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 FY2021 PLACEMENT

*Unless otherwise defined, all capitalised terms shall bear the same meanings ascribed to them in the FY2021 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 22 January 2021, 26 January 2021, and 1 February 2021 (collectively, the "**FY2021 Placement Announcements**") in relation to the placement exercise that was completed by the Company on 1 February 2021 (the "**FY2021 Placement**"). The Board further refers to the previous updates on the use of proceeds from the FY2021 Placement as announced by the Company on 17 March 2021, 28 May 2021 and 27 August 2021, as well as in its annual report for the financial year ended 31 March 2021 dated 16 August 2021, and its unaudited condensed interim consolidated financial statements for the financial period ended 30 September 2021, which was announced on the SGXNet on 12 November 2021 (the "**1H FY2022 Announcement")**.

Following the Company's most recent update on the utilisation of the Net Cash Proceeds from the FY2021 Placement in the 1H FY2022 Announcement, the utilisation of the Net Cash Proceeds as at the date of this announcement is set out as follows:

| | **Allocation of the Net Cash Proceeds (S$'000)** | **Balance brought forward from 12 November 2021(1) (S$'000)** | **Amount utilised as at the date of this announcement (S$'000)** | **Balance (S$'000)** |
|---|---|---|---|---|
| Partial funding towards the construction of Phase 1 of the Project(2) | 4,515 | 1,597 | 1,597 | - |
| Working capital for the Group's Singapore office(3) | 1,119 | - | - | - |
| **Total** | **5,634** | **1,597** | **1,597** | - |

**Notes:**

(1) Please refer to the 1H FY2022 Announcement for further details.

(2) Please refer to the Company's announcement dated 22 January 2021 for further details.

(3) As set out in the 1H FY2022 Announcement, the net cash proceeds allocated for working capital for the Group's Singapore office had been fully utilised. Please refer to the 1H FY2022 Announcement for further details.

The above utilisation of the Net Cash Proceeds from the FY2021 Placement is consistent with the intended use and is in accordance with the percentage allocated as disclosed in the Company's announcement dated 22 January 2021 in relation to the FY2021 Placement.

By order of the Board of
**CHINA STAR FOOD GROUP LIMITED**

Liang Chengwang
Executive Chairman and Chief Executive Officer

27 January 2022

---

*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.*