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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)

(1) UPDATE ON SUSPENSION OF TRADING:

- (a) FURTHER DELAY IN PUBLICATION OF 2015 ANNUAL RESULTS
AND DESPATCH OF 2015 ANNUAL REPORT, AND**
**(b) DELAY IN PUBLICATION OF 2016 INTERIM RESULTS AND
DESPATCH OF 2016 INTERIM REPORT**
AND

(2) UPDATE ON DESPATCH OF CIRCULAR

(1) UPDATE ON SUSPENSION OF TRADING

- (a) Further delay in publication of 2015 Annual Results and despatch of 2015 Annual Report**

For the reasons set out in this announcement, it is expected that there will be further delay in the publication of the 2015 Annual Results and the despatch of the 2015 Annual Report beyond 27 May 2016. The Company is mindful of the need to publish the 2015 Annual Results and despatch the 2015 Annual Report as soon as possible.

- (b) Delay in publication of the 2016 Interim Results and despatch of the 2016 Interim Report**

As a result of the delay in the publication of the 2015 Annual Results and the despatch of the 2015 Annual Report, the publication of the 2016 Interim Results and the despatch of the 2016 Interim Report will also be delayed.

(2) UPDATE ON DESPATCH OF CIRCULAR

The Company's application for the Seventh Waiver has not been approved by the Stock Exchange. Accordingly, the Company will continue to use its best endeavours to prepare and finalise the relevant information to be included in the Circular as soon as practicable.

This announcement is made by Pacific Andes International Holdings Limited (the "**Company**") pursuant to Rules 13.24A and 13.49 (6) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

References are made to the announcements of the Company dated 17 December 2015, 24 December 2015, 31 December 2015, 4 February 2016, 1 March 2016, 20 March 2016 and 5 April 2016 (collectively the "**Announcements**") relating to, among others, the delay in publication of 2015 Annual Results and despatch of 2015 Annual Report, the Deed in favour of the Majority Club Lenders and the HK Court, the Resumption Conditions, the commencement of the forensic review and the application for the Seventh Waiver. Unless otherwise stated, capitalised terms used herein shall have the same respective meanings as those defined in the Announcements.

(1) UPDATE ON SUSPENSION OF TRADING

(a) Further delay in publication of 2015 Annual Results and despatch of 2015 Annual Report

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 9:00 a.m. on 26 November 2015. The Company has disclosed the Resumption Conditions imposed by the Stock Exchange on 1 March 2016, which include, among other things, publishing all outstanding financial results and addressing any audit qualifications.

As previously announced, the publication of the 2015 Annual Results and the despatch of the 2015 Annual Report were expected to be delayed to no later than 27 May 2016.

As disclosed in the Announcements, pursuant to the Deed dated 28 December 2015, the PA Group Parties undertook and covenanted in favour of the Majority Club Lenders to, among other things, engage an independent accounting firm to conduct an independent forensic review in relation to the financial aspects of the Group. Subsequently, the IRC, through its legal advisor, appointed PwC as independent professional advisor to conduct the forensic review on the financial aspects of the Group. The forensic review commenced on 17 March 2016 and has not yet been completed.

Finalisation of the 2015 Annual Results and the 2015 Annual Report is dependent on completion of the forensic review. Currently, the IRC and the Company are reviewing the progress and projected cost of the forensic review with a view to accelerating its completion, while keeping the cost within an acceptable budget. In addition, the announcement of the full year results of each of PARD and CFGL, which have to be consolidated into the 2015 Annual Results, has been delayed.

Accordingly, for the reasons stated above, it is expected that there will be further delay in the publication of the 2015 Annual Results and the despatch of the 2015 Annual Report beyond 27 May 2016. The Company is mindful of the need to publish the 2015 Annual Results and despatch the 2015 Annual Report as soon as possible and is keeping in close contact with the IRC and the auditors of the Company to expedite the finalisation.

(b) Delay in publication of the 2016 Interim Results and despatch of the 2016 Interim Report

Pursuant to Rules 13.49(6) and 13.48(1) of the Listing Rules, the Company is required to publish its preliminary results for the six months ended 28 March 2016 (the “**2016 Interim Results**”) no later than 27 May 2016, and to send the interim report for the same period (the “**2016 Interim Report**”) to its Shareholders on or before 27 June 2016.

As a result of the delay in the publication of the 2015 Annual Results and the despatch of the 2015 Annual Report, the publication of the 2016 Interim Results and despatch of the 2016 Interim Report will also be delayed.

The Board acknowledges that the delay in the publication of the 2016 Interim Results and the despatch of the 2016 Interim Report constitutes non-compliance with Rules 13.49(6) and 13.48(1) of the Listing Rules.

The Company will publish further announcement(s) to inform the Shareholders of the dates of the meeting(s) of the Board to approve the 2015 Annual Results and the 2016 Interim Results, the publication of the 2015 Annual Results and the 2016 Interim Results and the despatch of the 2015 Annual Report and the 2016 Interim Report as soon as there is certainty as to the timing.

(2) UPDATE ON DESPATCH OF CIRCULAR

As disclosed in the Announcements, the Company applied to the Stock Exchange for the Seventh Waiver to despatch the Circular on or before 29 July 2016. The Company's application has not been approved by the Stock Exchange. Accordingly, the Company will continue to use its best endeavours to prepare and finalise the relevant information to be included in the Circular as soon as practicable.

(3) CONTINUED SUSPENSION OF TRADING

Trading in the Shares on the Stock Exchange will remain suspended until further notice. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

By Order of the Board
Pacific Andes International Holdings Limited
Ng Puay Yee (Jessie)
Managing Director

Hong Kong, 2 June 2016

As at the date of this announcement, the executive directors of the Company are Ms. Ng Puay Yee (Jessie), Mr. Ng Joo Kwee and Mr. Ng Joo Puay, Frank, the non-executive director of the Company is Madam Teh Hong Eng whilst the independent non-executive directors of the Company are Mr. Lew V Robert, Mr. Tao Kwok Lau, Clement and Mr. Nguyen Van Tu, Peter.