
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Oriental Group Company Limited, you should at once hand this circular to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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CHINA ORIENTAL GROUP COMPANY LIMITED
中國東方集團控股有限公司*
(incorporated in Bermuda with limited liability)
(Stock Code: 581)

**PROPOSED GRANTING OF GENERAL MANDATES
TO ISSUE NEW SHARES AND TO REPURCHASE SHARES AND
PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an Annual General Meeting of China Oriental Group Company Limited to be held at Gloucester Room, 2/F., Mandarin Oriental Hong Kong Hotel, 5 Connaught Road, Central, Hong Kong on Wednesday, 31 May 2017 at 2:30 p.m. is set out on pages 16 to 19 of this circular.

Shareholders are advised to read the notice. Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting (or any adjourned meeting thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting should you so wish.

* *For identification purposes only*

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DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context requires otherwise:

“Annual General Meeting”	the annual general meeting of the Company to be held at Gloucester Room, 2/F., Mandarin Oriental Hong Kong Hotel, 5 Connaught Road, Central, Hong Kong on Wednesday, 31 May 2017 at 2:30 p.m., notice of which is contained in this circular
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Auditors”	the auditors for the time being of the Company
“Bermuda Companies Act”	the Companies Act 1981 of Bermuda
“Board”	the board of Directors of the Company
“Bye-laws”	Bye-laws of the Company
“Company”	China Oriental Group Company Limited, a company incorporated in Bermuda with limited liability whose Shares are listed on the main board of the Stock Exchange
“Directors”	the director(s) of the Company
“Group”	the Company and its Subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	as defined in paragraph 2(b) of the Letter from the Board
“Latest Practicable Date”	21 April 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	as defined in paragraph 2(a) of the Letter from the Board
“SFC”	the Securities and Futures Commission of Hong Kong

DEFINITIONS

“SFO”	the Securities and Futures Ordinance of Hong Kong
“Share(s)”	share(s) in the Company with a nominal value of HK\$0.10 each
“Shareholders(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance (Chapter 622 of the laws of Hong Kong)) of the Company
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers issued by the SFC
“%”	per cent

LETTER FROM THE BOARD



CHINA ORIENTAL GROUP COMPANY LIMITED
中國東方集團控股有限公司*
(incorporated in Bermuda with limited liability)
(Stock Code: 581)

Executive Directors:

Mr. Han Jingyuan
(Chairman and Chief Executive Officer)

Mr. Zhu Jun
Mr. Shen Xiaoling
Mr. Zhu Hao
Mr. Han Li

Non-executive Director:

Mr. Ondra Otradovec

Independent Non-executive Directors:

Mr. Wong Man Chung, Francis
Mr. Wang Tianyi
Mr. Wang Bing

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

**Principal place of business in
Hong Kong:**

Suites 901-2 & 10
9th Floor, Great Eagle Centre
23 Harbour Road
Wanchai, Hong Kong

27 April 2017

To the Shareholders

Dear Sir or Madam,

**PROPOSED GRANTING OF GENERAL MANDATES
TO ISSUE NEW SHARES AND TO REPURCHASE SHARES AND
PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for, inter alia, (i) the granting of the Repurchase Mandate to the Directors; (ii) the granting of the Issuance Mandate to the Directors; (iii) the extension of the Issuance Mandate by adding to it the number of shares repurchased by the Company under the Repurchase Mandate; and (iv) the re-election of retiring Directors.

* For identification purposes only

LETTER FROM THE BOARD

2. PROPOSED GRANTING OF THE REPURCHASE AND ISSUANCE MANDATES

At the last annual general meeting of the Company held on 27 May 2016, general mandates were granted to the Directors to exercise the powers of the Company to repurchase Shares and to issue new Shares respectively. Such mandates will lapse at the conclusion of the Annual General Meeting.

Ordinary resolutions will be proposed at the Annual General Meeting to approve the granting of new general mandates to the Directors:

- (a) to repurchase Shares on the Stock Exchange of up to 10% of the existing issued share capital of the Company on the date of passing of such resolution (the “Repurchase Mandate”);
- (b) to issue, allot or deal with Shares of up to 20% of the share capital of the existing share capital of the Company in issue on the date of passing of such resolution (the “Issuance Mandate”); and
- (c) to extend the Issuance Mandate by the number of shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Issuance Mandate and the Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the Annual General Meeting or any earlier date as referred to in ordinary resolutions nos. 5 and 6, as set out in the notice of the Annual General Meeting. With reference to the Repurchase Mandate and the Issuance Mandate, the Directors wish to state that they have no immediate plan to repurchase or issue any Shares pursuant thereto.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in the Appendix I to this circular.

3. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

Pursuant to clause 86(2) of the current Bye-laws, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorization by the Shareholders in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Shareholders in general meeting. Any Director so appointed by the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at the meeting.

LETTER FROM THE BOARD

On 15 July 2016, the Company announced that Mr. Wang Bing was appointed by the Board as an Independent Non-executive Director of the Company with effect from 15 July 2016.

According to the above provision, Mr. Wang Bing shall retire from office at the Annual General Meeting and, being eligible, will offer himself for re-election at the Annual General Meeting.

Pursuant to clause 87 of the current Bye-laws, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from rotation provided that the Chairman of the Board and/or the Managing Director shall not whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year. The Director(s) to retire by rotation shall be the Director(s) who has/have been longest in office since his or her or their last re-election or appointment. As between persons who became or were last re-elected Directors on the same day, the person(s) to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed pursuant to clause 86(2) of the current Bye-laws shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation. A retiring Director shall be eligible for re-election by the Shareholders at the relevant annual general meeting of the Company.

According to the above provisions, Mr. Shen Xiaoling and Mr. Wong Man Chung, Francis (“Mr. Wong”) shall retire from office at the Annual General Meeting and, being eligible, will offer themselves for re-election at the Annual General Meeting.

Pursuant to Provision A.4.3 of Appendix 14 of the Listing Rule, if an independent non-executive director serves more than 9 years, any further appointment of such independent non-executive director should be subject to a separate resolution to be approved by shareholders. Upon the expiry of the current employment contract, Mr. Wong has served on the Board for more than 12 years. As an independent non-executive director with extensive experience and knowledge in accounting and auditing and in-depth understanding of the Company’s operations and business, Mr. Wong has expressed objective views and given independent guidance to the Company over the years, and he continues demonstrating affirm commitment to his role. The Company has received from Mr. Wong a confirmation on independence pursuant to Rule 3.13 of the Listing Rules. The nomination committee of the Company considers that the long service of Mr. Wong would not affect his exercise of independent judgement and is satisfied that Mr. Wong has the requisite character, integrity and experience to continue fulfilling the role of an independent non-executive director. The Board considers the re-election of Mr. Wong as an Independent Non-executive Director of the Company is in the best interest of the Company and Shareholders as a whole.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any Director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to

LETTER FROM THE BOARD

shareholders' approval at that relevant general meeting. The requisite details of Mr. Shen Xiaoling, Mr. Wong Man Chung, Francis and Mr. Wang Bing are set out in Appendix II of this circular.

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 16 to 19 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the granting of the Repurchase Mandate and the Issuance Mandate, the extension of the Issuance Mandate by the addition thereto of the number of Shares repurchased pursuant to the Repurchase Mandate and the re-election of the retiring Directors.

All votes of the Shareholders at the Annual General Meeting shall be taken by poll pursuant to Rule 13.39(4) of the Listing Rules. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular.

To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting if you so wish.

5. RESPONSIBILITY STATEMENT

This circular for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

6. RECOMMENDATION

The Directors consider that the granting of the Repurchase Mandate, the granting of the Issuance Mandate, extension of the Issuance Mandate and the re-election of the retiring Directors are in the best interests of the Company, the Group and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

7. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory Statement to Repurchase Mandate) and Appendix II (Details of the Directors proposed to be re-elected at the Annual General Meeting) to this circular.

By Order of the Board
China Oriental Group Company Limited
Han Jingyuan
Chairman and Chief Executive Officer

APPENDIX I EXPLANATORY STATEMENT TO REPURCHASE MANDATE

The following is an explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Repurchase Mandate.

1. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Repurchase Mandate is in the interests of the Company and the Shareholders as a whole. Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised of 3,517,709,000 paid up Shares.

Subject to the passing of the resolution no. 6 regarding grant of the Repurchase Mandate set out in the Notice of the Annual General Meeting and on the basis that no Shares are issued or repurchased by the Company between the Latest Practicable Date and the date of the Annual General Meeting, the Directors would be authorised to repurchase up to 351,770,900 paid up Shares (10% of the issued and paid up Shares of the Company) during the Relevant Period (as defined in paragraph 6(d) of the Notice of Annual General Meeting).

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association, the current Bye-laws, the laws of Bermuda and/or any other applicable laws.

The Company is empowered by its memorandum of association and the current Bye-laws to repurchase Shares. The laws of Bermuda provide that the amount of capital paid in connection with a share repurchase by a Company may only be paid out of either the capital paid up on the relevant shares, or the funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for such purpose. The amount of premium payable on repurchase may only be paid out of funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company before the shares are repurchased.

APPENDIX I EXPLANATORY STATEMENT TO REPURCHASE MANDATE

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2016) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. TAKEOVERS CODE

If, as a result of a Share repurchase, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and becomes obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mr. Han Jingyuan together with Wellbeing Holdings Limited and Chingford Holdings Limited (collectively "Mr. Han and His Controlled Companies"), and ArcelorMittal Holdings AG ("AM Holdings AG") respectively held approximately 35.70% and 39.16% of the issued shares of the Company. Assuming that no Shares are issued or repurchased by the Company prior to the date of the Annual General Meeting and the Directors exercise the Repurchase Mandate in full from its Shareholders other than from Mr. Han and His Controlled Companies and AM Holdings AG in accordance with the terms of the ordinary resolution to be proposed at the Annual General Meeting, the shareholdings of Mr. Han and His Controlled Companies and AM Holdings AG in the Company will increase to 39.67% and 43.51% respectively. Such increase of the shareholdings would give rise to an obligation for Mr. Han and His Controlled Companies and AM Holdings AG to make a mandatory general offer under Rule 26 of the Takeovers Code. However, the Directors do not have any present intention to exercise the Repurchase Mandate to such an extent as would give rise to such an obligation. Furthermore, as an issuer may not purchase its shares on the Stock Exchange if that purchase would result in the number of listed securities which are in the hands of the public falling below 25% of the total number of shares in issue for that issuer, and given that as at the Latest Practicable Date the public float of the Company was approximately 25.00%, the Directors do not and will not exercise the Repurchase Mandate in this regard.

6. GENERAL INFORMATION

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

APPENDIX I EXPLANATORY STATEMENT TO REPURCHASE MANDATE

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the laws of Bermuda.

7. MARKET PRICES OF SHARES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Shares	
	Highest	Lowest
	HK\$	HK\$
2016		
April (<i>Note</i>)	–	–
May	–	–
June	–	–
July	–	–
August	–	–
September	–	–
October	–	–
November	–	–
December	–	–
2017		
January	–	–
February	2.11	1.63
March	2.39	1.85
April (up to the Latest Practicable Date)	2.90	2.18

APPENDIX I EXPLANATORY STATEMENT TO REPURCHASE MANDATE

Note: Trading in the Shares had been suspended as from 29 April 2014 when the public float of the Company fell below 25%. The Stock Exchange indicated that the Company is required to suspend trading in the Shares until the minimum public float is restored. Public float of the Company was restored on 27 January 2017 and trading in the shares of the Company had been resumed on 1 February 2017. Details of public float status of the Company have been disclosed in the Company's announcements dated 30 December 2013, 11 April 2014, 5 May 2014, 30 May 2014, 6 July 2014, 20 August 2014, 26 August 2014, 5 September 2014, 16 October 2014, 21 November 2014, 16 December 2014, 13 February 2015, 18 March 2015, 16 April 2015, 15 May 2015, 29 May 2015, 15 June 2015, 17 July 2015, 14 August 2015, 14 September 2015, 6 October 2015, 6 November 2015, 7 December 2015, 7 January 2016, 5 February 2016, 4 March 2016, 7 April 2016, 9 May 2016, 10 May 2016, 10 June 2016, 8 July 2016, 10 August 2016, 12 September 2016, 12 October 2016, 15 November 2016, 15 December 2016, 16 January 2017, 22 January 2017 and 27 January 2017 and the announcement of the Stock Exchange dated 27 July 2016.

8. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the six months (whether on the Stock Exchange or otherwise) preceding the Latest Practicable Date.

APPENDIX II **DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Pursuant to the Listing Rules, the details of the Directors who will retire at the Annual General Meeting according to the current Bye-laws and will be proposed to be re-elected at the Annual General Meeting are provided below.

Mr. Shen Xiaoling, (“Mr. Shen”), aged 56, Executive Director

Mr. Shen Xiaoling, aged 56, is an Executive Director (appointed on 1 July 2005) of the Company and also serves as a director of certain subsidiaries of the Company. He obtained a diploma in management from the Hebei Province Communist Party School in 2001. Before joining the Group, Mr. Shen was the head of China Construction Bank Luanxian Sub-branch. Mr. Shen also had 5 years experience acting as the Head of China Construction Bank Qianxi Sub-branch and more than 6 years of experience as the deputy head of Bank of China Qianxi Sub-branch. Mr. Shen has been the deputy general manager of Hebei Jinxi Iron and Steel Group Company Limited (“Jinxi Limited”), a subsidiary of the Company, during the period January 2002 to October 2015. Mr. Shen was redesignated as the Chairman of Supervisory Board of Jinxi Limited since October 2015. Mr. Shen is a minority shareholder of Wellbeing Holdings Limited, the controlling shareholder of the Company.

Save as disclosed above, Mr. Shen does not have any position with the Company and other members of the Group and did not hold any directorship with other listed companies in the past three years preceding the Latest Practicable Date.

Pursuant to the service contract entered into between the Company and Mr. Shen, Mr. Shen’s appointment as an Executive Director is for a fixed term of three years and terminable by either party with three months’ written notice. Mr. Shen is also entitled to a director’s fee of HK\$400,000 per annum. The emoluments specified in another service contract appointing Mr. Shen as the Chairman of Supervisory Board of Jinxi Limited is HK\$1,000,000 per annum and such amount of discretionary bonus which the Company may decide to pay. Such emoluments are determined by the remuneration committee of the Company with reference to his qualification and experience, responsibilities to be undertaken, and the prevailing market level of remuneration of similar position.

As at the Latest Practicable Date, Mr. Shen holds 2,400,000 Shares, representing approximately 0.07% of the issued share capital of the Company, and was interested in the share options of 7,800,000 Shares, representing approximately 0.22% of the issued share capital of the Company, within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Shen does not have any relationship with any directors, senior management or substantial or controlling Shareholders of the Company.

Save as disclosed above, there are no other matters which need to be brought to the attention of the Shareholders in relation to the proposed re-election of Mr. Shen as an Executive Director, and there is no other information required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

APPENDIX II DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Mr. Wong Man Chung, Francis, (“Mr. Wong”), aged 52, Independent Non-executive Director

Mr. WONG Man Chung, Francis, aged 52, is a Certified Public Accountant (Practising) and has over 28 years of experience in auditing, taxation, corporate internal control and governance, acquisition and financial advisory, corporate restructuring and liquidation, family trust and wealth management. He is currently an Independent Non-executive Director (“INED”) and chairman of the audit committee and remuneration committee and member of nomination committee of the Company. Mr. Wong is also an INED of Digital China Holdings Limited, Wai Kee Holdings Limited, Integrated Waste Solutions Group Holdings Limited, Greenheart Group Limited, GCL-Poly Energy Holdings Limited (appointed on 1 April 2016), Kunming Dianchi Water Treatment Co., Ltd (appointed on 23 June 2016), China New Higher Education Group Limited (appointed on 20 March 2017), Hilong Holding Limited (appointed on 24 March 2017), and the shares of these companies are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Mr. Wong is the managing director of Union Alpha C.P.A. Limited and a director of Union Alpha CAAP Certified Public Accountants Limited, both are professional accounting firms, and a Founding Director and member of Francis M. C. Wong Charitable Foundation Limited, a charitable institution. Previously, Mr. Wong worked for KPMG, an international accounting firm for 6 years and the Hong Kong Securities Clearing Company Limited for 2 years. Mr. Wong is a fellow member of the Association of Chartered Certified Accountants, the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants, a certified tax adviser of the Taxation Institute of Hong Kong, and a fellow member of the Society of Chinese Accountants & Auditors. Mr. Wong holds a master degree in management (管理學碩士) conferred by Guangzhou Jinan University (廣州暨南大學), the PRC.

Save as disclosed above, Mr. Wong does not have any position with the Company and other members of the Group and did not hold any directorship with other listed companies in the past three years preceding the Latest Practicable Date.

Pursuant to the service contract entered into between the Company and Mr. Wong, Mr. Wong’s appointment as an Independent Non-executive Director is for a fixed term of one year. Mr. Wong is also entitled to a director’s fee of HK\$400,000 per annum. Such emoluments are determined by the remuneration committee of the Company with reference to his qualification and experience, responsibilities to be undertaken, and the prevailing market level of remuneration of similar position.

As at the Latest Practicable Date, Mr. Wong was interested in the share options of 6,600,000 Shares, representing approximately 0.19% of the issued share capital of the Company, within the meaning of Part XV of the SFO.

Mr. Wong, who has served the Board for more than twelve years, confirmed that he has satisfied all factors set out in Rule 3.13 of the Listing Rules in accessing his independence. Save as disclosed above, Mr. Wong does not have any relationship with any directors, senior management or substantial or controlling Shareholders of the Company.

APPENDIX II **DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Save as disclosed above, there are no other matters which need to be brought to the attention of the Shareholders in relation to the proposed re-election of Mr. Wong as an Independent Non-executive Director, and there is no other information required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Mr. Wang Bing, (“Mr. Wang”), aged 51, Independent Non-executive Director

Mr. Wang Bing, aged 51, is an Independent Non-executive Director of the Company (appointed on 15 July 2016), graduated from Peking University with a Bachelor degree in Law in 1986 and obtained a Doctor degree in International Law from the Research Institute of Hiroshima University in 1995. Mr. Wang has over 21 years of experience in practicing law. In 1986, Mr. Wang joined Ministry of Human Resources and Social Security of the People’s Republic of China, then worked for the Policy Research Office. He worked at Zhong Lun Law Firm from July 1995 to May 1998. Mr. Wang joined Beijing W&H Law Firm since May 1998 and currently, he is the Senior Partner of Beijing W&H Law Firm. Mr. Wang is qualified to practice law in PRC. Mr. Wang was once the Independent Director of Shanxi Lanhua Sci-tech Venture Company Limited from May 2003 to May 2009 and Fujian Guanhong Holding Company Limited from May 2009 to May 2011. He is currently an Independent Director of Shanxi Tianji Coal Chemical Group Company Limited since May 2008 and Shangdong SINO-AGRI United Biotechnology Company Limited since January 2016. In addition, Mr. Wang acted an external Director of Beijing Fashion Holdings Company Limited (formerly known as “Beijing Textile Holding Company Limited”) which is a wholly-owned company of State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality since February 2015.

Save as disclosed above, Mr. Wang does not have any position with the Company and other members of the Group and did not hold any directorship with other listed companies in the past three years preceding the Latest Practicable Date.

Pursuant to the services contract entered into between the Company and Mr. Wang, Mr. Wang’s appointment as an Independent Non-executive Director is for a fixed term of one year. Mr. Wang is also entitled to a director’s fee of HK\$400,000 per annum. Such emoluments are determined by the remuneration committee of the Company with reference to his qualification and experience, responsibilities to be undertaken, and the prevailing market level of remuneration of similar position.

As at the Latest Practicable Date, Mr. Wang did not have any interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Wang does not have any relationship with any directors, senior management or substantial or controlling Shareholders of the Company.

**APPENDIX II DETAILS OF THE DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Save as disclosed above, there are no other matters which need to be brought to the attention of the Shareholders in relation to the proposed re-election of Mr. Wang as an Independent Non-executive Director, and there is no other information required to be disclosed pursuant to any of the requirement of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



CHINA ORIENTAL GROUP COMPANY LIMITED
中國東方集團控股有限公司*
(incorporated in Bermuda with limited liability)
(Stock Code: 581)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Company will be held at Gloucester Room, 2/F., Mandarin Oriental Hong Kong Hotel, 5 Connaught Road, Central, Hong Kong on Wednesday, 31 May 2017 at 2:30 p.m. and at any adjournment thereof, for the following purposes:

1. To receive, consider and adopt the audited consolidated financial statements together with the Directors' Report and the Independent Auditor's Report of the Group for the year ended 31 December 2016.
2. To declare a final dividend of HK\$0.05 per share and a special dividend of HK\$0.10 per share for the year ended 31 December 2016.
3. (a) To re-elect Mr. Shen Xiaoling as an Executive Director;
(b) To re-elect Mr. Wong Man Chung, Francis, as an Independent Non-executive Director;
(c) To re-elect Mr. Wang Bing as an Independent Non-executive Director; and
(d) To authorize the Board of Directors to fix the Directors' remuneration.
4. To re-appoint PricewaterhouseCoopers as the Auditor of the Company and to authorize the Board of Directors to fix their remuneration.
5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraph 5(c) below, the exercise by the Directors of the Company during the Relevant Period (as defined in paragraph 5(d) below) of all powers of the Company to issue, allot and deal with the additional shares in the share capital of the Company and to make or grant offers, agreements

* For identification purposes only

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and options which might require the exercise of such powers either during or after the Relevant Period be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph 5(a) above shall authorize the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal value of share capital to be issued, allotted, dealt with or agreed conditionally or unconditionally to be issued, allotted or dealt with (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph 5(a) above, otherwise than pursuant to a Rights Issue (as defined in paragraph 5(d) below) or to the share option schemes of the Company, shall not exceed 20% of the aggregate nominal value of the share capital of the Company in issue at the date of passing this resolution and the said approval pursuant to paragraph 5(a) above shall be limited accordingly; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by applicable law of Bermuda and the current Bye-Laws to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution passed by the Shareholders of the Company in general meeting;

“Rights Issue” means an offer of shares or options to subscribe for shares open for a period fixed by the Directors of the Company to holders of shares on the register of members of the Company, on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements and having regard to any restrictions of obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

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6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraph 6(c) below, the exercise by the Directors of the Company during the Relevant Period (as defined in paragraph 6(d) below) of all the powers of the Company to repurchase issued shares in the capital of the Company, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph 6(a) above shall be in addition to any other authorization given to the Directors of the Company;
- (c) the aggregate nominal value of share capital of the Company, which the Company is authorized to repurchase on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on another stock exchange recognized for this purpose by The Securities and Futures Commission and the Stock Exchange under Hong Kong Code on Share Repurchases pursuant to the approval in paragraph 6(a) above during the Relevant Period, shall be no more than 10 per cent of the aggregate nominal value of the existing issued share capital of the Company at the date of passing this resolution, and the authority pursuant to the paragraph 6(a) above shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within the next annual general meeting of the Company is required by applicable law of Bermuda and the current Bye-Laws to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution passed by the Shareholders of the Company in general meeting.”

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7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT**, conditional upon the passing of the ordinary resolution as set out in resolutions nos. 5 and 6 above, the general mandate granted to the Directors pursuant to resolution no. 5 above be and is hereby extended by the addition thereto of an amount representing the aggregate nominal value of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution no. 6 above, provided that such amount shall not exceed 10% of the aggregate nominal value of the share capital of the Company in issue at the date of passing this resolution.”

By Order of the Board
China Oriental Group Company Limited
Han Jingyuan
Chairman and Chief Executive Officer

Hong Kong, 27 April 2017

Notes:

- (1) A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and vote on his or her behalf. A proxy need not be a member of the Company but must attend the Annual General Meeting in person to represent the member who/which appointed it. If more than one proxy is so appointed, the appointment shall specify the number of shares in respect of which each such proxy is so appointed.
- (2) To be valid, the form of proxy together with the authorization letter or other authority (if any) under which is signed or a certified copy thereof, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting, or any adjournment thereof.
- (3) Completion and delivery of the form of proxy will not preclude a member from attending and voting in person at the Annual General Meeting if the member so desires and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (4) Where there are joint holders of any share of the Company, any one of such holders may vote at the Annual General Meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such holders be present at the Annual General Meeting personally or by proxy, that one of such holders so present whose name stands first on the register of members of the Company in respect of such shall alone be entitled to vote in respect thereof.
- (5) Voting of the ordinary resolutions set out in this notice will be by way of poll.