

Andina Acquisition Corp  
Form 10-Q  
July 15, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

**Washington, D.C. 20549**

**FORM 10-Q**

**(MARK ONE)**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934**

**For the quarterly period ended May 31, 2013**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT  
OF 1934**

**For the transition period from** \_\_\_\_\_ **to** \_\_\_\_\_

**Commission file number: 001-35436**

**ANDINA ACQUISITION CORPORATION**  
(Exact Name of Registrant as Specified in Its Charter)

**Cayman Islands** **N/A**  
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

**Carrera 10 No. 28-49, Torre A. Oficina 20-05,**

**Bogota, Colombia**

(Address of principal executive offices)

**57-1-281-1811**

(Issuer's telephone number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No "

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No "

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer " Accelerated filer "

Non-accelerated filer " Smaller reporting company x

(Do not check if smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes x No "

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 5,250,000 ordinary shares as of July 9, 2013



**ANDINA ACQUISITION CORPORATION**

**FORM 10-Q FOR THE PERIOD ENDED MAY 31, 2013**

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**PART I - FINANCIAL INFORMATION****Item 1. Financial Statements.**

Andina Acquisition Corporation  
(A Company In the Development Stage)

## Condensed Balance Sheets

ASSETS	May 31, 2013 (unaudited)	February 28, 2013
Current assets:		
Cash and cash equivalents	\$61,983	\$48,959
Total current assets	61,983	48,959
Long term assets:		
Cash and cash equivalents held in trust	42,740,000	42,740,000
Accrued interest on cash and cash equivalents held in trust	37,413	27,991
Total long term assets	42,777,413	42,767,991
Total assets	\$42,839,396	\$42,816,950
<b>LIABILITIES AND SHAREHOLDERS' DEFICIT</b>		
Current liabilities:		
Note payable to shareholder	\$100,000	\$-
Accounts payable	45,474	56,484
Total current liabilities	145,474	56,484
Long term liabilities:		
Warrant liability	10,712,000	10,969,000
Total liabilities	10,857,474	11,025,484
<b>COMMITMENTS AND CONTINGENCY</b>		
Ordinary shares, subject to possible conversion, 3,674,999 shares at conversion value	37,397,490	37,397,490
Shareholders' deficit		

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Preferred shares, \$0.0001 par value, 1,000,000 authorized shares and no outstanding shares	-	-
Ordinary shares, \$0.0001 par value, 100,000,000 authorized shares; 1,575,001 and 1,575,001 issued and outstanding shares, respectively (which excludes 3,674,999 and 3,674,999 shares subject to possible conversion, respectively)	158	158
Additional paid-in capital	5,790,425	5,790,425
Deficit accumulated during the development stage	(11,206,151)	(11,396,607)
Total shareholders' deficit	(5,415,568 )	(5,606,024 )
Total liabilities and shareholders' deficit	\$42,839,396	\$42,816,950

The Accompanying Notes are an Integral Part of these Condensed Financial Statements.

Andina Acquisition Corporation  
(A Company In the Development Stage)

Condensed Statements of Operations

(Unaudited)

	For the three months ended May 31, 2013	For the three months ended May 31, 2012 (Revised)	For the period September 21, 2011  (inception) to May 31, 2013
Operating and formation costs:			
General and administrative expenses	\$75,966	\$59,278	\$531,564
Loss from operations	(75,966 )	(59,278 )	(531,564 )
Other income (expense):			
Change in fair value of warrants	257,000	(12,110,000)	(10,712,000)
Interest income	9,422	5,891	37,413
Net income (loss)	\$190,456	\$(12,163,387)	\$(11,206,151)
Weighted average shares outstanding, basic and diluted	1,575,001	1,452,990	
Basic and diluted net loss per share	\$0.12	\$(8.37 )	

The Accompanying Notes are an Integral Part of these Condensed Financial Statements.

Andina Acquisition Corporation  
(A Company In the Development Stage)

Condensed Statements of Changes in Shareholders' (Deficit)/Equity

(Unaudited)

	<b>Ordinary Shares</b> <sup>(1) (2)</sup>		<b>Additional</b>	<b>Deficit</b>	<b>Total</b>
	<b>Shares</b>	<b>Amount</b>	<b>Paid-in</b>	<b>Accumulated</b>	<b>Shareholders'</b>
			<b>Capital</b>	<b>During the</b>	<b>(Deficit)</b>
				<b>Development</b>	<b>Equity</b>
				<b>Stage</b>	
Ordinary shares issued September 21, 2011 at approximately \$0.02 per share for cash	1	\$ -	\$-	\$-	\$-
Ordinary shares issued October 25, 2011 at approximately \$0.02 per share for cash	1,049,999	105	24,895	-	25,000
Net Loss	-	-	-	(17,327 )	(17,327 )
Balance at February 29, 2012	1,050,000	105	24,895	(17,327 )	7,673
Sale of 4,000,000 Units on March 22, 2012, net of underwriter's discount and offering expenses (includes 3,499,999 shares subject to possible conversion)	4,000,000	400	38,322,573	-	38,322,973
Proceeds from issuance of Underwriters' Options	-	-	500,100	-	500,100
Proceeds from issuance of Insider Warrants	-	-	2,400,000	-	2,400,000
Sale of 200,000 Units on March 30, 2012, net of underwriter's discount (includes 175,000 shares subject to possible conversion)	200,000	20	1,939,980	-	1,940,000
Net proceeds subject to possible conversion (3,674,999)	(3,674,999 )	(367 )	(37,397,123)	-	(37,397,490)
Net Loss				(11,379,280)	(11,379,280)



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Balance at February 28, 2013	1,575,001	158	5,790,425	(11,396,607)	(5,606,024 )
Net Income				190,456	190,456
Balance at May 31, 2013	1,575,001	\$ 158	\$5,790,425	\$(11,206,151)	\$(5,415,568 )

(1) Share amounts have been retroactively restated to reflect the contribution to the Company of 287,500 ordinary shares by the Initial Shareholders on March 9, 2012 (Note 8).

(2) Reflects an aggregate of 100,000 shares forfeited by the Initial Shareholders on May 1, 2012 because the underwriters' over-allotment option was not exercised in full (Note 8).

The Accompanying Notes are an Integral Part of these Condensed Financial Statements.

Andina Acquisition Corporation  
(A Company In the Development Stage)

Condensed Statements of Cash Flows

(Unaudited)

	For the three months ended May 31, 2013	For the three months ended May 31, 2012 (Revised)	For the period September 21, 2011 (Inception) to May 31, 2013
<b>Cash Flow From Operating Activities</b>			
Net income (loss)	\$ 190,456	\$(12,163,387)	\$(11,206,151)
Adjustments to reconcile net loss to net cash used in operating activities:			
Change in warrant liability	(257,000)	12,110,000	10,712,000
Accrued interest	(9,422 )	(5,891 )	(37,413 )
Changes in operating assets and liabilities:			
Prepaid expenses	-	(4,302 )	-
Accounts payable	(11,010 )	(8,457 )	45,474
Net cash used in operating activities	(86,976 )	(72,037 )	(486,090 )
<b>Cash Flow from Investing Activities</b>			
Investment in cash and cash equivalents held in trust	-	(42,740,000)	(42,740,000)
Net cash used in investing activities	-	(42,740,000)	(42,740,000)
<b>Cash Flow From Financing Activities</b>			
Proceeds from sale of ordinary shares to initial shareholders	-	-	25,000
Proceeds from Public Offering, net of offering costs of \$1,449,055	-	38,550,945	38,550,945
Payment of additional offering costs	-	-	(108,722 )
Proceeds from Warrant Offering	-	2,400,000	2,400,000
Proceeds from Underwriters Options	-	500,100	500,100
Proceeds from Over Allotment, net of offering costs of \$60,000	-	1,940,000	1,940,000
Proceeds from note payable to shareholder	100,000	-	152,000
Repayment of advances from shareholder	-	-	(71,250 )
Repayment of note payable to shareholder	-	-	-