CHINA STAR FOOD GROUP LIMITED

(Company Registration No.: 200718683N)
(Incorporated in the Republic of Singapore)

USE OF PROCEEDS FROM RIGHTS ISSUE

The board of directors (the "**Board**" or the "**Directors**") of China Star Food Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcements dated 10 December 2018, 21 March 2019, 15 April 2019, 25 April 2019, 21 May 2019 and 22 May 2019 in relation to the Rights Issue ("**Earlier Announcements**"), and the offer information statement dated 25 April 2019 (the "**Offer Information Statement**"). Unless otherwise defined in this announcement, all capitalised terms used in this announcement shall have the meanings ascribed to them in the Earlier Announcements and Offer Information Statement.

The Board wishes to provide an update on the utilisation of the net proceeds from the Rights Issue which was completed on 22 May 2019, as follows:

	Allocation of the net proceeds (S$)	**Amount utilised as at the date of this announcement (S$)**	**Balance (S$)**
Partial Capital Contribution	3,500,000	3,500,000(1)	-
Working capital for the Company	820,000	300,000(2)	520,000
Total	4,320,000	3,800,000	520,000

Notes:

(1) Utilised for the partial satisfaction of Fujian Zixin Biological Potato Co., Ltd.'s registered capital.

(2) Utilised for the funding of the salaries of its employees, administrative expenses and other operating expenses.

The above utilisation of the net proceeds from the Rights Issue is consistent with the intended use as disclosed in the Company's Offer Information Statement in relation to the Rights Issue.

BY ORDER OF THE BOARD

CHINA STAR FOOD GROUP LIMITED
Liang Chengwang
Executive Chairman and Chief Executive Officer

10 June 2019

*This announcement has been prepared by the Company and reviewed by the sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**") in compliance with Rule 226(2)(b) 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 correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Mr Pong Chen Yih, Chief Operating Officer, at 9 Raffles Place, #17-05 Republic Plaza Tower 1, Singapore 048619, telephone (65) 6950 2188.