



Yantai Changyu Pioneer Wine Co. Ltd.

2015 First Quarter Report

2015-Final 02

April 2015

I. Important Notice

The board of directors, the board of supervisors, directors, supervisors & senior managers of the Company collectively and individually accept full responsibility for the truthfulness, accuracy and completeness of the information contained in this report and confirm that to the best of their knowledge and belief there are no unfaithful facts, significant omissions or misleading statements.

All directors attended the meeting for deliberating this quarter report.

Mr. Sun Liqiang (Chairman of the Company), Mr. Leng Bin (Chief Financial Officer) and Mr. Jiang Jianxun (Financial Director) assure the truthfulness, accuracy and completeness of the financial report in the annual report.

II、Key financial data and shareholders changing

1. Key financial data

Whether the Company makes retroactive adjustments or restates the accounting data of previous fiscal years.

☐ Yes ☒ No

Item	The report period	The same period of last year	More or less than last year(%)
Business income (CNY)	1,825,212,207.00	1,508,515,994.00	20.99%
Net profit attributed to the shareholders of the listed company (CNY)	530,248,397.00	457,522,651.00	15.90%
Net profit attributed to the shareholders of the listed company after deducting the irregular profit and loss (CNY)	526,745,613.00	454,655,350.00	15.86%
Net cash flows from the operating activities (CNY)	697,396,327.00	706,507,223.00	-1.29%
Basic earnings per share (CNY)	0.77	0.67	14.93%
Diluted earnings per share (CNY)	0.77	0.67	14.93%
Weighted average for earning rate of the net assets	7.46%	6.64%	0.82%
	The end of the report period	The end of last year	More or less than last year(%)
Total assets (CNY)	9,719,260,222.00	8,912,232,640.00	9.06%
Net Assets attributed to the shareholders of the listed company (CNY)	7,365,209,920.00	6,840,452,145.00	7.67%

Details of irregular profit and loss

☒ Yes ☐ No

Unit: CNY

Item	From beginning of year to end of report period	Explanation
Government grants credited in profit and loss (except for those recurring government grants that are closely related to the entity's operation, in line with related regulations and have proper basis of calculation)	3,411,679.00	
Other non-operating income and expenses	1,061,714.00	
Less: Income tax effect	970,609.00	
Total	3,502,784.00	--

The reasons shall be made clear and definitely as to the irregular profit and loss that the Company has defined by virtue of the Explanatory Announcement on Public Company's Information Disclosure No.1 - Irregular Profit and Loss and as to regarding the irregular profit and loss as recurrent profit and loss as specified in the Explanatory Announcement on Public Company's Information Disclosure No.1 - Irregular Profit and Loss.

☐ Available ☒ Not available

There is no situation regarding the non-recurring profit and loss as defined and specified in the Explanatory Announcement on Public Company's Information Disclosure No.1 - Non-recurring Profit and Loss as recurrent profit and loss.

2. The total number of shareholders and top 10 shareholders at the end of the report period

1) The total number of the common shareholders and top 10 common shareholders at the end of the report period

Unit: share

Total number of common shareholders			Total 43,169 28852 Shareholders of A shares 14317 Shareholders of B shares			
The top 10 common shareholders						
Name of Shareholders	Character of shareholders	Percentage (%)	Shares held	Number of restricted shares	Pledged or frozen	
					Share status	Amount
YANTAI CHANGYU GROUP COMPANY LIMITED	Domestic non-state-owned legal person	50.40%	345,473,856	0		0
GAOLING FUND,L.P.	Foreign shareholder	3.53%	24,176,997	0		0
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	Foreign shareholder	2.35%	16,106,326	0		0
GIC PRIVATE LIMITED	Foreign shareholder	1.45%	9,913,484	0		0
MORGAN STANLEY & CO. INTERNATIONAL PLC	Foreign shareholder	0.67%	4,620,321	0		0
NORGES BANK	Foreign shareholder	0.66%	4,511,246	0		0
BBH A/C VANGUARD EMERGING MARKETS STOCK INDEX FUND	Foreign shareholder	0.56%	3,846,587	0		0
FIDELITY CHINA SPECIAL SITUATIONS PLC	Foreign shareholder	0.55%	3,779,202	0		0
FIDELITY FUNDS	Foreign shareholder	0.53%	3,644,429	0		0
GREENWOODS CHINA ALPHA MASTER FUND	Foreign shareholder	0.52%	3,588,951	0		0
The top 10 common shareholders with unrestricted shares						
Name of Shareholders		Number of unrestricted	Type of share			
			Type of	Amount		

	shares held	share	
YANTAI CHANGYU GROUP COMPANY LIMITED	345,473,856	A share	345,473,856
GAOLING FUND,L.P.	24,176,997	B share	24,176,997
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	16,106,326	B share	16,106,326
GIC PRIVATE LIMITED	9,913,484	B share	9,913,484
MORGAN STANLEY & CO. INTERNATIONAL PLC	4,620,321	B share	4,620,321
NORGES BANK	4,511,246	B share	4,511,246
BBH A/C VANGUARD EMERGING MARKETS STOCK INDEX FUND	3,846,587	B share	3,846,587
FIDELITY CHINA SPECIAL SITUATIONS PLC	3,779,202	B share	3,779,202
FIDELITY FUNDS	3,644,429	B share	3,644,429
GREENWOODS CHINA ALPHA MASTER FUND	3,588,951	B share	3,588,951
The explanation for the associated relationship and accordant action of the top 10 shareholders	Among the top 10 shareholders, Yantai Changyu Group Company Limited has no associated relationship or accordant action relationship with the other 9 listed shareholders, and the relationship among the other shareholders is unknown.		
Explanation for the top 10 common shareholders who involved in financing activities and stock trading business(if any)	No		

Whether or not the Company's top 10 common shareholders and top 10 common shareholders with unrestricted shares promise to buy back trading during the report period

☐ Yes ☒ No

There is no top 10 common shareholders and top 10 common shareholders with unrestricted shares in the Company promise to buy back trading during the report period.

2) The total number of the preferred shareholders and top 10 preferred shareholders at the end of the report period

☐ Available ☒ Not available

III Major Issue

1. The Great Change and Reasons on Main Accountant Data and Financial Index

☒ Available ☐ Not available

Compared the end of the report period with the beginning of the report period, monetary capital increases by 37.51%, mainly due to the increased returned sales money; notes receivable increases by 241.38%, mainly due to the growth on bank acceptances; account receivables increases by 30.34%, mainly due to the expansion of Company's direct-selling business and increase of clients' sales amount on credit; interest receivable increases by 37.33%, mainly due to increased interest receivables on deposit; advance payment increases by 75.27%, mainly due to the growth of advances on sales from clients. During the report period, sales revenue increases by 20.99% on a year-on-year basis, mainly due to increased sales volume of products, especially middle-end dry wine products; selling expense increases by 26.93% on a year-on-year basis, mainly due to the expansion of direct-selling business; financial expense increases by 40.85% on a year-on-year basis, mainly due to the decline in the income of interest on deposit.

2. Analysis explanation of the major issue's process, its influence and the solution

☐ Available ☒ Not available

3. The commitments of the Company or shareholders of the Company holding more than 5% in the report period or until the report period

☒ available ☐ not available

Commitments	Commitment Party	Commitment content	Commitment time	Commitment period	Implementation
Commitments at share reform	-	—	-	-	-
Commitments made in acquisition report or equity changes report	-	-		-	-
Commitments at asset restructuring	-	-		-	-
Commitments at the initial public offering or refinancing	Yantai Changyu Group Co., Ltd	Non Intra-industry competition	1997.05.18	Permanent	Has been performed
		According to "Trademark License Contract", the Company will pay trademark royalty for the "Changyu" products of Yantai Changyu Group Co., Ltd every year, Yantai Changyu Group Co., Ltd will use	1997.05.18	Forever	Has been performed

		trademark to advertise Changyu trademarks and the Contract products.			
Commitments made to the minority shareholders of the Company	-	-		-	-
Commitment under timely implementation or not	Yes				
Specific reasons of not completing the implementation and the next step	No				

4. Forecast on the operating performance in the period from January to June of 2015

Warning and explanation for the estimation on the possible loss of cumulative net profit in the period from the beginning of this year to the end of the next report period or the great change comparing with same period of last year.

☐ Available ☒ Not available

5. The situation of security investment

☐ Available ☒ Not available

There is no security investment during the report period.

6. Explanation for the situation of holding other listed company's shareholding

☐ Available ☒ Not available

There is no holding other listed company's shareholding during the report period.

7. The situation of derivative investment

☐ Available ☒ Not available

There is no derivative investment during the report period.

8. The activities registration form of receptions, communication and interview etc. during the report period

☐ Available ☒ Not available

There is no activities of receptions, communication and interview etc. during the report period.

IV Financial Statements

1、Financial statements

1)、Consolidated balance sheet

Yantai Changyu Pioneer Wine Co. Ltd.

Unit: CNY

Item	At 31 March 2015	At 31 December 2014
Current assets:		
Monetary fund	1,574,940,993	1,145,365,071
Financial assets which are measured by fair value and which changes are recorded in current profit and loss		
Derivative financial liability		
Notes receivable	472,187,453	138,315,319
Account receivable	189,865,830	145,672,411
Advance money	8,200,711	8,073,786
Interest receivable	4,970,565	3,619,429
Dividend receivable		
Other account receivable	47,371,822	31,362,302
Inventories	1,890,603,447	2,087,376,398
Assets held for sale		
Non-current assets due within one year		
Other current assets	18,829,681	29,662,076
Total current assets	4,206,970,502	3,589,446,792
Non-current assets:		
Financial assets for sale		
Investment held to expiration		
Long-term account receivable		
Long-term equity investment		
Real estate for investment		
fixed assets	2,523,345,907	2,532,682,355
Construction in progress	1,919,140,288	1,700,466,500
Project material		
Liquidation of fixed assets		
Biological assets for production	150,724,726	151,723,241
Oil and gas assets		
Intangible assets	450,281,643	452,951,194

Development expenditure		
Goodwill	13,112,525	13,112,525
Long-term deferred expenses	212,017,621	201,911,605
Assets of deferred income tax	227,915,405	254,186,823
Other non-current assets	15,751,605	15,751,605
Total non-current assets	5,512,289,720	5,322,785,848
Total assets	9,719,260,222	8,912,232,640
Current liabilities:		
Short-term loan	300,000,000	300,000,000
Financial liabilities which are measured by fair value and which changes are recorded in current profit and loss		
Derivative financial liability		
Notes payable	10,000,000	10,000,000
Accounts payable	448,755,177	357,811,822
Advance money	377,058,303	215,127,598
Wage payable	129,137,912	158,948,592
Tax payable	51,900,227	87,504,048
Interest payable	3,325,716	3,475,641
dividend payable		
Other accounts payable	576,876,935	469,804,317
Liabilities held for sale		
Non-current liabilities due within one year		
Other current liabilities	12,398,717	12,398,718
Total current liabilities	1,909,452,987	1,615,070,736
Non-current liabilities:		
Long-term loan	200,376,800	209,380,000
Bond payable		
Including: preferred stock		
Perpetual capital securities		
Long-term accounts payable		
Long-term wages payable		
Special accounts payable		
Deferred income	72,925,313	76,024,992
Liabilities of deferred income tax	4,556,071	4,565,636
Other non-current liabilities	3,998,352	3,998,352
Total non-current liabilities	281,856,536	293,968,980
Total liabilities	2,191,309,523	1,909,039,716

Shareholder rights and interests:		
Share capital	685,464,000	685,464,000
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	563,139,042	563,139,042
Less: Inventory shares		
Other comprehensive Income	-8,293,893	-2,803,271
Reasonable reserve		
Surplus reserve	342,732,000	342,732,000
Provision of general risk		
Retained profit	5,782,168,771	5,251,920,374
Total owner's equity attributable to parent Company	7,365,209,920	6,840,452,145
Minority interests	162,740,779	162,740,779
Total owner's equity	7,527,950,699	7,003,192,924
Total liabilities and owner's equity	9,719,260,222	8,912,232,640

Legal representative: Sun Liqiang Person in charge of accounting : Leng Bin Person in charge of accounting organ: Jiang Jianxun

2)、Balance sheet of parent company

Yantai Changyu Pioneer Wine Co. Ltd.

Unit: CNY

Item	At 31 March 2015	At 31 December 2014
Current assets:		
Monetary fund	407,764,203	496,138,263
Financial assets which are measured by fair value and which changes are recorded in current profit and loss		
Derivative financial liability		
Notes receivable	281,063,659	98,158,251
Account receivable		1,516,518
Advance money	914,047	1,710,787
Interest receivable	4,970,565	3,580,811
Dividend receivable	402,596,884	402,596,884
Other account receivable	4,714,579,104	4,708,836,276
Inventories	630,209,703	681,696,774
Assets held for sale		
Non-current assets due within one year		
Other current assets	10,347,112	14,996,807
Total current assets	6,452,445,277	6,409,231,371
Non-current assets:		
Financial assets for sale		
Investment held to expiration		
Long-term account receivable		
Long-term equity investment	1,093,437,027	1,093,437,027
Real estate for investment		
fixed assets	395,176,137	403,210,655
Construction in progress	98,189	182,765
Project material		
Liquidation of fixed assets		
Biological assets for production	92,168,055	83,631,722
Oil and gas assets		
Intangible assets	76,165,890	76,760,678
Development expenditure		
Goodwill		
Long-term deferred expenses		
Assets of deferred income tax	22,517,566	27,053,571
Other non-current assets		

Total non-current assets	1,679,562,864	1,684,276,418
Total assets	8,132,008,141	8,093,507,789
Current liabilities:		
Short-term loan	300,000,000	300,000,000
Financial liabilities which are measured by fair value and which changes are recorded in current profit and loss		
Derivative financial liability		
Notes payable		
Accounts payable	184,284,955	228,052,722
Advance money		
Wage payable	62,839,149	70,233,251
Tax payable	26,115,327	18,205,124
Interest payable	3,325,716	3,475,641
dividend payable		
Other accounts payable	1,082,843,139	1,030,604,819
Liabilities held for sale		
Non-current liabilities due within one year		
Other current liabilities	3,017,898	3,017,898
Total current liabilities	1,662,426,184	1,653,589,455
Non-current liabilities:		
Long-term loan	200,376,800	209,380,000
Bond payable		
Including: preferred stock		
Perpetual capital securities		
Long-term accounts payable		
Long-term wages payable		
Special accounts payable		
Deferred income	21,993,440	22,747,915
Liabilities of deferred income tax		
Other non-current liabilities	1,895,828	1,895,828
Total non-current liabilities	224,266,068	234,023,743
Total liabilities	1,886,692,252	1,887,613,198
Shareholder rights and interests:		
Share capital	685,464,000	685,464,000
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		

Capital public reserve	557,222,454	557,222,454
Less: Inventory shares		
Other comprehensive Income		
Reasonable reserve		
Surplus reserve	342,732,000	342,732,000
Provision of general risk		
Retained profit	4,659,897,435	4,620,476,137
Total owner's equity attributable to parent Company		
Minority interests		
Total owner's equity	6,245,315,889	6,205,894,591
Total liabilities and owner's equity	8,132,008,141	8,093,507,789

Legal representative: Sun Liqiang Person in charge of accounting : Leng Bin Person in charge of accounting organ: Jiang Jianxun

3)、Consolidated profit statement

Yantai Changyu Pioneer Wine Co. Ltd.

Unit: CNY

Item	Three months ended 31 March 2015	Three months ended 31 March 2014
I. Sales Revenue	1,825,212,207	1,508,515,994
less: Cost of sales	602,400,431	469,058,043
Tax and levies on operations	90,171,910	89,008,026
Selling and distribution expenses	378,802,990	298,441,169
General and administrative expenses	62,252,665	58,147,083
Finance expenses	-6,888,723	-11,647,090
Impairment losses of Assets		
Add: Gains on increase in fair value of assets		
Investment income		
Incl. Investment income from affiliates		
II. Operating profit	698,472,934	605,508,763
Add: Non-operating income	4,486,099	3,417,162
Including: Disposal earnings of non-current asset		
Less: Non-operating expenses	12,706	6,982
Incl. Losses from disposal of non-current assets		
III. Total Profit before Taxation	702,946,327	608,918,943
Less: Income tax	172,697,930	151,396,292
IV. Net profit after Taxation	530,248,397	457,522,651
Net profit attributable to Parent company	530,248,397	457,522,651
Net profit attributable to Minority interest		
V. Net after-tax of other comprehensive income	-5,490,622	
Net after-tax of other comprehensive income attributable to owners of parent company	-5,490,622	
(I) Other comprehensive income items which will not be reclassified subsequently to profit or loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss	-5,490,622	
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale		

financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements	-5,490,622	
6. Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VI. Total comprehensive income	524,757,775	457,522,651
Total comprehensive income attributable to owners of parent Company	524,757,775	457,522,651
Total comprehensive income attributable to minority shareholders		
VII. Earnings per share:		
(i) Basic earnings per share	0.77	0.67
(ii) Diluted earnings per share	0.77	0.67

During this report period, the issue relates to company consolidation under common control, consolidated party completes net profit amount of CNY 0 before being consolidated, and consolidated party completes net profit amount of CNY 0 in the same period of last year.

Legal representative: Sun Liqiang Person in charge of accounting : Leng Bin Person in charge of accounting organ: Jiang Jianxun

4)、Profit statement of parent company

Yantai Changyu Pioneer Wine Co. Ltd.

Unit: CNY

Item	Three months ended 31 March 2015	Three months ended 31 March 2014
I.Sales Revenue	450,781,749	400,540,963
less: Cost of sales	349,541,377	319,026,288
Tax and levies on operations	48,892,624	48,514,935
Selling and distribution expenses		
General and administrative expenses	27,804,156	26,741,551
Finance expenses	-17,412,991	-12,343,282
Impairment losses of Assets		
Add: Gains on increase in fair value of assets		
Investment income		
Incl. Investment income from affiliates		
II.Operating profit	48,726,869	68,601,471
Add: Non-operating income	1,578,100	687,088
Including: Disposal earnings of non-current asset		
Less: Non-operating expenses		
Incl. Losses from disposal of non-current assets		
III.Total Profit	50,304,969	69,288,559
Less: Income tax	10,883,671	4,822,140
IV.Net profit	39,421,298	64,466,419
Net profit attributable to Parent company		
Net profit attributable to Minority interest		
V. Net after-tax of other comprehensive income		
Net after-tax of other comprehensive income attributable to owners of parent company		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale		

financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VI. Total comprehensive income	39,421,298	64,466,419
Total comprehensive income attributable to owners of parent Company		
Total comprehensive income attributable to minority shareholders		
VII. Earnings per share:		
(i) Basic earnings per share	0.06	0.09
(ii) Diluted earnings per share	0.06	0.09

Legal representative: Sun Liqiang

Person in charge of accounting : Leng Bin

Person in charge of accounting organ: Jiang Jianxun

5)、Consolidated cash flow statement

Yantai Changyu Pioneer Wine Co. Ltd.

Unit: CNY

Item	Three months ended 31 March 2015	Three months ended 31 March 2014
1. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	1,808,838,404	1,668,942,443
Tax refund received		
Other cash received related to operating activities	5,773,600	2,478,306
Subtotal of cash flows of operating activities	1,814,612,004	1,671,420,749
Cash paid for goods and services	260,654,494	213,166,230
Cash paid to and on behalf of employees	116,601,340	93,307,996
Cash paid for taxes and expenses	525,095,241	441,405,465
Other cash paid related to operating activities	214,864,602	217,033,835
Sub-total of cash outflows of operating activities	1,117,215,677	964,913,526
Net cash flow from operating activities	697,396,327	706,507,223
2. Cash flow from investing activities:		
Cash received from return of investment		
Fixed deposit with the term of over 3 months	4,795,537	141,149,047
Cash received from obtaining investment profit		
Cash received from interest income	156,135	3,787,847
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of branch and other business unit		
Other cash received related to investing activities		
Subtotal of cash flows of investment activities	4,951,672	144,936,894
Cash paid to acquire fixed assets, intangible assets and other long-term assets	257,537,234	207,206,059
Fixed deposit with the term of over 3 months		21,097,760
Cash for investment		
Net cash paid to acquire branch and other business unit		
Other cash paid related to investment activities		
Subtotal of cash outflows of investment activities	257,537,234	228,303,819
Net cash flow from investing activities	-252,585,562	-83,366,925
3.Cash flow from financing activities		
Cash received from acquiring investment		
Including: cash received from acquiring minority shareholders investment by branch		
Cash received from acquiring loans		
Other cash received related to financing activities		
Subtotal cash flows of financing activities		
Cash paid to pay debts		

Cash paid to distribute dividend, profit or pay interest	5,655,312	
Including: dividend and profit paid to minority shareholders by branch		
Other cash paid related to financing activities		
Subtotal of cash outflows of financing activities	5,655,312	
Net cash flow from financing activities	-5,655,312	
4. Influences of exchange rate fluctuation on cash and cash equivalents	-4,788,900	
5. Net Increase in cash and cash equivalents	434,366,553	623,140,298
Add: balance at the beginning of the period of cash and cash equivalents	960,472,274	956,558,932
6. Balance at the end of the period of cash and cash equivalents	1,394,838,827	1,579,699,230

Legal representative: Sun Liqiang Person in charge of accounting : Leng Bin Person in charge of accounting organ: Jiang Jianxun

6)、Cash flow statement of parent company

Yantai Changyu Pioneer Wine Co. Ltd.

Unit: CNY

Item	Three months ended 31 March 2015	Three months ended 31 March 2014
1. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	162,288,723	321,579,341
Tax refund received		
Other cash received related to operating activities	21,820,787	12,063,481
Subtotal of cash flows of operating activities	184,109,510	333,642,822
Cash paid for goods and services	127,692,870	140,455,443
Cash paid to and on behalf of employees	43,975,135	45,319,498
Cash paid for taxes and expenses	76,313,505	80,131,374
Other cash paid related to operating activities	12,432,398	94,727,861
Sub-total of cash outflows of operating activities	260,413,908	360,634,176
Net cash flow from operating activities	-76,304,398	-26,991,354
2. Cash flow from investing activities:		
Cash received from return of investment		
Fixed deposit with the term of over 3 months	4,795,537	141,149,047
Cash received from obtaining investment profit	6,770,286	50,000,000
Cash received from interest income	156,135	3,787,847
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of branch and other business unit		
Other cash received related to investing activities		
Subtotal of cash flows of investment activities	11,721,958	194,936,894
Cash paid to acquire fixed assets, intangible assets and other long-term assets	13,345,676	14,775,565
Fixed deposit with the term of over 3 months		21,097,760
Cash for investment		
Net cash paid to acquire branch and other business unit		
Other cash paid related to investment activities		
Subtotal of cash outflows of investment activities	13,345,676	35,873,325
Net cash flow from investing activities	-1,623,718	159,063,569
3. Cash flow from financing activities		
Cash received from acquiring investment		
Including: cash received from acquiring minority shareholders investment by branch		
Cash received from acquiring loans		
Other cash received related to financing activities		
Subtotal cash flows of financing activities		
Cash paid to pay debts		
Cash paid to distribute dividend, profit or pay interest	5,655,312	

Including: dividend and profit paid to minority shareholders by branch		
Other cash paid related to financing activities		
Subtotal of cash outflows of financing activities	5,655,312	
Net cash flow from financing activities	-5,655,312	
4. Influences of exchange rate fluctuation on cash and cash equivalents		
5. Net Increase in cash and cash equivalents	-83,583,428	132,072,215
Add: balance at the beginning of the period of cash and cash equivalents	333,245,466	197,150,989
6. Balance at the end of the period of cash and cash equivalents	249,662,038	329,223,204

Legal representative: Sun Liqiang Person in charge of accounting : Leng Bin Person in charge of accounting organ: Jiang Jianxun

2. Audit report

Whether the 1st quarter report has been audited.

☐ Yes ☒ No

The first quarter report has not been audited.

Yantai Changyu Pioneer Wine Co. Ltd.

Board of Directors

30th April 2015