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BOSSINI INTERNATIONAL HOLDINGS LIMITED

堡獅龍國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 592)

**CONTINUING CONNECTED TRANSACTION
UNDER A SUB-TENANCY AGREEMENT**

The Board is pleased to announce that on 30 March 2021 (after trading hours), Bossini Enterprises (as landlord) entered into the Sub-Tenancy Agreement with Viva China Sports (as tenant) in respect of a sub-tenancy of the Premises.

Bossini Enterprises is an indirect wholly-owned subsidiary of the Company and Viva China Sports is a direct wholly-owned subsidiary of Viva China Holdings. Viva China Holdings indirectly holds 80% of the issued shares of Dragon Leap, the controlling shareholder of the Company. Accordingly, Viva China Sports is an associate of Dragon Leap and is thus regarded as a connected person of the Company under the Listing Rules. The transaction contemplated under the Sub-Tenancy Agreement therefore constitutes a continuing connected transaction of the Company pursuant to Chapter 14A of the Listing Rules.

As certain applicable percentage ratios in respect of the Sub-Tenancy Agreement are more than 0.1% but less than 5%, the continuing connected transaction contemplated thereunder will be subject to the reporting and announcement requirements only but exempt from the circular and shareholders' approval requirement under Chapter 14A of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 30 March 2021 (after trading hours), Bossini Enterprises (as landlord) entered into the Sub-Tenancy Agreement with Viva China Sports (as tenant) in respect of a sub-tenancy of the Premises.

* For identification purpose only

The Premises form part of the Office Premises and Bossini Enterprises is the head tenant of the Office Premises under two Head Tenancy Agreements entered into between the Head Landlord (as landlord) and Bossini Enterprises (as tenant) both for a term commencing on 1st January 2019 and expiring on 31st December 2022.

Under the terms of the Head Tenancy Agreements, Bossini Enterprises is entitled to share the use or occupation of the Office Premises with companies within the same group of companies.

SUB-TENANCY AGREEMENT

Set out below is a brief summary of the principal terms of the Sub-Tenancy Agreement:

- Date:** 30 March 2021
- Landlord:** Bossini Enterprises
- Tenant:** Viva China Sports
- Premises:** Portion of the Second Floor of PopOffice (comprising an area of approximately 13,499 sq. ft.) as shown for the identification purpose only on the floor plan annexed to the Sub-Tenancy Agreement
- Term:** 21 months commencing on the 1st day of April 2021 and expiring on the 31st day of December 2022 (both days inclusive)
- Rent:** HK\$337,412 per calendar month (exclusive of service and management charges, rates and other outgoings payable in respect of the Premises) payable monthly in advance without any deduction on the first day of each calendar month
- Rent-free period:** Viva China Sports shall be entitled to a rent-free period of one (1) calendar month subject to payment of service and management charges, rates and other charges
- Other Charges:** Viva China Sports shall pay service and management charges, rates, electricity charges, water charges, general cleaning charges, air-conditioning maintenance charges, water dispenser, fire equipment service and door access control maintenance charges in the aggregate sum of HK\$141,012 per calendar month (subject to revision from time to time in accordance with changes, if any, of the relevant charges under the Head Tenancy Agreements or as reasonably determined by Bossini Enterprises)

Other covenants: Viva China Sports shall observe and perform all the covenants and conditions on the part of Bossini Enterprises contained in the Head Tenancy Agreements insofar as they relate to the Premises

ANNUAL CAPS

It is estimated that the total aggregate value of the consideration i.e. the amounts payable by Viva China Sports to Bossini Enterprises under the Sub-Tenancy Agreement will not exceed the annual caps of HK\$4,200,000 and HK\$6,000,000 for each of the financial years ending 31 December 2021 and 2022, respectively.

The annual caps were determined with reference to (i) the monthly rental as stated in the Sub-Tenancy Agreement; (ii) the amount of service and management charges, rates and other charges as stated in the Sub-Tenancy Agreement; and (iii) reasonable allowance for the potential increase in service and management charges, rates and other charges (as provided for under the Sub-Tenancy Agreement) during the term.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SUB-TENANCY AGREEMENT

The Company's current principal place of business is at the Office Premises. The Office Premises were rented for use as office premises of the Group and the Company will continue to use portions of the Office Premises as its principal place of business after the commencement of the Sub-Tenancy Agreement.

The reason for granting the sub-tenancy of the Premises to Viva China Sports under the Sub-Tenancy Agreement is to create synergy between the Group and the Viva China Group and to facilitate the smooth operation of the business of the Group after Viva China Holdings acquired a controlling stake in the Company in July 2020.

The terms of the Sub-Tenancy Agreement were reached on an arm's length basis between the parties, taking into account the amount of rent and other charges payable by Bossini Enterprises under the Head Tenancy Agreements in respect of the Office Premises. The Directors (including the independent non-executive Directors) consider that the Sub-Tenancy Agreement has been entered into on normal commercial terms and in the ordinary and usual course of business of the Group, and the Sub-Tenancy Agreement and its annual caps are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

INFORMATION OF BOSSINI ENTERPRISES, VIVA CHINA SPORTS, THE GROUP AND THE VIVA CHINA GROUP

As of the date of this announcement, Bossini Enterprises is an indirect wholly-owned subsidiary of the Company. Dragon Leap, the controlling shareholder of the Company, holds approximately 66.5% of the issued shares of the Company.

As of the date of this announcement, Viva China Sports is a direct wholly-owned subsidiary of Viva China Holdings. Viva China Holdings is the sole shareholder of Viva China Consumables Holdings Limited, which in turn holds 80% of the issued shares of Dragon Leap.

The Group is principally engaged in the retailing and distribution of garments bearing the Group's designated brand names including "bossini". The Viva China Group is principally engaged in (i) the operation of "Multi-brands Apparels and Footwears" ; and (ii) "Sports Experience", including the operation, service provision and investment of sports destinations, sports competitions and events as well as an e-sports club.

LISTING RULES IMPLICATIONS

As mentioned above, Bossini Enterprises is an indirect wholly-owned subsidiary of the Company and Viva China Sports is a direct wholly-owned subsidiary of Viva China Holdings. Viva China Holdings indirectly holds 80% of the issued shares of Dragon Leap, the controlling shareholder of the Company. Accordingly, Viva China Sports is an associate of Dragon Leap and is thus regarded as a connected person of the Company under the Listing Rules. The transaction contemplated under the Sub-Tenancy Agreement therefore constitutes a continuing connected transaction of the Company pursuant to Chapter 14A of the Listing Rules.

As certain applicable percentage ratios in respect of the Sub-Tenancy Agreement are more than 0.1% but less than 5%, the continuing connected transaction contemplated thereunder will be subject to the reporting and announcement requirements only but exempt from the circular and shareholders' approval requirement under Chapter 14A of the Listing Rules.

Dragon Leap is held as to 20% by Mr. Law Ching Kit Bosco, a non-executive Director. At the Board meeting held to approve the Sub-Tenancy Agreement, Mr. Law Ching Kit Bosco is considered to be interested in the Sub-Tenancy Agreement and has abstained from voting on the resolution to approve the entering into of the Sub-Tenancy Agreement.

DEFINITIONS

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

"associate(s)"	has the meaning as given in the Listing Rules;
"Board"	the board of Directors;

“Bossini Enterprises”	Bossini Enterprises Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company;
“Company”	Bossini International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 592);
“connected person(s)”	has the meaning as given in the Listing Rules;
“controlling shareholder”	has the meaning as given in the Listing Rules;
“Directors”	the directors of the Company;
“Dragon Leap”	Dragon Leap Developments Limited, a company incorporated in the BVI with limited liability, the direct controlling shareholder of the Company;
“Group”	the Company and its subsidiaries;
“Head Landlord”	MTR Corporation Limited, an independent third party;
“Head Tenancy Agreements”	a tenancy agreement in respect of Units 1 and 3-8 of the Office Premises and a tenancy agreement in respect of Unit 2 of the Office Premises both dated 8 December 2020 and entered into between the Head Landlord (as landlord) and Bossini Enterprises (as tenant), collectively;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Office Premises”	the Second Floor of PopOffice;
“PopOffice”	the Commercial Development of No. 9 Tong Yin Street, Tseung Kwan O, New Territories erected on part of the land registered in the Land Registry as Tseung Kwan O Town Lot No. 72;

“Premises”	the premises described in the section headed “Premises” under the paragraph headed “Sub-Tenancy Agreement” in this announcement;
“Shareholders”	holders of the shares of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Viva China Group”	Viva China Holdings and its subsidiaries;
“Viva China Holdings”	Viva China Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM of the Stock Exchange (Stock Code: 8032) and the indirect controlling shareholder of the Company;
“Viva China Sports”	Viva China Sports Holding Limited, a company incorporated in Hong Kong and a direct wholly-owned subsidiary of Viva China Holdings; and
“%”	percent.

By order of the Board of
Bossini International Holdings Limited
Mr. Victor HERRERO
Chairman and Non-executive Director

Hong Kong, 30 March 2021

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. CHEUNG Chi (Co-Chief Executive Officer), Mr. ZHAO Jianguo and Mr. CHAN Cheuk Him Paul, two non-executive Directors, namely Mr. Victor HERRERO (Chairman) and Mr. LAW Ching Kit Bosco, and three independent non-executive Directors, namely Mr. LEE Kwok Ming, Mr. CHEONG Shin Keong and Prof. SIN Yat Ming.