u>	<u>65,932</u>	<u>25,821</u>	<u>25,821</u>
Current Assets					
Cash and cash equivalents		1,381	3,474	1,034	2,378
Notes receivables	12	20,000	-	-	-
Trade receivables	13	72,784	94,387	-	-
Other receivables	14	1,096	1,328	-	-
Receivable from subsidiaries		-	-	20,487	20,487
Receivable from a related party		7	7	-	-
Prepayments		99	523	-	-
Inventories		78,282	28,123	-	-
		<u>173,649</u>	<u>127,842</u>	<u>21,521</u>	<u>22,865</u>
Total Assets		236,618	193,774	47,342	48,686
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	15	252,093	252,093	252,093	252,093
Contributed surplus		22,000	22,000	-	-
Statutory and other reserves		10,563	8,263	-	-
Accumulated losses		(154,193)	(153,557)	(204,975)	(204,660)
Equity attributable to owners of the Company		130,463	128,799	47,118	47,433
Non-Current Liability					
Deferred capital grant		210	212	-	-
Current Liabilities					
Trade and other payables	16	5,914	6,669	224	1,253
Payable to immediate holding company		50,001	48,203	-	-
Borrowings	17	49,305	9,891	-	-
Provision for taxation		725	-	-	-
		<u>105,945</u>	<u>64,763</u>	<u>224</u>	<u>1,253</u>
Total Liabilities		106,155	64,975	224	1,253
Total Equity and Liabilities		236,618	193,774	47,342	48,686

ZHONGXIN FRUIT AND JUICE LIMITED(Incorporated in Singapore)
(Co. Reg. No. 200208395H)**C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**

	Equity attributable to owners of the Company				
	Share Capital RMB'000	Contributed Surplus RMB'000	Statutory and Other Reserves RMB'000	Accumulated Losses RMB'000	Total RMB'000
Group					
Current Year:					
Balance as at 1 July 2022	252,093	22,000	8,263	(153,557)	128,799
Profit for the period, representing total comprehensive income for the financial period	-	-	-	1,664	1,664
Transfer to statutory and other reserves representing transaction with equity holders as owners of the Group	-	-	2,300	(2,300)	-
Balance as at 31 December 2022	252,093	22,000	10,563	(154,193)	130,463
Previous Year:					
Balance as at 1 July 2021	252,093	22,000	6,606	(199,293)	81,406
<i>Total comprehensive income for the financial period</i>					
Profit for the period	-	-	-	34,152	34,152
Other comprehensive income for the period	-	-	-	(10)	(10)
Total comprehensive income for the financial period	-	-	-	34,142	34,142
Transfer to statutory and other reserves representing transaction with equity holders as owners of the Group	-	-	1,657	(1,657)	-
Balance as at 31 December 2021	252,093	22,000	8,263	(166,808)	115,548
Company					
Current Year:					
Balance as at 1 July 2022	252,093	-	-	(204,660)	47,433
Loss for the period, representing total comprehensive loss for the financial period	-	-	-	(315)	(315)
Balance as at 31 December 2022	252,093	-	-	(204,975)	47,118
Previous Year:					
Balance as at 1 July 2021	252,093	-	-	(202,767)	49,326
Loss for the period, representing total comprehensive loss for the financial period	-	-	-	(296)	(296)
Balance as at 31 December 2021	252,093	-	-	(203,063)	49,030

ZHONGXIN FRUIT AND JUICE LIMITED(Incorporated in Singapore)
(Co. Reg. No. 200208395H)**D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

	Group	
	6 months ended	
	31 Dec 2022	31 Dec 2021
	RMB'000	RMB'000
Operating activities		
Profit before income tax	2,389	34,596
Adjustments for :		
Amortisation of deferred capital grant	(3)	(3)
Amortisation of right of use assets	93	93
Depreciation of property, plant and equipment	539	530
Share of loss / (profit) from equity accounted joint venture	1,478	(676)
Interest expense	1,526	2,270
Interest income	(1,980)	(1,538)
Write-back of allowance for impairment loss	(30)	-
Operating cash flows before working capital changes	4,012	35,272
Inventories	(48,438)	(17,689)
Notes receivables	(20,000)	(20,000)
Trade and other receivables	(242)	1,618
Receivable from immediate holding company	22,107	6,550
Prepayments	424	437
Trade and other payables	(754)	64
Net cash (used in) / generated from operating activities	(42,891)	6,252
Investing activities		
Interest received	1,980	1,538
Purchase of property, plant and equipment	(868)	(792)
Net cash generated from investing activities	1,112	746
Financing activities		
Net advances from / (repayment to) immediate holding company	1,798	(44,943)
Net advances to a related party	-	(1)
Interest paid	(1,526)	(1,783)
Net drawdown of borrowings	39,414	38,969
Net cash generated from / (used in) financing activities	39,686	(7,758)
Net change in cash and cash equivalents	(2,093)	(760)
Cash and cash equivalents at beginning of the financial period	3,474	4,733
Cash and cash equivalents at end of the financial period	1,381	3,973

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Zhongxin Fruit and Juice Limited (“the Company”) is a public limited liability company incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist of the Singapore Exchange Securities Trading Limited. The immediate holding company is SDIC Zhonglu Fruit Juice Co., Ltd (“SDICZL”) which is incorporated in the People’s Republic of China (“PRC”) and listed on the Shanghai Stock Exchange. The Company’s ultimate holding company is State Development and Investment Corporation (“SDIC”), a state-owned enterprise in PRC.

These condensed interim consolidated financial statements as at and for the six months ended 31 December 2022 comprise the Company and its subsidiaries (collectively, “the Group”).

The principal activity of the Company is that of investment holding. The principal activity of the subsidiaries is production of fruit juice concentrate.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 31 December 2022 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 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 30 June 2022.

The accounting policies 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 financial statements are presented in Chinese Renminbi, which is the Group’s and the Company’s functional currency. All financial information presented in Chinese Renminbi has been rounded to the nearest thousand (RMB’000), unless otherwise indicated.

2.1. New and amended standards adopted by the Group

The Group has adopted all the applicable new and revised SFRS(I) and the related interpretations of SFRS(I) (“INT SFRS(I)”) that are effective for the current financial period. The adoption of the new / revised SFRS(I) and INT SFRS(I) did not result in any substantial changes to the Group’s and the Company’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2. Use of judgements and estimates

In the application of the Group’s accounting policies, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

2. Basis of Preparation (cont'd)

2.2. Use of judgements and estimates (cont'd)

Critical judgements made in applying the Group's accounting policies

In the preparation of the financial statements, management is of the opinion that there were no critical judgements and significant assumptions made in the process of applying the Group's accounting policies that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

a) Allowance for expected credit losses ("ECLs") of trade receivables

The Group determines the ECL by using the individual (debtor-by-debtor) basis as at the reporting date in view that there are only 2 trade debtors (30 June 2022: 1 trade debtor) and the trade amount due from the immediate holding company constituted 99% (30 June 2022: 100%) of the Group's trade receivables as at that date.

There is estimation used in the measurement of lifetime expected credit losses and forward-looking assumptions. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The carrying amount of trade receivables at the end of the reporting date was RMB 72,784,000 (30 June 2022: RMB 94,387,000).

b) Useful lives of property, plant and equipment

The estimates for the useful lives and related depreciation charges for property, plant and equipment is based on commercial and production factors which could change significantly as a result of technical innovations and competitor actions in response to severe market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technical obsolescence or nonstrategic assets that have been abandoned or sold.

Management estimates the useful lives of property, plant and equipment to be within 3 to 40 years. The carrying amount of the Group's property, plant and equipment at the reporting date is RMB 44,099,000 (30 June 2022: RMB45,491,000). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets. Therefore, future depreciation charges could be revised.

c) Allowances for inventory obsolescence

Management carries out an inventory review at the end of each reporting period to determine any need for allowance for inventory obsolescence. Management estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. In the event of significant changes to the current market conditions, possible changes in these estimates could result in revisions to the carrying amount of the inventories. The carrying amount of the inventories at the end of the reporting period is RMB 78,282,000 (30 June 2022: RMB28,123,000).

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

2. Basis of Preparation (cont'd)

2.2. Use of judgements and estimates (cont'd)

Critical accounting estimates and assumptions (cont'd)

d) Income taxes

The Group has exposure to income taxes in PRC jurisdictions. Significant judgement and estimation process is involved in determining the Group's provision for income taxes. There are certain transactions and computations for which the determination of ultimate tax is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax computation in the financial year in which such determination is made.

The carrying amount of income tax liabilities at the end of the reporting period is RMB725,000 (30 June 2022: Nil).

e) Impairment of idle property, plant and equipment ("PPE")

PPE are assessed for impairment whenever there is objective evidence that the assets may be impaired. If any such indication exists, an impairment assessment will be performed accordingly. The recoverable amount of the assets is assessed as the higher of fair value less costs of disposal and value in use.

The Group's PPE included certain production machinery of Xuzhou Zhongxin which were idle as Xuzhou Zhongxin had suspended its production of concentrated apple juice since prior years. As at the end of reporting period, the carrying amount of these idle production machinery amounted to RMB3.26 million (30 June 2022: RMB3.57 million).

The fair value of the idle production machinery was determined using the Replacement Cost Approach, which is based on an estimate of the market value for the existing use of the production machinery, plus the current cost of replacement less deduction for physical deterioration and all relevant forms of obsolescence and optimisation.

As at the end of reporting period, no allowance for impairment loss of Xuzhou Zhongxin's idle production machinery was recognised as the recoverable amounts, based on fair value less costs of disposal, were determined to be higher than the respective carrying amounts at the reporting date.

3. Seasonal Operations

The fruit juice industry is cyclical in nature as raw materials such as apples and pears are in season during the second half of the calendar year (i.e. the first half of the Group's financial year). To ensure the freshness of the ingredients, generally, the Group procures the raw materials and produces the fruit juice during the first half of the financial year for its full year's supply.

The sales of the Group are not affected significantly by seasonal or cyclical factors during the financial period.

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

4. Segment and Revenue Information

Revenue represents the value of the goods sold to customers, net of sales discount and returns.

a) Business segment

The Group is organised into the following main business segments:

- Production of fruit juice concentrate

This relates to the production of concentrated juice mainly for export to multinational F&B corporations in the United States, European Union, South Africa, Canada, Japan and Australia via SDICZL. The concentrated juice produced is used as an ingredient in packet juice drinks, soft drinks, cider, yoghurt and candies.

- Processing of garlic

This relates to the processing, sorting, packaging and distribution of garlic*.

* The Group had suspended the garlic processing since the end of the financial year ended 30 June 2021.

These reportable operating segments are reported in a manner consistent with internal reporting provided to management who are responsible for allocating resources and assessing performance of the operating segments. The accounting policies of the reportable operating segments are the same as the Group's accounting policies. Segment performance is monitored based on revenue and gross profit or loss earned by each segment without allocation of operating expenses net of other operating income, finance income/costs and income tax. Segment assets and segment liabilities are disclosed unallocated in the segment reporting as the assets of the Group are utilised interchangeably between the different operating segments and there is no reasonable basis to allocate liabilities of the Group between the different operating segments.

Information regarding the Group's reportable operating segments is presented in the tables below.

1 July 2022 to 31 December 2022	Fruit juice production RMB'000	Garlic processing RMB'000	Inter-segment eliminations RMB'000	Group RMB'000
Revenue				
- External	52,753	-	-	52,753
- Inter segment	-	-	-	-
Total	<u>52,753</u>	<u>-</u>	<u>-</u>	<u>52,753</u>
Segment performance - Gross profit	12,642	-	-	12,642
Unallocated operating expenses (net)				(7,249)
Finance costs				(1,526)
Share of loss from joint venture				<u>(1,478)</u>
Profit before income tax				2,389
Income tax				<u>(725)</u>
Profit for the period				<u>1,664</u>
Segment assets - unallocated				<u>236,618</u>
Segment liabilities - unallocated				<u>106,155</u>
Other information:				
Additions to property, plant and equipment - unallocated				868
Amortisation of right of use assets				93
Depreciation of property, plant and equipment				539
Write-back of allowance for impairment loss - other receivables				<u>30</u>

ZHONGXIN FRUIT AND JUICE LIMITED(Incorporated in Singapore)
(Co. Reg. No. 200208395H)**4. Segment and Revenue Information (cont'd)**a) Business segment (cont'd)

1 July 2021 to 31 December 2021	Fruit juice production	Garlic processing	Inter-segment eliminations	Group
	RMB'000	RMB'000	RMB'000	RMB'000
Revenue				
- External	80,631	-	-	80,631
- Inter segment	-	-	-	-
Total	<u>80,631</u>	<u>-</u>	<u>-</u>	<u>80,631</u>
Segment performance - Gross profit	18,367	-	-	18,367
Unallocated operating income (net)				17,823
Finance costs				(2,270)
Share of profit from joint venture				676
Profit before income tax				34,596
Income tax				(444)
Profit for the period				<u>34,152</u>
Segment assets - unallocated				<u>224,010</u>
Segment liabilities - unallocated				<u>108,462</u>
Other information:				
Additions to property, plant and equipment - unallocated				792
Amortisation of right of use assets				93
Depreciation of property, plant and equipment				<u>530</u>

b) Geographical information

There is no breakdown by geographical markets of revenue and non-current assets information as the Group's operations and customers were predominantly based in the PRC.

c) Disaggregation of revenue

	Group	
	6 months ended	
	31 Dec 2022	31 Dec 2021
	RMB'000	RMB'000
Revenue:		
Concentrated apple and pear juice	44,747	76,479
Apple essence	-	328
Fructose	7,707	3,006
Sales of component parts	299	818
	<u>52,753</u>	<u>80,631</u>
Timing of transfer of goods or service:		
At a point in time	52,753	80,631
Over time	-	-
	<u>52,753</u>	<u>80,631</u>

ZHONGXIN FRUIT AND JUICE LIMITED(Incorporated in Singapore)
(Co. Reg. No. 200208395H)**5. Financial assets and financial liabilities**

Set out below is an overview of the financial assets and financial liabilities of the Group and of the Company as at 31 December 2022 and 30 June 2022:

	Group		Company	
	As at 31 December 2022	As at 30 June 2022	As at 31 December 2022	As at 30 June 2022
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets				
Loans and receivables				
Cash and cash equivalents	1,381	3,474	1,034	2,378
Notes receivables	20,000	-	-	-
Trade receivables	72,784	94,387	-	-
Other receivables	1,096	1,328	-	-
Receivable from subsidiaries	-	-	20,487	20,487
Receivable from a related party	7	7	-	-
Financial liabilities at amortised cost				
Trade and other payables	5,914	6,669	224	1,253
Payable to immediate holding company	50,001	48,203	-	-
Borrowings	49,305	9,891	-	-

6. Profit Before Income Tax**6.1. Significant Items**

	Group	
	6 months ended	
	31 Dec 2022	31 Dec 2021
	RMB'000	RMB'000
Income		
Amortisation of deferred capital grant	(3)	(3)
Foreign exchange (gain) / loss	(61)	53
Interest income	(1,980)	(1,538)
Receipt of settlement payment	-	(27,500)
Write-back of allowance for impairment loss	(30)	-
Expenses		
Amortisation of right of use assets	93	93
Depreciation of property, plant and equipment	539	530
Interest expense	1,526	2,270

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

6. Profit Before Income Tax (cont'd)

6.2. Related Party Transactions

In addition to the related party information disclosed elsewhere in the condensed interim financial statements, the Group entered into the following significant transactions with related parties that took place at terms agreed between the parties during the financial period:

	Group	
	6 months ended	
	31 Dec 2022	31 Dec 2021
	RMB'000	RMB'000
<u>The Group</u>		
Sales to SDICZL and its group of companies	51,933	79,212
Purchases from SDICZL and its group of companies	501	539
Payment to a related party for lease of certain storage facility	-	290
Interest paid with respect to loans and advances provided by SDICZL	1,079	1,772
Interest received from SDICZL with respect to the interest charged on the outstanding trade receivable due from SDICZL	1,976	1,531
<u>Joint venture of the Group</u>		
Sales to SDICZL and its group of companies*	16,640	20,797
Purchases from SDICZL and its group of companies*	-	6
Payment to a related party for lease of certain storage facility*	29	68
Interest paid with respect to loans and advances provided by SDICZL*	219	190

* Based on the effective equity interest of the Group in the joint venture of 50%.

7. Taxation

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:

	Group	
	6 months ended	
	31 Dec 2022	31 Dec 2021
	RMB'000	RMB'000
Current income tax		
- for the financial period	725	444

8. Dividends

There is no dividend declared for the 6 months ended 31 December 2022.

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

9. Earnings per Share

Earnings per ordinary shares of the Group for the period based on profit after income tax :	Group	
	6 months ended	
	31 Dec 2022	31 Dec 2021
	RMB'000	RMB'000
(a) Based on the weighted average number of ordinary shares in issue (basic) (RMB cents)	0.16	3.24
(b) On a fully diluted basis (RMB cents)	0.16	3.24
Weighted average number of ordinary shares in issue	1,055,459,201	1,055,459,201

The basic and fully diluted earnings per share were the same as there were no potentially dilutive ordinary shares in issue as at 31 December 2022 and 31 December 2021.

10. Net Asset Value

	Group		Company	
	As at 31 Dec 2022	As at 30 June 2022	As at 31 Dec 2022	As at 30 June 2022
Net assets value per ordinary share based on total number of issued shares excluding treasury shares (RMB cents)	12.36	12.20	4.46	4.49

The net asset value per ordinary share for the Group and Company is calculated based on the issued share capital of 1,055,459,201 ordinary shares as at 31 December 2022 and 30 June 2022.

11. Property, Plant and Equipment

During the six months ended 31 December 2022, the Group acquired assets amounting to approximately RMB868,000 (31 December 2021: RMB 792,000).

There were no assets disposals or write off in the six months ended 31 December 2022 and 31 December 2021.

12. Notes Receivables

	Group	
	As at 31 December 2022	As at 30 June 2022
	RMB'000	RMB'000
Current:		
Notes receivables	20,000	-

The notes receivables as at 31 December 2022 represent the promissory notes issued by SDICZL in favour of the Group as consideration for trade purchases and the partial settlement of trade receivables owing by SDICZL to the Group. In turn, the Group has endorsed these promissory notes in favour of financial institutions to obtain working capital financing for the Group.

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

13. Trade Receivables

	Group	
	As at 31 December 2022 RMB'000	As at 30 June 2022 RMB'000
Trade receivables		
- immediate holding company	72,280	94,387
- third party	504	-
	72,784	94,387

Trade receivables from immediate holding company are unsecured, interest bearing at 4.35% per annum (30 June 2022: 4.35%) and generally on 60 days terms. Trade receivables from third party are unsecured, non-interest bearing and are generally on 30 to 60 days terms.

The Group determines the expected credit loss ("ECL") of trade receivables by using the individual (debtor-by-debtor) basis at the reporting date in view that there are only 2 trade debtors and the trade amounts due from the immediate holding company constituted 99 % (30 June 2022: 100%) of the Group's trade receivables as at that date.

The Group's credit risk exposure in relation to trade receivables and amount due from immediate holding company (trade) from contracts with customers at the reporting date are set out in the provision matrix as presented below.

	← Past due (days) →				Total RMB'000
	Current RMB'000	1 - 90 days RMB'000	91 to 270 days RMB'000	> 270 days RMB'000	
<u>31 December 2022</u>					
Expected credit loss rate	*	*	*	*	
Trade receivable	504	-	-	-	504
Trade amounts due from immediate holding company	9,888	28,145	34,247	-	72,280
	10,392	28,145	34,247	-	72,784
Loss allowance - lifetime ECL	-	-	-	-	-
					72,784
<u>30 June 2022</u>					
Expected credit loss rate	*	*	*	*	
Trade receivables	-	-	-	-	-
Trade amounts due from immediate holding company	8,172	45,413	40,802	-	94,387
	8,172	45,413	40,802	-	94,387
Loss allowance - lifetime ECL	-	-	-	-	-
					94,387

* ECL rate considered insignificant.

ZHONGXIN FRUIT AND JUICE LIMITED(Incorporated in Singapore)
(Co. Reg. No. 200208395H)**14. Other Receivables**

	Group		Company	
	As at 31 December 2022	As at 30 June 2022	As at 31 December 2022	As at 30 June 2022
	RMB'000	RMB'000	RMB'000	RMB'000
Other receivables:				
- Non-related parties ^(a)	1,941	1,840	-	-
Less: Allowance for impairment loss	(1,682)	(1,712)	-	-
Net other receivables	259	128	-	-
Deposits	750	1,200	-	-
Value-added-tax ("VAT") receivable	87	-	-	-
	<u>1,096</u>	<u>1,328</u>	<u>-</u>	<u>-</u>

(a) Included in other receivables is an amount of RMB1,560,000 (30 June 2022: RMB1,590,000) that relates to Xuzhou Zhongxin's remaining balance of compensation for the dismantlement of land in 2015. The said amount has been fully impaired as it has been long outstanding.

The Group's other receivables that were impaired as at 31 December 2022 and 30 June 2022 and the movements of the allowance accounts used to record the impairment were as follows:

	Group	
	As at 31 December 2022 RMB'000	As at 30 June 2022 RMB'000
Movement in allowance accounts:		
At 1 July	1,712	917
(Write-back) / Addition during the period/year	(30)	795
At 31 December / 30 June	<u>1,682</u>	<u>1,712</u>

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

14. Other Receivables (cont'd)

The net other receivables at the end of the reporting period were mainly represented as follow:

	Note	Group		Company	
		As at	As at	As at	As at
		31 December 2022	30 June 2022	31 December 2022	30 June 2022
		RMB'000	RMB'000	RMB'000	RMB'000
Deposits	(a)	750	1,200	-	-
VAT receivable		87	-	-	-
Advance payment for electricity charges	(b)	164	-	-	-
Others	(c)	95	128	-	-
		1,096	1,328	-	-

Notes:

- (a) This relates to the security deposit paid by Yuncheng Zhongxin Fruit and Juice Company Limited ("Yuncheng Zhongxin") in financial year ended 30 June 2018 to its natural gas supplier. The security deposit can be utilised to offset the cost of Yuncheng Zhongxin's natural gas usage in fourth year onwards i.e. in the financial year ended 30 June 2022 onwards. Yuncheng Zhongxin has utilised RMB450,000 of the deposit in the financial period.
- (b) This relates to the advance payment of the electricity charges to the local authority.
- (c) Others mainly comprise of advance payments for insurance, training costs and contribution to national pension scheme / defined contribution plan.

Other receivables at the end of the reporting period were interest-free, unsecured and not past due.

The Board has assessed and is satisfied with the recoverability of the other receivables.

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

15. Share Capital

	Group and Company			
	As at 31 December 2022		As at 30 June 2022	
	No of shares	RMB'000	No of shares	RMB'000
Issued and fully paid:				
<u>Ordinary shares</u>				
At beginning and end of financial period/year	1,055,459,201	252,093	1,055,459,201	252,093

All issued shares are fully paid. The Company has one class of ordinary shares, which carry one vote per share without restriction. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. The ordinary shares have no par value.

There was no change in the Company's issued share capital of 1,055,459,201 ordinary shares amounting to RMB252,093,405 from 30 June 2022 to 31 December 2022.

The Company did not have any treasury shares during and as at the end of the financial period reported on.

The Company did not have any subsidiary holdings during and as at the end of the financial period reported on.

As at 31 December 2022, 30 June 2022 and 31 December 2021, there were no outstanding options, convertibles, treasury shares or subsidiary holdings in the Company.

16. Trade and Other Payables

	Note	Group		Company	
		As at 31 December 2022	As at 30 June 2022	As at 31 December 2022	As at 30 June 2022
		RMB'000	RMB'000	RMB'000	RMB'000
Trade payables:					
- Third parties	(a)	1,144	1,688	-	-
Accrued operating expenses	(b)	2,626	1,700	110	884
Accrued salaries, bonus and directors' remunerations		1,345	1,607	114	369
VAT payable		799	1,674	-	-
		<u>5,914</u>	<u>6,669</u>	<u>224</u>	<u>1,253</u>

Trade payables to third parties are unsecured, non-interest bearing and are generally on 30 to 60 days terms.

ZHONGXIN FRUIT AND JUICE LIMITED(Incorporated in Singapore)
(Co. Reg. No. 200208395H)**16. Trade and Other Payables (cont'd)**Notes:

(a) Aging of the Group's trade payables at the end of the reporting period was as follows:

	Group	
	As at 31 December 2022 RMB'000	As at 30 June 2022 RMB'000
Less than 30 days	922	1,631
Within 31 to 60 days	-	-
Within 61 to 90 days	-	-
Within 91 to 120 days	-	30
More than 121 days	222	27
Total	1,144	1,688

(b) The accrued operating expenses at the end of the reporting period were mainly represented as follow:

	Note	Group		Company	
		As at 31 December 2022 RMB'000	As at 30 June 2022 RMB'000	As at 31 December 2022 RMB'000	As at 30 June 2022 RMB'000
Accruals:					
- Internal and external audit services		136	490	-	490
- Outsourced financial reporting services		-	212	-	212
- Lawyer fee payable	(i)	1,375	-	-	-
- Operating tax payables	(ii)	424	292	-	-
Others	(iii)	691	706	110	182
		2,626	1,700	110	884

- (i) This is in relation to the professional fees payable to the appointed legal firm for their assistance in the recovery of the settlement payment of RMB27.5 million received in year 2021 by Xuzhou Zhongxin Fruit and Juice Limited ("Xuzhou Zhongxin"), a wholly owned subsidiary of the Group. Refer Page 22 for details of the settlement payment.
- (ii) This relates to other operating tax payables pertaining to city maintenance and construction tax, education supplementary tax, local education supplementary tax, property tax and water tax.
- (iii) Others mainly comprise of custom fee and freight payable, amount payable to other non-trade suppliers, insurance payable, other accrued expenses and miscellaneous payables.

Other payables at the end of the reporting period were interest-free, unsecured and not past due.

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

17. Borrowings

	Group			
	As at 31 Dec 2022		As at 30 June 2022	
	Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
<u>Repayable in one year or less, or on demand</u>				
- Trade financing	-	19,579	-	-
- Short-term bank loans	-	29,726	-	9,891
<u>Repayable after one year</u>				
- Bank borrowings	-	-	-	-
Total	-	49,305	-	9,891

Details of any collateral

The trade financing of approximately RMB19.6 million outstanding as at 31 December 2022 was secured by the endorsement of notes receivables. The Group has obtained working capital financing by endorsing the notes receivables issued by its immediate holding company, SDICZL to the Group in favour of financial institutions.

The short-term bank loans of approximately RMB29.7 million outstanding as at 31 December 2022 were unsecured and bears interest at 3.2% (30 June 2022: 3.5%) per annum that are obtained for working capital purpose. The borrowing tenure is 1 year from September 2022 (30 June 2022: from November 2021).

The short term bank loan of RMB9.9 million outstanding as at 30 June 2022 had matured and fully settled in the financial period.

18. Subsequent Events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

1. Review

The condensed consolidated statements of financial position of Zhongxin Fruit and Juice Limited and its subsidiaries as at 31 December 2022 and the related condensed consolidated statement of profit or loss and comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

1A. 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 a material uncertainty relating to going concern.

Not applicable.

2. Review of performance of the Group

Review for the performance of the Group for the six months financial period ended 31 December 2022 ("HY2023") as compared to the six months financial period ended 31 December 2021 ("HY2022").

Consolidated Statement of Comprehensive Income

Revenue

During HY2023 and HY2022, the Group had recorded the following:

	Group	
	HY2023	HY2022
Procurement (Metric tonnes, "MT"):		
- Apples	46,109	110,406
- Pears	17,879	1,645
- Processed apple juice	40	77
- Raw garlic	-	-
Total	64,028	112,128
Production (MT):		
- Apple juice	6,624	16,432
- Pear juice	1,252	202
- Fructose	1,167	1,504
- Essence	98	271
Total	9,141	18,409
Sales volume (MT):		
- Apple juice	4,625	12,110
- Pear juice	695	-
- Fructose	856	369
- Essence	-	48
Total	6,176	12,527
Average selling price (RMB per MT):		
- Fruit juice	8,412	6,316
- Fructose	9,006	8,139
- Essence	-	6,842

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

2. Review of performance of the Group (cont'd)

Production

In HY2023, some major apple producing areas in China suffered a heatwave and the harvest of apples was greatly reduced, resulting a shortage of quality raw materials and higher procurement costs as compared to HY2022. The subsidiary of the Company, Yuncheng Zhongxin, after deliberating on the escalating costs and market situation, took the decision to reduce the level of production in HY2023.

The fruit juice industry is cyclical in nature as raw materials such as apples and pears are in season during the first half of the Group's financial year. To ensure the freshness of the ingredients, generally, the Group procures and produces the fruit juice during the first half of the financial year for its full year's supply. Similar in the past, Yuncheng Zhongxin carried on the production of fruit juice concentrate business in the financial period despite the challenging operating environment and dwindling global market demand for juices at the outset of the COVID-19 pandemic and rising business costs. This is to ensure that it has sufficient inventories on hand to capture sales opportunities and to cater to market demand when the fruit juice market rebounded.

Xuzhou Zhongxin Fruit & Juice Company Limited ("Xuzhou Zhongxin") has continued the suspension of its fruit juice production due to operational constraint. Xuzhou Zhongxin has also suspended its garlic processing activities since the end of financial year ended 30 June 2021 due to the low demand for garlic in the main importing countries mainly attributable to rising shipping costs and trade and shipping disruptions. After considering the costs and benefits, including the anticipated volume of business, manpower and other resources that need to be put in place to resume production, the Management decided that it may not be commercially viable for Xuzhou Zhongxin to resume its fruit juice production and garlic processing activities and has taken the decision to continue the suspension of Xuzhou Zhongxin's fruit juice concentrate production and garlic processing.

Revenue

The average selling price of concentrated fruit juices increased by approximately 33% in HY2023 as compared to HY2022 due to higher raw material costs. The decreased production volume has resulted in lower sales volume in HY2023. The Group recorded lower revenue of RMB52.8 million in HY2023, representing a decrease of RMB27.9 million or 35% from the revenue of RMB80.6 million in HY2022.

Gross profit

As a result of lower revenue, gross profit decreased from RMB18.4 million in HY2022 to RMB12.6 million in HY2023.

The higher average selling price of the concentrated fruit juices outweighed the increase in costs of sale contributed by higher cost of raw materials. Hence, the Group was able to record slightly higher gross profit margin of 24% in HY2023 as compared to 23% in HY2022.

Other income

The Group reported lower amount of other income in HY2023 as compared to HY2022 mainly due to the receipt of settlement payment of RMB27.5 million (refer next page for details) from the ultimate beneficial controlling shareholder of Sanmenxia Tianyu Investment Co., Ltd ("Purchaser") in relation to an indemnity claim as disclosed in the announcement released by the Company on 15 October 2021. Such income was recorded in HY2022.

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

2. Review of performance of the Group (cont'd)

Other income (cont'd)

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. As part of the terms of disposal, the Purchaser undertook to indemnify Xuzhou Zhongxin against any claim under the guarantee.

On 4 December 2006, the Bank of China filed a lawsuit against SLFJ and Xuzhou Zhongxin to recover the outstanding amount of approximately RMB22.75 million. Xuzhou Zhongxin had settled the Bank of China's claim. Since then, the Group has been pursuing the 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 Xuzhou Zhongxin agreed on a final settlement of RMB27.5 million which includes interest and default interest, and on 13 October 2021, Xuzhou Zhongxin received the settlement payment in full.

Expenses

The decrease in distribution expenses was mainly due to lower transportation costs incurred in HY2023 following the decrease in the volume of sales in the financial period.

The increase in administrative expenses was mainly due to the legal fees of RMB1.4 million incurred by Xuzhou Zhongxin in HY2023. This was in relation to the professional fees payable to the appointed legal firm for their assistance in the recovery of the settlement payment of RMB27.5 million as explained above.

The decrease in finance costs was mainly due to lower interest paid by Xuzhou Zhongxin with respect to the lower level of average loans and advances made by the Group's immediate holding company, SDICZL in HY2023 to Xuzhou Zhongxin to finance its working capital requirements.

Share of (loss)/profit from equity-accounted joint venture

In HY2023, the Group shared the loss from its equity-accounted joint venture, Linyi SDIC Zhonglu Fruit Juice Co., Ltd ("Linyi SDIC") of approximately RMB1.5 million as compared to the share of profit of approximately RMB0.7 million in HY2022. This was mainly due to the lower revenue and gross profit recorded due to lower sales volume in HY2023 attributed to the decreased production volume in Linyi SDIC due to the shortage of raw materials as a result of the heatwave suffered in some major apple producing areas in China.

Income Tax Expense

Income tax expense in HY2023 was related to the income tax on non-operating income that was not exempted from tax.

Profit for the financial period

Due to the reasons explained above, the Group recorded profit after taxation of RMB 1.7 million in HY2023 as compared to RMB34.2 million in HY2022.

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

2. Review of performance of the Group (cont'd)

Statements of Financial Position

The comparative for both the assets and liabilities are based on the Group's financial statements as at 31 December 2022 and 30 June 2022.

Non-current assets decreased by approximately RMB2.9 million from RM65.9 million as at 30 June 2022 to RMB63.0 million as at 31 December 2022 mainly due to the following:

Investment in Joint Venture

Investment in joint venture decreased by approximately RMB1.5 million due to a lower carrying amount of the investment in Linyi SDIC following the share of loss in HY2023.

Property, plant and equipment ("PPE")

PPE decreased by approximately RMB1.4 million mainly due to depreciation charges of RMB2.3 million offset by a PPE addition of RMB0.9 million.

Included in the depreciation charges in HY2023 was an amount of RMB1.8 million (HY2022: RMB1.8 million) that was absorbed into inventories costing while the remaining amount of RMB 0.5 million (HY2022: RMB0.5 million) was charged to distribution and administrative expenses.

Current assets increased by approximately RMB45.8 million from RMB127.8 million as at 30 June 2022 to RMB173.6 million as at 31 December 2022 mainly due to the following:

Cash and cash equivalents

Cash and cash equivalents decreased by approximately RMB2.1 million as explained under the statement of cash flows below.

Notes receivables

The notes receivables of RMB20.0 million as at 31 December 2022 were related to the promissory notes issued by SDICZL in favour of the Group as consideration for trade purchases and the partial settlement of trade receivables owing by SDICZL to the Group. In turn, the Group has endorsed these promissory notes in favour of financial institutions to obtain working capital financing for the Group.

Trade receivables

Trade receivables decreased by approximately RMB21.6 million due to the decrease in trade amount owing by SDICZL through the issuance of the promissory notes for the partial settlement as explained above.

Other receivables

Other receivables decreased by approximately RMB0.2 million mainly attributable to the decrease in natural gas supply's security deposit of RMB 0.4 million as explained in Page 17.

Prepayments

Prepayments decreased by approximately RMB0.4 million as the Group had completed most of its procurement requirements in HY2023 and there was lesser prepaid expenses required as at the balance sheet date.

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

2. Review of performance of the Group (cont'd)

Inventories

Inventories increased by approximately RMB50.2 million as the Group carried higher level of finished goods as at 31 December 2022 as compared to 30 June 2022.

Due to the seasonality nature of the raw materials, the Group has procured the materials and produced the fruit juice during the first half of the financial year for its full year's supply. Therefore, the Group carried higher level of inventories as at 31 December 2022 which were mainly represented by fruit juice concentrate finished goods.

Current liabilities increased by approximately RMB41.1 million from RMB64.8 million as at 30 June 2022 to RMB105.9 million as at 31 December 2022. This was mainly due to the following:

Trade and Other Payables

Trade and other payables decreased by approximately RMB0.8 million mainly due to decrease in trade payables as a result of lower level of procurement during HY2023 as well as the decrease in VAT payable, offset by higher accrued expenses as at the balance sheet date.

Borrowings

The borrowings of RMB49.3 million as at 31 December 2022 were in relation to the following:

- a) Trade financing of approximately RMB19.6 million obtained by Yuncheng Zhongxin, secured by the endorsement of the notes receivables from SDICZL in favour of Yuncheng Zhongxin. The trade financing was obtained from financial institutions to support the Group's working capital requirements. The proceeds were primarily utilised for the purchase of raw materials; and
- b) Short-term bank loans of approximately RMB29.7 million obtained by Yuncheng Zhongxin from a financial institution for working capital purpose.

Statement of Cash Flows

Net cash used in operating activities of RMB42.9 million in HY2023 was mainly due to the positive cash flows before working capital changes and the changes in working capital outflow largely from the increase in inventories and notes receivables, offset by the decrease in receivable from immediate holding company.

Net cash generated from investing activities of RMB1.1 million in HY2023 was mainly attributable to interest received and partially offset by purchase of PPE.

Net cash generated from financing activities of RMB39.7 million in HY2023 was mainly due to drawdown of borrowings.

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

The Group's results for the half year ended 31 December 2022 is consistent with the profit guidance announcement released by the Company on 18 January 2023.

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

4. 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.

The PRC authorities has announced the easing of COVID-19 restrictions. While the reopening has caused the country to experience a wave of COVID-19 infections, the situation in PRC is largely manageable. The PRC is expected to live with the COVID-19 virus as endemic. Amid the uncertainty concerning the slowing down of the virus spread as well as the emergence of new Covid variants, the Group aims to stay vigilant in order to be in a position to take prompt action to deal with the situation promptly.

With the various preventive measures taken by the PRC authorities and implemented by the Management, the Group has been continuing its operations with minimal disruptions, taking extra precautionary measures for all its employees and to ensure the Group's continued compliance with the government's directives.

While the Group continued to be profitable in HY2023, sustaining the performance of the business remains challenging in the mid to long term. The market demand fluctuates and the harvesting conditions are unpredictable. The Group is also mindful that the COVID-19 situation remains fluid in the PRC and globally. The unpredictable harvesting conditions due to impact from the unfavourable weather condition may also cause difficulty in sourcing quality raw materials and impede the Group's ability to maximise the production activity to meet the market demands. Headwinds such as competition, cost pressures brought about by escalating logistic and shipping costs, inflation, rising interest rates as well as the evolving geopolitical climate due to Russian-Ukraine war and the Sino-Western friction will continue to present volatility in the economy and drive operating costs higher.

Most economists project the world to go into recession in 2023 due to the above reasons. All these factors will continue to create uncertainty and will have an impact on the business of the Group. The Group aims to mitigate these risks through cost control measures and productivity improvements, and strives to continue driving the growth in sales by expanding the product offerings to cater to the evolving consumer tastes and needs. Leveraging on the resources and network of its parent company, SDICZL, the Group aims to strengthen its foothold in the concentrated fruit juice industry and broaden its product varieties to include other value-added products.

The business activities of Xuzhou Zhongxin has been suspended due to various business constraints. The Management is actively looking at options to renew the business model of Xuzhou Zhongxin and to maximise its asset realisation value.

On the Environmental, Social and Governance (ESG) front, the Group will continue to actively undertake activities, such as looking into increasing its investment in environmental treatment facilities, stepping up efforts on environmental governance in accordance with relevant national environment protection policies in order to ensure continued sustainable development of the Group, as well as to further enhance the Group's brand reputation and competitiveness.

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

5. Dividend

- (a) **Whether an interim (final) ordinary dividend has been declared (recommended); and**

No dividend was declared for HY2023.

- (b) **(i) Amount per share (cents)**

Not applicable.

- (b) **(ii) Previous corresponding period (cents)**

Not applicable. No dividend was declared for HY2022.

- (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. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

- (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.

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

No dividend has been declared or is recommended for HY2023 as the Company currently does not have retained profits available for the declaration of a dividend and the Board of Directors deems it appropriate to conserve funds for the Group's business activities and working capital requirement.

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

7. Interested person transactions

If the group has obtained a general mandate from shareholders for IPTs, 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.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (RMB'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) (RMB'000)
SDICZL and its associates	-	(a) Sales by the Group to SDICZL and its group of companies 51,933
		(b) Interest income received by a subsidiary of the Company from SDICZL with respect to the interest charged on the outstanding trade receivable due from SDICZL 1,976
		(c) Interest paid by a subsidiary of the Company with respect to the working capital provided by SDICZL 1,079
Total	-	54,988

SDICZL is a controlling shareholder of the Company.

Transactions (a) to (c) were conducted pursuant to the renewed shareholders' mandate for IPTs approved by shareholders on 28 October 2022.

Save as disclosed above, there are no other IPTs above S\$100,000 in HY2023.

ZHONGXIN FRUIT AND JUICE LIMITED

(Incorporated in Singapore)
(Co. Reg. No. 200208395H)

8. Negative confirmation by the Board pursuant to Rule 705(5) of the Catalist Rules

On behalf of the Board of Directors, we hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the six-months financial period ended 31 December 2022 to be false or misleading in any material aspect.

Tham Mun Chee
Director

Zhang Chuning
Director

9. 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 the format as set out in Appendix 7H in accordance with Rule 720(1) of the Catalist Rules.

10. Changes in the composition of the Group

There were no changes in the composition of the Group in HY2023.

BY ORDER OF THE BOARD

Tham Mun Chee
Lead Independent Director

8 February 2023

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "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.

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.