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Pingtan Marine Enterprise Announces Signing of Master Agreement to Acquire 46 Fishing Vessels For Approximately \$410.1 Million

Vessel Purchases Expected to Be Immediately Accretive to Earnings

FUZHOU, China, June 20, 2013 /PRNewswire/ -- **Pingtan Marine Enterprise Ltd. (Nasdaq: PME), ("Pingtan," or the "Company")** an integrated marine services company providing territorial sea fishing and dredging services in the People's Republic of China (PRC), today announced that the Company recently expanded its fleet through the signing of a "Master Agreement" to purchase 46 fishing trawlers in a transaction totaling approximately \$410.1 million. After a thorough third-party appraisal process, the Master Agreement was signed between Pingtan and Fuzhou Honglong Ocean Fishery Co., Ltd., or "Hong Long," a company owned by Pingtan's Chairman and CEO, Mr. Xinrong Zhou, for a combination of cash, debt, and relief of prior debt obligations from Hong Long.

The transaction is subject to the receipt of government approvals; however Pingtan began operating the vessels upon the signing of this agreement. The Company immediately began reporting operating results from this transaction for a short period in the current second quarter, with a full quarter beginning in the third quarter of 2013.

(Photo: <https://photos.prnewswire.com/prnh/20130620/CN35511>)

Description of Assets – Appraisal Process

The Company expects these vessels will greatly increase its fish harvest volume, revenue, and profitability. Pingtan's fleet increases from 40 to 86 and its carrying capacity (fish) increases by approximately 45,000 to 50,000 tons (effectively doubling the Company's current capacity). While the revenues generated vary depending on location, the Company expects each vessel to contribute revenues of approximately \$3-\$3.5 million annually, and net income of approximately \$1 million.

These additions to Pingtan's fleet have an average age of approximately 10.3 years, including 20 newly-built and pre-owned fishing trawlers, which is a method of actively dragging or pulling a trawl (fishing net) along the sea. These trawler vessels are fully licensed to fish in Indonesian waters, and are currently operating in the Arafura Sea in Indonesia. The Company sells approximately 30 different species of fish, primarily from

Indonesia and India, to over 300 distributors and retailers in the PRC.

As part of this transaction process, Pingtan and Hong Long underwent a thorough appraisal process from a globally recognized appraiser, BMI Appraisals Limited ("www.bmi-appraisals.com"). BMI Appraisals is one of the leading valuation companies and has been engaged by more than 1,000 companies, of which more than one-half are listed companies in Hong Kong, China and overseas. The total transaction value was approved by Pingtan's Independent Directors and equals the appraisal value that was determined by BMI Appraisal's independent research.

Transaction Details

As previously announced, the Company and its independent directors agreed with Mr. Zhuo that previously existing debt due to the Company in accordance with the terms of the share purchase agreement pursuant to which the Company acquired its fishing business could be repaid with fishing vessels from Hong Long. The total purchase price of approximately \$410.1 million includes:

- (A) \$200,000,000 (RMB 1,233,020,000) in cash consideration from Pingtan to Hong Long;
- (B) The relief of \$54,851,485 (RMB 338,164,890), constituting the outstanding amount of any remaining related party debt to be repaid by Hong Long to Pingtan; and
- (C) An amount of \$155,166,195 (RMB 956,615,110) in accordance with the terms of a promissory note issued by Pingtan to Hong Long.

Management Comments

Mr. Zhuo stated, "When we closed our business transaction earlier this year, one of Pingtan's primary goals was to scale up its fishing operation quickly and efficiently. We felt that the short and long-term opportunity from China's growing consumer demand could provide significant benefits to companies that were well-capitalized and positioned to take advantage. The primary barrier to entry has been obtaining the necessary licenses to operate these vessels. In an effort to prevent overfishing, the exclusive economic zones off the coasts of India and Indonesia have only provided licenses to select companies. Our entire management team felt that by acquiring the assets and licenses described above which were owned by Hong Long, we could quickly build our fleet to a competitive scale while simultaneously lowering the average age of our current fleet."

Mr. Zhou concluded, "Our Independent Directors underwent a thorough process of valuing these vessels, which included engaging a well-established third-party firm to arrive at a fair price of the assets based on current market conditions. As always, we are attempting to be as transparent about the process as we can. At Pingtan, we are very excited about the possibility of taking a leading share in a highly fragmented global fishing market. We feel that our company has the distribution network in place to properly execute on our plan of becoming a leading provider of quality fishing products for China's growing consumer demand."

About Pingtan

Pingtan is a marine enterprises group, engaging in dredging services and ocean fishing through two wholly-owned subsidiaries, China Dredging Group, or CDGC, and Merchant Supreme, and their respective PRC operating subsidiaries, Fujian Xing Gang Port Service Co., Ltd., or Fujian Service, PingTan XingYi Port Service Co., Ltd., or PingTan XingYi and Fujian Provincial Pingtan County Ocean Fishing Group Co., Ltd., or Pingtan Fishing.

Pingtan Fishing primarily engages in ocean fishing with many of its self-owned vessels operating within the Indian Exclusive Economic Zone and the Arafura Sea of Indonesia. Pingtan Fishing is a growing fishing company and provider of high quality seafood in the PRC.

Fujian Service provides specialized dredging services exclusively to the PRC marine infrastructure market and is, based on the number and capacity of the dredging vessels it operates, one of the leading independent (not state-owned) providers of such services in the PRC. Since its inception, it has functioned exclusively as a specialist subcontractor, performing dredging services for other companies licensed to function as general contractors. PingTan XingYi's Build-Transfer ("BT") strategy, commenced in 2012, is expected to expand the pipeline and provide more control over its projects as it assumes the role of a general contractor.

For additional information about Pingtan, please visit the corporate website at www.ptmarine.com.

Business Risks and Forward-Looking Statements

This press release may contain forward-looking statements that are subject to the safe harbors created under the Securities Act of 1933 and the Securities Exchange Act of 1934. Readers are cautioned that actual results could differ materially from those expressed in any forward-looking statements. In addition, please refer to the risk factors contained in Pingtan's SEC filings available at www.sec.gov, including Pingtan's most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Definitive Proxy Statement. Readers are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date on which they are made. Pingtan undertakes no obligation to update or revise any forward-looking statements for any reason.

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