CHINA STAR FOOD GROUP LIMITED
(FORMERLY KNOWN AS BROOKE ASIA LIMITED)
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200718683N)

CLARIFICATION TO THE NEWS ARTICLE PUBLISHED BY THE BUSINESS TIMES ON 15 FEBRUARY 2017

The Board of Directors (the "**Board**") of China Star Food Group Limited (the "**Company**") refers to the news article published by The Business Times on 15 February 2017 titled "*China Star Food sets eyes on more ventures with supermarket chains*" (the "**Article**") and wishes to clarify the following:

The Article mentioned that "*However, the company foresees that its Q4 production volume will be heavily impacted for the three months ending March 31, 2017, due to a halt in production. This is because the factories have been shut from Jan 20 this year for the Chinese New Year holidays and will open after a month.*" The Company would like to clarify on this statement that the Company will not be restarting aforementioned factories and that their existing production operations will be relocated to a new factory, which is expected to commence operation in March 2017.

The Article also mentioned that "*China Star Food also has a new concept of a specialty store, which caters to online consumers. Deputy CEO Yeo Choon Tat said that e-commerce will contribute about 10 to 20 per cent to the company's revenue.*" The Company would like to clarify on this statement that although e-commerce currently contributed to less than 5% of total Group's revenue, the Company targets to have its e-commerce revenue segment to eventually contribute 10 to 20 per cent to the Group's revenue with greater product receptivity and momentum from e-commerce activities.

In relation to the projection of 20 million yuan (S$4.1 million) of sales this year from the new venture, the Company would like to clarify that the projection arises from the agreement with a distributor of Walmart China which was announced on 2 February 2017.

Lastly, the Company has budgeted approximately 100 million yuan to secure up to 8,000mu of farmland for the cultivation and supply of sweet potatoes. As disclosed in Company's 3Q2017 results announcement dated 13 February 2017, the Group had made an advance pre-payment of RMB63.8 million as at 31 December 2016, and is currently in the midst of finalising the negotiations on the leasing of farmland.
A copy of the Article is attached to this announcement.

By Order of the Board

Liang Chengwang
Executive Chairman and Chief Executive Officer
15 February 2017

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*This announcement 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 announcement.*

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

The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10- 00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.