

Company Name : CHINA OUHUA WINERY HOLDINGS LIMITED  
 Stock Name : CNOUHUA  
 Financial Period End : 31 DECEMBER 2015  
 Quarter : 4



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

PARTICULARS	NOTE	INDIVIDUAL QUARTER		INDIVIDUAL QUARTER	
		CURRENT QUARTER 31-Dec-15 RMB'000	PRECEDING YEAR CORRESPONDING QUARTER 31-Dec-14 RMB'000	CURRENT QUARTER 31-Dec-15 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-Dec-14 RM'000
Revenue		6,759	3,235	4,464	2,137
Cost of sales		5,942	(2,821)	3,925	(1,863)
Gross Profit		12,701	414	8,389	273
Finance and other income		209	45	138	30
Marketing and distribution		(790)	(327)	(522)	(216)
Administrative expenses		(12,603)	(77,139)	(8,324)	(50,951)
Other expense		-	(84,357)	-	(55,719)
(Loss)/profit before tax		(483)	(161,364)	(319)	(106,583)
Income tax expenses	B4	-	-	-	-
(Loss)/profit net of tax		(483)	(161,364)	(319)	(106,583)
Other comprehensive Income: Foreign currency translation		-	-	-	-
<b>Total comprehensive (loss)/income for the period</b>		<b>(483)</b>	<b>(161,364)</b>	<b>(319)</b>	<b>(106,583)</b>
<b>(Loss)/profit attributable to :</b>					
- Owners of the parent		(479)	(153,327)	(316)	(101,274)
- Non-controlling interests		(4)	(8,037)	(3)	(5,309)
		(483)	(161,364)	(319)	(106,583)
<b>Total comprehensive (loss)/income attributable to :</b>					
- Owners of the parent		(479)	(153,327)	(316)	(101,274)
- Non-controlling interests		(4)	(8,037)	(3)	(5,309)
		(483)	(161,364)	(319)	(106,583)
<b>(Loss)/earnings per share from Group's net (loss)/profit attributable to shareholders</b>	B11				
Basic (RMB cents / RM sen)		(0.07)	(22.96)	(0.04)	(15.17)
Diluted (RMB cents / RM sen)		(0.07)	(22.96)	(0.04)	(15.17)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the financial statements.)

Note:  
 The presentation currency of this unaudited interim financial statement is Renminbi ("RMB"). Supplementary information in Ringgit Malaysia ("RM") shown is for reference only and is based on the exchange rate of RMB1 to RM0.66051 as at 31-Dec 2015.

Company Name : CHINA OUHUA WINERY HOLDINGS LIMITED  
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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

PARTICULARS	NOTE	CUMULATIVE QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR TO DATE ENDED 31-Dec-15 RMB'000	PRECEDING YEAR YEAR TO DATE ENDED 31-Dec-14 RMB'000	CURRENT YEAR TO DATE ENDED 31-Dec-15 RM'000	PRECEDING YEAR YEAR TO DATE ENDED 31-Dec-14 RM'000
Revenue		12,964	11,040	8,563	7,292
Cost of sales		(12,835)	(10,493)	(8,478)	(6,931)
Gross Profit		129	547	85	361
Finance and other income		411	415	271	274
Marketing and distribution		(6,826)	(15,310)	(4,509)	(10,112)
Administrative expenses		(20,166)	(92,548)	(13,320)	(61,129)
Other expense		(146)	(84,367)	(96)	(55,725)
(Loss)/profit before tax		(26,598)	(191,263)	(17,568)	(126,331)
Income tax expenses	B4	-	-	-	-
(Loss)/profit net of tax		(26,598)	(191,263)	(17,568)	(126,331)
<b>Total comprehensive (loss)/ income for the period</b>		<b>(26,598)</b>	<b>(191,263)</b>	<b>(17,568)</b>	<b>(126,331)</b>
<b>(Loss)/profit attributable to :</b>					
- Owners of the parent		(25,300)	(181,749)	(16,711)	(120,047)
- Non-controlling interests		(1,298)	(9,514)	(858)	(6,284)
		(26,598)	(191,263)	(17,568)	(126,331)
<b>Total comprehensive (loss)/ income attributable to :</b>					
- Owners of the parent		(25,300)	(181,749)	(16,711)	(120,047)
- Non-controlling interests		(1,298)	(9,514)	(858)	(6,284)
		(26,598)	(191,263)	(17,568)	(126,331)
<b>(Loss)/earnings per share from Group's net (loss)/profit attributable to shareholders</b>	B11				
Basic (RMB cents / RM sen)		(3.79)	(27.21)	(2.50)	(17.97)
Diluted (RMB cents / RM sen)		(3.79)	(27.21)	(2.50)	(17.97)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the financial statements.)

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Company Name : CHINA OUHUA WINERY HOLDINGS LIMITED  
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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015**

PARTICULARS	NOTE	UNAUDITED	AUDITED	UNAUDITED	AUDITED
		AS AT 31-Dec-15 RMB'000	AS AT 31-Dec-14 RMB'000	AS AT 31-Dec-15 RM'000	AS AT 31-Dec-14 RM'000
<b>ASSETS AND LIABILITIES</b>					
<i>Non-current assets</i>					
Property, plant and equipment		47,260	51,465	31,216	33,993
Biological assets		-	-	-	-
Prepayments		-	-	-	-
		<u>47,260</u>	<u>51,465</u>	<u>31,216</u>	<u>33,993</u>
<i>Current assets</i>					
Inventories		60,845	66,060	40,189	43,633
Trade and other receivables		23,452	15,232	15,490	10,061
Prepayments		118,955	120,324	78,571	79,475
Cash and cash equivalents		53,777	77,712	35,520	51,330
		<u>257,029</u>	<u>279,328</u>	<u>169,770</u>	<u>184,498</u>
<i>Current liabilities</i>					
Trade and other payables		10,132	9,679	6,692	6,393
Other liabilities		659	1,018	435	672
		<u>10,791</u>	<u>10,697</u>	<u>7,128</u>	<u>7,065</u>
Net current assets		<u>246,238</u>	<u>268,631</u>	<u>162,643</u>	<u>177,432</u>
<i>Non-current liability</i>					
Deferred tax liabilities		15,299	15,299	10,105	10,105
Net assets		<u>278,199</u>	<u>304,797</u>	<u>183,753</u>	<u>201,320</u>
<b>EQUITY</b>					
Share capital		205,838	205,838	135,958	135,958
Other reserve		30,531	30,531	20,166	20,166
Retained earnings		33,583	58,883	22,182	38,893
Non-controlling interests		8,247	9,545	5,447	6,305
Total equity		<u>278,199</u>	<u>304,797</u>	<u>183,753</u>	<u>201,320</u>
Net Assets per share attributable to equity holders of the Group (RMB / RM)		0.42	0.46	0.28	0.30

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the financial statements.)

Note:  
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Company Name : CHINA OUHUA WINERY HOLDINGS LIMITED  
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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Share Capital		Attributable to Equity Holders of The Group			→ Non-controlling interests		Total Equity
	RMB'000	RMB'000	Reserve funds	Other capital reserves	Retained Earnings	Total	RMB'000	RMB'000
(IN RMB)								
At 1 January 2015	205,838	205,838	29,508	1,023	58,883	295,252	9,545	304,797
(Loss)/profit and other comprehensive(loss)/profit for the year	-	-	-	-	(25,300)	(25,300)	(1,298)	(26,598)
At 31 December 2015	205,838	205,838	29,508	1,023	33,583	269,952	8,247	278,199
(IN RM)								
At 1 January 2015	135,958	135,958	19,490	676	38,893	195,017	6,305	201,321
(Loss)/profit and other comprehensive(loss)/profit for the year	-	-	-	-	(16,711)	(16,711)	(858)	(17,568)
At 31 December 2015	135,958	135,958	19,490	676	22,182	178,306	5,447	183,753

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the financial statements.)

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Company Name : CHINA OUHUA WINERY HOLDINGS LIMITED  
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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital		Attributable to Equity Holders of The Group				Retained Earnings	Total	Non-controlling interests	Total Equity
	RMB'000	RMB'000	Foreign currency translation reserves	Other capital reserves	RMB'000	RMB'000				
(IN RMB)										
At 1 January 2014	205,838	29,508	-	1,023	240,632	477,001	19,059	496,060		
Profit for the period	-	-	-	-	(181,749)	(181,749)	(9,514)	(191,263)		
At 31 December 2014	205,838	29,508	-	1,023	58,883	295,252	9,545	304,797		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
(IN RM)										
At 1 January 2014	135,958	19,490	-	676	158,940	315,064	12,589	327,653		
Profit for the period	-	-	-	-	(120,047)	(120,047)	(6,284)	(126,331)		
At 31 December 2014	135,958	19,490	-	676	38,893	195,017	6,305	201,320		

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the financial statements.)

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	CURRENT YEAR TO DATE 31-Dec-15 RMB'000	PRECEDING CORRESPONDING YEAR TO DATE 31-Dec-14 RMB'000	CURRENT YEAR TO DATE 31-Dec-15 RM'000	PRECEDING YEAR CORRESPONDING YEAR TO DATE 31-Dec-14 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before taxation	(26,598)	(191,263)	(17,568)	(126,331)
Adjustments for :-				
Depreciation and amortisation expenses	4,276	7,628	2,824	5,038
Impairment loss on PPE	-	3,213	-	2,122
Loss on disposal of PPE	146	2,749	96	-
Depreciation of biological assets	-	-	-	-
Impairment loss on inventories	7,430	-	4,908	-
Impairment loss on trade receivables	925	39,652	611	26,191
Loss on disposal of biological assets	-	81,620	-	53,911
Impairment loss on inventories	-	27,629	-	18,249
Write-off of prepayments	-	6,928	-	4,576
Other payables write-off	(170)	-	(112)	-
Gains arising from initial recognition of harvested grapes	-	-	-	-
Interest income	(240)	(317)	(159)	(209)
Operating profit before working capital changes	(14,231)	(22,161)	(9,400)	(16,453)
Decrease/(increase) in:				
Inventories	(2,215)	(13,207)	(1,463)	(8,723)
Trade and other receivables	(7,776)	1,513	(5,136)	999
(Decrease)/increase in:				
Trade and other payables	623	(195)	411	(129)
Other liabilities	(359)	(443)	(237)	(293)
Cash flows generated from/(used in) operations	(23,958)	(34,493)	(15,824)	(24,599)
Income tax paid	-	-	-	-
Interest income received	240	317	159	209
<b>Net cash flows generated from/(used in) operating activities</b>	<b>(23,718)</b>	<b>(34,176)</b>	<b>(15,666)</b>	<b>(24,389)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment	(222)	-	(147)	-
Loan repaid from Third Party	-	-	-	-
Proceeds from sale of PPE	5	-	3	-
Purchase of biological assets	-	(9,867)	-	(6,517)
<b>Net cash flow generated from/(used in) Investing activities</b>	<b>(217)</b>	<b>(9,867)</b>	<b>(143)</b>	<b>(6,517)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Dividends paid to shareholders	-	-	-	-
Dividends paid to non controlling-interests	-	-	-	-
Dividend recovered	-	-	-	-
<b>Net cash flows used in financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(23,935)</b>	<b>(44,043)</b>	<b>(15,809)</b>	<b>(30,907)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>77,712</b>	<b>121,755</b>	<b>51,330</b>	<b>80,420</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>53,777</b>	<b>77,712</b>	<b>35,520</b>	<b>49,514</b>
Cash and cash equivalents at the end of the period comprise the followings:				
Cash on hand and at banks	53,777	77,712	35,520	51,330
	<u>53,777</u>	<u>77,712</u>	<u>35,520</u>	<u>51,330</u>

(The accompanying explanatory notes form an integral part of and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2014)

Note:  
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## **A. NOTES TO THE QUARTERLY RESULTS**

### **1. Basis of accounting and changes in accounting policies**

#### **a) Basis of accounting**

The condensed consolidated financial statements for the financial year ended 31 December 2015 are unaudited and have been prepared in accordance with the requirements of International Financial Reporting Standards ("IFRS") and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The condensed consolidated financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to this financial report.

#### **b) Changes in accounting policies**

At the date of this report, the Group has adopted certain new standards, amendments and interpretations to existing standards have been published and are mandatory for the Group's accounting periods after 1 January 2015.

The directors do not anticipate that the adoption of the new standards (including consequential amendments) and interpretations will result in any material impact to the financial statements.

### **2. Seasonality or cyclicity of operation**

The business of the Group is generally affected by seasonal factors. Usually the first and fourth quarters of the year are the best quarters for wine industry in the People's Republic of China ("PRC"). Consumers tend to purchase and drink more wines during the festive periods of Christmas, New Year and the Lunar New Year.

### **3. Unusual items due to nature, size or incidence**

There were no unusual items due to nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows of the Group for the financial year ended 31 December 2015.

### **4. Changes in estimates**

There were no material changes in estimates for the financial year ended 31 December 2015.

### **5. Prepayments in Current assets**

The deposits in current assets include RMB118.80 million, being 90% of total cash consideration price of RMB132 million, which consist of two payments made by Yantai Fazenda Ouhua Winery Co., Ltd., to acquire the land, buildings and ancillary facilities located at No. 3, Wolong North Road, Yantai City.

## 6. Changes in share capital and debts

There were no issuances, cancellations, resale and repayments of debt and equity securities for the financial fourth quarter ended 31 December 2015.

## 7. Dividends Payable

The Board of directors does not recommend any interim dividend for the current quarter ended 31 December 2015.

## 8. Segment Information

### a) Operating segments

<u>12 months ended 31 December 2015</u>	White Wine RMB'000	Red Wine RMB'000	Total RMB'000
<b>Revenue</b>			
Sales to external customers	1,654	11,310	12,964
<b>Results</b>			
Segment gross profit	(271)	400	129
Unallocated expenses, net			(26,967)
Interest income			240
Interest expense			-
Loss before tax			(26,598)
Income tax expense			-
Net loss			(26,598)
<u>12 months ended 31 December 2014</u>	White Wine RMB'000	Red Wine RMB'000	Total RMB'000
<b>Revenue</b>			
Sales to external customers	2,570	8,470	11,040
<b>Results</b>			
Segment gross profit	(4,792)	5,339	547
Unallocated expenses, net			(192,127)
Interest income			317
Interest expense			-
Loss before tax			(191,263)
Income tax expense			-
Net loss			(191,263)

### Other segment information

<u>12 months ended 31 December 2015</u>	International Label RMB'000	Own Label RMB'000	Total RMB'000
<b>Revenue</b>			
Sales to external customers	5,659	7,305	12,964



	International Label	Own Label	Total
<b><u>12 months ended 31 December</u></b>			
<b><u>2014</u></b>	RMB'000	RMB'000	RMB'000
<b>Revenue</b>			
Sales to external customers	4,290	6,750	11,040

#### **b) Geographical segments**

As the business of the Group is engaged entirely in the PRC, no reporting by geographical location of operation is presented.

#### **9. Subsequent events**

There were no material events subsequent to the end of the financial period under review that have not been reflected in this fourth quarter report as at the date of this report.

#### **10. Changes in the composition of the Group**

There were no changes in the composition of the Group during the financial year ended 31 December 2015.

#### **11. Contingent liabilities or assets**

No material contingent liabilities and assets, which upon becoming enforceable may have a material effect on the financial position of the Group since the last annual statement of financial position date.

#### **12. Valuation of property, plant and equipment**

There was no revaluation of property, plant and equipment during the financial year ended 31 December 2015.

#### **13. Capital commitments**

There are no material commitments for capital expenditure, which upon becoming enforceable, may have a material effect on the financial position of the Group for the financial year ended 31 December 2015.

#### **14. Retained Earnings**

The breakdown of retained profits of the Group as at the respective reporting dates is as follows:

	As at 31 Dec 2014		As at 31 December 2015	
	RMB'000	RM'000	RMB'000	RM'000
Realised retained profits:	74,182	48,998	48,882	32,287
Unrealised retained profits:	(15,299)	(10,105)	(15,299)	(10,105)
	-----	-----	-----	-----
Total group retained profits:	58,883	38,893	33,583	22,182
	=====	=====	=====	=====

## 15. Recurring related party transactions

For the financial year ended 31 December 2015, the Group rented office and factory premises from a director-related company, Yantai Ouhua Winery Co., Ltd, with rental expense amounting to RMB 756,000.

## B. INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD UNDER LISTING REQUIREMENTS

### 1. Review of the performance of the Group

For the financial year ended 31 December 2015 ("12M2015"), the Group revenue increased by RMB1.92 million or 17.43% to RMB12.96 million, from RMB11.04 million in the previous corresponding period ended 31 December 2014 ("12M2014"). Loss before (net of) tax decreased by RMB164.67 million from RMB191.26 million in 12M2014 to RMB26.59 million in 12M2015.

For the current quarter, the Group recorded an increase in revenue of RMB3.67 million from RMB3.09 million to RMB6.76 million and a decrease in loss net of tax of RMB17.95 million from RMB18.43 million to RMB0.48 million as compared to the immediate preceding quarter ended 30 September 2015. The Group gross profit increased significantly in the current quarter from a gross loss of RMB11.74 million in previous quarter to a gross profit of RMB12.7 million. This is mainly due to reclassification within income statement, between cost of sales and administrative expenses for stock sold in 3Q, there is no impact to net loss.

The decrease of loss net of tax as compared with the corresponding period in 2014 is mainly due to three reasons: i) Abandon the planting of vineyards decrease great costs ; ii) Control the expenses, cut down cost; iii) No provisions for assets.

### 2. Prospects

Since September 2015, China has begun to impose zero tariffs on Chilean wine import; on 17 June 2015 the Chinese and Australian government has signed Free Trade Agreement, its contents which inter alia; within a period of four years Australian imported wine will be re-categorized under zero tariff item. With the impending move of tariff reduction it is expected to result the flooding in of abundant imported wine from Australia into China market and thus intensify the already highly competitive market and further erode the percentage of domestic wine producers' market share. In fourth quarter 2015, China recorded a lower GDP growth at 6.8%, a further slowdown of economic growth

and the flooding of imported wines with the impending lower tariffs , it is expected that the domestic wine producers will continue to face with unprecedented competition pressure. In facing an extremely difficult market environment, the Group will continue to focus on strategic business plan development and step up effort on adjustment on product structure. On the product design and positioning, the Group will continue to develop products to meet the needs and wants of the middle and low-end consumer. The Group will continue to ensure that its wine is of reasonable good quality albeit its pricing is on lower range so that it could further consolidate and enhance its domestic wine market share.

Meanwhile, the Group will continue to control the cost of goods sales and its expenses carefully for wine production. Moving forward the management will always be vigilant and closely monitoring the trend of domestic wine market development. The management will step up efforts to find better ways to enhance the shareholders' value of the Group.

### 3. Profit forecast and guarantee

No profit forecast or guarantee were previously announced and disclosed by the Group in a public document.

### 4. Income tax charge

	Current Quarter		Current Year-to-date	
	RMB'000	RM'000	RMB'000	RM'000
PRC income tax	-	-	-	-

### 5. Sales of unquoted investments and/or properties

There are no sales of unquoted investments and/or properties of the Group in the current quarter and financial fourth quarter ended 31 December 2015.

### 6. Purchase or disposal of quoted securities

No purchase or disposal of quoted securities by the Group in the financial fourth quarter ended 31 December 2015.

### 7. Status of corporate proposals and utilisation of proceeds

The Public Issue was to raise gross proceeds of RM79.53 million, which shall accrue to us and we intend to utilise the proceeds raised in the following manner: -

Details of Utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended timeframe	Deviation	
				RM'000	%
Expansion of our market presence and distribution network, in particular FazendaOhua specialty stores	35,788	35,788	By 2 Nov 2012		0
Enhance the quality of and Control over our material supplies	7,952	7,952	By 2 Nov 2012		0

Expansion of our production Capacity and range of wines	11,930	11,930	By 2 Nov 2012		0
Enhance R&D capabilities	3,977	3,977	By 2 Nov 2012		0
Working capital	9,544	12,993	By 2 Nov 2012	(3,449)	(36)
Estimated listing expenses	<u>10,339</u>	<u>6,890</u>	By 2 Nov 2012	3,449	33
<b>Total</b>	<b><u>79,530</u></b>	<b><u>79,530</u></b>			

The listed expenses incurred were RM6.89 million. The excess of RM3.449 million as compared to the estimated listing expenses of RM10.339 million was utilised for working capital purposes.

## 8. Group borrowings and debts securities

Our Group has no borrowings and debts securities as at the reporting date of the fourth quarter under review.

## 9. Off-balance sheet financial instruments risks

As at the date of this report, we do not have nor are we using any off-balance sheet financial instruments.

## 10. Changes in material litigation

As at the date of this report, our Group is not engaged in any legal proceedings which may materially affect the financial position of our Group, and our Directors are not aware of any legal proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the financial position or business of our Group.

## 11. (Loss)/Earnings per share

(Loss)/Earnings per share for 31 December 2015 and 31 December 2014 were computed by dividing the (loss)/profit net of tax and minority interests of the respective financial period by the weighted average number of ordinary shares of 668,000,000 each respectively. There was no potential dilutive instrument as at 31 December 2015.

## 12. Audit report of the Group's preceding annual and immediate financial statements

Our Group's audited financial statements for the financial year ended 31 December 2014 were subject to qualified opinion.