

10th of June, 2015

Source: New Zealand Herald

Access at: http://www.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=11462836

Diane Foreman's Emerald Foods sold to foreign interests

Diane Foreman's Emerald Group has sold its ice-cream manufacturing subsidiary to a foreign collective for an undisclosed sum.

Hong Kong-based Emerald Foods Group (HK) bought 100 percent of the shares in Foreman's Emerald Foods subsidiary on June 3, according to Companies Office filings, completing an acquisition that had been approved by the Overseas Investment Office in April. The acquisition needed OIO approval because Emerald Foods owned sensitive land in East Tamaki, Auckland.

Foreign acquisitions need OIO approval where there is an interest in sensitive land, or the transaction is more than \$100 million. The value of the Emerald deal was withheld.

The Hong Kong entity is 80 percent owned by Australian interests, with US investors holding almost 16 percent and other overseas people holding 4.3 percent, according to the OIO summary.

"The applicant intends to develop the business located on the land, with particular regard to exports to China," the OIO summary said. The office granted approval after being satisfied it would increase export receipts and attract additional investment for development. It also met the consequential benefits test, where the OIO believes it will provide additional New Zealand investment, sponsorship or community projects.

Since taking ownership of Emerald Foods, the new parent has appointed three new directors: Mei Colani Li, a partner at Hong Kong-based fund manager ADM Capital; Anthony Latimer, a partner at Sydney law firm Norton Rose Fulbright; and Sean Rothsey, founder and executive chairman of Queensland-based investment group Merkin. Emerald Foods managing director Shane Lamont remained on the board. None of the directors, nor Foreman who is travelling in Europe until August, responded to BusinessDesk inquiries.

Foreman's Emerald Group bought the loss-making New Zealand Natural ice cream company in 2004, wrapping it into Emerald Foods. Lamont joined the company as chief executive in 2006 and has since turned it into a profitable business.

Emerald Food's annual revenue was estimated to be between \$40 million and \$60 million, according to a 2013 Coriolis report.

*Please contact **Investor Relations** on (852) 2536 4567 or email admir@admcap.com for further information.*