China Star Food Group Ltd.
20 Collyer Quay,
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Singapore 049319

FOR IMMEDIATE RELEASE

China Star Food Halts Operations of New Manufacturing Plant

- Production halt was due to the delayed completion of Lian Cheng county's centralised waste water treatment plant
- New plant expected to resume operations by the third quarter of 2017

SINGAPORE, 11 May 2017 – 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") refers to the previous announcement made by the Company on 13 March 2017 in relation to, *inter alia*, the obtaining of the operating liscense for the new manufacturing facility, and wishes to announce that the production operations of its third manufacturing plant in Liancheng, China, has been halted as the completion of Lian Cheng county's centralised waste water treatment plant ("Treatment Plant") has been further delayed.

In line with the determined effort of the Chinese central government on implementing its nationwide policy on environmental pollution control, all provinces within China have intensified its efforts to regulate and curb industrial activities with negative environmental impact. Specifically, the Lian Cheng government has recently imposed strict rules and regulations restricting the operations of factories within the county. Hence, the new plant can only resume production operations upon completion of the construction of the Treatment Plant which is expected by third quarter of this year. As such, the Group's revenues and profits will be substantially impacted due to the lack of finished products for sale.

Mr Liang Chengwang (梁承旺), Executive Chairman and Chief Executive Officer, said: "The implementation of the stringent pollution control rules and regulations by the government has not only affected us but our competitors within the same industry as well. However, we are confident that we will emerge stronger, more resilient in our operations as we further

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consolidate our market-leading position, since many of the smaller competitors will not survive this round of regulatory shake up."

In the meantime, the Board wishes to advise shareholders and investors to exercise caution when dealing in the shares of the Company as there is no certainty to the date of completion for the Treatement Plant. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

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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 the People's Republic of China ("PRC").

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 PRC.

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.

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