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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)

**DISCLOSEABLE TRANSACTION
SUBSCRIPTION OF INTERESTS IN A FUND**

THE SUBSCRIPTION

The Board is pleased to announce that, on 27 May 2025, the Subscriber (a deemed wholly-owned subsidiary of the Company) agreed to subscribe for Class A Shares of the CPE Fixed Income Investment Fund at a total subscription amount of US\$20 million.

LISTING RULES IMPLICATION

As one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect the Subscription, when aggregated with the March 2025 Subscription which was conducted within 12 months preceding the Subscription, exceeds 5% but are all less than 25%, the Subscription constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements but exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

On 17 March 2025, the Subscriber agreed to subscribe for Class A Shares of the CPE Fixed Income Investment Fund at a total subscription amount of US\$15 million, which was payable by the Subscriber in cash from its internal resources, involving the same parties and on the same terms (other than the date of the subscription and the subscription amount) as the Subscription as set out in the section headed "The Subscription" in this announcement.

The Board is pleased to announce that, on 27 May 2025, the Subscriber (a deemed wholly-owned subsidiary of the Company) agreed to further subscribe for Class A Shares of CPE Fixed Income Investment Fund at a total subscription amount of US\$20 million.

THE SUBSCRIPTION

The principal terms of the Subscription in the CPE Fixed Income Investment Fund are set out as follows:

Date of the Subscription : 27 May 2025

Class of Participating Share : Class A Shares

Subscription amount (in US\$) : US\$20 million

The subscription amount was determined in accordance with the initial terms specified in the CPE Fixed Income Investment Fund Offering Memorandum and the Directors consider it fair and reasonable. The subscription amount is payable by the Subscriber in cash from its internal resources.

Fund Manager : China Pinnacle Equity Management Limited

Fund Administrator : CITIC Securities Fund Services (Asia) Limited

Fund Custodian : Bank of Communications Trustee Limited

Redemption : Class A Shares may be redeemed at the option of the holders on any Redemption Day by giving a written notice (a “**Redemption Notice**”) to the Fund Administrator no later than the relevant redemption dealing deadline. Any Redemption Notice received after the relevant redemption dealing deadline will be held over until the Redemption Day next following the relevant Redemption Day and the Class A Shares will then be redeemed at the redemption price of such class applicable on that day.

The Subscriber may be subject to a redemption charge of 0.5% of the total redemption proceeds to be paid to the redeeming shareholder for redemption of Class A Shares held for 365 calendar days (366 calendar days for leap year) or more but less than 730 calendar days (731 calendar days for leap year) but no redemption charge will be levied for redemption of Class A Shares held for 730 calendar days (731 calendar days for leap year) or more.

The redemption of Class A Shares is subject to a lock up period of 12 months.

Subscription and
redemption price

: In calculating the subscription price or redemption price of a Participating Share of a class, the net asset value of such class as at the Valuation Point relating to relevant Valuation Day will be divided by the number of Participating Shares of the relevant class then in issue, the resulting amount being rounded to the nearest cent (0.5 of a cent being rounded up), or such other decimal place(s) as the directors of the CPE Fixed Income Investment Fund may determine from time to time.

Investment objective and
strategies

: The investment objective of the CPE Fixed Income Investment Fund is to maximise risk-adjusted returns and provide long-term capital appreciation through primarily investing in fixed income markets in China and Asian region.

The Fund Manager will seek to achieve the investment objective by investing in fixed income securities and instruments issued and/or guaranteed by (i) issuers domiciled in China and/or Asia or those domiciled outside of China or Asia but whose predominant business or operations is based in China and/or Asia or whose predominant business will benefit from or is related to the economic growth in China and/or Asia, or associated companies of a company meeting the aforementioned criteria; or (ii) governments, government authorities, quasi-government organizations (including local governments) in China or Asia; or (iii) those issued, listed or traded in China or Asia.

The fixed income securities and instruments may include but is not limited to investment grade bonds, below investment grade bonds, unrated bonds, high yield bonds, convertible bonds, distressed bonds and credit derivatives.

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| Custodian fee and administrative fee | : | The Fund Administrator and the Fund Custodian shall be entitled to receive fees calculated at rates agreed with the Fund Administrator and the Fund Custodian from time to time based on the scale of the CPE Fixed Income Investment Fund. |
| Management fee | : | The Fund Manager is entitled to a management fee of 1% per annum of the net asset value of the relevant class of Participating Shares (before deduction of any accrued management fee and performance fee) as at each Valuation Point, which is payable monthly in arrears. |
| Performance fee | : | The Fund Manager is entitled to receive a performance fee in an amount equal to 10% of the appreciation in the net asset value of each Participating Share of the relevant class over the high water mark (before deduction of any accrued performance fee) with respect to a particular performance period. The high water mark for each Participating Share of the relevant class is the highest of (i) the net asset value per Participating Share of the relevant class at the time of issue of that Participating Share, adjusted for appropriate distributions made during the relevant performance period; and (ii) the net asset value per Participating Share of the relevant class (after deduction of any accrued performance fee) as at the last Valuation Point in the last performance period in respect of which a performance fee is charged, adjusted for appropriate distributions made during the relevant period. |

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

The Board has considered to make appropriate adjustment to the investment structure of the Group by increasing investments in fixed income investment funds. The Board believes, after having made prudent deliberation, that the subscription of fixed income investment fund investments could optimize the allocation of investment assets and enhance investment returns taking into account safety. Having reviewed the relevant agreements of the CPE Fixed Income Investment Fund in relation to the March 2025

Subscription and the Subscription, the Board considers that the terms of the March 2025 Subscription and the Subscription is on normal commercial terms, fair and reasonable and in the best interest of the Company and the Shareholders as a whole.

INFORMATION ON THE GROUP AND THE SUBSCRIBER

The Company is an investment company, whose subsidiaries are principally engaged in brand development, design and sales of sport-related apparel, footwear and accessories and investment activities in the PRC and abroad.

The Subscriber is a Cayman Islands exempted limited partnership registered on 23 May 2018 for the purpose of managing subscriptions in a portfolio of funds. The Subscriber is a deemed wholly-owned subsidiary of the Company and its financial results are consolidated with the Group's consolidated financial statements.

INFORMATION ON THE PARTIES

CPE Fixed Income Investment Fund is an exempted company incorporated with limited liability in the Cayman Islands. It is a regulated mutual fund and is registered with the Monetary Authority under the Mutual Funds Law of the Cayman Islands with a relatively wide investor base. The investment objective of the CPE Fixed Income Investment Fund is to maximise risk-adjusted returns and provide long-term capital appreciation through primarily investing in fixed income markets in China and Asian region.

The Fund Manager is China Pinnacle Equity Management Limited, which is a company incorporated in Hong Kong with limited liability and a licenced corporation to carry on businesses in type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO. The Fund Manager is principally engaged in fund management and the provision of investment advisory services to corporations, institutions and high net worth individual investors. According to the information available to the Directors, Mr. Ni Fei (倪霏) is the director and responsible officer of the Fund Manager and the single largest shareholder of the Fund Manager (holding approximately 30% of interests in the Fund Manager). Accordingly, Mr. Ni Fei (倪霏) is the ultimate beneficial owner of the Fund Manager.

The Fund Administrator is CITIC Securities Fund Services (Asia) Limited, a company incorporated in Hong Kong with limited liability. The Fund Administrator is a wholly-owned subsidiary of CITIC Securities Company Limited, which is listed on Shanghai Stock Exchange (Ticker: 600030) and The Stock Exchange of Hong Kong Limited (Stock Code: 6030).

The Fund Custodian is Bank of Communications Trustee Limited, a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of Bank of Communications Co., Ltd which is listed on The Stock Exchange of Hong Kong Limited (Stock Code: 3328).

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the CPE Fixed Income Investment Fund, the Fund Manager, the Fund Administrator, the Fund Custodian and their respective ultimate beneficial owner(s) are Independent Third Parties.

LISTING RULES IMPLICATION

As one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Subscription, when aggregated with the March 2025 Subscription which was conducted within 12 months preceding the Subscription, exceeds 5% but are all less than 25%, the Subscription constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements but exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“Class A Shares”	a Participating Share designated as Class A Share of CPE Fixed Income Investment Fund
“Company”	China Dongxiang (Group) Co., Ltd. (中國動向(集團)有限公司), a limited liability company incorporated in the Cayman Islands, the Shares of which are listed on the Main Board of the Stock Exchange
“CPE Fixed Income Investment Fund”	CPE Fixed Income Investment Fund, an exempted fund incorporated in the Cayman Islands
“Directors”	the directors of the Company
“Fixed Income Investment Fund Offering Memorandum”	the private placing memorandum in relation to the CPE Fixed Income Investment Fund as amended, substituted or supplemented from time to time
“Fund Administrator”	CITIC Securities Fund Services (Asia) Limited, a company incorporated in Hong Kong with limited liability
“Fund Custodian”	Bank of Communications Trustee Limited, a company incorporated in Hong Kong with limited liability

“Fund Manager”	China Pinnacle Equity Management Limited, a company incorporated in Hong Kong with limited liability and a licenced corporation to carry on businesses in type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“March 2025 Subscription”	the subscription of Class A Shares of the CPE Fixed Income Investment Fund by the Subscriber at a total subscription amount of US\$15 million on 17 March 2025 involving the same parties and on the same terms and conditions (other than the subscription amount) as the Subscription
“Participating Share”	a non-voting share, participating redeemable share of nominal value of US\$0.0001 in the share capital of CPE Fixed Income Investment Fund
“PRC”	the People’s Republic of China
“Redemption Day”	the first business day in each calendar month, or such other day or days as the directors of CPE Fixed Income Investment Fund may from time to time prescribe
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Shareholder(s)”	the holder(s) of the ordinary shares of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	CPE Assets Allocation Fund D, L.P., a Cayman Islands exempted limited partnership registered on 23 May 2018, and a special purpose entity deemed to be wholly-owned by the Company for the purpose of managing subscriptions in a portfolio of funds
“Subscription”	the subscription of the Class A Shares of CPE Fixed Income Investment Fund at a total subscription amount of US\$20 million as set out in this announcement

“Valuation Day”	the last calendar day of each calendar month, or such other day or days as the directors of CPE Fixed Income Investment Fund may from time to time prescribe, at which the net asset value of the CPE Fixed Income Investment Fund of a Participating Share falls to be calculated
“Valuation Point”	the close of business in the last relevant market to close on each Valuation Day or such other time on such day in addition thereto or in substitution therefor as the directors of CPE Fixed Income Investment Fund may from time to time prescribe
“%”	per cent.

** denotes as English translation of a Chinese name and is provided for identification purposes only.*

In this announcement, unless the context otherwise requires, the terms “Independent Third Party (ies)” and “subsidiary (ies)” shall have the meaning given to such terms in the Listing Rules, as modified by the Stock Exchange from time to time.

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

Hong Kong, 27 May 2025

As at the date of this announcement, the executive directors of the Company are Mr. Chen Yihong, Ms. Chen Chen and Mr. Lyu Guanghong, and the independent non-executive directors of the Company are Mr. Gao Yu, Mr. Liu Xiaosong and Ms. Tang Songlian.