

*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)**

## **DISCLOSEABLE TRANSACTION**

### **ACQUISITION OF THE ENTIRE EQUITY INTEREST IN ANYUE ANDRE**

The Board is pleased to announce that on 29 April 2014, the Company and Yantai Anlin entered into the Equity Transfer Agreement, pursuant to which the Company has conditionally agreed to acquire and Yantai Anlin has conditionally agreed to sell the entire equity interest in Anyue Andre at a consideration of RMB52,120,000 (equivalent to approximately HK\$65,150,000).

Upon completion of the transaction under the Equity Transfer Agreement, Anyue Andre will become a wholly-owned subsidiary of the Company and its financial results will be consolidated into the accounts of the Company.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquires, each of Yantai Anlin and its ultimate beneficial owner is not a connected person and is independent of any director, chief executive or substantial shareholder or the controlling shareholder of the Company or its subsidiaries or any of their respective associates.

As the relevant percentage ratios in respect of the transaction contemplated under the Equity Transfer Agreement exceed 5% but are less than 25%, the transaction contemplated under the Equity Transfer Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

## **BACKGROUND**

The Board is pleased to announce that on 29 April 2014, the Company and Yantai Anlin entered into the Equity Transfer Agreement, pursuant to which the Company has conditionally agreed to acquire and Yantai Anlin has conditionally agreed to sell the entire equity interest in Anyue Andre at a consideration of RMB52,120,000 (equivalent to approximately HK\$65,150,000).

# THE EQUITY TRANSFER AGREEMENT

**Date:** 29 April 2014

## 1. Parties

Purchaser:                   the Company  
Vendor:                       Yantai Anlin

## 2. Equity Interest to be Acquired

Pursuant to the Equity Transfer Agreement, the Company has conditionally agreed to acquire and Yantai Anlin has conditionally agreed to sell the entire equity interest in Anyue Andre. As at the date of this announcement, Anyue Andre is wholly owned by Yantai Anlin with a registered capital of RMB50,000,000 (equivalent to approximately HK\$62,500,000).

## 3. Consideration

Pursuant to the Equity Transfer Agreement, the consideration for the entire equity interest in Anyue Andre to be acquired by the Company is RMB52,120,000 (equivalent to approximately HK\$65,150,000), which was negotiated on an arm's length basis between the Company and Yantai Anlin with reference to the entire equity value of Anyue Andre as at 31 December 2013 valued at RMB52,124,895 (equivalent to approximately HK\$65,156,119) as shown in the assets valuation report dated 3 March 2014 on Anyue Andre prepared by an independent and qualified PRC appraiser, using the asset-based method.

The consideration shall be paid by the Company in two instalments. The first instalment in the amount of RMB15,636,000 (equivalent to approximately HK\$19,545,000), being 30% of the consideration, shall be paid to the bank account designated by Yantai Anlin within fifteen (15) working days from the signing of the Equity Transfer Agreement. The balance of the consideration in the amount of RMB36,484,000 (equivalent to approximately HK\$45,605,000), being 70% of the consideration, shall be settled within one (1) month after the approval by relevant authorities. The said consideration will be funded by the internal resources of the Company.

Upon completion of the transaction under the Equity Transfer Agreement, Anyue Andre will become a wholly-owned subsidiary of the Company and its financial results will be consolidated into the accounts of the Company.

## 4. Effectiveness

The Equity Transfer Agreement shall become effective on the date after it is signed by the parties.

## 5. Completion

The Equity Transfer Agreement shall be completed upon satisfaction of the following conditions: (i) the relevant authorities having approved the transaction; and (ii) the registration of the change in equity interest with the industry and commerce administration authority having been completed.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE EQUITY TRANSFER AGREEMENT**

Anyue Andre is the first domestic enterprise professionally engaged in extracting lemon oil and lemon juice, as well as the largest enterprise solely professionally engaged in deep-processing of lemon in the PRC. The Board believes that the transaction under the Equity Transfer Agreement provides a prime opportunity for the Company to diversify its business. Upon completion, the principal business of Anyue Andre can be integrated with the existing businesses of the Company and such integration will bring along synergy effect to the Company's business, which in turn, would maximize the return to the shareholders of the Company.

The Board (including the independent non-executive Directors) believes that the terms of the Equity Transfer Agreement (including the consideration) are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole.

## **GENERAL INFORMATION**

### **1. Principal Business Activities**

#### **(a) The Company**

The Company is principally engaged in the businesses of (i) production and sales of various virgin pulp juice and fruit and vegetable juice; (ii) processing and sales of iron packaging products; (iii) biological and comprehensive utilization of pomace; and (iv) wholesale and import and export of various virgin pulp juice, fruit and vegetable juice and fruit pulps.

#### **(b) Yantai Anlin**

Yantai Anlin is principally engaged in the businesses of manufacturing and storage of fruits and vegetables, juice and related products.

#### **(c) Anyue Andre**

Anyue Andre is principally engaged in the businesses of planting, acquisition and sales of lemon, lemon oil, lemon extract, orange oil, orange extract and related products.

### **2. Financial Information**

The audited net assets value of Anyue Andre as at 31 December 2013 was RMB42,767,970 (equivalent to approximately HK\$53,459,962). The audited net loss of Anyue Andre before and after taxation for the year ended 31 December 2013 were RMB7,259,105 (equivalent to approximately HK\$9,073,882) and RMB7,259,105 (equivalent to approximately HK\$9,073,882), respectively. The audited net loss of Anyue Andre before and after taxation for the year ended 31 December 2012 were RMB79,966 (equivalent to approximately HK\$99,957) and RMB79,966 (equivalent to approximately HK\$99,957), respectively.

All audited financial information of Anyue Andre disclosed in this announcement has been prepared in accordance with the Accounting Standards for Business Enterprises in the PRC.

### 3. Implications under the Listing Rules

To the best of the Directors' knowledge, information and belief and having made all reasonable enquires, each of Yantai Anlin and its ultimate beneficial owner is not a connected person and is independent of any director, chief executive or substantial shareholder or the controlling shareholder of the Company or its subsidiaries or any of their respective associates.

As the relevant percentage ratios in respect of the transaction contemplated under the Equity Transfer Agreement exceed 5% but are less than 25%, the transaction contemplated under the Equity Transfer Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

### DEFINITIONS

Unless the context otherwise requires, the terms used in this announcement shall have the following meanings:

“Anyue Andre”	安岳安德利檸檬產業科技有限公司 (Anyue Andre Lemon Industry Technology Co., Ltd.), a limited liability company incorporated in the PRC
“associates”	has the meaning ascribed to such term under the Listing Rules
“Board”	the board of Directors
“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 company incorporated in the PRC with limited liability and whose H shares are listed on the Main Board of the Stock Exchange since 19 January 2011
“connected persons”	has the meaning ascribed to such term under the Listing Rules
“Directors”	the directors of the Company
“Equity Transfer Agreement”	the equity transfer agreement dated 29 April 2014 entered into between the Company and Yantai Anlin, pursuant to which the Company has conditionally agreed to acquire and Yantai Anlin has conditionally agreed to sell the entire equity interest in Anyue Andre
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratios”	has the meaning ascribed to such term under the Listing Rules
“PRC”	the People's Republic of China
“RMB”	Renminbi, the lawful currency of the PRC

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“Yantai Anlin”

烟台安林果業有限公司 (Yantai Anlin Fruit Co., Ltd.), a limited liability company incorporated in the PRC

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

Yantai, the PRC, 29 April 2014

*For illustration purposes only, the exchange rate adopted in the announcement is HK\$1.00=RMB0.80.*

As at the date hereof, the Board comprises:

Mr. Wang An (*Executive Director*)

Mr. Zhang Hui (*Executive Director*)

Mr. Wang Yan Hui (*Executive Director*)

Mr. Liu Tsung-Yi (*Non-executive Director*)

Mr. Gong Fan (*Independent non-executive Director*)

Mr. Chow Kam Hung (*Independent non-executive Director*)

Mr. Li Tong Ning (*Independent non-executive Director*)

\* *For identification purpose only*