

*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.*



**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)**

**(1) COMPLETION OF ISSUE OF NEW SHARES  
UNDER SPECIFIC MANDATES**

**AND**

**(2) COMPLETION OF ISSUE OF NEW SHARES  
UNDER GENERAL MANDATE**

**(1) COMPLETION OF ISSUE OF NEW SHARES UNDER SPECIFIC MANDATES**

Reference is made to the circular of China Dongxiang (Group) Co., Ltd. (the “**Company**”) dated 9 March 2018 (the “**Circular**”). Unless otherwise defined, all capitalised terms used hereunder shall have the same meanings given to them in the Circular.

The Board is pleased to announce that the Connected Subscription Conditions under the Connected Subscription Agreements and the Management Subscription Conditions under the Management Subscription Agreements have been fulfilled, and the Connected Subscription Completion and the Management Subscription Completion have both taken place on 27 April 2018.

Pursuant to the Connected Subscription Agreements, 123,110,000 Connected Subscription Shares have been allotted and issued to the Connected Subscribers under the Connected Specific Mandates upon the Connected Subscription Completion.

Pursuant to the Management Subscription Agreements, 79,200,000 Management Subscription Shares have been allotted and issued to the Management Subscribers under the Management Specific Mandate upon the Management Subscription Completion.

## (2) COMPLETION OF ISSUE OF NEW SHARES UNDER GENERAL MANDATE

Reference is made to the announcement of the Company dated 11 April 2018 (the “**Announcement**”). Unless otherwise defined, all capitalised terms used hereunder shall have the same meanings given to them in the Announcement.

The Board is pleased to announce that the Conditions under the Subscription Agreement have been fulfilled, and the Completion (together with the Connected Subscription Completion and the Management Subscription Completion, referred to as the “**Completions**” below) has taken place on 27 April 2018.

Pursuant to the Subscription Agreement, 9,000,000 Subscription Shares have been allotted and issued to the Subscriber, namely Mr. Yang Gang, under the General Mandate upon the Completion.

The table below sets out the shareholding structure of the Company (i) immediately before the Completions; (ii) immediately after the Completions; and (iii) for illustration purposes only, immediately after the acquisition of all Additional Shares (as defined in the Announcement) (assuming no other changes in the issued share capital of the Company between (ii) and (iii)):

	Immediately before the Completions		Immediately after the Completions		Immediately after all Additional Shares have been acquired (for illustration purposes only) (Note 5)	
	Number of Shares held	Approximate percentage of total issued Shares	Number of Shares held	Approximate percentage of total issued Shares	Number of Shares held	Approximate percentage of total issued Shares
Poseidon Sports Limited (Note 1)	2,249,387,000	39.64%	2,249,387,000	38.22%	2,249,387,000	38.22%
Talent Hill Group Limited (Note 2)	64,928,372	1.14%	64,928,372	1.10%	64,928,372	1.10%
Forever Step Investment Limited (Note 3)	9,280,000	0.16%	9,280,000	0.16%	9,280,000	0.16%
Mr. Zhang Zhiyong	138,410,025	2.44%	163,320,025	2.77%	166,090,025	2.82%
Ms. Chen Chen (Note 4)	119,944,100	2.11%	156,944,100	2.67%	156,944,100	2.67%
Mr. Ren Yi	2,800,000	0.05%	28,000,000	0.48%	28,000,000	0.48%
Mr. Yang Yang	0	0%	9,000,000	0.15%	10,000,000	0.17%
Mr. Lyu Guanghong	501,000	0.01%	9,501,000	0.16%	10,000,000	0.17%
Ms. Tang Lijun	1,432,000	0.03%	10,432,000	0.18%	10,432,000	0.18%
Ms. Sun Wei	0	0%	9,000,000	0.15%	10,000,000	0.17%
Public						
— Mr. Chen Shaowen	0	0%	25,200,000	0.43%	28,000,000	0.48%
— Mr. Song Li	0	0%	25,200,000	0.43%	28,000,000	0.48%
— Mr. Nan Peng	1,600,000	0.03%	16,000,000	0.27%	16,000,000	0.27%
— Mr. Wang Yalei	0	0%	14,400,000	0.24%	16,000,000	0.27%
— Mr. Yang Gang	0	0%	9,000,000	0.15%	10,000,000	0.17%
— Other public Shareholders	<u>3,086,528,528</u>	<u>54.39%</u>	<u>3,086,528,528</u>	<u>52.44%</u>	<u>3,073,059,528</u>	<u>52.19%</u>
<b>Total</b>	<u><u>5,674,811,025</u></u>	<u><u>100%</u></u>	<u><u>5,886,121,025</u></u>	<u><u>100%</u></u>	<u><u>5,886,121,025</u></u>	<u><u>100%</u></u>

*Notes:*

- (1) Mr. Chen Yihong (“**Mr. Chen**”), an executive Director and the Chairman of the Board, Harvest Luck Development Limited (“**Harvest Luck**”) and Talent Rainbow Far East Limited (“**Talent Rainbow**”) are deemed to be interested in the Shares held by Poseidon Sports Limited (“**Poseidon**”) by virtue of Harvest Luck and Talent Rainbow being entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of Poseidon. Harvest Luck is wholly owned and controlled by Mr. Chen. The entire issued share capital of Talent Rainbow is held by Billion Giant Development Limited (“**Billion Giant**”). The entire issued share capital of Billion Giant is in turn held by BOS Trustee Limited as trustee of the Cerises Trust. The Cerises Trust is an irrevocable discretionary trust set up by Mr. Chen as settlor and BOS Trust Company (Jersey) Limited as trustee on 20 April 2010. The beneficiaries under the Cerises Trust are family members of Mr. Chen. Mr. Chen as founder of the Cerises Trust is deemed to be interested in the Shares held by Talent Rainbow. On 16 December 2016, the trustee has been changed from BOS Trust Company (Jersey) Limited to BOS Trustee Limited.
- (2) Talent Hill Group Limited is wholly-owned and controlled by Mr. Chen Yiyong, Mr. Chen’s brother.
- (3) Forever Step Investment Limited is wholly-owned and controlled by Mr. Chen Yiliang, Mr. Chen’s brother.
- (4) 116,944,100 Shares are held by Bountiful Talent Ltd, a company wholly-owned and controlled by Ms. Chen Chen, an executive Director.
- (5) Based on the assumption that all Additional Shares will be acquired from other public Shareholders.

By Order of the Board  
**China Dongxiang (Group) Co., Ltd.**  
**CHEN Yihong**  
*Chairman*

Hong Kong, 27 April 2018

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