CHINA STAR FOOD GROUP
中国之星食品集团

(Incorporated in the Republic of Singapore with Unique Entity No.: 200718683N)
Website: www.zixinshuye.com
SGX Stock Code: **42W**

RESPONSE TO QUESTIONS FROM SHAREHOLDERS IN RESPECT OF THE COMPANY'S EXTRAORDINARY GENERAL MEETING ON 29 OCTOBER 2021

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 questions raised by shareholders and received by the Company by the deadline, i.e. by 2.00 p.m. on 27 October 2021, in respect of the circular released on the SGXNET on 14 October 2021. In this regard, the Company has made some editorial amendments to certain questions received from the shareholders to ensure that the questions are clear. For the avoidance of doubt, the editorial amendments do not change the meaning of the questions from the shareholders.

The Company wishes to provide its responses to the questions from the shareholders below:

Q1. **Is the Group going for Hazard Analysis Critical Control Points (the "HACCP") and Halal certification? Also, can the Company follow the success of https://www.kky.com.tw/?**

Company's response

Fujian Zilaohu Food Co., Ltd., a wholly-owned subsidiary of the Group, has had the HACCP certification since 2019. Obtaining the Halal certification is within the Group's consideration.

While the Company notes that the company mentioned by the shareholder is within the same industry as the Group, it is not appropriate for the Group to comment on and compare the performance of other companies. However, the Group is on track to recover from the impact of the COVID-19 pandemic, and the current placement exercise will assist the Group in its further development and recovery from the pandemic.

Q2. **When will the Company be able to declare dividends?**

Company's response:

With reference to the Company's announcement dated 28 May 2021, the Company intends to fulfil the capital commitment of its wholly-owned subsidiary, Fujian Zixin Biological Potato Co., Ltd.'s ("**Fujian Zixin**") registered share capital through additional capital raising exercises (the "**Fund-Raising Plans**") before it can consider declaring dividends.

This process had been delayed due to the outbreak of COVID-19 and difficult global market conditions, which has resulted in the Company having to devote all its attention to the Group's operational and business needs, while putting the Fund-Raising Plans on hold. With this upcoming placement exercise, the Company will use part of the net proceeds to fulfil the capital commitment of Fujian Zixin.

The Board will continue to observe the situation and assess, among others, the Group's financial performance and position in respect of the relevant financial period, before deciding on whether to declare dividends.

By Order of the Board

Liang Chengwang
Executive Chairman and Chief Executive Officer

28 October 2021

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*This announcement has been prepared by the Company and reviewed by the Company's 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.

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