



Dynasty Fine Wines Group Limited
王朝酒業集團有限公司



Corporate Presentation

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- ☞ **Mr. Bai Zhisheng**
Chairman & Executive Director
- ☞ **Mr. Francois Heriard-Dubreuil**
Vice Chairman & Non-executive Director
- ☞ **Mr. Gao Feng**
Executive Director & General Manager
- ☞ **Mr. Huang Yaqiang**
Executive Director
- ☞ **Mr. Yeung Chu Tat, Rex**
Financial Controller & Company Secretary



China's premier wine-maker DYNASTY celebrates 5th year listing on HKEX and its 30th anniversary



- Financial Highlights
- Business Review
- Growth Strategies
- Prospects





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Financial Highlights

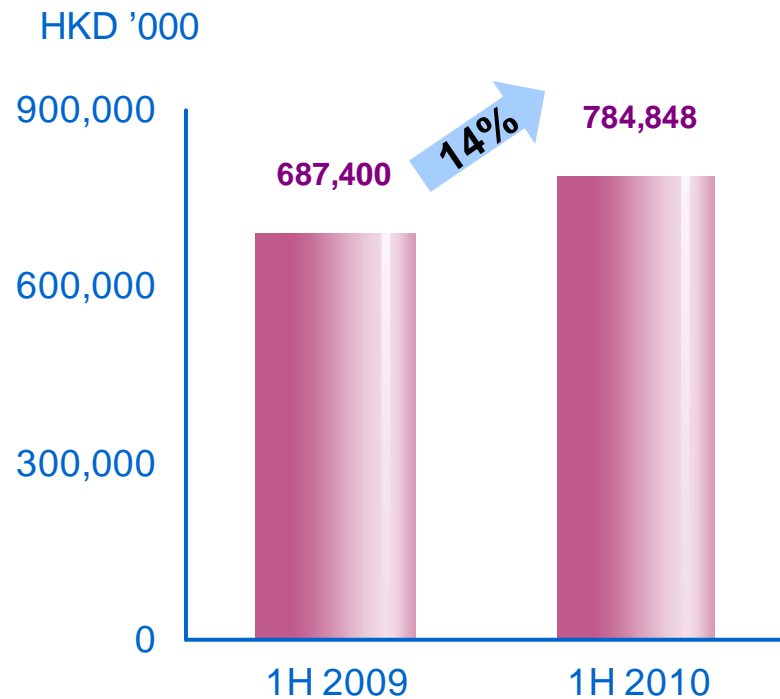
Financial Highlights

HKD '000	1H 2010	1H 2009
Revenue	784,848	687,400
Gross profit	391,726	342,356
Profit attributable to equity holders	114,110	96,796
Basic earnings per share (HKD)*	0.092	0.078
<i>Gross profit margin</i>	<i>50%</i>	<i>50%</i>
<i>Net profit margin</i>	<i>15%</i>	<i>14%</i>

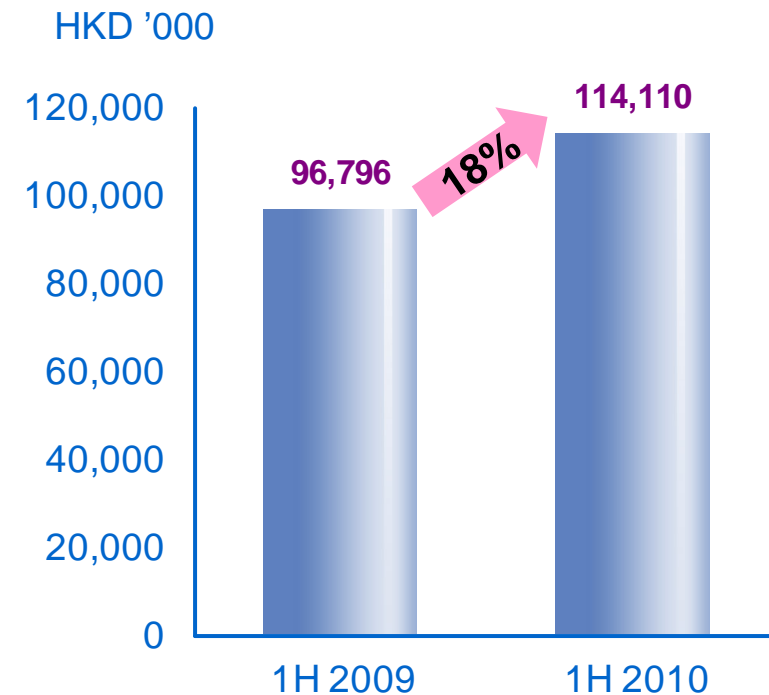
☞ Proposed Interim dividend for 2010 is 3.3HK cents per share



Revenue



Net Profit



- ☞ The growth in revenue and net profit were due to the growth in sales volume
- ☞ Net profit increased as a result of stable gross profit margin and growth in sales volume



<u>Breakdown of Cost of Sales</u>	1H 2010	1H 2009
	%	%
Cost of raw materials	73	69
● Grapes and grape juice	40	38
● Yeast and additives	3	3
● Packaging materials	28	26
● Others	2	2
Manufacturing overheads	14	13
Consumption tax	13	18
Total cost of sales	100	100

☞ gross profit margin remain unchanged (1H 2010 : 50%)

☞ Red wines have higher gross margin (1H 2010 : 51%) and selling price



	1H 2010 %	1H 2009 %
Revenue	100	100
Cost of sales	(50)	(50)
<i>Gross profit</i>	50	50
Distribution costs	(26)	(27)
Administrative expenses	(7)	(6)
Others	(2)	(3)
<i>Net profit</i>	15	14

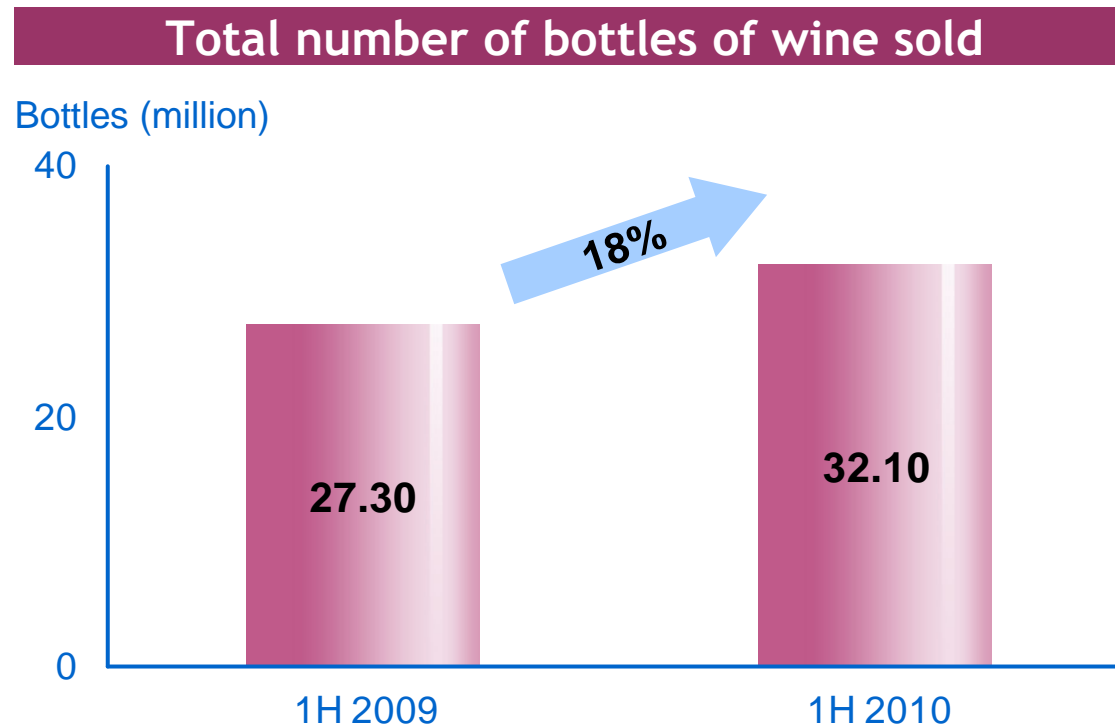
- ☞ Distribution expenses were relatively stable mainly attributable to the effective monitoring and controlling sales and marketing spending





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Business Review



- Red wine sales remained as the principal source of turnover, representing 84% of the Group's total revenue
- Dynasty Dry Red continued to be the best seller, contributing 36% of the total revenue
- Average ex-winery sales price of wine products was slightly lower than 2009's HK\$25.1 per bottle (750ml)



Sales by Region



Nationwide sales network covering all provinces, autonomous regions and 4 directly administered municipalities

- Domestic market remained as the primary focus
- Huadong region (ie Eastern region of the PRC), comprising Shanghai city, Zhejiang and Jiangsu provinces remained as our main markets
- Sales in other regional markets, such as Southern region (including Guangdong, Fujian, Guangxi and Hainan provinces) also grew



Explore new sales channels and develop new customer base

- ☞ **Dynasty Club** to cater for top-tier customers
- ☞ **Dynasty Retail Shop** for mass market to enhance reputation and prestigious image



Strengthen Sales Channels

DYNASTY
SINCE 1990

☞ Two new retail shops in Tianjin



Address:

**12 Hebei Road, Tanggu
District, Tianjin**



Address:

**18 Shiying Road, Nankai
District, Tianjin**



Strengthen Sales Channels

Online Shop to develop new customer base (www.i9wang.com)

王朝爱酒网
www.i9wang.com

DYNASTY
Since 1990
订购热线(免长途费)
4001 888 519

网站首页 买酒 礼品酒 促销专区 新品上架 名庄酒专区 资讯中心 红酒知识 帮助FAQ

会员登录 用户名: 密码: 验证码: 3751 登录 • 免费注册 购物车中有 0 件商品

热销酒品

- 王朝至尊橡木桶干红
市场价: 358元
促销价: 238元
- 王朝金品诺干红
市场价: 88元
爱酒价: 78元
- 王朝金王朝干红
市场价: 78元
爱酒价: 62.8元
- 王朝解百纳干红
市场价: 78元
爱酒价: 62.8元
- 王朝千白
市场价: 44元
爱酒价: 37元
- 王朝御霞多丽干
市场价: 138元
促销价: 79.8元
- 王朝特制干白
市场价: 22元
爱酒价: 19.8元

最新公告 & 活动

- 王朝酒业与海航集团——战略合作协议仪式圆满成功..
- 王朝酒业与国际酒商同台竞技
- 澳大利亚前总理霍克抵华访问
- 香港总商会参访考察王朝公司

陈酿干红 礼到情到

促销专区

 王朝至尊橡木桶干红礼盒 市场价: 358元 促销价: 238元 加入购物车 立即购买	 王朝御霞多丽干白 市场价: 138元 促销价: 79.8元 加入购物车 立即购买	 王朝御橡木桶原盒 市场价: 178元 促销价: 148元 加入购物车 立即购买
 王朝解百纳橡木桶礼盒 市场价: 158元 促销价: 118.8元 加入购物车 立即购买	 王朝御霞多丽干红礼盒 市场价: 4998元 促销价: 3998元 加入购物车 立即购买	 王朝高档陈酿干红礼盒 市场价: 1998元 促销价: 1698元 加入购物车 立即购买

在线客服
上海 浙江



Secure stable and high quality supply of grape juice

- ☞ Have over 10 major grape juice supplies with long-term stable relationships
- ☞ Continue to help and work with vignerons to enlarge their vineyards for better economies of scale and state-of-the-art
- ☞ Continue to identify new suppliers to grow business and fill expanding production capacity*
- ☞ Import grape juice from overseas when necessary

***Further expand to 70,000 tonnes
(equivalent to approximately 93.3
million bottles)**





Top Ten Greatest Satisfaction Brands in China Award organized by China General Chamber of Commerce



Most Innovative and Competitive Brand in China's Liquor Industry organized by China Wine Magazine

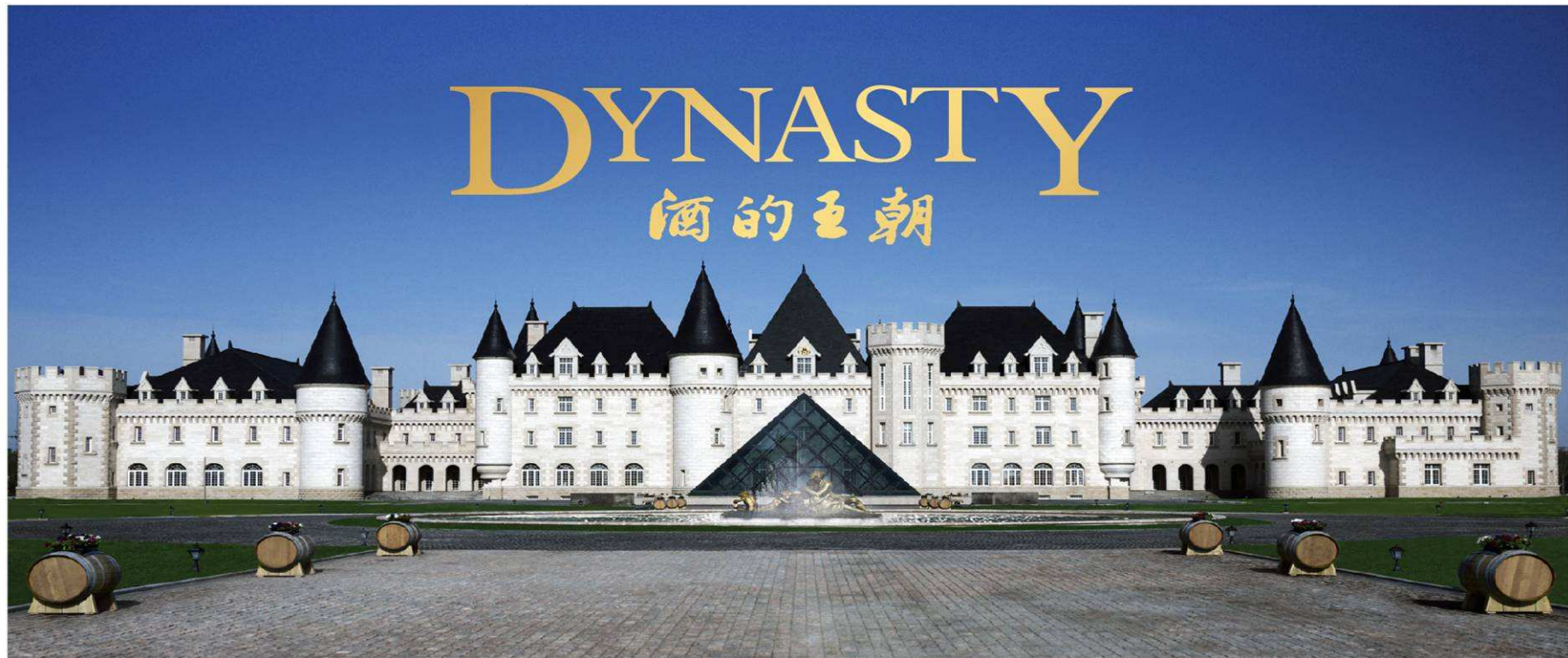




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Growth Strategies

Chateau Dynasty - To be opened in mid Oct 2010



Strive to further upgrade product mix and extend product portfolio

**Dynasty
Merlot Dry Red Wine
Reserve**

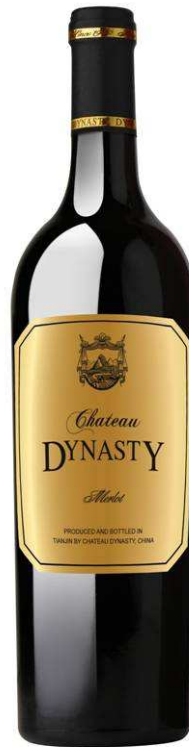


**Dynasty
5-star Icewine
Reserve**



Celebrate Dynasty's 30th Anniversary

**Dynasty Merlot
Series
Gold Label**



**Dynasty Merlot
Series
Red Label**



Vinexpa Asia Pacific 2010

DYNASTY
SINCE 1990

- ☞ **Date: 25-27 May 2010**
- ☞ **Location: Hong Kong Convention and Exhibition Centre**
- ☞ **Introduce Dynasty premier products to HK and International markets and gain lots of attention from potential buyers and media**



Dialogue de Dynasty



Upgrade product mix

Strengthen and
expand distribution
network



Appointing overseas
distributors

Seek acquisition
opportunities





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Prospects

Market opportunities

Rising per capital disposable income

Increasing health consciousness and popularity of drinking wine

Rising demand on premium wine products in China

Customer's favor towards local brands



- ❖ Expanding distribution network
- ❖ Shifting product mix towards higher end products
- ❖ Refining brand and marketing strategies to enhance brand image and market position
- ❖ Enhancement of quality supply of grape juice
- ❖ Improving product development and quality control system





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China's Premier Wine-maker