

PACIFIC ANDES RESOURCES DEVELOPMENT LIMITED

First Quarter Financial Statement for the Period Ended 28 December 2013

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

The reporting currency of the Group is in Hong Kong dollars (HK\$). A Singapore Dollar equivalent of the financial statements in respect of items 1a, 1b, 6 & 7 for the Group is provided under item 15 Supplementary Notes as additional information for investors in Singapore.

Income Statement for the first quarter ended 28 December 2013

	Group	
	First quarter ended	
	29.09.2013 to 28.12.2013	29.09.2012 to 28.12.2012
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Revenue	2,426,230	2,378,427
Cost of sales	(2,028,326)	(2,096,722)
Gross profit	397,904	281,705
Other operating income	85,164	184,888
Selling and distribution expenses	(47,304)	(58,788)
Administrative expenses	(66,947)	(37,688)
Other operating expenses	(47,742)	(7,980)
Finance costs	(202,331)	(141,002)
Share of results of associates	118,744 (120)	221,135 (1,233)
Profit before income tax	118,624	219,902
Income tax benefit	26,528	23,751
Profit for the period	145,152	243,653
Profit attributable to:		
Owners of the Company	103,755	198,971
Non-controlling interests	41,397	44,682
	145,152	243,653

Consolidated Statement of Comprehensive Income

Group			
First quarter ended			Increase/ (decrease) %
29.09.2013 to 28.12.2013	29.09.2012 to 28.12.2012		
HK\$'000	HK\$'000		
(unaudited)	(unaudited)		
Profit for the period	145,152	243,653	(40.4)
Other comprehensive income:			
Exchange difference on translation of the Group's overseas operations	(9,688)	-	NM
Fair value change of available-for-sale investments	(3,282)	4,269	(176.9)
Total comprehensive income for the period	132,182	247,922	(46.7)
Total comprehensive income attributable to:			
Owners of the Company	90,611	203,240	(55.4)
Non-controlling interests	41,571	44,682	(7.0)
	132,182	247,922	(46.7)

	Group		
	First quarter ended		
	29.09.2013 to 28.12.2013	29.09.2012 to 28.12.2012	Increase/ (decrease)
	HK\$'000	HK\$'000	%
	(unaudited)	(unaudited)	
Other operating income including			
interest income	85,164	184,888	(53.9)
Interest on borrowings	(202,331)	(141,002)	43.5
Amortisation of prepayment to suppliers	(59,410)	(59,410)	-
Depreciation	(180,062)	(169,415)	6.3
Impairment loss on property, plant and equipment	(31,091)	-	NM
Gain on disposal of property, plant and equipment	5,546	-	NM
Fair value changes of derivative financial instrument	15,120	107,930	(86.0)
Foreign exchange gains, net	39,039	4,228	823.3

Note:

A substantial portion of the profit of the Company and its subsidiaries ("Group") neither arises in, nor is derived from any tax jurisdictions and consequently is not subject to tax.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	28.12.2013	28.09.2013	28.12.2013	28.09.2013
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
NON-CURRENT ASSETS				
Property, plant and equipment	5,218,248	5,300,991	-	-
Investment properties	52,135	52,135	-	-
Goodwill	2,952,461	2,952,461	-	-
Prepayment to suppliers	1,738,425	1,786,916	-	-
Available-for-sale investments	20,194	25,393	-	-
Interests in subsidiaries	-	-	5,874,734	5,874,373
Interests in associates	542,495	542,615	-	-
Other intangible assets	9,539,557	9,539,557	-	-
	<u>20,063,515</u>	<u>20,200,068</u>	<u>5,874,734</u>	<u>5,874,373</u>
CURRENT ASSETS				
Inventories	1,663,446	923,785	-	-
Trade and bills receivables	1,652,727	1,832,860	-	-
Other receivables and prepayments	6,770,078	7,320,136	-	-
Current portion of prepayment to suppliers	194,204	205,123	-	-
Advances to suppliers	315,900	315,900	-	-
Interests in subsidiaries	-	-	738,256	731,044
Prepaid income tax	136,274	99,513	-	-
Pledged deposits	110	111	-	-
Bank balances and cash	611,118	615,771	932	841
	<u>11,343,857</u>	<u>11,313,199</u>	<u>739,188</u>	<u>731,885</u>
CURRENT LIABILITIES				
Trade and other payables	450,511	308,082	3,529	15,832
Income tax payable	18,112	22,057	-	-
Amounts due to Pacific Andes International Holdings Limited and its subsidiaries	4,180	5,371	-	-
Derivative financial instruments	39,592	54,712	5,964	2,760
Bonds	728,706	721,476	728,706	721,476
Bank advances drawn on bills	-	7,060	-	-
Current portion of finance leases	26,044	30,151	-	-
Current portion of interest-bearing bank borrowings	7,917,036	7,897,734	-	-
	<u>9,184,181</u>	<u>9,046,643</u>	<u>738,199</u>	<u>740,068</u>
NET CURRENT ASSETS (LIABILITIES)	<u>2,159,676</u>	<u>2,266,556</u>	<u>989</u>	<u>(8,183)</u>
NON-CURRENT LIABILITIES				
Finance leases	-	3,666	-	-
Interest-bearing bank borrowings	1,180,175	1,557,980	-	-
Long term payables	254,179	237,011	-	-
Senior notes	4,083,717	4,080,896	-	-
Deferred tax liabilities	2,504,915	2,474,198	-	-
	<u>8,022,986</u>	<u>8,353,751</u>	<u>-</u>	<u>-</u>
NET ASSETS	<u>14,200,205</u>	<u>14,112,873</u>	<u>5,875,723</u>	<u>5,866,190</u>
CAPITAL AND RESERVES				
Share capital	1,325,005	1,325,005	1,325,005	1,325,005
Reserves	9,169,547	9,078,936	4,550,718	4,541,185
Attributable to owners of the Company	10,494,552	10,403,941	5,875,723	5,866,190
Non-controlling interests	3,705,653	3,708,932	-	-
TOTAL EQUITY	<u>14,200,205</u>	<u>14,112,873</u>	<u>5,875,723</u>	<u>5,866,190</u>

Note:

Prepayment to suppliers represent the prepayment made by China Fisheries International Limited ("CFIL"), a wholly-owned subsidiary of China Fishery Group Limited ("CFGL"), for the fish harvested by contract vessels that supply to CFIL.

1(b)(ii) Aggregate amount of the group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 28.12.2013		As at 28.09.2013	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
286,790	8,384,996	203,447	8,452,974

Amount repayable after one year

As at 28.12.2013		As at 28.09.2013	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
-	5,263,892	3,666	5,638,876

Details of any collateral

Certain of the office premises and fishing vessels in Peru of the Group are held under finance leases with net carrying value of approximately HK\$25.7 million (28.09.2013: HK\$26.4 million).

The inventory loans of Peruvian subsidiaries of CFGL are pledged by its fishmeal inventories in Peru with net carrying value of approximately HK\$201.2 million (28.09.2013: HK\$63.9 million).

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	29.09.2013 to 28.12.2013 HK\$'000	29.09.2012 to 28.12.2012 HK\$'000
Operating activities		
Profit before income tax	118,624	219,902
Adjustments for:		
Share of results of associates	120	1,233
Interest expense	202,331	141,002
Interest income	(10)	(67)
Provision for claims	17,074	-
Amortisation of prepayment to suppliers	59,410	59,410
Depreciation	180,062	169,415
Impairment loss on property, plant and equipment	31,091	-
Gain on disposal of property, plant and equipment	(5,546)	-
Loss on disposal of available-for-sale investments	1,917	328
Gain on bargain purchase on acquisition of additional interest in subsidiaries	(3,058)	-
Fair value changes of derivative financial instruments	(15,120)	(107,930)
Operating cash flows before movements in working capital	586,895	483,293
Inventories	(739,661)	605,844
Trade and bills receivables, other receivables and prepayments	730,191	(32,737)
Trade and other payables	(20,735)	(62,004)
Cash generated from operations	556,690	994,396
Interest paid	(104,487)	(87,635)
Income tax (paid) refund	(3,125)	5,366
Net cash from operating activities	449,078	912,127
Investing activities		
Interest received	10	67
Proceeds on disposal of available-for-sale investments	-	3,057
Proceeds on disposal of property, plant and equipment	23,673	-
Additions to prepayment to suppliers	-	(1,170,000)
Purchase of property, plant and equipment	(61,096)	(33,766)
Net cash outflow arising on acquisition of additional interest in subsidiaries	(41,792)	-
Net cash used in investing activities	(79,205)	(1,200,642)
Financing activities		
Net cash (repaid to) advanced from Pacific Andes International Holdings Limited and its subsidiaries	(1,191)	5,794
Bank advances drawn on bills repaid	(7,060)	-
Finance leases repaid	(7,773)	(7,164)
Net bank borrowings (repaid) raised	(358,634)	155,886
Decrease (increase) in pledged deposits	1	(15)
Net cash (used in) from financing activities	(374,657)	154,501
Net decrease in cash and cash equivalents	(4,784)	(134,014)
Cash and cash equivalents at beginning of the period	607,994	437,512
Cash and cash equivalents at end of the period	603,210	303,498
Bank balances and cash	611,118	306,287
Bank overdrafts	(7,908)	(2,789)
	603,210	303,498

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to owners of the Company							
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Investment revaluation reserve HK\$'000	Properties revaluation reserve HK\$'000	Currency exchange translation reserve HK\$'000	Retained earnings HK\$'000	Non-controlling interests HK\$'000
Group								
Balance at 28 September 2012	1,325,005	4,318,455	279,908	-	52,841	(4,529)	3,715,814	2,740,977
Total comprehensive income for the period	-	-	-	4,269	-	-	198,971	44,682
Balance at 28 December 2012	1,325,005	4,318,455	279,908	4,269	52,841	(4,529)	3,914,785	2,785,659
Balance at 28 September 2013	1,325,005	4,318,455	279,908	3,282	60,573	13,731	4,402,987	3,708,932
Total comprehensive income for the period	-	-	-	(3,282)	-	(9,862)	103,755	41,571
Non-controlling interests arising from acquisition of additional interest in subsidiaries	-	-	-	-	-	-	-	(44,850)
Balance at 28 December 2013	1,325,005	4,318,455	279,908	-	60,573	3,869	4,506,742	3,705,653
	Share capital HK\$'000	Share premium HK\$'000	Retained earnings HK\$'000	Total HK\$'000				
Company								
Balance at 28 September 2012	1,325,005	4,318,455	265,773	5,909,233				
Total comprehensive income for the period	-	-	5,172	5,172				
Balance at 28 December 2012	1,325,005	4,318,455	270,945	5,914,405				
Balance at 28 September 2013	1,325,005	4,318,455	222,730	5,866,190				
Total comprehensive income for the period	-	-	9,533	9,533				
Balance at 28 December 2013	1,325,005	4,318,455	232,263	5,875,723				

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding shares of the issuer, as at the end of the current financial period reported on and as at the end of corresponding period of the immediately preceding financial year.

There was no shares issued during the first quarter ended 28 December 2013 (First quarter ended 28 December 2012: no shares issued).

The Company did not make any purchases of its shares during the first quarter ended 28 December 2013 (First quarter ended 28 December 2012: Nil).

Save as disclosed above, the Company did not have any outstanding convertibles and treasury shares as at 28 December 2013 (28.12.2012: Nil).

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The total number of issued shares excluding treasury shares as at the end of the current financial period is 4,790,992,338 shares (28.09.2013: 4,790,992,338 shares).

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and /or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and method of computation adopted are consistent with those applied in the audited financial statements for the year ended 28 September 2013.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per ordinary share

(i) Based on weighted average number of ordinary shares in issue

Weighted average number of ordinary shares used in calculation of basic earnings per share

(ii) Based on a fully diluted basis

Weighted average number of ordinary shares used in calculation of diluted earnings per share

Group	
First quarter ended	
28.09.2013 - 28.12.2013	28.09.2012 - 28.12.2012
(unaudited)	(unaudited)
HK 2.17 cents	HK 4.15 cents
4,790,992,338	4,790,992,338
HK 2.17 cents	HK 4.15 cents
4,790,992,338	4,790,992,338

7. Net asset value (for the issuer and the group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:
- (a) current financial period reported on; and
- (b) immediately preceding financial year.

Net asset backing per ordinary share
based on existing issued share capital as at the
end of period reported on

Group		Company	
28.12.2013	28.09.2013	28.12.2013	28.09.2013
HK\$2.19	HK\$2.17	HK\$1.23	HK\$1.22

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Income Statement

1QFY2014 (3 months ended 28 December 2013) vs 1QFY2013 (3 months ended 28 December 2012)

Group revenue increased by 2.0% from HK\$2,378.4 million to HK\$2,426.2 million.

Revenue from the Frozen Fish SCM Division, which accounted for 53.3% of revenue, decreased by 15.8% from HK\$1,535.4 million to HK\$1,293.6 million, mainly attributed to lower sales volume.

Revenue from the Fishery and Fish Supply Division, which accounted for 46.7% of total revenue, increased by 34.4% from HK\$843.0 million to HK\$1,132.6 million. This was primarily attributed to contributions from Copeinca ASA ("Copeinca"), the fishmeal and fish oil business recently acquired by the Division. Revenue from the enlarged Peruvian Fishmeal and Fish Oil Operations amounted to HK\$575.6 million. Revenue from Contract Supply Business decreased by 34.3% from HK\$699.3 million to HK\$459.7 million, due mainly to lower sales volume.

By markets, the People's Republic of China remained the Group's most important market with sales of HK\$2,054.3 million, accounting for 84.7% of total revenue. Sales to Europe amounted to HK\$173.2 million, accounting for 7.1% of total revenue and Africa amounted to HK\$84.1 million, accounting for 3.5% of total revenue. East Asia, North America and other markets accounted for the remaining 4.7% of total revenue.

Gross profit increased by 41.2% from HK\$281.7 million to HK\$397.9 million due primarily to contributions from the enlarged Peruvian Fishmeal and Fish Oil Operations under the Fishery and Fish Supply Division.

Other operating income decreased by 53.9% from HK\$184.9 million to HK\$85.2 million in comparison with the last corresponding period, mainly attributable to a fair value gain on derivative contracts, amounting to HK\$107.9 million that were recognized in the same quarter last year.

Selling and distribution expenses fell by 19.5% from HK\$58.8 million to HK\$47.3 million, in tandem with lower total sales volume.

Administrative expenses increased by 77.6% from HK\$37.7 million to HK\$66.9 million, primarily due to consolidation of results from Copeinca.

Other operating expenses increased by 498.3% from HK\$8.0 million to HK\$47.7 million, due primarily to the write-off of a fishing vessel which had sunk during the quarter under review. This amount would be recovered from insurance coverage.

Finance costs increased by 43.5% from HK\$141.0 million to HK\$202.3 million, due primarily to consolidation of senior notes issued by Copeinca and the bridging loan drawn to partially finance the acquisition of Copeinca.

EBITDA increased by 23.3% from HK\$483.0 million to HK\$595.5 million.

Net profit attributable to equity holders decreased by 47.9% from HK\$199.0 million to HK\$103.8 million. The decrease in comparison to the last corresponding period was mainly attributable to a fair value gain on derivative contracts amounting to HK\$107.9 million recognized in the same quarter last year.

Statement of Financial Position

28 December 2013 vs 28 September 2013

Non-current assets remained at HK\$20,063.5 million.

Current assets increased marginally by 0.3% from HK\$11,313.2 million to HK\$11,343.9 million. Inventories increased by 80.1% due primarily to higher fishmeal and fish oil inventory at the end of the fishing season.

Current liabilities increased slightly by 1.5% from HK\$9,046.6 million to HK\$9,184.2 million. The increase was due primarily to an increase in working capital loans drawn to finance the Peruvian Fishmeal and Fish Oil Operations during the 2013 second fishing season.

Non-current liabilities decreased by 4.0% from HK\$8,353.8 million to HK\$8,023.0 million, due to the repayment of bank loans. Net debt to equity ratio improved to 93.8% from 97.0%.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The first quarter ended 28 December 2013 results are consistent with the prospect statement disclosed to shareholders in the year ended 28 September 2013 results announcement.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and next 12 months.

The 2013 second fishing season of Peruvian Anchovy began on 12 November 2013 and ended on 31 January 2014. As a result of the healthy biomass and good weather conditions, the Group's enlarged Peruvian Fishmeal and Fish Oil Operation had successfully utilised 100% of the total catch quota for the season.

The Group expects to integrate its enlarged fishmeal operations during the second quarter of FY2014 to enable the Group to fully benefit from the synergies when the 2014 first season commences in April/May 2014.

On the corporate front, the Group remains committed to building a strong and sustainable capital structure and improving its debt metrics. Refinancing of its bridging loan is targeted to be completed in the second quarter of FY2014.

Barring any unforeseen circumstances, the Management is confident of continued profitability for the next quarter and a good performance for the year, relative to our business sector.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared for the first quarter ended 28 December 2013.

13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholder's mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	Period ended		Period ended	
	28.09.2013 – 28.12.2013 HK\$'000	28.09.2012 – 28.12.2012 HK\$'000	28.09.2013 – 28.12.2013 HK\$'000	28.09.2012 – 28.12.2012 HK\$'000
Pacific Andes International Holdings Limited and its subsidiaries				
Administrative expenses	-	-	8,056	7,437
Interest expenses	25	23	-	-

14. Negative Confirmation by Directors pursuant to Rule 705(5) of the Listing Manual of the SGX-ST

On behalf of the Board, we confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Pacific Andes Resources Development Limited, which may render the financial statements in respect of the 1QFY2014 to be false or misleading in any material aspect.

For and on behalf of the Board of Pacific Andes Resources Development Limited

Ng Joo Siang
Chairman

Ng Joo Puay, Frank
Managing Director

BY ORDER OF THE BOARD

Lynn Wan Tiew Leng
Company Secretary
11 February 2014

15. SUPPLEMENTARY NOTES

First quarter ended 28 December 2013 in Singapore Dollar equivalent. These figures have not been audited.

1 (a) Consolidated Income Statement

	Group			
	First quarter ended		First quarter ended	
	29.09.2013 to 28.12.2013	29.09.2012 to 28.12.2012	29.09.2013 to 28.12.2013	29.09.2012 to 28.12.2012
	HK\$'000	HK\$'000	S\$'000	S\$'000
Revenue	2,426,230	2,378,427	395,474	374,143
Cost of sales	(2,028,326)	(2,096,722)	(330,615)	(329,829)
Gross profit	397,904	281,705	64,859	44,314
Other operating income	85,164	184,888	13,882	29,084
Selling and distribution expenses	(47,304)	(58,788)	(7,711)	(9,248)
Administrative expenses	(66,947)	(37,688)	(10,912)	(5,929)
Other operating expenses	(47,742)	(7,980)	(7,782)	(1,255)
Finance costs	(202,331)	(141,002)	(32,980)	(22,181)
	118,744	221,135	19,356	34,785
Share of results of associates	(120)	(1,233)	(20)	(194)
Profit before income tax	118,624	219,902	19,336	34,591
Income tax benefit	26,528	23,751	4,324	3,736
Profit for the period	145,152	243,653	23,660	38,327
Profit attributable to:				
Owners of the Company	103,755	198,971	16,912	31,298
Non-controlling interests	41,397	44,682	6,748	7,029
	145,152	243,653	23,660	38,327

Consolidated Statement of Comprehensive Income

	Group			
	First quarter ended		First quarter ended	
	29.09.2013 to 28.12.2013	29.09.2012 to 28.12.2012	29.09.2013 to 28.12.2013	29.09.2012 to 28.12.2012
	HK\$'000	HK\$'000	S\$'000	S\$'000
Profit for the period	145,152	243,653	23,660	38,327
Other comprehensive income:				
Exchange difference on translation of the Group's overseas operations	(9,688)	-	(1,579)	-
Fair value changes of available-for-sale investments	(3,282)	4,269	(535)	672
Total comprehensive income for the period	132,182	247,922	21,546	38,999
Total comprehensive income attributable to:				
Owners of the Company	90,611	203,240	14,770	31,970
Non-controlling interests	41,571	44,682	6,776	7,029
	132,182	247,922	21,546	38,999

1(b)(i) Consolidated statement of financial position

	Group		Group	
	28.12.2013	28.09.2013	28.12.2013	28.09.2013
	HK\$'000	HK\$'000	S\$'000	S\$'000
NON-CURRENT ASSETS				
Property, plant and equipment	5,218,248	5,300,991	850,570	854,544
Investment properties	52,135	52,135	8,498	8,404
Goodwill	2,952,461	2,952,461	481,249	475,950
Prepayment to suppliers	1,738,425	1,786,916	283,362	288,059
Available-for-sale investments	20,194	25,393	3,292	4,093
Interests in associates	542,495	542,615	88,426	87,472
Other intangible assets	9,539,557	9,539,557	1,554,940	1,537,820
	<u>20,063,515</u>	<u>20,200,068</u>	<u>3,270,337</u>	<u>3,256,342</u>
CURRENT ASSETS				
Inventories	1,663,446	923,785	271,140	148,918
Trade and bills receivables	1,652,727	1,832,860	269,393	295,465
Other receivables and prepayments	6,770,078	7,320,136	1,103,517	1,180,039
Current portion of prepayment to suppliers	194,204	205,123	31,655	33,067
Advances to suppliers	315,900	315,900	51,491	50,925
Prepaid income tax	136,274	99,513	22,213	16,042
Pledged deposits	110	111	18	18
Bank balances and cash	611,118	615,771	99,612	99,265
	<u>11,343,857</u>	<u>11,313,199</u>	<u>1,849,039</u>	<u>1,823,739</u>
CURRENT LIABILITIES				
Trade and other payables	450,511	308,082	73,433	49,664
Income tax payable	18,112	22,057	2,952	3,556
Amounts due to Pacific Andes International Holdings Limited and its subsidiaries	4,180	5,371	681	866
Derivative financial instruments	39,592	54,712	6,453	8,820
Bonds	728,706	721,476	118,778	116,305
Bank advances drawn on bills	-	7,060	-	1,138
Current portion of finance leases	26,044	30,151	4,245	4,860
Current portion of interest-bearing bank borrowings	7,917,036	7,897,734	1,290,470	1,273,150
	<u>9,184,181</u>	<u>9,046,643</u>	<u>1,497,012</u>	<u>1,458,359</u>
NET CURRENT ASSETS	<u>2,159,676</u>	<u>2,266,556</u>	<u>352,027</u>	<u>365,380</u>
NON-CURRENT LIABILITIES				
Finance leases	-	3,666	-	591
Interest-bearing bank borrowings	1,180,175	1,557,980	192,368	251,153
Long term payables	254,179	237,011	41,431	38,207
Senior notes	4,083,717	4,080,896	665,643	657,859
Deferred tax liabilities	2,504,915	2,474,198	408,299	398,852
	<u>8,022,986</u>	<u>8,353,751</u>	<u>1,307,741</u>	<u>1,346,662</u>
NET ASSETS	<u>14,200,205</u>	<u>14,112,873</u>	<u>2,314,623</u>	<u>2,275,060</u>
CAPITAL AND RESERVES				
Share capital	1,325,005	1,325,005	215,975	213,597
Reserves	9,169,547	9,078,936	1,494,630	1,463,566
Attributable to owners of the Company	10,494,552	10,403,941	1,710,605	1,677,163
Non-controlling interests	3,705,653	3,708,932	604,018	597,897
TOTAL EQUITY	<u>14,200,205</u>	<u>14,112,873</u>	<u>2,314,623</u>	<u>2,275,060</u>

6. Earnings per ordinary share for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group First quarter ended		Group First quarter ended	
	28.12.2013	28.12.2012	28.12.2013	28.12.2012
(i) Based on weighted average number of ordinary shares in issue	HK 2.17 cents	HK 4.15 cents	S 0.35 cents	S 0.65 cents
(ii) Based on a fully diluted basis	HK 2.17 cents	HK 4.15 cents	S 0.35 cents	S 0.65 cents

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Group			
	28.12.2013	28.09.2013	28.12.2013	28.09.2013
	HK\$	HK\$	S\$	S\$
Net asset backing per ordinary share based on existing issued share capital as at the end of period reported on	2.19	2.17	0.36	0.35

*** Exchange Rate**

As at 28.12.2013: S\$ 1 = HK\$ 6.1350

As at 28.09.2013: S\$ 1 = HK\$ 6.2033

First quarter ended 28.12.2013: S\$ 1 =HK\$ 6.1350

First quarter ended 28.12.2012: S\$ 1 =HK\$ 6.3570