China Star Food Group Ltd.
20 Collyer Quay,
#09-04
Singapore 049319

FOR IMMEDIATE RELEASE

China Star Food Commences Operations of Zilaohu Factory

- The centralised waste water treatment plant's operator takes over the treatment and disposal of the waste water generated from Zilaohu factory
- Zilaohu factory has a production capacity of 30,000 tonnes
- Commencement of production is in time to capture demand during the peak season
- The Group continues to fortify its position as one of the leading players in the industry as a result of the industry consolidation

SINGAPORE, 29 September 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 announcements made by the Company on 11 May 2017, 30 May 2017 and 31 July 2017 in relation to, *inter alia*, the halt in operations of the Group's Zilaohu factory following the local governament's general directive to tighten the pollution control requirements, and wishes to announce that the Zilaohu factory in Liancheng County, Fujian Province, China has commenced operations.

The Group's revenue and profits were substantially impacted for the past six months as the operations of the Zilaohu factory could not commence due to the delayed construction of the Liancheng County's centralised waste water treatement facility (the "**Construction**"). As at the date of this announcement, the Construction by the independent contractor is still in progress and would not be completed by the end of third quarter of 2017.

In view of the above, the Group has now made arrangements with the independent contractor (also operator) of the waste water treatment plant who will be responsible for the disposal of the waste water generated, thereby allowing the Zilaohu factory to commence its operations.

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The Company will provide an update upon the completion of the Construction, or as and when appropriate.

Mr Liang Chengwang (梁承旺), Executive Chairman and Chief Executive Officer, said: "We believe that the worst is over and we are now ready to embrace greater opportunities ahead. Backed by the rising trend of consumers being more health-conscious, we are also seeing higher demand for sweet potato snacks as sweet potato has been increasingly known for its health benefits. With the re-commencement of operations, we are well-poised to meet the demand for the coming peak sales season.

Many smaller competitors have ceased to operate as they have failed to comply with the strict regulations imposed by the government. As a result of industry consolidation, we continue to fortify our position as one of the leading players in the sweet potato snacks industry."

End

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.

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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 for and on behalf of China Star Food Group Ltd.
by Financial PR Pte Ltd
Ngo Yit Sung, yitsung@financialpr.com.sg
Yong Jing Wen, jingwen@financialpr.com.sg
Tel: (65) 6438 2990 Fax: (65) 6438 0064