COPEINCA AS AND SUBSIDIARIES

CONDENSED UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
31 DECEMBER 2014 AND 31 DECEMBER 2013

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US$ = United States dollar
NOK = Norwegian Kroner
S/. = Nuevo Sol

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31 DECEMBER 2014 AND 2013

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COPEINCA AS AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As of 31 December 2014 US$000	As of 31 December 2013 US$000
ASSETS			
Non - current assets			
Property, plant and equipment	**8**	256,698	241,577
Fishing licenses	**9**	215,036	215,036
Goodwill	**9**	139,693	139,693
Other intangible assets	**9**	598	882
Amount due from related parties	**24**	85,329	99,225
Investment in associate		2,521	3,717
		699,875	700,130
Current assets			
Inventories	**10**	17,556	75,366
Deferred expenses		-	718
Trade accounts receivable	**11**	1,035	6,539
Other accounts receivable	**12**	14,846	17,924
Amount due from related parties	**24**	103,594	124,615
Short-term investments		-	5,977
Cash and cash equivalents		3,714	2,057
		140,745	233,196
Total assets		840,620	933,326
EQUITY			
Attributable to owners of the parent			
Share capital	**13**	65,891	65,891
Share premium	**13**	398,497	398,497
Legal reserve		10,230	10,230
Other reserves	**13**	3,994	3,994
Cumulative translation adjustment		(24,490)	(24,490)
Retained earnings		(7,150)	(25,575)
Total equity		446,972	428,547
LIABILITIES			
Non - current liabilities			
Long-term borrowings	**14**	-	249,906
Deferred income tax		62,289	72,682
Other accounts payable	**15**	7,838	6,341
		70,127	328,929
Current liabilities			
Bank loans and short-term debt	**14**	287,786	129,855
Trade accounts payable	**15**	11,513	14,437
Other accounts payable	**15**	22,368	24,562
Accounts payable to related parties	**24**	472	6,996
Current income tax payable		1,382	-
		323,521	175,850
Total liabilities		393,648	504,779
Total equity and liabilities		840,620	933,326

COPEINCA AS AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	For the twelve-month period ended 31 December		For the quarter ended 31 December	
		2014	2013	2014	2013
		(unaudited)	(audited)	(unaudited)	(audited)
		US$000	US$000	US$000	US$000
Sales	16	270,260	209,726	37,798	53,239
Cost of goods sold	17	(192,892)	(134,729)	(46,724)	(36,145)
Gross profit		77,368	74,997	(8,926)	17,094
Selling expenses	18	(12,658)	(11,813)	(1,781)	(3,418)
Administrative expenses	19	(11,363)	(15,038)	(2,774)	(4,251)
Other income	20	7,247	2,164	525	512
Other expenses	20	(11,083)	(50,730)	(1,470)	(9,499)
Operating profit		49,511	(420)	(14,426)	438
Finance income	21	13,418	3,484	3,077	2,338
Finance costs	21	(25,454)	(24,221)	(5,512)	(4,892)
Exchange difference, net		(18,762)	(17,648)	(19,560)	(694)
Profit (loss) before income tax		18,713	(38,805)	(36,421)	(2,810)
Income tax expense (gain)	23	(1,103)	3,373	14,367	166
Profit (loss) for the period/year		17,610	(35,432)	(22,054)	(2,644)
Attributable to:					
Equity holders of the company		17,610	(35,432)	(22,054)	(2,644)

The notes on pages from 9 to 22 are an integral part of these consolidated financial statements

COPEINCA AS AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	For the twelve-month period ended 31 December		For the quarter ended 31 December	
	2014	**2013**	**2014**	**2013**
	(unaudited)	**(audited)**	**(unaudited)**	**(audited)**
	US$000	**US$000**	**US$000**	**US$000**
Profit (loss) for the period	17,610	(35,432)	(22,054)	(2,644)
Items that may be subsequently reclassified to profit or loss:				
Cumulative translation adjustment	-	(41,314)	-	(1,800)
Total comprehensive income (loss) for the period/year	17,610	(76,746)	(22,054)	(4,444)
Attributable to:				
Equity holders of the Company	17,610	(76,746)	(22,054)	(4,444)

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The notes on pages from 9 to 22 are an integral part of these consolidated financial statements

COPEINCA AS AND SUBSIDIARIES
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2014 AND 2013

	Note	Share capital US$000	Share premium US$000	Legal reserve US$000	Other reserves US$000	Cumulative translation adjustment US$000	Retained earnings US$000	Total equity US$000
Balances as of 1 January 2013		55,004	282,358	5,145	-	16,824	50,789	410,120
Loss for the period		-	-	-	-	-	(35,432)	(35,432)
Cumulative translation adjustment		-	-	-	-	(41,314)	-	(41,314)
Total comprehensive income		-	-	-	-	(41,314)	(35,432)	(76,746)
Dividend distribution		-	-	-	-	-	(35,847)	(35,847)
Transfer to reserves		-	-	5,085	-	-	(5,085)	-
Sale of shares		713	4,104	-	3,994	-	-	8,811
Proceeds from shares issued		10,174	112,035	-	-	-	-	122,209
Balances as of 31 December 2013		65,891	398,497	10,230	3,994	(24,490)	(25,575)	428,547
Balances as of 1 January 2014		65,891	398,497	10,230	3,994	(24,490)	(25,575)	428,547
Change in functional currency						-	815	815
Balances as of 1 January 2014		65,891	398,497	10,230	3,994	(24,490)	(24,760)	429,362
Profit for the period		-	-	-	-	-	17,610	17,610
Total comprehensive income		-	-	-	-	-	17,610	17,610
Balances as of 31 December 2014		65,891	398,497	10,230	3,994	(24,490)	(7,150)	446,972

The notes on pages from 9 to 22 are an integral part of these consolidated financial statements

COPEINCA AS AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	For the year ended, 31 December 2014 (unaudited) US$000	2013 (audited) US$000
Cash flows from operating activities			
Cash generated from operations	**22**	111,877	(28,504)
Interest paid		(25,417)	(20,165)
Income tax paid		(1,952)	(1,662)
Net cash generated from (used in) operating activities		**84,508**	**(50,331)**
Cash flows from investing activities			
Purchase of property, plant and equipment	**8**	(36,029)	(15,430)
Purchase of intangible assets	**9**	(24)	(223)
Proceeds from sale of property, plant and equipment		1,151	2,953
Investment in associate		-	(3,179)
Short-term investments		5,977	(5,977)
Net cash used in investing activities		**(28,925)**	**(21,856)**
Cash flows from financing activities			
Amount due related parties		38,370	(219,000)
Repayment of bank loans and short-term loans		(203,702)	(62,529)
Proceeds from bank loans and short-term loans		138,990	145,585
Repayment of long-term borrowings		(69,284)	(49,311)
Proceeds from long-term borrowings		41,984	50,300
Proceeds from senior notes		-	75,000
Proceeds from privat placement		-	122,209
Proceeds from sale of treasury shares		-	8,811
Dividends paid		-	(35,847)
Net cash (used in) generated from financing activities		**(53,642)**	**35,218**
Net increase (decrease) in cash and cash equivalents		1,941	(36,969)
Cash and cash equivalents at beginning of the year		2,057	39,090
Exchange gains on cash and cash equivalents		(284)	(64)
Cash and cash equivalents at end of the year		**3,714**	**2,057**

The notes on pages from 9 to 22 are an integral part of these consolidated financial statements

COPEINCA AS (FORMERLY KNOWN AS “COPEINCA ASA”) AND SUBSIDIARIES

NOTES TO THE CONDENSED UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
31 DECEMBER 2014 AND 2013

1 GENERAL INFORMATION

Copeinca AS (“the Company”) and its subsidiaries (together, the “Group”) was incorporated in Norway as a Public limited liability company. The address of its registered office is Advokatfirmaet BA-HR DA, Tjuvholmen Allé 16, 0252 Oslo, Norway. The Company had its primary listing on the Oslo Børs Stock Exchange and a secondary listing on the Lima Stock Exchange.

On 18 March, 2014 the Shareholders of the Group decided to delist the company (note 13).

The Group is mainly engaged in the extraction of anchovy and its subsequent transformation into fishmeal and fish oil, for direct or indirect human consumption. Its products are mainly sold to China, Germany, Chile, Japan, Australia, Denmark, Belgium and Vietnam, among other foreign markets and Perú locally.

The Group is mainly engaged in the extraction of anchovy and its subsequent transformation into fishmeal and fish oil, for direct or indirect human consumption. Its products are mainly sold to China, Germany, Chile, Japan, Australia, Denmark, Belgium and Vietnam, among other foreign markets and Perú locally.

On 25 March 2014, Grand Success Investment Limited transferred all shares in Copeinca AS to CFG Investment S.A.C., domiciled in Perú, an indirect wholly-owned subsidiary of China Fishery Group Limited.

Dyer Coriat Holding S.L. was the ultimate parent company of the Group before 2 September 2013. On and after 2 September 2013, until 24 March 2014, its intermediate holding company is China Fishery Group Limited ("CFGL"), a company listed on the Singapore Securities Trading Limited ("SGX"). Pacific Andes Resources Development Limited ("PARD"), a company also listed on the SGX, was the intermediate holding company of CFGL and Pacific Andes International Holdings Limited, a company listed on The Stock Exchange of Hong Kong Limited ("HKEX"), is the intermediate holding company of PARD. The ultimate holding company of the Company is N.S. Hong Investment (BVI) Limited, a company incorporated in the British Virgin Islands.

Corporación Pesquera Inca S.A.C. (“Copeinca S.A.C.”) is the main operating company of the Group and it is located in Perú. As of 31 December 2014 and 2013, Copeinca S.A.C. is a wholly owned subsidiary of the Company which has a direct interest of 45.36% of its shares and indirect interest through Copeinca Internacional S.L.U (located in Spain) which has a 54.64% interest.

These condensed consolidated interim financial statements were approved for issue on 7 May 2015 by the Board of Directors.

2 BASIS OF PREPARATION

These condensed consolidated interim financial statements for the year ended 31 December 2014 have been prepared in accordance with IAS 34, ‘Interim financial reporting’. The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2013, which have been prepared in accordance with International Financial Reporting Standards (‘IFRS’) as approved by the European Union (IFRS’s as adopted by the EU), Interpretations of the International Financial Reporting Interpretations Committee ('IFRIC') and the Companies Act 2006 applicable to companies reporting under IFRS. The condensed consolidated interim financial statements are presented in United States dollars (US$) for convenience of the readers.

3 ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year except as described below.

a) *Change in accounting policy*
Copeinca S.A.C. located in Perú, the main operating subsidiary, Copeinca International and Copeinca AS, holding Companies located in Spain and Norway respectively, have changed the functional currency from Peruvian Nuevos Soles (S/.) to United States Dollars (US$) beginning on 1 January 2014. The change is made prospectively.

As acquired by Grand Success Investment Limited (hereinafter GSI) in 2013 and during the 1st half of 2014 the Peruvian Fishmeal operation is undergoing integration process. Most of Copeinca S.A.C.'s operation was being integrated into the existing operation of CFG Investment S.A.C. (hereinafter CFG SAC), where the functional currency of CFG SAC is US$ and which is also the functional currency of GSI. As such, for management control efficiency, the functional currency of Copeinca S.A.C. was changed from S/. to US$, to be consistent with the Group.

b) *Income taxes*

Income taxes in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

c) *New IFRS and interpretations that did not significantly affect reported amounts and their disclosures in the current year*

The following amendments to IFRSs and a new interpretation with mandatory application and effective for accounting periods beginning on or after January 1, 2014, which were not relevant to the Company's operations, are detailed below:

Amendments to IFRS 10, IFRS 12 and IAS 27

Amendments to IAS 32 Offsetting financial assets and financial liabilities

Amendments to IAS 36 Recoverable Amount Disclosures for Non-financial Assets

Amendments to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting

IFRIC 21 Levies

The application impact of these rules has been evaluated and the Company has determined that there are not any material impacts on the Group.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Group's critical accounting policies are also consistent with those disclosed in note 4 to the audited annual financial statements for the year ended 31 December 2013.

5 FINANCIAL RISK MANAGEMENT

The Group’s activities continue to be exposed to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flows interest rate risk and price risk), credit risk and liquidity risk. The Group’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group’s financial performance.

A thorough explanation of the Group’s risks and its approach to their identification, assessment and mitigation is included in note 3 to the annual financial statements. During the fourth quarter of 2014, there have been no changes on the Group’s exposure and risk management principles and processes in place as of 31 December 2013.

6 SEASONALITY OF OPERATIONS

The production of fishmeal and fish oil is subject to seasonal fluctuations which cause that in Peru fishing activities are carried on during two seasons established by law. Every year, the first season begins in April/May and ends in July and the second season begins in November and ends in December/January of the following year. As of 31 December 2014, the Instituto del Mar del Peru (IMARPE) has recommended no to open the second fishing season until stocks have recovered. Due to the absence of second fishing season in 2014, the Company has not deferred non-fishing expenses to January 2015. By the end of 2013, non-fishing period expenses incurred have been deferred to permit their allocation to the next fishing season’s production costs 2014, amount allocated ascended US$718 thousand.

7 SEGMENT INFORMATION

The chief operating decision maker has been identified as the Chief Executive Officer (the "CEO") of the Group. The CEO reviews the Group's internal reporting in order to assess performance and allocate resources.

The CEO determined that the Group has only one operating segment. The CEO assesses the performance of fishmeal and fish oil on a consolidated basis as their production process is closely related to each other. Fishmeal and fish oil are sold in worldwide markets. Other products sold by the Group include raw material, that is, anchovy and other minor fish. The CEO assesses the performance of the operating segment based on a formula that considers earnings before finance cost, taxation, depreciation, amortization, worker's profit sharing, other income and other expenses ("Adjusted Earnings"). Accordingly, it is determined that the Group has only one operating segment.

8 PROPERTY, PLANT AND EQUIPMENT

	Vessels and equipment of fleet US$000	Machinery and equipment US$000	Buildings and land US$000	Work in progress and other fixed assets US$000	Total US$000
Year ended 31 December 2013					
Opening net book value					
As of 1 January 2013	105,912	107,767	58,173	4,874	276,726
Additions	361	-	-	15,069	15,430
Disposals, net	(696)	(1,131)	(6)	(315)	(2,148)
Reclassification	6,287	7.242	2.004	(15,533)	-
Exchange differences	(9,138)	(9,404)	(5,087)	(383)	(24,012)
Write-off	(4,080)				(4,080)
Impairment charge	(5,515)	(930)	-	-	(6,445)
Depreciation charge	(6,879)	(4,471)	(2,057)	(487)	(13,894)
Closing net book value	86,252	99,073	53,027	3.225	241,577
At 31 December 2013					
Cost	134,709	154,042	69,421	7,651	365,823
Accumulated depreciation and impairment	(48,457)	(54,969)	(16,394)	(4,426)	(124,246)
Net book value	86,252	99,073	53,027	3,225	241,577
Year ended 31 December 2014					
Opening net book value					
As of 1 January 2014	86,252	99,073	53,027	3,225	241,577
Adjustment	429	833	454	160	1,876
Additions	-	-	-	36,029	36,029
Disposals, net	(548)	(926)	-	(39)	(1,513)
Reclassification	5,106	7,525	20,943	(33,574)	-
Impairment charge		(1,492)	(825)		(2,317)
Reversal of impairment	561	-	-		561
Depreciation charge	(9,632)	(6,764)	(2,589)	(530)	(19,515)
Closing net book value	82,168	98,249	71,010	5,271	256,698
At 31 December 2014					
Cost	131,198	142,930	83,555	10,216	367,899
Accumulated depreciation and impairment	(49,030)	(44,681)	(12,545)	(4,945)	(111,201)
Net book value	82,168	98,249	71,010	5,271	256,698

Depreciation expense is distributed as follows:

	2014 US$000	2013 US$000
Cost of goods sold (note 17)	19,090	13,528
Selling expenses (note 18)	4	7
Administrative expenses (note 19)	197	359
Other expenses (note 20)	224	-
	19,515	13,894

Main additions during the year ended 31 December 2014 are related to: i) acquisition of land and building for administrative office for an amount of US$16,301 thousand and US$2,817 thousand, respectively ii) investments in the environmental management program in the Bayovar and Ilo Plants for an amount of US$3,007 thousand, and US$2,188 thousand, respectively; iii) acquisition of fishing nets and investments in fleet equipment improvements for an amount of US$5,701 thousand; iv) acquisition of machinery improvements in Chancay Plant for an amount of US$4,696 thousand and then others for an amount of US$1,319 thousand.

Main disposals during the year ended 31 December 2014 are related to: i) Machinery and equipment from Plants for an amount of US$926 thousand, ii) Vessels and equipment of fleet for an amount of US$548 thousand and laboratory equipment in Chimbote plant for an amount of US$39 thousand.

9 INTANGIBLE ASSETS

			Other intangible assets		
	Fishing licenses US$000	Goodwill US$000	Software licenses US$000	Others US$000	Total US$000
Year ended 31 December 2013					
Opening net book value					
As of 1 January 2013	235,705	153,119	964	16	980
Additions	-	-	223	-	223
Exchange difference	(20,669)	(13,426)	(77)	(1)	(78)
Amortization charge	-	-	(243)		(243)
Closing net book amount	215,036	139,693	867	15	882
At 31 December 2013					
Cost	215,036	153,724	5,867	15	5,882
Accumulated amortization and impairment	-	(14,031)	(5,000)	-	(5,000)
Net book amount	215,036,	139,693	867	15	882
Year ended 31 December 2014					
Opening net book value					
As of 1 January 2014	215,036	139,693	867	15	882
Adjustment	-	-	8	-	8
Additions	-	-	24	-	24
Amortization charge	-	-	(316)	-	(316)
Closing net book amount	215,036	139,693	583	15	598
At 31 December 2014					
Cost	215,036	153,724	5,736	15	5,751
Accumulated amortization and impairment	-	(14,031)	(5,153)	-	(5,153)
Net book amount	215,036	139,693	583	15	598

Amortization expense is distributed as follows:

	2014 US$000	2013 US$000
Cost of goods sold (note 17)	156	118
Selling expenses (note 18)	36	27
Administrative expenses (note 19)	124	98
	316	243

10 INVENTORIES

	As of 31 December 2014 US$000	As of 31 December 2013 US$000
Finished goods:		
- Fishmeal	5,711	55,257
- Fish oil	4,688	13,966
- Raw material	-	215
-Spare parts, supplies and packaging	8,086	6,752
Provision for obsolete spare parts, supplies and packaging	(929)	(824)
	17,556	75,366

11 TRADE ACCOUNTS RECEIVABLE

	As of 31 December 2014 US$000	As of 31 December 2013 US$000
Trade accounts receivable - abroad	1,035	6,539
Doubtful accounts	-	-
	1,035	6,539
Less:		
Provision for doubtful accounts	-	-
	1,035	6,539

12 OTHER ACCOUNTS RECEIVABLE

	As of 31 December 2014 US$000	As of 31 December 2013 US$000
Accounts receivable from third party owners of vessels (a)	6,656	1,182
Refundable value added tax	1,400	3,937
Value-added tax credit (b)	574	6,725
Prepaid income tax	-	5,199
Claims to third parties	590	269
Personnel (c)	3,797	516
Insurance (d)	1,374	-
Others	455	96
Doubtful accounts	1,302	1,385
	16,148	19,309
Less: provision for doubtful accounts	(1,302)	(1,385)
	14,846	17,924

a) As of 31 December 2014, the second fishing season was not opened and the Company has continued giving granted loans to vessels owners for working capital purposes, which is expected to be discounted in the following fishing season. As of December 2013, the fishing season was about to finish, the loans were granted on August 2013 and as the third party vessels owners sold fish to the Company, the loans were repaid.

b) Value-added tax (VAT) relates to the tax credit in favor of Copeinca S.A.C. as exporter, which arises from its purchases of goods, services, construction contracts and importations, which exceeds the VAT payable on local sales. Copeinca S.A.C. has requested the refund of the VAT by an amount based on the sales made to foreign markets.

c) In 2014 accounts receivable to personnel increased mainly in US$2,574 thousand which corresponds to workers' profit sharing paid in advance from 2014 and 2015 profits for all workers in the Company.

d) As of 31 December 2014, the insurances paid in advance have been in force since May 2014 until August 2015. On the contrary, the insurances did not show any balances because the insurance policy was contracted from January to December 2013.

13 SHARE CAPITAL AND SHARE PREMIUM

a) Share capital -

The authorized, signed and paid-in capital under Copeinca ASA's by-laws as of 31 December 2014 comprises 70,200,000 common shares of NOK 5 nominal value each.

	Number of shares (In thousands)	**Share capital NOK 000**	**Share capital US$000**	**Share premium US$000**	**Total US$000**
Opening balance as of 1 January 2013	57,647	288,236	55,004	282,358	337,362
Sale of treasury shares	853	4,264	713	4,104	4,817
Issue of shares under private placement	11,700	58,500	10,174	112,035	122,209
Balance as of 31 December 2013	70,200	351,000	65,891	398,497	464,388
Opening balance as of 1 January 2014 and balances as of 31 December 2014	70,200	351,000	65,891	398,497	464,388

On 4 April 2013, the Company sold a total of 853 thousand treasury shares at a price of NOK59.7 (equivalent to US$10.33) per share.

On 5 April 2013, the Company issued 11,700 thousand new ordinary shares of NOK 5 (equivalent to US$0.83) each at an issue price of NOK 59.7 (equivalent to US$10.45) per share.

b) Share premium -

In 2013, share premium increased by US$4,104 thousand due to sale of treasury shares and US$112,035 thousand due to issue of shares under private placement.

c) Other reserves -

In 2013, the Company sold its treasury shares reaching a net gain of US$3,994 thousand (sale of US$8,811 thousand and a book value of US$4,817 thousand).

The Company's main subsidiary, Copeinca S.A.C.,detracted from its 2012 net profit amounting to US$5,085 thousand 10% to transfer the amount to the legal reserve in compliance of Peruvian legal requirements explained in note 17-a) to the annual financial statements.

d) Share buy-back program -

The total program was carried out for a total of 852,993 shares at an average price of US$5.65 per share totaling US$4,817 thousand. The Company is acquiring its own shares in order to increase the stock value. These shares are shown as a 'treasury shares' in its consolidated financial statements.

On 4 April 2013, the Company sold its treasury shares at a price of NOK59.7 (equivalent to US$10.33) per share.

e) Annual General Meeting -

According to the General Meeting held on 30 June, the following was agreed:

Approval of Financial statements
Approval of the annual consolidated and separate financial statements of Copeinca AS and the Board of Directors Report of 2013.

According to the Extraordinary Meeting held on 22 April 2014, the following was agreed:

Change of Auditors
The change of auditors from Pricewaterhousecoopers AS to Deloitte AS was agreed.

According to the extraordinary General Meeting held on 18 March 2014, the following was agreed:

De-listing of the shares of the company from Oslo Børs
In accordance with the board's proposal, the general meeting unanimously resolved as follows:
"Copeinca ASA shall promptly apply to Oslo Børs for a de-listing of its shares from quotation at Oslo Børs pursuant to section 25 of the Norwegian Stock Exchange Act, cf. section 15.1 (4) of the Continuing obligations for stock exchange listed companies. Robin Bakken is appointed as the company's attorney in - fact to, for and on behalf of the Company, execute and deliver all applications, certificates, undertakings, documents and writings, and to do all such other acts and things, as he may in his or her sole discretion consider necessary or desirable in order to effect such de-listing, including to file a de-listing application for the Company with Oslo Børs."

De-listing of the shares of the company from Bolsa de Valores de Lima
In accordance with the board's proposal, the general meeting unanimously resolved as follows:
"Copeinca ASA shall promptly apply to Bolsa de Valores de Lima for a de-listing of its shares from quotation at Bolsa de Valores de Lima pursuant to applicable Bolsa de Valores de Lima rules. Francisco Paniagua is appointed as the company's attorney-infact to, for and on behalf of the Company, execute and deliver all applications, certificates, undertakings, documents and writings, and to do all such other acts and things, as he may in his sole discretion consider necessary or desirable in order to effect such de-listing, including to file a delisting application for the Company with Bolsa de Valores de Lima and/or the SMV."

Transformation from public to private limited liability company
The company is transformed from a public limited liability company (ASA) to a private limited liability company (AS) cf. section 15-1 of the Norwegian Public Limited Liability Companies Act. This resolution shall enter into force as of when the general meeting has resolved to apply for de-listing of the shares of the company from Oslo Børs and Bolsa de Valores de Lima, Oslo Børs and Bolsa de Valores de Lima have resolved to de-list such shares and the de listings have become effective."

14 BORROWINGS AND LOANS

	As of 31 December 2014 US$000	As of 31 December 2013 US$000
Non-current	-	249,906
Current	287,786	129,855
	287,786	379,761

Re-tap of US$75 million bonds -

On January 2013, Copeinca S.A.C. reopened its US$175 million 9.00% senior notes due in 2017 raising gross proceeds of US$75 million, which are guaranteed by Copeinca ASA. The issue of these notes corresponds to a single issue of the US$175 million 9.00% senior notes due 2017. The total aggregate principal amount of the 9.00% senior notes due in 2017 outstanding following such reopening amounts to US$250 million. The net proceeds from the additional bond issue were used to repay lease obligations, to fund capital expenditures and for general corporate purposes.

15 TRADE AND OTHER ACCOUNTS PAYABLE

	As of 31 December 2014 US$000	As of 31 December 2013 US$000
Trade accounts payable:		
Invoices payable	8,208	14,437
Notes payable	3,305	-
	11,513	14,437
Other accounts payable:		
Payroll, social security and other taxes	4,072	7,966
Workers' profit-sharing (a)	4,200	874
Loans to third parties	347	291
Accrued expenses (b)	3,583	4,178
Provisions (c)	9,031	8,129
Bank loans interest (d)	8,785	8,976
Other accruals	188	489
	30,206	30,903
Non-current portion	(7,838)	(6,341)
Current portion	22,368	24,562

a) Workers profit-sharing is higher in the current year because of higher profits during the year ended as of 31 December 2014.
b) Accrued expenses in 2014 were composed mainly by US$1,822 thousand and US$1,200 thousand related to surveillance services and moving cost for administrative office, respectively.
c) Provisions related to legal claims increased in US$1,097 thousand because of new labour trials and administrative proceedings.
d) Bank loans interest is composed mainly by US$ 8,750 thousand related from bonds in both periods.

16 SALES

Revenues from sales relate to the following products and services:

	For the year ended 31 December 2014 US$000	31 December 2013 US$000
Fishmeal	195,757	174,409
Fish oil	53,016	29,754
Mackerel/Jack mackerel	3,065	4,516
Anchovy	16,173	931
Rent of quota	2,086	-
Others	163	116
	270,260	209,726

The corresponding quantities (Metric Tons) shipped and sold were:

	For the year ended 31 December 2014 MT	31 December 2013 MT
Fishmeal	123,596	111,857
Fish oil	26,421	14,242
Mackerel/Jack mackerel	6,422	7,712
Anchovy	62,775	3,787
	219,214	137,598

17 COST OF GOODS SOLD

The cost of goods sold for the period comprises:

	For the year ended 31 December 2014 US$000	31 December 2013 US$000
Opening balance of finished products	70,156	13,577
Consumption of raw materials and other materials	64,911	106,783
Employee benefits expenses	28,312	42,381
Depreciation	19,090	13,528
Amortization	156	118
Other manufacturing expenses	20,666	28,498
Closing balance of finished products	(10,399)	(70,156)
	192,892	134,729

18 SELLING EXPENSES

Selling expenses comprise:

	For the year ended	
	31 December 2014	31 December 2013
	US$000	US$000
Employee benefits expenses	1,282	1,464
Custom duties	9,308	7,617
Services rendered by third parties	1,510	2,217
Other management charges	518	481
Depreciation	4	7
Amortization	36	27
	12,658	11,813

19 ADMINISTRATIVE EXPENSES

Administrative expenses comprise:

	For the year ended	
	31 December 2014	31 December 2013
	US$000	US$000
Employee benefits expenses	4,206	6,248
Services rendered by third parties	4,933	5,775
Other taxes	1,229	1,251
Other management charges	674	1,307
Depreciation	197	359
Amortization	124	98
	11,363	15,038

20 OTHER INCOME AND OTHER EXPENSES

Other income and other expenses comprise:

	For the year ended	
	31 December 2014	31 December 2013
	US$000	US$000
Other income:		
Administrative and operating service income net	266	-
Net gain on sale of fixed assets	-	805
Recovery of provisions (a)	5,087	291
Gain on leasing operation	-	121
Gain on sale of diesel and supplies	347	324
Impairment reversion	561	-
Other operating income	986	623
	7,247	2,164

Other expenses:

Expenses related to the search of strategic alternatives to the

non-solicited takeover and issuance of additional capital	-	(18,820)
Termination benefits paid to former management	-	(6,342)
Fee for the early termination of agreements	-	(3,055)
Net loss on sale of fixed assets	(363)	-
Write-off of net book value of fixed assets (note 6)	-	(4,080)
Expenses from non-operating vessels (b)	(1,531)	-
Depreciation from non-operating vessels	(224)	-
Fines and sanctions	(754)	(1,506)
Employee severance indemnities (c)	(2,761)	(827)
Provisions for legal lawsuits and administrative proceedings (d)	(2,676)	(5,427)
Expenses from prior years	-	(2,641)
Impairment loss of fixed assets	(2,317)	(6,445)
Other operating expenses	(457)	(1,587)
	(11,083)	(50,730)

a) Mainly comprises the recovery of Alejandra's vessel insurance reimbursement which amounts to US$4,241 thousand.

b) Comprise the expenses of surveiliance of the non-operating vessels (5 vessels)

c) Comprise the cost of the lay-off of 48 (3 in 2013) crew members, 69 (4 in 2013) plant workers and 120 (4 in 2013) of administrative personnel amounting to US$2,761 thousand (US$827 thousand in 2013).

d) Explained by US$1,259 thousand of legal lawsuits paid (US$5,209 thousand in 2013) and US$1,417 thousand of administrative proceedings paid (US$218 thousand in 2013).

e) Include US$295 thousand from the impairment of the investment in Aproferrol.

21 FINANCE INCOME AND COSTS

The detail of finance income and costs comprise:

	For the year ended	
	31 December 2014	**31 December 2013**
	US$000	**US$000**
Finance income:		
Interest on accounts receivable to related parties	13,291	2,413
Interest on short-term deposits	4	331
Interest on other accounts receivable	50	475
Bonds (amortized cost)	-	265
Others	73	-
Total finance income	13,418	3,484

Interest expenses:		
Bonds	(22,500)	(22,181)

	2014	2013
Bank borrowings	(963)	(233)
Finance leases	-	(84)
Inventory financing	(730)	(498)
Factoring commissions	(704)	(446)
Bonds (amortized cost)	(15)	-
Others	(542)	(779)
Total finance costs	(25,454)	(24,221)
Finance income and costs, net	(12,036)	(20,737)

22 CASH GENERATED FROM OPERATIONS

	For the year ended 31 December 2014 US$000	31 December 2013 US$000
Profit (loss) before income tax	18,713	(38,805)
Adjustments for:		
Depreciation (note 8)	19,515	13,894
Amortization (note 9)	316	243
Loss/gain on sale of property and equipment	363	3,275
Impairment	2,317	6,445
Impairment reversion	(561)	-
Share options granted to employees	-	767
Foreign exchange losses on operating activities	-	64
Finance costs, net	12,036	20,737
Changes in working capital (net of the effects of acquisition and exchange differences on consolidation):		
Inventories	58,528	(51,996)
Trade accounts receivables	5,504	11,860
Other accounts receivable	(20,206)	(3,965)
Trade accounts payable	(2,924)	11,101
Other accounts payable	18,276	(2,124)
Cash generated from operations	111,877	(28,504)

23 INCOME TAX EXPENSE

Income tax in interim periods is accrued using the tax rate that would be applicable to expected total annual profit or loss. The estimated average annual tax rate used for the year 2014 and 2013 is 30%. The income tax expense shown in the statement of profit or loss comprises:

	For the year ended 31 December 2014 US$000	31 December 2013 US$000
Current	(11,080)	(2,611)
Deferred	9,977	5,984
	(1,103)	3,373

24 RELATED-PARTY TRANSACTIONS

The balances are as follows:

	As of 31 December 2014 US$000	As of 31 December 2013 US$000
Amount due from related parties	188,923	223,840
Accounts payable to related parties	(472)	(6,996)
	188,451	216,844

Amount due from related parties
The amount due from intermediate holding company (China Fisheries International Limited) comprises loans for corporate uses, has a one-year term, unsecured and bears an annual interest of 5%.
The amount due from related parties (CFG Investment S.A.C.) comprises loans, sale of fish and sale of supplies.

25 GUARANTEES

Type of asset	Encumbered creditor	Name of the asset	Type of indebtedness	Fair Value US$000	Type of guarantee
Vessel	Petroperú	Rodga I	Line of credit	44,531	Mortgage
Vessel	Interbank	Ribar XVIII	Line of credit	20,453	Mortgage
Total				64,984	