

Stock Code:000869,200869

Stock Abbreviation: Changyu A, Changyu B

Announcement Number:2014-Ding Zheng 03



# **Yantai Changyu Pioneer Wine Co. Ltd.**

## **2014 Third Quarter Report Text**

**Oct 2014**

## **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 quarter report and confirm that to the best of their knowledge and belief there are no unfaithful facts, significant omissions or misleading statements.**

**All directors have personally attended the Board of Directors' meeting for deliberating the 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 quarter report.**

## II、 Key financial data and shareholders changing

### 1. Key accounting data and financial data

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

Yes  No

Item	The end of the report period	The end of last year		More or less than last year(%)
		More or less than last year(%)	From the beginning of the year to the end of the report period	
Total assets (CNY)	8,676,987,100.00	8,001,532,444.00		8.44%
Net Assets attributed to the shareholders of the listed company (CNY)	6,663,123,798.00	6,208,279,705.00		7.33%
Business income (CNY)	890,560,257.00	10.06%	3,192,550,505.00	-4.66%
Net profit attributed to the shareholders of the listed company (CNY)	160,970,139.00	25.55%	799,011,450.00	-8.03%
Net profit attributed to the shareholders of the listed company after deducting the irregular profit and loss (CNY)	159,460,320.00	27.37%	789,361,175.00	-8.42%
Net cash flows from the operating activities (CNY)	--	--	1,096,794,105.00	66.89%

Basic earnings per share (CNY)	0.23	21.05%	1.17	-7.87%
Diluted earnings per share (CNY)	0.23	21.05%	1.17	-7.87%
Weighted average for earning rate of the net assets	2.40%	0.38%	11.94%	-1.79%

## Details of non-recurring profit and loss

available    not available

Unit : CNY

Item	From beginning of the year to end of report period	Explanation
Gain on disposal of non-current assets, including the reversal of accrued impairment provision	94,839.00	
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)	13,451,971.00	
Other non-operating income and expenses	-936,620.00	
Less: Income tax effect	2,959,915.00	
Total	9,650,275.00	--

The reasons shall be made clear and definitely as to the non-recurring profit and loss that the Company has defined by virtue of the Explanatory Announcement on Public Company's Information Disclosure No.1 - Non-recurring Profit and Loss and as to regarding the non-recurring profit and loss as recurrent profit and loss as specified in the Explanatory Announcement on Public Company's Information Disclosure No.1 - Non-recurring 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 the shareholders and top 10 shareholders at the end of the report period

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

Unit: share

Total number of common shareholders at the end of the report period	44881, including A shareholder 30,096 and B shareholder 14,785					
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 CO. LTD.	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	1.69%	11,591,884	0		0
BOCOM SCHROEDER GROWTH STOCK SECURITIES INVESTMENT FUND	Domestic non-state-owned legal person	1.17%	8,009,270	0		0
VALUE PARTNERS HIGH-DIVIDEND STOCKS FUNDS	Foreign shareholder	0.62%	4,280,146	0		0
NORGES BANK	Foreign shareholder	0.61%	4,171,564	0		0
FIDELITY FUNDS	Foreign shareholder	0.58%	3,997,933	0		0
BBH A/C VANGUARD EMERGING MARKETS STOCK INDEX FUND	Foreign shareholder	0.57%	3,903,287	0		0
FIDELITY CHINA SPECIAL SITUATIONS PLC	Foreign shareholder	0.55%	3,779,202	0		0

The top 10 common shareholders with unrestricted shares			
Name of Shareholders	Number of unrestricted common shares held	Type of share	
		Type of share	Amount
YANTAI CHANGYU GROUP CO. LTD.	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	11,591,884	B share	11,591,884
BOCOM SCHROEDER GROWTH STOCK SECURITIES INVESTMENT FUND	8,009,270	A share	8,009,270
VALUE PARTNERS HIGH-DIVIDEND STOCKS FUNDS	4,280,146	B share	4,280,146
NORGES BANK	4,171,564	B share	4,171,564
FIDELITY FUNDS	3,997,933	B share	3,997,933
BBH A/C VANGUARD EMERGING MARKETS STOCK INDEX FUND	3,903,287	B share	3,903,287
FIDELITY CHINA SPECIAL SITUATIONS PLC	3,779,202	B share	3,779,202
The explanation for the associated relationship and accordant action	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 top10 common shareholders with unrestricted shares who involved in financing activities and stock trading business(if any)	The top 10 Shareholders is not involved in financing activities and stock trading business.		

Whether or not the Company's top10 common shareholders and top 10 common shareholders with unrestricted shares promise to buy back trading during the report period

Yes  No

There is no agreed to buy back trading by Company shareholders during the report period.

2) The total number of 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 year, notes receivable of the Company increases by 179.30%, mainly due to the growth on bank acceptances, prepayment decreases by 46.43% , mainly due to the reduction of prepaid material purchase amount, interest receivable declines by 69.90%, mainly due to decrease of receivable interest on bank fixed deposit, construction in process increases by 33.80%, mainly due to the increase of the accumulative total investment in Company's project under construction, accounts payable increases by 31.55%, mainly due to increase of payable suppliers' payment for goods, deposit received increases by 63.57%, mainly due to the growth of advances on sales.

From January to September 2014, the Company received other cash related to operating activities which decreased by 67.40% compared with the same period of last year, mainly due to receiving the decline of bank deposit and agencies' cash deposit, cash paid for goods and services decreased by 30.18% compared with the same period of last year, mainly due to decline payment for purchasing raw material, net amount of cash flow from operating activities increased by 66.89%, mainly due to the effective control of cost and expenses, the decline on cash outflows of operating activities.

From July to September 2014, the company strongly promoted the products' distribution, enforce the control of cost and expenses, so that operating revenue increased by 10.06% compared by the same periods of last year, sales expenses decreased by 5.98%, net profit attributed to parent company's shareholders increased by 25.55% compared with the same periods of last year.

#### 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	-	-	2006.03.11	3 years	has been fulfilled
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	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 trademark to advertise Changyu trademarks and the Contract products.	1997.05.18	Forever	In-process performed
	Yantai Changyu Group Co., Ltd	Non Intra-industry competition	1997.05.18	Forever	Has been performed
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 year of 2014

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.

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

#### 6. The situation of derivatives investment

Available  Not available

There is no security investment during the report period.

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

Available  Not available

Reception time	Reception place	Reception way	Type of reception object	Reception object	Main discussed contents and the information provided
2014.09.19	Meeting room of the Company	Field survey	Institution	Wang Jiandong from Sunshine insurance group Sunshine asset management co., Ltd., Jia Tingting from Danshuiquan (Beijing) investment management Co., Ltd.	current business operation situation and other issues

#### 8. Effect of new issued or revised accounting standard on the consolidated balance sheet of the Company

Available  Not available

Yantai Changyu Pioneer Wine Co. Ltd.

Board of Directors

30th October 2014