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寶業集團股份有限公司
BAOYE GROUP COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China)

(stock code: 2355)

**COMPLETION OF SUBSCRIPTION OF NEW H SHARES BY
TIGER GLOBAL, L.P.**

Reference is made to the Announcement in relation to the Subscription Agreement.

The Board is pleased to announce that all the conditions precedent to the Subscription Agreement have been fulfilled and completion of the subscription of 52,036,992 new H Shares by Tiger Global and its nominees (together, "Tiger") has taken place on 2 February 2007.

Reference is made to the announcement of the Company dated 13 December 2006 ("Announcement") in relation to the subscription of 52,036,992 new H Shares of the Company pursuant to the Subscription Agreement. Unless otherwise defined, terms used herein shall have the same meaning as those defined in the Announcement.

The Board is pleased to announce that all the conditions precedent to the Subscription Agreement have been fulfilled and completion of the subscription of 52,036,992 new H Shares by Tiger has taken place on 2 February 2007.

Immediately upon completion of the Subscription Agreement, Tiger holds 52,036,992 H Shares, representing about 16.67% and 7.85% respectively of the H Shares and the entire registered capital of the Company as enlarged by the Subscription.

On behalf of the Board
Baoye Group Company Limited
Pang Baogen
Chairman

Zhejiang Province, the PRC
2 February 2007

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Pang Baogen, Mr. Gao Jiming, Mr. Gao Lin and Mr. Zhou Hanwan; one non-executive Director, namely Mr. Hu Shaozeng; and three independent non-executive Directors, namely Mr. Wang Youwei, Mr. Yi Deqing and Mr. Dennis Yin Ming Chan.

* For identification purpose only

Please also refer to the published version of this announcement in South China Morning Post and Hong Kong Economic Times.