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HENG TAI CONSUMABLES GROUP LIMITED

亨泰消費品集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 197)

PROFIT WARNING

Heng Tai Consumables Group Limited (the “Company”, together with its subsidiaries as the “Group”) makes this announcement pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Board of Directors (the “Board”) wish to inform the shareholders of the Company (the “Shareholders”) and potential investors that the consolidated financial results of the Group for the year ended 30 June 2011 (the “2011 Annual Results”) are expected to be affected by: firstly, the decline in trading volume of the Group’s FMCG Trading Business, which has been caused by increasingly restrictive regulatory conditions in the domestic market of the People’s Republic of China (the “PRC”). A tightening up of formalities regulating edible foodstuff control, by the PRC Government, has affected the revenue performance of this business unit. The Group’s operations are being adjusted to adapt to such administrative measures as a result; secondly, increased costs of operations coupled with production uncertainties caused by variable and adverse weather conditions across the PRC, in late 2010 and the first half 2011, have affected the Group’s upstream farming business ability for profit contribution; and thirdly, the impairment loss of the value in the securities investment of China Zenith Chemical Group Limited (Stock Code: 362) in accordance with Hong Kong Financial Reporting Standards.

In view of the above reasons, the Board anticipates that there will be a significant decline in the Group’s reported net profit for the year ended 30 June 2011 as compared with the corresponding financial year of 2010.

As the Company is still in the process of finalizing the 2011 Annual Results, this profit warning announcement is only based on a preliminary assessment by the Board in accordance with the information currently available and is not based on any figures or information audited by the Company’s auditors. Shareholders and potential investors should read the 2011 Annual Results announcement carefully, which the Board expects will be published before end of September 2011.

The Board and the Group's management team are exploring plans to reduce the future effects of such events to ensure that the Group's long-term strategy will continue to improve the business model and will progress according to plan. The Board would also like to inform the Shareholders that the business operation, the financial position and cash level of the Group remain sound and healthy.

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

By order of the Board
Heng Tai Consumables Group Limited
LAM Kwok Hing
Chairman

Hong Kong, 5 August 2011

As at the date of this announcement, the Board comprised three executive directors, namely Mr LAM Kwok Hing (Chairman), Mr CHU Ki and Ms LEE Choi Lin, Joey; one non-executive director, namely Ms CHAN Yuk, Foebie; and three independent non-executive directors, namely Mr John HANDLEY, Mr POON Yiu Cheung, Newman and Ms MAK Yun Chu.