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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)

OPERATIONAL DATA FOR THE THIRD QUARTER OF 2018

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 third quarter of 2018.

SAME-STORE-SALES (SSS)

For the third quarter ended of 2018, in respect of Kappa stores (excluding Kappa Kids business and Japan business) which have been in operation since the beginning of the same quarter last year, the SSS for the overall off-line platform registered a mid single digit growth on a year-on-year basis.

RETAIL PERFORMANCE

For the third quarter ended of 2018, the retail performance of Kappa stores (excluding Kappa Kids business and Japan business) for the overall off-line platform registered a low double digit growth on a year-on-year basis.

The operating figures of the Group for the third quarter of 2018 continued to grow principally due to satisfactory sales performance of its products and significant increase in market competitiveness. The Company has full confidence in the future of Kappa brand as it has been recovering after hitting rock bottom.

The Company’s shareholders and potential investors should note that 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, which 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

Hong Kong, 15 October 2018

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