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PACIFIC ANDES INTERNATIONAL HOLDINGS LIMITED

太平洋恩利國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1174)

OVERSEAS REGULATORY ANNOUNCEMENT

**ANNOUNCEMENT IN RELATION TO
THE UNAUDITED RESULTS FOR
THE THIRD QUARTER AND NINE MONTHS ENDED 28 JUNE 2010 OF
PACIFIC ANDES RESOURCES DEVELOPMENT LIMITED**

The Board of Directors (“Directors”) of Pacific Andes International Holdings Limited (the “Company”) announces the unaudited consolidated results of Pacific Andes Resources Development Limited (“PARD”), the Company’s 65% owned subsidiary, the shares which are listed on the Singapore Exchange Securities Trading Limited, and its subsidiaries (the “PARD Group”) for the third quarter and nine months ended 28 June 2010.

This announcement is a reproduction of the announcement made by PARD pursuant to the Listing Manual of Singapore Exchange Securities Trading Limited on 10 August 2010. Hereinbelow is the unaudited results of PARD and PARD Group for the third quarter and nine months ended 28 June 2010 issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Directors

As at the date of this announcement, the executive directors of the Company are Madam Teh Hong Eng, Mr. Ng Joo Siang, Mr. Ng Joo Kwee, Mr. Ng Joo Puay, Frank and Ms. Ng Puay Yee whilst the independent non-executive directors of the Company are Mr. Lew V. Robert, Mr. Kwok Lam Kwong, Larry and Mr. Tao Kwok Lau, Clement.

10 August 2010

Below is the content of the announcement of PARD released in Singapore on 10 August 2010.

Note: The expressions “Company” and “Group” mean Pacific Andes Resources Development Limited and Pacific Andes Resources Development Limited and its subsidiaries respectively.

PACIFIC ANDES RESOURCES DEVELOPMENT LIMITED

UNAUDITED FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE THIRD QUARTER AND NINE MONTHS ENDED 28 JUNE 2010

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

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

Income Statement for the third quarter and nine months ended 28 June 2010

	Third quarter ended		Increase/ (decrease) %	Group Nine months ended		Increase/ (decrease) %
	29.03.2010	01.04.2009		29.09.2009	01.10.2008	
	to 28.06.2010	to 30.06.2009		to 28.06.2010	to 30.06.2009	
	HK\$'000	HK\$'000		HK\$'000	HK\$'000	
Revenue	2,237,888	2,023,218	10.6	6,228,795	5,905,775	5.5
Cost of sales	(1,651,188)	(1,626,777)	1.5	(4,685,331)	(4,664,958)	0.4
Gross profit	586,700	396,441	48.0	1,543,464	1,240,817	24.4
Other operating income	2,256	15,778	(85.7)	85,647	124,215	(31.0)
Selling and distribution expenses	(106,675)	(41,927)	154.4	(254,057)	(146,485)	73.4
Administrative expenses	(48,200)	(30,826)	56.4	(138,567)	(112,022)	23.7
Other operating expenses	–	–	NM	(9,776)	–	NM
Finance costs	(96,293)	(86,557)	11.2	(264,708)	(293,598)	(9.8)
Share of results of associates	337,788	252,909	33.6	962,003	812,927	18.3
	1,096	135	711.9	1,196	29	4,024.1
Profit before income tax	338,884	253,044	33.9	963,199	812,956	18.5
Income tax (expense) benefit	(23,739)	(21,932)	8.2	(23,752)	34,640	(168.6)
Profit for the period	315,145	231,112	36.4	939,447	847,596	10.8
Attributable to:						
Owners of the Company	217,870	160,907	35.4	663,370	609,592	8.8
Non-controlling interests	97,275	70,205	38.6	276,077	238,004	16.0
	315,145	231,112	36.4	939,447	847,596	10.8

Consolidated Statement of Comprehensive Income

	Group					
	Third quarter ended		Increase/ (decrease)	Nine months ended		Increase/ (decrease)
	29.03.2010	01.04.2009		29.09.2009	01.10.2008	
	to	to	to	to		
28.06.2010	30.06.2009	28.06.2010	30.06.2009			
	HK\$'000	HK\$'000	%	HK\$'000	HK\$'000	%
Profit for the period	315,145	231,112	36.4	939,447	847,596	10.8
Other comprehensive income:						
Gain (loss) on revaluation of property, plant and equipment	960	–	NM	10,086	(6,304)	260.0
Exchange difference on translation of the Group's overseas operation	134	7	1,814.3	164	2	8,100.0
Total comprehensive income for the period	<u>316,239</u>	<u>231,119</u>	36.8	<u>949,697</u>	<u>841,294</u>	12.9
Attributable to:						
Owners of the Company	218,838	160,914	36.0	671,317	605,412	10.9
Non-controlling interests	97,401	70,205	38.7	278,380	235,882	18.0
	<u>316,239</u>	<u>231,119</u>	36.8	<u>949,697</u>	<u>841,294</u>	12.9

	Group					
	Third quarter ended		Increase/ (decrease)	Nine months ended		Increase/ (decrease)
	29.03.2010	01.04.2009		29.09.2009	01.10.2008	
	to	to	to	to		
28.06.2010	30.06.2009	28.06.2010	30.06.2009			
	HK\$'000	HK\$'000	%	HK\$'000	HK\$'000	%
Other operating income including interest income	2,256	15,778	(85.7)	85,647	124,215	(31.0)
Interest on borrowings	(94,091)	(84,062)	11.9	(257,516)	(286,113)	(10.0)
Amortisation of senior notes issuing expenses including in finance costs	(2,202)	(2,495)	(11.7)	(7,192)	(7,485)	(3.9)
Amortisation of deferred charter hire	(43,160)	(43,160)	–	(129,480)	(129,480)	–
Depreciation expense	(81,325)	(32,813)	147.8	(175,763)	(78,576)	123.7
(Loss) gain on disposal of property, plant and equipment	(19)	137	(113.9)	(212)	872	(124.3)
Foreign exchange (loss) gain	(2,298)	4,928	(146.6)	9,429	2,898	225.4

Note: A substantial portion of the Group's profit 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	
	28.06.2010	28.09.2009	28.06.2010	28.09.2009
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
NON-CURRENT ASSETS				
Property, plant and equipment	3,483,980	2,871,988	–	–
Investment properties	41,362	37,540	–	–
Goodwill	2,862,648	2,705,828	–	–
Deferred charter hire	1,275,480	1,404,960	–	–
Available-for-sale investments	7,800	7,800	–	–
Held-to-maturity financial assets	–	–	47,385	47,385
Interests in subsidiaries	–	–	4,486,607	4,493,506
Interests in associates	13,818	12,622	–	–
Other intangible assets	1,441,912	581,399	–	–
	<u>9,127,000</u>	<u>7,622,137</u>	<u>4,533,992</u>	<u>4,540,891</u>
CURRENT ASSETS				
Inventories	281,764	372,624	–	–
Trade and bills receivables	1,464,091	1,406,890	–	–
Other receivables and prepayments	4,062,856	3,021,033	133	1,380
Current portion of deferred charter hire	172,640	172,640	–	–
Prepaid income tax	37,774	46,379	–	–
Pledged deposits	44,741	44,532	–	–
Bank balances and cash	296,297	173,359	3,104	874
	<u>6,360,163</u>	<u>5,237,457</u>	<u>3,237</u>	<u>2,254</u>
CURRENT LIABILITIES				
Trade and other payables	494,709	278,558	4,516	20,284
Income tax payable	42,193	16,351	–	–
Amounts due to Pacific Andes International Holdings Limited and its subsidiaries	4,715	3,111	–	–
Deferred consideration payable	–	39,839	–	–
Derivative financial instruments	1,307	5,640	–	–
Bank advances drawn on bills and discounted trade receivables with insurance coverage	142,058	31,110	–	–
Current portion of finance leases	26,861	37,491	–	–
Current portion of interest-bearing bank borrowings	3,440,384	2,461,918	–	–
	<u>4,152,227</u>	<u>2,874,018</u>	<u>4,516</u>	<u>20,284</u>
NET CURRENT ASSETS (LIABILITIES)	<u>2,207,936</u>	<u>2,363,439</u>	<u>(1,279)</u>	<u>(18,030)</u>

	Group		Company	
	28.06.2010	28.09.2009	28.06.2010	28.09.2009
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
NON-CURRENT LIABILITIES				
Finance leases	105,658	81,302	–	–
Interest-bearing bank borrowings	515,897	411,403	–	–
Convertible bonds	613,770	591,666	613,770	591,666
Senior notes	1,668,400	1,661,208	–	–
Deferred tax liabilities	502,235	226,284	–	–
	<u>3,405,960</u>	<u>2,971,863</u>	<u>613,770</u>	<u>591,666</u>
NET ASSETS	<u>7,928,976</u>	<u>7,013,713</u>	<u>3,918,943</u>	<u>3,931,195</u>
CAPITAL AND RESERVES				
Share capital	721,072	705,133	721,072	705,133
Reserves	5,778,500	5,142,569	3,197,871	3,226,062
Attributable to owners of the Company	6,499,572	5,847,702	3,918,943	3,931,195
Non-controlling interests	1,429,404	1,166,011	–	–
TOTAL EQUITY	<u>7,928,976</u>	<u>7,013,713</u>	<u>3,918,943</u>	<u>3,931,195</u>

Note: Deferred charter hire represent the prepayment made by China Fisheries International Limited, a wholly-owned subsidiary of China Fishery Group Limited, for long term chartering of fishing vessels.

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

Amount repayable in one year or less, or on demand

As at 28.06.2010		As at 28.09.2009	
Secured	Unsecured	Secured	Unsecured
<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
347,361	3,261,942	118,083	2,412,436

Amount repayable after one year

As at 28.06.2010		As at 28.09.2009	
Secured	Unsecured	Secured	Unsecured
<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
223,285	2,680,440	277,541	2,468,038

Details of any collateral

The Group had pledged certain land and buildings with aggregate net carrying values of approximately HK\$26.2 million (28.09.2009: HK\$23.5 million) to secure the mortgage loan of the Group granted by a bank.

Certain of the Group's office premises, fishmeal processing plants, fishing vessels and vehicles in Peru are held under finance leases with net carrying value of approximately HK\$137.3 million (28.09.2009: HK\$356.7 million).

The inventory loans of a Peruvian subsidiary of China Fishery Group Limited are pledged by its fishmeal inventories in Peru with net carrying value of approximately HK\$120.1 million (28.09.2009: HK\$28.2 million).

A fishing vessel with net carrying value of approximately HK\$964.9 million (28.09.2009: HK\$677.0 million), shares of two subsidiaries (28.09.2009: shares of a subsidiary) and a deposit of approximately HK\$44.5 million (28.09.2009: HK\$44.3 million) were pledged as securities for a term loan as at 28 June 2010.

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

	Third quarter ended		Nine months ended	
	29.03.2010 to 28.06.2010 HK\$'000	01.04.2009 to 30.06.2009 HK\$'000	29.09.2009 to 28.06.2010 HK\$'000	01.10.2008 to 30.06.2009 HK\$'000
Operating activities				
Profit before income tax	338,884	253,044	963,199	812,956
Adjustments for:				
Share of results of associates	(1,096)	(135)	(1,196)	(29)
Interest expense	94,091	84,062	257,516	286,113
Interest income	(348)	(254)	(1,682)	(334)
Amortisation of deferred charter hire	43,160	43,160	129,480	129,480
Amortisation of senior notes issuing expenses	2,202	2,495	7,192	7,485
Depreciation expense	81,325	32,813	175,763	78,576
Discount on acquisition of additional interest in a subsidiary	–	–	–	(105)
Impairment loss on property, plant and equipment	–	–	9,776	–
Loss (gain) on disposal of property, plant and equipment	19	(137)	212	(872)
Loss on revaluation of land and buildings	–	–	–	1,180
Gain on repurchase of convertible bonds	–	(12,680)	–	(32,848)
Fair value changes of derivative financial instruments	14,937	–	(4,333)	–
Fair value changes of investment properties	–	–	(3,639)	(1,406)
Operating cash flows before movements in working capital	573,174	402,368	1,532,288	1,280,196
Inventories	(21,181)	162,030	91,232	273,296
Trade and bills receivables, other receivables and prepayments	(638,353)	(603,309)	(1,048,995)	(1,362,831)
Trade and other payables	28,470	(23,361)	259,129	(34,927)
Cash (used in) generated from operations	(57,890)	(62,272)	833,654	155,734
Interest paid	(112,821)	(106,095)	(320,626)	(346,324)
Income tax paid	(20,875)	(3,545)	(20,377)	(32,754)
Net cash (used in) from operating activities	(191,586)	(171,912)	492,651	(223,344)

	Third quarter ended		Nine months ended	
	29.03.2010 to 28.06.2010 HK\$'000	01.04.2009 to 30.06.2009 HK\$'000	29.09.2009 to 28.06.2010 HK\$'000	01.10.2008 to 30.06.2009 HK\$'000
Investing activities				
Interest received	348	254	1,682	334
Insurance compensation for sunken vessel in Peru	–	–	–	14,984
Proceeds on disposal of property, plant and equipment	–	819	164	3,441
Purchase of property, plant and equipment	(37,732)	(211,761)	(631,021)	(584,034)
Payment of deferred consideration payable	–	–	(39,839)	(54,487)
Net cash outflow arising on acquisition of additional interest in subsidiaries	–	–	(4,625)	(1,016)
Net cash inflow arising on acquisition of subsidiaries (<i>note b</i>)	<u>(864,077)</u>	<u>–</u>	<u>(864,077)</u>	<u>13,390</u>
Net cash used in investing activities	<u>(901,461)</u>	<u>(210,688)</u>	<u>(1,537,716)</u>	<u>(607,388)</u>
Financing activities				
Dividend paid	–	–	(13,526)	–
Dividend paid to minority shareholders	–	–	(16,396)	–
Repurchase of convertible bonds	–	(24,570)	–	(45,688)
Proceeds from issue of shares on exercise of warrants	132	–	576	–
Transaction cost of issuing new shares	(73)	–	(463)	(329)
Net cash advanced from Pacific Andes International Holdings Limited and its subsidiaries	3,888	359	1,604	3,534
Bank advances drawn on bills and discounted trade receivables with insurance coverage raised	23,928	124,314	110,948	127,710
Obligation under finance leases	(5,098)	(9,616)	13,726	(148,043)
Net bank borrowings raised	1,170,810	293,708	1,071,028	763,181
Decrease (increase) in pledged deposits	<u>1</u>	<u>(422)</u>	<u>(209)</u>	<u>(44,477)</u>
Net cash from financing activities	<u>1,193,588</u>	<u>383,773</u>	<u>1,167,288</u>	<u>655,888</u>

	Third quarter ended		Nine months ended	
	29.03.2010 to 28.06.2010 HK\$'000	01.04.2009 to 30.06.2009 HK\$'000	29.09.2009 to 28.06.2010 HK\$'000	01.10.2008 to 30.06.2009 HK\$'000
Net increase (decrease) in cash and cash equivalents	100,541	1,173	122,223	(174,844)
Cash and cash equivalents at beginning of the year/period	190,169	171,094	168,487	347,111
Cash and cash equivalents at end of the period (note a)	290,710	172,267	290,710	172,267
Note (a)				
Bank balances and cash	296,297	179,737	296,297	179,737
Bank overdrafts	(5,587)	(7,470)	(5,587)	(7,470)
	290,710	172,267	290,710	172,267

Note (b)

Net cash outflow arising on acquisition of subsidiaries

	Third quarter and nine months ended 28.06.2010		
	Acquirees' carrying amount before combination HK\$'000	Fair value adjustments HK\$'000	Fair value HK\$'000
Net assets acquired of:			
Property, plant and equipment	65,362	91,438	156,800
Other intangible assets	–	860,513	860,513
Inventories	372	–	372
Trade receivables	2,254	–	2,254
Other receivables and prepayments	43,430	7,800	51,230
Bank balances and cash	2,983	–	2,983
Trade and other payables	(49,716)	–	(49,716)
Bank borrowings	(11,217)	–	(11,217)
Deferred tax liabilities	–	(285,585)	(285,585)
	53,468	674,166	727,634
Goodwill arising on acquisition			156,820
Total consideration, satisfied by cash			884,454
Net cash outflow arising on acquisition:			
Cash consideration			884,454
Consideration payable			(17,394)
Bank balances and cash acquired			(2,983)
			864,077

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 <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Capital reserve <i>HK\$'000</i>	Other reserve <i>HK\$'000</i>	Warrants reserve <i>HK\$'000</i>	Revaluation reserve <i>HK\$'000</i>	Currency exchange translation reserve <i>HK\$'000</i>	Retained earnings <i>HK\$'000</i>	Non-controlling interests <i>HK\$'000</i>	Total <i>HK\$'000</i>
Group										
Balance at 1 October 2008	1,331,797	1,218,939	(52,655)	42,226	-	14,104	(2,323)	1,472,314	923,440	4,947,842
Share issue expenses	-	(329)	-	-	-	-	-	-	-	(329)
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	-	(1,121)	(1,121)
Decrease in equity portion of convertible bonds on repurchase	-	-	-	(2,516)	-	-	-	-	-	(2,516)
Total comprehensive income for the period	-	-	-	-	-	(4,182)	(5)	448,685	165,677	610,175
Balance at 31 March 2009	1,331,797	1,218,610	(52,655)	39,710	-	9,922	(2,328)	1,920,999	1,087,996	5,554,051
Decrease in equity portion of convertible bonds on repurchase	-	-	-	(2,265)	-	-	-	-	-	(2,265)
Total comprehensive income for the period	-	-	-	-	-	-	7	160,907	70,205	231,119
Balance at 30 June 2009	<u>1,331,797</u>	<u>1,218,610</u>	<u>(52,655)</u>	<u>37,445</u>	<u>-</u>	<u>9,922</u>	<u>(2,321)</u>	<u>2,081,906</u>	<u>1,158,201</u>	<u>5,782,905</u>
Balance at 28 September 2009	705,133	2,772,743	(52,655)	37,445	164,689	17,520	(2,312)	2,205,139	1,166,011	7,013,713
Issue of shares on exercise of warrants	96	555	-	-	(207)	-	-	-	-	444
Share issue expenses	-	(390)	-	-	-	-	-	-	-	(390)
Acquisition of additional interest in a subsidiary	-	-	(6,034)	-	-	-	-	-	1,409	(4,625)
Total comprehensive income for the period	-	-	-	-	-	6,949	30	445,500	180,979	633,458
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	(16,396)	(16,396)
Final dividend of S0.60 cents per ordinary shares in respect of six months ended 28.09.2009	<u>15,814</u>	<u>63,253</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(92,593)</u>	<u>-</u>	<u>(13,526)</u>
Balance at 28 March 2010	721,043	2,836,161	(58,689)	37,445	164,482	24,469	(2,282)	2,558,046	1,332,003	7,612,678
Issue of shares on exercise of warrants	29	164	-	-	(61)	-	-	-	-	132
Share issue expenses	-	(73)	-	-	-	-	-	-	-	(73)
Total comprehensive income for the period	-	-	-	-	-	834	134	217,870	97,401	316,239
Balance at 28 June 2010	<u>721,072</u>	<u>2,836,252</u>	<u>(58,689)</u>	<u>37,445</u>	<u>164,421</u>	<u>25,303</u>	<u>(2,148)</u>	<u>2,775,916</u>	<u>1,429,404</u>	<u>7,928,976</u>

	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Other reserve <i>HK\$'000</i>	Warrants reserve <i>HK\$'000</i>	Retained earnings <i>HK\$'000</i>	Total <i>HK\$'000</i>
Company						
Balance at 1 October 2008	1,331,797	1,218,939	42,226	–	103,111	2,696,073
Share issue expenses	–	(329)	–	–	–	(329)
Decrease in equity portion of convertible bonds on repurchase	–	–	(2,516)	–	–	(2,516)
Total comprehensive income for the period	–	–	–	–	132,830	132,830
Balance at 31 March 2009	1,331,797	1,218,610	39,710	–	235,941	2,826,058
Decrease in equity portion of convertible bonds on repurchase	–	–	(2,265)	–	–	(2,265)
Total comprehensive expense for the period	–	–	–	–	(4,349)	(4,349)
Balance at 30 June 2009	<u>1,331,797</u>	<u>1,218,610</u>	<u>37,445</u>	<u>–</u>	<u>231,592</u>	<u>2,819,444</u>
Balance at 28 September 2009	705,133	2,772,743	37,445	164,689	251,185	3,931,195
Issue of shares on exercise of warrants	96	555	–	(207)	–	444
Share issue expenses	–	(390)	–	–	–	(390)
Total comprehensive income for the period	–	–	–	–	515	515
Final dividend of S0.60 cents per ordinary shares in respect of six months ended 28.09.2009	15,814	63,253	–	–	(92,593)	(13,526)
Balance at 28 March 2010	721,043	2,836,161	37,445	164,482	159,107	3,918,238
Issue of shares on exercise of warrants	29	164	–	(61)	–	132
Share issue expenses	–	(73)	–	–	–	(73)
Total comprehensive income for the period	–	–	–	–	646	646
Balance at 28 June 2010	<u>721,072</u>	<u>2,836,252</u>	<u>37,445</u>	<u>164,421</u>	<u>159,753</u>	<u>3,918,943</u>

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.

During the third quarter ended 28 June 2010, 103,159 ordinary shares of S\$0.05 each were issued as a result of the exercise of warrants (30.06.2009: Nil). As at 28 June 2010, there were 277,653,198 outstanding warrants at an exercise price of S\$0.23 each (30.06.2009: Nil).

As at 28 June 2010, the outstanding Convertible Bonds amounted to US\$74,400,000 (30.06.2009: US\$74,400,000). Assuming full conversion of the outstanding Convertible Bonds at the adjusted conversion price of S\$0.6785 per share, the number of new ordinary shares to be issued would be 167,386,293 (30.06.2009: 149,740,851).

There was no conversion of Convertible Bonds during the third quarter ended 28 June 2010 (30.06.2009: Nil).

The Company did not make any purchases of its shares during the third quarter ended 28 June 2010 (30.06.2009: Nil).

Save as disclosed above, the Company did not have any convertibles and treasury shares as at 28 June 2010 (30.06.2009: 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 2,840,071,412 shares (28.09.2009: 2,782,510,126 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 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 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 period ended 28 September 2009.

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	Group Third quarter ended		Group Nine months ended	
	29.03.2010 – 28.06.2010	01.04.2009 – 30.06.2009	29.09.2009 – 28.06.2010	01.10.2008 – 30.06.2009
(i) Based on weighted average number of ordinary shares in issue	HK 7.67 cents	HK 9.55 cents	HK 23.65 cents	HK 36.20 cents
Weighted average number of ordinary shares used in calculation of basic earnings per share	2,840,039,592	1,684,034,482	2,804,696,386	1,684,034,482
(ii) Based on a fully diluted basis	HK 7.28 cents	HK 9.40 cents	HK 22.54 cents	HK 34.99 cents
Weighted average number of ordinary shares used in calculation of diluted earnings per share	3,094,461,488	1,845,552,642	3,041,031,459	1,858,129,120

Note: The weighted average number of ordinary shares used in calculation of basic and diluted earnings per share for the third quarter and nine months ended 30 June 2009 has been adjusted by incorporating the effects of rights issue in July 2009.

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.**

	Group		Company	
	28.06.2010	28.09.2009	28.06.2010	28.09.2009
Net asset backing per ordinary share based on existing issued share capital as at the end of period reported on	HK\$2.29	HK\$2.10	HK\$1.38	HK\$1.41

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

3QFY2010 (3 months ended 28 June 2010) vs 3QFY2009 (3 months ended 30 June 2009)

Group revenue increased by 10.6% from HK\$2,023.2 million to HK\$2,237.9 million.

Revenue from the fishing division, which accounted for 55.6% of total revenue, surged by 48.4% from HK\$838.0 million to HK\$1,243.2 million. The increase attributed to a combination of an increase in total allowable catch for the year as well as to an increase in fishing and shipment activities carried over from the previous quarter resulting from port closures in China during part of the winter. Also, higher selling prices for fishmeal products also contributed to the increase in segment revenue.

The Group's investment in its start-up South Pacific fishing operations yielded a HK\$52.3 million contribution to revenue. The operating model adopted a factory vessel working alongside a fleet of catcher vessels has proved successful and will result in reduced fuel consumption and savings in crew requirements.

Revenue from the frozen fish supply chain management ("frozen fish SCM") division, which accounted for 44.4% of turnover, dropped by 16.1% from HK\$1,185.2 million to HK\$994.7 million, due mainly to lower sales volume.

By markets, the People's Republic of China ("PRC") remained the Group's largest market with sales of HK\$1,942.9 million, accounting for 86.8% of total revenue. Sales to East Asia amounted to HK\$153.0 million, accounting for 6.8% of total revenue. Sales to Europe amounted to HK\$76.2 million, accounting for 3.4% of total revenue.

Gross profit increased by 48.0% from HK\$396.4 million to HK\$586.7 million, while the gross profit margin increased from 19.6% to 26.2%. This improvement was largely driven by economies of scale and overall improvements in operating efficiencies.

Selling expenses increased by 154.4% from HK\$41.9 million to HK\$106.7 million, because of higher direct expenses such as freight, insurance and port charges incurred, in line with the higher sales volume of the Group's fishing division, and higher selling expenses incurred for the Group's South Pacific operations.

Finance costs increased by 11.2% from HK\$86.6 million to HK\$96.3 million due mainly to an increase in bank borrowings taken to finance the 2 acquisitions in Peru.

Administrative expenses increased by 56.4% from HK\$30.8 million to HK\$48.2 million, mainly because of additions in staff and other expenses in line with the Group's expanding operations.

Net profit increased by 36.4% from HK\$231.1 million to HK\$315.1 million.

9MFY2010 (9 months ended 28 June 2010) vs 9MFY2009 (9 months ended 30 June 2009)

The Group's revenue grew of 5.5% from HK\$5,905.8 million to HK\$6,228.8 million.

Revenue from the fishing division, which accounted for 54.5% of total revenue, increased by 14.8% from HK\$2,954.9 million to HK\$3,392.3 million, driven by higher catch volumes from North Pacific fishing operations and higher selling prices for fish products.

Revenue from the frozen fish SCM division, which accounted for 45.5% of turnover, dropped by 3.9% from HK\$2,950.9 million to HK\$2,836.5 million, primarily due to lower sales volume.

By markets, the PRC remained the Group's largest market with sales of HK\$5,172.2 million, accounting for 83.0% of total revenue. Sales to Europe amounted to HK\$461.7 million, accounting for 7.4% of total revenue. Sales to East Asia amounted to HK\$437.3 million, accounting for 7.0% of total revenue.

Gross profit increased by 24.4% from HK\$1,240.8 million to HK\$1,543.5 million, while the gross profit margin jumped from 21.0% to 24.8%, reflecting economies of scale and the positive impact of the Group's ongoing initiatives to improve operating efficiencies.

Selling expenses increased by 73.4% from HK\$146.5 million to HK\$254.1 million, attributable mainly to higher direct expenses such as freight, insurance and port charges incurred in line with the higher sales volume of the Group's fishing division.

Finance costs decreased by 9.8% from HK\$293.6 million to HK\$264.7 million. The reduction in finance costs despite the increase in bank borrowings was mainly due to low market interest rates and the reduction in convertible bonds outstanding.

Administrative expenses increased by 23.7% from HK\$112.0 million to HK\$138.6 million, mainly due to a higher headcount and other expenses in line with the increase in business activities.

Net profit increased by 10.8% from HK\$847.6 million to HK\$939.4 million.

Statement of Financial Position

28 June 2010 vs 28 September 2009

Current assets increased by 21.4% from HK\$5,237.5 million to HK\$6,360.2 million due to the increase in receivables attributed principally to a shift in the fishing season which resulted in higher fishmeal and fish oil sales transacted in the month of June.

Non-current assets increased by 19.7% from HK\$7,622.1 million to HK\$9,127.0 million. During the period, the Group acquired two Peruvian companies which own approximately 1.2% of the fishing quota for the Peruvian anchovy. The two Peruvian companies also operate 7 fishing vessels and a fishmeal plant.

Current liabilities increased by 44.5% from HK\$2,874.0 million to HK\$4,152.2 million due mainly to the increase in short-term borrowings to fund the increased working capital requirements of the Group.

Non-current liabilities increased by 14.6% from HK\$2,971.9 million to HK\$3,406.0 million, mainly due to the increase in bank borrowings of HK\$592.8 million to finance the acquisitions in Peru.

Net assets went up by 13.1% from HK\$7,013.7 million to HK\$7,929.0 million and net debt to equity ratio increased from 72.1% to 77.8%.

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

The third quarter ended 28 June 2010 results are consistent with the prospect statement disclosed to shareholders in the second quarter ended 28 March 2010 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.**

Outlook

The management remains positive on the market outlook for the next 12 months.

For the fishing operations, the management expects that a higher Peruvian quota share following the acquisition of two Peruvian fishing companies in May 2010 will increase the Group's production volume of fishmeal and fish oil, and will enhance economies of scale and operating efficiencies. In addition, the Group's start-up South Pacific operations will continue to benefit from the experience gained in fleet management and operations.

The frozen fish SCM division will continue to benefit from worldwide growth in demand for fish, particularly in the PRC, where demand for fish as a healthy source of protein continues to grow. The Group will continue to strengthen its distribution in the PRC as well as in Eastern Europe and Africa to further grow the sales volume of frozen fish.

In July 2010, the Group's subsidiary China Fishery Group Limited completed a private placement of 113.5 million new shares and 26.7 million warrants to The Carlyle Group. The gross proceeds of US\$150 million will be used primarily for strategic acquisitions and to acquire additional fishing quota. Management believes that in addition to the new capital from the placement that will help fuel its expansion plans, China Fishery can also benefit from leveraging Carlyle's strategic insights, and their extensive network, acquisition and financing expertise.

Management expects further growth for the rest of the financial year, barring any unforeseen circumstances.

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 third quarter ended 28 June 2010.

13. Interested person transactions

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)	
	29.09.2009 – 28.06.2010 <i>HK\$'000</i>	01.10.2008 – 30.06.2009 <i>HK\$'000</i>	29.09.2009 – 28.06.2010 <i>HK\$'000</i>	01.10.2008 – 30.06.2009 <i>HK\$'000</i>
Pacific Andes International Holdings Limited and its subsidiaries				
Administrative expenses	–	–	19,453	13,480
Interest expenses	42	116	–	–

14. 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 third quarter ended 28 June 2010 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

Wan Tiew Leng, Lynn
Company Secretary

10 August 2010