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LONGRUN TEA GROUP COMPANY LIMITED
龍潤茶集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2898)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that the Group is expected to record a net profit for the six-month period ended 30 September 2010 as compared to a net loss of approximately HK\$33.65 million for the corresponding period in 2009. This positive profit alert announcement is only based on the preliminary review by the Company's management of the unaudited management accounts of the Group. The interim results announcement of the Group for the six-month period ended 30 September 2010 is expected to be announced before the end of November 2010.

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

This announcement is made by Longrun Tea Group Company Limited (the "Company", and together with its subsidiaries, the "Group") pursuant to the Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Based on preliminary review by the Company's management of the unaudited management accounts of the Group, the board of directors of the Company (the "Board") wishes to inform the shareholders of the Company (the "Shareholders") and potential investors that the Group is expected to record a net profit for the six-month period ended 30 September 2010 as compared to a net loss of approximately HK\$33.65 million for the corresponding period in 2009. Such improvement in financial results was mainly attributable to (i) the significant increase in revenue generated by the Group's newly acquired tea and other food products business; and (ii) the absence of the one-off share option expenses relating to the grant of the Company's share options.

This positive profit alert announcement is only based on the preliminary review by the Company's management on the unaudited management accounts of the Group.

The Company is in the process of finalising the interim results of the Group for the six-month period ended 30 September 2010. The overall financial results of the Group for the six-month period ended 30 September 2010 will only be ascertained when all the relevant results and treatments are finalised. The interim results announcement of the Group for the six-month period ended 30 September 2010 is expected to be announced before the end of November 2010.

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

By order of the Board
Longrun Tea Group Company Limited
CHIU Ka Leung
Chairman

Hong Kong, 14 November 2010

As at the date of this announcement, the Board comprises four executive Directors, namely Dr. CHIU Ka Leung, Ms. YEH Shu Ping, Mr. JIAO Shaoliang and Dr. LU Pingguo, and three independent non-executive Directors, namely Mr. LAM Siu Hung, Mr. GUO Guoqing and Mr. KWOK Hok Lun.