

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



REORIENT GROUP LIMITED
瑞東集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 376)

INSIDE INFORMATION

DISPOSAL OF SHARES

This announcement is made by REORIENT Group Limited (the “**Company**”, and its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, on 18 December 2015 (after trading hours), Reorient Global Limited, a wholly-owned subsidiary of the Company (the “**Vendor**”), and the Purchaser, an independent third party of the Company and the Directors, entered into a Share Sale and Purchase Agreement (“**SP Agreement**”) pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Sale Shares, subject to the terms and conditions set out therein (the “**Disposal**”).

The Disposal, in relation to Tranche B Sale Shares, shall be subject to the conversion of the Tranche B Preferred Shares into ordinary shares in accordance with the terms of the Tranche B Preferred Shares. The Board estimated that the Tranche B Sale Shares will be completed in January 2016.

The purchase price payable by the Purchaser to the Company is HK\$443,700,000. The payment of the purchase price shall be made in cash, HK\$100,000,000 of which shall be made on 21 December 2015, HK\$100,000,000 of which shall be made on 24 December 2015, and the remainder of which shall be made on or before completion of the Disposal.

The Sale Shares are accounted for as financial instruments at fair value through profit or loss in the Group’s consolidated financial statements. Based on information currently available to the Company, the Board estimates that the disposal of Tranche A Sale Shares and Tranche B Sale Shares would result in a net fair value loss of approximately HK\$472 million in the consolidated income statement of the Group for the year ending 31 December, 2015. The Board expects that the fair value loss

from disposal of Tranche A Sale Share would have a significant negative impact to the consolidated results of the Group for the year ending 31 December, 2015.

The above net fair loss is based on the sale and purchase consideration for Sale Shares minus the fair value of Sale Shares as at 31 December 2014. As against the historical acquisition cost of Sale Shares, the Disposal would result in a net realized gain of approximately HK\$429 million.

The Board wishes to remind its shareholders and potential investors that the above figures are based on the Company's preliminary estimates and have not been independently audited.

DEFINITIONS

“Company”	Reorient Group Limited, a corporation duly organized and existing the laws of Hong Kong, the issued shares of which are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“Disposal”	has the meaning ascribed to it in this announcement
“Group”	the Company and its subsidiaries from time to time
“HK\$”	means Hong Kong dollar, the lawful currency of Hong Kong Special Administrative Region
“KuangChi Science”	KuangChi Science Limited, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 439)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchaser”	Central Faith International Ltd., a company incorporated in the British Virgin Islands, and having its registered office at Akara Bldg., 24 Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands
“Sale Shares”	the Tranche A Sale Shares and the Tranche B Sale Shares
“SP Agreement”	the share sale and purchase agreement entered into on 18 December 2015 between Reorient Global Limited, the vendor and the Purchaser
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Tranche B Preferred Shares”	53,666,667 preferred shares of KuangChi Science
“Tranche A Sale Shares”	120,333,333 ordinary Shares of KuangChi Science
“Tranche B Sale Shares”	53,666,667 ordinary shares which the Vendor shall hold after converting the Tranche B Preferred Shares in accordance with the terms of the Tranche B Preferred Shares after the date of the SP Agreement

The information contained in this announcement is only a preliminary assessment by the Board based on information currently available to the Company and is not based on any figures or information that has been audited or reviewed by the Company’s auditors.

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

By order of the Board
REORIENT Group Limited
Jim Pak Keung, Patrick
Company Secretary

Hong Kong, 18 December 2015

As at the date of this announcement, the Board comprises Mr. Yu Feng (who is Chairman and non-executive director), Ms. Li Ting, Mr. Huang Xin, Mr. Ko Chun Shun, Johnson and Mr. Brett McGonegal (who are executive directors), Ms. Hai, Olivia Ou and Mr. Huang Youlong (who are non-executive directors), and Mr. Lin Lijun, Mr. Liu Zhengui, Mr. Chu Chung Yue, Howard and Dr. Wong Yau Kar, David, BBS, JP (who are independent non-executive directors).