



China Essence Group Ltd.
嵩天集团有限公司

(the "**Company**")

(Incorporated in the Cayman Islands)

(Registration No. CT-152302)

PROFIT WARNING FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014 ("FY2014")

The Board of Directors of China Essence Group Ltd (the "Company", or together with its subsidiaries, the "Group") wishes to announce that the Group expects to register a net loss for FY2014.

In its second quarter for the financial year ended 31 March 2014 ("2Q FY2014") results announcement dated 7 November 2013, the Group reported a decrease in sales volumes for all its products in 2Q FY2014 due to the low production level during 2Q FY2014. The heavy flooding in North East China during 2Q FY2014 has severely reduced the potato yield as well as the starch yield. Consequently, the lower starch yield has resulted in a higher unit cost of production. Coupling with the high finance and operating expenses, the Group expects to register a net loss for FY2014.

The profit warning is based on a preliminary review of the unaudited financial results of the Group. Further details of the Group's performance will be made available when it announces its FY2014 full year financial results on 30 May 2014 after market close.

By Order of the Board

Zhao Libin
Executive Chairman and Chief Executive Officer
26 May 2014