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**DONGXIANG**  
**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)**

**(1) RESIGNATION OF CHIEF OPERATING OFFICER,  
EXECUTIVE DIRECTOR AND MEMBER OF EXECUTIVE COMMITTEE  
(2) APPOINTMENT OF EXECUTIVE DIRECTOR AND  
MEMBER OF EXECUTIVE COMMITTEE**

The board of directors (the “Board”) of China Dongxiang (Group) Co., Ltd. (the “Company”) announces (1) the resignation of Mr. Qin Dazhong (“Mr. Qin”) as the chief operating officer, an executive director and a member of the executive committee of the Company; and (2) the appointment of Ms. Chen Chen (“Ms. Chen”) as an executive director and a member of the executive committee of the Company, all with effect from 4 December 2014.

This announcement is made by the Company pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

**RESIGNATION OF CHIEF OPERATING OFFICER, EXECUTIVE DIRECTOR AND  
MEMBER OF THE EXECUTIVE COMMITTEE OF THE COMPANY**

The Board announces that Mr. Qin has tendered his resignation as the chief operating officer, an executive director and a member of the executive committee of the Company, all with effect from 4 December 2014, due to his decision to devote more time to his personal commitment. Mr. Qin has confirmed that he has no disagreement with the Board and there is no other matter relating to his resignation that needs to be brought to the attention of the shareholders of the Company or The Stock Exchange of Hong Kong Limited.

**APPOINTMENT OF EXECUTIVE DIRECTOR AND MEMBER OF THE EXECUTIVE  
COMMITTEE OF THE COMPANY**

Ms. Chen has been appointed as an executive director and a member of the executive committee of the Company with effect from 4 December 2014.

Ms. Chen Chen (陳晨), aged 28, joined the Company in 2012. Ms. Chen is primarily responsible for overseeing the marketing and design of Kappa products of the Company. Ms. Chen served as product planning representative in the apparel planning team of the Company from 2012 to 2013. Ms. Chen was promoted as the manager of the marketing department and

apparel design department and the vice president of the brand department in 2013. Ms. Chen obtained her bachelor's degree in Fashion Design Technology — Surface Textiles from University of the Arts — London College of Fashion, London, United Kingdom in 2010.

Ms. Chen did not hold any directorships in any listed public companies in the last three years.

Ms. Chen is the daughter of Mr. Chen Yihong, chairman of the Board and chief executive officer of the Company.

As at the date of this announcement, Ms. Chen holds 77,455,100 shares of the Company. Saved as disclosed, Ms. Chen is not interested or deemed to be interested in any shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Pursuant to the service contract entered into between Ms. Chen and the Company, Ms. Chen is appointed for a term of three years from 4 December 2014 and is entitled to an annual salary (before tax) of approximately RMB1,680,000, director fees of HK\$176,000 per annum, discretionary bonus and other benefits at the sole and absolute discretion of the Board and the remuneration committee of the Company. Ms. Chen's remuneration was determined with reference to her duties and responsibilities, experience, performance and market conditions as well as the remuneration benchmark in the industry. The service contract is subject to the Articles of Association of the Company and the Listing Rules and contains provisions in relation to early retirement and retirement by rotation of directors of the Company.

Save as disclosed above, there is no other information in relation to the appointment of Ms. Chen as the executive director of the Company which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter that needs to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to express its sincere gratitude to Mr. Qin for his valuable contributions towards the Company during his tenure of service, and to extend its welcome to Ms. Chen on her appointment to the Board.

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

4 December 2014

*As at the date of this announcement, the executive directors of the Company are Mr. Chen Yihong, Ms. Chen Chen, and the independent non-executive directors of the Company are Mr. Gao Yu, Dr. Xiang Bing and Mr. Xu Yudi.*