MEDIA RELEASE

For Immediate Release

China Star Food Group's Revenue rose by 7.9% to RMB123.5 million for First Quarter ended 30 June 2016

Highlights

- Revenue grew 7.9%
- Gross profit margin improved to 44.1%
- Positive outlook for sweet potato snack food industry in China

SINGAPORE, 1 August 2016: **CATALIST-LISTED** China Star Food Group Limited (the "Company" and together with its subsidiaries, the "Group") (中国之星食品集团有限公司) today announced a 7.9% increase in revenue to RMB123.5 million for the first quarter ended 30 June 2016 ("1Q2017"), as compared to RMB114.5 million for the first quarter ended 30 June 2015 ("1Q2016").

The increase in revenue was a result of higher sales of candies and baked goods as a result of better market penetration from the increased effort in advertising and sales promotional events.

Mr Liang Chengwang (梁承旺), Executive Chairman and Chief Executive Officer, said: ***"As a newly listed company, we remain focused on ramping up our marketing strategy to enhance our brand awareness, and the research and development investment for our new product roadmap. Meanwhile, we are on track in increasing our production capacity when our third production facility is ready by end of calendar year 2016."***

Of the six product segments, candies was the highest revenue contributor at 38%, followed by baked goods (26%), pastries (11%), preserved foods (10%), crisps (8%) and roasted sweet potato nuts (7%).

Gross profit increased by 9.6% in 1Q2017 on the back of the increase in revenue and largely attributable to the increase in sales of candies, which commanded higher profit margin. Gross profit margin came in at 44.1% in 1Q2017, as compared to 43.4% in 1Q2016.

Net profit decreased to RMB21.8 million in 1Q2017 from RMB27.4 million in 1Q2016 as a result of higher administrative expenses, mainly relating to the expenses incurred following the listing of the Company, and the increase in marketing and distribution costs as part of the Group's long term expansion strategy.

Financial Position

The Group's financial position remains strong. As at 30 June 2016, the Group held net assets of RMB366.8 million, translating into a net asset value per share of 142.8 RMB cents, up from 137.2 RMB cents as at 31 March 2016. Cash and cash equivalents increased to RMB201.9 million as at 30 June 2016, from RMB184.1 million as at 31 March 2016.

Business Update

The Group has commenced partial trial production in the new factory, and expects full production to commence only after completion of the centralised waste water treatment facilities by the local government. The construction of the centralised waste water treatment facilities is still ongoing as at to-date. Occupying 13,910 sqm plot of land in the Food Processing Zone of Liancheng Industrial Park, the new factory will add approximately 30,000 tonnes of production capacity to the Group.

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This press release is to be read in conjunction with the Company's announcement posted on the SGX website on 1 August 2016.

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About China Star Food Group Limited

China Star Food Group Limited (中国之星食品集团有限公司), together with its subsidiaries, is one of the leading manufacturers of healthy food snacks in People's Republic of China.

The Group is engaged in the production and sale of sweet potato snack food products processed from purple and orange-fleshed sweet potatoes across the People's Republic of China.

Based in Liancheng County of Fujian Province, the Group sells its wide range of sweet potato snack food products to more than 300 distributors and wholesalers, who in turn distribute the sweet potato snack food products, through e-commerce portals, supermarkets, petrol kiosks, convenience stores and specialty stores throughout the PRC.

Through its wholly-owned subsidiary, Fujian Zixin Biological Potato Co., Ltd. (福建紫心生物薯业有限公司), the Group operates three wholly-owned subsidiaries incorporated in China, namely Fujian Zilaohu Food Co., Ltd (福建紫老虎食品有限公司), Liancheng Dizhongbao Modern Agriculture Development Co., Ltd. (连城县地中宝现代农业发展有限公司), and Fujian Xingpai Food Co., Ltd. (福建星派食品有限公司).

China Star Food Group Limited was listed on the Catalist of the Singapore Exchange via a reverse takeover of Brooke Asia Limited.

Issued on behalf of China Star Food Group Limited by Waterbrooks Consultants Pte Ltd

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This press release has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. ("Sponsor") for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this press release.

This press release has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this press release, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this press release.

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