YOUYUE INTERNATIONAL LIMITED
(FORMERLY KNOWN AS YOUCAN FOODS INTERNATIONAL LIMITED)
(Incorporated in the Republic of Singapore)
(Company Registration No.: 200401338W)

ACQUISITION OF NEW SUBSIDIARY

---

1. INTRODUCTION

1.1 The Board of Directors (the "**Board**") of Youyue International Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company had on 12 June 2014 entered into a sale and purchase agreement (the "**Agreement**") with Mr Zhao Lizhi, a controlling shareholder of the Company, and Mr Wang Yousheng, an executive director of the Company to acquire 100% of the issued and paid-up capital of WYW Capital Pte. Ltd. ("**WYW Capital**"), a company incorporated in Singapore (the "**Acquisition**"). WYW Capital will, upon completion of the Acquisition, become a wholly-owned subsidiary of the Company.

1.2 WYW Capital holds the entire equity interest of Harbin Promlite Energy Saving Technology Co., Ltd （哈尔滨圣明节能技术有限责任公司） ("**Harbin Promlite**"), a company incorporated in the PRC. Harbin Promlite is principally engaged in project-based activities involving energy conservation services and sustainable developments. These activities aim to upgrade and/or replace existing infrastructure with environmentally friendly technology and architecture.

2. CONSIDERATION AND PAYMENT

2.1 The consideration of the Acquisition is S$1.00 (the "**Consideration**"), which was arrived at on a willing-buyer and willing-seller basis, taking into account the audited net tangible assets of Harbin Promlite as at 31 December 2013. No independent valuation was carried out on WYW Capital or Harbin Promlite.

2.2 The Consideration will be fully satisfied in cash and financed through internal resources of the Company.

3. NET ASSET VALUE

Harbin Promlite was incorporated in November 2012 with minimal activities undertaken during the financial year ended 31 December 2013 ("**FY2013**"). The audited net asset value of Harbin Promlite as at 31 December 2013 was approximately RMB450,000.

4. RATIONALE FOR THE ACQUISITION

4.1 The Acquisition is intended to provide alternative revenue streams to the Group and improve its profitability. The Group intends to, subsequent to the Acquisition, utilise Harbin Promlite as a vehicle to undertake project-based activities involving energy conservation services and sustainable developments (the "**Proposed New Business**").

4.2 The Company intends to convene an extraordinary general meeting ("**EGM**") to seek Shareholders' approval for, *inter alia*, the Proposed New Business. A circular containing, *inter alia*, the notice of the EGM and details of the Proposed New Business will be despatched to the Shareholders in due course.

5. INFORMATION ON HARBIN PROMLITE

5.1 Harbin Promlite has in May 2013 obtained the approval of the PRC National Development and Reform Commission ("**NDRC**") to qualify as a registered energy conservation service company. This designation puts Harbin Promlite in a good position to collaborate with the PRC authorities, where applicable, to participate in energy conservation management projects in the Harbin city and to apply for National Fiscal Funds Awards in the PRC. The principal activities of Harbin Promlite can be broadly classified under the following:

(i) provision, installation and management of LED lightings; and

(ii) town planning projects involving green and sustainable technology.

5.2 Harbin Promlite had entered into a LED Lighting Energy Conservation Project (the "**LED Project**") with Harbin City Inland Waterway Construction Development Co., Ltd. ("**Inland Waterway**"), a government-affiliated corporation. Pursuant to the LED Project, Inland Waterway invests in and installs street lamp posts and related wirings or tenders out such installation to a third party while Harbin Promlite correspondingly invests in and installs LED light bulbs.

5.3 As part of the Proposed New Business, Harbin Promlite is also in talks to enter into a town planning project (the "**Town Planning Project**") involving sustainable development through the upgrading of an existing housing estate in Harbin using green architect and green technology. The Town Planning Project is expected to benefit about 1,800 households in an area known as Hebai estate in Harbin city and a further 7,900 households in an area known as Hongqi estate in Harbin city over the course of the next 1 to 2 years. The entry into the Proposed New Business shall be conditional upon the Shareholders' approval at the forthcoming EGM of the Company.

6. LISTING RULES

6.1 As none of the relative figures computed based on the applicable bases under Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**") exceeds 5%, the Acquisition is a non-discloseable transaction under Chapter 10 of the Listing Manual.

6.2 Mr Zhao Lizhi, a controlling shareholder of the Company, and Mr Wang Yousheng, an executive director of the Company, collectively hold 100% of the issued and paid-up capital of WYW Capital and are the vendors in the Acquisition. It is noted that the value of the Acquisition, being the amount at risk to the Company, is the consideration of the Acquisition, which amounts to S$1.00. Accordingly, Rules 905 and 906 of the Listing Manual do not apply.

7. FINANCIAL EFFECT OF THE ACQUISITION

The acquisition of Harbin Promlite with its current business is not expected to have any material impact on the earnings per share and net tangible assets of the Company and the Group for the current financial year.

8. INTERESTS OF THE DIRECTORS AND CONTROLLING SHAREHOLDERS

Other than as disclosed in this announcement and/or through their shareholdings (if any) in the Company, none of the Directors or Controlling Shareholders of the Company has any interest, direct or indirect, in the Acquisition.

9. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Agreement is available for inspection during normal business hours at the registered office of the Company situated at 6 Temasek Boulevard, #27-04, Singapore 038986 for 3 months from the date of this announcement.

By Order of the Board

Jong Voon Hoo
Chief Financial Officer and Company Secretary
12 June 2014