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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)

OPERATIONAL DATA FOR THE SECOND QUARTER AND THE SIX MONTHS OF FY2021/22

This announcement is made on a voluntary basis by the board of directors (the “**Board**”) of China Dongxiang (Group) Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) for providing operational data of the Group for the second quarter comprising the three months ended 30 September 2021 (“**FY2021/22 Q2**”) and the six months ended 30 September 2021 (the “**FY2021/22 H1**”).

RETAIL PERFORMANCE

For FY2021/22 Q2, the retail performance of Kappa stores of the Group (including Kappa kids’ apparel business) for the overall platform registered a mid-to-high-teen decline on a year-on-year basis.

The retail performance of the overall platform for FY2021/22 H1 (including Kappa kids’ apparel business) recorded a mid-to-low single-digit decline on a year-on-year basis.

SAME-STORE-SALES (SSS)

For FY2021/22 Q2, in respect of Kappa stores (including Kappa kids’ apparel business) which have been in operation since the beginning of the same quarter last year, the SSS for the overall platform registered a high-teen decline.

The SSS for the overall platform for FY2021/22 H1 recorded a high single-digit decline on a year-on-year basis.

NUMBER OF RETAIL STORES

For the second quarter ended 30 September 2021, the number of Kappa-branded stores of the Group was 1,421 (including Kappa kids' apparel business), which was a net increase of 46 as compared to those as at 31 March 2021 (“end of FY2020/21”).

The Company's shareholders and potential investors should note that this announcement is made based on the Board's preliminary review of the draft unaudited operational data of the Group and information currently available to the Board, and has not been reviewed or audited by the Group's auditors. The data do not constitute, represent or indicate the full picture of the Group's total revenue or financial performance and the information contained in this announcement is subject to change and adjustment.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 21 October 2021

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