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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)

**RETAIL OPERATIONAL DATA
FOR THE SECOND QUARTER OF 2015
AND
PERFORMANCE OF TRADE ORDER FOR THE FULL YEAR OF 2015**

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 (collectively the “**Group**”) for providing retail operational data of the Group for the second quarter of 2015 and performance of trade order for the full year of 2015.

GROWTH IN SAME-STORE SALES FOR THE SECOND QUARTER OF 2015

By putting into efforts to streamline our brands and our business, sales and supply-chain models, the Group have gradually facilitated the revolutionary transition of our previous “wholesale” model to the new model of “brand + retail”. As such, Kappa brand of the Group recorded an increase of 21.5% in retail same-store sales as compared to the same period last year.

INCREASE IN NUMBER OF RETAIL STORES FOR THE SECOND QUARTER OF 2015

By the end of second quarter 2015, the number of retail stores for Kappa brand of the Group was 1,231 in total, representing a net increase of 21 stores as compared with that as at the end of last year.

SATISFACTORY PERFORMANCE IN TRADE ORDER FOR THE FULL YEAR OF 2015

The amount ordered for Kappa brand (in terms of tag price) in the trade order for the full year of 2015 recorded a low double-digit growth as compared to last year.

This announcement is made based on a preliminary review of the draft unaudited operational data of the Group and the 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 may be 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

16 July 2015

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