

**Current report No 22/2013**

Date: 11.06.2013

Subject: **INCREASE OF THE SHARE CAPITAL**

Further to current report no 21/2013, KDM Shipping Public Limited (the "**Company**") informs that on 11 June 2013 the sale of 2,000,000 existing Company shares held by KM Management Limited (the "**Shares**") has been settled in the Polish National Depository System. Proceeds from the sale of Shares has been used to subscribe by KM Management Limited for 2,000,000 new shares in the Company at issue price of PLN 30 per share.

On 11 June 2013 the Board of Directors of the Company, acting pursuant to the resolution of the Extraordinary General Meeting dated 17 May 2013, resolved to allot and issue to KM Management Limited 2,000,000 new shares in the Company each ranking pari passu with the existing shares. As a result, the issued share capital of the Company has been increased from EURO 72,960.00 (divided into 7,296,000 shares of nominal value of EURO 0.01 each) to Euro 92,960.00 (divided into 9,296,000 shares of nominal value EURO 0.01 each). Increase of capital has been already completed.

At the moment, it is not intended to dematerialise and apply for listing the shares acquired by KM Management Limited on the Warsaw Stock Exchange, however such decision may be adopted in the future.

***Legal Grounds:** Art. 56 section 1 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies dated 29 July 2005 in conjunction with Cyprus Companies Law Cap. 113 (as amended)*