

**BROADWAY INDUSTRIAL GROUP LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number 199405266K)  
(the “Company”)

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**INCREASE IN REGISTERED CAPITAL OF SUBSIDIARIES**

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The board of directors of the Company wishes to announce the following:

**1. Increase in registered capital of Shanghai Broadway Packaging & Insulation Materials Co., Ltd. (“SHBW”)**

SHBW, a 96.47% owned subsidiary of the Company, has increased its registered capital from US\$5,255,000 to US\$17,255,000 (the “**SHBW Capital Increase**”). The SHBW Capital Increase was made to comply with the terms of SHBW’s business license.

The SHBW Capital Increase was funded through a combination of cash injection and the conversion of undistributed profits of SHBW by SHBW’s existing shareholders, the Company and a party unrelated to the Company, in proportion to their shareholdings of 96.47% and 3.53% respectively in SHBW.

Following the Capital Increase, SHBW remains a 96.47% owned subsidiary of the Company.

**2. Increase in registered capital of Compart Hi-Precision (Suzhou) Co., Ltd (“CHSUZ”)**

CHSUZ, an indirect wholly-owned subsidiary of the Company, has increased its registered capital from US\$8,000,000 to US\$9,964,127.93 (the “**CHSUZ Capital Increase**”).

The CHSUZ Capital Increase was effected by way of the capitalization of an inter-company loan granted by Compart Asia Pte Ltd (“**CA**”), the sole shareholder of CHSUZ, to CHSUZ.

Following the CHSUZ Capital Increase, CHSUZ remains a wholly-owned direct subsidiary of CA and a wholly-owned indirect subsidiary of the Company.

The SHBW Capital Increase and the CHSUZ Capital Increase are not expected to have a material impact on the net tangible assets or earnings per share of the Group for the financial year ending 31 December 2013.

None of the Directors or the controlling shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the matters referred to above.

By Order of the Board

**Broadway Industrial Group Limited**

6 January 2014