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**

USE OF PROCEEDS FROM FY2022 PLACEMENT

Unless otherwise defined, all capitalised terms shall bear the same meanings ascribed to them in the FY2022 Placement Announcements (as defined below).

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 Company's announcements dated 21 September 2021, 23 September 2021, 29 October 2021, 10 November 2021 and 19 November 2021 (collectively, the "**FY2022 Placement Announcements**") in relation to the placement exercise that was completed by the Company on 19 November 2021 (the "**FY2022 Placement**").

The utilisation of the Net Cash Proceeds from the FY2022 Placement as at the date of this announcement is set out as follows:

	Allocation of the Net Cash Proceeds (S$'000)	**Amount utilised as at the date of this announcement (S$'000)**	**Balance (S$'000)**
To fulfil the paid-up share capital requirement of Fujian Zixin(1)	5,200	-	5,200
Future expansion of the Group's business in Singapore(2)	4,000	-	4,000
Working capital for the Group(3)	2,700	403	2,297
Total	**11,900**	**403**	**11,497**

Notes:

(1) Please refer to the Company's announcements dated 21 September 2021 and 23 September 2021 for further details.

(2) Please refer to the Company's announcements dated 21 September 2021 and 23 September 2021 for further details.

(3) A breakdown of the amount utilised for the working capital for the Group is as follows:

	Working Capital (S$'000)
Summary of expenses:	
Employee benefit expenses (including director's remuneration)	210
Administrative and miscellaneous expenses	180
Directors' fee	13
Total	403

The above utilisation of the Net Cash Proceeds from the FY2022 Placement is consistent with the intended use and is in accordance with the percentage allocated as disclosed in the Company's announcement dated 21 September 2021 in relation to the FY2022 Placement. The Company will continue to make periodic announcements as and when the balance of the Net Cash Proceeds is materially disbursed or utilised, and will also provide a status report on the use of proceeds in the Company's interim and full year financial statements as well as its annual report.

By order of the Board of
CHINA STAR FOOD GROUP LIMITED

Liang Chengwang
Executive Chairman and Chief Executive Officer

27 January 2022

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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.

The contact person for the Sponsor is Mr Andrew Leo, Chief Executive Officer, at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.