

[Press Release]

# DYNASTY

酒の王朝

## Dynasty Holds Series of Activities for Autumn Food & Drinks Fair Launches New Marketing Strategies

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### Aims to Add 100,000 point-of-sales and 1,000 Distributors in Three Years, and to Rejuvenate its Brand and Products

(Hong Kong, 27 October 2021) – **Dynasty Fine Wines Group Limited** (“Dynasty” or the “Group”) (Stock Code: 828), a premier winemaker in China, held a series of activities in relation to the 105<sup>th</sup> China Food & Drinks Fair (“Autumn Food & Drinks Fair”) during 15 - 21 October in Tianjin. These activities include the participation in the Autumn Food & Drinks Fair, and the organisation of the Pre-Fair "Wineseer" Wine Exhibition, Dynasty Pre-Fair Plant Open Day, Grand Opening Ceremony for the new premises of its National-level Technology Centre, Dynasty Dry White Wines Night, and a wine tasting event for Dynasty air dry wines and Dynasty brandy along with the world’s premier wines. These events received enthusiastic response from distributors. Another highlight was a press conference to announce its latest marketing model and strategies and to unveil two new product series targeting young consumers, namely Sweet Heart (「甘如飴」) and Pleasant Color (「怡色」).



Dynasty participates in the 105<sup>th</sup> China Food & Drinks Fair

Dynasty said, "Since Dynasty launched the market demand-oriented '5+4+N product strategy' last year and subsequently completed the upgrade of its organisational structure, the unaudited consolidated revenue in the first half of this year nearly doubled to approximately HK\$179.6 million, and the successful results are obvious to all. In the future, in line with the industry development trend, Dynasty will strengthen its presence in mass-market and mid-range products as well as those targeted at young consumers. We will also expand our distribution channels, with the aim to deploy 100,000 point-of-sales, add 1,000 distributors and vigorously develop new channels via retail platforms during the next three years, so as to seize the opportunities from the growing consumption market of young adults and strive to achieve the annual sales target exceeding RMB1 billion in that time".

To realise the objective of reach its point-of-sales network expansion target in three years, Dynasty will further map out its product, channels, and retail sales by expanding the circles of marketing, pursuing advances in business prospecting as well as developing new retail channels. Dynasty will also continue to focus on traditional e-commerce platforms such as JD.com, Tmall and Pinduoduo for product sales, as well as comprehensive innovation across its brand, product categories, and business systems, procedures and models via new retail platforms, including Weibo, RED (Xiaohongshu app), Kuai (Kuaishou app) and TikTok (Douyin app). Such efforts will facilitate the Group's brand communications so that it can continue to gain the attention of mainstream consumer groups and demographic segments, and enhance effective market penetration of the Group's products targeted at young consumers.

In addition, Dynasty will prioritise three "New"s so as to capture the young adult consumer market from three aspects. The first is "new products". Dynasty will launch products with a sweeter and more subtle taste and with packaging accenting a youthful Chinese style. The second is "new channels". While insisting to integrate the manufacturing, distribution and retail businesses into one, Dynasty will continue to focus on ready-to-drink channels, beer sales channels and Business & Customer-end catering channels. The third is "new prices". Dynasty will price its new products by focusing more on the mid-range to mass-market young market segments. Moreover, Dynasty has also noted the huge room for growth in dry white wines as their consumption is far lower than that of dry red wines in China. Hence, the Group will vigorously develop the dry white wine series within which it boasts strong advantages. At its new marketing model and strategy press conference, Dynasty unveiled two new product series which are focused on the entry-level product price range and targeted at young consumers, namely Sweet Heart ("甘如飴") and Pleasant Color ("怡色"). The former mainly offers white wines, opening a new chapter for the Group's product rejuvenation strategy.



Dynasty's new product series - Sweet Heart ("甘如飴")



Dynasty's new product series - Pleasant Color ("怡色")

