

Company Name : CHINA OUHUA WINERY HOLDINGS LIMITED
 Stock Name : CNOUHUA
 Financial Period Enc : 31 MARCH 2015
 Quarter : 1



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| PARTICULARS | NOTE | INDIVIDUAL QUARTER | | INDIVIDUAL QUARTER | |
|--|------|--------------------|-----------------|--------------------|----------------|
| | | CURRENT | PRECEDING YEAR | CURRENT | PRECEDING YEAR |
| | | QUARTER | CORRESPONDING | QUARTER | CORRESPONDING |
| | | 31-Mar-15 | 31-Mar-14 | 31-Mar-15 | 31-Mar-14 |
| | | RMB'000 | RMB'000 | RM'000 | RM'000 |
| Revenue | | 1,884 | 2,604 | 1,069 | 1,477 |
| Cost of sales | | (2,091) | (2,698) | (1,186) | (1,531) |
| Gross Profit | | (207) | (94) | (117) | (53) |
| Finance and other income | | 67 | 206 | 38 | 117 |
| Marketing and distribution | | (2,134) | (6,684) | (1,211) | (3,792) |
| Administrative expenses | | (2,108) | (5,897) | (1,196) | (3,346) |
| Other expense | | - | (4) | - | (2) |
| (Loss)/profit before tax | | (4,382) | (12,473) | (2,486) | (7,077) |
| Income tax expenses | B4 | - | - | - | - |
| (Loss)/profit net of tax | | (4,382) | (12,473) | (2,486) | (7,077) |
| Other comprehensive income: | | | | | |
| Foreign currency translation | | - | - | - | - |
| Total comprehensive (loss)/income for the period | | (4,382) | (12,473) | (2,486) | (7,077) |
| (Loss)/profit attributable to : | | | | | |
| - Owners of the parent | | (4,165) | (11,858) | (2,363) | (6,728) |
| - Non-controlling interests | | (217) | (615) | (123) | (349) |
| | | (4,382) | (12,473) | (2,486) | (7,077) |
| Total comprehensive (loss)/income attributable to : | | | | | |
| - Owners of the parent | | (4,165) | (11,858) | (2,363) | (6,728) |
| - Non-controlling interests | | (217) | (615) | (123) | (349) |
| | | (4,382) | (12,473) | (2,486) | (7,077) |
| (Loss)/earnings per share from Group's net (loss)/profit attributable to shareholders | B11 | | | | |
| Basic (RMB cents / RM sen) | | (0.62) | (1.78) | (0.35) | (1.01) |
| Diluted (RMB cents / RM sen) | | (0.62) | (1.78) | (0.35) | (1.01) |

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2013 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 RM0.56737 as at 31 Dec 2014.

Company Name : CHINA OUHUA WINERY HOLDINGS LIMITED
 Stock Name : CNOUHUA
 Financial Period Ended : 31 MARCH 2015
 Quarter : 1



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| PARTICULARS | NOTE | CUMULATIVE QUARTER | | CUMULATIVE QUARTER | |
|--|------|---|---|--|--|
| | | CURRENT | PRECEDING YEAR | CURRENT | PRECEDING YEAR |
| | | YEAR TO DATE ENDED 31-Mar-15 RMB'000 | YEAR TO DATE ENDED 31-Mar-14 RMB'000 | YEAR TO DATE ENDED 31-Mar-15 RM'000 | YEAR TO DATE ENDED 31-Mar-14 RM'000 |
| Revenue | | 1,884 | 2,604 | 1,069 | 1,477 |
| Cost of sales | | (2,091) | (2,698) | (1,186) | (1,531) |
| Gross Profit | | (207) | (94) | (117) | (53) |
| Finance and other income | | 67 | 206 | 38 | 117 |
| Marketing and distribution | | (2,134) | (6,684) | (1,211) | (3,792) |
| Administrative expenses | | (2,108) | (5,897) | (1,196) | (3,346) |
| Other expense | | - | (4) | - | (2) |
| (Loss)/profit before tax | | (4,382) | (12,473) | (2,486) | (7,077) |
| Income tax expenses | B4 | - | - | - | - |
| (Loss)/profit net of tax | | (4,382) | (12,473) | (2,486) | (7,077) |
| Total comprehensive (loss)/ income for the period | | (4,382) | (12,473) | (2,486) | (7,077) |
| (Loss)/profit attributable to : | | | | | |
| - Owners of the parent | | (4,165) | (11,858) | (2,363) | (6,728) |
| - Non-controlling interests | | (217) | (615) | (123) | (349) |
| | | (4,382) | (12,473) | (2,486) | (7,077) |
| Total comprehensive (loss)/ income attributable to : | | | | | |
| - Owners of the parent | | (4,165) | (11,858) | (2,363) | (6,728) |
| - Non-controlling interests | | (217) | (615) | (123) | (349) |
| | | (4,382) | (12,473) | (2,486) | (7,077) |
| (Loss)/earnings per share from Group's net (loss)/profit attributable to shareholders | B11 | | | | |
| Basic (RMB cents / RM sen) | | (0.62) | (1.78) | (0.35) | (1.01) |
| Diluted (RMB cents / RM sen) | | (0.62) | (1.78) | (0.35) | (1.01) |

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the financial statements.)

Note:

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Company Name : CHINA OOHUA WINERY HOLDINGS LIMITED
 Stock Name : CNOUHUA
 Financial Period Ended : 31 MARCH 2015
 Quarter : 1



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2015

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

| PARTICULARS | NOTE | UNAUDITED | AUDITED | UNAUDITED | AUDITED |
|---|------|-------------------------------|-------------------------------|------------------------------|------------------------------|
| | | AS AT 31-Mar-15 RMB'000 | AS AT 31-Dec-14 RMB'000 | AS AT 31-Mar-15 RM'000 | AS AT 31-Dec-14 RM'000 |
| ASSETS AND LIABILITIES | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | | 50,397 | 51,465 | 28,594 | 29,200 |
| Biological assets | | - | - | - | - |
| Prepayments | | - | - | - | - |
| | | <u>50,397</u> | <u>51,465</u> | <u>28,594</u> | <u>29,200</u> |
| Current assets | | | | | |
| Inventories | | 65,531 | 66,060 | 37,180 | 37,480 |
| Trade and other receivables | | 17,446 | 15,232 | 9,898 | 8,642 |
| Prepayments | | 118,703 | 120,324 | 67,350 | 68,289 |
| Cash and cash equivalents | | 74,091 | 77,712 | 42,037 | 44,082 |
| | | <u>275,771</u> | <u>279,328</u> | <u>166,465</u> | <u>158,483</u> |
| Current liabilities | | | | | |
| Trade and other payables | | 9,921 | 9,679 | 5,629 | 5,492 |
| Other liabilities | | 533 | 1,018 | 302 | 578 |
| | | <u>10,454</u> | <u>10,697</u> | <u>5,932</u> | <u>6,070</u> |
| Net current assets | | <u>265,317</u> | <u>268,631</u> | <u>150,533</u> | <u>152,413</u> |
| Non-current liability | | | | | |
| Deferred tax liabilities | | 15,299 | 15,299 | 8,680 | 8,680 |
| Net assets | | <u>300,415</u> | <u>304,797</u> | <u>170,446</u> | <u>172,932</u> |
| EQUITY | | | | | |
| Share capital | | 205,838 | 205,838 | 116,786 | 116,786 |
| Other reserve | | 30,531 | 30,531 | 17,322 | 17,322 |
| Retained earnings | | 54,718 | 58,883 | 31,045 | 33,408 |
| Non-controlling interests | | 9,328 | 9,545 | 5,293 | 5,416 |
| Total equity | | <u>300,415</u> | <u>304,797</u> | <u>170,446</u> | <u>172,932</u> |
| Net Assets per share attributable to equity holders of the Group (RMB / RM) | | 0.45 | 0.46 | 0.26 | 0.26 |

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the financial statements.)

Note:

The presentation currency of this unaudited and audited 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 RM0.56737 as at 31 Dec 2014.

Company Name : CHINA OUHUA WINERY HOLDINGS LIMITED
 Stock Name : CNOUHUA
 Financial Period Ended : 31 MARCH 2015
 Quarter : 1
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2015



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | ← Share Capital | | Attributable to Equity Holders of The Group | | | | → Total Equity | |
|---|-----------------|---------|---|--------------------------------|---------------------------|---------------|-----------------------------------|----------------------|
| | RMB'000 | RMB'000 | Reserve funds RMB'000 | Other capital reserves RMB'000 | Retained Earnings RMB'000 | Total RMB'000 | Non-controlling interests RMB'000 | Total Equity RMB'000 |
| (IN RMB) | | | | | | | | |
| At 1 January 2015 | 205,838 | | 29,508 | 1,023 | 58,883 | 295,252 | 9,545 | 304,797 |
| (Loss)/profit and other comprehensive(loss)/profit for the year | - | | - | - | (4,165) | (4,165) | (217) | (4,382) |
| At 31 March 2015 | 205,838 | | 29,508 | 1,023 | 54,718 | 291,087 | 9,328 | 300,415 |
| (IN RM) | | | | | | | | |
| At 1 January 2015 | 116,786 | | 16,742 | 580 | 33,408 | 167,517 | 5,416 | 172,933 |
| (Loss)/profit and other comprehensive(loss)/profit for the year | - | | - | - | (2,363) | (2,363) | (123) | (2,486) |
| At 31 March 2015 | 116,786 | | 16,742 | 580 | 31,045 | 165,153 | 5,293 | 170,446 |

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2013 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 RM0.56737 as at 31 Dec 2014.

Company Name : CHINA OUHUA WINERY HOLDINGS LIMITED
 Stock Name : CNOUHUA
 Financial Period Ended : 31 MARCH 2015
 Quarter : 1



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

| | CURRENT YEAR TO DATE 31-Mar-15 RMB'000 | PRECEDING CORRESPONDING YEAR TO DATE 31-Mar-14 RMB'000 | CURRENT YEAR TO DATE 31-Mar-15 RM'000 | PRECEDING CORRESPONDING YEAR TO DATE 31-Mar-14 RM'000 |
|--|---|--|--|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Profit before taxation | (4,382) | (12,473) | (2,486) | (7,077) |
| Adjustments for:- | | | | |
| Depreciation and amortisation expenses | 1,058 | 1,750 | 606 | 993 |
| Impairment loss on PPE | - | - | - | - |
| Loss on disposal of PPE | - | - | - | - |
| Depreciation of biological assets | - | 1,259 | - | 714 |
| Impairment loss on biological assets | - | - | - | - |
| Impairment loss on trade receivables | - | - | - | - |
| Loss on disposal of biological assets | - | - | - | - |
| Impairment loss on inventories | - | - | - | - |
| Write-off of prepayments | - | - | - | - |
| Gains arising from initial recognition of harvested grapes | - | - | - | - |
| Interest income | (67) | (100) | (38) | (57) |
| Operating profit before working capital changes | (3,381) | (9,564) | (1,918) | (5,426) |
| <i>Decrease/(increase) in:</i> | | | | |
| Inventories | 529 | (16,058) | 300 | (9,111) |
| Trade and other receivables | (592) | (1,880) | (336) | (1,067) |
| <i>(Decrease)/increase in:</i> | | | | |
| Trade and other payables | 242 | (128) | 137 | (73) |
| Other liabilities | (486) | (955) | (276) | (542) |
| Cash flows generated from/(used in) operations | (3,688) | (28,586) | (2,092) | (16,219) |
| Income tax paid | - | - | - | - |
| Interest income received | 67 | 100 | 38 | 57 |
| Net cash flows generated from/(used in) operating activities | (3,621) | (28,486) | (2,054) | (16,162) |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of property, plant and equipment | - | - | - | - |
| Loan repaid from Third Party | - | - | - | - |
| Proceeds from held- to-maturity investment | - | - | - | - |
| Purchase of biological assets | - | (2,810) | - | (1,594) |
| Net cash flow generated from/(used in) investing activities | - | (2,810) | - | (1,594) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Dividends paid to shareholders | - | - | - | - |
| Dividends paid to non controlling-interests | - | - | - | - |
| Dividend recovered | - | - | - | - |
| Net cash flows used in financing activities | - | - | - | - |
| NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS | (3,621) | (31,296) | (2,054) | (17,756) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD | 77,712 | 121,755 | 44,091 | 69,080 |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 74,091 | 90,459 | 42,037 | 51,324 |
| Cash and cash equivalents at the end of the period comprise the followings: | | | | |
| Cash on hand and at banks | 74,091 | 90,459 | 42,037 | 51,324 |
| | 74,091 | 90,459 | 42,037 | 51,324 |

(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 2013)

Note:
 The functional and 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 RM0.56737 as at 31 Dec 2014.

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 period ended 31 March 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 Behad ("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. Due to the current unfavourable global and domestic market conditions, the sales did not pick up during the above mentioned period and the fluctuation is not obviously manifested.

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 first quarter ended 31 March 2015.

4. Changes in estimates

There were no material changes in estimates for the financial first quarter ended 31 March 2015.

5. Prepayments in Current assets

The prepayments in current assets include RMB118.80 million, which is two payments for acquisition by Yantai Fazenda Ouhua Winery Co., Ltd, of all that land and buildings located at No. 3, Wolong North Road, Yantai City that has been used for a total cash consideration of RMB132 million.

6. Changes in share capital and debts

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

7. Dividends Payable

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

8. Segment Information

a) Operating segments

| <u>3 months ended 31 March 2015</u> | White Wine RMB'000 | Red Wine RMB'000 | Total RMB'000 |
|-------------------------------------|-----------------------|---------------------|------------------|
| Revenue | | | |
| Sales to external customers | 238 | 1,646 | 1,884 |
| Results | | | |
| Segment gross profit | (55) | (231) | (286) |
| Unallocated expenses, net | | | (4,163) |
| Interest income | | | 67 |
| Interest expense | | | - |
| Loss before tax | | | (4,382) |
| Income tax expense | | | - |
| Net loss | | | (4,382) |
| <u>3 months ended 31 March 2014</u> | White Wine RMB'000 | Red Wine RMB'000 | Total RMB'000 |
| Revenue | | | |
| Sales to external customers | 453 | 2,151 | 2,604 |
| Results | | | |
| Segment gross profit | (18) | (76) | (94) |
| Unallocated expenses, net | | | (12,479) |
| Interest income | | | 100 |
| Interest expense | | | - |
| Loss before tax | | | (12,473) |
| Income tax expense | | | - |
| Net loss | | | (12,473) |

Other segment information

| <u>3 months ended 31 March 2015</u> | International Label RMB'000 | Own Label RMB'000 | Total RMB'000 |
|-------------------------------------|-----------------------------------|----------------------|------------------|
| Revenue | | | |
| Sales to external customers | 921 | 963 | 1,884 |

| | International Label | Own Label | Total |
|--|---------------------|-----------|---------|
| <u>3 months ended 31 March 2014</u> | RMB'000 | RMB'000 | RMB'000 |
| Revenue | | | |
| Sales to external customers | 728 | 1,876 | 2,604 |

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 first 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 first quarter ended 31 March 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 first quarter ended 31 March 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 first quarter ended 31 March 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 March 2015 | |
|------------------------------|-------------------|---------|---------------------|---------|
| | RMB'000 | RM'000 | RMB'000 | RM'000 |
| Realised retained profits: | 74,182 | 42,088 | 70,017 | 39,725 |
| Unrealised retained profits: | (15,299) | (8,680) | (15,299) | (8,680) |
| | ----- | ----- | ----- | ----- |

| | | | | |
|-------------------------------|-----------------|-----------------|-----------------|-----------------|
| Total group retained profits: | 58,883 ===== | 33,408 ===== | 54,718 ===== | 31,045 ===== |
|-------------------------------|-----------------|-----------------|-----------------|-----------------|

15. Recurring related party transactions

For the financial period ended 31 March 2015, the Group rented office and factory premises from a director-related company, Yantai Ouhua Winery Co., Ltd, with rental expense amounting to RMB 189,000.

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

1. Review of the performance of the Group

For the financial first quarter ended 31 March 2015 ("3M2015"), the Group revenue decreased by RMB0.72 million or 27.69% to RMB1.88 million, from RMB2.60 million in the previous corresponding period ended 31 March 2014 ("3M2014"). Loss before (net of) tax decreased by RMB8.09 million from RMB12.47 million in 3M2014 to RMB4.38 million in 3M2015.

For the current quarter, the Group recorded a revenue decrease of RMB1.36 million from RMB3.24 million to RMB1.88 million and a decrease in loss net of tax of RMB156.98 million from RMB161.36 million to RMB4.38 million, both from the immediate preceding quarter ended 31 December 2014.

The decrease of sales as compared with the corresponding period in 2014 is mainly due to the continuous downward trend of the whole winery market in PRC, which led to the further sales decrease of the grape wine. The decrease of loss net of tax is mainly due to the decrease of the expenses of vineyard.

2. Prospects

China's GDP for 1st quarter of 2015 expanded by 7% from a year ago (the slowest since 2009) and its economy has shown minimal evidence of an acceleration even after The People's Bank of China ("Central Bank") cut interest rates for three times since November 2014.

The impact of cheap foreign wine flooded into China market and a series of Chinese government policies implemented by the new leadership like anti-graft, reduction of entertainment budget expenses have continued to affect the competitive wine market badly.

The management of the company continues to step up effort to maintain its corporate brand image and consolidate its wine dealers, i.e. maintaining/providing support to those performing wine dealers and reduce/cut the number of non-performing ones. Through conducting market research and in-house development, the company is planning to produce wine of cheaper range but quality uncompromised in order to target the current bigger low to medium range of Chinese wine consumers' market.

Moving forward, the management is cautiously optimistic on the market outlook and remained vigilant on the domestic wine market development. The management will continue its effort to find better ways to enhance the shareholders' value of the company.

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 first quarter ended 31 March 2015.

6. Purchase or disposal of quoted securities

No purchase or disposal of quoted securities by the Group in the financial first quarter ended 31 March 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 |
| Total | <u>79,530</u> | <u>79,530</u> | | | |

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 first 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 March 2015 and 31 March 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 March 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.