



FOR IMMEDIATE RELEASE

CHINA SPORTS INTERNATIONAL LIMITED

“Fujian Province Famous Brand”

REGISTERED PROSPECTUS TODAY

FOR SGX MAINBOARD LISTING

Invitation for 100 million New Shares at S\$0.80 each

Singapore, 9 July 2007 - China Sports International Limited (“China Sports”, or the “Company”; and together with its subsidiaries, the “Group”) is engaged in the design, manufacture and sale of sports fashion footwear and the design and sale of sports fashion apparel under their YELI brand.

YELI products are designed for a broad range of activities mainly for consumers aged between 12 to 30 years. Consumers get to choose over 100 new footwear designs at each new season’s launch to capitalise on changing market trends. China Sports’ footwear caters to specific activities such as basketball, running and hiking and other leisure activities. YELI products are sold in the PRC through its local distributors and exported through its exporters to countries in Europe (Spain, Italy and Greece), the Middle East (United Arab Emirates and Israel), South America (Brazil, Panama and Argentina), Asia (Japan and South Korea) and South Africa. The Group also manufactures footwear under the “Kappa” brand. The Company operates 8 production lines which have a maximum production capacity of 17 million pairs of footwear per annum. Two of these production lines were added in March and May 2007. The Company also adopts the outsourcing production strategy to allow it to scale up its revenue within a short period of time and to focus its management and financial resources on the YELI brand building and sales and marketing. The Company’s production lines are strategically located in Jinjiang City, known to be the world’s largest sports shoes manufacturing base.

YELI sports apparel was launched to complement their existing footwear range in November 2006. The Company distributes a wide selection of apparel designs, the production of which is outsourced to a contract manufacturer in Shishi City, renowned for sports apparel manufacturing.

China Sports has achieved revenue of RMB690.0 million and net profit attributable to shareholders of approximately RMB73.6 million for FY2006. YELI products accounted for 61.7% of the Group’s revenue in FY2006.

China Sports built its core YELI brand with the strategies of pursuing high quality, expanding with low costs and brand building. China Sports' commitment to quality control is evidenced by the award of its ISO9001 certification in 2006. As a testament of their efforts in brand building, YELI was awarded the "Fujian Province Famous Brand" in 2006.

The Group also places a strong emphasis on product design and development which focuses on market research and technological research. Mr Lin Shaoxiong, the CEO of China Sports said, "We believe our success is largely due to our ability in keeping up with the latest trends in fashion and consumer preferences. Through our past records, our product design and development team has proven that they are able to recognise and anticipate trends in the sports fashion industry. We will continue to look into new technology so as to stay at the forefront of the sports fashion footwear and apparel industry".

As part of its efforts in product innovation, China Sports expects to offer its new patented product series of "Thermal Shoes" in late 2007. "Thermal Shoes" are capable of generating heat of up to 37 °C for up to 8 hours. They come with rechargeable batteries and switches to enable the user to turn off the heat when not in use. "Thermal Shoes" is unique in the footwear industry and can expect good market demand from traditionally colder regions such as the North-east Provinces in the PRC and Western and Eastern European countries.

ISSUE STATISTICS AND DIVIDEND POLICY

China Sports' Initial Public Offering ("IPO") of 100 million shares at S\$0.80 per share, comprises 100 million new shares. A total of 3 million shares will be offered by way of public offer and 97 million shares will be offered by way of placement.

At S\$0.80 each, China Sports' share is priced based on a price earnings ratio of approximately 12.9 times, which is calculated using net profit after tax of RMB73.5 million for FY2006 and pre-offering share capital of 236.9 million shares. The offering opens at 9am on 10 July 2007 and closes at 12 noon on 16 July 2007. Trading of shares is expected to commence at 9am on 18 July 2007.

China Sports intends to recommend or distribute dividends of not less than 20% of profits attributable to shareholders for FY2007 and FY2008.

USE OF PROCEEDS

The estimated gross amount from the IPO is approximately S\$80.0 million of which the Company will receive net proceeds of S\$74.7 million. The details of the use of the net proceeds are as follows:

1. approximately S\$22.0 million (equivalent to approximately RMB110.1 million) for acquisition and/or construction of new manufacturing facilities and addition of new production lines and upgrading of existing facilities to increase production capacity;
2. approximately S\$8.0 million (equivalent to RMB40.0 million) for advertising and promotion activities;
3. approximately S\$8.0 million (equivalent to RMB40.0 million) for expansion of distribution network and increase sales channels;

4. approximately S\$6.0 million (equivalent to RMB30.0 million) for increase in product design and development efforts; and
5. the balance will be used for general working capital requirements.

STRATEGY AND FUTURE PLANS

The Group intends to expand its production capacity at the appropriate time through the acquisition or construction and establishment of new manufacturing facilities in Jinjiang City, Fujian Province or elsewhere to keep pace with the increase in their sales orders. The Group may purchase additional machinery and equipment as well as upgrade its existing manufacturing facilities to increase production capacity and efficiency.

The Company also intends to strengthen its YELI brand through increase in advertising and promotion activities. In addition, the Company will be leveraging on their celebrity spokespersons, Shuimu Nianhua (“水木年华”) and utilise their popularity to reach out to a greater audience. In accordance with its efforts in brand building, the Company has engaged an international brand consultant to advise on its YELI brand building strategy.

As the Company believes there are still significant opportunities to increase sales distribution, it intends to expand its distribution network and increase sales channels via incentive schemes and YELI specialty stores. The Company intends to further its product design and development efforts by increasing the number of product design and development staff and by investing in product design and development training. The Company may also purchase technology and know-how for future products.

MANAGER, UNDERWRITER AND PLACEMENT AGENT

Stirling Coleman Capital Limited is the Manager, Underwriter and Placement Agent for the IPO.

Copies of the Prospectus and Application Forms may be obtained on request, subject to availability, during office hours from Stirling Coleman Capital Limited at 4 Shenton Way #07-03, SGX Centre 2, Singapore 068807. A copy of the Prospectus is also available on the SGX-ST website at <http://www.sgx.com.sg> and the MAS website at <http://masnet.mas.gov.sg/operasdrprosp.nsf>. Parties wishing to subscribe for the IPO shares will need to make an application in the manner set out in the Prospectus.

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