CHINA FOODS LIMITED
中國食品有限公司
(Incorporated in Bermuda with limited liability)
(**Stock Code: 506**)

POSITIVE PROFIT ALERT

This announcement is made by China Foods Limited (the **"Company"**, together with its subsidiaries, the **"Group"**) pursuant to Rule 13.09(2) 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 (the **"Board"**) of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group, the results of the Group for the six months ended 30 June 2015 is expected to record a consolidated net profit attributable to the owners of the parent of not less than HK$100 million compared to a consolidated net loss attributable to the owners of the parent of approximately HK$135 million for the six months ended 30 June 2014 (the "**Expected Turnaround**").

The Expected Turnaround was mainly attributable to (1) a continuous improvement in the overall operating efficiency of the Group; and (2) marked increases in both revenue and sales volume of wines compared with the same period of last year as a result of a significant improvement in operating condition of the wine category business.

The Company is in the process of finalizing the financial results of the Group for the six months ended 30 June 2015. The information contained in this announcement is only a preliminary assessment based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2015 and is not based on any figures or information which have been audited or reviewed by the auditors of the Company. The Company expects to publish an announcement on the interim results of the Group for the six months ended 30 June 2015 around late August 2015.

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

By order of the Board
China Foods Limited
Jiang Guojin
Managing Director

Beijing, 15 July 2015

As at the date of this announcement, the Board comprises: Mr. Yu Xubo as the chairman of the Board and a non-executive Director; Mr. Jiang Guojin, Ms. Wu Wenting and Mr. Lu Xiaohui as executive Directors; Mr. Ning Gaoning, Ms. Liu Ding, Mr. Ma Jianping and Mr. Wang Zhiying as non-executive Directors; and Messrs. Stephen Edward Clark, Paul Kenneth Etchells, Li Hung Kwan, Alfred and Yuen Tin Fan, Francis as independent non-executive Directors.