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Sino Distillery Group Limited

中國釀酒集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00039)

**SUBSCRIPTION OF NEW SHARES
AND SUBSCRIPTION OF CONVERTIBLE BONDS
UNDER REFRESHED GENERAL MANDATE
AND
RESUMPTION OF TRADING**

On 24 June 2014, the Company entered into (i) the Share Subscription Agreements with the Share Subscribers for the subscription of an aggregate 82,000,000 Subscription Shares at the Subscription Price of HK\$0.7 per Subscription Share and (ii) the CB Subscription Agreement with the CB Subscriber for the subscription of the Convertible Bonds in an aggregate principal amount of HK\$89,600,000 in cash.

The Subscription Shares represent approximately 5.31% of the existing issued share capital of the Company and approximately 5.04% of the Company's issued share capital as enlarged by the allotment and issue of the Subscription Shares. Upon full conversion of the principal amount of the Convertible Bonds of HK\$89,600,000 at the initial Conversion Price, the Convertible Bonds will be convertible into 128,000,000 Shares, representing approximately 8.29% of the existing issued share capital of the Company and approximately 7.65% of the Company's issued share capital as enlarged by the allotment and issue of the Conversion Shares. The Subscription Shares and the Conversion Shares (upon full conversion of the principal amount of the Convertible Bonds of HK\$89,600,000 at the initial Conversion Price) together represent approximately 13.59% of the existing issued share capital of the Company and approximately 11.97% of the Company's issued share capital as enlarged by the allotment and issue of the Subscription Shares and the Conversion Shares.

Each of the Share Subscription and the CB Subscription is conditional upon the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares and the Conversion Shares, respectively. The Subscription Shares and the Conversion Shares will be issued under the Refreshed General Mandate.

The Share Subscription Agreements and the CB Subscription Agreement are not inter-conditional upon one another.

The net proceeds from the Share Subscription and the CB Subscription after deducting the expenses payable by the Company are expected to be approximately HK\$57.10 million and HK\$89.30 million respectively, which will be used by the Company for the Group's settlement of loans, business development, investments and general working capital purposes.

Shareholders and potential investors who wish to deal in the securities of the Company should note that the Share Subscription and the CB Subscription may or may not proceed and therefore are advised to exercise caution when dealing in the securities of the Company.

At the request of the Company, trading in the Shares on the Stock Exchange has been halted from 9:00 a.m. on 23 June 2014 pending the publication of this announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on 25 June 2014.

INTRODUCTION

The Board is pleased to announce that on 24 June 2014, the Company entered into (i) the Share Subscription Agreements with the Share Subscribers for the subscription of an aggregate 82,000,000 Subscription Shares at the Subscription Price of HK\$0.7 per Subscription Share and (ii) the CB Subscription Agreement with the CB Subscriber for the subscription of the Convertible Bonds in an aggregate principal amount of HK\$89,600,000 in cash.

THE SHARE SUBSCRIPTION AGREEMENTS

Date

24 June 2014

Parties

(1) the Company

(2) the Share Subscribers

Not less than six Share Subscribers (of which some of them are existing Shareholders holding an aggregate of approximately 1.39% of the existing issued share capital of the Company and for those Share Subscribers who are existing Shareholders, each of them holds less than 5% of the existing issued share capital of the Company), being individuals or other professional investors.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of the Share Subscribers and its ultimate beneficial owner(s) is an Independent Third Party. It is expected that none of the Share Subscribers will become a substantial shareholder (as defined in the Listing Rules) of the Company immediately upon completion of the Share Subscription.

Subscription Shares

An aggregate of 82,000,000 Subscription Shares, representing approximately 5.31% of the existing issued share capital of the Company and approximately 5.04% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. The aggregate nominal value of the Subscription Shares is HK\$8,200,000.

Subscription Price

The Subscription Price of HK\$0.7 per Subscription Share represents:

- (i) a discount of approximately 9.09% to the closing price of HK\$0.77 per Share as quoted on the Stock Exchange on 20 June 2014, being the last trading day of the Shares prior to the date of this announcement; and
- (ii) a discount of approximately 6.42% to the average closing price of HK\$0.748 per Share as quoted on the Stock Exchange for the last five trading days up to and including 20 June 2014, being the last trading day of the Shares prior to the date of this announcement.

The Subscription Price was determined after arm's length negotiation between the Share Subscribers and the Company with reference to the recent trading performance of the Shares and business prospects of the Group. The Directors consider that the Subscription Price is fair and reasonable under the current market conditions and the Share Subscription is in the interest of the Company and the Shareholders as a whole.

Condition of the Share Subscription Agreements

Completion of the Share Subscription is conditional upon the listing of and permission to deal in the Subscription Shares being granted by the Listing Committee of the Stock Exchange.

In the event that the condition to the Share Subscription is not fulfilled on or before 31 July 2014 (or such later date as may be agreed between the Company and the Share Subscribers), the Share Subscription Agreements and all rights and obligations thereunder will cease and terminate and none of the Share Subscribers and the Company shall have any claim against each other for cost, damages, compensations or otherwise except for any antecedent breach of the provisions of the Share Subscription Agreements.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

The Share Subscription Agreements are not inter-conditional upon one another.

Ranking of the Subscription Shares

The Subscription Shares, when issued and fully paid, will rank pari passu in all respects with the Shares in issue on the completion date of the Share Subscription, including the right to any dividends or distribution after the completion of the Share Subscription.

Completion of the Share Subscription

Completion of the Share Subscription will take place within two Business Days (or such other time as the Company and the Share Subscribers may agree) immediately after the fulfillment of the condition of the Share Subscription set out above.

Lock-up Period

Under the terms of the Share Subscription Agreements (except in respect of one Share Subscriber who has agreed to subscribe for 5,000,000 Shares), the Share Subscribers and their respective nominee shall neither (i) dispose of, (ii) enter into any agreement to dispose of, nor (iii) otherwise create any encumbrances in respect of any direct or indirect interest in the Subscription Shares at any time within the period of 18 months from the date of completion of the Share Subscription. As for the Share Subscriber who has agreed to subscribe for 5,000,000 Shares, the applicable lock-up period under the relevant Subscription Agreement is 6 months from the date of completion of the relevant Share Subscription.

THE CB SUBSCRIPTION AGREEMENT

Date

24 June 2014

Parties

- (1) the Company
- (2) the CB Subscriber

The CB Subscriber is a limited liability company incorporated in the British Virgin Islands and is an investment holding company. It is wholly-owned by Mr. Chen Guobin. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the CB Subscriber and its ultimate beneficial owner are Independent Third Party.

Principal Amount

HK\$89,600,000

Condition of the CB Subscription Agreement

Completion of the CB Subscription is conditional upon the listing of and permission to deal in the Conversion Shares being granted by the Listing Committee of the Stock Exchange.

In the event that the condition to the CB Subscription is not fulfilled on or before 31 July 2014 (or such other date as may be agreed between the Company and the CB Subscriber in writing), the CB Subscription Agreement shall lapse and shall cease to have any force and effect and the parties will be released from all obligations thereunder, save for any liability arising out of any antecedent breaches thereof.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

Completion of the CB Subscription

Completion of the CB Subscription will take place on or before 31 July 2014 (or such other date as the parties may agree in writing) after the condition precedent has been fulfilled.

Principal Terms of the Convertible Bonds

The principal terms of the Convertible Bonds were determined after arm's length negotiations between the parties and are summarized below:

Issuer: The Company

Principal amount: HK\$89,600,000

- Issue Price: 100% of the principal amount of the Convertible Bonds
- Interest: The Convertible Bonds shall bear interest from the date of issue at 8% per annum on the principal amount of the Convertible Bonds, payable in arrears at the end of each six-month period between the date of first issue of the Convertible Bonds and the Maturity Date.
- Maturity Date: The date falling 18 months from the date of first issue of the Convertible Bonds.
- Status: The Convertible Bonds constitute direct, unconditional and unsecured obligations of the Company and will rank *pari passu* with all other present and future unsecured and unsubordinated obligations of the Company except for obligations accorded preference by mandatory provisions of applicable law.
- Conversion Price: The initial Conversion Price is HK\$0.70 per Share and represents:
- (i) a discount of approximately 9.09% to the closing price of HK\$0.77 per Share as quoted on the Stock Exchange on 20 June 2014, being the last trading day of the Shares prior to the date of this announcement; and
 - (ii) a discount of approximately 6.42% to the average closing price of HK\$0.748 per Share as quoted on the Stock Exchange for the last five trading days up to and including 20 June 2014, being the last trading day of the Shares prior to the date of this announcement.

The Conversion Price was determined after arm's length negotiation between the CB Subscriber and the Company with reference to the recent trading performance of the Shares and business prospects of the Group. The Directors consider that the Conversion Price is fair and reasonable under the current market conditions.

Upon full conversion of the Convertible Bonds at the initial Conversion Price, the Convertible Bonds will be convertible into 128,000,000 Shares, representing approximately 8.29% of the existing issued share capital of the Company and approximately 7.65% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares upon full conversion of the Convertible Bonds.

Adjustment Events: The Conversion Price will be subject to adjustment from time to time upon occurrence of certain events:

- (i) consolidation, subdivision or reclassification of Shares;
- (ii) capitalisation of profits or reserves;
- (iii) capital distribution;
- (iv) offer of new Shares for subscription by way of rights issue or grant of options or warrants to Shareholders, to subscribe for Shares, at a price per Share which is less than 80% of the market price per Share at the relevant time;
- (v) issue wholly for cash any securities which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares to be issued by the Company upon conversion, exchange or subscription at a consideration per Share receivable by the Company which is less than 80% of the market price per Share at the relevant time;
- (vi) issue wholly for cash being made by the Company of new Shares (other than as mentioned in (iv) and (v) above) at a price per Share which is less than 80% of the market price per Share at the relevant time;

(vii) issue of Shares for the acquisition of any asset at a consideration per Share receivable by the Company which is less than 80% of the market price per Share at the relevant time; or

(viii) other events or circumstances not mentioned in (i) to (vii) above which the Company or the Bondholder(s), may determine that a consequential adjustment should be made to the conversion price of the Convertible Bonds.

Conversion Rights:

Subject to the restrictions set out below, a Bondholder have the right to convert in whole or in part the principal amount of the Convertible Bonds at any time from its date of issue up to and including the date which is 5 Business Days prior to the Maturity Date in amounts of not less than HK\$10,000,000 on each conversion, save that if at any time, the principal outstanding amount of the Convertible Bonds is less than HK\$10,000,000, the whole (but not part only) of the principal outstanding amount of the Convertible Bonds may be converted.

No Conversion Shares will be issued unless the Bondholder confirms that it/he will comply with the Takeovers Code in respect of any acquisition of voting rights in the Company upon the issue to it/him of the Conversion Shares.

Conversion Restrictions:

The exercise of the conversion rights attaching to the Convertible Bonds is subject to the following restrictions:

(i) for so long as the Shares remaining listed on the Stock Exchange, the Company shall not be obliged to issue any Conversion Shares if, upon conversion, the public float of at least 25% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares cannot be maintained. In such event, the Bondholder shall be entitled to elect to convert such number of Convertible Bonds as he is entitled to convert, without such conversion resulting in the public float of the Shares of the Company falling below the requirements of the Listing Rules; and

(ii) in the event the aggregate number of Conversion Shares to be issued upon the exercise of the conversion rights attaching to the Convertible Bonds exceeds 128,000,000 Shares (the “**Exceeded Conversion Shares**”), the conversion rights attaching to the principal amount of the Convertible Bonds attributable to the Exceeded Conversion Shares calculated by multiplying the number of Exceeded Conversion Shares with the then applicable Conversion Price shall cease. Upon the occurrence of such event, the Company shall process the notice for the conversion of the Convertible Bonds for the issue of up to 128,000,000 Shares and the Bondholder shall receive the outstanding principal amount of the Convertible Bonds (together with any unpaid interests accrued thereon up to but excluding the date of actual repayment) on the Maturity Date.

Ranking: The Conversion Shares will rank pari passu in all respects with the Shares then in issue.

Transferability: The Convertible Bonds (or any part thereof) may not be assigned or transferred to any person (whether or not a connected person of the Company) without the prior written consent of the Company which it may give or withhold in its discretion without being obliged to give any reasons. Any assignment or transfer shall be subject to all applicable laws and regulations (including but not limited to the Listing Rules) and approval of the Shareholders (if required).

Redemption: The Company may, at any time, by giving the Bondholder not less than 5 Business Days’ notice in writing redeem the whole or part (being HK\$10,000,000 in principal amount or an integral multiple thereof) of the outstanding principal amount of the Convertible Bonds held by that Bondholder, at face value together with the accrued and unpaid interest on the principal amount to be redeemed.

Any principal amount of the Convertible Bonds which has not been converted or redeemed prior to the Maturity Date shall be redeemed by the Company on the Maturity Date at a redemption amount equal to 100% of the principal amount of the outstanding Convertible Bonds.

The Company or any of its subsidiaries may also elect to repurchase the Convertible Bonds at any price as may be agreed between the Company or such subsidiary and the Bondholder.

Event of Default:

If, amongst others, any of the following event occurs and, if capable of being remedied, is not remedied within 30 Business Days after a default redemption notice is given by the Bondholder, the Convertible Bonds shall become immediately due and payable at 100% of the principal amount of the Convertible Bonds then outstanding together with interest accrued thereon:

- (i) the listing of the Shares on the Stock Exchange ceases other than resulting from (a) an offer made to the Shareholders to acquire all or any proportion of the Shares becoming unconditional or (b) a suspension at the request of either the Company or the Stock Exchange pending the release of an announcement and/or for the purpose of complying with any relevant requirements of the Listing Rules or the Takeovers Code;
- (ii) the Company defaults in performance or observance or compliance with any of its other obligations set out in the conditions of the Convertible Bonds;
- (iii) the Company fails to pay the principal amount when due or the Company fails to issue the Conversion Shares in accordance with the conditions of the Convertible Bonds;

- (iv) the occurrence of any event so as to render unlawful the performance by the Company of any of its material obligations contained in the conditions of the Convertible Bonds;
- (v) any indebtedness of the Company equals or exceeds HK\$50,000,000 becomes due and payable prior to its stated maturity by reason of any default, or any such indebtedness is not paid when due or, as the case may be, within any applicable grace period;
- (vi) an encumbrancer takes possession or a receiver is appointed of the whole or any part of the undertaking or assets of the Company;
- (vii) the Company becomes insolvent or is unable to pay its debts as they mature;
- (viii) an order is made or an effective resolution is passed for winding-up of the Company; and
- (ix) seizure is enforced upon all or a material part of the assets of the Company.

Voting

The Bondholder will not be entitled to receive notices of, attend or vote at any meetings of the Company by reason only of it/him being the Bondholder.

Application for listing

No application will be made for a listing of the Convertible Bonds in any jurisdiction.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

REFRESHED GENERAL MANDATE

The Subscription Shares and the Conversion Shares will be allotted and issued under the Refreshed General Mandate. Under the Refreshed General Mandate, the Company is authorised to issue up to 290,703,975 Shares. As at the date of this announcement, 80,000,000 Shares have been issued under the Refreshed General Mandate and the Company may issue a further 210,703,975 Shares under the Refreshed General Mandate. The aggregate number of Shares which will be issued under the Share Subscription and upon full conversion of the Convertible Bonds at the initial Conversion Price is 210,000,000 Shares representing approximately 13.59% of the existing issued share capital of the Company and approximately 11.97% of the Company's issued share capital as enlarged by the allotment and issue of the Subscription Shares and the Conversion Shares. The issue of the Subscription Shares and the Conversion Shares are not subject to the approval of the Shareholders.

Shareholders and potential investors who wish to deal in the securities of the Company should note that the Share Subscription and the CB Subscription may or may not proceed and therefore are advised to exercise caution when dealing in the securities of the Company.

EFFECT ON THE SHAREHOLDING OF THE COMPANY FOLLOWING COMPLETION OF THE SHARE SUBSCRIPTION AND UPON FULL CONVERSION OF THE CONVERTIBLE BONDS

Assuming there being no other changes in the share capital of the Company from the date of this announcement up to the completion of the Share Subscription and upon full conversion of the Convertible Bonds, set out below is the table of the shareholdings in the Company (i) as at the date of this announcement (ii) upon completion of the Share Subscription (before full conversion of the Convertible Bonds) and (iii) upon completion of the Share Subscription and full conversion of the Convertible Bonds at the initial Conversion Price:

Shareholders	Shareholding as at the date of this announcement		Shareholding upon completion of the Share Subscription (before full conversion of the Convertible Bonds)		Shareholding upon completion of the Share Subscription and full conversion of the Convertible Bonds	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Directors:						
Mr. Jiang Jianjun	108,648,000	7.03	108,648,000	6.68	108,648,000	6.19
Mr. Qu Shuncaï	3,680,000	0.24	3,680,000	0.23	3,680,000	0.21
	112,328,000	7.27	112,328,000	6.91	112,328,000	6.40
Substantial Shareholder:						
Able Turbo Enterprises Limited (Note)	179,938,000	11.65	179,938,000	11.06	179,938,000	10.25
Public Shareholders:						
Share Subscribers	21,470,000	1.39	103,470,000	6.36	103,470,000	5.90
CB Subscriber	–	–	–	–	128,000,000	7.30
Other public	1,230,958,876	79.69	1,230,958,876	75.67	1,230,958,876	70.15
Total	1,544,694,876	100.00	1,626,694,876	100.00	1,754,694,876	100.00

Note:

The Shares are held by Able Turbo Enterprises Limited (“**Able Turbo**”) as to 102,945,737 Shares and China Food and Beverage Group Limited (“**China Food**”) as to 76,992,263 Shares. As China Food is 100% owned by Able Turbo, Able Turbo is deemed to be interested in the 76,992,263 Shares owned by China Food by virtue of the SFO. Able Turbo is 60.31% owned by Chen Hua and 39.69% owned by Lin Xi. Accordingly, each of Chen Hua and Lin Xi is deemed to be interested in the 179,938,000 Shares in which Able Turbo is interested or deemed to be interested by virtue of SFO.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Set out below are the equity fund raising activities conducted by the Company in the past 12 months immediately preceding the date of this announcement:

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds up to the date of this announcement
21 January 2014	Subscription of 239,032,479 new Shares at a price of HK\$0.405 per subscription share	Approximately HK\$96.5 million	To finance business development and general working capital of the Group	Approximately RMB35 million was applied as refundable earnest deposit for potential business development and remaining balance was applied as working capital of the Group
29 April 2014	Subscription of 80,000,000 new Shares at a price of HK\$0.7 per subscription share	Approximately HK\$55.97 million	To settle loans, finance business development, investments and general working capital of the Group	The fund was applied to finance business development and general working capital of the Group

REASONS FOR THE SHARE SUBSCRIPTION AND CB SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in the sale and distribution of wine and liquor; and production and sale of forages.

The Group has been suffering loss over the past few years. As at 31 December 2013, the Group recorded audited consolidated net current liabilities of approximately HK\$86.6 million. The gearing ratio of the Group, calculated as net debt divided by equity attributable to owners of Company plus net debt increased from approximately 92.1% as at 30 June 2013 to approximately 139.2% as at 31 December 2013.

The Directors consider that both the Share Subscription and the CB Subscription represent an opportunity to raise additional funding for the Group's business operation and they will also strengthen the capital base and financial position for the Group's future business developments and broaden the Shareholder base of the Company. Furthermore, the Directors consider that the Share Subscription is a preferred method of fund raising as compared with other equity fund raising exercises based on time and costs involved and the CB Subscription provides the Company with funding without immediate dilution effect on the shareholding of the existing Shareholders.

Gross proceeds from the Share Subscription and the CB Subscription will be HK\$57.4 million and HK\$89.6 million respectively. The net proceeds from the Share Subscription and the CB Subscription after deducting the expenses payable by the Company are expected to be approximately HK\$57.10 million and HK\$89.30 million respectively. The net price per Subscription Share and Conversion Share is approximately HK\$0.6963 and HK\$0.6977 respectively. It is expected that the net proceeds from the Share Subscription and the CB Subscription will be used by the Company for the Group's settlement of loans, business development, investments and general working capital purposes.

The Directors (including the independent non-executive Directors) consider the terms of the Share Subscription Agreements and the CB Subscription Agreement, which were negotiated on an arm's length basis and agreed on normal commercial terms between the parties involved, are fair and reasonable, and the Share Subscription and the CB Subscription are in the interests of the Company and the Shareholders as a whole.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange has been halted from 9:00 a.m. on 23 June 2014 pending the publication of this announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on 25 June 2014.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“Bondholder(s)”	holder(s) of the Convertible Bonds
“Business Day(s)”	any day(s) (excluding Saturday, Sunday and public holiday) on which banks are generally open for business in Hong Kong
“CB Subscriber”	Baibao Investments Limited, a company incorporated in the British Virgin Islands with limited liability
“CB Subscription”	the subscription of the Convertible Bonds by the CB Subscriber pursuant to the terms and conditions of the CB Subscription Agreement
“CB Subscription Agreement”	the subscription agreement dated 24 June 2014 entered into between the Company and the CB Subscriber in relation to the CB Subscription subject to the terms and conditions contained therein
“Company”	Sino Distillery Group Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Conversion Price”	the initial conversion price of HK\$0.70 per Conversion Share (subject to adjustment)
“Conversion Share(s)”	the Share(s) which may fall to be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds

“Convertible Bonds”	the 8% convertible bonds due 2016 in the aggregate principal amount of HK\$89,600,000 to be issued by the Company
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) who is/are independent of, and not connected with, the Company and its connected persons
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maturity Date”	the date falling 18 months from the date of first issue of the Convertible Bonds
“PRC”	the People’s Republic of China
“Refreshed General Mandate”	the refreshed general mandate granted to the Directors pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company held on 2 April 2014
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.1 each in the capital of the Company

“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Share Subscribers”	subscribers who respectively entered into the Share Subscription Agreements with the Company on 24 June 2014
“Share Subscription”	the subscription of the Subscription Shares by the Share Subscribers pursuant to the terms and conditions of the Share Subscription Agreements
“Share Subscription Agreements”	the subscription agreements dated 24 June 2014 entered into between the Company and each of the Share Subscribers in relation to the Share Subscription subject to the terms and conditions contained therein
“Subscription Price”	HK\$0.7 per Subscription Share
“Subscription Share(s)”	an aggregate of 82,000,000 new Shares to be issued by the Company to the Share Subscribers pursuant to the Share Subscription Agreements
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers
“%”	per cent

By Order of the Board
Sino Distillery Group Limited
Jiang Jianjun
Chairman

Hong Kong, 24 June 2014

As at the date of this announcement, the Executive Directors are Mr. Jiang Jianjun, Mr. Li Jianqing, Mr. Qu Shuncaï and Mr. Jiang Jiancheng; the Non-executive Director is Mr. Huang Qingxi; and the Independent Non-executive Directors are Dr. Loke Yu alias Loke Hoi Lam, Mr. Li Xiaofeng and Mr. Ho Man Fai.