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CLARIFICATION ANNOUNCEMENT REGARDING ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

Reference is made to the annual report for the year ended 31 December 2013 (the "Annual Report") of PME Group Limited (the "Company") published on the websites of The Stock Exchange of Hong Kong Limited and the Company on 29 April 2014. Unless defined otherwise, capitalized terms used herein shall have the same meanings as those defined in the Annual Report.

In addition to the information provided in the Annual Report, the Company would like to further inform the shareholders and potential investors of the Company the following information:-

Issue of New Shares

On 25 January 2013, the Company entered into the subscription agreements with Sino Life Insurance Co., Ltd. and On Tak Lee Trading Limited in relation to the subscription of 800,000,000 and 200,000,000 new ordinary shares in the share capital of the Company at HK\$0.355 per subscription share respectively. The aggregate nominal value of the new shares was HK\$10,000,000.

Sino Life Insurance Co., Ltd. is an insurance company incorporated in the PRC with limited liability. As at 31 December 2013, it held approximately 18.20% of the issued share capital of the Company. On Tak Lee Trading Limited is a logistic, trading and investment holdings company incorporated in Hong Kong with limited liability.

The subscription represents an opportunity to raise additional capital for the Company, strengthen the financial position of the Company and enhance the shareholders base.

The net proceeds raised from the subscription were approximately HK\$355 million, of which (i) approximately HK\$210 million would be used for the development of terminal and logistics business of the Company in Rizhao city, Shandong Province, the PRC; and (ii) balance of approximately HK\$145 million would be used for general working capital and future strategic investments of the Group. As at 31 December 2013, approximately HK\$37 million from the subscription was utilized for the general working capital (mainly administrative expenses) of the Company. Besides, in February 2014, the Company used approximately HK\$64 million (equivalent to RMB50 million) from the subscription to increase the capital of Rizhao Lanshan to further develop the terminal and logistics business. Please refer to the Company's announcement dated 20 January 2014 for the details of the capital increase.

The net price to the Company was approximately HK\$0.355 per each subscription share.

The trading in the shares of the Company was halted on 25 January 2013 in relation to the subscription. The closing price of the Company's shares on 24 January 2013, the last trading date for the Company's shares prior to the entering into the subscription agreements, was HK\$0.43 per share.

The above clarification does not affect other information contained in the Annual Report and, save as disclosed in this announcement, the remaining contents of the Annual Report remain unchanged.

By order of the Board
PME Group Limited
Wong Lik Ping
Chairman

Hong Kong, 25 July 2014

As at the date of this announcement, the Board comprises (1) Mr. Wong Lik Ping, Ms. Yeung Sau Han Agnes, Mr. Lai Ka Fai, Mr. Wang Liang, Mr. Shi Chong and Mr. Feng Gang as executive directors; (2) Mr. Cheng Kwok Woo as non-executive director, and (3) Mr. Lam Kwok Hing Wilfred, Mr. Goh Choo Hwee, Mr. Ho Hin Yip and Mr. U Keng Tin as independent non-executive directors.

* *For identification purpose only*