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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 FY2020/21**

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**”) to provide operational data of the Group for the three months ended 31 December 2020 (“**FY2020/21 Q3**”) and the nine months ended 31 December 2020 (“**First Nine Months of FY2020/21**”).

RETAIL PERFORMANCE

For FY2020/21 Q3, the retail performance of Kappa stores of the Group (excluding Kappa kids’ apparel business) for the overall platform registered a low teens growth on a year-on-year basis, of which the offline business recorded a mid-single-digit growth, while the e-commerce business recorded a mid-twenties growth.

The retail performance of the overall platform for the First Nine Months of FY2020/21 recorded a mid-to-low single-digit growth on a year-on-year basis, of which the offline business recorded a low-single-digit decrease, while the e-commerce business recorded a high-twenties growth.

SAME-STORE-SALES (SSS)

For the FY2020/21 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-single-digit growth on a year-on-year basis. Among them, the offline business recorded a low-single-digit decrease, while the e-commerce business recorded a mid-twenties growth.

The same-store sales for the overall platform for the First Nine Months of FY2020/21 recorded a low teens growth on a year-on-year basis, of which the offline business recorded a mid-single-digit decrease, while the e-commerce business recorded a high-twenties growth.

NUMBER OF RETAIL STORES

For the third quarter ended 31 December 2020, the number of Kappa-branded stores of the Group was 1,187 (excluding Kappa kids' apparel business), which was a net increase of 58 as compared to those as at 31 March 2020 (“**End of FY2019/20**”). The Group will next be stepping up with its effort to close underperforming stores.

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, 15 January 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.