

Monthly Return of Equity Issuer on Movements in Securities

For the month ended (dd/mm/yyyy) : 31 January 2017

To : Hong Kong Exchanges and Clearing Limited

Name of Issuer China Ocean Industry Group Limited

Date Submitted 3 February 2017

I. Movements in Authorised Share Capital

1. Ordinary Shares

(1) Stock code : 651 Description : Chi Ocean Ind

	No. of ordinary shares	Par value (State currency)	Authorised share capital (State currency)
Balance at close of preceding month	<u>20,000,000,000</u>	<u>HK\$0.05</u>	<u>HK\$1,000,000,000.00</u>
Increase/(decrease)	<u>N/A</u>		<u>N/A</u>
Balance at close of the month	<u>20,000,000,000</u>	<u>HK\$0.05</u>	<u>HK\$1,000,000,000.00</u>

(2) Stock code : N/A Description : N/A

	No. of ordinary shares	Par value (State currency)	Authorised share capital (State currency)
Balance at close of preceding month	<u></u>	<u></u>	<u></u>
Increase/(decrease)	<u></u>		<u></u>
Balance at close of the month	<u></u>	<u></u>	<u></u>

2. Preference Shares

Stock code :	<u>N / A</u>	Description :	<u>N / A</u>
		No. of preference shares	Par value (<i>State currency</i>)
			Authorised share capital (<i>State currency</i>)
Balance at close of preceding month	_____	_____	_____
Increase/(decrease)	_____	_____	_____
Balance at close of the month	_____	_____	_____

3. Other Classes of Shares

Stock code :	<u>N / A</u>	Description :	<u>N / A</u>
		No. of other classes of shares	Par value (<i>State currency</i>)
			Authorised share capital (<i>State currency</i>)
Balance at close of preceding month	_____	_____	_____
Increase/(decrease)	_____	_____	_____
Balance at close of the month	_____	_____	_____

Total authorised share capital at the end of the month
(*State currency*) :

HK\$1,000,000,000.00

II. Movements in Issued Share Capital

	No. of ordinary shares		No of preference	No. of other classes of shares
	(1)	(2)	shares	
Balance at close of preceding month	<u>12,002,758,840</u>	<u>N / A</u>	<u>N / A</u>	<u>N / A</u>
Increase/ (decrease) during the month	<u>58,160,000</u>	<u>N / A</u>	<u>N / A</u>	<u>N / A</u>
Balance at close of the month	<u>12,060,918,840</u>	<u>N / A</u>	<u>N / A</u>	<u>N / A</u>

III. Details of Movements in Issued Share Capital

Share Options (under Share Option Schemes of the Issuer)

Particulars of share option scheme including EGM approval date (dd/mm/yyyy) and class of shares issuable	Movement during the month				No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
	Granted	Exercised	Cancelled	Lapsed		
<u>1. Share Option Scheme</u>						
<u>Exercise price:</u>						
<u>HK\$5.693</u>						
<u>GM approval date (27/05/2002)</u>						
<u>Ordinary shares</u>	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>	<u>N / A</u>	<u>6,324,000</u>
<i>(Note 1)</i>						
<u>2. Share Option Scheme</u>						
<u>Exercise price:</u>						
<u>HK\$4.523</u>						
<u>GM approval date (27/05/2002)</u>						
<u>Ordinary shares</u>	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>	<u>N / A</u>	<u>40,125,780</u>
<i>(Note 1)</i>						
<u>3. Share Option Scheme</u>						
<u>Exercise price:</u>						
<u>HK\$0.211</u>						
<u>GM approval date (27/06/2012)</u>						
<u>Ordinary shares</u>	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>	<u>N / A</u>	<u>326,000,000</u>
<i>(Note 1)</i>						

III. Details of Movements in Issued Share Capital

Share Options (under Share Option Schemes of the Issuer)

Particulars of share option scheme including EGM approval date (dd/mm/yyyy) and class of shares issuable	Movement during the month				No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
	Granted	Exercised	Cancelled	Lapsed		
<u>4. Share Option Scheme</u> Exercise price: HK\$0.280 GM approval date (27/06/2012) Ordinary shares (Note 1)	NIL	NIL	NIL	NIL	N/A	550,000,000
<u>5. Share Option Scheme</u> Exercise price: HK\$ GM approval date (/ /) shares (Note 1)	NIL	NIL	NIL	NIL	N/A	N/A
<u>6. Share Option Scheme</u> Exercise price: HK\$ GM approval date (/ /) shares (Note 1)	NIL	NIL	NIL	NIL	N/A	N/A
<u>7. Share Option Scheme</u> Exercise price: HK\$ GM approval date (/ /) Ordinary shares (Note 1)	NIL	NIL	NIL	NIL	N/A	N/A
<u>8. Share Option Scheme</u> Exercise price: HK\$ GM approval date (/ /) shares (Note 1)	NIL	NIL	NIL	NIL	N/A	N/A
					Total A. (Ordinary shares)	N / A
					(Preference shares)	N / A
					(Other class)	N / A
Total funds raised during the month from exercise of options (State currency)				N / A		

Warrants to Issue Shares of the Issuer which are to be Listed

Description of warrants (Date of expiry - dd/mm/yyyy)	Currency of nominal value	Nominal value at close of preceding month	Exercised during the month	Nominal value at close of the month	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. N/A						
(/ /)						
Stock code (if listed)						
Class of shares issuable (<i>Note 1</i>)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)		(/ /)				
2. N/A						
(/ /)						
Stock code (if listed)						
Class of shares issuable (<i>Note 1</i>)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)		(/ /)				
3 N/A						
(/ /)						
Stock code (if listed)						
Class of shares issuable (<i>Note 1</i>)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)		(/ /)				
4. N/A						
(/ /)						
Stock code (if listed)						
Class of shares issuable (<i>Note 1</i>)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)		(/ /)				
Total B. (Ordinary shares) (Preference shares) (Other class)					N/A	N/A
					N/A	

Convertibles (i.e. Convertible into Shares of the Issuer which are to be Listed)

Class and description	Currency of amount outstanding	Amount at close of preceding month	Converted during the month	Amount at close of the month	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. Convertible Bonds						
	HK\$	52,000,000.00	-	52,000,000.00	-	260,000,000
Stock code (if listed)	N/A					
Class of shares issuable (Note 1)	Ordinary					
Subscription price	HK\$0.20					
SGM approval date (if applicable) (dd/mm/yyyy)	(18/06/2014)					
2. Convertible Notes						
	HK\$	200,000,000.00	-	200,000,000.00	-	806,126,561
Stock code (if listed)	N/A					
Class of shares issuable (Note 1)	Ordinary					
Subscription price	HK\$0.2481					
AGM approval date (if applicable) (dd/mm/yyyy)	(27/06/2014)					
3. Convertible Notes						
	HK\$	399,000,000.00	12,000,000.00	387,000,000.00	58,160,000	2,150,000,000
Stock code (if listed)	N/A					
Class of shares issuable (Note 1)	Ordinary					
Subscription price	Minimum: HK\$0.18					
AGM approval date (if applicable) (dd/mm/yyyy)	(29/06/2016)					
4. N/A						
Stock code (if listed)						
Class of shares issuable (Note 1)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)					
Total C. (Ordinary shares)					58,160,000	
(Preference shares)					N/A	
(Other class)					N/A	

Any other Agreements or Arrangements to Issue Shares of the Issuer which are to be Listed, including Options (other than under Share Option Schemes)

Full particulars including SGM approval date (dd/mm/yyyy), if applicable, and class of shares issuable:	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
<p>1. On 15 October 2015 (after trading hours), Brilliant Plus Holdings Limited (“the Purchaser”) entered into the Sale and Purchase Agreement with Pacific Greatest Limited (“ the Vendor”) and Mr Tang WuQiang, Mr Ning JiZhong and Ms. Su RuLing being three of the shareholders of Success Capture Limited (“the Guarantors”), pursuant to which the Vendor has conditionally agreed to sell and transfer, and the Purchaser has conditionally agreed to acquire and accept, the entire issued share capital of Success Capture Limited at an initial consideration of HK\$67,470,000, which shall be adjusted upward to a maximum of HK\$450,000,000 upon fulfillment of the Guarantee Profit. Following Completion of the Sale and Purchase Agreement on 4 December 2015, 259,500,000 Consideration Shares have been issued and allotted to the Vendor (or its nominees), and Success Capture Limited has become a direct wholly-owned subsidiary of the Company. Pursuant to the Sale and Purchase Agreement, the remaining 1,470,500,000 Consideration Shares will be issued and allotted to the Vendor (or its nominees) in the event that the Net Profit of the Target Group for the period from 1 January 2016 to 31 December 2016 attained the Guarantee Profit of RMB60 million. For details, please refer to the Company’s Announcements dated 15 October 2015 and 4 December 2015 and Circular dated 12 November 2015.</p> <p style="text-align: right;">(28/11/2015)</p> <p style="text-align: right;">Ordinary shares (<i>Note 1</i>)</p>		1,470,500,000
<p>2. N/A</p> <p style="text-align: right;">(/ /)</p> <p style="text-align: right;">shares (<i>Note 1</i>)</p>		
<p>3. N/A</p> <p style="text-align: right;">(/ /)</p> <p style="text-align: right;">shares (<i>Note 1</i>)</p>		
Total D. (Ordinary shares)	N/A	
(Preference shares)	N/A	
(Other class)	N/A	

Other Movements in Issued Share Capital

Type of Issue				No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month	
1. Rights issue	At price :	State currency	_____	Class of shares issuable (<i>Note 1</i>) Issue and allotment date : (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy)	(/ /) (/ /)	N / A N / A
2. Open offer	At price :	State currency	_____	Class of shares issuable (<i>Note 1</i>) Issue and allotment date : (dd/mm/yyyy) AGM approval date: (dd/mm/yyyy)	(/ /) (/ /)	N / A N / A
3. Placing	At price :	State currency	_____	Class of shares issuable (<i>Note 1</i>) Issue and allotment date : (dd/mm/yyyy) AGM approval date: (dd/mm/yyyy)	(/ /) (/ /)	N / A N / A
4. Bonus issue				Class of shares issuable (<i>Note 1</i>) Issue and allotment date : (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy)	(/ /) (/ /)	N / A N / A

Type of Issue				No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
5.	Scrip dividend	At price : State currency	Class of shares issuable (Note 1) _____ Issue and allotment date : (dd/mm/yyyy) _____ EGM approval date: (dd/mm/yyyy) _____	(/ /) N/A	(/ /) N/A
6.	Repurchase of shares		Class of shares repurchased (Note 1) _____ Cancellation date : (dd/mm/yyyy) _____ EGM approval date: (dd/mm/yyyy) _____	(/ /) N/A	(/ /) N/A
7.	Redemption of shares		Class of shares redeemed (Note 1) _____ Redemption date : (dd/mm/yyyy) _____ EGM approval date: (dd/mm/yyyy) _____	(/ /) N/A	(/ /) N/A
8.	Consideration issue	At price : State currency	Class of shares issuable (Note 1) _____ Issue and allotment date : (dd/mm/yyyy) _____ EGM approval date: (dd/mm/yyyy) _____	(/ /) N/A	(/ /) N/A

Type of Issue			No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
9. Capital reorganisation				
		Class of shares issuable (<i>Note 1</i>)		
		Issue and allotment date : (dd/mm/yyyy)	(/ /)	N / A
		EGM approval date: (dd/mm/yyyy)	(/ /)	N / A
10. Other (Please specify)	At State price : currency	Class of shares issuable (<i>Note 1</i>)		
		Issue and allotment date : (dd/mm/yyyy)	(/ /)	N / A
		EGM approval date: (dd/mm/yyyy)	(/ /)	N / A
Total E. (Ordinary shares)				N / A
(Preference shares)				N / A
(Other class)				N / A

Total increase / (decrease) in ordinary shares during the month (i.e. Total of A to E):	(1)	58,160,000
	(2)	N / A
Total increase / (decrease) in preference shares during the month (i.e. Total of A to E):		N / A
Total increase / (decrease) in other classes of shares during the month (i.e. Total of A to E):		N / A
<i>(These figures should be the same as the relevant figures under II above (“Movements in Issued Share Capital”).)</i>		

Remarks (if any):

N/A

Submitted by: **Ms Cheung Tin Shu** _____

Title: **Company Secretary** _____
(Director, Secretary or other duly authorised officer)

Notes :

1. *State the class of shares (e.g. ordinary, preference or other).*
2. *If there is insufficient space, please append the prescribed continuation sheet.*