

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

Reference is made to the annual report of China Yurun Food Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2025 published on 27 April 2026 (the “**2025 Annual Report**”). Unless otherwise defined, capitalized terms used in this announcement have the same meanings as defined in the Annual Report.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to provide an update in relation to the work plan implemented by the Group (the “**Plan**”) up to the date of this announcement with a view in resolving the disclaimer of opinion issued by the Company’s auditor on the consolidated financial statements of the Company for the year ended 31 December 2025 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 2025 Annual Report.

- (i) The Group is actively negotiating with the relevant bank regarding the overdue of outstanding bank borrowings with the principal amount of approximately RMB318 million, equivalent to approximately HK\$352 million as at 31 December 2025. This includes regular visits to the bank for discussions, with the aim of reaching solutions such as installment repayment of the principal and the waiving of penalties and compound interest for the previous periods. The discussions are pending of internal arrangements of the bank;

- (ii) The Group persuades the relevant bank to realise its rights as creditor within the relevant time frame under the consolidated restructuring plan to convert the debts owed to them to equity interests. As of the date of this announcement, no agreed-upon resolution has been reached regarding the overdue bank borrowings;
- (iii) The Group continues to implement the sales and cost control strategies including enhancing operational efficiency, strictly controlling administrative expenses, and optimizing the human resource structure to improve the Group's operating profitability; and
- (iv) The Group continues to explore financing opportunities and considers various strategies to enhance the Group's financial position.

The Board will continue to actively implement the Plan with the 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, 31 July 2026

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