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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 business operations of certain major subsidiaries, and progress towards resumption of trading and completion of the forensic review.

(i) Company Business Update

The Company’s seafood processing facility in Qingdao has continued to operate, processing and purchasing 15.6 million pounds of fish fillets and portions in the first quarter of the financial period ended 28 December 2018. During the quarter, the Company’s principal subsidiaries in frozen fish fillets distribution sold 25.6 million pounds of fish fillets and portions, recording a combined unaudited turnover of HK\$123.4 million (approximately US\$15.8 million), which represents a slight increase from HK\$122.9 million (approximately US\$15.8 million) year on year for the corresponding quarter of the financial period ended 28 December 2017. The volume of seafood processed and traded at the Qingdao operations was significantly impacted by the limited availability of labour and working capital. During the quarter ended 28 December 2018, the subsidiaries recorded a combined unaudited loss before tax of HK\$11.1 million (approximately US\$1.4 million), compared to a loss before tax of HK\$15.9 million (approximately US\$2.0 million) in the same quarter of the previous year.

Financial information provided in this update is based on unaudited management accounts and excludes any contribution from National Fish and Seafood Inc. which is currently under the supervision of its Chief Restructuring Officer. Accordingly, the financial information in no way represents the consolidated financial performance of the Company.

(ii) Resumption of Trading and Chapter 11 Process

The Company's shares have been suspended from trading since 26 November 2015. On 23 February 2016, the Stock Exchange issued to the Company conditions for resumption of trading which were announced on 1 March 2016.

As previously announced, on 30 June 2016, the Company filed a voluntary petition under Chapter 11 of the US Bankruptcy Code to obtain protection while a consensual restructuring was progressed, creating a stable process to maximise value for creditors and stakeholders.

Currently, the Company is actively in discussion with its creditors and potential investors, to agree a restructuring plan for confirmation by the United States Bankruptcy Court in the Southern District of New York ("**the Court**"), which will enable the Company to emerge from Chapter 11. Those discussions continue to be encouraging and productive, and the Company is endeavouring to facilitate the filing of a Chapter 11 plan for confirmation as soon as possible.

In an earlier announcement, the Company advised that on 16 January 2019 National Fish and Seafood Inc. and National Fish and Seafood Limited filed a motion in the Court requesting that the Court allow those entities to file late claims in the amount of approximately US\$30.8 million (approximately HK\$240 million). On 4 February 2019, the Company filed an objection to the motion. The motion and the Company's objection are yet to be heard by the Court, and currently stand adjourned until 25 June 2019.

Once a restructuring plan has been confirmed by the Court, and announced on the Stock Exchange, the Company will comply with the relevant Listing Rule requirements, including seeking the Stock Exchange's approval to and the issuing of a circular to shareholders and the convening of a special general meeting of shareholders to approve the restructuring plan along with other ancillary matters. Once shareholders' approval of the plan has been obtained, the Company's objective is to publish outstanding financial statements, inform the market of all material information, and at that time apply to the Stock Exchange for resumption of trading in its shares.

The Company will keep the public informed of progress on fulfilment of the resumption conditions by making further periodic announcements.

(iii) Progress on the Forensic Review

The Independent Review Committee of the Company (“**IRC**”) has recently received a draft report on the forensic review conducted by RSM Corporate Advisory (Hong Kong) Limited. The IRC is currently in the process of reviewing the draft in order to determine whether the IRC is satisfied that the draft deals adequately with the scope of the forensic review.

The Company will make further announcements to keep the market informed of progress as further developments arise.

(iv) Continued Suspension of Trading

At the request of the Company, trading in the shares (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.

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

Hong Kong, 26 April, 2019

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.