

*Unless otherwise defined in this announcement, terms defined in the prospectus of the Company dated 25 September, 2007 (the "Prospectus") have the same meanings when used in this announcement.*

*This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.*

*The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") and Hong Kong Securities Clearing Company Limited ("HKSCC") 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.*

*In connection with the Global Offering, Merrill Lynch Far East Limited (the "Stabilizing Manager") and/or its affiliates and agents on behalf of the Underwriters may over-allocate or effect any other transactions with a view to stabilizing or maintaining the market price of our shares at a level higher than that which might otherwise prevail for a limited period commencing from the day on which our shares commence trading on the Hong Kong Stock Exchange. The stabilizing action which may be taken by the Stabilizing Manager may include primary and ancillary stabilizing action such as purchasing or agreeing to purchase any of our shares, exercising the Over-allotment Option, stock borrowing, establishing a short position in our shares, liquidating long positions in our shares or offering or attempting to do any such actions. Any market purchases will be effected in compliance with all applicable laws and regulatory requirements, including the Securities and Futures (Price Stabilizing) Rules made under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong). However there is no obligation on the Stabilizing Manager to conduct any such stabilizing activity, which if commenced, may be discontinued at any time. Any such stabilizing activity is required to be brought to an end after a limited period. The number of shares being offered in the Global Offering may be increased by up to an aggregate of 206,250,000 additional shares through the exercise of the Over-allotment Option expected to be granted to the International Underwriters by the Company, exercisable by the Joint Global Coordinators on behalf of the International Underwriters, to cover over-allocations in the International Offer. The Over-allotment Option is exercisable for up to 30 days from the last day for the lodging of applications under the Hong Kong Public Offering, which is expected to be 1 November 2007. In the event that such Over-allotment Option is exercised, a press announcement will be made.*



## China Dongxiang (Group) Co., Ltd.

中國動向（集團）有限公司

*(Incorporated in the Cayman Islands with limited liability)*

### GLOBAL OFFERING

<b>Number of Offer Shares under the Global Offering</b>	<b>: 1,375,000,000 Shares (comprising 1,181,000,000 Offer Shares to be offered by the Company and 194,000,000 Sale Shares to be offered by the Selling Shareholders, subject to the Over-allotment Option)</b>
<b>Number of Hong Kong Offer Shares</b>	<b>: 137,500,000 Shares (subject to adjustment)</b>
<b>Number of International Offer Shares</b>	<b>: 1,237,500,000 Shares (subject to adjustment and the Over-allotment Option)</b>
<b>Maximum Offer Price</b>	<b>: HK\$3.98 per Offer Share payable in full on application, subject to refund on final pricing, plus brokerage of 1%, SFC transaction levy of 0.004% and Hong Kong Stock Exchange trading fee of 0.005%</b>
<b>Nominal value</b>	<b>: HK\$0.01 per Share</b>
<b>Stock Code</b>	<b>: 3818</b>

**Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers and Joint Sponsors**



Application has been made to the Listing Committee of the Hong Kong Stock Exchange for the granting of the listing of, and permission to deal in, the shares of the Company, comprising 1,375,000,000 Offer Shares, the shares to be issued by the Company and sold by the Selling Shareholders as a result of any exercise of the over-allotment option (which, if exercised in full, amounts to 206,250,000 shares and shares which may be issue) pursuant to the exercise of options granted under the Pre-IPO Share Option Scheme and options to be granted under the Share Option Scheme. Dealings in the Shares on the Hong Kong Stock Exchange are expected to commence on Wednesday, 10 October 2007.

Applicants who wish to be allotted the Hong Kong Offer Shares in their own names should complete and sign the **WHITE** application forms or apply by means of the **White Form eIPO** service ([www.eipo.com.hk](http://www.eipo.com.hk)). Applicants who wish to have the Hong Kong Offer Shares allotted and issued in the name of HKSCC Nominees Limited and deposited directly into CCASS

for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants should (i) complete and sign the **YELLOW** application forms, copies of which, together with the Prospectus, may be obtained during normal business hours from 9:00 a.m. on Tuesday, 25 September 2007 until 12:00 noon on Tuesday, 2 October 2007 at the Depository Counter of HKSCC at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong; or (ii) give **electronic application instructions** to HKSCC via CCASS.

It should be noted that multiple or suspected multiple applications or any application for more than 68,750,000 Hong Kong Public Shares will be rejected. Only one application on a **WHITE** or **YELLOW** Application Form or by way of giving **electronic application instructions** to HKSCC or to the **White Form eIPO** Service Provider via **White Form eIPO** service ([www.eipo.com.hk](http://www.eipo.com.hk)) may be made for the benefit of any person. Applicants for any Hong Kong Offer Shares under the Hong Kong Public Offer are required to undertake and confirm that they or the relevant beneficial owner(s) have not applied for or taken up or indicated an interest for, and will not apply for or take up, or indicate an interest for, any other Hong Kong Offer Shares under the International Placing. Subject to the granting of the listing of, and permission to deal in, the Hong Kong Offer Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Hong Kong Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Hong Kong Offer Shares on the Stock Exchange or such other date as determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Acceptance of all applications for the Hong Kong Offer Shares pursuant to the Hong Kong Public Offer is conditional on the conditions as stated in the paragraph headed “Conditions of the Hong Kong Public Offer” in the section entitled “Structure of the Global Offering” in the Prospectus. The Offer Price is expected to be fixed by agreement between the Joint Global Coordinators, on behalf of the underwriters, the Selling Shareholders and the Company on or around Wednesday, 3 October 2007 and in any event, no later than Monday, 8 October 2007. Investors applying for Hong Kong Offer Shares under the Hong Kong Public Offer must pay, on application, the maximum offer price of HK\$3.98 for each Hong Kong Offer Share together with a brokerage fee of 1%, SFC transaction levy of 0.004%, and Hong Kong Stock Exchange trading fee of 0.005%. The Joint Global Coordinators, on behalf of the underwriters, may with the consent of the Company, reduce the indicative offer price range below that stated in the Prospectus (which is HK\$3.60 to HK\$3.98 per Hong Kong Offer Share) at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offer. In such a case, notices of the reduction in the number of Offer Shares and/or the indicative offer price range will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offer. If applications have been submitted prior to the day which is the last day for lodging applications under the Hong Kong Public Offer, then even if the indicative offer price range is so reduced, such applications cannot be subsequently withdrawn. If, for any reason, the Offer Price is not agreed between the Company, the Selling Shareholders and the Joint Global Coordinators (on behalf of the underwriters) on or before Monday, 8 October 2007, the Global Offering (including the Hong Kong Public Offer) will not proceed and will lapse.

Copies of the Prospectus, together with the **WHITE** application forms, may be obtained during business hours from 9:00 a.m. on Tuesday, 25 September 2007 until 12:00 noon on Tuesday, 2 October 2007 from the following locations:

Any of the following addresses of the Hong Kong Underwriters:

**Deutsche Bank AG, Hong Kong Branch**

55/F Cheung Kong Centre  
2 Queen's Road Central  
Hong Kong

or

**Merrill Lynch Far East Limited**

15/F Citibank Tower  
3 Garden Road  
Central, Hong Kong

or any of the following branches and/or sub-branches of **The Hong Kong and Shanghai Banking Corporation Limited** ("HSBC") and **Industrial and Commercial Bank of China (Asia) Limited** ("ICBC (Asia)"):

**(a) HSBC**

	<b>Branch Name</b>	<b>Address</b>
Hong Kong Island	Hong Kong Office	1 Queen's Road Central
	Aberdeen Centre Branch	Shop 2, G/F, Site I, Aberdeen Centre, Aberdeen
	Cityplaza Branch	Unit 065, Cityplaza I, Taikoo Shing
	North Point Branch	G/F, Winner House, 306–316 King's Road, North Point
	Hay Wah Building Branch	G/F, Hay Wah Bldg, 71–85B Hennessy Road, Wan Chai
	Des Voeux Road West Branch	Western Centre, 40–50 Des Voeux Road West
Kowloon	Mong Kok Branch	673 Nathan Road, Mong Kok
	Kwun Tong Branch	No. 1, Yue Man Square, Kwun Tong
	Kowloon City Branch	1/F, 18 Fuk Lo Tsun Road, Kowloon City
	Whampoa Garden Branch	Shop No. G6 & 6A, G/F, Site 4, Whampoa Garden
	238 Nathan Road Branch	Shop No. 1, 1/F & Shop No. 1–3, G/F, 238 Nathan Road
	Telford Gardens Branch	Shop Unit P16, Blk G, Telford Plaza I, Kowloon Bay
New Territories	Citylink Plaza Branch	Shops 38–46, Citylink Plaza, Shatin Station Circuit, Sha Tin
	Yuen Long Branch	G/F, HSBC Building Yuen Long, 150–160 Castle Peak Road, Yuen Long
	Tai Po Branch	54–62 Kwong Fuk Road, Tai Po

## (b) ICBC (Asia)

	<b>Branch Name</b>	<b>Address</b>
Hong Kong Island	Queen's Road Central Branch	122–126 Queen's Road Central, Central
	Hennessy Road Branch	Shop 2A, G/F & Basement, Cameron Commercial Centre, 468 Hennessy Road, Causeway Bay
	Sheung Wan Branch	Shop F, G/F, Kai Tak Commerical Building, 317–319 Des Voeux Road Central, Sheung Wan
Kowloon	Kwun Tong Branch	G/F., Lemmi Centre, 50 Hoi Yuen Road, Kwun Tong
	Prince Edward Branch	777 Nathan Road, Mongkok
	Mei Foo Branch	Shop N95A, 1/F., Mount Sterling Mall, Mei Foo Sun Chuen.
	Tsim Sha Tsui Branch	Shop 6–7, G/F., Hankow Centre, 5-15 Hankow Road, Tsimshatsui
New Territories	Tseung Kwan O Branch	Shop Nos. 2011–2012, Level 2, Metro City, Plaza II, 8 Yan King Road, Tseung Kwan O
	Sha Tsui Road Branch	Shop 4, G/F., Chung On Building, 297–313 Sha Tsui Road, Tsuen Wan
	Kwai Chung Branch	Unit G02, Tower A, Regent Centre, 63 Wo Yi Hop Road, Kwai Chung

Both **WHITE** and **YELLOW** application forms completed in all respects (to which cheques or banker's cashier orders should be securely stapled) should be deposited in the special collection boxes provided at any one of the branches and/or sub-branches of HSBC and ICBC (Asia) referred to above at the following times on the following dates:

<b>Tuesday, 25 September, 2007</b>	—	<b>9:00 a.m. to 4:30 p.m.</b>
<b>Thursday, 27 September, 2007</b>	—	<b>9:00 a.m. to 4:30 p.m.</b>
<b>Friday, 28 September, 2007</b>	—	<b>9:00 a.m. to 4:30 p.m.</b>
<b>Saturday, 29 September, 2007</b>	—	<b>9:00 a.m. to 1:00 p.m.</b>
<b>Tuesday, 2 October, 2007</b>	—	<b>9:00 a.m. to 12:00 noon</b>

## **APPLICATIONS BY WHITE FORM EIPO**

Applications applying by **White Form eIPO** may submit applications to the **White Form eIPO** Service Provider through the designated website at [www.eipo.com.hk](http://www.eipo.com.hk) from 9:00 a.m. on Tuesday, 25 September 2007 until 11:30 a.m. on Tuesday, 2 October 2007 (or such later time as described under the paragraph headed "Effect of bad weather on the opening of the application lists" in the Prospectus) (24 hours daily, except on the last application day). The latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Tuesday, 2 October 2007, the last application day, or if the application lists are not open on that day, then by the time and date stated in the paragraph headed "Effect of bad weather conditions on the opening of the application lists" in the Prospectus. Applications will not be permitted to submit applications to the **White Form eIPO** Service Provider after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the website prior to 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.

# APPLICATIONS BY GIVING ELECTRONIC APPLICATION INSTRUCTIONS TO HKSCC

Investors can apply for Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC as follows:

1. CCASS Investor Participants can give **electronic application instructions** to HKSCC through the CCASS Phone System by calling (852) 2979 7888 or through the CCASS Internet System (<https://ip.ccass.com>) (using the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time). HKSCC can also input **electronic application instructions** for CCASS Investor Participants on their behalf if they go to the Customer Service Centre of HKSCC at 2/F Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong and complete an input request form. Prospectuses are also available for collection at the Customer Service Centre of HKSCC.
2. Those who are not CCASS Investor Participants can instruct their brokers or custodians who are CCASS Broker Participants or CCASS Custodian Participants to give **electronic application instructions** to HKSCC via CCASS terminals to apply for Hong Kong Offer Shares on their behalf. CCASS participants can input **electronic application instructions** at the following times on the following dates:

<b>Tuesday, 25 September, 2007</b>	—	<b>9:00 a.m. to 8:30 p.m.<sup>(1)</sup></b>
<b>Thursday, 27 September, 2007</b>	—	<b>8:00 a.m. to 8:30 p.m.<sup>(1)</sup></b>
<b>Friday, 28 September, 2007</b>	—	<b>8:00 a.m. to 8:30 p.m.<sup>(1)</sup></b>
<b>Saturday, 29 September, 2007</b>	—	<b>8:00 a.m. to 8:30 p.m.<sup>(1)</sup></b>
<b>Tuesday, 2 October, 2007</b>	—	<b>8:00 a.m. to 12:00 noon<sup>(1)</sup></b>

(1) These times are subject to change as HKSCC may determine from time to time with prior notification to CCASS Broker/Custodian Participants.

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Tuesday, 25 September 2007 until 12:00 noon on Tuesday, 2 October 2007 (24 hours daily, except the last application day).

Subject to the terms and conditions set out in the Prospectus and the application forms relating thereto, applications must be received no later than 12:00 noon on Tuesday, 2 October 2007 (or if the application lists are not open on that day, then by 12:00 noon on the next day the lists are open). Please see the section headed "How to Apply for Hong Kong Offer Shares" in the Prospectus for further details. No receipt will be issued for application monies.

**The total number of Hong Kong Offer Shares available under the Hong Kong Public Offer is to be divided into two pools for allocation purposes: pool A and pool B. The Offer Shares in pool A will be allocated on an equitable basis to applicants who have applied for Offer Shares with an aggregate subscription price of HK\$5 million (excluding the brokerage, SFC transaction levy and the Hong Kong Stock Exchange trading fee payable) or less. The Offer Shares in pool B will be allocated on an equitable basis to applicants who have applied for Offer Shares with an aggregate subscription price of more than HK\$5 million**

**(excluding the brokerage, SFC transaction levy and the Hong Kong Stock Exchange trading fee payable). Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If Offer Shares in one (but not both) of the pools are undersubscribed, the surplus Offer Shares will be transferred to the other pool to satisfy demand in this other pool and be allocated accordingly. Applicants can only receive an allocation of Offer Shares from either pool A or pool B but not from both pools.**

The Offer Price, the level of indication of interest in the International Offer and the basis of allocation of Hong Kong Offer Shares under the Hong Kong Public Offering will be published on Tuesday, 9 October 2007 in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese).

The results of allocations and the Hong Kong Identity Card/passport/Hong Kong Business Registration numbers of successful applicants under the Hong Kong Public Offering will be available at the times and date and in the manner specified below:

- Results of allocations for the Hong Kong Public Offering can be found in our Announcement to be posted on the Company's website at [www.dxsport.com](http://www.dxsport.com) and on the website of the Hong Kong Stock Exchange at [www.hkex.com.hk](http://www.hkex.com.hk) on Tuesday, 9 October 2007.
- Results of allocations for the Hong Kong Public Offering will be available from our designated results of allocations website at [www.iporesults.com.hk](http://www.iporesults.com.hk) on a 24-hour basis from 8:00 a.m. on Tuesday, 9 October 2007 to 12:00 midnight on Monday, 15 October 2007. The user will be required to key in the Hong Kong identity card/passport/Hong Kong business registration number provided in his/her/its application form to search for his/her/its own allocation result;
- Results of allocations will be available from our Hong Kong Public Offering allocation results telephone enquiry line. Applicants may find out whether or not their applications have been successful and the number of Hong Kong Offer Shares allocated to them, if any, by calling 2862 8669 between 9:00 a.m. and 10:00 p.m. from Tuesday, 9 October 2007 to Friday, 12 October 2007;
- Special allocation results booklets setting out the results of allocations will be available for inspection during opening hours of individual branches and sub-branches from Tuesday, 9 October 2007 to Thursday, 11 October 2007 at all the receiving bank branches and sub-branches at the addresses set out in the section headed "How to Apply for Hong Kong Offer Shares — Where to collect the Application Forms".

If you are applying for the Hong Kong Offer Shares by using a **YELLOW** application form or by giving **electronic application instructions** to HKSCC and your application is wholly or partially successful, your share certificate will be issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to your CCASS Investor Participant stock account or the stock account of any designated CCASS Participant which you have instructed to give **electronic application instructions** on your behalf or as instructed by you in your **YELLOW** application form at the close of business on Tuesday, 9 October 2007 or in the event of a contingency, on any other date as shall be determined by HKSCC or HKSCC Nominees Limited. If you are applying

through a designated CCASS Participant (other than a CCASS Investor Participant), you can check the number of Hong Kong Offer Shares allocated to you (and the amount of refund money payable to you if you have instructed a CCASS Broker/Custodian Participant to give **electronic application instructions** on your behalf) with that CCASS Participant. If you are applying as a CCASS Investor Participant, you should check the announcement published by the Company on Tuesday, 9 October 2007 (for CCASS Investor Participants applying by giving **electronic application instructions** to HKSCC, they can also check the application result via the CCASS Phone System and CCASS Internet System) and report any discrepancies to HKSCC before 5:00 p.m. on Tuesday, 9 October 2007 or such other date as shall be determined by HKSCC or HKSCC Nominees Limited. Immediately following the credit of the Hong Kong Offer Shares to your account, you can check your new account balance via the CCASS Phone System and CCASS Internet System (under the procedures contained in “An Operating Guide for Investor Participants” as published by HKSCC in effect from time to time). HKSCC will also make available to you an activity statement showing the number of Hong Kong Offer Shares credited to your CCASS Investor Participant stock account and (if you are applying by giving **electronic application instructions** to HKSCC) the amount of refund monies (if any) credited to your designated bank account.

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

Hong Kong, 25 September, 2007

*Our Directors are Mr. CHEN Yihong and Mr. QIN Dazhong as executive Directors, Mr. GAO Yu as non-executive Director, and Mr. XIANG Bing, Mr. XU Yudi and Mr. MAK Kin Kwong as independent non-executive Directors.*

*Please also refer to the published version of this announcement in **South China Morning Post**.*