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優然牧業
YOURAN DAIRY

China Youran Dairy Group Limited
中國優然牧業集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9858)

POSITIVE PROFIT ALERT

This announcement is made by China Youran Dairy Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) 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 in 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**") would like to inform the shareholders (the "**Shareholders**") and potential investors of the Company that, based on the preliminary assessment of the Group's unaudited consolidated management accounts for the six months ended June 30, 2026 (the "**Reporting Period**") and currently available information, the Group is expected to record a profit attributable to owners of the Company for the Reporting Period from approximately RMB739 million to approximately RMB903 million, as compared with a loss attributable to owners of the Company of approximately RMB297 million for the six months ended June 30, 2025 (the "**2025 Interim Period**").

Based on the currently available information, the Group's performance turned profitable during the Reporting Period, primarily attributable to, among others, the combined impact of the following factors:

i. Decrease in losses arising from changes in fair value less costs to sell of biological assets (the "**Revaluation Loss**"). The decrease in the Revaluation Loss was primarily due to (i) the narrowing of the decline in raw milk market prices; (ii) the sustained increase in culled cows prices; and (iii) continuous cost reduction and efficiency enhancement, with improvement in milk yield per milkable cow and reduced feed cost during the Reporting Period; and

ii. Continuous improvement in the operating performance of core business. During the Reporting Period, the raw milk business benefited from increased sales volume and reduced feed cost as a result of enhanced farming efficiency, while the comprehensive ruminant farming solutions drove growth in the Group's gross profit compared with the 2025 Interim Period through product iteration and business structure optimization.

The Company is in the process of finalizing the Group's interim results for the Reporting Period. The information contained in this announcement is solely based on the preliminary review and assessment by the Board with reference to the information currently available to it and unaudited consolidated management accounts for the Reporting Period of the Group, which have not been reviewed or audited by the Company's auditors nor reviewed by the audit committee of the Company, and are subject to finalization and possible adjustments. Shareholders and potential investors of the Company should refer to the interim results announcement of the Company for the final results of the Group for the Reporting Period, which is expected to be published before late August 2026.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By Order of the Board
China Youran Dairy Group Limited
Hao Haijun
Chairman and Executive Director

Hohhot, July 28, 2026

As at the date of this announcement, the executive directors of the Company are Mr. Hao Haijun, Mr. Dong Jiping and Ms. Meng Yilan; the non-executive directors of the Company are Mr. Bai Wenzhong, Ms. Li Lin and Mr. Xu, Zhan Kevin; and the independent non-executive directors of the Company are Ms. Xie Xiaoyan, Mr. Yao Feng and Ms. Huang Lin.