

ASX Announcement
26 October 2017

QUARTERLY REPORT – 30 SEPTEMBER 2017

HIGHLIGHTS

- Dawine partners with Alxa FB Festival
- Alxa Festival Wine Club Sales Channel launched
- Dawine secures Vasse Felix Tmall exclusivity
- Dawine to participate in world's largest online sale, Singles' Day

Dawine Limited (ASX: DW8) ("Dawine" or "Company") is pleased to provide a summary of the activity undertaken in the July 2017 to September 2017 quarter ("Q3 2017").

Dawine Partners with Alxa FB Festival

During the quarter, Dawine announced that it had agreed to partner with the Alxa FB Festival, known as the "Party in the Desert for one million off-road car owners".

Dawine secured various sales channels with the agreement, including pre-sales, on site store, VIP caravan advertising and mobile wine tasting buses.

Alxa Festival Wine Club & Dawine

The Company announced on [28 August 2017](#) that it had partnered with the Alxa Festival to run the Alxa Festival Wine Club ("Wine Club"). With 936,000 visitors to the Alxa Festival in 2016, the Alxa Festival provided Dawine with the opportunity to launch the Wine Club offering to the predominantly upper-middle class attending the event.

The Wine Club offers a quarterly subscription service for members, where Dawine will select authentic quality wines from around the world for members to purchase. Members have the flexibility to choose between an all red, all white or mixed case of wines and have three different price points, ranging from modestly priced wines up to a premium wine selection. Signing up to the Wine Club will be via the www.alxawc.com website which Dawine owns and operates.



从酒商手机端推出自己的品牌和销售渠道
开发自己的酒庄、酒厂和酒窖建设
酒商酒商在酒展期间销售
完全定制葡萄酒
品牌保证

为什么加入葡萄酒俱乐部计划？

1. 独特的酒窖——独特的酒窖和酒窖的修复和保存；长期保存，专业级的酒庄和酒窖可以保存更多的葡萄酒。
2. 品牌酒庄——品牌酒庄和酒庄的修复和保存。
3. 品牌酒庄——品牌酒庄和酒庄的修复和保存。
4. 酒庄酒庄——品牌酒庄和酒庄的修复和保存。
5. 酒庄酒庄——品牌酒庄和酒庄的修复和保存。
6. 酒庄酒庄——品牌酒庄和酒庄的修复和保存。

葡萄酒俱乐部到底是什么？

如何品牌
每个人都有一个葡萄酒梦，但是购买过葡萄酒的人都知道，买酒的时候总是买不到好酒，在收藏家眼里，葡萄酒的收藏和保存是一门学问，买酒的时候总是买不到好酒，在收藏家眼里，葡萄酒的收藏和保存是一门学问，买酒的时候总是买不到好酒，在收藏家眼里，葡萄酒的收藏和保存是一门学问...

扫码进入英雄会葡萄酒俱乐部主页

由DAWINE 大万久提供技术支持

Vasse Felix Partnership

The Company announced on [28 July 2017](#) that it had secured the exclusive right to sell the world famous Vasse Felix wines through its Tmall store.

Dawine's Tmall and WeChat stores provide its customers with high quality content, imagery and an easy to use interface to complete transactions. Dawine's WeChat store's Vasse Felix section now has a comprehensive portfolio of products, with new content being released consistently.



Dawine's Tmall Store to Participate in Singles' Day

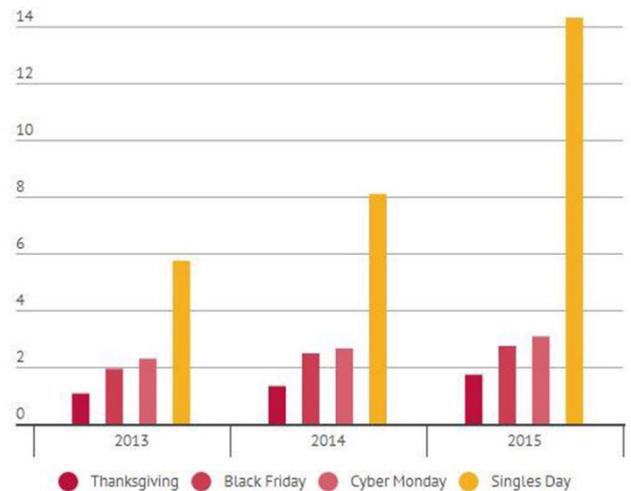
During Q3 2017 the Company was notified that it had been officially invited by Tmall to participate in the 2017 Singles' Day ("Singles' Day") on 11 November 2017.

Singles' Day originated in China back in 1993 and started as an "anti-Valentine's" celebration for single people. Now it is the world's largest online shopping day when people buy themselves gifts, regardless of their relationship status.

Participation in Singles' Day is heavily vetted by Tmall, with only providers of a certain standing and user base being invited.

Singles' Day was adopted by e-commerce giant, Alibaba.com, in 2009. In that year consumers spent RMB50m (\$9.5m), and 27 merchants offered discounts. In 2016 Singles' Day saw sales of US\$17.8 billion (\$23.2 billion), up from US\$14.3 billion (\$17.8 billion) in 2015.

Total online sales of Chinese Singles Day and three American sales festivals (billion dollars)



Data Source: ft.com & BlackFriday.com

Piers Lewis, Executive Chairman of Dawine, said:

"Dawine's multiple online sales channels continue to grow as we move from launch to focused marketing campaigns to our key demographic.

"The upcoming quarter will continue to see the Company focus on its online retail presence, but will explore wholesale wine opportunities that are being presented to the Company. The Wine Club launch also opens up a new sales channel that we will look to expand with appropriate partners.

"The imported wine market continues to be a very exciting space to operate in as the middle class of China's thirst for wine grows. We are seeing more diversity in what our customers are drinking, willing to become more adventurous in brands and regions that are sought."

Corporate

The Company has a cash balance of \$2.02m as at 30 September 2017 and recorded sales of \$88,000 for the quarter. There are currently approximately 720 shareholders.

ENDS

About Dawine

Dawine offers an exclusive wine experience, focused on bringing quality, genuine wines from around the world to the expanding wine market of China.

Dawine was founded on the core principles that a good bottle of wine must be of "Quality, authenticity and affordability". These are the values we look for when choosing a bottle of wine for ourselves and for our loved ones.

Dawine aims to deliver the same best quality and value for money wine that has been carefully selected through our long standing and personal relationships with wine makers from some of the world's best wine regions, including France, Australia, Italy, Chile, Spain, New Zealand and Argentina.

Due to the unique relationship we have with the winemakers, these deals presented on Dawine are often exclusive to the Chinese market and only available in limited lot quantities.

For more information, please visit: www.dawine.com

For further information:

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Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

DAWINE LTD

ABN

59 086 435 136

Quarter ended ("current quarter")

30 September 2017

Consolidated statement of cash flows	Current quarter	Year to date (3 months)
	\$A	\$A
1. Cash flows from operating activities		
1.1 Receipts from customers	88,089	88,089
1.2 Payments for		
(a) research and development	(41,221)	(41,221)
(b) product manufacturing and operating costs	(57,789)	(57,789)
(c) advertising and marketing	(167,402)	(167,402)
(d) leased assets	-	-
(e) staff costs	(169,042)	(169,042)
(f) administration and corporate costs	(71,883)	(71,883)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3,184	3,184
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)		
- Security deposit		
1.9 Net cash from / (used in) operating activities	(416,064)	(416,064)

Consolidated statement of cash flows	Current quarter \$A	Year to date (3 months) \$A
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(6,352)	(6,352)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(6,352)	(6,352)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other	-	-
3.10 Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	2,433,416	2,433,416
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(416,064)	(416,064)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6,352)	(6,352)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(90)	(90)
4.6	Cash and cash equivalents at end of quarter	2,010,910	2,010,910

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A	Previous quarter \$A
5.1	Bank balances	2,010,910	2,433,416
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,010,910	2,433,416

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
62
-

\$50,000 paid in Director fees and \$12,000 paid in consulting fees to a Director related entity.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	
N/A	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
N/A		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	100,000
9.3 Advertising and marketing	150,000
9.4 Leased assets	-
9.5 Staff costs	175,000
9.6 Administration and corporate costs	100,000
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	525,000

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	N/A	N/A
10.2 Place of incorporation or registration	N/A	N/A
10.3 Consideration for acquisition or disposal	N/A	N/A
10.4 Total net assets	N/A	N/A
10.5 Nature of business	N/A	N/A

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:
(Director/~~Company secretary~~)

Date: 26 October 2017

Print name: Piers Lewis

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.