OVERVIEW

Our Company was first listed on GEM in April 2000. It was formerly known as GreaterChina Technology Group Limited (大中華科技(集團)有限公司) and was then an online healthcare content and service provider. In 2009, our Company became mainly engaged in the manufacturing and trading of energy saving equipment with its name changed to Coolpoint Energy Limited (快意節能有限公司) on 13 August 2009. In May 2010, Lead Ahead, one of our Controlling Shareholders which is controlled by our executive Director, Mr. Li Ning, acquired control of our Company and our Company name was changed to the current name on 27 October 2010. Such acquisition earmarked our Company's new corporate branding and direction, and our Company began to diversify into (i) sports-related business (sports event management and sports talent management business) and (ii) community development business (sales of construction materials, provision of consultancy services and operation of sports parks).

Mr. Li Ning aims to drive the development and success of our Group's business under a multi-brand strategy with a focus on apparel and footwear and provision of sports experience. Since 2019, our Group had wound down the sale of construction materials business and strategically expanded its (i) apparel and footwear business through acquisitions of the "LNG" trademark and other companies principally engaging in the sale of apparel and footwear, including Bossini (owner of "Bossini") in July 2020, Viva China Premium Brands (owner of "Amedeo Testoni") in January 2022 and the Clark Group (owner of "Clarks") in July 2022; and (ii) sports-related business through acquisitions of an operator of three sports destinations in the PRC in March 2019, operator of an e-sports club in April 2019 and an operator of 13 ice-skating rinks in the PRC in December 2019. For details of the background and relevant industry experience of Mr. Li Ning, please refer to the section headed "Directors and Senior Management" in this document.

BUSINESS MILESTONES

The following table sets forth the important milestones in the development of our business up to the Latest Practicable Date:

Year	Event
2000	• Listing of our Shares on GEM and engaged in the provision of online healthcare content and service
2009	• Became mainly engaged in the manufacturing and trading of energy saving equipment
2010	• Lead Ahead, one of our Controlling Shareholders, acquired control of our Company and our Company began to diversify into (i) sports-related business and (ii) community development business

Year	Event
2015	• Opening of our Yangzhou Li Ning Sports Park, the first sports park managed and operated by our Group
2019	• Enriched our Group's portfolio of sports destinations by acquiring an operator of three sports destinations in the PRC
	• Expanded into e-sports business through the acquisition of "Snake Esports" (subsequently renamed to "LNG Esports"), one of the participants in League of Legends Pro League in the PRC
	• Acquired the "LNG" trademark to embark on our apparel and footwear business, and rebranded it into a streetwear brand featuring with ACGN elements targeting at millennials in the PRC
	• Acquired an operator of 13 ice-skating rinks in the PRC
2020	• Acquired 66.5% of the issued share capital of Bossini
2021	• Created "bossini.X", a newly designed middle-end streetwear brand with sports element targeting at youngsters and millennials in the PRC
	• The first and second physical stores of our "LNG" brand were opened in Chongqing and Shanghai respectively
2022	• Acquired "Amedeo Testoni" brand, a century-old Italian luxury leatherware brand, including its diffusion line "i29"
	• Acquired a majority interest in LionRock which held a majority interest in the Clark Group (owner of "Clarks") to further expand the presence of our Group's multi-brand apparel and footwear business to a global level

CORPORATE DEVELOPMENT

During the Track Record Period, we conducted our business operations through our operating subsidiaries incorporated in the PRC, Hong Kong and other jurisdictions. The following sets forth the corporate development of our Company and its Major Subsidiaries.

Our Company

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability on 13 January 2000 and is the holding company of our subsidiaries. As at the Latest Practicable Date, our Company had a total authorised share capital of HK$1,060,000,000 consisting of HK$1,000,000,000 divided into 20,000,000,000 Shares of par value of HK$0.05 each and HK$60,000,000 divided into 6,000,000,000 preference shares of par value of HK$0.01 each and our Company had 9,682,261,727 Shares in issue.

For details of changes in the share capital of our Company, please refer to the subsection headed "Statutory and General Information – A. Further information about our Group – 2. Changes in the share capital of our Company" in Appendix V to this document.

Major Subsidiaries

Bossini

Bossini was incorporated in Bermuda as an exempted company with limited liability on 15 July 1993. Its issued shares have been listed on the Main Board of the Stock Exchange (stock code: 592) since 1993. It is an investment holding company and the holding company of the Bossini Group. As at 30 June 2020, Bossini had an authorised share capital of HK$200,000,000 divided into 2,000,000,000 ordinary shares of par value of HK$0.1 each. On 4 March 2021, an ordinary resolution was passed at a special general meeting of Bossini to approve the authorised share capital of Bossini be increased from HK$200,000,000 divided into 2,000,000,000 ordinary shares of par value of HK$0.1 each to HK$300,000,000 divided into 3,000,000,000 ordinary shares by the creation of an additional 1,000,000,000 ordinary shares. On 21 March 2023, an ordinary resolution was passed at a special general meeting of Bossini to approve the increase of Bossini's authorised share capital to HK$1,000,000,000 divided into 10,000,000,000 shares of HK$0.1 each by the creation of additional 7,000,000,000 new shares of HK$0.1 each. As at the Latest Practicable Date, Bossini had 2,470,358,091 ordinary shares in issue. We acquired 66.6% the issued share capital of Bossini in July 2020. As at the Latest Practicable Date, Bossini was held by Dragon Leap Consumables (a wholly-owned subsidiary of our Group) as to 56.41%. For details of the acquisition of Bossini by our Group and the subsequent major shareholding changes, please refer to the paragraph headed "Major Acquisitions during the Track Record Period – Bossini" in this section.

Viva Leading Sports Development

Viva Leading Sports Development was established in the PRC on 21 January 2010 as a limited liability company with an initial registered capital of HK$0.5 million which was subscribed as to 100% by Viva China Sports Holding Limited, a direct wholly-owned subsidiary of our Company. On 24 January 2011 and 31 December 2012, the registered capital of Viva Leading Sports Development was increased to HK$50 million and HK$100 million, respectively. On 22 May 2015, the currency of the registered capital of Viva Leading Sports Development was changed from Hong Kong dollars to Renminbi, and the registered capital was converted and increased to RMB82.1 million after taking in account the timing of actual payment for each instalment of the registered capital. On 8 March 2017, the registered capital of Viva Leading Sports Development was further increased to RMB150 million. In each of the aforesaid occasion, the additional registered capital was subscribed by Viva China Sports Holding Limited. Viva Leading Sports Development is an indirect wholly-owned subsidiary of our Company and is principally engaged in competition and event production and management, and sports-related marketing and consultancy service.

Guangzhou Fu Bao Loong

Guangzhou Fu Bao Loong was established in the PRC on 5 November 2010 as a limited liability company with an initial registered capital of RMB3 million which was subscribed as to 100% by Bossini Development Limited, an indirect wholly-owned subsidiary of Bossini. On 11 January 2012, 20 March 2012, 26 January 2014 and 25 March 2022, the registered capital of Guangzhou Fu Bao Loong was increased to RMB18 million, RMB78 million, RMB148 million and RMB163 million, respectively, and the additional registered capital in each occasion was subscribed by Bossini Development Limited. Guangzhou Fu Bao Loong is an indirect non-wholly owned subsidiary of our Company and is principally engaged in retail and distribution of garments.

Bossini Enterprises

Bossini Enterprises was incorporated in Hong Kong on 5 November 1997 as a limited liability company. It has an authorised share capital of HK$10,000 divided into 10,000 shares of HK$1 each. On the date of its incorporation, one share was allotted and issued to each of the initial subscribers, Realty Dragon Limited and Onglory Company Limited, at HK$1 each respectively. The initial subscribers are Independent Third Parties. On 19 January 1998, each of Realty Dragon Limited and Onglory Company Limited transferred one share to Bossini Investment Limited and J&R Bossini Holdings Limited (which held its share in trust for Bossini Investment Limited in order to fulfill the requirement for a minimum of two shareholders in a company in accordance with the Predecessor Companies Ordinance) at a consideration of HK$1 and HK$1, respectively. Such consideration was determined based on the subscription price of the initial shareholders. The transfers had been properly and legally completed. Bossini Enterprises is an indirect non-wholly owned subsidiary of our Company and is principally engaged in retail and distribution of garments.

Bossini Onmay International

Bossini Onmay International was incorporated in Hong Kong on 27 May 1998 as a limited liability company. It has an authorised share capital of HK$10,000 divided into 10,000 shares of HK$1 each. On the date of its incorporation, one share was allotted and issued to each of the initial subscribers, Realty Dragon Limited and Onglory Company Limited, at HK$1 each respectively. The initial subscribers are Independent Third Parties. On 16 June 1998, each of Realty Dragon Limited and Onglory Company Limited transferred one share to Bossini Investment Limited and J&R Bossini Holdings Limited (which held its share in trust for Bossini Investment Limited in order to fulfill the requirement for a minimum of two shareholders in a company in accordance with the Predecessor Companies Ordinance) at a consideration of HK$1 and at nil consideration, respectively. Such consideration was determined based on the subscription price of the initial shareholders. The transfers had been properly and legally completed. Bossini Onmay International is an indirect non-wholly owned subsidiary of our Company and is principally engaged in retail and distribution of garments.

C&J Clark International

C&J Clark International was incorporated in the UK on 17 July 1915 as a private company with limited liability. C&J Clark International is an indirect wholly-owned subsidiary of Clark and is principally engaged in the retail and distribution of footwear in the UK. As at the Latest Practicable Date, C&J Clark International had 18,028,202 ordinary shares in issue of £1 each. There was no change in the share capital or direct shareholding of C&J Clark International during the Track Record Period and up to the Latest Practicable Date. Following completion of the First Clark Acquisition in July 2022, C&J Clark International became an indirect non-wholly owned subsidiary of our Company.

C&J Clark America

C&J Clark America was incorporated in the US on 7 December 1977 as a private corporation with limited liability. C&J Clark America is an indirect wholly-owned subsidiary of Clark and is principally engaged in the retail and distribution of footwear in the US. As at the Latest Practicable Date, C&J Clark America had 1,200 shares in issue of US$1 each. There was no change in the share capital or direct shareholding of C&J Clark America during the Track Record Period and up to the Latest Practicable Date. Following completion of the First Clark Acquisition in July 2022, C&J Clark America became an indirect non-wholly owned subsidiary of our Company.

C&J Clark Retail

C&J Clark Retail was incorporated in the US on 7 December 1977 as a private corporation with limited liability. C&J Clark Retail is an indirect wholly-owned subsidiary of Clark and is principally engaged in the retail and distribution of footwear in the US. As at the Latest Practicable Date, C&J Clark Retail had 1,000 shares in issue of US$1 each. There was no change in the share capital or direct shareholding of C&J Clark Retail during the Track Record Period and up to the Latest Practicable Date. Following completion of the First Clark Acquisition in July 2022, C&J Clark Retail became an indirect non-wholly owned subsidiary of our Company.

MAJOR ACQUISITIONS DURING THE TRACK RECORD PERIOD

Bossini

On 14 May 2020, Dragon Leap and our Company (as guarantor) entered into a share purchase agreement in which Dragon Leap conditionally agreed to acquire 1,093,091,098 shares of Bossini from Mr. Law Ka Sing, representing 66.6% of the entire issued share capital of Bossini as at 14 May 2020. As at the date of the agreement, Dragon Leap was owned as to 80% by Viva China Consumables Holdings Limited, a direct wholly-owned subsidiary of our Company, and 20% by Keystar Limited ("**Keystar**"), a company incorporated in the BVI with limited liability and wholly owned by Mr. Law Ching Kit Bosco ("**Mr. Bosco Law**") who is a nephew of Mr. Law Ka Sing. Mr. Law Ka Sing is not a party acting in concert with any of Keystar or Mr. Bosco Law, and save for the aforesaid, is an Independent Third Party. The consideration for the transaction was HK$46,620,000, and was determined following arm's length negotiations between the parties to the share purchase agreement after taking into account, among others, (i) the then unaudited net asset value of Bossini as at 31 December 2019 of HK$560.2 million; (ii) the market price of ordinary shares of Bossini of HK$0.148 per ordinary share as quoted on the Stock Exchange on the last trading day of the ordinary shares of Bossini immediately prior to the release of the joint announcement dated 14 May 2020 jointly issued by our Company, Dragon Leap and Bossini in respect of the acquisition of Bossini; (iii) the deteriorating financial performance of the Bossini Group and its widening loss for the two years ended 30 June 2019 and the six months ended 31 December 2019; and (iv) the expected deteriorating market condition for the first half of 2020 due to the outbreak of COVID-19 pandemic. The consideration was settled and the acquisition was completed on 24 July 2020 and thereafter, Bossini became an indirect non-wholly owned subsidiary of our Company.

Following the completion of the acquisition, Dragon Leap owned 66.6% of the entire issued share capital of Bossini and was required to make a mandatory unconditional cash offer under the Takeovers Code for all the issued shares of Bossini (other than those already owned or agreed to be acquired by Dragon Leap and parties acting in concert with it) and an offer to cancel all outstanding share options of Bossini (collectively, the "**Offers**"). The Offers were closed on 14 August 2020 and Dragon Leap held 66.5% of the total number of issued shares of Bossini immediately after the close of the Offers. For details of the acquisition and the Offers, please refer to the announcements of our Company dated 14 May 2020, 30 June 2020, 21 July 2020, 24 July 2020 and 14 August 2020, the circular of our Company dated 24 June 2020 and the composite offer and response document relating to the Offers dated 24 July 2020.

On 5 February 2021, Bossini proposed to raise gross proceeds of HK$296 million by way of a rights issue of 821,916,697 rights shares at a price of HK$0.36 per rights share on the basis of one rights share for every two existing shares held by the qualifying shareholders. The closing price of Bossini's shares as quoted on the Stock Exchange on the last full trading day before publication of the relevant announcement of such rights issue by Bossini was HK$0.47 per share. The rights issue was completed on 12 April 2021 and a total of 821,916,697 rights shares were issued with net proceeds of HK$294 million raised. A total of 648,138,406 rights shares were allocated to Dragon Leap and the aggregate interest of our Company in Bossini was increased to 70.65% immediately after the completion of the rights issue. For details of the rights issue, please refer to the announcements of Bossini dated 5 February 2021 and 12 April 2021 and the prospectus dated 17 March 2021.

Pursuant to a shareholders' agreement dated 14 May 2020 entered into among Dragon Leap, Viva China Consumables and Keystar Limited in relation to the management of Dragon Leap, on 5 October 2022, Viva China Consumables and Keystar Limited, as shareholders of Dragon Leap, procured Dragon Leap to distribute all the shares in Bossini held by it to Dragon Leap Consumables (a wholly-owned subsidiary of Viva China Consumables which is an indirect wholly-owned subsidiary of our Company) and Keystar Limited in proportion to their respective shareholding interests in Dragon Leap. Following the above distribution and as at the Latest Practicable Date, we were interested in 56.41% of the total issued share capital of Bossini.

On 24 February 2023, the board of directors of Bossini proposed to implement a rights issue ("**2022 Bossini Rights Issue**") on the basis of one rights share for every two existing shares held by the qualifying shareholders on 31 March 2023 ("**Record Date**") at the subscription price of HK$0.37 per rights share to raise up to (i) approximately HK$465 million before expenses by way of issuing up to 1,257,784,545 rights shares (assuming no change in the number of shares in issue on or before the Record Date other than the full exercise of the vested share options); or (ii) approximately HK$457 million before expenses by way of issuing up to 1,235,179,045 rights shares (assuming no change in the number of shares in issue on or before the Record Date). Subject to fulfilment or waiver of the conditions precedent of the 2022 Bossini Rights Issue and the related underwriting agreement, the 2022 Bossini Rights Issue shall proceed regardless of the ultimate subscription level. All applications for rights shares are subject to the scale-down mechanism as determined by Bossini to levels which do not trigger any obligation to make a mandatory general offer under the Takeovers Code on the part of the applicant or parties acting in concert with him/her/it, or resulting in any non-compliance of the public float requirements under the Main Board Listing Rules ("**Public Float Requirement**") by Bossini. As set out in the announcement of Bossini dated 24 February 2023, results of the 2022 Bossini Rights Issue is expected to be published on 27 April 2023 and the dealings in fully-paid rights shares is expected to commence on 2 May 2023. Please refer to the announcement of Bossini dated 24 February 2023 for further details.

It is the intention of our Company to maintain Bossini as our subsidiary. Our Company plans to subscribe for such number of rights shares with our internal resources to keep our majority stake in Bossini for maintaining it as our subsidiary, and not to result in any non-compliance of the Public Float Requirement by Bossini. Based on the above, we do not expect the 2022 Bossini Rights Issue would result in any material adverse effect on the financial position, business or trading position or trading prospects of our Group.

Viva China Premium Brands (formerly known as Sitoy AT Holdings Company Limited)

On 3 November 2021, Ample Fame and our Company (as guarantor) entered into a share purchase agreement with Sitoy International Limited (as vendor) and its guarantor, Sitoy Group Holdings Limited ("**Sitoy Group**") in relation to the acquisition of the entire issued share capital of Viva China Premium Brands (the "**Sitoy SPA**"). The unaudited loss before taxation for the two years ended 30 June 2021 of Viva China Premium Brands and its subsidiaries was EUR11.5 million and EUR5.7 million, respectively, and the unaudited loss after taxation for the two years ended 30 June 2021 of Viva China Premium Brands and its subsidiaries was EUR11.4 million and EUR5.8 million, respectively.

As at the date of the share purchase agreement, (a) Sitoy Group (stock code: 1023) was a company listed on the Main Board of the Stock Exchange and was principally engaged in design, manufacturing and sales of handbags, small leather goods, travel goods and footwear products, provision of advertising and marketing services and property investment; (b) Sitoy International Limited was a wholly-owned subsidiary of Sitoy Group; and (c) to the best knowledge, information and belief of our Directors after making all reasonable enquiries, each of Sitoy International Limited and its ultimate beneficial owners was an Independent Third Party.

The acquisition was completed in January 2022, at the consideration of HK$1 and the post-closing payment of EUR2,538,000. Such consideration and post-closing payment were determined after arm's length negotiation between Ample Fame and Sitoy International Limited with reference to the net asset value (excluding the inter-company balances of Viva China Premium Brands and its subsidiaries as at 31 July 2021) of Viva China Premium Brands and its subsidiaries as at 31 July 2021 of EUR14,455,000. Pursuant to the Sitoy SPA, the inter-company loans due from Viva China Premium Brands and its subsidiaries to Sitoy Group and its subsidiaries amounting to RMB41,137,000 as at 31 December 2021 will be repaid by the subsidiaries of Viva China Premium Brands to Sitoy Group and its subsidiaries by instalment, and the last payment of such inter-company loans will be due by January 2023. Upon completion of the acquisition, Viva China Premium Brands became an indirect wholly-owned subsidiary of our Company and it was renamed as Viva China Premium Brands on 27 January 2022. Viva China Premium Brands and a. testoni S.p.A., which was owned, as at the Latest Practicable Date, as to 95.35% by Viva China Premium Brands and as to 4.65% by a. testoni S.p.A. itself as a result of a share repurchase carried out in accordance with the relevant Italian law, and their subsidiaries own a century-old Italian luxury leader label brand, Amedeo Testoni (formerly known as "a. testoni") and its diffusion line i29 and are principally engaged in the wholesale and retail of leatherware, fashion garments and apparel. For details of the acquisition of Viva China Premium Brands, please refer to the announcement of our Company dated 3 November 2021.

Clark – First Clark Acquisition

Pursuant to a loan agreement (the "**Loan Agreement**") entered into between Viva China Consumables and LionRock Capital GP Limited acting in its capacity as the general partner of LionRock L.P. on 28 September 2020, Viva China Consumables agreed to provide a facility of GBP54,000,000 (the "**Facility**") to LionRock L.P. at an interest rate of 4% per annum for financing the acquisition or subscription of equity interests in a target company by LionRock, a company wholly owned by LionRock L.P.. As at the date of Completion (as defined below), GBP53,550,000 had been drawn down and remained outstanding under the Loan Agreement (the "**Outstanding Amount**").

On 15 March 2021, Viva China Consumables entered into the First Clark Transaction Agreement with LionRock and LionRock L.P. pursuant to which Viva China Consumables conditionally agreed to subscribe for 510 shares of LionRock at a subscription price of GBP51,000,000 (the "**Subscription Price**", and the "**Subscription**", respectively), representing 51% of the enlarged issued share capital of LionRock upon completion, and acquire a shareholder's loan (the "**Purchase Shareholder's Loan**") from LionRock L.P. at a consideration of GBP51,000,000 (the "**Consideration**", and the "**Shareholder's Loan Transaction**", respectively). The Consideration payable by Viva China Consumables to LionRock L.P. and other related costs and expenses (the "**Costs and Expenses**") incurred by LionRock and LionRock L.P. in respect of the investment in Clark shall be deemed to be satisfied at completion of the Shareholder's Loan Transaction and the Subscription (the "**Completion**") by setting off an amount equal to the Consideration and the Costs and Expenses against the Outstanding Amount. Upon consummation of the Shareholder's Loan Transaction at Completion, the Outstanding Amount shall be deemed to have been irrevocably and unconditionally repaid in full by LionRock L.P. to Viva China Consumables in accordance with the terms of the Loan Agreement and all unpaid interest which has been accrued pursuant to the Loan Agreement shall be deemed irrevocably and unconditionally waived by Viva China Consumables. The Subscription Price payable by Viva China Consumables to LionRock at Completion shall be settled by setting off an amount equal to the Subscription Price against the outstanding amount under the Purchase Shareholder's Loan, and the Purchase Shareholder's Loan owed by LionRock to Viva China Consumables (being the new lender of the Purchase Shareholder's Loan as from the consummation of the Shareholder's Loan Transaction) shall be deemed fully settled and satisfied in full.

As at the date of the First Clark Transaction Agreement, (a) LionRock L.P. was a limited partnership formed in the BVI which was principally engaged in private equity investment in consumer and sports businesses; and (b) to the best knowledge, information and belief of our Directors after making all reasonable enquiries, (i) the general partner of LionRock L.P. was LionRock Capital GP Limited which was wholly owned by Mr. Tseung Daniel Kar Keung, (ii) an indirect wholly-owned subsidiary of Li Ning Co was a limited partner of LionRock L.P. and the total contribution of which was 20.09%, and (iii) LionRock L.P. and its ultimate beneficial owners were Independent Third Parties except for Mr. Victor Herrero (our non-executive Director) and Mr. Lee Kwok Ming (an independent non-executive director of Bossini) who were limited partners of LionRock L.P. and collectively made 5% of the total contributions in LionRock L.P..

LionRock holds 51% interest in Clark which is an investment holding company of the group of companies trading in the brand name "Clarks" and the Clark Group is principally engaged in international wholesaling and retailing of shoes with a history of nearly two hundred years. The First Clark Acquisition was completed in July 2022, and the Subscription Price and the Consideration were settled in accordance with the First Clark Transaction Agreement. Upon Completion, Clark and its subsidiaries became indirect non-wholly owned subsidiaries of our Company.

For further details of the Loan Agreement, please refer to the announcement of our Company dated 28 September 2020. For further details of the First Clark Transaction Agreement, please refer to the announcements of our Company dated 14 January 2021, 15 March 2021, 25 November 2021 and 4 July 2022, and the circular of our Company dated 26 May 2022.

MAJOR ACQUISITION AFTER THE TRACK RECORD PERIOD

Clark – Second Clark Acquisition

Immediately following completion of the First Clark Acquisition in July 2022, our Company indirectly owned 51% of the total issued share capital of LionRock, which held 51% equity interest in Clark. LionRock and its subsidiaries (including the Clark Group) became indirect non-wholly owned subsidiaries of our Company and their financial results have been consolidated into the financial statements of our Group.

Since 2021, the management of Clark Group has reviewed its business direction and implemented certain cost control measures, coupled with the recovery of sales activities after COVID-19, the financial performance of the Clark Group has been improving. In the meantime, in the first half of 2022, our Directors also noted that many countries, including the UK and the US, had gradually removed pandemic-related restrictive measures. Our Directors were of the view that the commencement of the removal or relaxation of such restrictive measures would be of benefit to the recovery of the global retail business.

Given the improved financial performance and the potential of the Clark Group, we intended to further increase our indirect equity interest in the Clark Group. On 17 November 2022, Viva China Consumables entered into the Second Clark Transaction Agreement with LionRock L.P. pursuant to which to Viva China Consumables conditionally agreed to acquire the remaining 49% of the issued share capital of LionRock from LionRock L.P. at a consideration of GBP110,000,000.

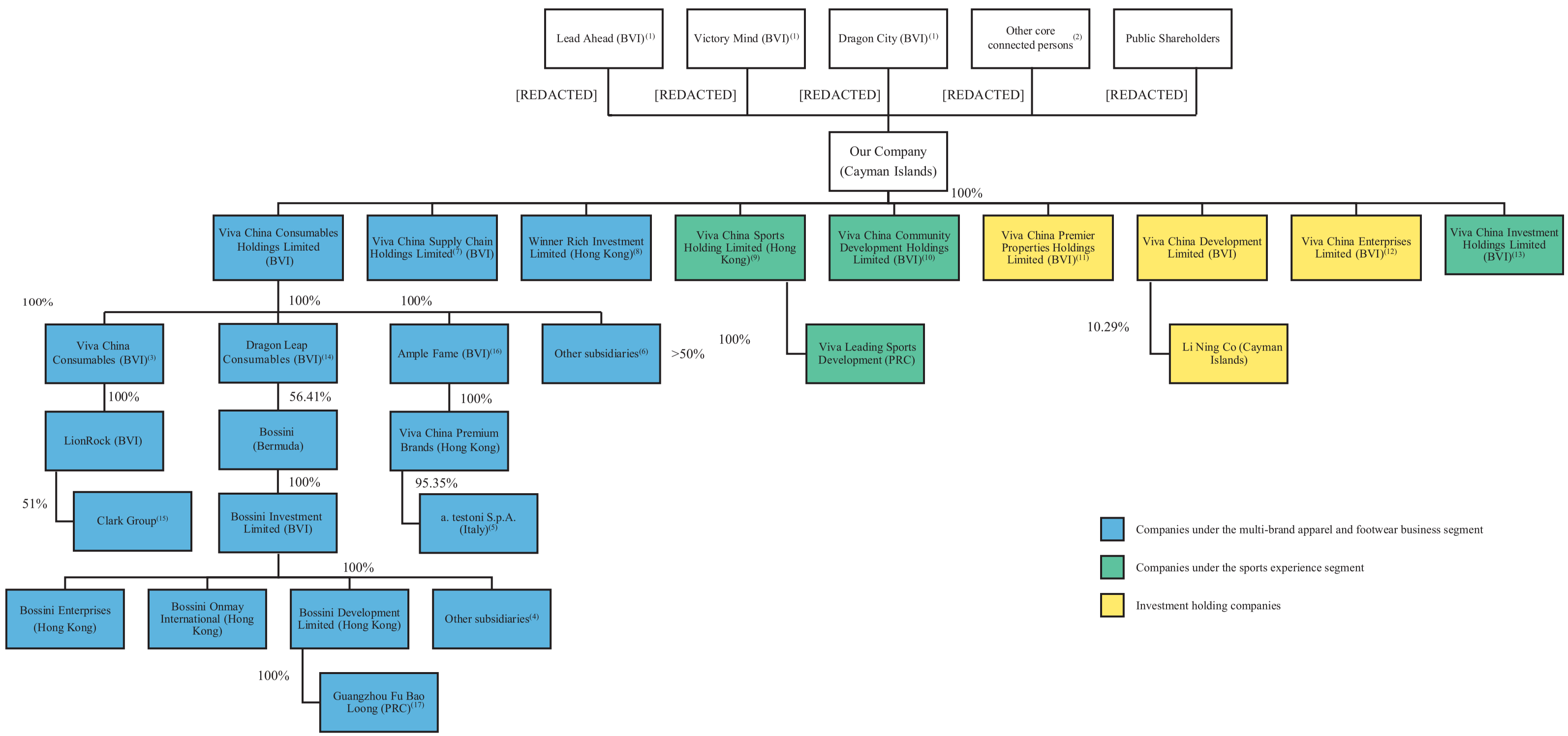
As at the date of the Second Clark Transaction Agreement, (a) LionRock L.P. held 49% of the entire issued share capital of LionRock, and was a connected person of our Company at subsidiary level; (b) LionRock L.P. was a limited partnership formed in the BVI which is principally engaged in private equity investment in consumer and sports businesses; and (c) to the best knowledge, information and belief of our Directors after making all reasonable enquiries, (i) the general partner of LionRock L.P. was LionRock Capital GP Limited which was wholly-owned by Mr. Tseung Daniel Kar Keung; (ii) an indirectly wholly-owned subsidiary of Li Ning Co was a limited partner of LionRock L.P. and the total contribution of which was 20.09%; and (iii) Mr. Victor Herrero (our non-executive Director) and Mr. Lee Kwok Ming (an independent non-executive director of Bossini) were limited partners of LionRock L.P. and collectively made 5% of the total contributions in LionRock L.P..

The consideration for the Second Clark Acquisition was funded by our Group's internal resources and was fully settled in cash upon completion of the Second Clark Acquisition on 30 January 2023. Immediately following completion of the Second Clark Acquisition, LionRock become an indirect wholly-owned subsidiary of our Company, our Company's effective interest in the Clark Group increased from approximately 26% to 51% and the results of LionRock (including the Clark Group) will continue to be consolidated into the financial statements of our Group.

For further details of the Second Clark Acquisition, please refer to the announcements of our Company dated 17 November 2022, 18 January 2023 and 30 January 2023, and the circular of our Company dated 30 December 2022.

CORPORATE STRUCTURE

The following diagram sets out the shareholding and corporate structure of our Group (i) as at the Latest Practicable Date and (ii) immediately upon **[REDACTED]**:



Notes:

1. For details of the shareholders of Lead Ahead, Victory Mind and Dragon City, please refer to the section headed "Substantial Shareholders" in this document.
2. Other core connected persons refer to the Directors of our Group and Mr. Li Chun.
3. Other than LionRock, Viva China Consumables has two wholly-owned subsidiaries which are incorporated in the BVI and Hong Kong.
4. Other subsidiaries include 29 subsidiaries wholly owned by Bossini Investment Limited which are incorporated/established in the BVI, the PRC, Hong Kong, Macau, Singapore and Malaysia.
5. a. testoni S.p.A. is owned as to 4.65% by a. testoni S.p.A. itself as a result of a share repurchase carried out in accordance with the relevant Italian law. It has six subsidiaries which are incorporated/established in the PRC, Hong Kong, Japan, Italy, South Korea and Taiwan.
6. Other subsidiaries include 13 subsidiaries owned by Viva China Consumables Holdings Limited which are incorporated/established in the BVI, the PRC and Hong Kong.
7. Viva China Supply Chain Holdings Limited has three wholly-owned subsidiaries which are incorporated/established in the PRC and Hong Kong.
8. Winner Rich Investment Limited has a subsidiary which is established in the PRC.
9. Apart from Viva Leading Sports Development, Viva China Sports Holding Limited has seven subsidiaries which are established in the PRC.
10. Viva China Community Development Holdings Limited has 43 subsidiaries and three associated companies which are incorporated/established in the BVI, the PRC and Hong Kong.
11. Viva China Premier Properties Holdings Limited has two wholly-owned subsidiaries which are incorporated/established in the PRC and Hong Kong.
12. Viva China Enterprises Limited has two wholly-owned subsidiaries which are incorporated/established in the PRC and Hong Kong.
13. Viva China Investment Holdings Limited has four subsidiaries which are incorporated/established in the PRC and Hong Kong.
14. In addition to the companies set out in the corporate chart, Dragon Leap Consumables is the immediate holding company of a subsidiary incorporated in the BVI.
15. The Clark Group includes Clark and its 50 subsidiaries which are incorporated/established in the UK, the US, Australia, Austria, Cambodia, Canada, France, Germany, Hong Kong, India, Japan, South Korea, Malaysia, Mexico, Netherlands, Poland, Portugal, the PRC, Singapore, Spain, Turkey and Vietnam, and a joint venture company established in India. Clark is owned as to 51% by LionRock and 49% by C&J Clark Limited, the ultimate beneficial owners of which are mainly individuals who can trace a family lineage to Cyrus Clark and James Clark, the founders of the Clark Group in early 1800s.
16. Other than Viva China Premium Brands and its subsidiaries, Ample Fame has two wholly-owned subsidiaries which are incorporated/established in the PRC and Hong Kong.
17. Guangzhou Fu Bao Loon has two subsidiaries established in the PRC.
18. We have adopted a complex group structure with many subsidiaries due to our diversified business portfolio and different brands and operation in different jurisdictions and different PRC cities.

For the latest shareholding distribution of our Company, please refer to the section headed "Share Capital – Shareholding Distribution" in this document.

[REDACTED] FROM GEM TO MAIN BOARD

[REDACTED]

[REDACTED]

Reasons for the [REDACTED]

Our Directors are of the view that the GEM Listing has been useful to our Group in raising its market profile and gaining public recognition. After years of development, our Company has grown and become the largest company listed on GEM in terms of market capitalisation. To the best information and knowledge of our Directors, despite certain **[REDACTED]** being interested to **[REDACTED]** in our Company, they have not been able to do so as they are not mandated to **[REDACTED]** in companies listed on GEM. With the continuing development and business growth of our Group since the GEM Listing and considering that the Main Board is generally perceived by the **[REDACTED]** to have a more premium status, the Directors believe that the **[REDACTED]**, if approved and proceeded, will be conducive to the future growth, financing flexibility and business development of our Group. Our Directors are of the view that the **[REDACTED]** would bring, among others, the following benefits to our Group:

- further promoting our corporate profile and recognition among the **[REDACTED]**, which would result in an increase in the attractiveness of our Shares to the **[REDACTED]** and thus likely to help broaden our **[REDACTED]** base and enhance the **[REDACTED]** of our Shares;
- increasing our bargaining power of our Group in negotiations with suppliers and other business associates, who will have more confidence in our Group's financial strength and credibility; and
- strengthening our position in the industry and enhancing our competitive strengths in recruiting and retaining key management staff and experienced personnel.

Given the above, our Directors are of the view that the **[REDACTED]** will be beneficial to our Group's continued growth and will help create long-term value to our Shareholders as a whole.

Pre-conditions for the [REDACTED]

The **[REDACTED]** is conditional upon, among others:

(a) our Company's fulfillment of all the applicable requirements for **[REDACTED]** on the Main Board as stipulated in the Main Board Listing Rules;

(b) the **[REDACTED]** Committee granting approval for the **[REDACTED]** in on the Main Board (i) all Shares in issue; and (ii) new Shares which may fall to be issued pursuant to the exercise of share options that may be granted under the Share Option Scheme and the conversion of the Earn-out Convertible Bonds; and

(c) all other relevant approvals or consents required in connection with the implementation of the **[REDACTED]** having been obtained, and the fulfilment of all conditions which may be attached to such approvals or consents, if any.

Confirmations from our Company and our Controlling Shareholders in relation to the [REDACTED]

As at the Latest Practicable Date, our Directors have no plan to change the nature of the business of our Group following the **[REDACTED]**. The **[REDACTED]** will not involve any issue of new Shares by our Company. By leveraging on the successful **[REDACTED]**, our Company may then consider doing **[REDACTED]** within one year after the **[REDACTED]**. Subject to the development and financial positions of our Company at the relevant time, it is currently expected that proceeds from any of such **[REDACTED]** would be utilised for general working capital purpose of our Group. As at the Latest Practicable Date, there was no specific or concrete plan (in terms of timing, number of shares and parties) for such **[REDACTED]** exercises. Any such **[REDACTED]**, if materialises, will be conducted in compliance with the applicable Main Board Listing Rules.

As at the Latest Practicable Date, each of our Controlling Shareholders confirmed that he/it has no plan to dispose of, or enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of those securities of our Company in which he/it is disclosed in this document to be the beneficial owner. The shareholding percentage of our Controlling Shareholders in our Company would be maintained at more than 50% of our Company's total issued share capital upon completion of any such **[REDACTED]** exercises mentioned above.