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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 THIRD QUARTER AND THE FIRST NINE MONTHS OF FY2022/23

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 comprising the three months ended 31 December 2022 (“**FY2022/23 Q3**”) and the nine months ended 31 December 2022 (the “**Nine Months of FY2022/23**”).

RETAIL PERFORMANCE

For the FY2022/23 Q3, the retail performance of Kappa stores of the Group (excluding Kappa kids’ apparel business) for the overall platform registered a mid 20%–30% decline on a year-on-year basis.

The retail performance of the overall platform for the Nine Months of FY2022/23 (excluding Kappa kids’ apparel business) recorded a mid-teen decline on a year-on-year basis.

SAME-STORE-SALES (SSS)

For the FY2022/23 Q3, in respect of Kappa stores (excluding 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 mid-teen decline.

The SSS for the overall platform for the Nine Months of FY2022/23 recorded a mid-to-high single-digit decline on a year-on-year basis.

NUMBER OF RETAIL STORES

For the third quarter ended 31 December 2022, the number of Kappa-branded stores of the Group was 1,066 (excluding Kappa kids' apparel business), which was a net decrease of 117 as compared to those as at 31 March 2022 (“**end of FY2021/22**”).

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, 20 January 2023

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