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DONGXIANG

China Dongxiang (Group) Co., Ltd.

中國動向(集團)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3818)

CHANGE OF CHAIRMAN OF BOARD COMMITTEES

The Board announces that (1) Dr. Chen Guogang has ceased to be the chairman of the Audit Committee and has been appointed as the chairman of the Remuneration Committee; and (2) Mr. Chen Johnny has ceased to be the chairman of the Remuneration Committee and has been appointed as the chairman of the Audit Committee, all with effect from 16 August 2017.

This announcement is made by China Dongxiang (Group) Co., Ltd. (the “**Company**”) pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) (the “**Stock Exchange**”).

CHANGE OF CHAIRMAN OF AUDIT COMMITTEE AND REMUNERATION COMMITTEE

The board of directors of the Company (the “**Board**”) is pleased to announce that due to internal job re-allocation, with effect from 16 August 2017:

- (a) Dr. Chen Guogang (“**Dr. Chen**”), an independent non-executive director of the Company, has ceased to be the chairman of the audit committee of the Company (“**Audit Committee**”) and has been appointed as the chairman of the remuneration committee of the Company (“**Remuneration Committee**”). He remains as a member of the Audit Committee; and
- (b) Mr. Chen Johnny (“**Mr. Chen**”), an independent non-executive director of the Company, has ceased to be the chairman of the Remuneration Committee and has been appointed as the chairman of the Audit Committee. He remains as a member of the Remuneration Committee and the nomination committee of the Company.

The biographical details of each of Dr. Chen and Mr. Chen are set out below:

BIOGRAPHICAL DETAILS OF DR. CHEN GUOGANG

Dr. Chen Guogang, aged 57, is an independent non-executive director of the Company. Dr. Chen is currently the vice president of China Minsheng Investment Corp., Ltd. (中國民生投資股份有限公司). Dr. Chen is also the chief executive officer, executive director and first vice chairman of China Minsheng Financial Holding Corporation Limited (中國民生金融控股有限

公司) (a company listed on the Stock Exchange, stock code: 0245). Dr. Chen is also an executive director of China Minsheng Asia Asset Management Co., Ltd. (中民投亞洲資產管理有限公司). Dr. Chen is an independent non-executive director of Guotai Junan Securities Co. Ltd. (國泰君安證券股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 601211) and YTO Express Group Co., Ltd. (圓通速遞股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 600233) respectively. Dr. Chen is a non-executive director of Far East Horizon Limited (遠東宏信有限公司) (a company listed on the Stock Exchange, stock code: 3360).

Dr. Chen obtained a doctorate degree in economics from Xiamen University (廈門大學) in 1988. He is a senior accountant granted by the Ministry of Foreign Trade and Economic Cooperation in the People's Republic of China and a certified public accountant granted by China Certified Public Accountant Association.

Dr. Chen joined New China Life Insurance Company Ltd. (新華人壽保險股份有限公司) (a company listed on the Stock Exchange, stock code: 1336) in April 2010 and served as the chief financial officer. He was subsequently appointed as the vice president and chief financial officer of New China Life Insurance Company Ltd. in July 2011. From 2005 to 2010, Dr. Chen served as a director of Sinofert Holdings Limited (中化化肥控股有限公司) (a company listed on the Stock Exchange, stock code: 297). He was a director of Sinochem International Corporation (中化國際(控股)股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600500) from 2000 to 2010. Dr. Chen also served as the chief financial officer of Sinochem Group (中國中化集團公司) from December 2000 to April 2010, general manager of the finance department of Sinochem Group from June 1999 to December 2000, deputy chief financial officer of Sinochem Group from February 1999 to June 1999, vice president of China International United Petroleum and Chemicals Co., Ltd. (中國國際石油化工聯合公司) from May 1997 to February 1999, vice director of the finance department of Sinochem Group from January 1995 to May 1997, general manager of the petroleum accounting department of Sinochem Group from March 1994 to January 1995, financial manager of its U.S. agrichemical subsidiary (中國中化集團公司美國農化公司) from July 1991 to March 1994. Prior to this, Dr. Chen served as deputy chief financial officer of Hino Company (香港鑫隆有限公司) in Hong Kong from July 1988 to July 1991 and was an assistant professor at Xiamen University from July 1984 to March 1985.

Save as disclosed above, Dr. Chen has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas, nor does he hold any other position with the Company and other members of the Group or possess any other major professional qualifications.

Pursuant to the letter of appointment entered into between the Company and Dr. Chen, the appointment of Dr. Chen is for a term of one year commencing from 1 June 2017, subject to the retirement by rotation and re-election in accordance with the articles of association of the Company. The amount of director's fee of Dr. Chen is HK\$220,000 per annum. The letter of appointment is subject to the Articles of Association of the Company and the Listing Rules which contains provisions for early retirement and retirement by rotation of directors. The emoluments of the independent non-executive directors of the Company are determined by reference to the remuneration benchmark in the industry and the prevailing market conditions.

As at the date of this announcement, Dr. Chen does not have any interest in any shares of the Company pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Save as disclosed above, Dr. Chen does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there is no other information which is discloseable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters relating to the appointment of Dr. Chen that need to be brought to the attention of the shareholders of the Company.

BIOGRAPHICAL DETAILS OF MR. CHEN JOHNNY

Mr. Chen Johnny, aged 57, is an independent non-executive director of the Company. He is currently an independent non-executive director of Stella International Holdings Limited (a company listed on the Stock Exchange, stock code: 1836), Viva China Holdings Limited (a company listed on the Stock Exchange, stock code: 8032), Uni-President China Holdings Ltd. (a company listed on the Stock Exchange, stock code: 220), China Minsheng Financial Holding Corporation Ltd. (a company listed on the Stock Exchange, stock code: 245) and Alibaba Pictures Group Ltd. (a company listed on the Stock Exchange, stock code: 1060), respectively.

Earlier in his career, Mr. Chen served as the assurance partner and general manager of the Beijing office in KPMG from September 1983 to August 1993. He then joined PricewaterhouseCoopers and served as the assurance partner and managing partner of its Beijing office. Mr. Chen subsequently joined Zurich Insurance Group in March 2005, and served as the chairman of Life and General Insurance in its China office from December 2013 to February 2015.

Mr. Chen obtained a bachelor's degree in accounting/management from Johnson & Wales University in 1981. He obtained a master's degree in accounting from University of Rhode Island in 1983. He is a certified public accountant in the US since 1985.

Save as disclosed above, Mr. Chen has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas, nor does he hold any other position with the Company and other members of the Group or possess any other major professional qualifications.

Pursuant to the letter of appointment entered into between the Company and Mr. Chen, the appointment of Mr. Chen is for an initial term of one year commencing from 5 July 2017. The amount of director's fee of Mr. Chen is HK\$220,000 per annum. The letter of appointment is subject to the Articles of Association of the Company and the Listing Rules which contains provisions for early retirement and retirement by rotation of directors. The emoluments of the independent non-executive directors of the Company are determined by reference to the remuneration benchmark in the industry and the prevailing market conditions.

As at the date of this announcement, Mr. Chen does not have any interest in any shares of the Company pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Save as disclosed above, Mr. Chen does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there is no information which is required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter that needs to be brought to the attention of the shareholders of the Company.

By order of the Board
China Dongxiang (Group) Co., Ltd
Chen Yihong
Chairman

16 August 2017

As at the date of this announcement, the executive directors of the Company are Mr. Chen Yihong, Ms. Chen Chen; and the independent non-executive directors of the Company are Dr. Chen Guogang, Mr. Chen Johnny and Mr. Gao Yu.