

CHINA FISHERY GROUP LIMITED
(Incorporated in the Cayman Islands)

Update on Chapter 11 Process

The board of directors (the “**Board**”) of China Fishery Group Limited (the “**Company**”) wishes to provide an update on Chapter 11 proceedings currently before the United States Bankruptcy Court in the Southern District of New York (the “**NY Court**”), in addition to the steps taken by the Company to progress a comprehensive and consensual restructuring.

As announced on 4 October 2017, the Company filed the Disclosure Statement and Chapter 11 Plan with the NY Court on 29 September 2017. Since that date, the Company has been involved in regular confidential discussions with creditors, bondholders and potential plan sponsors in order to facilitate the filing of an amended Chapter 11 Plan with a committed plan sponsor. Those discussions have been productive and encouraging, and the Company will provide an update as soon as a committed plan sponsor is in place.

The Company is aware that the Chapter 11 trustee (the “**Chapter 11 Trustee**”) of an indirect subsidiary of the Company, CFG Peru Investments Pte. Ltd. (“**CFG Peru Singapore**”) has also conducted meetings with creditors and bondholders to update them on the steps he is taking in his sale process, which is running in parallel with the Company’s finalisation of its restructuring plan. In this regard, the Chapter 11 Trustee notified the NY Court on 2 November 2017 that the Sale Threshold price for the sale of CFG Peru Singapore equity interests is US\$1.2 billion. More recently, on 16 November 2017, the Chapter 11 Trustee notified the NY Court that the dates for the Bid Deadline, Auction and Sale Hearing, previously approved as part of his bidding procedures, had been adjourned. The Chapter 11 Trustee has advised that he will file a further notice when rescheduled dates are established.

In addition, the Chapter 11 Trustee’s special counsel, Quinn Emmanuel Urquhart & Sullivan, filed a declaration with the NY Court on 8 November 2017, advising that the Chapter 11 Trustee intends to investigate certain matters relating to FTI Consulting and certain provisional liquidators appointed in the British Virgin Islands with respect to non-debtors affiliated with CFG Peru Singapore, including actions taken that may impact the Chapter 11 Trustee’s sale process currently underway.

On 20 December 2017, the NY Court approved the extension of the Company’s exclusivity period through to 28 February 2018. Malayan Banking Berhad, Hong Kong Branch (“**Maybank**”) had earlier filed a limited objection to the debtors’ motion for extension of exclusivity, which was joined by Standard Chartered Bank (Hong Kong) Limited and Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A, Hong Kong Branch (“**Rabobank**”). The NY Court’s approval means that all of the Chapter 11 debtors have the exclusive right to solicit acceptances of a Chapter 11 Plan until 28 February 2018.

It is confirmed that, up to this point, the Company has not entered into any binding agreement with any party with respect to the financial restructuring of the Company or its subsidiaries.

Progress on the Forensic Review

The company understands that substantial work has been completed by RSM Corporate Advisory (Hong Kong) Limited ("**RSM**") in respect of the forensic review since the draft interim report of 15 June 2017. The remaining outstanding work for RSM to complete the final draft report includes reviewing and analyzing recently obtained information and conducting final interviews with certain parties.

RSM has advised that it currently expects to complete the final draft report by the end of January 2018, on the assumption that the requested information and interviews can be arranged in early to mid-January 2018.

The Company will announce further updates as material developments arise.

By Order of the Board

Ng Puay Yee (Jessie)
Executive Director and Chief Executive Officer

22 December 2017