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Dynasty Fine Wines Group Limited

王朝酒業集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 828)

PROFIT ALERT

This announcement is made by Dynasty Fine Wines Group Limited (the “**Company**”, which together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Based on the preliminary review of the unaudited consolidated management accounts of the Group for the four months ended 30 April 2021 (the “**Period**”) and the information available to the board (the “**Board**”) of directors (the “**Directors**”) of the Company, the Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a significant increase in the unaudited revenue of the Group for the Period by approximately 220% year-on-year, which is also higher than the unaudited consolidated revenue of the Group of approximately HK\$89.9 million for the six months ended 30 June 2020 by approximately 20%.

The Board is of the view that the significant increase in revenue for the Period was mainly:

- (a) due to the recovery of sales resulting from the resumption of consumption occasions and consumer sentiment after government’s relaxation of restrictions on the consuming places, as well as growth of economy especially in domestic consumption, following the containment of spread of the novel coronavirus pneumonia (“**COVID-19**”) in the People’s Republic of China;
- (b) driven by an increase in sales of medium to high end wine products during the Period as a result of improvement in sales mix after brand and product upgrade, compared with the same period last year; and
- (c) contributed by strengthened cooperation between sales team of the Group and distributors as well as purchase of goods from distributors before festivals during the Period, which also showcased the stage results subsequent to the implementation of sales and marketing reform.

Despite the aforesaid expected growth in unaudited consolidated revenue of the Group for the Period, the Group is expected to record a decrease in unaudited consolidated profit for the six months ending 30 June 2021 as compared to the unaudited consolidated profit of HK\$142.6 million, which was contributed by a non-recurrent gain on the disposal of Chateau and related facilities (after land appreciation tax) of approximately HK\$184 million, for the same period last year.

The information contained in this announcement is only based on the preliminary review of the unaudited consolidated management accounts of the Group for the Period, which have not been reviewed and approved by the Company's audit committee and auditor. Also, the financial performance information in this announcement relates to the Period only. Shareholders and potential investors are reminded that, among others, the Company's business may be affected by further preventive measures due to the emergence of ongoing sporadic COVID-19 cases.

As the Group's consolidated results for the six months ending 30 June 2021 have not yet been finalised, the Board is not in a position to quantify accurately the relevant financial effect at this stage. The actual results of the Group for the six months ending 30 June 2021 may be different from what is disclosed herein. Details of the financial information of the Group for the six months ending 30 June 2021 are expected to be published in August 2021, pursuant to the requirements of the Listing Rules.

The Company will publish further announcements as and when appropriate in accordance with the Listing Rules.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
DYNASTY FINE WINES GROUP LIMITED
Wan Shoupeng
Chairman

Hong Kong, 15 June 2021

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Wan Shoupeng, Mr. Li Guanghe and Mr. Huang Manyou, three non-executive Directors, namely, Mr. Heriard-Dubreuil Francois, Mr. Wong Ching Chung and Mr. Robert Luc, and three independent non-executive Directors, namely, Dr. Zhang Guowang, Mr. Yeung Ting Lap Derek Emory and Mr. Sun David Lee.