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ANNOUNCEMENT
FURTHER CAPITAL INCREASE TO THE JV COMPANY

This announcement is made by PME Group Limited (the “Company”) on a voluntary basis.

Reference is made to the announcement of the Company dated 30 December 2011 (the “Announcement”) in relation to the increase of the JV Company’s registered capital from RMB140 million to RMB300 million. Capitalized terms used in this announcement shall have the same meanings as defined in the Announcement unless otherwise stated.

The Board is pleased to announce that on 27 June 2012, Upmove, an indirect wholly-owned subsidiary of the Company, entered into an agreement with the JV Partner, pursuant to which each of Upmove and the JV Partner has agreed to make a further capital contribution of RMB15 million each to the JV Company (the “Further Capital Increase”), in accordance with their respective 50% shareholdings in the JV Company.

After the Further Capital Increase, the JV Company’s registered capital will be increased from RMB300 million to RMB330 million. The Group’s shareholdings in the JV Company will remain the same, and the JV Company will remain accounted for as a jointly controlled entity of the Group.

The Capital Increase has provided funding to the JV Company for its construction of two new 70,000-ton berths with an expected total annual handling capacity from 20,000,000 tons to 24,000,000 tons. While the construction of the new berths is on schedule, the Further Capital Increase will provide a further funding support for the JV Company to facilitate its construction process and reduce its reliance on debt financing.

The two new berths are expected to be ready for operation on or before fourth quarter this year. With the increased handling capacity of the JV Company, it is expected that the revenues and operating performance of the JV Company will be significantly enhanced in the long run.

By order of the Board of
PME Group Limited
Cheng Kwok Woo
Chairman

Hong Kong, 27 June 2012

As at the date of this announcement, the directors of the Company are (1) Mr. Cheng Kwok Woo, Ms. Yeung Sau Han Agnes, Ms. Chan Shui Sheung Ivy and Mr. Lai Ka Fai as executive directors; and (2) Mr. Leung Yuen Wing, Mr. Lam Kwok Hing Wilfred and Mr. Goh Choo Hwee as independent non-executive directors.

* *For identification purpose only*