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SUPPLEMENTAL MEMORANDUM OF UNDERSTANDING

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board announces that on 1 February 2010, Platinum Expert, a wholly-owned subsidiary of the Company, and Excel Business entered into the Supplemental Memorandum pursuant to which Platinum Expert will subscribe for 51% of the entire share capital of the JV Company at HK\$300 million in cash while Excel Business will subscribe for 49% of the entire share capital of the JV Company through injection of the Interest into the Holding Company. Excel Business undertakes that the Interest shall be subject to review by professional accountant or valuer designated by Platinum Expert and the value of which will not be less than HK\$2,000 million while Platinum Expert undertakes that HK\$300 million cash resources earmarked for the subscription shall be available before the execution of the Formal Agreement.

Save as disclosed above, all other terms of the Memorandum remain unchanged.

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

Reference is made to the announcement of the Company dated 18 January 2010 (the “Announcement”) in relation to, among other matters, the Proposed Investment. Unless defined otherwise, terms used herein shall have the same meaning as those defined in the Announcement.

THE SUPPLEMENTAL MEMORANDUM

The Board announces that on 1 February 2010, Platinum Expert Limited (“Platinum Expert”), a wholly-owned subsidiary of the Company, and Excel Business Enterprises Limited (“Excel Business”) entered into a supplemental strategic cooperation memorandum (the “Supplemental Memorandum”) pursuant to which Platinum Expert will subscribe for 51% of the entire share capital of the JV Company at HK\$300 million in cash while Excel Business will subscribe for 49% of the entire share capital of the JV Company through injection of the equity interest (the “Interest”) into the Holding Company. Excel Business undertakes that the Interest shall be subject to review by professional accountant or valuer designated by Platinum Expert and the value of which will not be less than HK\$2,000 million while Platinum Expert undertakes that HK\$300 million cash resources earmarked for the subscription shall be available before the execution of the formal agreement.

Save as disclosed above, all other terms of the Memorandum remain unchanged.

As the Proposed Investment may or may not proceed, shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

GENERAL

The Company will comply with the applicable provisions of the Listing Rules in relation to the Proposed Investment. Further announcement(s) will be made by the Company when the parties sign the Formal Agreement or decides to terminate the Memorandum (as amended by the Supplemental Memorandum) or when there is material development on the Proposed Investment.

By Order of the Board
PME Group Limited
Tin Ka Pak
Executive Director

Hong Kong, 1 February 2010

As at the date of this announcement, the Board comprises Mr. Cheng Kwok Woo, Mr. Cheng Kwong Cheong, Ms. Yeung Sau Han Agnes, Ms. Chan Shui Sheung Ivy and Mr. Tin Ka Pak as executive directors; and Mr. Leung Yuen Wing, Mr. Soong Kok Meng and Mr. Chow Fu Kit Edward as independent non-executive directors.

** For identification purpose only*