



China Fishery Reports Third Quarter Net Profit up 27%

- Realises synergies and efficiencies from Copeinca acquisition
- Peruvian Fishmeal Operations revenue up 2.9 times
- Focus on cash conversion and net debt reduction

Singapore, 11 August 2014 – Leading global industrial fishing company, China Fishery Group Limited (“China Fishery” or the “Group”) (SGX: B0Z.SI), today reported revenue of US\$155.0 million and net profit of US\$19.6 million for the third quarter ended June 2014 (“3QFY2014”). Gross profit for the nine months ended June 2014 (“9MFY2014”) recorded a 30.9% year-on-year (y-o-y) increase.

Financial Highlights

	% Change 3QFY2014 vs 3QFY2013	% change 9MFY2014 vs 9MFY2013
Revenue	+1.7%	+13.4%
Gross Profit	+51.1%	+30.9%
EBITDA	+9.8%	+16.7%
Net Profit	+26.6%	-24.7%

“We have been transforming the Group so that it is strongly positioned to meet the increasing demand for fishmeal and fish oil from the growing aquaculture and animal farming sectors,” said Mr. Ng Joo Siang, Group Managing Director. “We are pleased with our performance for the quarter which reflects our commitment to this strategy.”

“Looking ahead to the next quarter, the Group will maintain its focus on consolidating the enlarged Peruvian Fishmeal Operations, realising maximum value from the synergies and efficiencies generated and focussing on cash conversion and net debt reduction.” said Mr. Ng.

Business Segments for 9MFY2014

Revenue from the Peruvian Fishmeal Operations, which accounted for 67.6% of total revenue, increased by 2.9 times from US\$83.3 million to US\$324.6 million, reflecting increased contribution from the enlarged Peruvian Fishmeal Operations incorporating Copeinca AS.

Revenue from the Contract Supply Business, which accounted for 27.1% of total revenue, decreased by 59.5% from US\$320.8 million to US\$130.1 million, due primarily to the termination and non-renewal of the Long Term Supply Agreements (the "LSAs").

Revenue from the CF Fleet operations, which accounted for 5.3% of total revenue, increased by 33.0% from US\$19.1 million to US\$25.4 million, mainly as a result of higher catch and sales volume recorded from the fishing operations in Namibia.

Despite a 57% increase in overall sales volume, cost of sales and vessel operating costs increased by only 6.0% from US\$296.2 million to US\$313.8 million. This was mainly attributable to the increase in productivity and broader economies of scale achieved in the enlarged Peruvian Fishmeal Operations. Gross profit increased by 30.9% from US\$127.0 million to US\$166.2 million, and gross profit margin improved from 30.0% to 34.6%.

EBITDA increased by 16.7% from US\$182.9 million to US\$213.4 million, while EBITDA margin increased slightly from 43.2% to 44.5%. Higher contribution and cost savings derived from the enlarged Peruvian Fishmeal Operations more than offset the negative impact from the termination and non-renewal of the LSAs under the Contract Supply Business.

Net profit decreased by 24.7% from US\$70.2 million to US\$52.9 million, due primarily to higher finance costs and income tax expenses in Peru.

Outlook for 4QFY2014

For the 2014 first anchovy fishing season in Peru, the Peruvian Government set the total allowable catch at 2.53 million tons, a 23.4% increase on the 2.05 million tons for the same fishing season last year. However, the Group and its industry peers have experienced a reduced catch in Peru during the fishing season largely due to El Niño effect, in this case, a temporary warming of the waters off the coast of Peru. Despite this lower catch volume, the Group is confident that the higher average selling prices of fishmeal and fish oil will be able to partially compensate for the reduction in sales volume.

Due to its unique nutritional properties, demand for fishmeal and fish oil from the aquaculture and animal farming industries continue to grow and remains strong. According to the International Fishmeal and Fish Oil Organisation, the free on board average selling price of fishmeal (Super Prime Grade) increased from US\$1,620 / ton in April 2014 to US\$1,905 / ton in July 2014.

About China Fishery Group Limited

Listed on the Mainboard of Singapore Stock Exchange since 2006, China Fishery is a global integrated industrial fishing company with access to fish in some of the world's most important fishing grounds, including the Anchovy fishery in Peru. Employing the latest catch and processing solutions, China Fishery sources, harvests, onboard-processes and delivers high quality catch to consumers around the world.

China Fishery is also one of the world's leading producers of fishmeal and fish oil through its processing plants located strategically along Peru's coastal areas.

For further inquiries, please contact:

China Fishery Group Ltd

Katie Tsui

Investor Relations Manager

Tel: +852 2589 4191

Email: katie.tsui@chinafish.com

Weber Shandwick

Karen Yap

Mobile: +65 9738 6291

Email: kyap@webershandwick.com