

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA CULIANGWANG BEVERAGES HOLDINGS LIMITED

中國粗糧王飲品控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 904)

CLARIFICATION ANNOUNCEMENT IN RELATION TO INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 OCTOBER 2015

Reference is made to the announcement relating to the unaudited condensed consolidated results of China Culiangwang Beverages Holdings Limited (“**Company**”) and its subsidiaries (“**Group**”) for the six months ended 31 October 2015 (“**Interim Results Announcement**”) published by the Company on 18 December 2015. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Interim Results Announcement.

The board (“**Board**”) of directors (“**Directors**”) of the Company wishes to clarify that after the publication of the Interim Results Announcement, re-classifications have been made to the financial statements due to an inadvertent error made on the classification of cash deposited with a securities firm.

The re-classifications have no impact on the condensed consolidated statement of profit or loss and other comprehensive income of the Company for the six months ended 31 October 2015.

ADJUSTMENT TO THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The major impact of the re-classifications on the condensed consolidated statement of financial position of the Company as at 31 October 2015 is a decrease in available-for-sale financial assets by RMB44,968,000 from RMB132,777,000 to RMB87,809,000 and an increase in cash and cash equivalents by RMB44,968,000 from RMB117,706,000 to RMB162,674,000.

Set out below is a reconciliation of the condensed consolidated statement of financial position of the Company as at 31 October 2015 before and after the adjustment:

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 October 2015

	At 31 October 2015 <i>RMB'000</i> (Unaudited) Before adjustment	Adjustments <i>RMB'000</i>	At 31 October 2015 <i>RMB'000</i> (Unaudited) Adjusted
Non-current assets			
Fixed assets			
– Property, plant and equipment	2,005,762	–	2,005,762
– Interest in leasehold land held for own use under operating leases	156,839	–	156,839
Long-term prepaid rentals	955,828	–	955,828
Available-for-sale financial assets	132,777	(44,968)	87,809
Pledged bank deposits	5,000	–	5,000
	<u>3,256,206</u>	<u>(44,968)</u>	<u>3,211,238</u>
Current assets			
Inventories	13,104	–	13,104
Biological assets	122,072	–	122,072
Current portion of long-term prepaid rentals	97,370	–	97,370
Trade and other receivables	39,697	–	39,697
Pledged bank deposits	250,388	–	250,388
Cash and cash equivalents	117,706	44,968	162,674
	<u>640,337</u>	<u>44,968</u>	<u>685,305</u>
Assets classified as held for sale	2,021,335	–	2,021,335
	<u>2,661,672</u>	<u>44,968</u>	<u>2,706,640</u>

	At 31 October 2015 <i>RMB'000</i> (Unaudited) Before adjustment	Adjustments <i>RMB'000</i>	At 31 October 2015 <i>RMB'000</i> (Unaudited) Adjusted
Current liabilities			
Bank and other borrowings	619,890	—	619,890
Trade and other payables	228,770	—	228,770
Income tax payable	28,277	—	28,277
Other financial liabilities	36,303	—	36,303
Convertible bonds	559,846	—	559,846
	<u>1,473,086</u>	<u>—</u>	<u>1,473,086</u>
Liabilities directly associated with assets classified as held for sale	<u>72,846</u>	<u>—</u>	<u>72,846</u>
	<u>1,545,932</u>	<u>—</u>	<u>1,545,932</u>
Net current assets	<u>1,115,740</u>	<u>44,968</u>	<u>1,160,708</u>
Total assets less current liabilities	<u>4,371,946</u>	<u>—</u>	<u>4,371,946</u>
Non-current liabilities			
Deferred tax liabilities	74,808	—	74,808
Bank and other borrowings	293,400	—	293,400
	<u>368,208</u>	<u>—</u>	<u>368,208</u>
Net assets	<u><u>4,003,738</u></u>	<u><u>—</u></u>	<u><u>4,003,738</u></u>
Capital and reserves			
Share capital	492,850	—	492,850
Reserves	<u>3,510,888</u>	<u>—</u>	<u>3,510,888</u>
Total equity attributable to owners of the Company	<u><u>4,003,738</u></u>	<u><u>—</u></u>	<u><u>4,003,738</u></u>

As a result of the above adjustment, the Board would like to clarify that in the section headed “MANAGEMENT DISCUSSION AND ANALYSIS” in the Interim Results Announcement:

1. The first sentence of the 2nd paragraph in the sub-section headed “Securities Investments” on page 17 of the Interim Results Announcement shall be read as follows (with amendment emphasised and underlined):

“As at 31 October 2015, the total fair value of the investment portfolio held by the Group was approximately **RMB87.8 million** (30 April 2015: RMB42.8 million)”

2. The second and third sentences of the 1st paragraph in the sub-section headed “Group’s Liquidity, Financial Resources and Capital Structure” on page 19 of the Interim Results Announcement shall be read as follows (with amendment emphasised and underlined):

“The Group had current assets of **RMB2,706.6 million** (30 April 2015: RMB2,055.3 million) and current liabilities of RMB1,545.9 million (30 April 2015: RMB1,522.8 million). The current ratio was **1.75 times** (30 April 2015: 1.35 times).”

3. The first sentence of the 3rd paragraph in the sub-section headed “Issue of Notes” on page 20 of the Interim Results Announcement shall be read as follows (with amendment emphasised and underlined):

“As at 31 October 2015, the Group had pledged deposits as well as cash and cash equivalents of approximately **RMB418.1 million** (30 April 2015: RMB397.6 million).”

Save as disclosed in this announcement, there are no other changes to the Interim Results Announcement.

We sincerely apologise for any confusion and the inconvenience caused.

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

By Order of the Board
China Culiangwang Beverages Holdings Limited
Sun Shao Feng
Chairman

Hong Kong, 15 January 2016

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Sun Shao Feng (Chairman and Chief Executive Officer) and Mr. Chen Changgai; and four independent non-executive Directors, namely Mr. Hu Ji Rong, Mr. Wei Xiongwen, Mr. Zeng Shaoxiao and Ms. Yu Xiao Min.