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中國服飾控股有限公司
CHINA OUTFITTERS HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1146)

INSIDE INFORMATION AND PROFIT WARNING

This announcement is made by China Outfitters Holdings Limited (the **"Company"**, together with its subsidiaries, the **"Group"**) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (**"Listing Rules"**) on The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the **"Board"**) of the directors of the Company wishes to inform the shareholders of the Company (the **"Shareholders"**) and potential investors that, based on the information currently available to the Group, it is expected that Group's unaudited profit attributable to equity holders of the parent (the **"Net Profit"**) for the six months ended 30 June 2019 (the **"Relevant Period"**) will decrease significantly by at least 40% as compared with that for the six months ended 30 June 2018 of RMB57,176,000.

The decrease of the unaudited Net Profit for the Relevant Period is attributable to:

(i) the continuous slowdown in growth of macro-economy and weak retail market sentiment, together with the impact of e-commerce on conventional retailers, led to a decrease in number of retail points, revenue and gross profit of the Group;

(ii) a decrease in government subsidies and tax refund received during the Relevant Period; and

(iii) an increase of amortisation of equity-settled share option expense.

Notwithstanding the impact of the above-mentioned factors, the Board is of the view that the Group has achieved steady progress in its strategic development, and the operational and financial position of the Group remains sound and stable.

As the Company is still in the process of finalising the interim results of the Group for the Relevant Period, the information contained in this announcement is only based on the preliminary assessment by the Board with reference to the information currently available, which has not yet been audited by or discussed with the auditors of the Company. The actual results of the Group for the Relevant Period may be different from what is contained in this announcement. The interim results announcement of the Company for the Relevant Period is expected to be released in August 2019.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in shares of the Company.

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

Shanghai, 31 July 2019

As at the date of this announcement, the executive directors 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.