



Pacific Andes Reports 4.4% Growth in Net Profit Year-to-Date

- **Gross profit and gross margin increase, attributable to cost savings and increased operating efficiencies**
- **Remains focussed on consolidation, creating a lean and efficient organisation**

Singapore, 11 August 2014 - Pacific Andes Resources Development Limited (“PARD” or the “Group”) (SGX: P11.SI), a leading global frozen fish supplier with an integrated supply chain, today announced growth in gross profit (13.4%), EBITDA (22.5%) and net profit (4.4%) for its nine months ended 28 June 2014 (“9MFY2014”).

Financial Highlights

	% Change 3QFY2014 vs 3QFY2013	% change 9MFY2014 vs 9MFY2013
Revenue	-4.0%	-4.2%
Gross Profit	+19.0%	+13.4%
EBITDA	+26.3%	+22.5%
Net Profit attributable to shareholders	+263.8%	+4.4%

In announcing the financial results, Mr Ng Joo Siang, Chairman of the Group, said: “We are pleased to see growth in profit for the quarter and year to date. As anticipated, we are experiencing solid growth in the Fishery and Fish Supply Division as demand for its fishmeal and fish oil products remain strong. We will maintain our focus on maximising efficiencies within our operations and improving our debt profile and capital structure.”

Revenue from the Fishery and Fish Supply Division, which accounted for 54.6% of total revenue, increased by 13.4% from HK\$3,300.8 million to HK\$3,744.5 million. This was mainly attributed to contribution from the enlarged Peruvian Fishmeal Operations. However, it was partially offset by the drop in sales from the Contract Supply Business.

Revenue from the Frozen Fish SCM Division, which accounted for 45.4% of total revenue, fell 19.3% from HK\$3,856.0 million to HK\$3,111.4 million mainly attributable to lower sales volume.

By market, China remained as the Group's largest market with sales of HK\$5,083.2 million, accounting for 74.1% of total revenue. This was followed by Europe with sales of HK\$729.6 million, accounting for 10.6% of total revenue. Sales to South America accounted for 5.3% of total revenue at HK\$336.4 million. Sales to East Asia amounted to HK\$365.6 million, accounting for 5.3% of total revenue. Sales to other markets accounted for the balance of 4.7% of total revenue.

Outlook for FY2014

The Group will remain focussed on consolidation of its expanded business, creating a lean and efficient organisation. Management is confident that the synergies and efficiencies being generated will strengthen the Group's balance sheet.

The Group and its industry peers have experienced a reduced catch in Peru during the first fishing season for 2014 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 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 has continued to grow and remain strong. According to the International Fishmeal and Fish Oil Organisation, the free on board average selling price of fishmeal (Super Prime Grade) has increased from US\$1,620 / ton in April to US\$1,905 / ton in July 2014.

Management is confident of continued profitability for the next quarter and a satisfactory performance for the year, relative to our business sector.

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About PARD

PARD focusses on the development, marketing and distribution of fish and fish products. The Group integrates the entire supply chain, sourcing frozen seafood products from oceans all around the world. Besides providing a full range of at-sea transportation and logistical services to fishing companies, PARD also operates one of the world's most sizeable fishing fleets and fishmeal and fish oil processing facilities in some of the world's most important fishing grounds.

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