ORIENTAL GROUP

PRESS RELEASE

ORIENTAL GROUP ISSUED S$5.5 MILLION CONVERTIBLE LOAN NOTES

SINGAPORE – 8th January 2015 - Oriental Group Ltd ('Oriental" or the 'Company), is pleased to announce that today the Company has entered into a S$5.5 million in aggregate principal amount convertible loan notes subscription agreements with a group of eight Singapore investors. The 3-years unsecured convertible loan notes will bear an interest at the rate of 8% per annum, convertible at the option of the subscribers at a conversion price range from S$0.13 to S$0.16 per new share.

The initial conversion price of S$0.13 per share has been set at a 58% premium over the volume weighted average price of S$0.082 for trades done on the Company shares on 8 January 2015.

Mr. Wu Dingrong, Chairman of Oriental, said, *"We are pleased to bring in new private investors to broaden our existing investor pool through the issuance of the convertible loan notes. It also reflects the investor confidence in Oriental's future prospects. I believe Oriental will be able to leverage on these investors' networks and extensive knowledge in various industries which will add value to our future development."*



Regional Sales Office in Singapore (Source: Oriental)

From its established manufacturing base in China, Oriental has been expanding its marketing network in South East Asia ("SEA") region especially in Singapore and Malaysia. With full support from our sales team of more than 10 years experience in steel trading business, Oriental has established local distributions in Singapore, Malaysia, Indonesia and Brunei.

Mr. Lee Wan Sing, Group Chief Executive Officer, remarked, ***"The proceeds from the issuance of convertible loan notes will be used to fund the expansion of Oriental's business outside China, especially to support its Singapore existing steel trading operations and future business expansion through acquisitions, joint ventures and collaborations. The vision of Oriental is to expand regionally and generate substantial amount of revenue outside China and will continue to endeavor to work towards this target. Oriental has recorded one-sixth of total Group revenue outside China in both FYE 2013 and HY2014. .***

Apart from that, expansion of telecommunication and electrical transmission coverage project in China as well as SEA has increased the demand of the steel. This trend brought a good opportunity to our steel business. Concurrently the development of Oriental in SEA, the expansion of production facilities in Xinghua City, Jiangsu Province China is in full swing as well."

The issuance of the Convertible Loan Notes is conditional upon, *inter alia*, the approval in-principle of the Singapore Exchange Securities Trading Limited ("SGX-ST") for the listing and quotation of the new Shares to be issued upon conversion of the Convertible Loans on Official List of the SGX-ST.

- The End -

About Oriental Group Ltd

Oriental Group Ltd, stock code 5FI.SG, is a listed company in SGX-Catalist since 19 November 2004. Oriental is a steel manufacturing and trading group with an integrated carbon steel mill which manufactures mild steel bars and high tensile steel bars for the industrial and construction use. Oriental also has a regional Sales Office in Singapore and Oriental's production facilities are located in Jiangyin City and Xinghua City, Jiangsu Province, the People's Republic of China.

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This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship, at 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705, telephone (65) 6229 8088.