

# Zixin Group Holdings Limited

22 Sep 2026

Non-Rated

|                           |                     |       |
|---------------------------|---------------------|-------|
| BBG                       | ZXGH SP             |       |
| Market Cap (S\$m)         | 48.3                |       |
| Price (S\$) (22 Sep 2026) | 0.024               |       |
| 52-week range (S\$)       | 0.023 - 0.039       |       |
| Shares Outstanding (m)    | 2010.5              |       |
| Free Float                | 69.4%               |       |
| Major Shareholder         | Liang Chengwang     | 13.7% |
|                           | Khoo Thomas Clive   | 9.0%  |
|                           | PTS Capital Pte Ltd | 7.9%  |

Source: Company Data, Bloomberg, SAC Capital

## SHARE PRICE



Source: Bloomberg, SAC Capital

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## Sweet Potato Boost, Growing Beyond Borders

**FY2026 Results:** Zixin delivered an exceptionally strong performance in FY26. Revenue up by 43.0% YoY to RMB607.5 million, primarily driven by solid contributions from the Product Innovation & Food Production segment, which accounted for 68.0% of total revenue, followed by Cultivation & Supply at 31.2% and Recovery & Recycling at 0.7%. Alongside the strong revenue growth, gross profit increased by 32.0% YoY to RMB177.3 million, while gross margin remained relatively stable at around 30%, consistent with previous financial years. Net profit increased by 50.9% YoY to RMB64.5 million, supported by the strong top-line growth.

**Well-Positioned for Climate Challenge and Policy Tailwinds:** Climate change is placing increasing pressure on agricultural productivity and food security, highlighting the importance of establishing more resilient and sustainable crop systems. In response to these challenges, Zixin has developed an integrated “sweet potato + rice + fish” ecosystem. After the sweet potatoes are harvested, the land will be used for rice cultivation and fish farming, creating a circular agricultural system in which each phase supports the next. This integrated model helps improve soil conditions, increase resource efficiency, and supports the sustainable reuse of farmland for the next sweet potato growing cycle.

At the same time, under the “Healthy China 2030” initiative, China is moving toward a healthier lifestyle. High-quality sweet potatoes products from Zixin offer consumers a healthier dietary choice. In the long term, Zixin’s product strategy appears to be highly aligned with the government’s overall priorities regarding health and nutrition.

**Turning Waste into Sustainable Value:** Instead of treating sweet potato agricultural waste as a disposal cost, Zixin converts it through its proprietary probiotic fermentation technology into feedstock for livestock. In FY2026, Zixin’s secured order for fermented sweet potato feedstock rose by 57.5% to RMB 6.3 million. The model supports feed sustainability by recycling agricultural waste into nutritional feedstock, reinforcing Zixin’s positioning of long-term sustainable company.

## KEY FINANCIAL HIGHLIGHTS

| Year ended Mar (RMB'm)         | FY24  | FY25  | FY26  |
|--------------------------------|-------|-------|-------|
| Revenue                        | 319.0 | 424.7 | 607.5 |
| EBIT                           | 23.1  | 57.2  | 87.4  |
| Net profit                     | 13.4  | 42.7  | 64.5  |
| EPS (RMB cents)                | 1.0   | 2.8   | 3.8   |
| Dividend per share (RMB cents) | 0.0   | 0.0   | 0.0   |
| Net cash / (debt)              | 97.7  | 108.3 | 137.2 |
| <b>Valuation</b>               |       |       |       |
| Gross profit margin (%)        | 32.0% | 31.6% | 29.2% |
| Net profit margin (%)          | 4.2%  | 10.1% | 10.6% |
| EV/EBITDA (x)                  | 2.7   | 1.5   | 0.7   |
| P/E (x)                        | 13.0  | 4.6   | 3.4   |
| P/B (x)                        | 0.3   | 0.3   | 0.3   |
| Dividend yield (%)             | 0.0%  | 0.0%  | 0.0%  |
| ROE (%)                        | 2.6%  | 7.4%  | 9.1%  |

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**Strengthening the Domestic Footprint:** Zixin continues to strengthen its domestic business footprint by establishing new entities and forming strategic partnerships. (1) The Group incorporated Hainan Zixin and Quanzhou Zixin to support food processing, sales, distribution, and businesses related to circular economy activities. (2) In July 2026, Zixin established a 49%-owned joint venture with ZTO Nongte to develop a sweet potato industrial park in Liaocheng, integrating cultivation, processing, and distribution while leveraging ZTO Nongte's existing logistics network to further expand its business footprint. The Group also entered into a partnership with an energy company in Shandong, which is expected to reduce energy and processing costs as production scales up. (3) The new high-tech manufacturing facility in Liancheng County, Fujian, China, is being developed in three phases. Phase 1 comprises three automated production lines, which commenced commercial production in the second half of FY2026. Upon completion of all three phases, the facility is expected to have an installed annual production capacity of 35,000 tonnes. Together, these initiatives are expected to strengthen Zixin's integrated sweet potato industry ecosystem and support its further expansion across China.

**Building the Southeast Asian Presence:** Zixin is progressively building its downstream presence in Singapore's industry through industry engagement and localized branding. (1) Its debut at Food & Hospitality Asia 2026 allowed Zixin to showcase its sweet potato ecosystem to global buyers and industry partners while opening up opportunities for F&B collaborations. (2) Zixin's participation in Singapore's 2026 National Day Parade through the co-branded sweet potato chips featuring Mr. Kiasu enhanced local brand visibility and reinforced a healthy, approachable image.

Together with the launch of the NutriRootz brand and its digital platform, ilovesweetpotato.com, these initiatives demonstrate that Zixin is adjusting its brand positioning to suit the local market while establishing consumer and distribution touchpoints as a foundation for expansion into the broader Southeast Asian region.

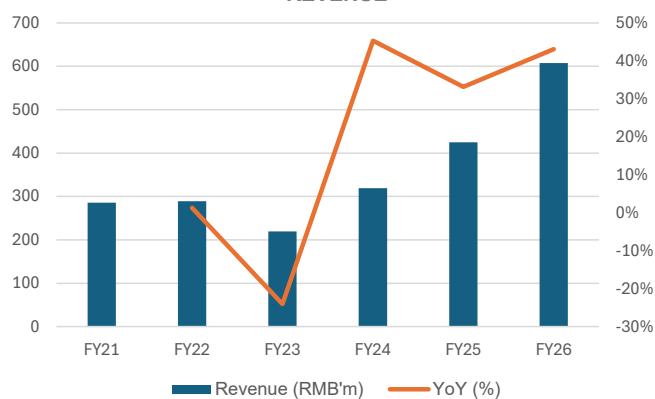
**Risk:** Zixin faces potential disruptions to harvests caused by extreme weather events such as heavy rainfall and floods. In response, the company is strengthening physical safeguards through seedling greenhouses, while also reducing its reliance on a single region by replicating its supply chain in Lingao, Hainan. This geographic diversification allows planting and harvesting seasons across different regions to complement one another, thereby enhancing the stability of raw material supply.

**Valuation:** Zixin is currently trading at a P/E of 3.4x. Using the Catalyst valuation as a reference, the mean P/E of Catalyst board is 28.0x and the median P/E of Catalyst board is 11.2x.

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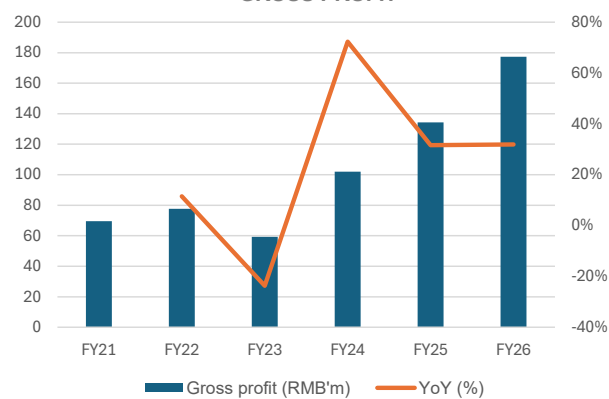
22 Sep 2026

## REVENUE



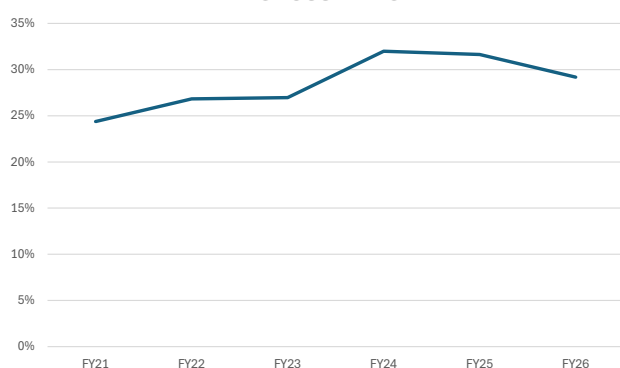
Source: Company Data, SAC Capital

## GROSS PROFIT



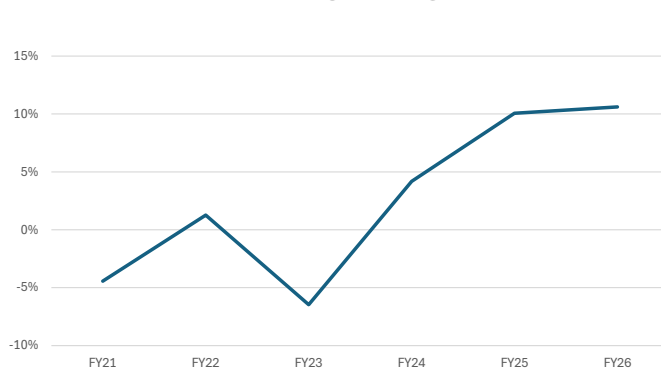
Source: Company Data, SAC Capital

## GROSS MARGIN



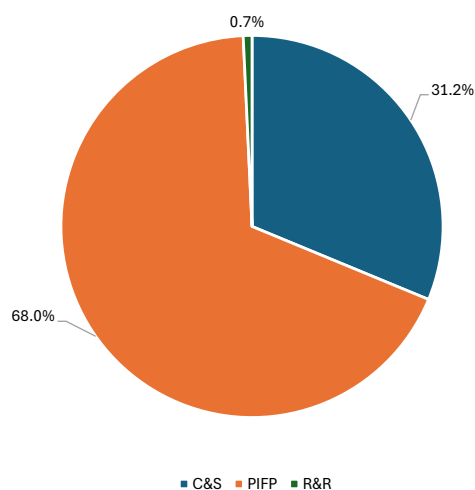
Source: Company Data, SAC Capital

## NET PROFIT MARGIN



Source: Company Data, SAC Capital

## FY26 REVENUE SEGMENT (%)



Source: Company Data, SAC Capital

## Income Statement

| FYE Mar (RMB'm)                                  | FY24         | FY25         | FY26         |
|--------------------------------------------------|--------------|--------------|--------------|
| <b>Revenue</b>                                   | <b>319.0</b> | <b>424.7</b> | <b>607.5</b> |
| Cost of sales                                    | (217.0)      | (290.3)      | (430.2)      |
| <b>Gross profit</b>                              | <b>102.1</b> | <b>134.4</b> | <b>177.3</b> |
| Finance income                                   | 0.7          | 1.2          | 1.2          |
| Other income                                     | 0.4          | 0.3          | 0.3          |
| Other gains                                      | -            | 0.0          | 4.1          |
| Marketing and distribution costs                 | (34.4)       | (29.3)       | (33.3)       |
| Administrative expenses                          | (42.5)       | (48.2)       | (60.8)       |
| Other losses                                     | (2.5)        | -            | -            |
| Share of loss from investment in a joint venture | -            | -            | (0.2)        |
| Other operating expenses                         | (0.0)        | (0.0)        | -            |
| Finance costs                                    | (2.3)        | (3.3)        | (3.1)        |
| <b>Profit before income tax</b>                  | <b>21.5</b>  | <b>55.1</b>  | <b>85.5</b>  |
| Income tax expenses                              | (8.1)        | (12.4)       | (21.0)       |
| <b>Profit for the year</b>                       | <b>13.4</b>  | <b>42.7</b>  | <b>64.5</b>  |

## Balance Sheet

| FYE Mar (RMB'm)                                             | FY24         | FY25         | FY26         |
|-------------------------------------------------------------|--------------|--------------|--------------|
| <b>ASSET</b>                                                |              |              |              |
| <b>Non-current assets</b>                                   |              |              |              |
| Property, plant and equipment                               | 175.7        | 178.0        | 163.2        |
| Intangible assets                                           | 69.4         | 43.4         | 42.9         |
| Investments in subsidiaries                                 | -            | -            | -            |
| Investment in unquoted shares                               | 0.9          | 1.8          | 1.8          |
| Investments in a joint venture                              | -            | -            | 2.6          |
| Other assets, non-current                                   | 91.3         | 107.3        | 110.4        |
| Deferred tax assets                                         | -            | -            | -            |
| <b>Total non-current assets</b>                             | <b>337.4</b> | <b>330.5</b> | <b>320.9</b> |
| <b>Current assets</b>                                       |              |              |              |
| Biological assets                                           | -            | 3.9          | 6.4          |
| Inventories                                                 | 2.7          | 0.6          | 2.2          |
| Trade and other receivables                                 | 53.8         | 91.9         | 117.1        |
| Other assets, current                                       | 62.9         | 101.3        | 192.0        |
| Cash and bank balances                                      | 156.2        | 183.2        | 214.6        |
| <b>Total Current assets</b>                                 | <b>275.5</b> | <b>380.8</b> | <b>532.3</b> |
| <b>Total assets</b>                                         | <b>612.8</b> | <b>711.4</b> | <b>853.3</b> |
| <b>LIABILITIES AND EQUITY</b>                               |              |              |              |
| <b>Current liabilities</b>                                  |              |              |              |
| Income tax payable                                          | 2.3          | 5.5          | 7.5          |
| Trade and other payables                                    | 31.4         | 52.9         | 58.1         |
| Lease liability, current                                    | 0.2          | 0.0          | 0.6          |
| Bank loans                                                  | 58.5         | 74.8         | 77.4         |
| <b>Total Current liabilities</b>                            | <b>92.4</b>  | <b>133.2</b> | <b>143.6</b> |
| <b>Net current assets</b>                                   | <b>183.1</b> | <b>247.6</b> | <b>388.7</b> |
| <b>Non-current liabilities</b>                              |              |              |              |
| Other payables, non-current                                 | 6.5          | 2.6          | -            |
| Lease liability, non-current                                | 0.0          | -            | 0.2          |
| <b>Total Non-current liabilities</b>                        | <b>6.5</b>   | <b>2.6</b>   | <b>0.2</b>   |
| <b>Total liabilities</b>                                    | <b>98.9</b>  | <b>135.8</b> | <b>143.8</b> |
| <b>Net assets</b>                                           | <b>513.9</b> | <b>575.6</b> | <b>709.5</b> |
| <b>Equity attributable to equity holders of the Company</b> |              |              |              |
| Share capital                                               | 239.2        | 258.9        | 328.9        |
| Retained earnings/(accumulated losses)                      | 226.6        | 264.8        | 323.8        |
| Other reserves                                              | 48.2         | 51.8         | 55.9         |
| Non-controlling interests                                   | -            | -            | 0.9          |
| <b>Total equity</b>                                         | <b>513.9</b> | <b>575.6</b> | <b>709.5</b> |
| <b>Total liabilities and equity</b>                         | <b>612.8</b> | <b>711.4</b> | <b>853.3</b> |

## Cash Flow Statement

| FYE Mar (RMB'm)                                                | FY24           | FY25          | FY26          |
|----------------------------------------------------------------|----------------|---------------|---------------|
| <b>Cash flows from operating activities</b>                    |                |               |               |
| <b>Profit before income tax</b>                                | <b>21.5</b>    | <b>55.1</b>   | <b>85.5</b>   |
| Adjustments for:                                               |                |               |               |
| Interest income                                                | (0.7)          | (1.2)         | (1.2)         |
| Finance costs                                                  | 2.3            | 3.3           | 3.1           |
| Depreciation of property, plant and equipment                  | 15.5           | 13.9          | 18.5          |
| Property, plant and equipment written-off                      | 0.8            | 0.2           | 0.0           |
| Amortisation of intangible assets                              | 5.3            | 1.7           | 2.2           |
| Loss on disposal of property, plant and equipment              | -              | -             | -             |
| Loss on disposal of motor vehicle                              | -              | -             | 0.0           |
| Provision for expected credit losses on trade receivables      | 0.2            | 0.2           | 0.1           |
| Staff compensation – performance share                         | -              | 6.6           | -             |
| Share of loss from investments in a joint venture              | -              | -             | 0.2           |
| Net changes in fair value of biological assets                 | -              | -             | (3.0)         |
| Exchange differences on translation                            | 0.7            | (0.8)         | (1.4)         |
| <b>Operating cash flows before changes in working capital</b>  | <b>45.5</b>    | <b>79.0</b>   | <b>103.9</b>  |
| <b>Changes in working capital:</b>                             |                |               |               |
| Biological assets                                              | -              | (1.6)         | 0.5           |
| Inventories                                                    | (0.7)          | (0.2)         | (1.6)         |
| Trade and other receivables                                    | (32.0)         | (38.3)        | (25.3)        |
| Upfront payment for supplies of sweet potatoes                 | -              | -             | (107.1)       |
| Other assets                                                   | 59.7           | 6.1           | 13.4          |
| Trade and other payables                                       | (2.0)          | 17.6          | 2.6           |
| <b>Net cash flows generated from operations</b>                | <b>70.6</b>    | <b>62.6</b>   | <b>(13.7)</b> |
| Income taxes paid                                              | (4.3)          | (9.2)         | (18.9)        |
| <b>Net cash flows generated from operating activities</b>      | <b>66.3</b>    | <b>53.4</b>   | <b>(32.6)</b> |
| <b>Cash flows from investing activities</b>                    |                |               |               |
| Additions to property, plant and equipment                     | (49.3)         | (45.3)        | (2.6)         |
| Proceed from disposal of property, plant and equipment         | -              | -             | 0.0           |
| Additions to intangible assets                                 | -              | (7.3)         | (1.7)         |
| Additions of investment in a joint venture                     | -              | -             | (2.8)         |
| Additions of investment in unquoted shares                     | (0.9)          | (0.9)         | -             |
| Upfront payments for key suppliers of sweet potatoes           | (75.0)         | -             | -             |
| Interest income received                                       | 0.7            | 1.2           | 1.2           |
| Placement of fixed deposits with maturity over three months    | -              | (51.0)        | (50.0)        |
| Proceeds from maturity of fixed deposits                       | -              | 50.0          | 51.0          |
| <b>Net cash flows used in investing activities</b>             | <b>(124.5)</b> | <b>(53.3)</b> | <b>(4.9)</b>  |
| <b>Cash flows from financing activities</b>                    |                |               |               |
| Proceeds from issuance of shares                               | -              | 13.2          | 70.0          |
| Proceeds from share subscriptions by non-controlling interests | -              | -             | 0.9           |
| Proceeds from new bank loans                                   | 58.5           | 71.8          | 77.4          |
| Repayment of bank loans                                        | (47.1)         | (55.5)        | (74.8)        |
| Payment of lease liability                                     | (0.2)          | (0.2)         | (0.4)         |
| Interest paid                                                  | (2.3)          | (3.3)         | (3.1)         |
| <b>Net cash flows generated from financing activities</b>      | <b>8.9</b>     | <b>26.0</b>   | <b>69.9</b>   |
| <b>Net (decrease)/increase in cash and cash equivalents</b>    | <b>(49.3)</b>  | <b>26.0</b>   | <b>32.4</b>   |
| <b>Cash and cash equivalents at beginning of the year</b>      | <b>205.5</b>   | <b>106.2</b>  | <b>132.2</b>  |
| <b>Cash and cash equivalents at end of the year</b>            | <b>156.2</b>   | <b>132.2</b>  | <b>164.6</b>  |

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|-------|---------------------|
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