

China's Commerce Ministry to hold hearing on Coke offer for Huiyuan

China's Ministry of Commerce will hold a hearing on Coca Cola's 2.4 billion-U.S. dollar offer to buy China's largest juice maker Huiyuan, a local newspaper said Monday.

Domestic juice producers will jointly submit to the ministry three new acquisition plans for Huiyuan to replace the Coke deal, the Beijing Morning Post cited an unnamed source as saying.

Huiyuan can be split and sold to Chinese enterprises separately, or be purchased by a yuan-denominated fund jointly set up by domestic companies, according to the plans. Another proposal was to okay the Coke-Huiyuan union but retain the brand of Huiyuan and sell it to Chinese companies.

Xinhua's phone calls to the ministry were unanswered while no related information was published on its website.

Coca Cola said on Sept. 3 it has offered to buy China Huiyuan Juice Group Limited, a Hong Kong-listed company that owns the Huiyuan juice business throughout China, for the equivalent of 2.4 billion U.S. dollars in cash. If successful, it would be the second-largest acquisition in the U.S.-based company's history.

Three major shareholders of Huiyuan are said to have accepted the offer. They held approximately 66 percent of the Huiyuan shares. But the offer needs to be approved by the ministry for approval according to the newly-issued Anti-Monopoly Law.

Source: Xinhua
