

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.



烟台北方安德利果汁股份有限公司

Yantai North Andre Juice Co., Ltd.*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock code : 02218)

REVISION OF THE ANNUAL CAP UNDER THE CONSTRUCTION AND INSTALLATION SERVICES FRAMEWORK AGREEMENT

Revision of the Annual Cap under the Construction and Installation Services Framework Agreement

Reference is made to the announcement of the Company dated August 26, 2020, in relation to the entering into of the Construction and Installation Services Framework Agreement between the Company and Andre Construction and Installation. On March 30, 2021, the Company entered into the Supplemental Agreement with Andre Construction and Installation to revise annual cap for the year ending December 31, 2021 in relation to the transactions under the Construction and Installation Services Framework Agreement to RMB40,000,000.

LISTING RULES IMPLICATIONS

As of the date of this announcement, Andre Construction and Installation is owned as to 51% and 49% by Andre Group and Hongan International, two substantial Shareholders of the Company, respectively. Andre Construction and Installation is thus an associate of Andre Group and Hongan International. Under the Listing Rules, Andre Construction and Installation is a connected person of the Company. Therefore, the transactions contemplated under the Construction and Installation Services Framework Agreement entered into between the Company and Andre Construction and Installation constitute continuing connected transactions of the Company.

Since the highest applicable percentage ratio for the proposed revised annual cap for the year ending 31 December 2021 contemplated under the Construction and Installation Services Framework Agreement as revised by the Supplemental Agreement is higher than 0.1% but less than 5%, according to the Listing Rules, the continuing connected transactions under the Construction and Installation Services Framework Agreement (as revised by the Supplemental Agreement) are only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules and are exempted from the independent shareholders' approval requirement.

* For identification purposes only

Revision of the Annual Cap under the Construction and Installation Services Framework Agreement

Reference is made to the announcement of the Company dated August 26, 2020, in relation to the entering into of the Construction and Installation Services Framework Agreement between the Company and Andre Construction and Installation.

Based on the internal estimation of the Group's expected increase in demand for construction and installation, the Directors consider that the annual cap for the year ending December 31, 2021 (i.e. RMB8,000,000) in relation of the transactions contemplated under the Construction and Installation Services Framework Agreement will not be sufficient to meet the Group's projected demand.

On 30 March 2021, the Company entered into the Supplemental Agreement with Andre Construction and Installation to revise the 2021 annual cap for the year ending December 31, 2021 in relation to the transactions under the Construction and Installation Services Framework Agreement to RMB40,000,000.

The Board has further confirmed that, as of the date of this announcement, the existing annual cap for the year ending December 31, 2021 under the Construction and Installation Services Framework Agreement has not been exceeded.

Except for the above changes, all existing terms and conditions under the Construction and Installation Services Framework Agreement remain unchanged.

Reasons for and Benefits of Entering into the Supplemental Agreement

In entering into the Supplemental Agreement and arriving at such proposed and revised annual cap, the Directors took into account the following factors:

- (i) additional demand for construction and installation services arising from the construction of the manufacturing plant (which involves steel structure workshop building, shed building, aluminum alloy door and window installation, various types of civil construction and equipment installation) of Yantai Andre Drinking Water Co., Ltd. (烟台安德利飲用水有限公司), a subsidiary newly established by the Company in November 2020;
- (ii) additional demand for construction and installation services arising from the repair and renovation of the manufacturing plants and the construction of additional cold air warehouse of some subsidiaries of the Company;
- (iii) substantial increase in procurement costs as a result of the continuous increase in steel prices; and
- (iv) for the year ended 31 December 2020, the actual amount paid by the Company to Andre Construction and Installation for its construction and installation service was RMB 4,776,495.

The Directors (including the independent non-executive Directors) consider that proposed revised annual cap for the year ending December 31, 2021 in relation to the transactions under the Construction and Installation Services Framework Agreement (as revised by the Supplemental Agreement) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As of the date of this announcement, Andre Construction and Installation is owned as to 51% and 49% by Andre Group and Hongan International, two substantial Shareholders of the Company, respectively. Andre Construction and Installation is thus an associate of Andre Group and Hongan International. Under the Listing Rules, Andre Construction and Installation is a connected person of the Company. Therefore, the transactions contemplated under the Construction and Installation Services Framework Agreement entered into between the Company and Andre Construction and Installation constitute continuing connected transactions of the Company.

Since the highest applicable percentage ratio for each proposed and revised annual cap for the continuing connected transactions contemplated under the Construction and Installation Services Framework Agreement (as revised by the Supplemental Agreement) is higher than 0.1% but less than 5%, according to the Listing Rules, the continuing connected transactions under the Construction and Installation Services Framework Agreement (as revised by the Supplemental Agreement) are only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules and are exempted from the independent shareholders' approval requirement.

Since Andre Group is the controlling shareholder of Andre Construction and Installation, and Director Mr. Wang An held 90% equity interests of Andre Group, he has abstained from voting on the Board resolutions for approving the Supplement Agreement. Save as disclosed above, none of directors have material interests in such transactions, accordingly, none of other directors shall abstain from voting on the Board resolutions.

GENERAL INFORMATION

The Company is principally engaged in the businesses of (i) production and sales of various virgin pulp juice, fruit and vegetable juice, compound fruit and vegetable juice, drinking water, fruit vinegar, jam, can, edible fruit and vegetable essence and food flavor; (ii) processing and sales of iron packaging products; (iii) biological and comprehensive utilization of pomace; (iv) wholesale, import and export businesses of various virgin pulp juice, fruit and vegetable juice, compound fruit and vegetable juice, fruit pulps, edible fruit and vegetable flavor and spices for food; and (v) the lease of proprietary premises.

Andre Construction and Installation is principally engaged in businesses of construction engineering, manufacturing and installation of aluminum alloy and plastic steel doors and windows, glass curtain walls, indoor and outdoor decorations, food processing equipment, chemical equipment, steel frame structure production and installation; as well as water, electricity, heating installation.

DEFINITIONS

“Andre Construction and Installation”	Yantai Andre Construction and Installation Engineering Co., Ltd.* (烟台安德利建築安裝工程有限公司), a company incorporated in the PRC with limited liability
“Andre Group”	Shandong Andre Group Co., Ltd.* (山東安德利集團有限公司), a company incorporated in the PRC with limited liability, and owned as to 90% by Mr. Wang An, a Director
“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors of the Company
“Company”	Yantai North Andre Juice Co., Ltd.* (烟台北方安德利果汁股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, whose H shares were initially listed on the Growth Enterprise Market of the Stock Exchange on April 22, 2003 and have been listed on the Main Board of the Stock Exchange since January 19, 2011 by way of transfer of listing from the Growth Enterprise Market of the Stock Exchange; and its A shares were listed on the main board of the Shanghai Stock Exchange on September 18, 2020
“connected person(s)”	has the same meaning ascribed to this term under the Listing Rules
“Construction and Installation Services Framework Agreement”	the Construction and Installation Services Framework Agreement entered into between the Company and Andre Construction and Installation on August 26, 2020, pursuant to which Andre Construction and Installation has agreed to provide construction and installation services to the Group for the two financial years ending December 31, 2021
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hongan International”	Hongan International Investment Co. Ltd., a company incorporated in the British Virgin Islands, and wholly owned by Ms. Wang Meng
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange

“PRC”	the People’s Republic of China, for the purposes of this announcement, excluding the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the holder(s) of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to this term under the Listing Rules
“substantial Shareholder(s)”	has the meaning ascribed to this term under the Listing Rules
“Supplementary Agreement”	the Supplementary Agreement to the Construction and Installation Services Framework Agreement concluded between the Company and Andre Construction and Installation on March 30, 2021
“%”	percentage

By order of the Board
Yantai North Andre Juice Co., Ltd.*
Wang An
Chairman

Yantai, the PRC, March 30, 2021

As of the date of this announcement, the executive Directors are Mr. Wang An, Mr. Zhang Hui and Mr. Wang Yan Hui, the non-executive Director is Mr. Liu Tsung-Yi, and the independent non-executive Directors are Mr. Jiang Hong Qi, Mr. Li Wei and Mr. Li Yao.

* *For identification purpose only*