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If you are in 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, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Xtep International Holdings Limited, you should at once hand this circular, together with the accompanying form of proxy to the purchaser or the 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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Xtep International Holdings Limited

特步國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1368)

**PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Xtep International Holdings Limited to be held at Unit A, 27/F, Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong at 10:00 a.m. on Friday, 6 May 2022 is set out on pages 20 to 25 of this circular.

In view of the continuing and currently elevated risks posed by the COVID-19 pandemic and the prevailing restrictions imposed by the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Cap. 599G of the Laws of Hong Kong), the Company decided to implement certain precautionary and control measures at the Annual General Meeting, including limiting the number of physical attendees to Directors or other staff members of the Company who are Shareholders or proxies. No other Shareholders shall attend the Annual General Meeting physically. Any person who attempts to attend the Annual General Meeting physically will not be permitted entry to the meeting. Shareholders may, however, attend, participate and vote in the Annual General Meeting through an online platform (the “**Online Platform**”). Please refer to the section headed “Arrangements for the Annual General Meeting” of this circular for further details.

Whether or not you are able to attend the meeting in person via the Online Platform, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and deposit the same with the Hong Kong Branch Share Registrar at 17M/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the commencement of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjournment thereof should you so wish.

Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.

Important Information

Please see pages 1 to 2 of this circular for the arrangements for the Annual General Meeting, including guidance on joining the Annual General Meeting via the Online Platform.

1 April 2022

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ARRANGEMENTS FOR THE ANNUAL GENERAL MEETING

In view of the continuing and currently elevated risks posed by the COVID-19 pandemic and the prevailing restrictions imposed by the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Cap. 599G of the Laws of Hong Kong), the number of physical attendees of the Annual General Meeting shall be limited to Directors or other staff members of the Company who are Shareholders or proxies. No other Shareholders shall attend the Annual General Meeting physically and they can attend the Annual General Meeting via the Online Platform (as defined below). Any person who attempts to attend the Annual General Meeting physically will not be permitted entry to the meeting.

The Company does not in any way wish to diminish the opportunity available to Shareholders to exercise their rights and to vote, but is conscious of the need to protect the attendees from possible exposure to the COVID-19 and to comply with the prevailing social distancing requirements. **For the health and safety of the attendees, the Company would encourage Shareholders to: (i) attend the Annual General Meeting via the Online Platform and vote by means of electronic facilities; or (ii) exercise their right to vote at the Annual General Meeting by appointing the Chairman of the Annual General Meeting as their proxy.**

ATTENDING THE ANNUAL GENERAL MEETING VIA THE ONLINE PLATFORM

Shareholders may attend, participate and vote at the Annual General Meeting through online access by visiting the website <http://meetings.computershare.com/XTEP2021AGM> (the “**Online Platform**”).

Shareholders participating at the Annual General Meeting via the Online Platform will be counted towards the quorum and they will be able to cast their vote and submit questions through the Online Platform.

The Online Platform will be opened for registered Shareholders and non-registered Shareholders (see below for login details and arrangements) to log in approximately 30 minutes prior to the commencement of the Annual General Meeting and can be accessed from any location with internet connection by a smart phone, tablet device or computer. Shareholders should allow ample time to check into the Online Platform to complete the related procedures.

Login details for registered Shareholders

Details regarding the arrangements of the Annual General Meeting including login details to access the Online Platform are included in the Company’s notification letter to registered Shareholders (the “**Shareholder Notification**”) sent together with this circular.

For corporate Shareholders who wish to attend the Annual General Meeting via the Online Platform, please contact the Hong Kong Branch Share Registrar via their hotline at (852) 2862 8555 on or before 29 April 2022 for arrangement.

Login details for non-registered Shareholders

Non-registered Shareholders who wish to attend and participate and vote at the Annual General Meeting via the Online Platform should liaise with their banks, brokers, custodians, nominees or HKSCC Nominees Limited through which their shares are held (together, the

ARRANGEMENTS FOR THE ANNUAL GENERAL MEETING

“Intermediary”) and provide their e-mail address to their Intermediary, before the time limit required by the relevant Intermediary. Details regarding the arrangements including invitation code to access the Online Platform will be sent by the Hong Kong Branch Share Registrar to the e-mail addresses of the non-registered Shareholders provided by the Intermediary. Without the invitation code, non-registered Shareholders will not be able to participate or vote using the Online Platform. Non-registered Shareholders should therefore give clear and specific instructions to their Intermediary to pass their e-mail address to the Hong Kong Branch Share Registrar who can then send the invitation code to them by e-mail.

Please keep the invitation code in safe custody for use at the Annual General Meeting and do not disclose them to anyone else.

QUESTIONS AT AND PRIOR TO THE ANNUAL GENERAL MEETING

Shareholders attending the Annual General Meeting via the Online Platform will be able to submit questions relevant to the proposed resolutions online during the Annual General Meeting. Shareholders can also send their questions by e-mail to ir@xtep.com.hk prior to the date of the Annual General Meeting.

Whilst the Company will endeavour to respond to as many questions as possible at the Annual General Meeting, due to time constraints, unanswered questions may be responded to after the Annual General Meeting as appropriate.

VOTING BY PROXY IN ADVANCE OF THE ANNUAL GENERAL MEETING

Shareholders are encouraged to submit their completed form of proxy well in advance of the Annual General Meeting. Return of a completed form of proxy will not preclude Shareholders from attending and voting in person via the Online Platform at the Annual General Meeting or any adjournment or postponement thereof should they subsequently so wish. Any member entitled to attend and vote at the above meeting is entitled to appoint one or, if he is the holder of two or more shares, one or more proxies to attend and, on a poll, vote in his stead. The member can appoint the Chairman of the Annual General Meeting or other persons as the proxies by providing their email address for receiving the designated invitation code to attend and vote on his behalf via the Online Platform. A proxy need not be a member of the Company.

Submission of forms of proxy for registered Shareholders

A form of proxy for use at the Annual General Meeting is enclosed with this circular.

Completed forms of proxy must be returned to the Hong Kong Branch Share Registrar at 17M/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the commencement of the Annual General Meeting or any adjournment thereof.

Appointment of proxy for non-registered Shareholders

Non-registered Shareholders should contact their Intermediary as soon as possible to assist them in the appointment of proxy.

DEFINITIONS

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

| | |
|------------------------------------|---|
| “2021 Annual Report” | the annual report of the Company for the financial year ended 31 December 2021 dispatched to the Shareholders together with this circular |
| “Annual General Meeting” | the annual general meeting of the Company to be held with a combination of a physical meeting at Unit A, 27/F, Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong and an online meeting at 10:00 a.m. on Friday, 6 May 2022 or any adjournment thereof |
| “Articles” | the articles of association of the Company adopted on 7 May 2008 and as amended from time to time |
| “Board” | the board of Directors |
| “close associate(s)” | has the meaning ascribed to it under the Listing Rules |
| “Companies Law” | the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands |
| “Company” | Xtep International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Stock Exchange |
| “core connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | director(s) of the Company |
| “Extension Mandate” | a general and unconditional mandate proposed to be granted to the Directors to the effect that the aggregate nominal value of the Shares which may be allotted and issued under the Issue Mandate may be extended by an addition of an amount representing the aggregate nominal value of Shares repurchased under the Repurchase Mandate |
| “Group” | the Company and its subsidiaries |
| “HK\$” and “HK cents” | Hong Kong dollars and cents respectively, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Hong Kong Branch Share Registrar” | Computershare Hong Kong Investor Services Limited, the Company’s Hong Kong branch share registrar |

DEFINITIONS

| | |
|---------------------------|---|
| “Issue Mandate” | a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with unissued Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing the relevant resolution at the Annual General Meeting |
| “Latest Practicable Date” | 24 March 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 |
| “Notice” | the notice convening the Annual General Meeting as set out on pages 20 to 25 of this circular |
| “Online Platform” | the platform on which the Shareholders can attend the Annual General Meeting online by visiting the website http://meetings.computershare.com/XTEP2021AGM |
| “PRC” | the People’s Republic of China excluding, for the purpose of this circular, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Repurchase Mandate” | a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase the Shares on the Stock Exchange with an aggregate nominal value not exceeding 10% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing the relevant resolution at the Annual General Meeting |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | ordinary share(s) of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Shares |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | Hong Kong Code on Takeovers and Mergers |
| “%” | percent |



Xtep International Holdings Limited

特步國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1368)

Executive Directors:

Mr. Ding Shui Po

(Chairman and Chief Executive Officer)

Ms. Ding Mei Qing

Mr. Ding Ming Zhong

Non-executive Director:

Mr. Tan Wee Seng

Independent non-executive Directors:

Dr. Bao Ming Xiao

Dr. Wu Ka Chee, Davy

Dr. Chan Yee Wah

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Principal place of business in Hong Kong:

Unit A, 27/F, Tower A

Billion Centre, 1 Wang Kwong Road

Kowloon Bay, Kowloon

Hong Kong

1 April 2022

Dear Shareholders,

**PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The primary purpose of this circular is to provide you with information regarding the proposed grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate (collectively the “**Mandates**”), the re-election of the relevant Directors and to seek your approval of the resolutions to these matters at the Annual General Meeting.

LETTER FROM THE BOARD

ISSUE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise the powers of the Company to allot, issue and deal with unissued Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing of the relevant resolution at the Annual General Meeting. As at the Latest Practicable Date, a total of 2,630,318,746 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Issue Mandate to issue a maximum of 526,063,749 Shares.

REPURCHASE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to repurchase, on the Stock Exchange, or on any other stock exchange on which the Shares may be listed, Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing of the relevant resolution at the Annual General Meeting.

Under the Listing Rules, the Company is required to give to its Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the Annual General Meeting. An explanatory statement for such purpose is set out in Appendix I to this circular.

EXTENSION MANDATE

In addition, an ordinary resolution will also be proposed at the Annual General Meeting to extend the Issue Mandate by an addition of an amount representing the aggregate nominal value of Shares repurchased under the Repurchase Mandate.

The Repurchase Mandate and the Issue Mandate would expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company; or (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or the applicable laws of the Cayman Islands to be held; or (c) revocation or variation by an ordinary resolution of the Shareholders of the Company in a general meeting.

THE ANNUAL GENERAL MEETING

The notice of the Annual General Meeting is set out on pages 20 to 25 of this circular.

The 2021 Annual Report incorporating the audited consolidated financial statements of the Group for the year ended 31 December 2021 and the reports of the Directors and the auditor thereon are dispatched to the Shareholders together with this circular.

LETTER FROM THE BOARD

Shareholders shall attend the Annual General Meeting online and vote by means of electronic facilities. See “Arrangements for the Annual General Meeting” on pages 1 to 2 of this circular.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the Annual General Meeting in person via the Online Platform, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and deposit the same with the Hong Kong Branch Share Registrar at 17M/F Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the commencement of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person via the Online Platform at the Annual General Meeting or any adjournment thereof should you so wish.

RE-ELECTION OF DIRECTORS

The Board currently consists of seven Directors, comprising three executive Directors, namely, Mr. Ding Shui Po, Ms. Ding Mei Qing and Mr. Ding Ming Zhong; one non-executive Director, namely, Mr. Tan Wee Seng; and three independent non-executive Directors, namely, Dr. Bao Ming Xiao, Dr. Wu Ka Chee, Davy and Dr. Chan Yee Wah.

Pursuant to Article 86(3) of the Articles, Dr. Wu Ka Chee, Davy and Dr. Chan Yee Wah, who were appointed by the Board as independent non-executive Directors on 7 May 2021 and 17 March 2022, respectively, shall hold office until the Annual General Meeting and, being eligible, offer themselves for re-election.

According to Article 87 of the Articles, at each annual general meeting, one third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. Dr. Wu Ka Chee, Davy and Dr. Chan Yee Wah shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation. As such, Mr. Ding Shui Po and Mr. Tan Wee Seng will retire from office at the Annual General Meeting, and offer themselves for re-election.

The nomination committee of the Company recommended the re-election of Mr. Ding Shui Po, Mr. Tan Wee Seng, Dr. Wu Ka Chee, Davy and Dr. Chan Yee Wah as Directors at the Annual General Meeting. Particulars of each of them are set out in Appendix II of this circular.

Each of Dr. Wu Ka Chee, Davy and Dr. Chan Yee Wah, being the independent non-executive Directors of the Company, has confirmed independence with reference to the factors set out in Rule 3.13 of the Listing Rules. The nomination committee of the Company is also responsible for, inter alia, assessing the independence of independent non-executive Directors. On 16 March 2022, the nomination committee of the Company assessed and reviewed the individual independent non-executive Director’s annual confirmation of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules, and affirmed that all independent non-executive Directors, including Dr. Wu Ka Chee, Davy and Dr. Chan Yee Wah, remained independent.

LETTER FROM THE BOARD

VOTING BY POLL AT THE ANNUAL GENERAL MEETING

Pursuant to Rule 13.39(4) of the Listing Rules and Article 66 of the Articles, all votes of the Shareholders at the general meetings must be taken by poll.

RECOMMENDATION

The Directors believe that the proposed grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate and the re-election of the Directors named above are beneficial to the Company and the Shareholders as a whole.

Accordingly, the Directors recommend our Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement to attend and vote at the Annual General Meeting, the transfer books and register of members of the Company will be closed from Friday, 29 April 2022 to Friday, 6 May 2022, both days inclusive, during which period no transfer of Shares in the Company will be effected. The record date for entitlement to attend and vote at the Annual General Meeting is Friday, 6 May 2022. In order to be eligible to attend and vote at the forthcoming Annual General Meeting of the Company to be held on Friday, 6 May 2022, all transfers, accompanied by the relevant share certificates, must be lodged with the Hong Kong Branch Share Registrar at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Thursday, 28 April 2022.

The proposed final dividend is subject to the passing of ordinary resolutions by the Shareholders at the Annual General Meeting. In order to determine the entitlement to the proposed final dividend, the transfer books and register of members of the Company will be closed from Friday, 13 May 2022 to Tuesday, 17 May 2022, both days inclusive, during which period no transfer of Shares in the Company will be effected. The record date for entitlement to the proposed final dividend is Tuesday, 17 May 2022. In order to be eligible to receive the proposed final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Hong Kong Branch Share Registrar at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Thursday, 12 May 2022. The payment date of the proposed final dividend is expected to be Thursday, 30 June 2022.

The Board has recommended a final dividend of HK13.5 cents (equivalent to approximately RMB11.0 cents) per Share for the year ended 31 December 2021. The proposed final dividend will be offered with a scrip dividend option to Shareholders, which will allow them to receive new shares in lieu of cash. Participation in the scrip dividend scheme will be optional. The scrip dividend scheme is subject to the Stock Exchange granting the listing of and permission to deal in the new shares to be issued pursuant thereto. A circular containing details of this scrip dividend scheme will be dispatched to Shareholders for the scrip dividend on or about 24 May 2022.

Yours faithfully,
For and on behalf of the Board of
Xtep International Holdings Limited
DING Shui Po
Chairman

This Appendix I serves as an explanatory statement, as required by the Listing Rules, to provide requisite information as to the proposed Repurchase Mandate.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange and any other stock exchange on which the securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchase of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general repurchase mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 2,630,318,746 Shares in issue.

Subject to the passing of the proposed resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 263,031,874 Shares, which represents 10% of the entire issued share capital of the Company as at the date of passing the resolution until the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or the applicable laws of the Cayman Islands to be held; or
- (iii) revocation or variation by an ordinary resolution of the Shareholders of the Company in a general meeting.

3. REASONS FOR THE REPURCHASE

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed. Share repurchases may, depending on 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 when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASES

In repurchasing the Shares, the Company may only apply funds legally available for the purpose in accordance with the Articles and the Companies Law.

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate was to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company (as compared with the position disclosed in the 2021 Annual Report). However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company.

5. SHARE PRICES

The Shares are trading on the Stock Exchange and the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the following months immediately preceding the Latest Practicable Date are as follows:

| | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
|---|-------------------------------|------------------------------|
| March 2021 | 4.77 | 3.38 |
| April 2021 | 7.32 | 4.51 |
| May 2021 | 8.83 | 5.92 |
| June 2021 | 15.18 | 8.28 |
| July 2021 | 16.32 | 9.95 |
| August 2021 | 14.38 | 9.90 |
| September 2021 | 14.90 | 10.26 |
| October 2021 | 11.28 | 9.21 |
| November 2021 | 11.38 | 9.73 |
| December 2021 | 13.42 | 9.35 |
| January 2022 | 14.22 | 10.42 |
| February 2022 | 14.80 | 12.62 |
| 1 March 2022 to the Latest Practicable Date | 13.34 | 8.08 |

6. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If a Shareholder's proportionate interest in the voting rights of the Company increases when the Company exercises its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 or Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge of the Directors, the controlling Shareholders (as defined in the Listing Rules) of the Company, namely Group Success Investments Limited, Wan Xing International Holdings Limited, Ding Wang Fortune Limited, Guan Hong Development Limited, Ming Zhong Family Limited, Mr. Ding Shui Po, Ms. Ding

Mei Qing, Mr. Ding Ming Zhong, Henley Hope Limited and Ms. Ding Lizhi (the “**Controlling Shareholders**”), together exercise and/or control the exercise of approximately 54.90% voting rights in the general meeting of the Company.

In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, the direct and indirect shareholding of the Controlling Shareholders in the Company would increase to approximately 61.00% of the issued share capital of the Company. Such increase will not give rise to an obligation to make a mandatory offer under Rule 26 or Rule 32 of the Takeovers Code.

The Directors will not exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

7. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

8. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates has any present intention to sell any Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the regulations set out in the Articles.

No core connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such core connected person undertaken not to sell any Shares held by him/her/it to the Company in the event that the Repurchase Mandate is granted.

PARTICULARS OF DIRECTORS FOR RE-ELECTION

The biographical details of the Directors eligible for re-election at the Annual General Meeting are set out below:

Mr. Ding Shui Po (丁水波), aged 51, is the founder, chairman and chief executive officer of the Group. Mr. Ding has over 30 years of experience in the sportswear industry and is primarily responsible for the overall corporate strategies, planning and business development of the Group. Mr. Ding founded the Group in 1999 and is currently also the chairman of the Board of Directors and the president of various subsidiaries of the Group.

Mr. Ding participated in entrepreneurship programs offered by Peking University (北京大學) and Tsinghua University (清華大學) in 2004 and 2006, respectively, and studied for the China CEO/Finance CEO Program offered by Cheung Kong Graduate School of Business (長江商學院) in 2011. He also completed the CEO Program of the China Europe International Business School (中歐國際工商學院) and the EMBA program offered by Xiamen University (廈門大學) in 2014 respectively. He started attending China Europe International Business School's Sport and Leisure Management Program in 2015, Shanghai Advanced Institute of Finance's "CEO Program: Leading the Future" in 2016, Harvard University's "Global CEO Program" in 2018 and Executive Education — SEM-Tsinghua University's "Seventh Class of Entrepreneur Scholar Program" in 2019. He is a brother of Ms. Ding Mei Qing and Mr. Ding Ming Zhong.

Mr. Ding personally obtained the following awards in the past 10 years:

| Year | Award |
|-------------|---|
| 2011 | The "Seeding of Hope, Contribution to Brightness" medal, presented by All-China Federation of Returned Overseas Chinese |
| 2011 | Most Innovative Entrepreneur of Quanzhou City |
| 2013 | Quanzhou Top Talent |
| 2013 | Outstanding Contribution Award on Community Donation by a Businessman in the Private Sector in Fujian Province |
| 2013 | Outstanding Contribution Award on Western Taiwan Straits Economic Zone Construction |
| 2013 | Top Ten Outstanding Young Persons in Quanzhou |
| 2015 | 2nd China Footwear Industry Ceremony — Annual Leading Figure of 2015 |
| 2016 | Top Ten Teaching Entrepreneurs in China 2016 presented by Enterprise Education Top 100 in China Committee |
| 2016 | Outstanding Entrepreneur in China 2015–2016 presented by China Enterprise Confederation |

| Year | Award |
|-------------|---|
| 2017 | Next Generation Education and Charity Motivation Award 2017 by the China Next Generation Education Foundation |
| 2018 | China Footwear Grand Ceremony 2018, 40th anniversary of the Chinese Economic Reform — Ingenious Person Award |
| 2019 | 2019 Outstanding Builder of Non-public Sector of Economy in Fujian Province |
| 2019 | Awarded the “Person of Year in Sportswear Industry” Award |
| 2019 | 2019 Annual Charity Figure Award (the 9th China Philanthropy Festival) |
| 2020 | 2020 Annual Charity Figure Award (the 10th China Philanthropy Festival) |
| 2020 | Enlisted in the 2020 China’s Top 500 Brand figures |
| 2020 | Enlisted in the 2020 Forbes China Philanthropy List |
| 2022 | Awarded the 2021 Top Ten Person of the Economic Year in China (Sina Finance) |

Mr. Ding held the following public offices in the past 10 years:

| Year | Public Office |
|-------------|---|
| 2011 | Founding Chairman of the Hong Kong China Chamber of Commerce |
| 2013 | Committee Member of the 11th Fujian Provincial Committee of the Political Consultative Conference |
| 2013 | Executive Vice President of the 4th Congress of the China Federation of Overseas Chinese Entrepreneurs |
| 2014 | Chairman of the 2nd World Quanzhou Youth Friendship Association |
| 2015 | Committee Member of Marathon Committee of Chinese Athletic Association |
| 2016 | Chief Expert in the Sportswear Industry, for the Sports Economy Research Center of the Research Institute of Sports Science of the General Administration of Sport of China |
| 2017 | Deputy Director of Marathon Committee of Chinese Athletic Association |

| Year | Public Office |
|------|--|
| 2017 | Permanent Honorary Chairman of the Fourth Session of the Board of Education Fund Council of Quanzhou City |
| 2018 | Deputy President of the Seventh Session of the Board of the China National Garment Association |
| 2018 | Vice-Chairman of the China Next Generation Education Foundation |
| 2019 | Honorary President of Quanzhou Business Development Association |
| 2019 | Specially Invited Vice President of Chinese Athletic Association |
| 2021 | The Fourteenth Vice-chairman of Xiamen Industrial and Commercial Association (General Chamber of Commerce) |

Mr. Ding has entered into a service contract with the Company for an initial term of three years commencing from 3 June 2008 and thereafter may be terminated by either party upon a three-month prior written notice. The service contract is automatically renewable upon expiration. Under the service contract, Mr. Ding's emoluments recorded in 2021 was approximately RMB5,196,000, including salaries and contribution to pension scheme, with reference to his experience and qualification.

Mr. Ding did not hold any office of directorships in other listed public companies in the last three years other than that of the Company.

Each of Mr. Ding Shui Po, Ms. Ding Mei Qing and Mr. Ding Ming Zhong established a family trust (each, a "**Family Trust**" and collectively, the "**Family Trusts**") for the benefit of himself/herself and their respective family members. UBS Trustees (BVI) Limited is the trustee of the Family Trusts. The Family Trusts (through their controlled companies) indirectly hold 1,310,059,500 Shares in aggregate and therefore each of Mr. Ding Shui Po, Ms. Ding Mei Qing and Mr. Ding Ming Zhong is deemed to be interested in 1,310,059,500 Shares of the Company. Mr. Ding Shui Po was also beneficially interested in 60,675,000 Shares, together representing approximately 52.11% of the issued share capital of the Company as at the Latest Practicable Date. Save as aforementioned, Mr. Ding was not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO.

Mr. Tan Wee Seng (陳偉成), aged 66, was appointed as a non-executive Director on 29 March 2010. Mr. Tan was re-designated as an independent non-executive Director on 15 May 2015 and further re-designated as a non-executive Director on 17 March 2022. Mr. Tan is an independent non-executive director and chairman of the audit committee of Sa Sa International Holdings Limited, an independent non-executive director and chairman of the remuneration committee of Health and Happiness (H&H) International Holdings Limited, an independent non-executive director and chairman of the audit committee of CIFI Holdings (Group) Company Limited, and an independent non-executive director and the chairman of each of the audit committee and the remuneration committee of Shineroad International Holdings Limited, all of these companies are listed on the Main Board of the Hong Kong Stock Exchange. He is also an independent director and chairman of the audit committee of ReneSola Ltd. whose shares are listed on the NYSE, and a board member of Beijing City International School, an academic institution in Beijing. Mr. Tan had been an independent director and chairman of the audit committee of each of Sinopharm Group Company Limited from September 2014 to September 2020, a company which is listed on the Main Board of the Stock Exchange and 7 Days Group Holdings Limited, a company which was then listed on the NYSE, from November 2009 to July 2013 until it was privatized. Mr. Tan was also the chairman of the special committee for the privatization of 7 Days Group Holdings Limited from October 2012 to July 2013.

Mr. Tan has over 40 years of experience in financial management, corporate finance, merger and acquisition, business management and strategy development. He has also held various management and senior management positions in a number of multi-national and Chinese corporations. From 2003 to 2008, he was an executive director, chief financial officer and company secretary of Li Ning Company Limited, the shares of which are listed on the Main Board of the Hong Kong Stock Exchange. From 1999 to 2002, he was the senior vice president of Reuters for China, Mongolia and North Korea regions, and the chief representative of Reuters in China. Prior to that, he had served as the managing director of AFE Computer Services Limited, a Reuters subsidiary in Hong Kong mainly engaged in domestic equity and financial information services, and as the director of Infocast Pty Limited, a Reuters subsidiary in Australia and as the regional finance manager of Reuters East Asia. Mr. Tan is a professional accountant and a fellow member of both the Chartered Institute of Management Accountants in the United Kingdom and the Hong Kong Institute of Directors.

Save as disclosed above, Mr. Tan has not held any other directorships in other listed public companies in the past three years and does not hold any other position with the Company and other members of the Group.

Mr. Tan has entered into a service contract with the Company for an initial term of three years commencing from 15 May 2015 which may be terminated by either party furnishing written notice of not less than three months and in any event subject to rotation, retirement and re-election at annual general meeting pursuant to the Articles. The service contract is automatically renewable upon expiration. Mr. Tan's existing service contract with the Company has continued to have full force and effect upon his re-designation as non-executive Director on 17 March 2022, and the terms thereof applied, mutatis mutandis, as if the references to "independent non-executive director" in it being treated as references to "non-executive director". With effect from his re-designation, Mr. Tan is entitled to a directors' remuneration of approximately RMB268,000 per annum, which is determined with reference to his experience and qualifications.

As at the Latest Practicable Date, Mr. Tan was interested in 283,068 Shares. Save as aforementioned, Mr. Tan was not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO.

Dr. Wu Ka Chee, Davy (胡家慈), aged 53, was appointed as an independent non-executive Director on 7 May 2021. Dr. Wu is currently a senior lecturer of the Department of Accountancy and Law at The Hong Kong Baptist University, where he has been employed since September 1999. Dr. Wu is an independent non-executive director and the chairman of each of the Nomination Committee and the Remuneration Committee of Goal Rise Logistics (China) Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1529). Dr. Wu was an independent non-executive director of Wan Leader International Limited, a company listed on GEM of the Stock Exchange (stock code: 8482), from August 2018 to March 2021.

Dr. Wu attained a doctorate degree in law in December 2003, a postgraduate certificate in law in June 1994 and a bachelor's degree in law in November 1993, all from The University of Hong Kong. He also obtained a master's degree in business administration from The Hong Kong Polytechnic University in November 2013. He is a co-author of the Guide to Corporate Governance for Subvented Organisations, the second edition of which was published by the Hong Kong Government in June 2015.

From 2006 to 2012, he was a member of the Advisory Group on Share Capital, Distribution of Profits and Assets and Charges Provisions for the rewrite of the Companies Ordinance (Chapter 622 of the laws of Hong Kong), on appointment by the Financial Services and Treasury Bureau of the Hong Kong Government. From 2011 to 2016, he was a member of the Advisory Group on Modernisation of Corporate Insolvency Law, also on appointment by the Financial Services and Treasury Bureau. He has been serving the Hong Kong Institute of Certified Public Accountants as a director of a professional diploma programme in insolvency since 2012.

Save as disclosed above, Dr. Wu has not held any other directorships in other listed public companies in the past three years and does not hold any other position with the Company and other members of the Group.

Dr. Wu has entered into a service contract with the Company for an initial term of two years commencing from 7 May 2021 which may be terminated by either party furnishing written notice of not less than three months and in any event subject to rotation, retirement and re-election at the annual general meeting pursuant to the Articles. Under the service contract, Dr. Wu's emoluments recorded in 2021 was approximately RMB117,000, including salaries and contributions to pension scheme, with reference to his experience and qualification.

As at the Latest Practicable Date, Dr. Wu was not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO.

Dr. Chan Yee Wah (陳綺華), aged 56, was appointed as an independent non-executive Director on 17 March 2022. Dr. Chan has more than 25 years of financial and management experience and has been senior executives of various listed companies in Hong Kong. Dr. Chan is the founding chairlady of Hong Kong Investor Relations Association. Dr. Chan is also a fellow member of each of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Hong Kong Chartered Governance Institute (previously known as The Hong Kong Institute of Chartered Secretaries). Dr. Chan graduated from the City University of Hong Kong with a bachelor of arts degree in accounting. She then earned a master's degree in business administration from the University of Nottingham. She also attained a doctorate degree in business administration from the Polytechnic University of Hong Kong. She is currently an independent non-executive director of Capital Environment Holdings Limited (stock code: 3989), a company listed on the Main Board of the Stock Exchange, and the Head of Investor Relations of C C Land Holdings Limited.

Save as disclosed above, Dr. Chan has not held any other directorships in other listed public companies in the past three years and does not hold any other position with the Company and other members of the Group.

Dr. Chan has entered into a service contract with the Company in relation to her appointment as an independent non-executive Director. According to the service contract, Dr. Chan's appointment is effective from 17 March 2022 which may be terminated by either party furnishing written notice of not less than three months and is subject to rotation, retirement and re-election at annual general meeting pursuant to the Articles. Dr. Chan is entitled to a directors' remuneration of approximately RMB195,000 per annum. Dr. Chan's remuneration is determined with reference to her experience and qualification.

As at the Latest Practicable Date, Dr. Chan was not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, the above Directors do not have any information which is required to be disclosed under Rules 13.51(2)(h)-(v) of the Listing Rules and there are no other matters relating to the re-election of the above Directors that need to be brought to the attention of Shareholders.

NOMINATIONS BY SHAREHOLDERS

Article 88 of the Articles provides that no person other than a Director retiring at the 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 registration 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's head office at Xiamen Xtep Tower, No. 89 Jiayi Road, Guanyinshan, Siming District, Xiamen, Fujian Province, PRC, Postal code 361008, or the Hong Kong Branch Share Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, 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 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, so that an announcement can be issued on or about 12 April 2022 and 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 14 April 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:

- (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 and 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 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 13.5 1(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.

NOTICE OF THE ANNUAL GENERAL MEETING



Xtep International Holdings Limited

特步國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1368)

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**Annual General Meeting**”) of Xtep International Holdings Limited (the “**Company**”) will be held with a combination of a physical meeting at Unit A, 27/F, Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong and an online meeting at 10:00 a.m. on Friday, 6 May 2022 to consider and, if thought fit, transact the following business:

ORDINARY BUSINESS

1. to receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and the auditors of the Company for the year ended 31 December 2021;
2. to declare a final dividend of HK13.5 cents (equivalent to approximately RMB11.0 cents) per Share, with a scrip dividend option, for the year ended 31 December 2021;
3. to re-elect Mr. Ding Shui Po as director of the Company;
4. to re-elect Mr. Tan Wee Seng as director of the Company;
5. to re-elect Dr. Wu Ka Chee, Davy as director of the Company;
6. to re-elect Dr. Chan Yee Wah as director of the Company;
7. to authorise the board of directors of the Company to fix the remuneration of the Company’s directors;
8. to re-appoint Ernst & Young as the Company’s auditors and to authorise the board of directors of the Company to fix their remuneration;

and, as additional ordinary business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions (with or without modification);

NOTICE OF THE ANNUAL GENERAL MEETING

9. “THAT:

- (a) subject to paragraph (c) below, pursuant to The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with the unissued shares (each, a “**Share**”) of HK\$0.01 each in the capital of the Company and to make or grant offers, agreements or options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements or options which might require the exercise of the aforesaid powers after the expiry of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options and otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) below); or (ii) the exercise of any options granted under all share option schemes of the Company adopted from time to time in accordance with the Listing Rules; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (i) 20 percent, of the aggregate nominal value of the share capital of the Company in issue as at the date of the passing of this resolution; and
 - (ii) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal value of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 percent, of the aggregate nominal value of the share capital of the Company in issue as at the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

NOTICE OF THE ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 the applicable laws of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the directors of the Company to holders of Shares on the Company’s register of members on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the directors of the Company 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of; or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

10. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to repurchase (or agree to repurchase) shares (each, a “**Share**”) of HK\$0.01 each in the capital of the Company on the Stock Exchange, or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 percent, of the aggregate nominal value of the share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

NOTICE OF THE ANNUAL GENERAL MEETING

- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of 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 the applicable laws of the Cayman Islands to be held; or
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”
11. “**THAT** conditional on the passing of resolutions numbered 9 and 10 above, the general mandate granted to the directors of the Company pursuant to paragraph (a) of resolution numbered 9 above be and is hereby extended by the addition to the aggregate nominal value of the shares which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to or in accordance with such general mandate of an amount representing the aggregate nominal value of the share capital of the Company repurchased or agreed to be repurchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 10 above.”

By Order of the Board
Xtep International Holdings Limited
DING Shui Po
Chairman

Hong Kong, 1 April 2022

As at the date of this notice, the executive Directors of the Company are Mr. Ding Shui Po, Ms. Ding Mei Qing and Mr. Ding Ming Zhong; the non-executive Director is Mr. Tan Wee Seng; and the independent non-executive Directors are Dr. Bao Ming Xiao, Dr. Wu Ka Chee, Davy and Dr. Chan Yee Wah.

Registered office:

Cricket Square, Hutchins Drive PO Box 2681
Grand Cayman KY1-1111, Cayman Islands

Principal place of business in Hong Kong:

Unit A, 27/F, Tower A
Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong

NOTICE OF THE ANNUAL GENERAL MEETING

Notes:

1. In view of the continuing and currently elevated risks posed by the COVID-19 pandemic and the prevailing restrictions imposed by the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Cap. 599G of the Laws of Hong Kong), the Annual General Meeting will be held with a combination of a physical meeting at Unit A, 27/F, Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong and an online meeting. The attendees of the physical meeting will be limited to Directors or other staff members of the Company who are shareholders of the Company or proxies. No other Shareholders shall attend the Annual General Meeting physically. Shareholders may attend, participate and vote in the Annual General Meeting through an online platform. Shareholders will be able to view the live video broadcast and participate in voting and submit questions in written form to the Annual General Meeting by visiting the website at <http://meetings.computershare.com/XTEP2021AGM> which can be accessed from any location with internet connection by a smart phone, tablet device or computer. Shareholders attending the Annual General Meeting using the online platform will be counted towards the quorum. The Company will implement arrangements at the Annual General Meeting in compliance with the laws and regulations in Hong Kong in relation to the prevention of the COVID-19. Shareholders are advised to read the cover page and pages 1 to 2 of the Circular for details of the arrangements and monitor the development of COVID-19. Subject to the development of COVID-19 and to the extent permitted under law, the Company may implement further changes and arrangements at the Annual General Meeting.
2. Any member entitled to attend and vote at the above meeting is entitled to appoint one or, if he is the holder of two or more shares, one or more proxies to attend and, on a poll, vote in his stead. The member can appoint the Chairman of the Annual General Meeting or other persons as the proxies by providing their email address for receiving the designated invitation code to attend and vote on his behalf via the online platform. A proxy need not be a member of the Company.
3. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the offices of the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the commencement of the above meeting or any adjournment thereof.
4. In order to determine the entitlement to attend and vote at the Annual General Meeting, the transfer books and register of members of the Company will be closed from Friday, 29 April 2022 to Friday, 6 May 2022, both days inclusive, during which period no transfer of Shares in the Company will be effected. The record date for entitlement to attend and vote at the Annual General Meeting is Friday, 6 May 2022. In order to be eligible to attend and vote at the forthcoming Annual General Meeting of the Company to be held on Friday, 6 May 2022, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Thursday, 28 April 2022.
5. The Board has recommended a final dividend of HK13.5 cents (equivalent to approximately RMB11.0 cents) per Share for the year ended 31 December 2021. The proposed final dividend will be offered with a scrip dividend option to shareholders of the Company, which will allow them to receive new shares in lieu of cash. Participation in the scrip dividend scheme will be optional. The scrip dividend scheme is subject to the Stock Exchange granting the listing of and permission to deal in the new shares to be issued pursuant thereto. A circular containing details of this scrip dividend scheme will be dispatched to shareholders of the Company for the scrip dividend on or about 24 May 2022.

In order to determine the entitlement to the proposed final dividend, the transfer books and register of members of the Company will be closed from Friday, 13 May 2022 to Tuesday, 17 May 2022, both days inclusive, during which period no transfer of Shares in the Company will be effected. The record date for entitlement to the proposed final dividend is Tuesday, 17 May 2022. In order to be eligible to receive the proposed final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Thursday, 12 May 2022. The payment date of the proposed final dividend is expected to be Thursday, 30 June 2022.

NOTICE OF THE ANNUAL GENERAL MEETING

6. In relation to proposed resolutions numbered 9 and 11 above, approval is being sought from the shareholders of the Company for the grant to the directors of a general mandate to authorise the allotment and issue of shares under the Listing Rules.
7. In relation to proposed resolution numbered 10 above, the directors of the Company wish to state that they will exercise the powers conferred thereby to purchase shares of the Company in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders of the Company to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in the Appendix I to the circular of which this notice of the Annual General Meeting forms part.
8. In the case of joint holders of a share, either in person via the online platform or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person via the online platform 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.
9. Delivery of an instrument appointing a proxy shall not preclude a shareholder of the Company from attending and voting in person via the online platform at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
10. For voting at the Annual General Meeting via the online platform, Shareholders can refer to the enclosed Shareholder Notification and the Online Meeting User Guide for details. If you have any queries on the above, please contact the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, via their hotline at (852) 2862 8555 from 9:00 a.m. to 6:00 p.m. (Monday to Friday, excluding Hong Kong public holidays).