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DISCLOSEABLE TRANSACTION SUBSCRIPTION FOR WEALTH MANAGEMENT PRODUCT

SUBSCRIPTION FOR WEALTH MANAGEMENT PRODUCT

The Board announces that on 24 April 2023, the Company used internal resources to subscribe for the Wealth Management Product offered by HTIF, summary of which are set out as follows:

HTIF Wealth Management Product

- the Subscription for the HTIF Wealth Management Product of HK\$50 million subscribed on 24 April 2023

LISTING RULES IMPLICATIONS

Pursuant to Rule 14.07 of the Listing Rules, the Subscription for the HTIF Wealth Management Product constituted a notifiable transaction of the Company, as one of the applicable percentage ratios (defined under the Listing Rules) of the subscription amount of the Subscription for the HTIF Wealth Management Product exceeds 5% but is less than 25%, the Subscription for the HTIF Wealth Management Product constituted a discloseable transaction of the Company for the purposes of the Listing Rules and is subject to the reporting and announcement requirements under Rule 14.34 of the Listing Rules.

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Principal terms of the Wealth Management Product are set out below:

The Subscription for the HTIF Wealth Management Product

Date of subscription: 24 April 2023

Parties: (1) the Company, as the subscriber; and

(2) HTIF, as the issuer.

Name of the Wealth HTIF Medium Term Note of HK\$50 million

Management Product: subscribed on 24 April 2023

Subscription amount: HK\$50 million

Term of investment period: From 2 May 2023 to 2 November 2023

Type of the product: Principal not guaranteed with fixed return

Investment portfolio: The funds raised through this issue of the Wealth

Management Product will be invested in cash and

bank deposits

Expected rate of 3.8%

return per annum:

Early termination: Early termination is not allowed

REASONS AND BENEFITS FOR SUBSCRIBING FOR THE WEALTH MANAGEMENT PRODUCT

In order to enhance the capital efficiency as well as the return from working capital, the Group reasonably utilises its idle capital to subscribe for wealth management products issued by the commercial banks and other financial institutions in the PRC and Hong Kong to earn additional income without affecting its normal operations. At the same time, wealth management products offer a better potential return to the Group when compared to the deposit interest rates normally offered by commercial banks in the PRC and Hong Kong. The condition of the wealth management products has been closely and effectively monitored by the Company, and the Group has not experienced any losses on the wealth management products up to and as at the date of this announcement.

The Directors are of the view that the Subscriptions for the Wealth Management Product is determined on normal commercial terms and are fair and reasonable, and that the entering into of the agreements for the Subscriptions for the Wealth Management Product is in the interests of the Company and the Shareholders as a whole.

INFORMATION ABOUT THE PARTIES

The Company

The Company is principally engaged in the business of design, manufacturing, marketing and sale of apparel products and accessories in the PRC, with a focus on menswear.

HTIF

To the best knowledge of the Directors, HTIF mainly engages in issuing structured products and entering into derivative transactions. The ultimate beneficial owner of HTIF is Huatai Securities Co., Ltd. (華泰證券, 601688.SH), which has its China - A shares listed on the main board on the Shanghai Stock Exchange.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, HTIF and its ultimate beneficial owner are independent third parties independent of the Company and its connected persons.

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DEFINITIONS

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

"Board" the board of Directors of the Company

"Company" China Outfitters Holdings Limited, a company incorporated

in the Cayman Islands which has its Shares listed on the main

board on the Stock Exchange

"Director(s)" the director(s) of the Company

"Group" the Company and its subsidiaries

"Hong Kong" the Hong Kong Special Administrative Region of the PRC

"HK\$" Hong Kong Dollar, the lawful currency of Hong Kong

"HTIF" Huatai International Finance Limited, mainly engages in

issuing structured products and entering into derivative transactions. The ultimate beneficial owner of HTIF is Huatai

Securities Co., Ltd.

"Listing Rules" the Rules Governing the Listing of Securities on the Stock

Exchange

"PRC" the People's Republic of China

"SFO" the Securities and Futures Ordinance (Chapter 571 of the

Laws of Hong Kong) as amended, supplemented, or

otherwise modified from time to time

"Share(s)" ordinary share(s) in the capital of the Company

"Shareholder(s)" the shareholders of the Company

"Stock Exchange" The Stock Exchange of Hong Kong Limited

"Subscription for the Wealth

Management Product"

the agreement for the subscription for the wealth management agreement entered into between the Company and HTIF on 24 April 2023 with the subscription amount of HK\$50 million

"Wealth Management

Product"

HTIF Medium Term Note of HK\$50 million subscribed on 24

April 2023

"%" Percentage

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

Shanghai, 24 April 2023

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.