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 CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2013 OF COPEINCA ASA

The board of directors of Pacific Andes International Holdings Limited (the "Company") hereby announces the unaudited consolidated financial results of Copeinca ASA ("Copeinca") and its subsidiaries for the year ended 31 December 2013 (the "Annual Results") has been released to the Oslo Stock Exchange of Norway ("Oslo Børs") on 6 February 2014. Copeinca is the Company's 38% non-wholly-owned subsidiary, the shares of which are listed on the Oslo Børs.

This announcement is made by the Company pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Hereinbelow is a reproduction of the announcement made by Copeinca in relation to the Annual Results released to the Oslo Børs on 6 February 2014.

Hong Kong, 6 February 2014

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.

Below is the content of the announcement of Copeinca released to the Oslo Børs on 6 February 2014.

COPEINCA ASA PRESENTS FOURTH QUARTER AND PRELIMINARY FULL YEAR 2013 FINANCIAL RESULTS

Copeinca successfully completed the catch of its quota and managed to process 15.6% of total catch (14.8% in 2012)

Revenue increased 7.9% from USD 49.3 million (31,841 MT) in Q4'12 to USD 53.2 million (35,547 MT) in Q4'13. EBITDA increased 115.4% from USD 7.8 million in Q4'12 (EBITDA margin 15.7%) to was USD 16.8 million in Q4'13 (EBITDA margin 31.6%).

The 2013 second fishing season began on 12 November 2013 and was finished on 31 January 2014 and the TAC for this season was 2,304,000 MT (TAC for 2012 second fishing season was 810,000 MT).

Revenue per ton for the year increased 16.8% to USD 1,663/MT from USD 1,424/MT in 2012. This included revenue of USD 4.5 million from the sale of Mackerel and Jack Mackerel as compared to revenue of USD 4.3 million in 2012. Revenue per ton in Q4'13 decreased 3.3% to USD 1,498/MT from USD 1,549/MT in Q4'12.

CAPEX of USD 14.0 million was spent during the year.

***

For further information, please contact:

CEO José Miguel Tirado Melgar, jtirado@copeinca.com.pe
CFO Isaac Finger Kogan, ifinger@copeinca.com.pe
Tel. (511) 213-4000

Fourth Quarter and Preliminary Full Year 2013 Results

5 February 2014

Contents

- Highlights for 2013
- CAPEX Update
- EBITDA Development
- 2013 Fishing Results
- Subsequent Events
- Market Overview
- Condensed Consolidated Interim Financial Information

Highlights for 2013

- Solid growth in Q4’13 revenue, EBITDA and volume reflects a positive trend for the business following the historically low Total Allowable Catch (TAC’s) set for Peruvian Anchovy in 2012 fishing season.
- Revenue increased 7.9% from USD 49.3 million (31,841 MT) in Q4’12 to USD 53.2 million (35,547 MT) in Q4’13. EBITDA increased 115.4% from USD 7.8 million in Q4’12 (EBITDA margin 15.7%) to was USD 16.8 million in Q4‘13 (EBITDA margin 31.6%).
- The 2013 second fishing season began on 12 November 2013 and was finished on 31 January 2014 and the TAC for this season was 2,304,000 MT (TAC for 2012 second fishing season was 810,000 MT).
- Revenue decreased 33.3% to USD 209.7 million (126,099 MT) in 2013 from USD 314.2 million (220,685 MT) in 2012. EBITDA decreased 37.8% to USD 64.6 million (EBITDA margin: 30.8%) in 2013 from USD 103.8 million (EBITDA margin: 33.0%) in 2012. The decrease in revenue is explained mainly by lower inventory levels of fishmeal and fish oil carried over from the 2012 second fishing season as a result of a significant reduction in TAC to 810,000 MT (TAC for 2011 second fishing season was 2,500,000 MT). Total production volume in 2013 increased 16.3% to 178,065 MT from 152,997 MT in 2012.
- Revenue per ton for the year increased 16.8% to USD 1,663/MT from USD 1,424/MT in 2012. This included revenue of USD 4.5 million from the sale of Mackerel and Jack Mackerel as compared to revenue of USD 4.3 million in 2012. Revenue per ton in Q4’13 decreased 3.3% to USD 1,498/MT from USD 1,549/MT in Q4’12.
- Catch of mackerel and jack mackerel decreased 35.0% to 7,712 MT during 2013 from 11,869 MT in 2012, representing approximately 7.4% of the quota allocated by Peruvian authorities.
- CAPEX of USD 14.0 million was spent during the year.

CAPEX Update

During 2013, a total of USD 14.0 million capital expenditures were spent in the following projects:

i) Investments in the environmental management program in the amount of USD 5.6 million (USD 3.7 million and USD 1.9 million in Chimbote plant and Chicama plant, respectively).

ii) Vessel improvements and fishing nets in the amount of USD 4.1 million;

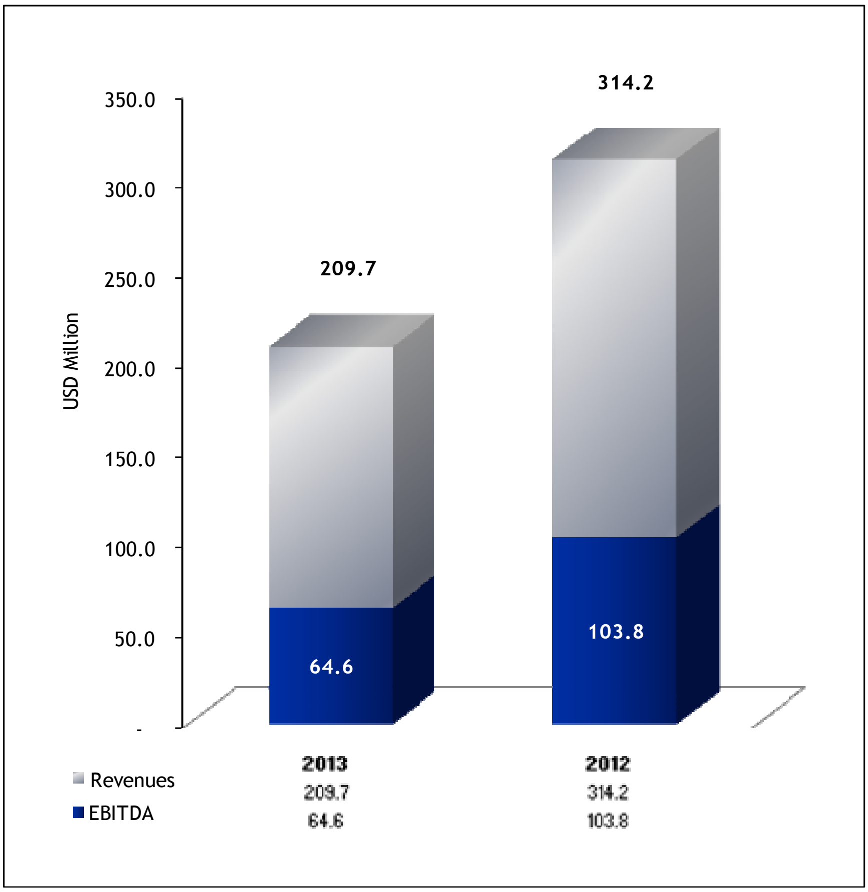
iii) Machinery improvements in Bayovar, Chicama, Chimbote, Chancay and Ilo Plants in the amount of USD 2.3 million; and

iv) USD 2.0 million was spent in other business areas.

EBITDA Development

Copeinca achieved an EBITDA of USD 64.6 million (EBITDA margin of 30.8%) in 2013, a decrease of 37.8% from USD 103.8 million (EBITDA margin of 33.0%) achieved in 2012.

The decrease is mainly explained by lower beginning inventories of fishmeal and fish oil carried over from the 2012 second fishing season as a result of the significant reduction in TAC. (TAC was 2,304,000 MT in second fishing season 2013, 810,000 MT in second fishing season 2012 and 2,500,000 MT in second fishing season 2011).



2013 Second Fishing Season Results

Copeinca successfully completed the catch of its quota and managed to process 15.6% of total catch (14.8% in 2012)

- The TAC for the 2013 second fishing season was 2,304,000 MT (810,000 MT in 2012). Total catch by Copeinca for the season was 359,716 MT (120,069 MT in 2012). Of the 15.6% of total catch processed, 10.7% came from own catch and 4.9% came from third parties (10.7% and 4.1% in 2012).
- Fishmeal production yield was 24.9% compared to 24.7% in 2012 and fish oil production yield was 3.7% in 2013, compared to 3.1% in 2012.
- In this season, Copeinca produced 89,604 MT of fishmeal and 13,425 MT of fish oil, compared to 29,639 MT and 3,687 MT, respectively in the 2012 second fishing season.

On 15 November 2013, a vessel with a storage capacity of 500 MT sank in the sea of Perú, Vegueta zone. The carrying amount of the vessel of USD 4.0 million has been written-off in the last quarter of 2013. This amount should be recovered by the insurance policy.

Subsequent Events

There was no subsequent event to report.

Market Overview

Fishmeal

By the end of 2013, the total catch of Peruvian Anchovy reached 2,049,357 MT, which is 88.9% of the TAC for the 2013 second fishing season. As a result of a healthy biomass and good weather conditions, fishing results for Copeinca were satisfactory. By the end of 2013, we utilized 92% of our quota with a catch volume of 225,850 MT. The 2013 second fishing season ended on 31 January, 2014 and Copeinca was able to fully utilize its quota for the season.

The fishmeal market remained stable, on both the supply and demand side during the last quarter of the year, with an increased level of activity in the last weeks of the year. First shipments of the new production, mainly to China, were started on mid-December and will continue until March or April 2014. Stocks in Chinese ports ended at 133,000 MT, in line with the average of 130,000 MT over the last five years. Fishmeal prices rose slightly from FOB USD 1,430/MT in October to FOB USD 1,450/MT during December 2013 according to the International Fishmeal and Fish Oil Organization ("IFFO").

Fish Oil

For Q4'13, the average price for Aqua grade was USD 1,839/MT versus USD 2,095/MT in Q4'12. Average price for Omega Grade was USD 2,415/MT versus USD 2,385/MT in Q4'12.

Low yields during this fishing season have kept the price stable, especially for aqua grade, during the two last quarters of the year. Profiles levels for Omega 3 have improved compared to the previous season, showing higher percentage of EPA but in lower quantities to support the price.

By the end of 2013, FOB Peru price level for aqua feed grade was USD 1,850/MT while Omega 3 profile was traded at USD 2,600/MT FOB Peru according to IFFO.

Mackerel and Jack Mackerel caught for Direct Human Consumption (DHC)

In 2013, Copeinca's total catch decreased 35% to 7,712 MT (14.0% of the total catch) from 11,869 MT (10% of the total catch) in the previous year. Revenues in 2013 increased 5% to USD 4.5 million from USD 4.3 million in 2012, explained by higher prices (USD 586/MT in 2013 compared to USD 366/MT in 2012).

On 3 January 2014, the Peruvian Government announced the TAC of 152,000 MT (104,000 MT for jack mackerel and 48,000 MT for mackerel), for the period between 16 January 2014 and 31 December 2014 (the TAC for 2013 was 104,000 MT: 80,000 MT for jack mackerel and 24,000 MT for mackerel).

Condensed Consolidated Financial Information

Profit/loss and operations for the Fourth Quarter 2013 (Q4'13)

EBITDA for Q4'13 increased 115.4% to USD 16.8 million from USD 7.8 million for the same period in the previous year. Revenue for Q4'13 increased 7.9% to USD 53.2 million from USD 49.3 million for the fourth quarter of 2012. Volume sold increased 11.6% to 35,547 MT in Q4'13 from 31,841 MT in Q4'12.

During Q4'13, the average fishmeal price per ton was USD 1,381/MT (Q4'12: USD 1,533/MT) and average fish oil price per ton was USD 1,853/MT (Q4'12: USD 1,849/MT). Weighted average price per ton was USD 1,498/MT in Q4'13 compared to USD 1,549/MT in Q4'12.

Total cost of goods sold (COGS) decreased 6.7% to USD 36.1 million in Q4'13 from USD 38.7 million in Q4'12. Unit cost of COGS decreased 16.3% to USD 1,016/MT in Q4'13 from USD 1,214/MT in Q4'12.

The decrease in unit cost of COGS is mainly explained by lower fixed costs (USD 26.6 million in 2013 versus USD 37.1 million in 2012) allocated to higher volumes of production in the second fishing season (92,385 MT in the 2013 second fishing season versus 33,326 MT in the 2012 second fishing season). In addition, lower prices of raw material purchased from third parties also contributed to lower unit cost of production (USD 304/MT in Q4'13 versus USD 421/MT in Q4'12).

Administrative Expenses

The administrative expenses in Q4'13 reduced 25.6% to USD 2.9 million from USD 3.9 million in Q4'12. The decrease is attributable to a decrease in personnel expenses of USD 0.8 million relating to management and a decrease in services provided by third parties of USD 0.3 million. Please refer to Table 2 in Appendix.

Selling Expenses

During Q4'13, selling expenses increased 21.4% to USD 3.4 million (USD 97/MT) compared to USD 2.8 million (USD 89/MT) in the same period of prior year. The increase is due to increase in the rates of the port operator, increase in inland transportation as well as an increase in volume of container exportations (more expensive than cargo vessels exportations). Please refer to Table 3 in Appendix.

Other Expenses

Other expenses of USD 7.4 million in Q4’13 consist mainly of: (a) net loss of disposal of fixed assets of USD 3.3 million. This include a loss of USD 4.0 million from write-off of a vessel sunk during last quarter of the year and offset by the gain of USD 0.7 million from sale of fixed assets, (b) provision of USD 2.2 million from labor contingencies and (c) USD 1.3 million from expenses of prior years. Other expenses amounted to USD 4.2 million in Q4’12.

Financial expenses

Financial expenses during Q4’13 increased to 29.4% to USD 6.6 million from USD 5.1 million during Q4’12. It is comprised of: USD 5.7 million of interest accrued from the bonds and USD 0.9 million from other financial expenses.

Financial income

Financial income during Q4’13 was USD 1.7 million mainly composed by: interest with related parties USD 1.2 million, debt instruments of USD 0.4 million and bank currents account interest income of USD 0.1 million. Financial income in Q4’12 was USD 1.2 million.

Profit/loss and operations for the year ended 31 December 2013

Revenue for the year ended 31 December 2013 dropped 33.3% to USD 209.7 million from USD 314.2 million for the same period last year. EBITDA for the year ended 31 December 2013 dropped 37.8% to USD 64.6 million from USD 103.8 million for the year ended 31 December 2012.

Volume sold for the year ended 31 December 2013 decreased 42.9% to 126,099 MT from 220,685 MT in 2012 due to a lower beginning inventory.

For the year ended December 31st 2013, fishmeal and fish oil revenues were USD 204.2 million (2012: USD 308.1 million), direct human consumption fish (Mackerel and Jack Mackerel) revenues were USD 4.5 million (2012: USD 4.3 million) and other revenues were USD 1.0 million (2012: USD 1.8 million).

In 2013, average fishmeal price per ton was USD 1,559/MT, while average fish oil price per ton was USD 2,089/MT and average direct human consumption (mackerel and jack mackerel) price per ton was USD 586/MT. This compares to USD 1,350/MT, USD 1,595/MT and USD 366/MT respectively during 2012. Weighted average price per ton was USD 1,663/MT in 2013 compared to USD 1,424/MT in 2012.

Total cost of goods sold (COGS) for the year ended 31 December 2013 decreased 31.6% to USD 134.7 million from USD 196.9 million in 2012. The unit COGS increased 16.5% to USD 1,068/MT in 2013 from USD 892/MT in 2012.

The increase in unit COGS is mainly explained by high inventory balances on January 1st 2012 (63,882 MT of fishmeal and 12,947 MT of fish oil at lower unit costs of USD 776/MT and USD 551/MT respectively), compared to low beginning inventory balance in 2013 (6,028 MT of fish meal and 1,820 MT of fish oil at a unit cost of USD 1,778/MT and USD 1,572/MT respectively).

Production Cash Cost

Production cash cost for the 2013 second fishing season was USD 789/MT, which was USD 525/MT lower than in the corresponding season in 2012. The difference is mainly explained by lower fixed costs allocated to higher volumes of production in the 2013 second fishing season (92,385 MT in the 2013 second fishing season versus 33,326 MT in the 2012 second fishing season) lower prices of raw material (304 USD/MT versus 437 USD/MT) and lower consumption of fuel by fleet (14 GL/MT in 2013 versus 38 GL/MT in 2012). This cost will be reflected mainly in Q1'14 since we have only shipped 12% of the second season production by the end of 2013. Please refer to Table 4 in Appendix.

Administrative Expenses

The decrease in administrative expenses for 2013 was a decrease in worker's profit sharing of USD 0.8 million as a result of lower profits, partially offset by an increase in personnel expenses of USD 0.3 million and an increase in depreciation and amortization of USD 0.2 million. Please refer to Table 5 in Appendix.

Selling Expenses

Selling expenses in 2013 decreased 31.8% to USD 11.8 million (USD 94/MT) from USD 17.3 million in 2012 (USD 78/MT).

This increase in unit selling expenses is explained by higher cost on shipment expenses as a result higher volume of container exportation (more expensive than cargo vessel exportation) and an increase in rates of the port operator as well as an increase in inland transport. Please refer to Table 6 in Appendix.

Other expenses

Other expenses in 2013 were USD 48.6 million. It mainly composed of: (a) USD 18.8 million from expenses related to search of strategic alternatives to non-solicited offer from China Fishery Group Limited, (b) USD 7.3 million from severance packages, (c) USD 6.4 million from provision for impairment of fixed assets, (d) USD 5.5 million from provision of legal contingencies and USD 3.1 million from early termination of agreement with former director and a related party (previous major shareholder).

Other income

Other income of USD 1.4 million for 2013 mainly consists of USD 0.3 million from the sale of diesel to third parties, USD 0.3 million from recovery provisions from previous years and USD 0.8 million from other income.

Financial income

Financial income during 2013 was USD 2.8 million, mainly composed as follows: interest with related parties USD 1.2 million, bank current account interest income of USD 0.8 million, debt instruments of USD 0.6 million and amortized transactional cost of bonds of USD 0.2 million.

Financial expenses

Financial expenses during 2013 were USD 26.0 million, composed as follows: USD 22.1 million of interest accrued from the bonds, USD 3.8 million from withholding taxes related to bonds and USD 0.1 million interest from leaseback operations. In 2012, financial expenses were USD 21.1 million.

The exchange difference was negative by USD 17.6 million and corresponds to the depreciation of the PEN against the US dollar as of 31 December 2013, as opposed to an appreciation of the PEN in 2012.

Balance Sheet, cash flow and liquidity as of 31 December 2013

Copeinca ASA's total assets were USD 930.0 million as of 31 December 2013. Non-current assets decreased from USD 666.5 million at the end of 2012 to USD 597.2 million at 31 December 2013 as a result of the decrease in Property, Plant and Equipment by USD 35.1 million, a decrease in licenses by USD 20.7 million and a decrease in goodwill, financial assets and other intangibles assets by USD 13.5 million.

Current assets increased from USD 87.7 million to USD 332.8 million at the end of December 2013. This is the result of an increase in amount due from intermediate holding by USD 220.2 million, an increase in the level of the inventories of USD 56.6 million and an increase in other accounts receivable of USD 7.9 million offset by a decrease in cash and cash equivalents by USD 31.1 million and a decrease in trade accounts receivable by USD 8.5 million.

The Company's property, plant and equipment decreased from USD 276.7 million to USD 241.6 million as a result of a decrease in exchange difference of USD 24.0 million, a decrease in adjustment for impairment of USD 6.4 million and a decrease of disposal of assets of USD 6.2 million, offset by additions of USD 1.5 million.

Licenses and goodwill decreased by USD 20.7 million and USD 13.4 million respectively, as a result of the exchange rate difference of the translation from PEN to USD.

Total liabilities increased by USD 156.8 million from USD 344.1 million to USD 500.9 million mainly as a result of the increase in inventory financing of USD 130.1 million, increase in long term borrowings of USD 48.0 million and an increase of trade account payable of USD 8.8 million offset by a decrease in deferred income tax by USD 13.4 million, a decrease in long-term debt by USD 13.2 million, a decrease in other accounts payable of USD 2.3 million, and a decrease in other long term provisions by USD 1.2 million.

The Company had a working capital of USD 160.1 million as of 31 December 2013 compared to USD 38.4 million as of 31 December 2012; this increase is mainly a result of the amount due from intermediate holding, the increase in the inventory produced and an increase of the short term debt.

Cash balance was USD 8.0 million as at 31 December 2013. USD 34.0 million were generated from financing activities, while USD 13.0 million were expended on investing activities and USD 52.1 million were expended on operations.

CONDENSED CONSOLIDATED FINANCIAL INFORMATION

STATEMENT OF INCOME

	For the year ended December 31,		For the quarter ended December 31,	
	2013	2012	2013	2012
	(Unaudited)	(Audited)	(Unaudited)	(Restated)
	126,099 MT	**220,685 MT**	**35,547 MT**	**31,841 MT**
FISHMEAL SD	**111,857 MT**	**178,753 MT**	**29,279 MT**	**30,303 MT**
FISH OIL	**14,242 MT**	**41,932 MT**	**6,268 MT**	**1,538 MT**
	USD 000	USD 000	USD 000	USD 000
Sales	209,726	314,219	53,239	49,336
Cost of goods sold	(134,700)	(196,862)	(36,116)	(38,658)
Gross profit	**75,026**	**117,357**	**17,123**	**10,678**
Selling expenses	(11,829)	(17,271)	(3,434)	(2,846)
Administrative expenses	(13,697)	(13,863)	(2,910)	(3,896)
Other income	1,359	1,844	(293)	693
Other expenses	(48,634)	(12,965)	(7,403)	(4,209)
Operating profit	**2,225**	**75,102**	**3,083**	**420**
Financial expenses	(25,955)	(21,097)	(6,626)	(5,103)
Financial income	2,804	2,586	1,658	1,239
Exchange differences, net	(17,570)	14,764	(616)	4,675
(Loss) profit before Income tax	**(38,496)**	**71,355**	**(2,501)**	**1,231**
Income tax expense	(2,554)	(22,730)	(1,574)	(551)
Deferred income tax	6,099	972	1,912	(300)
(Loss) profit for the year/period	**(34,951)**	**49,597**	**(2,163)**	**380**
Operating Profit (*)	50,450	94,414	11,727	6,171
Depreciation and Amortization	14,136	9,393	5,103	1,591
EBITDA	**64,586**	**103,807**	**16,830**	**7,762**

(*) excludes other income & expenses (Non-recurring items) and workers' profit sharing.

COPEINCA

CONDENSED CONSOLIDATED FINANCIAL INFORMATION

STATEMENT OF COMPREHENSIVE INCOME

For the year ended	31 December 2013 (Unaudited) USD 000	31 December 2012 (Unaudited) USD 000
Net (Loss) profit	(34,951)	49,597
Currency translation differences	(41,675)	15,755
Comprehensive (loss) income for the year	**(76,626)**	**65,352**
Attributable to:		
Equity holders of the parent	(76,626)	65,352

COPEINCA

CONDENSED CONSOLIDATED FINANCIAL INFORMATION

BALANCE SHEET

	As of December 31,		
	2013	2012	2011
	(Unaudited)	(Audited)	(Audited)
	USD 000	USD 000	USD 000
ASSETS			
Non-current Assets			
Property, Plant and Equipment	241,577	276,726	258,525
Licenses	215,036	235,705	222,936
Other Intangible Assets	882	980	792
Goodwill	139,693	153,119	144,824
	597,188	666,530	627,077
Current Assets			
Amount due from intermediate holding company	220,188	-	-
Inventories	76,315	19,686	63,886
Trade Accounts Receivable	6,539	15,037	24,103
Other Accounts Receivable	21,698	13,847	17,958
Cash and cash equivalents	8,034	39,090	60,490
	332,774	87,660	166,437
Total assets	**929,962**	**754,190**	**793,514**
EQUITY			
Share Capital	65,891	55,004	55,589
Share Premium	398,497	282,358	285,648
Other Reserves	14,224	5,145	-
Cummulative Translation Adjustment	(24,465)	16,824	1,069
Retained Earnings	9,857	1,192	(1,432)
(Loss) profit for the period/Year	(34,951)	49,597	47,769
Total equity	429,053	410,120	388,643
LIABILITIES			
Non-current Liabilities			
Long-Term Borrowings	249,906	201,919	218,488
Deferred Income Tax	72,567	86,006	82,270
Long-Term Provisions	5,760	6,921	6,057
	328,233	294,846	306,815
Current Liabilities			
Short-term borrowings	130,067	-	25,355
Trade Accounts Payable	19,005	10,181	15,907
Other Accounts Payable	14,839	17,093	34,223
Current Portion of deferred income	-	30	138
Current Portion of Long-term Borrowings	8,765	21,920	22,433
	172,676	49,224	98,056
Total liabilities	500,909	344,070	404,871
Total equity and liabilities	**929,962**	**754,190**	**793,514**

COPEINCA

CONDENSED CONSOLIDATED FINANCIAL INFORMATION

CASH FLOW STATEMENT

USD Million	For the quarter ended 31 Dec 2013	31 Dec 2012	For the year ended 31 Dec 2013	31 Dec 2012
CF from operations	89.8	6.4	(52.1)	84.1
CF from investment	0.4	(3.3)	(13.0)	(18.8)
CF from financing	(117.1)	(5.3)	34.0	(86.7)
Net change in cash	(26.9)	(2.2)	(31.1)	(21.4)
Opening balance	34.9	41.3	39.1	60.5
Cash and Cash equivalents	**8.0**	**39.1**	**8.0**	**39.1**

CONDENSED CONSOLIDATED FINANCIAL INFORMATION

STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Other reserves	Cumulative translation adjustment	Retained earnings	Total Equity
	USD 000	USD 000	USD 000	USD 000	USD 000	USD 000
Balances as of 31 December 2011	**55,589**	**285,648**	**-**	**1,069**	**46,337**	**388,643**
Legal reserve	-	-	5,145	-	(5,145)	-
Share buy-back program	(585)	(3,290)	-	-	-	(3,875)
Dividends	-	-	-	-	(40,000)	(40,000)
Exchange difference	-	-	-	15,755	-	15,755
Net profit for the year	-	-	-	-	49,597	49,597
Balances as of 31 December 2012	**55,004**	**282,358**	**5,145**	**16,824**	**50,789**	**410,120**
Legal reserve	-	-	5,085	-	(5,085)	-
Share buy-back program	713	4,104	3,994	-	-	8,811
Dividends	-	-	-	-	(35,847)	(35,847)
Exchange difference	-	-	-	(41,289)	-	(41,289)
Proceeds from share issued	10,174	112,035	-	-	-	122,209
Net loss for the year	-	-	-	-	(34,951)	(34,951)
Balances as of 31 December 2013	**65,891**	**398,497**	**14,224**	**(24,465)**	**(25,094)**	**429,053**

COPEINCA

Major Shareholders as of 14 January 2014

Investor	Shares	%
Grand Success Investment	43,877,450	62.50
EUROCLEAR BANK S.A.	26,167,142	37.28
Other minor investors	155,408	0.22
	70,200,000	**100.00**

Selected Disclosure Notes

Note 1: Basis of presentation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the European Union.

Note 2: Significant accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2012, as described in those annual financial statements. Income taxes in the interim periods are accrued using the effective tax rate that would be applicable to the expected total annual earnings.

Change in accounting policy

Depreciation method was changed from Units of production method to Straight-line method starting on 2 September 2013 in order improve the presentation of the figures and align financial reporting to Management objectives and vision. The previous period number has not been restated, as the management is of the view the cost involved does not justify the benefits to restate for previous period.

Note 3: Segment information

The chief operating decision-maker has been identified as the Chief Executive Officer. The CEO reviews the Company's internal reporting in order to assess performance and allocate resources. Management has determined one operating segment based on these reports.

Management considers the business from both a geographic and product perspective. From a product perspective, management assesses the performance of fishmeal and fish oil in a consolidated basis. These products are sold in worldwide markets. Other products sold by the Company include raw material (anchovy) and other minor fish.

The CEO assesses the performance of the operating segments based on a measure of adjusted earnings before interest, tax, depreciation and amortization (EBITDA). This measurement basis excludes the effects of non-recurring expenditures from the operating segments, such as deferred income taxes. Interest income and expenditures are not included in the result for each operating segment that is reviewed by the CEO.

Note 4: Borrowings and loans

As of 31 December 2013, the company subscribed contracts for inventory financing by the amount of USD 192.4 million, with diverse local banks (BBVA Continental, Interbank, Santander, Credito, Scotiabank and Bladex) with an average rate of 3%. In addition Copeinca repaid inventory loan in the amount of USD 62.3 million. Short term financing was obtained in the amount of USD 3.5 million with Multibank. Senior notes were issued in the amount of USD 75.0 million.

In 2013 the company repaid USD 43.7 million of long-term borrowings composed of USD 29.8 million from sale and leaseback operations, USD 19.4 million from payment of coupons offset by USD 5.5 million from interest received from the bonds.

The movement of the borrowings is analyzed as follows:

Borrowings and loans	As at	
	31 December 2013 USD 000	31 December 2012 USD 000
Non-current	249,906	201,919
Current	138,832	21,920
Total	**388,738**	**223,839**

Movements in borrowings are analysed as follows:	
Year ended 31 December 2012	
Opening amounts as at 1 January 2012	266,276
Bank overdrafts and loans obtained	70,403
Payment of borrowings and inventory financing	(95,758)
Repayments of borrowings	(17,082)
Closing amount as at 31 December 2012	223,839
Year ended 31 December 2013	
Opening amounts as at 1 January 2013	223,839
Bonds	75,000
Inventory financing obtained	192,385
Loans obtained	3,500
Payment of borrowings and inventory financing	(62,318)
Repayments of borrowings	(43,668)
Closing amount as at 31 December 2013	388,738

Note 5: Use of NON-IFRS measures

In order to keep consistencies with the Senior Notes issuing management decided to calculate the EBITDA as operating profit plus depreciation and amortization, plus workers' profit sharing minus other income plus other expenses. In the discussion of operating results, COPEINCA refers to certain non- IFRS financial measures such as EBITDA. All comparative periods have been restated in order to keep consistency in the figures.

COPEINCA's management makes regular use of these measures to evaluate the performance, both in absolute terms and comparatively from period to period.

Although EBITDA is a widely used financial indicator of a company's ability to service and incur debt, you should not consider it in isolation, as an alternative to net income, as an indicator of our operating performance or as a substitute for analysis of our results as reported under IFRS, since, among others:

- it does not reflect our cash expenditures, or future requirements for capital expenditures or contractual commitments;
- it does not reflect changes in, or cash requirements for, our working capital needs;
- it does not reflect our interest expense or the cash requirements to service the interest or principal payments of our debt;
- it does not reflect any cash income taxes or employees' profit sharing we may be required to pay;
- it does not reflect the effect of non-recurring expenses or gains;
- it is not adjusted for all non-cash income or expense items that are reflected in our statements of changes in financial position.

Because of the above, our EBITDA measure should not be considered a measure of discretionary cash available to us to invest in the growth of our business or as a measure of cash that will be available to us to meet our obligations. EBITDA is not a recognized financial measure under IFRS and it may not be comparable to similar titled measures presented by other companies in our industry because not all companies use the same definition. As a result, you should rely primarily on our IFRS results and use our EBITDA measurement only as a supplement.

COPEINCA

Appendix

Table 1 - Key Figures

Key figures	For the year ended December 31, 2013	2012	For the quarter ended December 31, 2013	2012
Volume Sold	**MT**	**MT**	**MT**	**MT**
Fishmeal and fish oil	126,099	220,685	35,547	31,841
Mackerel and Jack mackerel	7,712	11,869	326	-
Results	**USD 000**	**USD 000**	**USD 000**	**USD 000**
Sales	209,726	314,219	53,239	49,336
Gross profit	75,026	117,357	17,123	10,678
Operating profit	2,225	75,102	3,083	420
Loss/Profit before Income Tax	(38,496)	71,355	(2,501)	1,231
Loss/Profit for the period/year	(34,951)	49,597	(2,163)	380
EBITDA	64,586	103,807	16,830	7,762
Percentages	**%**	**%**	**%**	**%**
EBITDA Margin	30.8	33.0	31.6	15.7
Gross Margin	35.8	37.3	32.2	21.6

Table 2 - Administrative Expenses for the fourth quarter 2013

Administrative Expenses	Q4-2013 (1) USD 000	Q4-2012 (2) USD 000	Variation 2013-2012 (1)-(2) USD 000
Personnel	812	1,567	(755)
Services rendered by third parties	1,498	1,829	(331)
Taxes	28	34	(6)
Depreciation and amortization	212	83	129
Other management charges	268	173	95
	2,818	3,686	(868)
Workers' profit sharing	92	210	(118)
Total	**2,910**	**3,896**	**(986)**

Table 3 – Selling Expenses for the fourth quarter 2013

Selling Expenses	35,547 MT Q3-2013 (1) USD 000	31,841 MT Q3-2012 (2) USD 000	3,706 MT Variation 2013-2012 (1)-(2) USD 000
Shipment expenses and certification	2,480	1,944	536
Payroll	361	359	2
Assorted expenses	505	487	18
Transportation	48	(1)	49
	3,394	2,789	605
Workers' profit sharing (*)	40	57	(17)
Total selling expenses	**3,434**	**2,846**	**588**
Total SE / MT excluding WPS (*)	**96**	**88**	**8**
Total SE / MT	**97**	**89**	**8**

Table 4 - Production Cash Costs for the year

NORTH ZONE				
	II F. Season 2013	II F. Season 2012	I F. Season 2013	I F. Season 2012
Own Fleet RM	66.8%	72.0%	73.7%	70.8%
Third Party RM	33.2%	28.0%	26.3%	29.2%
Production	**MT**	**MT**	**MT**	**MT**
Fishmeal	80,816	29,639	71,183	93,827
Fishoil	11,569	3,687	14,497	25,844
Total Production	**92,385**	**33,326**	**85,680**	**119,671**
Production Yield (FM & FO)	28.2%	27.8%	29.1%	29.9%
	USD/MT	**USD/MT**	**USD/MT**	**USD/MT**
Production Cost Own Fleet	604	1,107	665	659
Production Cost Third Party	1,161	1,849	1,354	1,207
Total Production Cost	789	1,314	848	819

Production cash cost for the second fishing season was USD 789/MT, USD 525/MT lower than in the corresponding period in 2012. The difference is mainly explained by purchases of raw material at lower prices and lower fuel consumption of the fleet. Please refer to Table 4 in Appendix.

Table 5 – Administrative Expenses as of December 31st 2013

Administrative Expenses	Dec-13 (1) USD 000	Dec-12 (2) USD 000	Variation 2013-2012 (1)-(2) USD 000
Personnel	6,056	5,766	290
Services rendered by third parties	6,022	5,982	40
Taxes	196	169	27
Depreciation and amortization	457	263	194
Other management charges	874	806	68
	13,605	12,986	619
Workers' profit sharing	92	877	(785)
Total	**13,697**	**13,863**	**(166)**

Table 6 – Selling Expenses as of December 31st 2013

Selling Expenses	126,099 MT Dec-13 (1) USD 000	220,685 MT Dec-12 (2) USD 000	-94,586 MT Variation 2013-2012 (1)-(2) USD 000
Shipment expenses and certification	8,168	12,933	(4,765)
Payroll	1,440	1,334	106
Assorted expenses	2,054	2,365	(311)
Transportation	127	285	(158)
	11,789	16,917	(5,128)
Workers' profit sharing (*)	40	354	(314)
Total selling expenses	**11,829**	**17,271**	**(5,442)**

Total SE / MT excluding WPS (*)	**93**	**77**	**16**
Total SE / MT	**94**	**78**	**16**

For further information, please contact:

CEO José Miguel Tirado : jtirado@copeinca.com.pe

CFO Isaac Finger : ifinger@copeinca.com.pe

+ 51 1 213 4000 (CEST -6 hrs)