Addentax Group Corp

(NASDAQ:ATXG)

Investor Presentation

September 2022

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Disclaimer

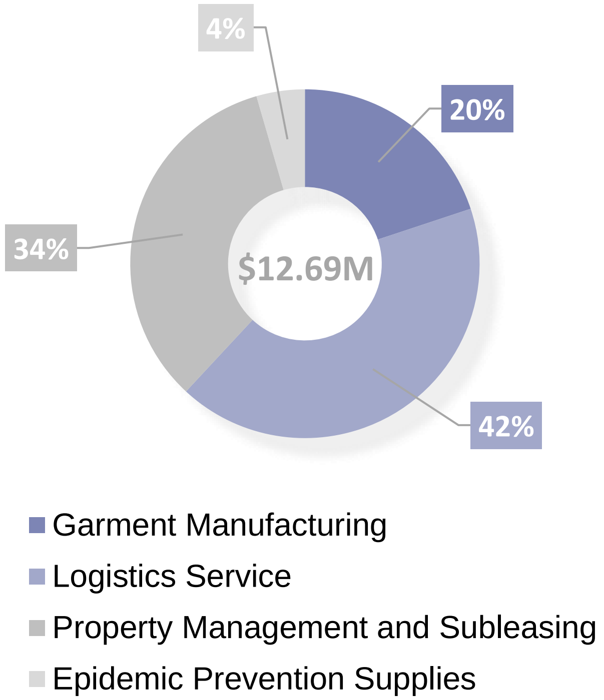
This presentation contains forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements that are other than statements of historical facts. When the Company uses words such as "may, "will, "intend," "should," "believe," "expect," "anticipate," "project," "estimate" or similar expressions that do not relate solely to historical matters, it is making forward-looking statements. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties that may cause the actual results to differ materially from the Company's expectations discussed in the forward-looking statements. These statements are subject to uncertainties and risks including, but not limited to, the following: the Company's goals and strategies; the Company's future business development; product and service demand and acceptance; changes in technology; the growth of the logistics and textile markets in China; reputation and brand; the impact of competition and pricing; government regulations; fluctuations in general economic and business conditions in China and the markets the Company serves and assumptions underlying or related to any of the foregoing and other risks contained in reports filed by the Company with the Securities and Exchange Commission. For these reasons, among others, investors are cautioned not to place undue reliance upon any forward-looking statements in this presentation. Additional factors are discussed in the Company's filings with the U.S. Securities and Exchange Commission, which are available for review at www.sec.gov. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof.

Company Overview

Addentax Group Corp. is an integrated service provider focusing on garment manufacturing, logistics service, property management and subleasing, and epidemic prevention supplies.

Conduct operations though subsidiaries in Guangdong, China

FY 22 Revenue by Segment



Garment Manufacturing

Sales made principally to wholesaler located in the PRC.

Logistics Service

Pack products and provide logistics service to customers

Property Management and Subleasing

Provide shops subleasing and property management services for garment wholesalers and retailers

Epidemic Prevention Supplies

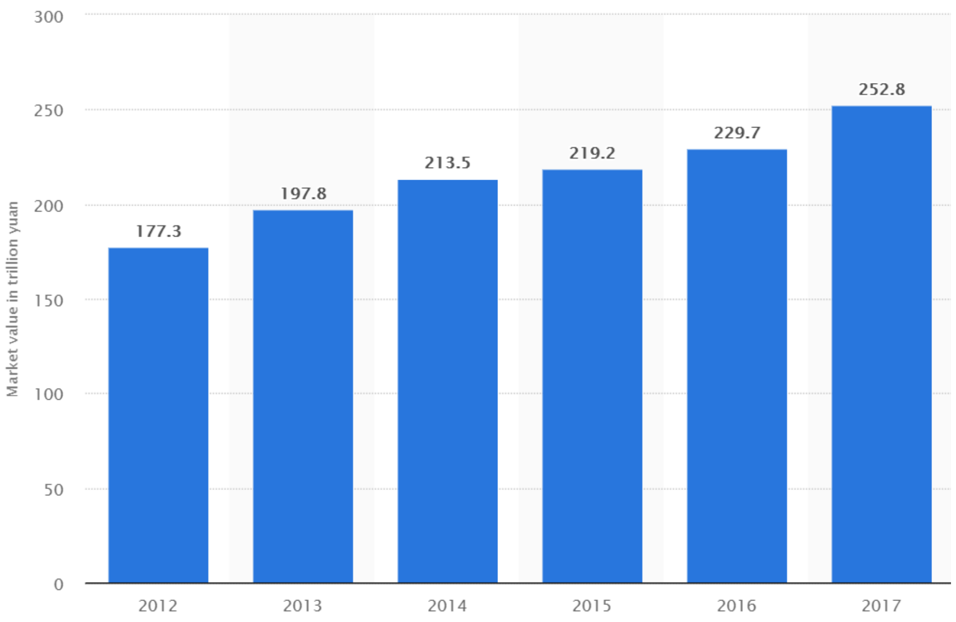
Manufacturing and distribution of epidemic prevention products and resale of epidemic prevention supplies

Note: Fiscal year ended March 31

Past performance is not indicative of future results. Investments may be speculative, illiquid and there is a risk of principal loss. There is no guarantee that any specific outcome will be achieved.

Industry Overview

Total value of the logistics market in China from 2012 to 2017 (RMB Trillion)



Source: https://www.statista.com/statistics/702498/china-logistics-market-value/

Source: https://www.statista.com/chart/6045/china-is-top-of-the-online-fashion-world/

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Garment Manufacturing

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Seasonality

- More purchase orders during our second and third quarters
- Fewer manufacture orders during May and June

Credit Period

- Established Customers: Payment terms between 30 to 180 days
- New customers: Advances or deposits required

Note: Fiscal year ended March 31

Manufacture garments for various high-end fashion brands, and sales made principally to wholesaler located in the PRC.

20%	8.3%
FY22 Total Revenue	FY22 Gross Margin

Operations

Customer relationship team
- Cultivate and maintain customer relationships

Design team
- Make recommendations to customers based on designs

Fabric team
- Make recommendations on the types of fabric to be used
- Work with the R&D team to identify different fabrics and improve the quality and comfort of the fabrics

Product and technical team
- Develop samples of products
- Prepare structural and production guidance of products
- Produce paper patterns for the garment production team

Garment production team
- Produce garments based on the raw materials
- Garment production steps include: paper patterning, fabric cutting, sewing, interim quality inspection, trimming, washing, and ironing

We have our own manufacturing facilities, with sufficient production capacity and skilled workers on production lines to ensure that we meet our high-quality control standards and timely meet the delivery requirements for our customers.

Logistics Services

Pack products and provide logistics services with in-house logistics teams and outsourced third-party contractors for delivery fleet outside covered areas

42%
FY22 Total Revenue

21.2%
FY22 Gross Margin

Our logistics services

Provide comprehensive logistics services including:

- Storage, transportation, warehousing, handling, packaging and order processing

Provide customs declaration and tax clearance services for exporting goods overseas

Network

758 logistics points located in 7 provinces and 2 municipalities covering 79 cities in the PRC

Internal Management

- Setting out business strategies and managing daily operation
- Regular meetings with different departments, and conduct inspection and supervise various departments

Credit Period

Require payments from the customers between 30 to 90 days

Seasonality

- More delivery orders in our third and fourth quarters
- More shipping delays during Chinese New Year due to traffic and port congestion, border crossing delays and customs clearance issues

Note: Fiscal year ended March 31

Other Services

Property management and subleasing business

34%
FY22 Total Revenue

15.9%
FY22 Gross Margin

Provide shops subleasing and property management services for garment wholesalers and retailers in garment market

The business objective of our property management and subleasing segment is to integrate resources in shopping mall, develop e-commerce bases and the Internet celebrity economy together to drive to increase the value of the stores in the area

Epidemic Prevention Supplies

4%
FY22 Total Revenue

8.0%
FY22 Gross Margin

Manufacturing and distribution of epidemic prevention products and resale of epidemic prevention supplies purchased from third parties in both domestic and overseas markets

The primary objective of our epidemic prevention supplies business segment is to take the advantage of our resources in supply chain from our garment manufacturing business segment to facilitate and maximize the production, distribution and resale of epidemic prevention supplies, in order to increase our revenue and improve our net profit

Note: Fiscal year ended March 31

Competitive Strengths

Addentax ATXG

Cost-effective Production

- One-stop service optimizes production efficiency and reduces costs
- Produce garments in our own production facilities
- Employ in-house transportation teams to deliver garments

Quality Control

- Implement a stringent quality control process to monitor various stages of garment manufacturing business
- Prepare inspection reports to address any quality problems and make recommendations to improve the quality of products

Design Capabilities

- Work closely with customers to understand their needs and make recommendations
- Conducts market research and attends industry exhibitions

Delivery Network

- Logistics business has 9 routes and covers 79 cities in 7 provinces and 2 municipalities in the PRC

Stable Supply Chain

- Established strategic cooperation relationship with epidemic prevention suppliers located in China & Malaysia for lower price and stable supply
- Received mask production license from relevant governance

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Growth Strategy

Addentax ATXG

Sales of raw materials

Intend to enter into exclusive agreements with textile and garment suppliers in Southeast China to be their exclusive agent and supply their textiles and garments to our customers

Development of own brands

Intend to develop our own brands that focus on fast fashion with teenagers being our primary target customers

Expand delivery network

Expect to develop an additional 20 logistics points in existing serving cities

Develop international services

Intend to develop international logistics services for customers located all over the world and international warehousing services

International trading

Developed our international trading during the global epidemic situation of Covid-19 to import and export diverse epidemic protection products including medical masks, latex gloves etc.

Develop E-commerce business

Intend to develop e-commerce bases and the internet celebrity economy together to drive to increase the value of the stores in the area

Develop supply chain

Develop our own epidemic prevention supply chain and establish a one-step epidemic prevention supply chain from product manufacturing line establishment to sales networking construction

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Investment Highlights

Extensive Delivery Network

758 logistics points covering 79 cities in China, and intend to add 20 more logistics points

Steady Market Growth

Both the logistics market and garment market in China grow steadily every year

Nasdaq Listing

Successful Nasdaq listing would raise the Company profile and potentially provide funds for expansion plans

In-House Support and Manufacturing Capabilities

In-house transportation teams to support the Company's garment delivery business

Strong manufacturing capabilities for quality products

Attractive Gross Margin

Overall gross margin of 16.3% for FY22, and the garment manufacturing business's gross margin is expected to increase after the development of own brands

Note: Fiscal year ended March 31

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Financial Highlights

Select Income Statement Data

Amounts in thousands USD	FY2022	FY2021	1QFY23	1QFY22
Total Revenue	**12,691**	**24,735**	**2,386**	**4,286**
Gross Profit (Loss)	2,063	(1,187)	457	583
Gross (Loss) Margin	*16.3%*	*(4.8)%*	*19.1%*	*13.6%*
Income (loss) from Operations	(57)	(3,608)	46	77
Net Income (Loss)	**78**	**(3,590)**	**97**	**79**
Net Income (Loss) Margin	*0.6%*	*(14.5)%*	*4.1%*	*1.8%*

Note: Fiscal year ended March 31

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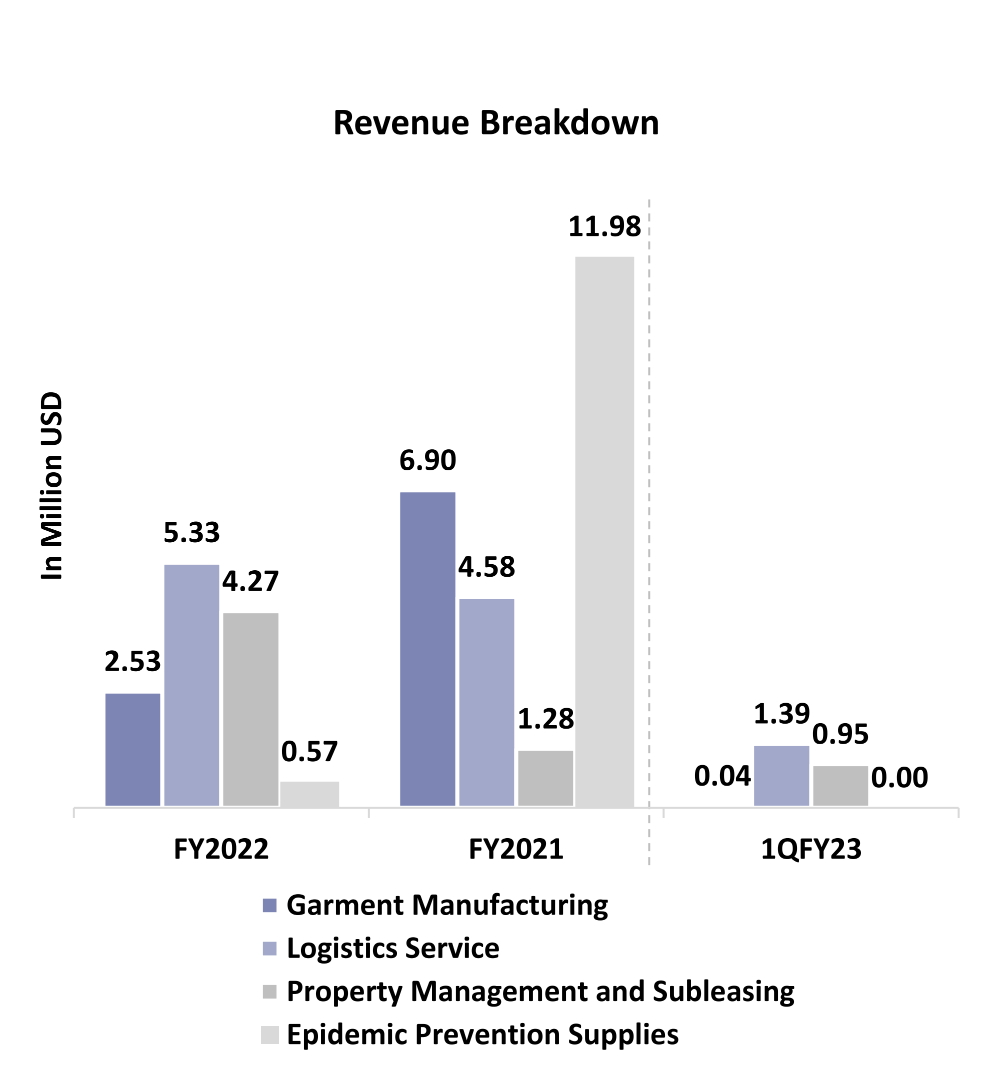
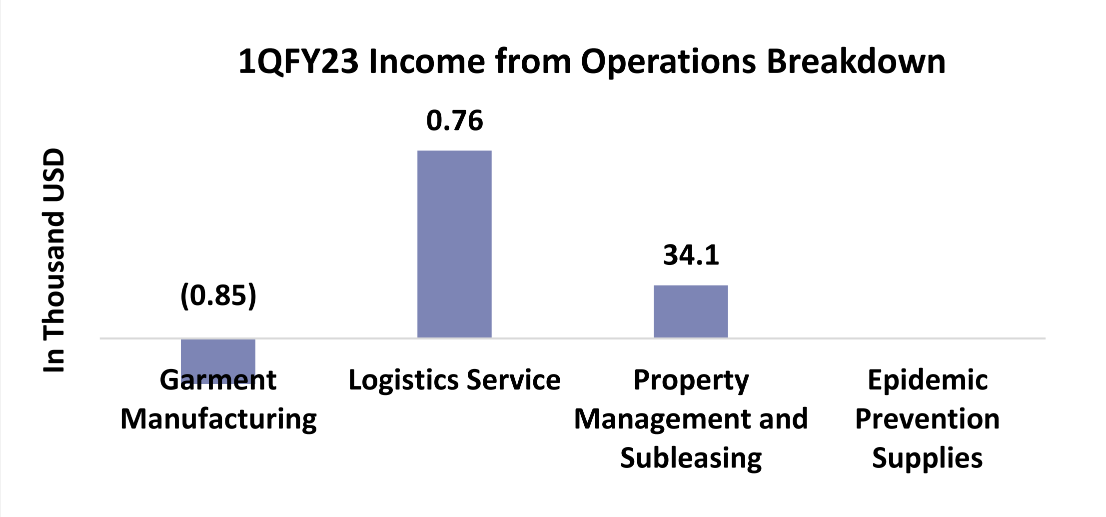
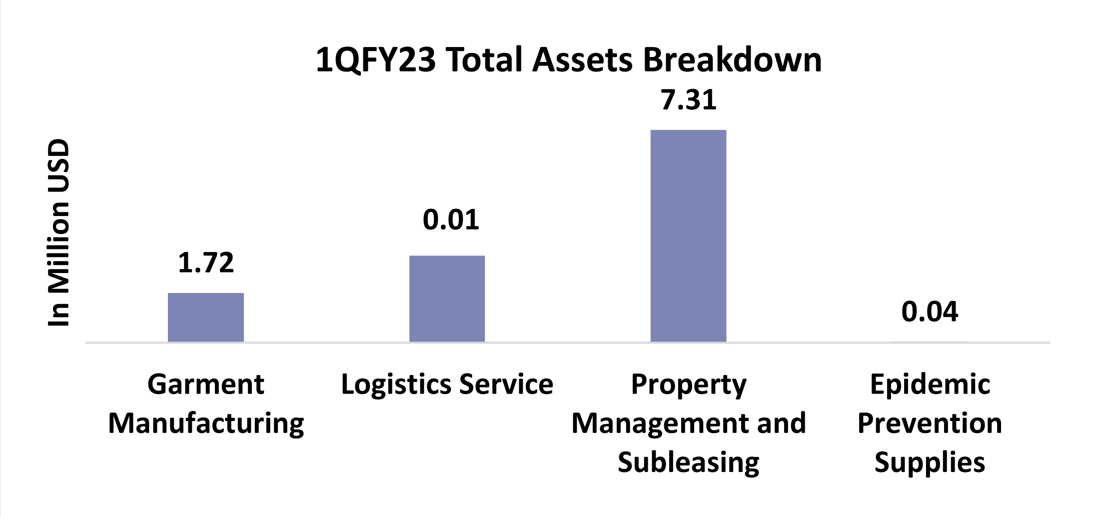
Financial Highlights







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Management

Addentax ATXG

Hong, Zhiwang

Executive Director

- Executive Director of the Company since March 2019
- Brand marketing manager at Addentax Group Corp. since 2018
- PDM Software Engineer for Hongfan Computer & Technology Co., Ltd. in 2014
- Bachelor's Degree in Automation Engineering from Beijing Institute of Technology University Zhuhai Campus, China

Hong, Zhida

Chairman of the Board, CEO, President and Secretary

- Chairman, CEO, President and Secretary of the Company since March 2017
- Director of China Huiying Joint Supply Chain Group Co. Ltd. since June 2014
- Head of Membership Department of the Guangzhou Haifeng Chamber of Commerce from 2013 to 2014
- Bachelor's Degree in Electronic Information Science and Technology from Sun Yat-sen University

Huang, Chao

CFO and Treasurer

- CFO and Treasurer of the Company since March 2019
- Secretary to Chairman in Addentax Group Corp. since 2016
- Bachelor's Degree in Marketing from Shaoguan University, China; Bachelor's Degree in International Logistics and Trade Finance from University of Northampton, United Kingdom; Master's Degree in Finance and Investment Management from University of Liverpool, United Kingdom

Independent Directors

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Alex P. Hamilton

- Independent Director Nominee of the Company since May 2021
- Independent director of Wunong Net Technology Company Limited from 2020 to 2021
- CFO of CBD Biotech Inc. since 2018; and Director of CBD Biotech Inc. since 2019
- Co-Founder and President of Donald Capital LLC since May 2019
- B.A. in Economics from Brandeis University

Independent Director

Jiaxin Yu

- Independent Director of the Company since March 2019
- Senior Human Resources Director of Kingkey Capital Management Co., Ltd. since 2008
- Bachelor's Degree in Business Management from Nankai University, China

Independent Director

Jiangping (Gary) Xiao

- Independent Director Nominee of the Company since May 2021
- Independent director of Wunong Net Technology Company Limited from 2020 to 2021
- Vice president of finance and accounting at Hilco IP Merchant Banking since July 2019
- Bachelor's Degree in Accounting from Tsinghua University; Master's Degree in Business Administration from the Ross School of Business Management at the University of Michigan

Independent Director

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Thank You