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If you have sold or transferred all your shares in Mainland Headwear Holdings Limited, you should at once hand this circular and 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 the transferee.

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MAINLAND HEADWEAR HOLDINGS LIMITED

飛達帽業控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 1100)

Executive Directors:

Ngan Hei Keung (*Chairman*)

Ngan Po Ling, Pauline

(*Deputy Chairman and Managing Director*)

James S. Patterson

Maggie Gu

Non-executive Directors:

Tse Kam Fow

Andrew Ngan

Independent Non-executive Directors:

Leung Shu Yin, William

Lo Hang Fong

Liu Tieh Ching, Brandon, JP

Registered Office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

*Head office and principal place
of business in Hong Kong:*

Rooms 1001-1005

10th Floor, Tower 2

Enterprise Square I

9 Sheung Yuet Road

Kowloon Bay Kowloon

Hong Kong

17 April 2012

To the Shareholders

Dear Sir/Madam,

NOTICE OF ANNUAL GENERAL MEETING AND PROPOSALS FOR RE-ELECTION OF DIRECTORS, GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES

INTRODUCTION

The purpose of this circular is to give you notice of the forthcoming annual general meeting (“**Annual General Meeting**” or “**AGM**”) of Mainland Headwear Holdings Limited (the “**Company**”) convened to be held at Strategic Financial Relations Limited, Room 2402, 24/F, Admiralty Centre 1, 18 Harcourt Road, Hong Kong on 22 May 2012 at 11:00 a.m., and information on the matters to be dealt with at the AGM. They are: (i) re-election of directors; and (ii) general mandates to issue shares and repurchase shares.

* For identification purpose only

RE-ELECTION OF DIRECTORS

The Board currently consists of nine Directors, namely Mr. Ngan Hei Keung, the Chairman, Madam Ngan Po Ling, Pauline, the Deputy Chairman and Managing Director, Mr. James S. Patterson, Ms. Maggie Gu, Mr. Tse Kam Fow, Mr. Andrew Ngan, Mr. Leung Shu Yin, William, Mr. Lo Hang Fong and Mr. Brandon Liu Tieh Ching, JP.

Pursuant to the Company's bye-law ("**Bye-Law**") No. 87, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation, provided that every Director (including those appointed for a specific term, the chairman of the Board and managing director of the Company) shall be subject to retirement by rotation at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last election or appointment but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for reelection.

Pursuant to Bye-Law No. 86(2), the Directors shall have the power from time to time and at anytime to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed by the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.

Pursuant to Bye-Law No. 87, Mr. Ngan Hei Keung, Madam Ngan Po Ling, Pauline and Mr. James S. Patterson shall retire at the AGM. In addition, Mr. Andrew Ngan and Ms. Maggie Gu, being Directors appointed by the Board after the Company's annual general meeting held on 17 May 2011, will hold office only until the AGM pursuant to Bye-Law No. 86(2). All the retiring Directors are eligible for re-election.

The brief biographical details of the retiring Directors eligible for re-appointment at the AGM are set out in Appendix I.

GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES

By ordinary resolutions passed at the annual general meeting of the Company on 17 May 2011, the directors (the "**Directors**") of the Company were granted a general mandate to allot, issue and deal with the shares of HK\$0.10 each in the capital of the Company (the "**Shares**") and a general mandate to repurchase the Shares on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). These general mandates will lapse upon the conclusion of the forthcoming Annual General Meeting of the Company to be held on 22 May 2012, unless renewed at that meeting. These general mandates will continue in force during the period from the passing of the resolutions at the Annual General Meeting until (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 law to be held; or (iii) until these general mandates are revoked or varied by ordinary resolutions of the Shareholders in general meeting, whichever is the earlier. At the Annual General Meeting, resolutions (among others) will be proposed:

- (a) to grant an issuance mandate ("**Issuance Mandate**") to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with additional Shares up to a maximum of 20 per cent. of the aggregate nominal share capital of the Company in issue as at the date of passing of such resolution;

- (b) to grant a repurchase mandate (“**Repurchase Mandate**”) to the Directors to enable them to repurchase the Shares on the Stock Exchange up to a maximum of 10 per cent. of the aggregate nominal share capital of the Company in issue as at the date of passing of such resolution; and
- (c) to increase the number of Shares to be issued and allotted under Issuance Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

As at 13 April 2012, being the latest practicable date prior to the printing of this circular (the “**Latest Practicable Date**”), the issued share capital of the Company comprised 398,583,284 Shares. On the basis that no Shares are issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed to issue a maximum of 79,716,656 Shares under the Issuance Mandate and to repurchase a maximum of 39,858,328 Shares under the Repurchase Mandate, representing 20 per cent. and 10 per cent. of the issued share capital of the Company respectively as at the date of passing of such resolutions.

Under the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), the Company is required to give to its shareholders all information which is reasonably necessary to enable the shareholders to make an informed decision as to whether to vote for or against the resolution to renew the grant to the Directors of the Repurchase Mandate. The explanatory statement required by the Listing Rules is set out in Appendix II.

The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be issued under the share option schemes of the Company or any scrip dividend scheme which may be approved by the shareholders of the Company.

ANNUAL GENERAL MEETING

The notice of the AGM is set out on pages 12 to 16 and a form of proxy for use at the AGM is enclosed.

Whether or not you intend to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting if you so wish.

Under the Listing Rules, all the resolutions at the AGM will be decided by poll.

RECOMMENDATIONS

The Directors consider that the proposed granting of the Repurchase Mandate and granting of the Issuance Mandate are in the interests of the Company and its shareholders.

The Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the Company's net assets and/or earnings per Share and will only be made when the Directors believe that a repurchase of Shares will benefit the Company and its shareholders.

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and gearing position of the Company compared with that as at 31 December 2011, being the date of its last audited accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

The Directors believe that an exercise of the general mandate to allot and issue new Shares will enable the Company to take advantage of market conditions to raise additional capital for the Company.

Accordingly, the Directors recommend shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

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 contained herein or this circular misleading.

Yours faithfully,
For and on behalf of the Board
Mainland Headwear Holdings Limited
Ngan Hei Keung
Chairman

Mr. Ngan Hei Keung*Executive Director and Chairman*

Mr. Ngan, aged 56, is the Chairman of the Company and co-founder of the Group. Mr. Ngan is responsible for the production activities of the Group. Mr. Ngan obtained a bachelor degree from 福建農業學院(Fujian Agricultural College) (now known as 福建農林大學) (Fujian Agricultural University, the “FA University”) in 1982 and currently is a guest professor of the FA University. Mr. Ngan has over 20 years of experience in the headwear industry. He is presently a member of Fujian Committee of The Chinese People’s Political Consultative Conference and the Honorary Adviser (2007-2009) of the Asian Knowledge Management Association. Mr. Ngan was a director of Yan Oi Tong in 2007.

Mr. Ngan did not hold any directorships in other listed companies in Hong Kong and overseas in the last three years.

Mr. Ngan is the husband of Madam Ngan Po Ling, Pauline who is executive director and the controlling shareholder of the Company. Mr. Ngan is also the father of Mr. Andrew Ngan, who is non-executive director of the Company. Save as disclosed above, Mr. Ngan does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

Mr. Ngan has entered into a service contract with the Company for an initial term of 3 years, which may be terminated by six months notice in writing served by either party. According to the service contract, Mr. Ngan is entitled to a basic remuneration of HK\$1,040,000 per annum and a discretionary year-end bonus, which is determined by reference to his duties, responsibilities and performance. Mr. Ngan received HK\$250,000 discretionary bonus for the year ended 31 December 2011. In addition, the Company paid rental totaling HK\$960,000 under operating lease in respect of office premises to a Company beneficially owned by Mr. Ngan.

Mr. Ngan has the following interests in the securities of the Company within the meaning of Part XV of the SFO:

	Number of shares			Total	Percentage of interest
	Personal interest	Other direct interest	Underlying shares		
Mr. Ngan Hei Keung	–	214,826,000 <i>(notes 1, 2)</i>	45,800,000 <i>(notes 3, 4)</i>	260,626,000	65.39%

Notes:

- (1) 183,700,000 shares are legally and beneficially owned by Successful Years International Co., Ltd., a company ultimately and beneficially owned by Mr. Ngan Hei Keung and Madam Ngan Po Ling, Pauline as to 40% and 60% respective.
- (2) The 31,126,000 shares are beneficially owned by Madam Ngan, the spouse of Mr. Ngan.

- (3) Pursuant to the contingent purchase deed dated 21 October 2008 between Mr. Ngan, Madam Ngan and New Era Cap Asia Pacific Limited (“NE”), NE is entitled to require Mr. Ngan and Madam Ngan to purchase up to 39,800,000 shares on the terms and conditions of the said deed. On 23 June 2011, NE transferred the title of the contingent purchase deed to New Era Cap Hong Kong LLC (“NEHK”).
- (4) Each of Mr. Ngan and Madam Ngan has been granted share options under the Company’s share option scheme to subscribe for 3,000,000 shares of the Company on 23 June 2009.

There are no other matters that need to be brought to the attention of the shareholders of the Company in accordance with Rule 13.51(2)(w) of the Listing Rules. In addition, there is no information in respect of Mr. Ngan, which is required to be disclosed under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Madam Ngan Po Ling, Pauline

Executive Director, Deputy Chairman and Managing Director

Madam Ngan, aged 52, is the Deputy Chairman and Managing Director of the Company and co-founder of the Group. She is responsible for the marketing activities of the Manufacturing Business. She has over 20 years of experience in the headwear industry. She was the chairman of Po Leung Kuk and Yan Oi Tong. She is also a standing committee member of The Chinese General Chamber of Commerce, the president of Hong Kong Young Industrialists Council, the committee member of All-China Federation of Returned Overseas Chinese, the vice chairman of the Youth Committee of the All-China Federation of Returned Overseas Chinese, the vice president of the China Federation of Overseas Chinese Entrepreneurs, the committee member of All-China Women’s Federation, a senior consultant and director of China Charity Federation, the vice chairman of the Hong Kong General Chamber of Textiles Limited, the standing director of Hong Kong Federation of Overseas Chinese Association and a member of Chongqing Committee of The Chinese People’s Political Consultative Conference. Madam Ngan is the winner of Young Industrialist Awards of Hongkong 2001 and also earned an Executive Director Award in the “Directors of the Year Awards 2004” organized by the Hong Kong Institute of Directors, and the Owner-Operator Award in the DHL/SCMP Hong Kong Business Awards 2004. She was awarded the Bronze Bauhinie Star in the Hong Kong Special Administrative Region 2009 Hohours List.

Madam Ngan did not hold any directorships in other listed companies in Hong Kong and overseas in the last three years.

Madam Ngan is the wife of Mr. Ngan Hei Keung who is executive director and the controlling shareholder of the Company. Madam Ngan is also the mother of Mr. Andrew Ngan, who is non-executive director of the Company. Save as disclosed above, Madam Ngan does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

Madam Ngan has entered into a service contract with the Company for an initial term of 3 years, which may be terminated by six months notice in writing served by either party. According to the service contract, Madam Ngan is entitled to a basic remuneration of HK\$1,560,000 per annum and a discretionary year-end bonus, which is determined by reference to her duties, responsibilities and performance. Madam Ngan received HK\$250,000 discretionary bonus for the year ended 31 December 2011.

Madam Ngan has the following interests in the securities of the Company within the meaning of Part XV of the SFO:

	Number of shares			Total	Percentage of interest
	Personal interest	Other direct interest	Underlying shares		
Madam Ngan Po Ling, Pauline	31,126,000 <i>(note 2)</i>	183,700,000 <i>(note 1)</i>	45,800,000 <i>(notes 3, 4)</i>	260,626,000	65.39%

Notes:

- (1) 183,700,000 shares are legally and beneficially owned by Successful Years International Co., Ltd., a company ultimately and beneficially owned by Mr. Ngan Hei Keung and Madam Ngan Po Ling, Pauline as to 40% and 60% respective.
- (2) The 31,126,000 shares are beneficially owned by Madam Ngan.
- (3) Pursuant to the contingent purchase deed dated 21 October 2008 between Mr. Ngan, Madam Ngan and NE, NE is entitled to require Mr. Ngan and Madam Ngan to purchase up to 39,800,000 shares on the terms and conditions of the said deed. On 23 June 2011, NE transferred the title of the contingent purchase deed to NEHK.
- (4) Each of Mr. Ngan and Madam Ngan has been granted share options under the Company's share option scheme to subscribe for 3,000,000 shares of the Company on 23 June 2009.

There are no other matters that need to be brought to the attention of the shareholders of the Company in accordance with Rule 13.51(2)(w) of the Listing Rules. In addition, there is no information in respect of Madam Ngan, which is required to be disclosed under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Mr. James S. Patterson

Executive Director

Mr. Patterson, aged 41, graduated from the State University of New York at Buffalo, Buffalo, NY, USA. Mr. Patterson completed a Bachelor Degree in Economics. Mr. Patterson has been employed for the past 17 years with New Era Cap Co., Inc. ("New Era") a US based company engaged in the global marketing, sale, and manufacturing of headwear and apparel. Mr. Patterson is holding the position of chief operating officer and senior vice president of New Era.

Mr. Patterson did not hold any directorships in other listed companies in Hong Kong and overseas in the last three years.

Mr. Patterson does not have any relationship with any other Director, senior management or substantial shareholder of the Company.

Mr. Patterson has entered into a service contract with the Company for an initial term of 3 years, which may be terminated by three months notice in writing served by either party. According to the service contract, Mr. Patterson is entitled to a basic remuneration of HK\$10,000 per month and a discretionary year-end bonus, which is determined by reference to his duties, responsibilities and performance. Mr. Patterson received HK\$77,800 discretionary bonus for the year ended 31 December 2011.

Mr. Patterson does not have interests in the securities of the Company within the meaning of Part XV of the SFO.

There are no other matters that need to be brought to the attention of the shareholders of the Company in accordance with Rule 13.51(2)(w) of the Listing Rules. In addition, there is no information in respect of Mr. Patterson, which is required to be disclosed under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Mr. Andrew Ngan

Non-executive Director

Mr. Andrew Ngan, aged 24, graduated from the Carnegie Mellon University, Pittsburgh, USA. He completed a Bachelor of Science Degree in Information Systems in 2010. Mr. Andrew Ngan was appointed as non-executive director of the Company in July 2011.

Mr. Andrew Ngan did not hold any directorships in other listed companies in Hong Kong and overseas in the last three years.

Mr. Andrew Ngan is the son of Mr. Ngan Hei Keung and Madam Ngan Po Ling, Pauline who are executive directors and the controlling shareholders of the Company. Save as disclosed above, Mr. Andrew Ngan does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

Mr. Andrew Ngan has entered into a service contract with the Company for an initial term of 1 year, which may be terminated by three month's notice in writing served by either party. Mr. Andrew Ngan is entitled to a director's fee of HK\$80,000 per annum which is determined with reference to his experience, his duties and responsibilities with the Company and the prevailing market condition.

That is also a service agreement entered into between a subsidiary of the Company and Mr. Andrew Ngan in February 2012 for an initial term of 1 year, which may be terminated by two months notice in writing served by either party. Mr. Andrew Ngan is entitled to a basis salary of HK\$28,000 per month. Mr. Andrew Ngan did not receive any discretionary bonus for the year ended 31 December 2011.

Mr. Andrew Ngan does not have interests in the securities of the Company within the meaning of Part XV of the SFO.

There are no other matters that need to be brought to the attention of the shareholders of the Company in accordance with Rule 13.51(2)(w) of the Listing Rules. In addition, there is no information in respect of Mr. Andrew Ngan, which is required to be disclosed under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Ms. Maggie Gu*Executive Director*

Ms. Maggie Gu, aged 34, first joined the Company in May 2003 and rejoined as Sales and Marketing Director on February 2009. Ms. Gu was appointed as executive director of the Company in February 2012. She studied in the United States of America, and graduated from the California State University Fullerton, with the degree of Bachelor of Arts in Communications. She managed the global marketing department with a reputable media company in US before she resumed to Hong Kong. She is now in charge of the Sales and Marketing department of the Company, responsible for the strategy formulation and direction of global marketing and business development in US and Europe markets.

Ms. Gu did not hold any directorships in other listed companies in Hong Kong and overseas in the last three years.

Ms. Gu does not have any relationship with any other Director, senior management or substantial shareholder of the Company.

Ms. Gu has entered into an agreement with the Company for an initial term of 3 years, which may be terminated by six months notice in writing by either party. According to the agreement, Ms. Gu is entitled to a basic remuneration of HK\$1,235,000 per annum and a discretionary year-end bonus, which is determined by reference to her duties, responsibilities and performance. Ms. Gu received HK\$250,000 discretionary bonus for the year ended 31 December 2011.

Ms. Gu has the following interests in the securities of the Company within the meaning of Part XV of the SFO:

Underlying shares (number of shares)	500,000
Percentage of interest	0.13%

Ms. Gu has been granted share options under the Company's share option scheme to subscribe for 500,000 shares of the Company on 23 June 2009.

There are no other matters that need to be brought to the attention of the shareholders of the Company in accordance with Rule 13.51(2)(w) of the Listing Rules. In addition, there is no information in respect of Ms. Gu, which is required to be disclosed under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their own securities on the Stock Exchange subject to certain restrictions.

The following is the explanatory statement required to be sent to the shareholders under the Listing Rules to enable them to make an informed decision on whether to vote for or against the ordinary resolution in relation to the granting of the Repurchase Mandate to be proposed at the Annual General Meeting.

1. SHARE CAPITAL

As at 13 April 2012, being the latest practicable date prior to the printing of this circular (the “**Latest Practicable Date**”), the issued share capital of the Company comprised 398,583,284 Shares.

Subject to the passing of the resolution for the approval of the Repurchase Mandate (resolution numbered 7 of the Notice of the Annual General Meeting) and on the basis that no Shares are issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 39,858,328 Shares, representing 10 per cent. of the issued share capital of the Company as at the date of passing of such resolution.

2. REASONS FOR REPURCHASE

The Directors believe that a grant of the Repurchase Mandate is in the best interests of the Company and its shareholders. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per share and/or earnings per share of the Company and will only be made when the Directors believe that a repurchase will benefit the Company and its shareholders.

3. FUNDING OF REPURCHASES

Pursuant to the Repurchase Mandate, repurchase would be funded entirely from the Company’s available cash flow or working capital facilities which will be funds legally available under Bermuda law for the purpose.

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and gearing position of the Company compared with that as at 31 December 2011, being the date of its last audited accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares traded on the Stock Exchange in each of the previous twelve calendar months were as follows:

Month	Highest HK\$	Lowest HK\$
2011		
April	1.13	0.98
May	1.06	0.78
June	0.95	0.80
July	1.00	0.80
August	0.98	0.70
September	0.77	0.59
October	0.78	0.58
November	0.79	0.62
December	0.80	0.60
2012		
January	0.77	0.68
February	0.84	0.68
March	0.93	0.68
April (up to the Latest Practicable Date)	0.93	0.86

5. DISCLOSURE OF INTERESTS, THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, any of their associates, have any present intention to sell to the Company or its subsidiaries any of the Shares in the Company if the Repurchase Mandate is approved at the Annual General Meeting and exercised.

No connected person of the Company has notified the Company that he has a present intention to sell any securities to the Company nor has any such connected person undertaken not to sell any of the securities held by him to the Company in the event that the Repurchase Mandate is passed.

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 make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, shareholders holding 5% or more of the Company's issued share capital include:

Name of shareholder	Capacity	Number of Shares held	Approximate percentage of existing shareholding	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Successful Years International Co., Ltd.	Beneficial Owner	183,700,000 <i>(Note 1)</i>	46.09%	51.21%
New Era Cap Hong Kong LLC	Beneficial Owner	79,601,000 <i>(Note 2)</i>	19.97%	22.19%
Mr. Christopher Koch	Interest of a controlled corporation	79,601,000 <i>(Note 2)</i>	19.97%	22.19%

Notes:

1. The shares are legally and beneficially owned by Successful Years International Co., Ltd., a company ultimately and beneficially owned by Mr. Ngan Hei Keung and Madam Ngan Po Ling, Pauline as to 40% and 60% respectively.
2. Mr. Christopher Koch owns 75% of the issued share capital of New Era Cap Hong Kong LLC. As such, Mr. Christopher Koch is deemed to be interested in the 79,601,000 shares.

Assuming that no Shares will be issued or repurchased by the Company prior to the Annual General Meeting, 398,583,284 Shares will be in issue as at the date of the Annual General Meeting. On this basis, if the Repurchase Mandate were exercised in full, the percentage shareholding of the above shareholders would be increased to approximately the percentage shown in the last column above. Successful Years International Co., Ltd. may be obliged to make a mandatory offer under Rule 26 of the Takeovers Code as its percentage shareholding would increase by more than 2% of the voting rights of the Company. The Board currently has no intention to exercise the Repurchase Mandate to the extent which will trigger a mandatory offer under Rule 26 of the Takeovers Code.

Assuming that there is no issue of Shares between the Latest Practicable Date and the date of a repurchase, an exercise of the Repurchase Mandate whether in whole or in part will not result in less than the relevant prescribed minimum percentage of the Shares being held by the public as required by the Stock Exchange. The Directors have no intention to repurchase Shares to such an extent which will result in the amount of the Shares held by the public being reduced to less than 25 per cent.

6. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not repurchased any of its Shares (whether on the Stock Exchange or otherwise) during the six calendar months preceding the date of this circular.

NOTICE OF ANNUAL GENERAL MEETING



MAINLAND HEADWEAR HOLDINGS LIMITED

飛達帽業控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 1100)

NOTICE IS HEREBY GIVEN that the annual general meeting of Mainland Headwear Holdings Limited (the “**Company**”) will be held at Strategic Financial Relations Limited, Unit 2402, 24/F, Admiralty Centre 1, 18 Harcourt Road, Hong Kong on 22 May 2012 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements and reports of the Directors and auditors for the year ended 31 December 2011.
2. To declare a final dividend of 3 HK cents per share for the year ended 31 December 2011.
3. To re-elect retiring Directors of the Company. (See Note 3)
4. To authorise the board of Directors to fix the Directors’ remuneration.
5. To appoint auditors of the Company and authorise the board of Directors to fix their remuneration.

As special business, to consider and, if thought fit, pass, with or without amendments, the following ordinary resolutions:

ORDINARY RESOLUTIONS

6. “**THAT:**
 - (a) subject to paragraph (c) of this Resolution, the exercise by the Directors of the Company (the “**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company 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 (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital 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 (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as defined below), (ii) the exercise of any option under any share option scheme or similar arrangement for the time being adopted for the grant or issue to officers, employees of the Company and/or any of its subsidiaries or other eligible participants of shares or rights to acquire shares in the Company or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the cash payment for a dividend on shares of the Company in accordance with the Bye-Laws of the Company, shall not exceed the aggregate of:
- (i) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on 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 nominal amount 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 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of this Resolution);

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

- (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 Bye-Laws of the Company, the Companies Act 1981 of Bermuda or any other applicable law of Bermuda 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.

NOTICE OF ANNUAL GENERAL MEETING

“**Rights Issue**” means an offer of shares in the Company, 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 in the Company on the register 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 recognized regulatory body or any stock exchange outside Hong Kong).”

7. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all powers of the Company to purchase its shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Act 1981 of Bermuda 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 purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this Resolution and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly;
- (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 Bye-Laws of the Company, the Companies Act 1981 of Bermuda or any other applicable law of Bermuda 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.”

NOTICE OF ANNUAL GENERAL MEETING

8. “**THAT** subject to the passing of ordinary resolutions numbered 6 and 7 set out in the notice convening this meeting, the Directors of the Company be and they are hereby authorised to exercise the authority referred to in paragraph (a) of Resolution 6 above in respect of the share capital of the Company referred to in sub-paragraph (ii) of paragraph (c) of such Resolution.”

By order of the Board
Mainland Headwear Holdings Limited
Ngan Hei Keung
Chairman

Hong Kong, 17 April 2012

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member of the Company entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the Bye-Laws of the Company, vote in his stead. A proxy need not be a member of the Company.
2. A form of proxy for use at the annual general meeting is enclosed. In order to be valid, the form of proxy should be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, at the office of the Company's Hong Kong branch share registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the annual general meeting or adjourned meeting. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the above meeting or any adjournment thereof, should he so wish.
3. In relation to proposed resolution no. 3 above, Mr. Ngan Hei Keung, Madam Ngan Po Ling, Pauline and Mr. James S. Patterson will retire from their office of directors at the annual general meeting pursuant to the Company's Bye-Law No. 87 and being eligible, offers themselves for re-election. Mr. Andrew Ngan and Ms. Maggie Gu will retire from their office of directors at the annual general meeting pursuant to the Company's Bye-Law No. 86(2) and being eligible, offers themselves for re-election.

Brief biographical details of Mr. Ngan Hei Keung, Madam Ngan, Mr. Patterson, Mr. Andrew Ngan and Ms. Gu are set out in Appendix I of this circular.
4. In relation to proposed resolutions nos. 6 and 8 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorize the allotment and issue of shares under the Listing Rules. The Directors of the Company have no immediate plan to issue any new shares of the Company other than shares which may fall to be issued under the share option schemes of the Company or any scrip dividend scheme which may be approved by shareholders of the Company.
5. In relation to proposed resolution no. 7 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.
6. An explanatory statement giving the details of the grant of a mandate to repurchase shares of the Company as required by the Listing Rules is set out in Appendix II of this circular.
7. To determine the identity of members who are entitled to attend and vote at the forthcoming Annual General Meeting which will be held on 22 May 2012, the register of members of the Company will be closed from 18 May 2012 to 22 May 2012 (both dates inclusive). In order to qualify to attend the Annual General Meeting, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Tengis Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 17 May 2012.
8. To determine the identity of members who are entitled to the final dividend of the Company for the year ended 31 December 2011, the register of members of the Company will be closed from 28 May 2012 to 30 May 2012 (both dates inclusive). In order to qualify for the proposed final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Tengis Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 25 May 2012.