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**CHINA YURUN FOOD GROUP LIMITED**
**中國雨潤食品集團有限公司***
*(Incorporated in Bermuda with limited liability)*
**(Stock Code: 1068)**

# QUARTERLY UPDATE ON THE IMPLEMENTATION OF WORK PLAN TO RESOLVE AUDITOR'S DISCLAIMER OF OPINION

The board of directors (the "**Board**" or the "**Directors**") of China Yurun Food Group Limited (the ''**Company**''), together with its subsidiaries (the ''**Group**'') would like to provide an update in relation to the work plan implemented by the Group (the ''**Plan**'') with a view to resolve the disclaimer of opinion issued by the Company's auditor on the consolidated financial statements of the Group for the year ended 31 December 2024 due to the potential interaction of the multiple uncertainties relating to going concern and their possible cumulative effects on the consolidated financial statements (the ''**Disclaimer of Opinion**'') as set out in the Company's annual report for the year ended 31 December 2024 (the ''**Annual Report**''). Unless otherwise defined, capitalized terms used in this announcement have the same meanings as defined in the Annual Report.

During the period since 28 April 2025, being the date of publication of the Annual Report, and up to the date of this announcement, the Group has continued to actively negotiate with the relevant bank regarding the overdue but outstanding bank borrowings with the principal amount of HK$344 million, seeking to reach consensus such as installment repayment of the principal and the waiving of penalties and compound interest for the previous periods. Meanwhile, the Group endeavored to persuade the relevant bank to realise its rights as creditor within the relevant time frame under the consolidated restructuring plan. As of the date of this announcement, no agreed-upon resolution has been reached regarding the overdue bank borrowings. The Directors and management will continue to perform their duties and strive to pursue the solution that is most beneficial to the Group.

The Board will continue to use its best endeavours to implement the Plan with an aim to resolving the Disclaimer of Opinion as soon as possible. The Company will publish further announcement(s) to keep the Company's shareholders and potential investors informed of the status of implementation of the Plan as and when appropriate.

By Order of the Board
**Zhu Yuan**
*Chairman*

Hong Kong, 29 July 2025

*As at the date of this announcement, the executive directors of the Company are Zhu Yuan and Yang Linwei; the independent non-executive directors are Gao Hui, Chen Jianguo and Xu Xinglian.*

** For identification purposes only*