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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)

ANNOUNCEMENT
PURSUANT TO RULE 13.09(2) OF THE LISTING RULES
AND
INSIDE INFORMATION PROVISIONS UNDER PART XIVA OF THE
SECURITIES AND FUTURES ORDINANCE

China Oriental Group Company Limited (the “**Company**”, and together with its subsidiaries collectively known as the “**Group**”) is issuing this announcement pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”) and the “**Inside Information Provision**” (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance of Hong Kong (“**SFO**”).

Reference is made to the announcements of the Company dated 30 December 2013 and 11 April 2014 (the “**Announcements**”) regarding the view from the Stock Exchange on the put option structure between ArcelorMittal, ING Bank N.V. (“**ING**”) and Deutsche Bank AG (“**DB**”) and the status of the Company’s public float. The Stock Exchange had reiterated its position that, after 30 April 2014, it will no longer accept any arrangement similar to that of the put options entered into between ArcelorMittal and ING (the “**ING Option**”) and between ArcelorMittal and DB (the “**DB Option**”) as a measure to restore the Company’s public float arising from ArcelorMittal’s mandatory general offer for the Company in 2008 and will require trading suspension of the shares of the Company if the public float requirement is not met by the Company. Unless otherwise stated, capitalized terms used herein shall have the same meaning ascribed in the Announcements.

The Board wishes to update the shareholders of the Company on the latest development and progress on the public float issue. The Board has been made aware of the following:

- On 28 April 2014, ArcelorMittal entered into an amendment and restatement agreement with ING to extend the ING Option until 30 April 2015.
- On 27 April 2014, ArcelorMittal entered into an agreement with Macquarie Bank Limited (“**Macquarie**”) to sell 219,789,940 shares in the Company to Macquarie (the “**Macquarie Sale**”) at an average price per share of HK\$1.7. At the same time, Macquarie entered into a put option arrangement with ArcelorMittal similar to the amended and restated terms of the ING Option.
- On 28 April 2014, DB exercised the DB Option to require ArcelorMittal to purchase 219,789,940 shares in the Company.
- On 30 April 2014, the sale of 219,789,940 shares in the Company by DB to ArcelorMittal from the exercise of the DB Option and the Macquarie Sale were completed at the same time.

Based on the above, the shareholding structure of the Company is as follows:

Name	Number of shares held	Percentage of the Company’s issued share capital
Mr. Han Jingyuan and his associates, Wellbeing Holdings Limited and Chingford Holdings Limited	1,320,302,849	45.04%
ArcelorMittal Holdings AG	867,711,151	29.60%
ING	289,990,800	9.89%
Macquarie	219,789,940	7.50%
Connected persons (other than the above)	7,200,000	0.25%
Subtotal	2,704,994,740	92.28%
Public shareholders	226,430,260	7.72%
Total	2,931,425,000	100.00%

The Stock Exchange has confirmed that it does not consider the above shareholding structure after the above arrangements to satisfy the public float requirement.

The Company has requested ArcelorMittal to provide further information regarding the above arrangements including but not limited to the exercise price for DB to put the shares to ArcelorMittal, the exercise price for the renewed ING Option, the exercise price for the put option granted to Macquarie by ArcelorMittal and whether the 219,789,940 shares of the Company under the DB Option be transferred directly from DB to Macquarie. However, ArcelorMittal has declined to provide any of the above information and indicated that the arrangements among the above parties are private commercial arrangements and subject to confidentiality restrictions. They are not obliged to disclose any details of these arrangements to the Company except for such information which is statutorily obliged to file under Part XV of the SFO.

The Board is extremely disappointed to learn that ArcelorMittal has deliberately taken the above steps, with full knowledge that ArcelorMittal's implementation of the above arrangements would regrettably lead to the suspension of trading in the shares of the Company with the potential adverse impact to the Group.

Nevertheless the Board shall continue to actively monitor and conduct discussions on the public float issue and the challenges involved and will continue to take such action and step as may be appropriate in the circumstances with a view to be in compliance with the Listing Rules.

Because of the above arrangements implemented by ArcelorMittal, the Company is not able to meet the public float requirement and the shares of the Company are required to be suspended for trading from 1 May 2014 until the minimum public float is restored.

Shareholders of the Company and/or potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
China Oriental Group Company Limited
HAN Jingyuan
Chairman and Chief Executive Officer

Hong Kong, 5 May 2014

As at the date of this announcement, the Board of Directors of the Company comprises Mr. HAN Jingyuan, Mr. ZHU Jun, Mr. SHEN Xiaoling, Mr. ZHU Hao and Mr. HAN Li being the Executive Directors, Mr. Vijay Kumar BHATNAGAR being the Non-executive Director and Mr. WONG Man Chung, Francis, Mr. WANG Tianyi and Mr. ZHOU Guoping being the Independent Non-executive Directors.

This announcement is published on the websites of the Company (www.chinaorientalgroup.com) and the Stock Exchange (www.hkexnews.hk).

**For identification purposes only*