CHINA STAR FOOD GROUP LIMITED
(Company Registration No.: 200718683N)
(Incorporated in Singapore)

VARIANCE BETWEEN UNAUDITED AND AUDITED FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

The Board of Directors (the "**Board**" or "**Directors**") of China Star Food Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") refers to the unaudited full year financial results announced for the financial year ended 31 March 2018 ("**FY2018**") released via the SGXNet on 30 May 2018.

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Board wishes to announce the variances between the audited financial statements and the unaudited full year financial results of the Group for FY2018.

Details and clarifications of the differences are set out below.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year Ended 31 March 2018

	2018 Audited RMB'000	2018 Unaudited RMB'000	Difference RMB'000
Revenue	221,334	221,334	
Cost of sales	(161,462)	(161,462)	
Gross profit	59,872	59,872	
Interest income	2,790	2,790	
Other income	70	70	
Marketing and distribution costs	(15,025)	(15,025)	
Administrative expenses	(31,109)	(31,109)	
Other losses	(170)	(170)	
Finance costs	(1,070)	(1,070)	
Profit before income tax	15,358	15,358	
Income tax (expense)/credit	(2,883)	261	-3,144
Profit for the year, net of tax	**12,475**	**15,619**	**-3,144**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations	85	85	
Total comprehensive income for the year	**12,560**	**15,704**	**-3,144**

	2018 Audited RMB cents	2018 Unaudited RMB cents	RMB cents
Earnings per share			
Basic and diluted earnings per share	4.86	6.08	-1.22

	2018 Audited RMB	2018 Unaudited RMB	Difference RMB
Net asset value per share	**1.48**	**1.49**	**-0.01**

The difference of approximately RMB-3.144 million between the Group's audited and unaudited income statement is a result of an adjustment for over-recognition of tax losses for a wholly owned subsidiary, Fujian Zixin Biological Potato Co., Ltd. in FY2018.

Accordingly, there is a corresponding adjustment of approximately RMB-3.144 million on the Group's Statement of Financial Position and the Total Equity between the audited and unaudited financial statements for FY2018 as a result of the adjustment to the Group's income statement.

Save for the above, there are no other material impact and adjustments to the Group's financial statements.

By Order of the Board

Liang Chengwang
Executive Chairman and Chief Executive Officer

6 July 2018

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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 (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).