
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Outfitters Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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(Stock Code: 1146)

RE-ELECTION OF DIRECTORS, GRANTING OF GENERAL MANDATES TO ISSUE SHARES AND TO BUY BACK SHARES AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of China Outfitters Holdings Limited to be held by way of a virtual meeting on Friday, 27 May 2022 at 2:00 p.m. is set out on pages 17 to 21 of this circular.

Whether or not you are able to attend and vote at the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting (i.e. not later than 2:00 p.m. on Wednesday, 25 May 2022) or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the Annual General Meeting if they so wish. The Company will be conducting the Annual General Meeting by way of a virtual meeting. The Shareholders and/or their proxies will NOT be able to attend the Annual General Meeting in person, and can only attend the Annual General Meeting via the Tricor e-Meeting System which enables live streaming of the Annual General Meeting.

This circular together with the form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.cohl.hk).

CONTENTS

	<i>Page</i>
Precautionary measures for the Annual General Meeting	ii
Definitions	1
Letter from the Board	
1. Introduction	3
2. Re-election of Directors	4
3. Granting of general mandate to issue Shares	4
4. Granting of general mandate to buy back Shares	5
5. Annual General Meeting and proxy arrangement	5
6. Recommendation	6
7. Responsibility Statement	6
8. Further information	6
Appendix I — Details of the Directors proposed to be re-elected at the Annual General Meeting	7
Appendix II — Explanatory statement on the Share Buy-back Mandate	13
Notice of Annual General Meeting	17

PRECAUTIONARY MEASURES FOR THE AGM

DATE, TIME AND CONDUCT OF THE AGM

The Company does not in any way wish to diminish the opportunity available to the Shareholders to exercise their rights and to vote, but is conscious of the need to protect the AGM attendees from possible exposure to the COVID-19 pandemic. For the sake of health and safety of the AGM attendees, and in light of the latest Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Chapter 599G of the Laws of Hong Kong), the Company will be conducting the AGM by way of a virtual meeting.

NOTICE OF AGM, CIRCULAR AND PROXY FORM

Printed copies of the notice of the AGM, this circular and the proxy form will be sent to the Shareholders. The notice of the AGM, this circular and the proxy form may also be accessed at the Company's website at www.cohl.hk.

If your proxy (except when the chairman of the AGM is appointed as proxy) wishes to attend the virtual AGM and vote online, you must provide a valid email address on the proxy form for the necessary arrangements. If no email address is provided, your proxy cannot attend the virtual AGM and vote online. The email address so provided will be used by the Company's branch share registrar and transfer office in Hong Kong for providing the login details for attending and voting at the AGM via Tricor e-Meeting System. If your proxy has not received the login details by email by 2:00 p.m. on Wednesday, 25 May 2022 (Hong Kong time), you should contact the Company's branch share registrar and transfer office in Hong Kong at (852) 2980 1333 for the necessary arrangements.

ATTENDANCE AT THE AGM

The AGM will be held by way of a virtual meeting and the Shareholders will not be able to attend the AGM in person.

PARTICIPATION AT THE AGM

Alternative arrangements have been made by the Company to allow the Shareholders to participate at the virtual AGM and exercise their voting rights by:

- (a) attending the virtual AGM via the Tricor e-Meeting System which enables live streaming of the virtual AGM, provide an interactive platform for questions-and-answers and allow the Shareholders to submit their votes online; or
- (b) appointing the chairman of the virtual AGM or other persons as their proxies to vote on their behalf via the Tricor e-Meeting System.

PRECAUTIONARY MEASURES FOR THE AGM

Shareholders can refer to the notice of the AGM and the Online Meeting User Guide (by scanning the QR code provided on the Notification Letter) in relation to attending the AGM by electronic means.

Shareholders should note that only one device is allowed per login. Please keep the login details in safe custody for use at the AGM and do not disclose them to anyone else. Neither the Company nor its share registrar assumes any obligation or liability whatsoever in connection with the transmission of the login details or any use of the login details for attendance, voting or otherwise. The submission of the vote through Tricor e-Meeting System using your login details will be conclusive evidence that the vote was cast by you as a Shareholder. The Company, its agents and its share registrar take no responsibility for all or any loss or other consequence caused by or resulting from any unauthorised use of the login details.

Non-registered Shareholders whose Shares are held in the Central Clearing and Settlement System through banks, brokers, custodians or Hong Kong Securities Clearing Company Limited may also be able to attend and vote at the AGM. In this regard, they should consult directly with their banks, brokers or custodians (as the case may be) for the necessary arrangements.

Shareholders attending the AGM through the Tricor e-Meeting System may submit questions relevant to the proposed resolution online during the AGM. Shareholders can also send their questions by email to is-enquiries@hk.tricorglobal.com in advance of the AGM. The Company will endeavour to respond to substantial and relevant queries from Shareholders prior to the AGM and/or at the AGM.

The Company is closely monitoring the impact of the COVID-19 pandemic in Hong Kong. Should there be any changes to the arrangements of the virtual AGM, the Company will make further announcement(s) as and when appropriate.

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM Notice”	the notice dated 22 April 2022 convening the Annual General Meeting as set out on pages 17 to 21 of this circular
“Annual General Meeting/AGM”	the annual general meeting of the Company to be held by way of a virtual meeting on Friday, 27 May 2022 at 2:00 p.m.
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors
“Cayman Companies Act”	the Companies Act of the Cayman Islands, as amended from time to time
“Company”	China Outfitters Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	14 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the AGM Notice
“PRC”	the People’s Republic of China and for the purpose of this circular excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC

DEFINITIONS

“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued capital of the Company
“Share Buy-back Mandate”	the general mandate proposed to be granted to the Directors at the Annual General Meeting to exercise the powers of the Company to buy back Shares not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the resolution approving the Share Buy-back Mandate
“Share Issue Mandate”	the general mandate proposed to be granted to the Directors at the Annual General Meeting to exercise the powers of the Company to allot, issue and deal with additional Shares up to 20% of the total number of issued Shares of the Company as at the date of passing of the resolution approving the Share Issue Mandate
“Shareholder(s)”	the registered holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers approved by the Securities and Futures Commission, as amended from time to time

LETTER FROM THE BOARD



(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1146)

Executive Directors:

Mr. Zhang Yongli (*Chairman and Chief Executive Officer*)

Mr. Sun David Lee

Ms. Huang Xiaoyun

Non-executive Director:

Mr. Wang Wei

Independent Non-executive Directors:

Mr. Kwong Wilson Wai Sun

Mr. Cui Yi

Mr. Yeung Chi Wai

Registered office:

One Nexus Way

Camana Bay

Grand Cayman, KY1-9005

Cayman Islands

Principal place of business in

Hong Kong:

Room 1303, 13/F

New East Ocean Centre

9 Science Museum Road

Tsim Sha Tsui East

Kowloon

Hong Kong

22 April 2022

To the Shareholders

Dear Sir/Madam,

**RE-ELECTION OF DIRECTORS,
GRANTING OF GENERAL MANDATES TO
ISSUE SHARES AND TO BUY BACK SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of certain resolutions to be proposed at the Annual General Meeting for (i) the re-election of the Directors; (ii) the Share Issue Mandate and the Share Buy-back Mandate and the AGM Notice.

LETTER FROM THE BOARD

2. RE-ELECTION OF DIRECTORS

According to Article 107 of the Articles of Association, Mr. Zhang Yongli, Ms. Huang Xiaoyun and Mr. Wang Wei (the “**retiring Directors**”) shall retire by rotation at the Annual General Meeting. All of the above three Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company’s Board Diversity Policy and the Company’s corporate strategy, and the independence of all Independent Non-executive Directors. The Nomination Committee has recommended to the Board on re-election of all the retiring Directors who are due to retire at the Annual General Meeting.

Details of the Directors proposed for re-election at the Annual General Meeting are set out in Appendix I to this circular.

3. GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 18 May 2021, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, at the Annual General Meeting an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, grant a general mandate to the Directors to exercise all powers of the Company to allot, issue and deal with the Shares. Under the Share Issue Mandate, the number of Shares which may be allotted and issued shall not exceed 20% of the total number of issued Shares of the Company in issue as at the date of passing of the resolution approving the Share Issue Mandate which, if passed, shall be a maximum of 689,090,000 Shares (or such other number of Shares as would represent 20% of the total number of issued Shares of the Company at the relevant time if there should be a change in the total number of issued Shares of the Company between the date of this circular and the date of passing the relevant resolution). The Share Issue Mandate shall expire upon the earliest of (i) the conclusion of the next annual general meeting, and (ii) the date upon which such authority given under the Share Issue Mandate is revoked or varied by an ordinary resolution of the Shareholders.

Details of the Share Issue Mandate are set out in Ordinary Resolution No. 4 in the AGM Notice.

In addition, Ordinary Resolution No. 6 will also be proposed for the Shareholders to consider and, if thought fit, approve the extension of the Share Issue Mandate by adding to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Share Issue Mandate the number of Shares bought back pursuant to the Share Buy-back Mandate, if granted.

LETTER FROM THE BOARD

4. GRANTING OF GENERAL MANDATE TO BUY BACK SHARES

At the annual general meeting of the Company held on 18 May 2021, a general mandate was granted to the Directors to buy back Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to buy back Shares if and when appropriate, at the Annual General Meeting an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, grant a general mandate to the Directors to exercise all powers of the Company to buy back Shares. Under the Share Buy-back Mandate, the number of Shares that the Company may buy back shall not exceed 10% of the total number of issued Shares of the Company on the date of the passing of the resolution approving the Share Buy-back Mandate which, if passed, shall be a maximum of 344,545,000 Shares (or such other number of Shares as would represent 10% of the total number of issued Shares of the Company at the relevant time if there should be a change in the total number of issued Shares of the Company between the date of this circular and the date of passing the relevant resolution). The Share Buy-back Mandate allows the Company to buy back Shares only during the period ending on the earliest of (i) the conclusion of the next annual general meeting, and (ii) the date upon which such authority given under the Share Buy-back Mandate is revoked or varied by an ordinary resolution of the Shareholders.

Details of the Share Buy-back Mandate are set out in Ordinary Resolution No. 5 in the AGM Notice.

An explanatory statement required under the Listing Rules to provide requisite information of the Share Buy-back Mandate is set out in Appendix II to this circular.

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

A notice convening the Annual General Meeting is set out on pages 17 to 21 of this circular.

Pursuant to the Listing Rules and the Articles of Association, all votes of Shareholders at a general meeting must be taken by poll. An announcement on the poll results will be published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company's website (www.cohl.hk) after the conclusion of the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company's website (www.cohl.hk). Whether or not you intend to attend and vote at the Annual General Meeting, you are requested to complete and sign the form of proxy in accordance with the instructions printed thereon and return it together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting (i.e. not later than 2:00 p.m. Wednesday, 25 May 2022) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

LETTER FROM THE BOARD

6. RECOMMENDATION

The Directors consider that the proposed (i) re-election of the Directors; and (ii) granting of the Share Issue Mandate and the Share Buy-back Mandate are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the Ordinary Resolutions in relation to the above matters as set out in the AGM Notice. As at the Latest Practicable Date, no Shareholder is required to abstain from voting under the Listing Rules in respect of the Ordinary Resolutions as stated in the AGM Notice.

7. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

8. FURTHER INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular.

Yours faithfully,
By order of the Board
China Outfitters Holdings Limited
Zhang Yongli
Chairman

Mr. Zhang Yongli, aged 62

Mr. Zhang Yongli (張永力先生), is the Chairman, Chief Executive Officer and an executive director of our Company. He is the chairman of both the nomination committee and executive committee of the Company and a member of the remuneration committee of the Company. He also serves as a director in most of the subsidiaries of our Company. Mr. Zhang joined our Group in 1999 and is primarily responsible for our Group's overall strategic planning and the management of our Group's business operations. Mr. Zhang has over 20 years of experience in the PRC menswear industry. Mr. Zhang was selected as one of the "25 Influential Chinese in Global Fashion" in 2011 by Forbes China. He was appointed as our Chief Executive Officer and executive director on 8 June 2011 and was appointed as the Chairman on 22 June 2018. He was a director of Guangdong Rielys Group Co., Ltd. (廣東雷伊(集團)股份有限公司) until May 2009. Mr. Zhang is the father-in-law of Mr. Tang Jia, the Chief E-Commerce Officer of our Company.

Save as disclosed above, Mr. Zhang has not held any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Zhang has entered into a service agreement with the Company under which he agreed to act as an executive Director for a period of three years commencing from the date of his appointment and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other, which notice shall not expire until after the fixed term. He is also subject to retirement and re-election at the Annual General Meeting of the Company in accordance with the Articles of Association.

Under the service agreement entered into between Mr. Zhang and the Company, Mr. Zhang is entitled to receive an annual director's fee of HK\$1,200,000 and annual salary of HK\$2,640,000.

Ms. Huang Xiaoyun, aged 50

Ms. Huang Xiaoyun (黃曉雲女士), is the Chief Financial Officer and an executive director of our Company. She is a member of the executive committee of the Company. Ms. Huang joined our Group in 2000. Previously, she was a manager in our Group's financial department from 2000 to 2001. She is responsible for the financial reporting and administration of our Group's PRC operations. She has over 20 years of experience in accounting and financial management. Ms. Huang holds a Master of Business Administration Degree from The South China University of Technology. Ms. Huang was appointed as our executive director on 8 June 2011 and appointed as our Chief Financial Officer on 14 May 2012.

Save as disclosed above, Ms. Huang has not held any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Ms. Huang has entered into a service agreement with the Company under which she agreed to act as an executive Director for a period of three years commencing from the date of her appointment and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other, which notice shall not expire until after the fixed term. She is also subject to retirement and re-election at the Annual General Meeting of the Company in accordance with the Articles of Association.

Under the service agreement entered into between Ms. Huang and the Company, Ms. Huang is entitled to receive an annual director's fee of HK\$498,000 and annual salary of HK\$960,000.

Mr. WANG Wei, aged 39

Mr. WANG Wei (王瑋先生), is a non-executive director of our Company. Mr. Wang is a director of Kohlberg Kravis Roberts & Co. L.P. ("KKR"), focusing on private equity transactions in the Greater China region. Prior to joining KKR, Mr. Wang worked at Orchid Asia Investment Group and McKinsey & Company. Mr. Wang has been actively involved in advising on investments in Sino Prosperity Real Estate Platform, China Cord Blood Corporation and the Company at KKR and Orchid Asia Investment Group. He has been appointed as a director of Tonghua Dongbao Pharmaceutical Co., Ltd. (「通化東寶藥業股份有限公司」), a company listed on the Shanghai Stock Exchange (stock code:600867), with effect from 29 September 2020. Mr. Wang graduated from Shanghai Jiaotong University with a Bachelor of Science degree in Economics in 2005. Mr. Wang was appointed as our non-executive director on 14 May 2012.

Save as disclosed above, Mr. Wang has not held any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Wang has entered into a letter of appointment with the Company under which he agreed to act as a non-executive Director for a period of three years commencing from the date of his appointment and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other, which notice shall not expire until after the fixed term. He is also subject to retirement and re-election at the Annual General Meeting of the Company in accordance with the Articles of Association.

Under the letter of appointment entered into between Mr. Wang and the Company, Mr. Wang is entitled to receive an annual director's fee of HK\$240,000.

**APPENDIX I DETAILS OF THE DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

INTERESTS IN SHARES

As at the Latest Practicable Date, the interests and short positions of the above Directors in the Shares, underlying shares and debentures of the Company (within the meaning of Part XV of the SFO) which have been notified to the Company and to the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules were as follows:

Long positions in the Shares and underlying shares of the Company:

Name of Director	Capacity	Number of Ordinary Shares Owned	Underlying Shares Interested Total Percentage of the Company's Total Number of Issued Shares	Total	Percentage of the Company's Total Number of Issued Shares
			(Note 1)		(%)
Mr. Zhang Yongli	Beneficial owner	9,028,000	3,000,000	12,028,000	0.35
	Corporate interest (Note 2)	839,748,000	–	839,748,000	24.37
Ms. Huang Xiaoyun	Beneficial owner	320,600,000	20,000,000	340,600,000	9.89
Mr. Wang Wei	Beneficial owner	–	3,000,000	3,000,000	0.09

Note:

- (1) The number of underlying shares represents the Shares in which the Directors are deemed to be interested as a result of holding share options.
- (2) CEC Outfitters Limited, holding 839,748,000 shares (long position) of the Company, was wholly owned by Vinglory Holdings Limited (“Vinglory”) and Vinglory was wholly owned by Mr. Zhang Yongli

Save as disclosed above, none of the above Directors had any interests or short positions in any Shares, underlying shares and debentures of the Company.

RELATIONSHIPS

Save as disclosed above, none of the above Directors is related to any Directors, senior management or Substantial Shareholders or Controlling Shareholders of the Company.

OTHER INFORMATION

Save as disclosed above, there are no other matters relating to the re-election of Mr. Zhang Yongli, Ms. Huang Xiaoyun and Mr. Wang Wei that need to be brought to the attention of the Shareholders and there is no information relating to the above Directors that is required to be disclosed pursuant to Rule 13.51(2) sub-paragraphs (h) to (v) of the Listing Rules.

NOMINATIONS BY SHAREHOLDERS

Shareholders are invited to elect up to three Directors at the Annual General Meeting to fill the vacancies available following the retirement of Mr. Zhang Yongli, Ms. Huang Xiaoyun and Mr. Wang Wei at the Annual General Meeting.

Article 108 of the Articles of Association provides that no person other than a Director retiring at the general meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the registered office provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven (7) days and that (if the notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

Accordingly, if a Shareholder wishes to nominate a person to stand for election as a Director, the following documents must be validly served on the Company at the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, namely (i) his/her notice of intention to propose a resolution at the Annual General Meeting; and (ii) a notice executed by the nominated candidate of his/her willingness to be appointed together with (A) that candidate's information as required to be disclosed under Rule 13.51(2) of the Listing Rules and such other information, as set out in the below heading "Required information of the candidate(s) nominated by Shareholders", and (B) the candidate's written consent to the publication of his/her personal data. In order to ensure that Shareholders have sufficient time to receive and consider the information of the nominated candidate(s), Shareholders are urged to submit their proposals as early as practicable, preferably no later than 4:30 p.m. on 6 May 2022 so that an announcement can be issued on or about 12 May 2022 and/or a supplemental circular containing information of the candidate(s) proposed by the Shareholders can be dispatched to Shareholders as soon as practicable on or about 12 May 2022.

Required information of the candidate(s) nominated by Shareholders

In order to enable Shareholders to make an informed decision on their election of Directors, in addition to the above described notice of intention to propose a candidate for election by a Shareholder, the Shareholder or the nominated candidate should provide the following information of the nominated candidate:

- (a) full name and age;
- (b) positions held with the Company and/or other members of the Group (if any);
- (c) experience including (i) other directorships held in the past 3 years in public companies of which the securities are listed on any securities market in Hong Kong or overseas, and (ii) other major appointments and professional qualifications;
- (d) current employment and such other information (which may include business experience and academic qualifications) of which Shareholders should be aware of, pertaining to the ability or integrity of the candidate;
- (e) length or proposed length of service with the Company;
- (f) relationships with any Directors, senior management, Substantial Shareholders or Controlling Shareholders (as defined in the Listing Rules) of the Company, or an appropriate negative statement;
- (g) interests in Shares of the Company within the meaning of Part XV of the SFO, or an appropriate negative statement;
- (h) a declaration made by the nominated candidate in respect of the information required to be disclosed pursuant to Rule 13.51(2)(h) to (w) of the Listing Rules, or an appropriate negative statement to that effect where there is no information to be disclosed pursuant to any of such requirements nor any other matters relating to that nominated candidate's standing for election as a Director that should be brought to Shareholders' attention; and
- (i) contact details.

The Shareholder proposing the candidate will be required to read out aloud the proposed resolution, as set out under "Resolutions and Voting" below, at the Annual General Meeting.

RESOLUTIONS AND VOTING

In order to comply with code provision F.2.1 of the Corporate Governance Code contained in Appendix 14 to the Listing Rules, there must be a separate resolution for the appointment of each candidate as a Director. There will be three Director vacancies to be filled in at the Annual General Meeting following the retirement of Mr. Zhang Yongli, Ms. Huang Xiaoyun and Mr. Wang Wei at the Annual General Meeting. If there are more than three candidates standing for election at the Annual General Meeting, each resolution proposing that a candidate be appointed as a Director will provide for a method to determine which three candidates shall be elected as Directors as follows:

“THAT subject to the number of net votes cast in relation to this resolution (net votes being votes cast in favour minus votes cast against this resolution) being among the three highest numbers of net votes cast on each of the resolutions for the appointment of a person as a Director of the Company at the annual general meeting to be held on 27 May 2022 or on the date of its adjournment (where applicable) (the **“Annual General Meeting”**), name of candidate be and is hereby appointed as a Director of the Company with effect from the conclusion of the Annual General Meeting, provided that if any three or more of such resolutions record the same number of net votes (the **“Tied Resolutions”**), the ranking of the Tied Resolutions from highest to lowest number of net votes shall be determined by the drawing of lots by the chairman of the Meeting.”

If a resolution is passed (i.e., it has been carried by the majority of the votes cast on it), the candidate who is the subject of that resolution will be eligible to be elected a Director. On the other hand, if a resolution is not passed, the candidate who is the subject of that resolution will not be eligible to be elected a Director. If there are less than three resolutions passed by the majority of the votes cast, the Board may, pursuant to Article 102 of the Articles of Association, appoint any person to fill the relevant vacancy or vacancies (as the case may be).

Assuming a resolution is passed by the majority of the votes cast on it, the candidate who is the subject of that resolution will be elected to one of the three positions on the Board if the net votes cast in favour of his/her resolution is among the top three resolutions passed in terms of net votes cast. Net votes cast are calculated by taking the votes cast in favour of a resolution and subtracting the votes cast against that resolution. In the event there is a tie in the net votes for two or more resolutions, the ranking of the Tied Resolutions from highest to lowest number of net votes cast shall be determined by the drawing of lots by the chairman of the meeting.

Therefore, if you wish to support a particular candidate, you should vote in favour of his/ her resolution. If you do not wish to support a candidate, you may vote against his/her resolution or abstain from voting. If you abstain from voting, you should note that your votes will not be counted when calculating the net votes cast in respect of the resolution for such candidate that you do not wish to support.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information for consideration of the proposed Ordinary Resolution to approve the Share Buy-back Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the number of Shares of the Company in issue was 3,445,450,000 Shares.

Subject to the passing of the Ordinary Resolution No. 5 set out in the AGM Notice in respect of the granting of the Share Buy-back Mandate and on the basis that no further Shares are issued or bought back before the Annual General Meeting, the Company will be allowed under the Share Buy-back Mandate to buy back Shares, during the period ending on the earliest of (i) the conclusion of the next annual general meeting, and (ii) the date upon which such authority given under the Share Buy-back Mandate is revoked or varied by an ordinary resolution of the Shareholders, a maximum of 344,545,000 Shares, being 10% of the number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE BUY-BACK

The Directors believe that it is in the interests of the Company and the Shareholders to seek a general authority from Shareholders to enable the Directors to buy back Shares. The Directors believe that the Share Buy-back Mandate would give the Company additional flexibility where situation warrants for Share buy-back and is in the best interests of the Company and the Shareholders.

Buy-back of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made in circumstances which the Directors believe are appropriate for the benefit of the Company and the Shareholders.

3. FUNDING OF SHARE BUY-BACK

The Company is empowered by its Articles of Association to buy back its Shares. The Company may only apply funds legally available for such purpose in accordance with its Articles of Association and laws of the Cayman Islands. The laws of the Cayman Islands and the Articles of Association provide that payment for a share buy-back may only be made out of profits or out of the share premium account or the proceeds of a new issue of Shares made for such purpose or subject to the Cayman Companies Act, out of capital of the Company. The amount of premium payable on buy-back of Shares may only be paid out of either the profits or out of the share premium of the Company or subject to the Cayman Companies Act, out of capital of the Company.

In addition, under the laws of the Cayman Islands, payment out of capital by a company for the purchase by a company of its own shares is unlawful unless immediately following the date on which the payment is proposed to be made, the Company shall be able to pay its debts as they fall due in the ordinary course of business. In accordance with the laws of the Cayman Islands, the shares so bought back would be treated as cancelled but the aggregate amount of authorised share capital would not be reduced.

4. IMPACT OF SHARE BUY-BACK

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2021) in the event that the Share Buy-back Mandate was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not intend to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE PRICES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the following months were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2021		
April	0.124	0.124
May	0.245	0.120
June	0.205	0.133
July	0.230	0.130
August	0.200	0.140
September	0.220	0.138
October	0.186	0.170
November	0.330	0.151
December	0.244	0.190
2022		
January	0.245	0.105
February	0.195	0.137
March	0.150	0.091
April (up to the Latest Practicable Date)	0.144	0.100

6. GENERAL

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), has any present intention to sell any Shares to the Company in the event that the Share Buy-back Mandate is granted by the Shareholders.

As at the Latest Practicable Date, no core connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Share Buy-back Mandate is granted by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to buy back Shares pursuant to the Share Buy-back Mandate and in accordance with the Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands.

7. EFFECTS OF TAKEOVERS CODE

Buy-back of Shares by the Company may result in an increase in the proportionate interests of a Substantial Shareholder of the Company in the voting rights of the Company, which could give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Company, Mr. Zhang Yongli, being a Substantial Shareholder, was interested in 848,776,000 Shares representing approximately 24.63% of the total issued share capital of the Company, 839,748,000 Shares of which were held by CEC Outfitters Limited, a wholly owned company of Vinglory Holdings Limited, which was wholly owned by Mr. Zhang Yongli and 9,028,000 Shares by Mr. Zhang Yongli himself directly. Ms. Zhang Kailun, daughter of Mr. Zhang Yongli and a Substantial Shareholder, was interested in 173,000,000 Shares representing approximately 5.02% of the total issued share capital of the Company. In the event that the Directors exercise in full the power to buy back the Shares which is proposed to be granted pursuant to the Share Buyback Mandate, the aggregate shareholding of Mr. Zhang Yongli and Ms. Zhang Kailun in the Company would be increased from 29.65% to approximately 32.95% of the total number of issued Shares of the Company. The Directors consider that such an increase in shareholding would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Listing Rules prohibit a company from making buy-back of its shares on the Stock Exchange if the result of the buy-back would be less than 25% (or such or prescribed minimum percentage as determined by the Stock Exchange) of the Company's total number of issued Shares would be in public hands.

The Company will not buy back Shares if that buy-back would result in the number of Shares which are in the hands of the public falling below 25% of the Company's total number of issued Shares.

8. SHARE BUY-BACK BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company has not bought back any Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1146)

NOTICE IS HEREBY GIVEN that an Annual General Meeting (the “**Annual General Meeting**”) of China Outfitters Holdings Limited (the “**Company**”) will be held by way of a virtual meeting on Friday, 27 May 2022 at 2:00 p.m. for the following purposes:

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditors for the year ended 31 December 2021.
2. a.
 - (i) To re-elect Mr. Zhang Yongli as an executive director of the Company.
 - (ii) To re-elect Ms. Huang Xiaoyun as an executive director of the Company.
 - (iii) To re-elect Mr. Wang Wei as a non-executive director of the Company.
- b. To authorise the board of directors of the Company (the “**Board**”) to fix the remuneration of the directors of the Company (the “**Directors**”).
3. To re-appoint Ernst & Young as auditors of the Company and to authorise the Board to fix their remuneration.
4. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph 4.(c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as amended from time to time, and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph 4.(a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph 4.(a), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the share option scheme of the Company approved by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”); or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in a general meeting; and

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of ordinary shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any regulatory body or any stock exchange in, any territory outside Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph 5.(c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back issued shares in the capital of the Company, subject to and in accordance with all applicable laws and the requirements of the Listing Rules as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph 5.(a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to buy back its shares at a price determined by the Directors;
- (c) the aggregate number of shares of the Company which are authorised to be bought back by the Directors pursuant to the approval in paragraph 5.(a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in a general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

6. To consider as special business and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of resolutions nos. 4 and 5 above, the general mandate to the Directors pursuant to resolution no. 4 be and is hereby extended by the addition thereto of an amount representing the aggregate number of shares of the Company bought back by the Company under the authority granted pursuant to the resolution no. 5, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

By Order of the Board
China Outfitters Holdings Limited
Zhang Yongli
Chairman

Shanghai, 22 April 2022

Notes:

- (1) In view of the current COVID-19 situation in Hong Kong, the Company will conduct the Annual General Meeting by way of electronic means. Shareholders who wishes to attend and vote at the Annual General Meeting may (i) attend the Annual General Meeting via the Tricor e-Meeting System which enables live streaming and interactive platform for questions-and-answers and submission of their votes online; or (ii) appoint the chairman of the virtual Annual General Meeting or other persons as their proxies to vote on their behalf via the Tricor e-Meeting System. Each registered Shareholder's personalised login and access code will be sent to him or her under separate letter.

Non-registered Shareholders whose Shares are held in the Central Clearing and Settlement System through banks, brokers, custodians or Hong Kong Securities Clearing Company Limited may also be able to attend and vote at the virtual Annual General Meeting. In this regard, they should consult directly with their banks, brokers or custodians (as the case may be) for the necessary arrangements.

- (2) Pursuant to Rule 13.39(4) of the Listing Rules and the articles of association of the Company, all the resolutions set out in the Notice of Annual General Meeting will be voted by poll and the results of the poll will be published on the websites of the Stock Exchange and the Company in accordance with the Listing Rules. On a poll, votes may be given either personally or by proxy.
- (3) A member entitled to attend and vote at the above meeting may appoint one or, if he holds two or more shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (4) Where there are joint holders of any share, any one of such joint holders may vote, either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether personally or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
- (5) In order to be valid, a form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed or a certified copy thereof shall be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the Annual General Meeting (i.e. not later than 2:00 p.m. on Wednesday, 25 May 2022) or any adjournment thereof. The proxy form will be published on the website of the Stock Exchange.

NOTICE OF ANNUAL GENERAL MEETING

- (6) There will be three Director vacancies to be filled at the meeting following the retirement of Mr. Zhang Yongli, Ms. Huang Xiaoyun and Mr. Wang Wei at the Annual General Meeting. If a shareholder wishes to nominate a person to stand for election as a Director, the following documents must be validly served on the Company at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, namely (i) his/her notice of intention to propose a resolution at the Annual General Meeting; and (ii) a notice executed by the nominated candidate of his/her willingness to be appointed together with (A) that candidate's information as required to be disclosed under Rule 13.51(2) of the Listing Rules and such other information, as set out under the section headed "Required information of the candidate(s) nominated by Shareholders" in Appendix I to the circular of the Company dated 22 April 2022, and (B) the candidate's written consent to the publication of his/her personal data.
- (7) In order to be eligible to attend and vote at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 23 May 2022.
- (8) Shareholders of the Company whose names appear on the register of members on 23 May 2022 are entitled to attend and vote at the Annual General Meeting or any adjourned meetings.

As at the date of this notice, the executive directors of the Company are Mr. Zhang Yongli, Mr. Sun David Lee and Ms. Huang Xiaoyun; the non-executive director is Mr. Wang Wei; and the independent non-executive directors are Mr. Kwong Wilson Wai Sun, Mr. Cui Yi and Mr. Yeung Chi Wai.