



China Sports International Limited
Dingxing Industrial Zone,
Yangdai, Jinjiang City, Fujian Province,
The People's Republic of China 362218

**COMPLETION OF THE CAPITAL INJECTION INTO AND
INCREASE IN THE PAID-UP CAPITAL OF WHOLLY-OWNED SUBSIDIARY
YELI SPORTS (CHINA) CO., LTD**

The Board of Directors (the "Directors") of China Sports International Limited (the "Company" and together with its subsidiaries, the "Group") is pleased to announce that the Company has injected approximately HK\$104.12 million into a wholly-owned subsidiary, Yeli Sports (China) Co., Ltd ("Yeli China"), thereby increasing its paid-up capital from HK\$45.88 million to HK\$150.00 million. The Group has received the capital verification report confirming the completion of the capital injection into and the increase in Yeli China's paid-up capital on 10 November 2009.

The cash injection was funded through the proceeds raised from the Group's rights issue exercise which was completed in September 2009. Following the completion of the capital injection, Yeli China will be entitled to tax exemption for its first two profit making years and a 50% reduction in its income tax payable for the following three years under the applicable foreign enterprise tax law. Barring any unforeseen circumstances, these tax savings are expected to contribute positively to the results of the Group should Yeli China remains profitable over the relevant periods.

None of the Directors or the substantial shareholder of the Company has any interest, direct or indirect, in the above transaction.

By Order of the Board

Lin Shaoxiong
Executive Chairman and Chief Executive Officer

10 November 2009