

**CHINA ORIENTAL GROUP COMPANY LTD:
TAKING ON THE MIGHT OF
ONE OF THE WORLD'S LARGEST COMPANIES**

The Chairman of China Oriental Group Company Ltd () appears to have taken on the might of ArcelorMittal S.A. of Luxembourg and is suing one of the company's subsidiaries in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

ArcelorMittal S.A. is the [world's largest steel producer](#) and its crude steel production in respect of the 2012 calendar year was 93.60 million tonnes. It is ranked in the 91st place in the 2013 [Fortune Global 500](#) positioning of the world's biggest corporations.

Undaunted by the size and financial strength of ArcelorMittal, Mr Han Jing Yuan (), the 57 year-old, Chairman and Chief Executive Officer of China Oriental Group (Code: 581, Main Board, The Stock Exchange of Hongkong Ltd), has launched HKSAR, High Court Action Number 2131 of 2013, naming ArcelorMittal Holdings AG as the Lone Defendant.

Mr Han Jing Yuan, the Third Plaintiff to this Action, is the beneficial owner of 63.15 percent of the Issued and Fully Paid-Up Share Capital of Wellbeing Holdings Ltd, a company, domiciled in the British Virgin Islands.

Wellbeing Holdings Ltd is the First Plaintiff to this Action.

Wellbeing Holdings Ltd, in turn, beneficially owns 42.86 percent of the Issued and Fully Paid-Up Share Capital of China Oriental Group, according to the 2012 Annual Report of this publicly listed company.

The Second Plaintiff to this Action is Chingford Holdings Ltd, also a corporate entity, domiciled in the British Virgin Islands. It is wholly owned by Mr Han Jing Yuan.

Chingford Holdings Ltd, beneficially, owns 61,653,725 shares in the Issued and Fully Paid-Up Share Capital of China Oriental Group, representing about 2.10 percent of the entire Share Capital.

The Statement of Claim, attached to Writ of Summons, Number 2131, alleges that the Plaintiffs and the Defendant '*entered into a Shareholders Agreement dated 9 November 2007 (as amended by the Supplemental Agreement to the Shareholders' Agreement dated 12 December 2007) (together "the **SHA**")*'.

The Statement of Claim, then, outlines Clauses 2.1, 3.2 and 12 of the SHA and, then, at Paragraph 12, it is alleged:

'Insofar as the SHA has terminated in accordance with Clause 12 (as to which no admissions are made) in any event the obligations imposed on the Defendant by Clause 3.2 subsist, such obligations having arisen prior to any such termination within the meaning of the exception contained in Clause 12(i).'

Clause 12 states, inter alia, that '*This agreement shall terminate (save for the Surviving Provisions) ... (i) in*

relation to obligations, agreements and liabilities arising prior to such termination; and (ii) that Surviving Provisions shall remain in full force and effect’.

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