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If you are in doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your shares in China Dongxiang (Group) Co., Ltd., you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser.

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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)

(1) RE-ELECTION OF DIRECTORS
(2) GENERAL MANDATE TO ISSUE SHARES
(3) GENERAL MANDATE TO REPURCHASE SHARES
(4) PROPOSED FINAL SPECIAL DIVIDEND
**(5) PROPOSED ADOPTION OF THE THIRD AMENDED AND
RESTATED ARTICLES OF ASSOCIATION**
AND
(6) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of China Dongxiang (Group) Co., Ltd. to be held at G/F., Lobby Area, Building 21, No. 2 Jingyuanbei Street, Beijing Economic-Technology Development Area, Beijing, the People's Republic of China on 21 August 2024 at 10:00 a.m. is set out in this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.dxsport.com).

Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment or postponement thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish and in such event, the form of proxy shall be deemed to be revoked.

12 July 2024

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DEFINITIONS

In this circular, unless the context states otherwise, the following expressions have the following meaning:

“2023/2024 Annual Report”	the annual report dated 26 June 2024 of the Company for the twelve months ended 31 March 2024 which has been dispatched to the Shareholders
“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at G/F., Lobby Area, Building 21, No. 2 Jingyuanbei Street, Beijing Economic-Technology Development Area, Beijing, the People’s Republic of China on 21 August 2024 at 10:00 a.m., the notice of which is set out in this circular
“Articles” or “Articles of Association”	the second amended and restated articles of association of the Company currently in force
“Board”	the board of Directors of the Company
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Company”	China Dongxiang (Group) Co., Ltd. (中國動向(集團)有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Hong Kong Stock Exchange
“Director(s)”	the director(s) of the Company
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	28 June 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Proposed Amendments”	the proposed amendments to the Articles of Association as set out in Appendix III to this circular
“RMB”	Renminbi, lawful currency of PRC

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s) in issue
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Third Amended and Restated Articles of Association”	the third amended and restated articles of association of the Company incorporating and consolidating all of the Proposed Amendments proposed to be adopted by the Company at the AGM
“treasury shares”	has the meaning ascribed to it under the Listing Rules
“%”	per cent.



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)

Executive Directors:

Mr. Chen Yihong (陳義紅)
Ms. Chen Chen (陳晨)
Mr. Lyu Guanghong (呂光宏)

Registered Address:

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Independent Non-Executive Directors:

Dr. Chen Guogang (陳國鋼)
Mr. Gao Yu (高煜)
Mr. Liu Xiaosong (劉曉松)

Principal place of business in Hong Kong:

Office Unit 7,
13/F Tower One, Lippo Centre
No. 89 Queensway
Hong Kong

12 July 2024

To the Shareholders

Dear Sir or Madam,

(1) RE-ELECTION OF DIRECTORS
(2) GENERAL MANDATE TO ISSUE SHARES
(3) GENERAL MANDATE TO REPURCHASE SHARES
(4) PROPOSED FINAL SPECIAL DIVIDEND
(5) PROPOSED ADOPTION OF THE THIRD AMENDED AND
RESTATED ARTICLES OF ASSOCIATION
AND
(6) NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to give Shareholders information on matters to be dealt with at the forthcoming AGM, which include the (i) re-election of Directors; (ii) grant of general mandates to issue and repurchase Shares; (iii) the proposed final special dividend; and (iv) adoption of the Proposed Amendments and the Third Amended and Restated Articles of Association.

LETTER FROM THE CHAIRMAN

RE-ELECTION OF DIRECTORS

In relation to resolution No. 3(a) in the notice of the AGM, Mr. Gao Yu and Mr. Liu Xiaosong shall retire at the AGM by rotation pursuant to Article 87 of the Articles of Association and the Corporate Governance Code set out in Appendix C1 of the Listing Rules (“CG Code”) and, being eligible, offer themselves for re-election. The re-election of the retiring Directors has been reviewed by the Nomination Committee of the Board which made recommendation to the Board that the re-election be proposed for Shareholders’ approval at the AGM.

Pursuant to the code provision B.2.3 of the Corporate Governance Code set out in Appendix C1 to the Listing Rules, any further appointment of independent non-executive director serving more than 9 years shall be subject to a separate resolution to be approved by shareholders.

As part of the nomination process, in accordance with the nomination policy of the Company, the nomination committee of the Company has assessed Mr. Gao’s role as an independent non-executive Director, taking into account factors including but not limited to Mr. Gao’s reputation for integrity, experience, ability to assist the Board, perspectives and skills, his valuable knowledge and extensive experience in respect of finance and investment and commitment while having due regard to the board diversity policy of the Company. As Mr. Gao has been providing objective and independent views to the Company during his tenure of office, the nomination committee of the Company was of the view that Mr. Gao remains committed to his independent role and that the long service of Mr. Gao would not affect his exercise of independent judgement as an independent non-executive Director. The length of tenure of Mr. Gao Yu as an independent non-executive director as at the Latest Practicable Date was approximately eleven years.

After taking into account all the factors for assessing independence as set out in Rule 3.13 of the Listing Rules and considering his annual confirmation of independence to the Company and the assessment by the nomination committee, the Board is of the opinion that Mr. Gao maintains his independence notwithstanding the length of his service and believes that his valuable knowledge and extensive experience in respect of finance and investment continue to generate significant contribution to the Board, the Company and the Shareholders as a whole. The Board further considers Mr. Gao is still capable of bringing a valuable and different perspective and independent judgment to bear on issues of strategy, performance, accountability, key appointments and standards of conduct. The re-election of Directors has been reviewed by the Nomination Committee of the Board which made recommendation to the Board that the re-election be proposed for Shareholders’ approval at the AGM.

The biographical details and interests in the Shares of the Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular.

The details of the Directors who are proposed to be re-elected at the AGM are set out in Appendix I to this circular.

LETTER FROM THE CHAIRMAN

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 16 August 2023, ordinary resolutions were passed to grant general mandates to the Directors (i) to issue, allot and dispose of such number of additional Shares not exceeding 20 per cent. of the total number of Shares in issue at the date of the passing of the relevant resolution; and (ii) to repurchase Shares not exceeding 10 per cent. of the total number of Shares in issue at the date of the passing of the relevant resolution. These general mandates are due to expire at the conclusion of the AGM.

At the AGM, approval will be sought from Shareholders for the Issue Mandate and the Repurchase Mandate as follows:

- (i) an ordinary resolution (resolution No. 5) to grant to the Directors a general and unconditional mandate to authorise them to allot, issue and deal with the additional Shares (including any sale or transfer of Shares out of the treasury that are held as treasury shares) up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution in relation to such general mandate (excluding any treasury shares) (the “**Issue Mandate**”);
- (ii) an ordinary resolution (resolution No. 6) to grant to the Directors a general and unconditional mandate to authorise them to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution in relation to such general mandate (excluding any treasury shares) (the “**Repurchase Mandate**”); and
- (iii) conditional upon the passing of the resolutions No. 5 and No. 6 as stated above, an ordinary resolution (resolution No. 7) to extend the Issue Mandate by an amount representing the aggregate nominal amount of Shares purchased by the Company under the Repurchase Mandate provided that such aggregated amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution in relation to such general mandate (excluding any treasury shares) (the “**Extension Mandate**”).

On the basis that no further Shares are issued or repurchased following the Latest Practicable Date and prior to the AGM, the Company would be allowed to allot and issue a maximum of 1,177,512,205 Shares under the Issue Mandate and to repurchase a maximum of 588,756,102 Shares under the Repurchase Mandate.

LETTER FROM THE CHAIRMAN

The Board notes that with effect from 11 June 2024, the Listing Rules has been amended to introduce flexibility for listed companies to cancel shares repurchased and/or to adopt a framework to (i) allow repurchased shares to be held in treasury and (ii) govern the resale of treasury shares (the “**Treasury Shares Amendment**”). Following such changes to the Listing Rules, if the Company repurchases Shares pursuant to the Repurchase Mandate, the Company may (i) cancel the repurchased Shares and/or (ii) hold such Shares in treasury, subject to market conditions and the capital management needs of the Company at the relevant time such repurchases of Shares are made. If the Company holds Shares in treasury, any resale of Shares held in treasury will be subject to the ordinary resolution set out in resolution No. 5 of the Notice of AGM and made in accordance with the Listing Rules and applicable laws and regulations of the Cayman Islands.

An explanatory statement, as required under the Listing Rules, to provide requisite information to Shareholders for considering the proposal to grant Directors the Repurchase Mandate is set out in **Appendix III** to this circular.

PROPOSED FINAL SPECIAL DIVIDEND

As stated in the 2023/2024 Annual Report relating to the annual results of the Group for the year ended 31 March 2024, the Board recommended the payment of a final special dividend of RMB0.51 cents per ordinary Share to the Shareholders whose names appear on the register of members of the Company on 30 August 2024. The final special dividend will be paid in Hong Kong Dollars based on the exchange rate of HKD1.00 = RMB0.91234, being the official exchange rate of Hong Kong dollars against Renminbi as quoted by the People’s Bank of China on 25 June 2024.

The proposed final special dividend is subject to approval by the Shareholders at the AGM and resolutions in respect of the proposed final special dividend will be proposed to the Shareholders for voting at the AGM. If the resolutions for the proposed final special dividend are passed at the AGM, the proposed final special dividend are expected to be paid on or about 11 September 2024 to the Shareholders whose names shall appear on the register of members of the Company on 30 August 2024.

For ascertaining entitlement to the proposed final special dividend to be approved at the AGM, the register of members of the Company will be closed as set out below:

Latest time to lodge transfer documents:	no later than 4:30 p.m. on 27 August 2024
Period of closure of register of members:	28 August 2024 to 30 August 2024
Final special dividend record date:	30 August 2024

LETTER FROM THE CHAIRMAN

In order to qualify for the proposed final special dividend, all transfer documents must be lodged with the Company's Hong Kong share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 27 August 2024. During the above closure period, no transfer of Shares will be registered.

PROPOSED ADOPTION OF THE THIRD AMENDED AND RESTATED ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated 30 May 2024 in relation to the Proposed Amendments and adoption of the Third Amended and Restated Articles of Association.

Pursuant to the Consultation Conclusions on the “Proposals to Expand the Paperless Listing Regime and Other Rule Amendments” published in June 2023 by the Stock Exchange, the amendments to the Listing Rules came into effect on 31 December 2023 such that, among other things, subject to compliance with all applicable laws and regulations, a listed issuer must (i) send or otherwise make available the relevant corporate communication (as defined in the Listing Rules) to the relevant holders of its securities by electronic means, or (ii) publish the relevant corporate communication on its own website and the website of the Stock Exchange. Listed issuers are required to make any necessary changes to their constitutional documents in order to comply with these requirements before their first annual general meeting held after 31 December 2023 (the “**Paperless Regime**”).

The Board proposes to amend the existing Articles of Association and adopt the Third Amended and Restated Articles of Association in order to, among other things, (i) reflect the latest requirements of the Listing Rules in the existing Articles of Association in relation to the Paperless Regime; (ii) reflect the latest requirements of the Listing Rules in relation to the Treasury Shares Amendments; and (iii) make other consequential and housekeeping changes.

Details of the Proposed Amendments to be brought about by the adoption of the Third Amended and Restated Articles of Association (marked-up against the existing Articles of Association) are set out in Appendix III to this circular. The Third Amended and Restated Articles of Association is written in English.

There is no official Chinese translation in respect thereof. Therefore, the Chinese version of the Third Amended and Restated Articles of Association is purely a translation only. Should there be any discrepancy, the English version shall prevail.

The Company has been advised by its legal adviser as to Hong Kong laws that the Proposed Amendments conform to the requirements of the Listing Rules to the extent applicable and the Company has been advised by its legal advisers as to Cayman laws that the Proposed Amendments do not violate the laws of the Cayman Islands, respectively. The Company also confirms that there is nothing unusual about the Proposed Amendments for a company listed on the Stock Exchange.

LETTER FROM THE CHAIRMAN

The proposed adoption of the Third Amended and Restated Articles of Association is subject to the passing of a special resolution at the AGM.

ANNUAL GENERAL MEETING

Set out on pages 20 to 24 of this circular is the notice of the AGM to be held on 21 August 2024. A form of proxy for use in connection with the AGM is enclosed. Whether or not you are able to attend the AGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the commencement of the AGM or any adjournment or postponement thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment or postponement thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

In accordance with Rule 13.39(4) of the Listing Rules, all votes of the Shareholders to be taken at the AGM shall be taken by poll.

RECOMMENDATION

The Directors believe that the proposals mentioned above, including the proposals for the re-election of the retiring Directors, the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate and the Proposed Amendments and the adoption of the Third Amended and Restated Articles of Association are in the interests of the Company and the Shareholders. The Directors recommend the Shareholders to vote in favour of all the relevant resolutions to be proposed at the AGM.

Yours faithfully,
Chen Yihong
Chairman

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

The following are particulars of the Directors who are proposed to be re-elected at the AGM:

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Gao Yu (高煜), aged 50, is the independent non-executive director of the Company and joined the Company in July 2007. Mr. Gao has been working in the Morgan Stanley group of companies from August 2005 to July 2022 and was a managing director of the Private Credit and Equity Division, the co-chief investment officer of Private Equity Asia and head of China Investment business, the chairman of RMB Fund's investment committee of Morgan Stanley Asia Limited as well as the member of Morgan Stanley's China Management Committee. He is a non-executive director of China Feihe Limited (中國飛鶴有限公司), which is listed on the Main Board of the Hong Kong Stock Exchange. He is also a director of Shandong Buchang Pharmaceuticals Co., Ltd. (山東步長製藥股份有限公司) which is listed on Shanghai Stock Exchange. Mr. Gao has ceased acting as an independent non-executive director of New Sparkle Roll International Group Limited (新耀萊國際集團有限公司) with effect from 23 April 2024 which is listed on the main board of Hong Kong Stock Exchange.

Prior to joining Morgan Stanley Asia Limited, he worked in Citigroup's Investment Banking Division in Asia for about five years. Mr. Gao had also worked in Donaldson, Lufkin & Jenrette Inc's Capital Markets Group in New York.

Mr. Gao graduated from Stanford University with a Master's degree in engineering economic systems and operations research as well as from Tsinghua University (清華大學) in Beijing with dual Bachelors' degrees in engineering and economics.

Save as disclosed above, Mr. Gao did not hold directorships in any other listed companies in the last three years preceding the Latest Practicable Date.

Mr. Gao had executed an appointment letter with the Company for an initial term of one year subject to the retirement by rotation and re-election at the annual general meeting of the Company. Mr. Gao is entitled to an annual remuneration of HK\$220,000. Mr. Gao's remuneration was determined by reference to her duties and responsibilities, experience, performance and market conditions.

As at the Latest Practicable Date, Mr. Gao had no interests in any Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO.

To the best knowledge and belief of the Board, having made all reasonable enquiries, Mr. Gao does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company.

New Sparkle Roll International Group Limited made an ex parte application in the Supreme Court of Bermuda on 15 April 2024 for the appointment of joint provisional liquidators to the Company for the purpose of protecting the Company and the interests of Shareholders as a whole. The order was set aside on 15 May 2024. Save as disclosed, there is no information which is disclosable nor is/was Mr. Gao involved in any matters required to

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

be disclosed pursuant to any of the requirements under Rule 13.51 of the Listing Rules. There are no other matters concerning Mr. Gao that need to be brought to the attention of the Shareholders of the Company.

Mr. Liu Xiaosong (劉曉松), aged 58, is the independent non-executive director of the Company and joined the Company in March 2019. Mr. Liu has diversified experience in the technology, media and telecommunications industry. He is one of the co-founders of Tencent Holdings Limited, a company listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 00700.HK). In 2004, Mr. Liu was admitted to the Shenzhen Experts Working Union. Mr. Liu was appointed as the vice president of the Copyright Union of the Internet Society of China and the Copyright Society of China in August 2007 and September 2007 respectively. He is also the vice president of the Shenzhen Hi-tech Association. He is currently an executive director, the chairman and the chief executive officer of A8 New Media Group Limited, a company listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 00800.HK). Mr. Liu is also a non-executive director of Inke Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 3700.HK). Mr. Liu graduated from Hunan University in the PRC in 1984 with a Bachelor's degree in Electrical Engineering. In 1987, Mr. Liu graduated from China Electric Power Research Institute in the PRC with a Master's degree in Engineering. In 1991, he studied at Tsinghua University as a PhD research student.

Save as disclosed above, Mr. Liu did not hold directorships in any other listed companies in the last three years preceding the Latest Practicable Date.

Mr. Liu had executed an appointment letter with the Company for an initial term of one year subject to the retirement by rotation and re-election at the annual general meeting of the Company. Mr. Liu is entitled to an annual remuneration of HK\$220,000. Mr. Liu's remuneration was determined by reference to her duties and responsibilities, experience, performance and market conditions.

As at the Latest Practicable Date, Mr. Liu had no interests in any Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO.

To the best knowledge and belief of the Board, having made all reasonable enquiries, Mr. Liu does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company.

There is no information which is disclosable nor is/was Mr. Liu involved in any matters required to be disclosed pursuant to any of the requirements under Rule 13.51 of the Listing Rules. There are no other matters concerning Mr. Liu that need to be brought to the attention of the Shareholders of the Company.

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to the Shareholders for their consideration of the proposed resolutions in relation to the Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 5,887,561,025 Shares. Subject to the passing of resolution No. 6 approving the Repurchase Mandate as set out in the notice of the AGM appearing in this circular and on the basis that no further Shares are issued or repurchased following the Latest Practicable Date and prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 588,756,102 Shares until (i) the conclusion of the next annual general meeting; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; or (iii) the revocation by ordinary resolution of Shareholders in general meeting, whichever is the earliest.

As stated in the Letter from the Board, with effect from 11 June 2024, the Listing Rules has been amended to introduce flexibility for listed companies to cancel shares repurchased and/or to adopt a framework to (i) allow repurchased shares to be held in treasury and (ii) govern the resale of treasury shares. Following such changes to the Listing Rules, if the Company repurchases Shares pursuant to the Repurchase Mandate, the Company may (i) cancel the repurchased Shares and/or (ii) hold such Shares in treasury, subject to market conditions and the capital management needs of the Company at the relevant time such repurchases of Shares are made. If the Company holds Shares in treasury, any resale of Shares held in treasury will be subject to the ordinary resolution set out in resolution No. 5 of the Notice of AGM and made in accordance with the Listing Rules and applicable laws and regulations of the Cayman Islands. Any resale of treasury shares pursuant to the Issue Mandate may only be made after the amendments to the Listing Rules have come into effect on 11 June 2024.

To the extent that any treasury shares are deposited with CCASS pending resale, the Company will adopt appropriate measures to ensure that it does not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those shares were registered in the Company's own name as treasury shares. These measures may include approval by the Board that (i) the Company will not (or will procure its broker not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the treasury shares deposited with CCASS and (ii) in the case of dividends or distributions, the Company will withdraw the treasury shares from CCASS, and either re-register them in its own name as treasury shares or cancel them, in each case before the record date for the dividends or distributions.

REASON FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an increase of the net asset value

of the Company and/or its earnings per Share and will only be made as and when the Directors believe such repurchases will benefit the Company and the Shareholders as a whole.

FUNDING OF REPURCHASES

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws of Cayman Islands.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with its financial position as disclosed in the 2023/2024 Annual Report) in the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period. The Directors, however, do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors may from time to time be appropriate for the Company.

TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rule 26 and Rule 32 of the Takeovers Code and the provision may apply as a result of any such increase.

As at the Latest Practicable Date, Mr. Chen Yihong, Chairman of the Company, (through Poseidon Sports Limited) and parties acting in concert with him were deemed to be interested in 2,595,101,472 Shares, representing 44.08% of the total issued Share capital of the Company (excluding treasury shares). In the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, then (assuming the present shareholdings of Mr. Chen Yihong and parties acting in concert with him remain the same) the interests held by Mr. Chen Yihong and parties acting in concert with him would be increased to approximately 48.98% of the issued share capital of the Company (excluding treasury shares). On the exercise of Repurchase Mandate in full may result in Mr. Chen Yihong and parties acting in concert with him becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

GENERAL

To the best of their knowledge having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) has any present intention to sell any Shares to the Company or its subsidiaries, if the Repurchase Mandate is exercised.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she has a present intention to sell any Share to the Company, or that he/she has undertaken not to do so in the event that the resolution in relation to the Repurchase Mandate is approved by the Shareholders.

The Directors will exercise the power of the Company under the Repurchase Mandate in accordance with the applicable Listing Rules and the applicable laws of the Cayman Islands.

The Company confirms that the explanatory statement set out in this Appendix contains the information required under Rule 10.06(1)(b) of the Listing Rules and that neither the explanatory statement nor the Repurchase Mandate has unusual features.

SHARE REPURCHASE MADE BY THE COMPANY

The Company had not purchased any Share (whether on the Hong Kong Stock Exchange or otherwise) during the 6 months prior to the Latest Practicable Date.

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Hong Kong Stock Exchange during each month prior to the Latest Practicable Date were as follows:

	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2023		
June	0.325	0.29
July	0.335	0.28
August	0.33	0.26
September	0.275	0.26
October	0.275	0.255
November	0.27	0.255
December	0.29	0.227
2024		
January	0.32	0.265
February	0.39	0.28
March	0.40	0.34
April	0.385	0.34
May	0.40	0.355
June (up to the Latest Practicable Date)	0.375	0.305

The following are the Proposed Amendments in relation to the Articles of Association. Unless otherwise specified, clause, article and paragraph numbers referred to herein are clause, article and paragraph numbers of the Articles of Association. If the serial numbering of the clauses of the Articles of Association is changed due to the addition, deletion or re-arrangement of certain clauses made in these amendments, the serial numbering of the clauses of the Articles of Association as so amended shall be changed accordingly, including cross references.

Note: The Third Amended and Restated Articles of Association are prepared in English with no official Chinese version. Chinese translation is for reference only. In the event of any inconsistency, the English version shall prevail.

Article no. Proposed amendments (showing those provisions with changes to the existing Articles of Association only)

- 2(2)(e). expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing or reproducing words or figures in a legible and non-transitory form or, to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or modes of representing or reproducing words partly in one visible form and partly in another visible form, and including where the representation takes the form of electronic display, provided that ~~both the mode of service of the relevant document or Notice and the Member's election~~ complies with all applicable Statutes, rules and regulations;
- 3(2). Subject to the Act, the Company's Memorandum and Articles of Association and, where applicable, the Listing Rules and/or the rules and regulations of any competent regulatory authority, the Company shall have the power to purchase or otherwise acquire its own shares and such power shall be exercisable by the Board in such manner, upon such terms and subject to such conditions as it in its absolute discretion thinks fit and any determination by the Board of the manner of purchase shall be deemed authorised by these Articles for purposes of the Act. The Company is hereby authorised to make payments in respect of the purchase of its shares out of capital or out of any other account or fund which can be authorised for this purpose in accordance with the Act. Subject to the Act and the Listing Rules, the Company is further authorised to hold any repurchased, redeemed or surrendered shares as treasury shares without the need for a separate resolution of the Board for each instance.

56. An annual general meeting of the Company shall be held ~~in~~^{for} each financial year and such annual general meeting must be held within six (6) months after the end of the Company's financial year (unless a longer period would not infringe the Listing Rules, if any).
- 64E(a). when a meeting is so postponed, the Company shall endeavour to post a Notice of such postponement on the Company's website or the website of the Designated Stock Exchange as soon as practicable (provided that failure to post such a Notice shall not affect the automatic postponement of a meeting);
- 76(2). All ~~the~~^{Members} shall have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a Member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.
142. ~~Any~~^{Unless otherwise directed by the Board, any} dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.
152. Subject to Article 153, a ~~printed~~ copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least twenty-one (21) days before the date of the annual general meeting and laid before the Company at the annual general meeting held in accordance with Article 56 provided that this Article shall not require a copy of those documents to be sent to any person whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

153. Subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the Listing Rules, and to obtaining all necessary consents, if any, required thereunder, the requirements of Article 152 shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, summarised financial statements derived from the Company's annual accounts and the directors' report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the directors' report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to summarised financial statements, a complete ~~printed~~ copy of the Company's annual financial statements and the directors' report thereon.
154. The requirement to send to a person referred to in Article 152 the documents referred to in that article or a summary financial report in accordance with Article 153 shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the Listing Rules, the Company publishes copies of the documents referred to in Article 152 and, if applicable, a summary financial report complying with Article 153, on the Company's computer network or in any other permitted manner (including by sending any form of electronic communication), ~~and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.~~
161. (1) Any Notice or document (including any "corporate communication" and "actionable corporate communication" within the meaning ascribed thereto under the Listing Rules), whether or not, to be given or issued under these Articles by the Company, shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or electronic communication and, subject to compliance with the Listing Rules, any such Notice and document may be given or issued by the following means:
- (a) by serving it personally on the relevant person;
 - (b) by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose;
 - (c) by delivering or leaving it at such address as aforesaid;

- (d) by placing an advertisement in appropriate newspapers or other publication and where applicable, in accordance with the requirements of the Designated Stock Exchange;
- (e) by sending or transmitting it as an electronic communication to the relevant person at such electronic address as he may provide under Article 161(5), ~~subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person~~(4);
- (f) by publishing it on the Company's website or the website of the Designated Stock Exchange ~~or the Company's website to which the relevant person may have access, subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person and/or for giving notification to any such person stating that the notice, document or publication is available there (a "notice of availability")~~; or
- (g) by sending or otherwise making it available to such person through such other means to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations.
- ~~(2) The notice of availability may be given by any of the means set out above other than by posting it on a website.~~
- ~~(3) In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.~~
- ~~(4) Every person who, by operation of law, transfer, transmission, or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which, previously to his name and address (including electronic address) being entered in the Register as the registered holder of such share, shall have been duly given to the person from whom he derives title to such share.~~
- ~~(5) Every Member or a person who is entitled to receive notice from the Company under the provisions of the Statutes or these Articles may register with the Company an electronic address to which notices can be served upon him.~~

(65) Subject to any applicable laws, rules and regulations and the terms of these Articles, any notice, document or publication, including but not limited to the documents referred to in Articles 152, 153 and 161 may be given in the English language only or in both the English language and the Chinese language or, with the consent of or election by any Member, in the Chinese language only to such Member.

162. Any Notice or other document:

- (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent; ~~A Notice, documents or publication placed~~(c) if published on either the Company's website or the website of the Designated Stock Exchange or the Company's website, shall be deemed to have been, is deemed given or served by the Company on the day on which the notice, document or publication it first so appears on the website of the Designated Stock Exchange or the Company's website to which the relevant person may have access, or the day on which the notice of availability is deemed to have been served or delivered to such person under these Articles, whichever is later;relevant website, unless the Listing Rules specify a different date. In such cases, the deemed date of service shall be as provided or required by the Listing Rules;
- ~~(c)~~ if served or delivered in any other manner contemplated by these Articles, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the act and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof; and
- ~~(d)~~ if published as an advertisement in a newspaper or other publication permitted under these Articles, shall be deemed to have been served on the day on which the advertisement first so appears.

163. (1) Any Notice or other document delivered or sent ~~by post to or left at the registered address of any Member in pursuance of~~ in any manner permitted by these Articles shall, notwithstanding that such Member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service or delivery of the Notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such Notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.
- (2) A Notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a Member by sending it via electronic means or through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the electronic or postal address, if any, supplied for the purpose by the person claiming to be so entitled, or (until such ~~an~~ electronic or postal address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.



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)

NOTICE IS HEREBY GIVEN THAT the annual general meeting of China Dongxiang (Group) Co., Ltd. (the “**Company**”) will be held at G/F., Lobby Area, Building 21, No. 2 Jingyuanbei Street, Beijing Economic-Technology Development Area, Beijing, the People’s Republic of China on 21 August 2024 (“**2024 AGM**”) at 10:00 a.m. for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolutions:

As ordinary business:

1. To receive and adopt the audited financial statements and the reports of the directors (“**Directors**”) and the auditors of the Company for the twelve months ended 31 March 2024.
2. To declare a final special dividend of RMB0.51 cents per ordinary share of the Company for the twelve months ended 31 March 2024 to the shareholders of the Company.
3. (a) To re-elect the following retiring Directors of the Company:
 - (i) Mr. Gao Yu as an independent non-executive director; and
 - (ii) Mr. Liu Xiaosong as an independent non-executive director.(b) To authorise the board of Directors (“**Board**”) of the Company to fix the directors’ remuneration.
4. To re-appoint Messrs. PricewaterhouseCoopers, Certified Public Accountants, as the auditors of the Company until the conclusion of the next annual general meeting in 2025 and authorise the Board to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

As special business, to consider and, if thought fit, to pass with or without modification, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

5. **“THAT:**

- (a) subject to paragraph (c) below, a general mandate be and is hereby unconditionally granted to the Directors to exercise during the Relevant Period (as defined in paragraph (d) below) all the powers of the Company to allot, issue and deal with additional shares of HK\$0.01 in the share capital of the Company (“**Shares**”) and to make or grant offers, agreements, options or warrants which would or might require the exercise of such powers;
- (b) the mandate in paragraph (a) shall authorise the Directors during the Relevant Period (as defined in paragraph (d) below) to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period (as defined in paragraph (d) below);
- (c) the aggregate nominal value of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the mandate in paragraph (a), otherwise than pursuant to (i) a Right Issue (as defined in paragraph (d) below); or (ii) any option scheme or similar arrangement for the time being adopted by the Company for the purpose of granting or issuing Shares or rights to acquire Shares of the Company to the directors, officers and/or employees of the Company and/or any of its subsidiaries; or (iii) any scrip dividend or similar arrangement pursuant to the articles of association of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution (excluding any treasury shares) and the said mandate shall be limited accordingly;
- (d) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company required by the Company’s articles of association or any applicable law to be held; or

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the date on which authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“**Right Issue**” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).

Any reference to an allotment, issue, grant, offer or disposal of shares of the Company shall include the sale or transfer of treasury shares in the capital of the Company (including to satisfy any obligation upon the conversion or exercise of any convertible securities, options, warrants or similar rights to subscribe for shares of the Company (as applicable)) to the extent permitted by, and subject to the provisions of, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and applicable laws and regulations.”

6. “**THAT:**

- (a) a general mandate be and is hereby unconditionally given to the Directors to exercise during the Relevant Period (as defined in paragraph (b) below) all the powers of the Company to purchase or otherwise acquire Shares in accordance with all applicable laws and the requirements of the Listing Rules (and the Company may hold the Shares so repurchased in treasury), provided that the aggregate nominal amount of Shares so purchased or otherwise acquired shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution (excluding any treasury shares);
- (b) for the purpose of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Company’s articles of association or any applicable law to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

7. “**THAT**, conditional upon the passing of resolutions No. 5 and No. 6 above, the aggregate nominal amount of the Shares which are purchased or otherwise acquired by the Company pursuant to resolution No. 6 shall be added to the aggregate nominal amount of the Shares which may be issued pursuant to resolution No. 5, provided that such aggregated amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of this Resolution.

Any reference to an allotment, issue, grant, offer or disposal of shares of the Company shall include the sale or transfer of treasury shares in the capital of the Company (including to satisfy any obligation upon the conversion or exercise of any convertible securities, options, warrants or similar rights to subscribe for shares of the Company) to the extent permitted by, and subject to the provisions of, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and applicable laws and regulations.”

As special business, to consider and, if thought fit, pass (with or without modification) the following resolution as a special resolution of the Company:

SPECIAL RESOLUTION

8. “**THAT**:
- (a) the proposed amendments (the “**Proposed Amendments**”) to the existing articles of association of the Company (the “**Existing Articles**”) as set forth in Appendix III to the circular of the Company dated 12 July 2024 be and are hereby approved;
 - (b) the third amended and restated articles of association of the Company (the “**Amended Articles**”) in the form produced to the meeting marked “A” and for identification purpose signed by the chairman of the meeting be and are hereby approved and adopted in substitution for and to the exclusion of the Existing Articles with immediate effect; and
 - (c) any one Director, registered office provider or officer of the Company be and is hereby authorised to do all things necessary to implement the Proposed Amendments and the adoption of the Amended Articles and to make relevant registrations and filings in accordance with the relevant requirements of the applicable laws, rules and regulations in the Cayman Islands and Hong Kong.”

By order of the Board
Chen Yihong
Chairman

Hong Kong, 12 July 2024

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) A shareholder entitled to attend and vote at the above meeting may appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
- (2) A form of proxy for use at the above meeting (or at any adjournment thereof) is enclosed. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority shall be deposited with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the commencement of the meeting or any adjournment or postponement thereof.
- (3) To ascertain shareholders' eligibility to attend and vote at the annual general meeting, the register of members will be closed from 16 August 2024 to 21 August 2024 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify to attend and vote at the annual general meeting, all transfers documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on 15 August 2024.
- (4) The final special dividend will be payable to the shareholders whose names appear on the register of members of the Company on 30 August 2024. For the purpose of ascertaining shareholder's eligibility for the final special dividend, the register of members of the Company will be closed from 28 August 2024 to 30 August 2024, both days inclusive. To qualify for the final special dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on 27 August 2024.
- (5) If a Typhoon Signal No.8 or above is hoisted or a Black Rainstorm Warning Signal is in force on the date of the meeting, shareholders are suggested to visit the Company's website at (www.dxsport.com) and the Hong Kong Stock Exchange's website (www.hkexnews.hk) for arrangements of the meeting.

The meeting will be held as scheduled when an Amber or Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the meeting under bad weather condition bearing in mind their own situations.

- (6) No refreshments or drinks or corporate gifts will be provided to attendees at the AGM.