

Dukang Distillers Holdings Limited

(Incorporated in Bermuda)

SECOND QUARTER FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE PERIOD ENDED 31 DECEMBER 2014

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1. (a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Three months ended		Increase/ (Decrease) %	Half year ended		Increase/ (Decrease) %
	31 Dec 2014 Unaudited RMB'000	31 Dec 2013 Unaudited RMB'000		31 Dec 2014 Unaudited RMB'000	31 Dec 2013 Unaudited RMB'000	
Revenue	231,621	402,766	(42.5)	439,056	792,194	(44.6)
Cost of sales	(165,703)	(260,841)	(36.5)	(335,015)	(501,328)	(33.2)
Gross profit	65,918	141,925	(53.6)	104,041	290,866	(64.2)
Other income	711	1,537	(53.7)	1,271	2,435	(47.8)
Selling and distribution expenses	(37,789)	(95,019)	(60.2)	(80,216)	(173,762)	(53.8)
Administrative expenses	(25,125)	(34,345)	(26.8)	(48,059)	(64,296)	(25.3)
Operating profit	3,715	14,098	(73.6)	(22,963)	55,243	(141.6)
Finance costs	(2,145)	(2,991)	(28.3)	(5,493)	(3,840)	43.0
Share of profit of an associate	1,465	2,223	(34.1)	2,100	3,302	(36.4)
Profit/(loss) before income tax	3,035	13,330	(77.2)	(26,356)	54,705	(148.2)
Income tax credit/(expense)	714	(3,291)	(121.7)	714	(14,212)	(105.0)
Profit/(loss) for the period, attributable to the owners of the Company	3,749	10,039	(62.7)	(25,642)	40,493	(163.3)
Other comprehensive income for the period						
Item that may be reclassified subsequently to profit or loss:						
Exchange (loss)/gain on translation of financial statements of foreign operations	(819)	27	(3,133.3)	(564)	57	(1,089.5)
Total comprehensive income for the period, attributable to the owners of the Company	2,930	10,066	(70.9)	(26,206)	40,550	(164.6)

Notes:

i. Profit/(loss) before income tax is arrived at after crediting / (charging):

	Group			Group		
	Three months ended		Increase/ (Decrease)	Half year ended		Increase/ (Decrease)
	31 Dec 2014	31 Dec 2013		31 Dec 2014	31 Dec 2013	
	Unaudited	Unaudited		Unaudited	Unaudited	
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Interest income	216	993	(78.2)	518	1,638	(68.4)
Interest expenses	(2,145)	(2,991)	(28.3)	(5,493)	(3,840)	43.0
Depreciation of property, plant and equipment	(9,771)	(6,822)	43.2	(19,331)	(13,279)	45.6
Amortisation of prepaid land lease payments	(743)	(598)	24.2	(1,486)	(1,195)	24.4

1. (b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	GROUP		COMPANY	
	Unaudited	Audited	Unaudited	Audited
	As at	As at	As at	As at
	31 Dec 2014	30 Jun 2014	31 Dec 2014	30 Jun 2014
	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS AND LIABILITIES				
Non-current assets				
Interests in subsidiaries	-	-	279,108	279,108
Interest in an associate	153,889	151,789	-	-
Property, plant and equipment	903,634	911,746	-	-
Prepaid land lease payments	116,224	117,710	-	-
Intangible assets	40,000	40,000	-	-
Deposits	8,801	8,801	-	-
	1,222,548	1,230,046	279,108	279,108
Current assets				
Inventories	679,398	689,607	-	-
Trade receivables	-	1,838	-	-
Amounts due from subsidiaries	-	-	512,014	521,243
Prepayments, deposits and other receivables	57,580	220,793	-	-
Cash and cash equivalents	412,893	391,751	22	22
	1,149,871	1,303,989	512,036	521,265
Current liabilities				
Trade payables	43,815	132,831	-	-
Amount due to an associate	15,678	11,841	-	-
Accrued liabilities and other payables	125,799	130,890	1,553	3,190
Bank and other loans, secured	143,750	186,000	-	-
Provision for income tax	-	2,176	-	-
	329,042	463,738	1,553	3,190
Net current assets	820,829	840,251	510,483	518,075
Total assets less current liabilities	2,043,377	2,070,297	789,591	797,183
Non-current liabilities				
Bank and other loans, secured	15,000	15,000	-	-
Deferred tax liabilities	55,922	56,636	-	-
	70,922	71,636	-	-
Net assets	1,972,455	1,998,661	789,591	797,183
EQUITY				
Equity attributable to owners of the Company				
Share capital	279,499	279,499	279,499	279,499
Reserves	1,692,956	1,719,162	510,092	517,684
Total equity	1,972,455	1,998,661	789,591	797,183

1. (b)(ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand:**

As at 31 December 2014	As at 30 June 2014
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Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
143,750	-	186,000	-

Amount repayable after one year:

As at 31 December 2014	As at 30 June 2014
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Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
15,000	-	15,000	-

Details of any collateral:

As at 31 December 2014, the Group's bank and other loans amounting to RMB 158.8 million were secured by charges over the Group's 9.09% equity interest in a subsidiary, Ruyang Dukang Distillers Company Limited, the Group's existing land use rights and leasehold buildings.

1. (c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Group	
	Three months ended 31 Dec 2014 Unaudited RMB'000	31 Dec 2013 Unaudited RMB'000	Half year ended 31 Dec 2014 Unaudited RMB'000	31 Dec 2013 Unaudited RMB'000
Cash flows from operating activities				
Profit/(loss) before income tax	3,035	13,330	(26,356)	54,705
Adjustments for:				
Interest income on financial assets stated at amortised cost	(216)	(993)	(518)	(1,638)
Interest expenses	2,145	2,991	5,493	3,840
Depreciation	9,771	6,822	19,331	13,279
Amortisation of prepaid land lease payments	743	598	1,486	1,195
Share of profit of an associate	(1,465)	(2,223)	(2,100)	(3,302)
Operating profit/(loss) before working capital changes	14,013	20,525	(2,664)	68,079
(Increase)/decrease in inventories	(2,744)	(93,511)	10,209	(84,353)
Decrease in trade receivables	-	6,533	1,838	8,168
Decrease/(increase) in prepayments, deposits and other receivables	156,434	(21,016)	163,247	(10,244)
(Decrease)/increase in trade payables	(577)	15,883	(89,016)	(68,672)
Decrease in accrued liabilities and other payables	(3,869)	(30,940)	(5,091)	(36,709)
Increase/(decrease) in amount due to an associate	5,240	(4,526)	3,837	(6,641)
Cash generated from/(used in) operations	168,497	(107,052)	82,360	(130,372)
Income taxes paid	-	(9,513)	(2,210)	(41,601)
Net cash generated from/(used in) operating activities	168,497	(116,565)	80,150	(171,973)
Cash flows from investing activities				
Purchases of property, plant and equipment	(11,219)	(23,048)	(11,219)	(27,182)
Dividend received from an associate	-	6,392	-	6,392
Interest received	216	993	518	1,638
Net cash used in investing activities	(11,003)	(15,663)	(10,701)	(19,152)
Cash flows from financing activities				
Proceeds from bank loans	-	162,000	-	162,000
Repayment of bank loans	(42,250)	-	(42,250)	(60,000)
Interest paid	(2,145)	(2,991)	(5,493)	(3,840)
Net cash (used in)/generated from financing activities	(44,395)	159,009	(47,743)	98,160
Net increase/(decrease) in cash and cash equivalents	113,099	26,781	21,706	(92,965)
Cash and cash equivalents at beginning of period	300,613	637,875	391,751	757,591
Effect of foreign exchange rate changes	(819)	27	(564)	57
Cash and cash equivalents at end of period	412,893	664,683	412,893	664,683
Analysis of balances of cash and cash equivalents				
Cash at banks and in hand	412,893	664,683	412,893	664,683

1. (d)(i) A statement (for the issuer and group) showing either (a) all changes in equity or (b) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP	Share capital RMB'000	Share premium RMB'000	Merger reserve RMB'000	Statutory reserves RMB'000	Translation reserve RMB'000	Retained profits RMB'000	Total equity RMB'000
Balance as at 1 October 2013	279,499	656,811	(150,101)	107,267	4,226	1,087,701	1,985,403
Profit for the period	-	-	-	-	-	10,039	10,039
Other comprehensive income							
Exchange gain on translation of financial statements of foreign operations	-	-	-	-	27	-	27
Total comprehensive income for the period	-	-	-	-	27	10,039	10,066
Balance as at 31 December 2013	279,499	656,811	(150,101)	107,267	4,253	1,097,740	1,995,469
Balance as at 1 July 2013	279,499	656,811	(150,101)	107,267	4,196	1,057,247	1,954,919
Profit for the period	-	-	-	-	-	40,493	40,493
Other comprehensive income							
Exchange gain on translation of financial statements of foreign operations	-	-	-	-	57	-	57
Total comprehensive income for the period	-	-	-	-	57	40,493	40,550
Balance as at 31 December 2013	279,499	656,811	(150,101)	107,267	4,253	1,097,740	1,995,469
Balance as at 1 October 2014	279,499	656,811	(150,101)	147,182	4,110	1,032,024	1,969,525
Profit for the period	-	-	-	-	-	3,749	3,749
Other comprehensive income							
Exchange loss on translation of financial statements of foreign operations	-	-	-	-	(819)	-	(819)
Total comprehensive income for the period	-	-	-	-	(819)	3,749	2,930
Balance as at 31 December 2014	279,499	656,811	(150,101)	147,182	3,291	1,035,773	1,972,455
Balance as at 1 July 2014	279,499	656,811	(150,101)	147,182	3,855	1,061,415	1,998,661
Profit for the period	-	-	-	-	-	(25,642)	(25,642)
Other comprehensive income							
Exchange loss on translation of financial statements of foreign operations	-	-	-	-	(564)	-	(564)
Total comprehensive income for the period	-	-	-	-	(564)	(25,642)	(26,206)
Balance as at 31 December 2014	279,499	656,811	(150,101)	147,182	3,291	1,035,773	1,972,455

COMPANY	Share capital RMB'000	Share premium RMB'000	Contributed surplus RMB'000	Translation reserve RMB'000	Accumulated losses RMB'000	Total equity RMB'000
Balance as at 1 October 2013	279,499	656,811	120,523	(65,313)	(195,577)	795,943
Loss for the period	-	-	-	-	(1,062)	(1,062)
Other comprehensive income						
Exchange gain on translation of financial statements	-	-	-	17	-	17
Total comprehensive income for the period	-	-	-	17	(1,062)	(1,045)
Balance as at 31 December 2013	279,499	656,811	120,523	(65,296)	(196,639)	794,898
Balance as at 1 July 2013	279,499	656,811	120,523	(65,325)	(195,087)	796,421
Loss for the period	-	-	-	-	(1,552)	(1,552)
Other comprehensive income						
Exchange gain on translation of financial statements	-	-	-	29	-	29
Total comprehensive income for the period	-	-	-	29	(1,552)	(1,523)
Balance as at 31 December 2013	279,499	656,811	120,523	(65,296)	(196,639)	794,898
Balance as at 1 October 2014	279,499	656,811	120,523	(58,632)	(201,437)	796,764
Loss for the period	-	-	-	-	(1,547)	(1,547)
Other comprehensive income						
Exchange loss on translation of financial statements	-	-	-	(5,626)	-	(5,626)
Total comprehensive income for the period	-	-	-	(5,626)	(1,547)	(7,173)
Balance as at 31 December 2014	279,499	656,811	120,523	(64,258)	(202,984)	789,591
Balance as at 1 July 2014	279,499	656,811	120,523	(58,889)	(200,761)	797,183
Loss for the period	-	-	-	-	(2,223)	(2,223)
Other comprehensive income						
Exchange loss on translation of financial statements	-	-	-	(5,369)	-	(5,369)
Total comprehensive income for the period	-	-	-	(5,369)	(2,223)	(7,592)
Balance as at 31 December 2014	279,499	656,811	120,523	(64,258)	(202,984)	789,591

1. (d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in the Company's share capital during the current financial period reported on. The Company had no outstanding convertibles and there were no shares held as treasury shares as at 31 December 2014.

1. (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at	
	31 Dec 2014	30 Jun 2014
Total number of issued shares (excluding treasury shares)	798,289,318	798,289,318

1. (d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except for the adoption of the applicable new/revised International Financial Reporting Standards (IFRSs) which became effective for the financial period beginning on or after 1 July 2014, the Group has adopted the same accounting policies and methods of computations as stated in the audited financial statements for the year ended 30 June 2014. The adoption of these revised IFRSs for the current reporting period ended 31 December 2014 did not result in material changes to the Group's results.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Please refer to Item 4 above.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	Three months ended	
	31 Dec 2014	31 Dec 2013
	Unaudited	Unaudited
	RMB cents	RMB cents
Basic	0.47	1.26
Diluted	N/A	N/A

Basic earnings per share for the period ended 31 December 2014 ("2QFY2015") was calculated based on the Group's profit for the period of approximately RMB 3,749,000 (Period ended 31 December 2013 ("2QFY2014"): profit for approximately RMB 10,039,000) divided by the weighted average number of 798,289,318 ordinary shares of HK\$0.40 each ("Shares") (2QFY2014: 798,289,318 Shares) in issue during 2QFY2015.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

- a) current financial period reported on; and**
- b) immediately preceding financial year.**

	Group		Company	
	As at	As at	As at	As at
	31 Dec 2014	30 Jun 2014	31 Dec 2014	30 Jun 2014
	RMB cents	RMB cents	RMB cents	RMB cents
Net asset value per ordinary share	247.09	250.37	98.91	99.86
Number of ordinary shares	798,289,318	798,289,318	798,289,318	798,289,318

Net asset value per ordinary share of the Group as at 31 December 2014 was calculated based on the Group's net assets of approximately RMB 1,972,455,000 as at 31 December 2014 (30 June 2014: approximately RMB 1,998,661,000) divided by

798,289,318 Shares (30 June 2014: 798,289,318 Shares).

Net asset value per ordinary share of the Company as at 31 December 2014 was calculated based on the net assets of approximately RMB 789,591,000 as at 31 December 2014 (30 June 2014: approximately RMB 797,183,000) divided by 798,289,318 Shares (30 June 2014: 798,289,318 Shares).

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following;

- a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal and cyclical factors; and**
- b) any material factors that affected the cash flow, working capital, assets and liabilities of the group during the current financial period reported on.**

Review of Group's Performance**2QFY2015 VS 2QFY2014****Revenue**Luoyang Dukang

<u>2Q FY2015</u>	Revenue RMB'million	Volume Tonnes	Average selling price RMB/Kg	<u>2Q FY2014</u>	Revenue RMB'million	Volume Tonnes	Average selling price RMB/Kg
Premium series	48.1	324	148.5	Premium series	76.1	432	176.2
Regular series	183.5	6,214	29.5	Regular series	258.1	8,976	28.8
Total	231.6	6,538	35.4	Total	334.2	9,408	35.5

Siwu

<u>2Q FY2015</u>	Revenue RMB'million	Volume Tonnes	Average selling price RMB/Kg	<u>2Q FY2014</u>	Revenue RMB'million	Volume Tonnes	Average selling price RMB/Kg
Premium series	-	-	-	Premium series	10.8	87	124.1
Regular series	-	-	-	Regular series	57.8	2,933	19.7
Total	-	-	-	Total	68.6	3,020	22.7

Revenue for 2QFY2015 decreased significantly by RMB 104.9 million or 31.4% to RMB 231.6 million. The decrease was mainly due to a significant decrease in revenue from both Luoyang Dukang and Siwu operations, as a result of China's current austerity measures on luxury gifts and spending. The Group focused on the branding and marketing efforts on the products of "Dukang" brand and there was no recognition of revenue for Siwu products during the period under review.

Gross profit and margin

The Group's gross profit decreased by RMB 76.0 million or 53.6% to RMB 65.9 million.

Gross profit margin ("GPM") decreased by 19.8 percentage points from 35.2% to 28.5%.

i. Luoyang Dukang

Gross profit for premium series decreased from RMB 42.2 million to RMB 21.4 million, and gross profit for regular series decreased from RMB 79.5 million to RMB 44.5 million. GPM for premium and regular series decreased from 55.5% and 30.8% to

44.5% and 24.3%. Overall gross profit margin for 「Dukang」 products decreased from 36.4% to 28.5%. The decrease in gross profit margin was due to the change in product mix during 2QFY2015.

Other income

Other income decreased from RMB 1.5 million to RMB 0.7 million mainly due to the decrease in proceeds from the sale of distilled grain mixture as animal feed, which is a by-product resulting from baijiu production process.

Selling and distribution expenses

Selling and distribution expenses decreased by 60.2% or RMB 57.2 million to RMB 37.8 million. The Group has reduced its television commercials on China Central Television and reallocated the advertising and promotion budget to focus more in Henan province.

Administrative expenses

Administrative expenses decreased by RMB 9.3 million to RMB 25.1 million as a result of the Group's cost-saving efforts during this challenging time.

Finance costs

Finance costs decreased by RMB 0.8 million, mainly due to the decrease in average balance of bank loans during the period compared to 2QFY2014.

Share of profit of an associate

Share of profit of an associate decreased as a result of the decrease in license fee income of the Group's associate arising from the decrease in sales of the products under the "Dukang" brand.

Income tax credit/(expense)

No provision has been provided for the period as the Group suffered operating loss for the tax assessment year of 2014 as a whole and thus is not subject to income tax accordingly. The income tax credit for the period represents the effect of deferred tax arising from taxable temporary differences on depreciation of property, plant and equipment and amortisation of prepaid land lease payments.

Profit for the period

Taking into account of the aforementioned, the profit attributable to the owners of the Company decreased by RMB 6.3 million to RMB 3.7 million.

Review of Group's Financial Position**31 December 2014 VS 30 June 2014**Trade receivables

There were no trade receivables recorded as at 31 December 2014 as there was no recognition of sales of Siwu products during the period.

Prepayments, deposits and other receivables

Prepayment, deposits and other receivables decreased by RMB 163.2 million, mainly due to the Group ceased to place deposits with selected suppliers of raw materials in a bid to secure a stable supply at attractive prices during the period.

Trade payables

Trade payables decreased by RMB 89.0 million, mainly due to a significantly lower amount of purchases of grain alcohol and packaging materials purchased in 2QFY2015 compared to 4QFY2014.

Bank and other loans, secured

Bank and other loans decreased by RMB 42.3 million due to repayment of the bank borrowings during the period.

Cash and cash equivalents

Cash and cash equivalents increased by RMB 21.1 million from RMB 391.8 million as at 30 June 2014 to RMB 412.9 million as at 31 December 2014. This was mainly due to net cash of RMB 80.1 million generated from operating activities, net cash of RMB 10.7 million used in investing activities and net cash of RMB 47.7 million used in financing activities in 2QFY2015.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Although there was no deviation from the information disclosed in Paragraph 10 of the previous results announcement, the Company had released a profit guidance announcement to the Singapore Exchange Securities Trading Limited on 27 January

2015.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The baijiu market is still challenging due to the ongoing clampdown of luxury gifting, lavish banquets and receptions by the Chinese government. However, resulting from the Chinese festivities during the autumn and winter seasons, such as the Mid-Autumn Festival, there was a slight turnaround in the baijiu market.

On the other hand, the Group noticed that some baijiu manufacturers have adopted a trade-off strategy to strike a balance between sales volume and reasonable product pricing. Consequently, the baijiu price has been stabilized recently. In anticipation of the upcoming Chinese Lunar New Year, the baijiu price downturn is expected to flatten out.

The baijiu industry will still be in the period of adjustment in the long run due to the ongoing austerity measures. The baijiu demand will shift from extravagant public spending to moderately-priced quality baijiu. The Group will focus on further streamlining its distributors and providing quality baijiu at a reasonable pricing to capture this opportunity.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date Payable

Not applicable.

(d) Books Closure Date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable.

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not applicable.

15. A breakdown of sales

Not applicable.

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable.

17. Use of proceeds from issuance of Taiwan Depository Receipts

As stated in the announcement released to the Singapore Exchange Securities Trading Limited on 6 January 2015, the Company has fully utilised the proceeds as at 31 December 2014.

18. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for IPTs.

**BY ORDER OF THE BOARD
DUKANG DISTILLERS HOLDINGS LIMITED**

**ZHOU TAO
CHAIRMAN
10 FEBRUARY 2015**

**CONFIRMATION BY DIRECTORS PURSUANT TO RULE 705(5) OF THE LISTING
MANUAL OF SGX-ST**

On behalf of the Board of Directors, we, Zhou Tao and Zhang Dingjun, confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of Dukang Distillers Holdings Limited, which may render the financial statements for the second quarter ended 31 December 2014 to be false or misleading in any material aspect.

**For and on behalf of the Board of Directors of
Dukang Distillers Holdings Limited**

**Zhou Tao
Director**

**Zhang Dingjun
Director**

10 FEBRUARY 2015