CHINA YURUN FOOD GROUP LIMITED

中 國 雨 潤 食 品 集 團 有 限 公 司*

(Incorporated in the Bermuda with limited liability)

(Stock Code: 1068)

Profit Warning

This announcement is made by China Yurun Food Group Limited (the "Company", together with its subsidiaries, the "Group") pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "Board") wishes to inform the shareholders of the Company and potential investors that, according to the preliminary review of the unaudited consolidated management accounts of the Group for the five months ended 31 May 2015 and other information currently available, the Group expects to record a loss in net profit for the first half of 2015 when compared to the same period of 2014. The loss in the first half of 2015 is expected to be not less than HK$700 million.

The loss was mainly attributable to the slowdown in economic growth and transformation of economic structure in China, together with the sluggish high-end catering and pork consumption markets and the increasingly competitive economic environment. In addition, the hog prices increased compared to the same period of last year and the cost of production had risen. It was therefore more difficult for the Group to pass on the costs and as a result the gross profit decreased remarkably.

Due to the uncertainties of the macro-economy, the Group anticipates that it will continue to face various challenges in the second half of 2015. The management will continue to try their best to adopt all possible measures and methods, and use their best endeavors to restore the business to normal.

The information in this announcement is only based on the Board's preliminary review of the information of the Group currently available to the Board, which includes, inter alia, the unaudited consolidated management accounts for the five months ended 31 May 2015 and other information currently available and is not based on any figure or information which has been audited or reviewed by the auditors of the Company.

Shareholders and potential investors should read carefully the announcement on interim results of the Group as at 30 June 2015, which is expected to be published in August 2015 pursuant to the requirements of the Listing Rules.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Yu Zhangli
Chairman

China, 13 July 2015

As at the date of this announcement, the executive directors of the Company are Yu Zhangli, Li Shibao, Ge Yuqi and Sun Tiexin; the independent non-executive directors of the Company are Gao Hui, Chen Jianguo and Li Qing.

* *For identification purposes only*