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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)

UPDATE ON SUSPENSION OF TRADING

This announcement is made by Pacific Andes International Holdings Limited (the “**Company**” together with its subsidiaries, the “**Group**”) pursuant to Rule 13.24A of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The board of directors (the “**Board**”) of the Company wishes to provide an update on the forensic review of the financial aspects of the Group being conducted by RSM Corporate Advisory (Hong Kong) Limited (“**RSM**”) and the announcement of its financial results.

As previously announced, the independent review committee of the Company (the “**IRC**”), through its legal advisor, appointed RSM on 6 June 2016 as independent forensic accountant to complete the forensic review of the financial aspects of the Group. The independent review committee of Pacific Andes Resources Development Limited (“**PARD IRC**”), through its legal advisor, also engaged RSM on 5 July 2016 (as a joint engagement by the IRC and PARD IRC) to undertake the forensic review. The forensic review is being conducted independently by RSM.

On 8 June 2017, pursuant to the Company’s Chapter 11 filings, the United States Bankruptcy Court in the Southern District of New York (the “**NY Court**”) granted an order extending until 1 November 2017 the period during which the Company has the exclusive right to file with the NY Court a plan of reorganization. In granting the order, the NY Court required that the Chapter 11 debtors meet the obligations set down an exclusivity protocol. One of those obligations was to provide to certain lenders before the NY Court, subject to non-disclosure requirements, a report prepared by RSM regarding its forensic review no later than 15 June 2017.

In accordance with the NY Court’s order, a draft interim forensic report was delivered by RSM to the IRC and PARD IRC, and circulated to the lenders before the NY Court on 15 June 2017, subject to strict confidentiality agreement. The report delivered was very much an interim draft and RSM’s forensic review continues to be on-going. As the review is being conducted independently, the timing of its completion is not within the control of the

Company. An announcement of the findings of RSM's review will be made following completion of the review.

Finalisation of the Company's outstanding financial results is dependent on, among other things, completion of the forensic review. Upon completion of the forensic review, the Company will take all necessary steps to have the outstanding financial results announced, and annual reports dispatched as soon as practicable. For the reasons set out above, the Board expects the 2017 Interim Results will be completed approximately three to four months following the completion of the forensic review. The Board acknowledges that the delay in the publication of its outstanding financial results and the dispatch of interim and annual reports constitute non-compliance with Rules 13.49 (1), 13.46(2)(a), 13.49(6) and 13.48(1) of the Listing Rules.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company (the "**Shares**") on the Stock Exchange was halted from 9:00 a.m. on 26 November 2015 (automatically converted to "**being suspended**" thereafter), and will remain suspended until further notice. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

The Company will keep the public informed of the latest developments by making further announcement(s) as and when appropriate.

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

Hong Kong, 10 July 2017

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.