CIRCULAR DATED 7 NOVEMBER 2016

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

Capitalised terms appearing on the cover of this Circular have the same meanings as defined herein.

If you are in any doubt about its contents or the action you should take, you should consult your legal, financial, tax or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Oriental Group Ltd. (the "**Company**") represented by physical share certificate(s), you should immediately forward this Circular together with the Notice of EGM and the accompanying Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

This Circular 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 Circular.

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

The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.



东方集团

ORIENTAL GROUP

(Company Registration No. 200401998C)
(Incorporated in the Republic of Singapore on 23 February 2004)

CIRCULAR TO SHAREHOLDERS

in relation to

THE PROPOSED DISPOSAL OF 100% SHAREHOLDING INTERESTS IN WAN DORMITORY PTE. LTD.

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	20 November 2016 at 9.30 a.m.
Date and time of Extraordinary General Meeting	:	22 November 2016 at 9.30 a.m.
Place of Extraordinary General Meeting	:	10 Anson Road, International Plaza #17-03 Singapore 079903

CONTENTS

Page

DEFINITIONS..... 2

LETTER TO SHAREHOLDERS

1. INTRODUCTION.....5
2. INFORMATION ON WAN DORMITORY AND THE PURCHASER.....5
3. SALIENT TERMS OF THE PROPOSED DISPOSAL.....6
4. RATIONALE FOR AND BENEFITS OF THE PROPOSED DISPOSAL AND USE OF PROCEEDS.....9
5. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL.....9
6. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES.....11
7. SERVICE CONTRACTS.....12
8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS.....12
9. DIRECTORS' RECOMMENDATION.....13
10. EXTRAORDINARY GENERAL MEETING.....13
11. ACTION TO BE TAKEN BY SHAREHOLDERS.....13
12. DIRECTORS' RESPONSIBILITY STATEMENT.....14
13. DOCUMENTS AVAILABLE FOR INSPECTION.....14

NOTICE OF EXTRAORDINARY GENERAL MEETING..... 15

PROXY FORM

DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires or unless otherwise stated:-

"**1% Payment**"	:	Has the meaning ascribed to it in Section 3.1 of this Circular
"**Act**" or "**Companies Act**"	:	The Companies Act (Chapter 50) of Singapore, as amended, varied or supplemented from time to time
"**Announcement**"	:	The announcement made by the Company on 28 October 2016 in respect of the Proposed Disposal
"**Announcement Illustrative Consideration**"	:	Has the meaning ascribed to it in Section 3.1 of this Circular
"**Board**"	:	The board of Directors
"**Catalist**"	:	The sponsor-supervised listing platform of the SGX-ST
"**Catalist Rules**"	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as amended, modified or supplemented from time to time
"**CDP**"	:	The Central Depository (Pte) Limited
"**Circular**"	:	This circular to Shareholders dated 7 November 2016 in relation to the Proposed Disposal
"**Company**"	:	Oriental Group Ltd. (Company Registration Number 200401998C), a company incorporated in the Republic of Singapore
"**Completion**"	:	The completion of the sale and purchase of the Sale Shares pursuant to the SPA
"**Completion Date**"	:	Has the meaning ascribed to it in Section 3.4 of this Circular
"**Conditions Precedent**"	:	The conditions precedent to Completion as set out in Section 3.2 of this Circular
"**Consideration**"	:	Has the meaning ascribed to it in Section 3.1 of this Circular
"**Directors**"	:	The directors of the Company as at the date of this Circular
"**EGM**" or "**Extraordinary General Meeting**"	:	The extraordinary general meeting of the Company to be held on 22 November 2016 at 9.30 a.m., notice of which is set out in the Notice of Extraordinary General Meeting on pages 15 and 16 of this Circular
"**FY2015**"	:	Financial year ended 31 December 2015
"**Group**"	:	The Company and its subsidiaries, collectively
"**HY2016**"	:	Half year ended 30 June 2016
"**Latest Practicable Date**"	:	2 November 2016, being the latest practicable date prior to the printing of this Circular
"**Long Stop Date**"	:	Has the meaning ascribed to it in Section 3.3 of this Circular

"**LPD Illustrative Consideration**"	:	Has the meaning ascribed to it in Section 3.1 of this Circular
"**LPS**"	:	Loss per Share
"**Notice of Extraordinary General Meeting**"	:	The notice of the EGM as set out on pages 15 and 16 of this Circular
"**NTA**"	:	Net tangible assets
"**Pre Completion Invoices**"	:	Has the meaning ascribed to it in Section 3.5 of this Circular
"**Property**"	:	The 3-storey light industrial development with approved secondary workers' dormitory on a 30-year leasehold land parcel with a gross floor area of 8,243.8 square metres at Woodlands Industrial Park, known as the Woodlands Auto Hub
"**Property Valuer**" or "**Savills**"	:	Savills Valuation and Professional Services (S) Pte. Ltd. (Company Registration Number 200402411G), a company incorporated in Singapore
"**Proposed Disposal**"	:	The proposed disposal of 100% shareholding interests in Wan Dormitory
"**Proxy Form**"	:	The proxy form in respect of the EGM as set out in this Circular
"**Purchaser**"	:	Dacai Pte Ltd (Company Registration Number 199901526R), a company incorporated in the Republic of Singapore
"**Register of Members**"	:	Register of members of the Company
"**RMB**" and "**RMB cents**"	:	Renminbi and cents respectively, the lawful currency of the PRC
"**S$**"	:	Singapore dollars, the lawful currency of Singapore
"**Sale Shares**"	:	The entire issued share capital of Wan Dormitory
"**Securities Account**"	:	A securities account maintained by a Depositor with CDP (but does not include a securities sub-account maintained with a Depository Agent)
"**SFA**"	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended, varied or supplemented from time to time
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Shares**"	:	Ordinary shares in the capital of the Company and each a "**Share**"
"**Shareholder(s)**" or "**Member(s)**"	:	Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term "**Shareholders**" shall, in relation to such Shares and where the context so admits, mean the Depositors in the Depository Register maintained by the CDP and whose Securities Accounts are credited with those Shares. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective Securities Accounts

"**SPA**"	:	The conditional sale and purchase agreement dated 27 October 2016 entered into between the Company and the Purchaser in relation to the Proposed Disposal
"**Sponsor**"	:	PrimePartners Corporate Finance Pte. Ltd.
"**Substantial Shareholder**"	:	A person who has an interest (directly or indirectly) in 5% or more of the total issued share capital of the Company
"**Valuation**"	:	Has the meaning ascribed to it in Section 2.1 of this Circular
"**Wan Dormitory**"	:	Wan Dormitory Pte. Ltd., a wholly-owned subsidiary of the Company
"**%**" or "**per cent**"	:	Per centum or percentage

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA and the terms "**subsidiary**" and "**related company**" shall have the meanings ascribed to them respectively in the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

Any reference in this Circular to "**Rule**" or "**Chapter**" is a reference to the relevant rule or chapter in the Catalist Rules as for the time being, unless otherwise stated.

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA, the Catalist Rules or any relevant laws of the Republic of Singapore or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the SFA, the Catalist Rules or any relevant laws of the Republic of Singapore or any statutory modification thereof as the case may be, unless the context requires otherwise.

Any reference to a time of day in this Circular shall be a reference to Singapore time, unless otherwise stated.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any discrepancies in the tables included in this Circular between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

ORIENTAL GROUP LTD.

(Company Registration No. 200401998C)
(Incorporated in the Republic of Singapore on 23 February 2004)

Board of Directors:		**Registered Office:**
Lim Kok Hui	(Executive Director and Chief Executive Officer)	180 Woodlands Industrial Park E5
Chua Hung Meng	(Lead Independent Director)	Woodlands Auto Hub #02-09
Tan Song Kwang	(Independent Director)	Singapore 757512
Koh Choon Kong	(Independent Director)	

Date: 7 November 2016

To: The Shareholders of Oriental Group Ltd.

Dear Sir/Madam

THE PROPOSED DISPOSAL OF 100% SHAREHOLDING INTERESTS IN WAN DORMITORY PTE. LTD.

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1. INTRODUCTION

On 28 October 2016, the Company announced that it had entered into the SPA with the Purchaser in respect of the Proposed Disposal.

The purpose of this Circular is to provide Shareholders with information on the Proposed Disposal, and to seek approval of Shareholders at the EGM for the matter set out in the Notice of Extraordinary General Meeting on pages 15 and 16 of this Circular.

2. INFORMATION ON WAN DORMITORY AND THE PURCHASER

2.1 Wan Dormitory

Wan Dormitory was incorporated in Singapore on 21 September 2005 and has, at the date of this Circular, an issued and paid-up capital of S$1,000,000 comprising 1,000,000 ordinary shares. The Company had completed the acquisition of Wan Dormitory on 30 October 2015.

The principal activity of Wan Dormitory is the business of lodging and boarding houses. Currently, Wan Dormitory is an industrial property management company and its principal asset is a tenanted 3-storey light industrial development with an approved secondary workers' dormitory on a 30-year leasehold land parcel with a gross floor area of 8,243.8 square metres at Woodlands Industrial Park, known as the Woodlands Auto Hub. The Property comprises industrial units, a food canteen, and an approved secondary workers' dormitory.

Valuation of the Property

Savills, an independent valuer, was appointed by the Company to undertake a desktop valuation of the Property.

The desktop valuation of the Property was carried out by the Property Valuer on an "as-is basis, subject to existing tenancy and free from all encumbrances". In arriving at the desktop valuation, the Property Valuer relied on the "Direct Comparison Method and Income Capitalisation Approach".

As at 3 October 2016, being the effective date of the desktop valuation by the Property Valuer, the market value[(1)] of the Property is S$26,000,000 and the forced sale value[(2)] of the Property is S$20,800,000 (the "**Valuation**").

The desktop valuation of the Property by the Property Valuer involves certain assumptions and limitations, and Shareholders are advised to read the above in conjunction with the valuation report of the Property Valuer, which is available for inspection at the registered office of the Company during normal business hours from the date of this Circular and up to and including the date of the EGM. Please refer to Section 13 of this Circular entitled "Documents Available for Inspection" for further details.

Notes:

*(1) "**Market value**" is the estimated amount for which a property should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably and prudently without compulsion.*

*(2) "**Forced sale value**" is the amount which may reasonably be received from the sale of a property under (forced sale) conditions that do not meet all the criteria of a normal market transaction. Forced sale involves a price which arises from deposition under extraordinary or atypical circumstances, usually reflecting an inadequate marketing period without reasonable publicity, an inappropriate mode of sale and sometimes reflecting an unwilling seller condition, and/or disposal under compulsion or duress.*

2.2 The Purchaser

The Purchaser, an independent third party, is a company incorporated in Singapore with its principal place of business and registered office at 16 Wholesale Centre #01-95 Pasir Panjang Wholesale Centre, Singapore 110016. The principal activity of the Purchaser is the wholesale of fruits and vegetables.

3. SALIENT TERMS OF THE PROPOSED DISPOSAL

3.1 Consideration

The total consideration for the Sale Shares ("**Consideration**") will be S$24,200,000 adjusted as follows:

(a) less the amount of outstanding loan and accrued interest due from Wan Dormitory to DBS Bank Ltd as at the Completion Date and less the Pre Completion Invoices remaining unsettled on or before the Completion Date (if any); and

(b) add the aggregate cash and bank balances of Wan Dormitory as at the Completion Date, including (i) the aggregate escrow amount held with DBS Bank Ltd as at the Completion Date and (ii) utilities deposits paid to SP Services Ltd and Seraya Energy Pte Ltd, but excluding the aggregate of all tenancy deposits held by Wan Dormitory as at the Completion Date.

As mentioned in the Announcement, purely for illustrative purposes only, if Completion had occurred on 21 October 2016 (being the latest practicable date prior to the date of the Announcement), the Consideration would have been S$8,252,000 (approximately RMB40,023,000 based on the exchange rate of S$1 to RMB4.85 on 21 October 2016) ("**Announcement Illustrative Consideration**").

Purely for illustrative purposes only, if Completion had occurred on 2 November 2016 (being the Latest Practicable Date), the Consideration would have been S$8,172,000 (approximately RMB39,799,000 based on the exchange rate of S$1 to RMB4.87 on 2 November 2016) ("**LPD Illustrative Consideration**").

The Announcement Illustrative Consideration and LPD Illustrative Consideration are not to be taken as indicative of the actual Consideration for the Proposed Disposal, which will only be determined on the Completion Date.

Satisfaction of Consideration

(A) As at the date of the SPA, the sum of S$242,000 ("**1% Payment**") has already been paid by the Purchaser to the Company(1); and

(B) On Completion, the Purchaser will pay to the Company the Consideration less the 1% Payment and a deferred amount of S$2,500,000 ("**Deferred Amount**").

The Deferred Amount will be paid by the Purchaser in 12 monthly instalments commencing from the end of one month from the Completion Date, and subject to interest at the rate of 3.25% per annum. The Purchaser may at any time accelerate the payment of all outstanding Deferred Amount and interest.

Note:

(1) The 1% Payment (interest free) is refundable in the event the Conditions Precedent are not fulfilled or waived by the Long Stop Date. Notwithstanding, the Company shall not be obliged to refund the 1% Payment if the non-fulfilment of Conditions Precedent or the termination of the SPA is caused by the breach or default by the Purchaser. Please refer to Section 3.3 of this Circular for more details.

Basis of Consideration

The Consideration was arrived at after arms' length negotiations between the Company and the Purchaser on a willing-buyer willing-seller basis, taking into consideration, *inter alia*, the following factors:

(a) the value of the ongoing business of Wan Dormitory;

(b) the Valuation of the Property;

(c) the net borrowings of approximately S$16.6 million with respect to the Property as at the date of the SPA;

(d) the book value and NTA value of the Sale Shares of RMB51,218,000 based on the latest announced unaudited consolidated financial statements of the Group for HY2016;

(e) the aggregate net loss before income tax, minority interest and extraordinary items attributable to Wan Dormitory for HY2016 based on the latest announced unaudited consolidated financial statements of the Group for HY2016 as disclosed in Section 6 of this Circular; and

(f) the rationale for and benefits to the Company of the Proposed Disposal as set out in Section 4 of this Circular.

3.2 Conditions Precedent

Completion is conditional upon the fulfilment of, *inter alia*, the following conditions:

(a) the Purchaser being reasonably satisfied that the Company is the sole legal and beneficial owner of the Sale Shares and owns the Sale Shares free of encumbrances;

(b) relevant consents and/or waiver of pre-emption rights (where applicable) being obtained from Wan Dormitory, the Company and/or any third parties as may be necessary for the Proposed Disposal;

(c) the business of Wan Dormitory having been carried out in a satisfactory manner in the ordinary course of business on or before the Completion Date;

(d) Shareholders' approval being obtained in relation to the Proposed Disposal, if required;

(e) there not being at any time prior to Completion any restriction from the SGX-ST limiting or prohibiting the entry into the SPA or the performance by the Company of its obligations under the SPA;

(f) the Proposed Disposal not being prohibited or restricted by any statute or regulation and all necessary approvals from regulatory authorities for the Proposed Disposal having been obtained and continuing to be in force on terms reasonably acceptable to the parties;

(g) all necessary approvals from any other third parties for the Proposed Disposal having been obtained and continuing to be in force on terms reasonably acceptable to the Purchaser; and

(h) all necessary bank consents and third party approvals for the Proposed Disposal having been obtained by Wan Dormitory on terms reasonably acceptable to the Purchaser and such that the Proposed Disposal will not constitute an event of default or a breach of the terms of any indebtedness of Wan Dormitory with any bank, third party or authority.

3.3 **Long Stop Date**

If the Conditions Precedent are not fulfilled or waived by 27 February 2017, being four (4) months from the date of the SPA ("**Long Stop Date**"), the SPA will terminate and neither party will have any further claim against the other party unless the termination of the SPA is caused by the wilful default of such party, except that the 1% Payment (interest free) will be refunded by the Company to the Purchaser. Notwithstanding, the Company shall not be obliged to refund the 1% Payment if the non-fulfilment of Conditions Precedent or the termination of the SPA is caused by the breach or default by the Purchaser.

The Purchaser is entitled to waive, in whole or in part, the Conditions Precedent described in Sections 3.2(a) to (c) and (g) to (h) of this Circular.

3.4 **Completion**

Subject to the fulfilment and/or waiver (where applicable) of all the Conditions Precedent, Completion will take place on a day determined by the Company, being a day falling not less than (i) three (3) business days after Shareholders' approval for the Proposed Disposal has been obtained if Shareholders' approval is required, or (ii) fourteen (14) business days after the date of the SPA if Shareholders' approval is not required, or such other date as the parties may agree ("**Completion Date**").

3.5 **Responsibility for payables and receivables in relation to Wan Dormitory**

Pre Completion Invoices

The Company will be responsible for the settlement of all invoices issued to Wan Dormitory and dated on or before the Completion Date ("**Pre Completion Invoices**").

Pre Completion Receivables

The Purchaser shall account and pay to the Company all receivables of Wan Dormitory arising on or before the Completion Date and for which Wan Dormitory has issued invoices on or before Completion Date without set off, counterclaim or other deductions.

Inter-company receivables and payables

Prior to Completion, the Company will settle or write off all inter-company receivables and payables between Wan Dormitory and the Company.

As at the Latest Practicable Date, there are no outstanding inter-company receivables and payables between Wan Dormitory and the Company.

3.6 **Limitation of Liability**

Provisions relating to limitation of liability under the SPA in respect of breaches of warranties by the Company include, *inter alia*, that the maximum liability of the Company in respect of all breaches of warranties shall not exceed the aggregate amount of the Consideration actually received by the Company.

3.7 **Termination**

The Purchaser may at any time prior to Completion terminate the SPA if any fact, matter or event arises that would constitute a breach of any warranty by the Company.

In the event of termination of the SPA or that Completion cannot occur, none of the parties shall have any claim against the other unless the termination or non-completion is caused by the wilful default of such party.

4. RATIONALE FOR AND BENEFITS OF THE PROPOSED DISPOSAL AND USE OF PROCEEDS

Trading in the Shares has been halted on 8 March 2016 and thereafter suspended since 11 March 2016 for reasons including that the Board was unable to reasonably assess whether the Group is able to continue as a going concern due to the lack of assurance on the Group's ability to refinance its debt obligations or to raise funds to address its negative working capital.

Since the suspension, the Company has been actively exploring various options to alleviate the Group's financial situation and enable the Group and Company to continue as a going concern and has previously announced on 15 September 2016 and 14 October 2016 that the Proposed Disposal would be able to provide immediate cash flow for the Group.

The Board is of the view that the Proposed Disposal is in the best interests of the Group and necessary to address and alleviate the Group's cash flow and going concern issues. The Company intends to utilise the net proceeds from the Proposed Disposal for general working capital requirements of the Group, to repay existing debts, and to fund future business expansions, investments and acquisitions when suitable opportunities arise.

5. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

5.1 **Proceeds over Book Value**

Based on the latest announced unaudited consolidated financial statements of the Group for HY2016, the book value and NTA value of the Sale Shares amounts to RMB51,218,000.

Based on the LPD Illustrative Consideration (approximately RMB39,799,000 based on the exchange rate of S$1 to RMB4.87 on 2 November 2016), the loss on the Proposed Disposal and the deficit over book value of the Sale Shares is approximately RMB11,419,000.

5.2 **Illustrative Financial Effects**

The *pro forma* financial effects of the Proposed Disposal on the Group set out below are purely for illustrative purposes only and are neither indicative of the actual financial effects of the Proposed Disposal on the NTA per Share and LPS of the Group, nor do they not reflect the future financial position of the Company or the Group after Completion. There will not be any change in the share capital of the Company as a result of the Proposed Disposal.

The following pro forma financial effects of the Proposed Disposal have been prepared based on the audited consolidated financial statements of the Group for FY2015 with the following assumptions:

(a) for the purpose of computing the financial effects of the Proposed Disposal on the NTA per Share of the Group, the Proposed Disposal is assumed to have been completed on 31 December 2015 and based on the LPD Illustrative Consideration;

(b) for the purpose of computing the financial effects of the Proposed Disposal on the loss per Share of the Group, the Proposed Disposal is assumed to have been completed on 1 January 2015 and based on the LPD Illustrative Consideration; and

(c) the expenses in connection with the Proposed Disposal are disregarded for the purposes of calculating the financial effects.

NTA

	Before Proposed Disposal	**After Proposed Disposal**
NTA (RMB)	143,784,000	126,141,000
Number of Shares as at 31 December 2015	527,730,870	527,730,870
NTA per Share (RMB cents)	27.25	23.90

LPS

	Before Proposed Disposal	**After Proposed Disposal**
Net loss attributable to Shareholders (RMB)	(88,303,000)	(99,722,000)
Weighted average number of Shares	422,580,185	422,580,185
LPS (RMB cents)	(20.90)	(23.60)

6. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES

The relative figures for the Proposed Disposal as computed on the bases set out in Rule 1006 of the Catalist Rules and the latest announced unaudited consolidated financial statements of the Group for HY2016 are as follows:

		Relative Figures (%)
Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value.	41.89(1)
Rule 1006(b)	The net loss attributable to the assets disposed of, compared with the Group's net loss.	42.55(2)
Rule 1006(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	13.72(3)(4)(5)
Rule 1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable.
Rule 1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable.

***Notes**:*

(1) Based on the unaudited net asset value of Wan Dormitory as at 30 June 2016 of RMB51,218,000 and the Group's unaudited consolidated net asset value as at 30 June 2016 of RMB122,282,000.

(2) Based on the unaudited net loss before income tax, minority interest and extraordinary items attributable to Wan Dormitory for HY2016 of RMB10,518,000 and the unaudited net loss before income tax, minority interest and extraordinary items of the Group for HY2016 of RMB24,718,000.

(3) Based on the Announcement Illustrative Consideration of S$8,252,000.

(4) The Company's closing share price as at 7 March 2016 being the last full market day on which the Shares were traded on Catalist prior to suspension of trading of the Shares is S$0.114. Source: Bloomberg L.P.

The market capitalisation of the Company is S$60,161,000, based on 527,730,870 Shares in issue as at 7 March 2016 (being the last full market day on which the Shares were traded on Catalist prior to suspension of trading of the Shares) and the closing price of the Shares transacted on the SGX-ST on the same date of S$0.114. Source: Bloomberg L.P.

(5) For the purposes of providing more information to Shareholders, the relative figure computation for Rule 1006(c) based on the LPD Illustrative Consideration of S$8,172,000 would be 13.58%.

Based on the latest announced unaudited consolidated accounts for the Group for HY2016, the relative figures computed on the basis set out in Rule 1006(a), (b) and (c) are between 5% and 50% and the Proposed Disposal constitutes a "discloseable transaction" under Chapter 10 of the Catalist Rules.

Notwithstanding the foregoing, and in consideration that the Proposed Disposal relates to a key asset of the Company, the Board has decided to seek the approval of the Shareholders for the Proposed Disposal at the EGM.

7. SERVICE CONTRACTS

No person will be appointed as a Director of the Company in connection with the Proposed Disposal and accordingly, no service contract in relation thereto will be entered into between the Company and any such person.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

8.1 Interests in the Company

The interests of the Directors and Substantial Shareholders (both direct and deemed) in the Shares as at the Latest Practicable Date, as recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholders' Shareholdings kept by the Company are set out below:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%(6)	Number of Shares	%(6)	Number of Shares	%(6)
Directors						
Lim Kok Hui	14,400,000	2.73	-	-	14,400,000	2.73
Chua Hung Meng	-	-	-	-	-	-
Tan Song Kwang	-	-	-	-	-	-
Koh Choon Kong	-	-	-	-	-	-
Substantial Shareholders						
Dingji Investments Ltd(1)	67,986,667	12.88	-	-	67,986,667	12.88
Wu Dingrong(1)	-	-	67,986,667	12.88	67,986,667	12.88
Sun Lu(1)	-	-	67,986,667	12.88	67,986,667	12.88
Miao Lina(1)	-	-	67,986,667	12.88	67,986,667	12.88
Lim Soon Heng(2)	12,174,700	2.31	54,400,000	10.31	66,574,700	12.62
Tang Nancy(2)	19,400,000	3.68	12,174,700	2.31	31,574,700	5.99
Seng Lee Holdings Pte. Ltd. (3)	35,000,000	6.63	-	-	35,000,000	6.63
Lim Kim Chong Foundation Pte. Ltd. (3)	-	-	35,000,000	6.63	35,000,000	6.63
Lim Kim Chong(3)	-	-	35,000,000	6.63	35,000,000	6.63
Tay Yong Hua	46,949,200	8.89	-	-	46,949,200	8.89
Lee Wan Sing(4)	5,000,000	0.95	21,848,653	4.14	26,848,653	5.09
Tam Bee Mooi(5)	1,500,000	0.28	25,000,000	4.74	26,500,000	5.02
Tan Seow Juay(5)	4,000,000	0.76	22,500,000	4.26	26,500,000	5.02

Notes:

(1) Dingji Investments Ltd is a company established in the British Virgin Islands and its shares are held equally between Sun Lu and Miao Lina. Sun Lu is son in law of Wu Dingrong and Miao Lina is adopted daughter of Wu Dingrong. Sun Lu and Miao Lina are holding the shares in Dingji Investments Ltd on trust for Wu Dingrong, therefore, Wu Dingrong is the beneficial owner of and deemed interested in the 67,986,667 shares held under Dingji Investments Ltd.

(2) Lim Soon Heng is deemed to hold collectively 54,400,000 shares, which consist of (a) 35,000,000 shares by virtue of his shareholding of no less than 20% interest in Seng Lee Holdings Pte Ltd, and

(b) 19,400,000 shares held by his wife, Tang Nancy. Lim Soon Heng is the husband of Tang Nancy. Tang Nancy is deemed interested in 12,174,700 shares held by Lim Soon Heng.

(3) Lim Kim Chong Foundation Pte. Ltd. is deemed interested in 35,000,000 shares held by Seng Lee Holdings Pte. Ltd. by virtue of its shareholding of no less than 20% interest in Seng Lee Holdings Pte. Ltd. Lim Kim Chong is the sole shareholder of Lim Kim Chong Foundation Pte. Ltd. and he is deemed interested in 35,000,000 shares held by Lim Kim Chong Foundation Pte. Ltd. Lim Kim Chong is the father of Lim Soon Heng.

(4) Lee Wan Sing is the beneficial owner of and deemed interested in (i) 6,348,653 shares held under Maybank Nominees (S) Pte Ltd, (ii) 9,000,000 shares held under OCBC Limited, (iii) 5,000,000 shares held under Hong Leong Finance Limited and (iv) 1,500,000 shares held under United Overseas Bank Nominees Limited. Therefore, Lee Wan Sing is deemed interested in 21,848,653 shares.

(5) Tan Seow Juay is the beneficial owner of and deemed interested in the (i) 6,000,000 shares held under Maybank Nominees (S) Pte Ltd, (ii) 9,000,000 shares held under OCBC Limited, and (iii) 6,000,000 shares held under Hong Leong Finance Limited. Tam Bee Mooi is the wife of Tan Seow Juay, Tan Seow Juay is deemed interested in the 1,500,000 shares held by Tam Bee Mooi. Therefore, Tan Seow Juay has a deemed interest in 22,500,000 shares of the Company. Tan Seow Juay is the husband of Tam Bee Mooi. Tam Bee Mooi is deemed interested in 25,000,000 shares held by Tan Seow Juay.

(6) The percentage of shareholdings is computed based on the issued and paid-up share capital of the Company comprising 527,730,870 Shares (excluding treasury shares) as at the Latest Practicable Date.

8.2 **Interests in the Proposed Disposal**

None of the Directors or controlling Shareholders of the Company has any interest, direct or indirect, in the Proposed Disposal, other than through their respective shareholdings (if any) in the Company.

9. DIRECTORS' RECOMMENDATION

Having reviewed and considered, among other things, the terms and conditions of the SPA, the rationale for and financial effects of the Proposed Disposal, the Valuation of the Property, and all other relevant information set out in this Circular, the Directors are unanimously of the opinion that the Proposed Disposal is in the best interests of the Company, and accordingly, they recommend that Shareholders vote in favour of the ordinary resolution set out in the Notice of EGM.

10. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 15 and 16 of this Circular, will be held on 22 November 2016 at 9.30 a.m. at 10 Anson Road, International Plaza #17-03, Singapore 079903 for the purpose of considering and, if thought fit, passing, with or without any modification, the ordinary resolution set out in the Notice of Extraordinary General Meeting.

11. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf should complete, sign and return the Proxy Form attached to the Notice of Extraordinary General Meeting in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the Company's Share Registrar in Singapore, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), either by hand at 80 Robinson Road, #11-02 Singapore 068898 or by post at 80 Robinson Road, #02-00, Singapore 068898, not less than 48 hours before the time fixed for the EGM. The completion and return of the proxy form by such Shareholder will not prevent him

from attending and voting in person at the EGM in place of his proxy should he subsequently wish to do so.

A Depositor will not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears of the Depository Register as at 48 hours before the EGM.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the Company's registered office at 180 Woodlands Industrial Park E5, Woodlands Auto Hub #02-09, Singapore 757512 during normal business hours from the date of this Circular and up to and including the date of the EGM:

(a) the Memorandum and Articles of Association of the Company;

(b) the SPA; and

(c) the valuation report by the Property Valuer.

Yours faithfully
for and on behalf of the Board of Directors of
ORIENTAL GROUP LTD.

Lim Kok Hui
Executive Director and Chief Executive Officer

ORIENTAL GROUP LTD.

(Company Registration No. 200401998C)
(Incorporated in the Republic of Singapore on 23 February 2004)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting ("**EGM**") of Oriental Group Ltd. (the "**Company**") will be held at 10 Anson Road, International Plaza #17-03, Singapore 079903 on 22 November 2016 at 9.30 a.m., for the purpose of considering and, if thought fit, passing (with or without any modifications) the ordinary resolution as set out below.

*All capitalised terms used in this notice of EGM which are not defined herein shall have the same meanings ascribed to them in the circular dated 7 November 2016 ("**Circular**") to shareholders of the Company.*

ORDINARY RESOLUTION

THE PROPOSED DISPOSAL OF 100% SHAREHOLDING INTERESTS IN WAN DORMITORY PTE. LTD.

That:

(a) approval be and is hereby given for the Company to undertake the Proposed Disposal, pursuant to the terms and conditions of the conditional sale and purchase agreement dated 27 October 2016 between the Company and the Purchaser (as may be amended, modified and/or supplemented from time to time as the Directors deem desirable, necessary or appropriate) (the "**SPA**"); and

(b) approval be and is hereby given for the Company to enter into the SPA and the execution of the SPA by the Company be and is hereby ratified, confirmed and approved; and

(c) the Directors and each of them be and are hereby authorised to from time to time amend, modify and/or supplement the terms of the Proposed Disposal and/or the SPA as the Directors may deem appropriate; and

(d) the Directors and each of them be and are hereby authorised to complete, enter into and do all acts and things (including without limitation, to prepare and finalise, approve, sign, execute and deliver all such documents or agreements which they in their absolute discretion consider to be necessary, and to exercise such discretion as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they and/or he may consider necessary, desirable, incidental or expedient for the purposes of or to give effect to this Ordinary Resolution and the Proposed Disposal and/or the matters contemplated herein.

BY ORDER OF THE BOARD

7 November 2016

Notes:-

(i) A member who is not a relevant intermediary (as defined in Section 181 of the Act) is entitled to appoint not more than two proxies to attend, speak and vote on his/her behalf at the EGM. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.

(ii) A member who is a relevant intermediary (as defined in Section 181 of the Act) is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Act.

(iii) A member of the Company, which is a corporation, is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.

(iv) The instrument appointing a proxy or proxies must be deposited together with the power of attorney (if any) under which it is signed or a notarially certified or office copy thereof at the Company's Share Registrar in Singapore, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), either by hand at 80 Robinson Road, #11-02 Singapore 068898 or by post at 80 Robinson Road, #02-00, Singapore 068898, not less than forty-eight (48) hours before the time appointed for the EGM in accordance with the instruction stated herein.

(v) In the case of a member whose shares are entered against his/her name in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register seventy-two (72) hours before the time appointed for holding the EGM, as certified by the Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By attending the EGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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ORIENTAL GROUP LTD.

Company Registration No. 200401998C
(Incorporated in the Republic of Singapore)

IMPORTANT:

1. A relevant intermediary may appoint more than two proxies to attend the EGM and vote (please see note 2 for the definition of "relevant intermediary").
2. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investors") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPR and/or their SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.
3. This Proxy Form is not valid for use by CPF and SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

PROXY FORM

(Please see notes overleaf before completing this Form)

I/We_____ (Name) NRIC/Passport No._____

of _____ (Address) being a

member/members* of Oriental Group Ltd. ("**Company**"), hereby appoint:

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

and/or (delete as appropriate)

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

or failing him/her/them, the Chairman of the Extraordinary General Meeting ("**EGM**") of the Company as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the EGM to be held at 10 Anson Road, International Plaza #17-03, Singapore 079903 on 22 November 2016 at 9.30 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion. The resolution shall be put to vote by poll at the EGM.

(If you wish to exercise all your votes "For" or "Against", please indicate a cross [X] within the box provided. Alternatively, please indicate the number of votes as appropriate.)

No.	**Resolution relating to:**	**For**	**Against**
	Ordinary Business		
1.	The proposed disposal of 100% shareholding interests in Wan Dormitory Pte. Ltd.		

Dated this _____ day of _____ 2016

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

_____
Signature(s) of Shareholder(s) or,
Common Seal of Corporate Shareholder

ORIENTAL GROUP LTD.
80 Robinson Road,
02-00, Singapore 068898

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of Securities and Futures Act (Chapter 289) of Singapore or any statutory modification thereof, as the case may be), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.

2.
   (a) A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act, Cap. 50) is entitled to appoint not more than two proxies to attend, speak and vote on his/her behalf at the EGM. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.

   (b) A member who is a relevant intermediary (as defined in Section 181 of the Companies Act, Cap. 50) is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

3. A proxy need not be a member of the Company.

4. The duly completed instrument appointing a proxy or proxies together with the letter of power of attorney, if any, under which it is signed or a duly certified copy thereof, must be deposited at the office of the Company's Share Registrar in Singapore, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), either by hand at 80 Robinson Road, #11-02 Singapore 068898 or by post at 80 Robinson Road, #02-00, Singapore 068898, not less than forty-eight (48) hours before the time appointed for the EGM in accordance with the instructions stated herein.

5. A corporation which is a member may authorise by resolution of its directors or other governing body such a person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

6. Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be for or against the Resolution as set out in the Notice of EGM. In the absence of specific directions, the proxy/proxies will vote or abstain as he/she/they may think fit, as he/she/they will on any other matter arising at the EGM.

7. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter of power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy; failing which the instrument may be treated as invalid.

8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.

9. In the case of a member whose shares are entered against his/her name in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register seventy-two (72) hours before the time appointed for holding the EGM, as certified by the Central Depository (Pte) Limited to the Company.

Personal Data Privacy:
By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM.