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**V1 GROUP LIMITED**  
**第一視頻集團有限公司**  
*(Incorporated in Bermuda with limited liability)*  
(Stock code: 82)

- (1) DISCLOSEABLE TRANSACTIONS — RESTRUCTURING OF  
TELEMEDIA BUSINESS**
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- (4) CONTINUING CONNECTED TRANSACTIONS**
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Financial Advisor



Dongxing Securities (Hong Kong) Company Limited

**RESTRUCTURING OF TELEMEDIA BUSINESS**

The Board is pleased to announce that on 7 December 2020 the Group implemented a restructuring by entering into the Sale and Purchase Agreement.

Pursuant to the Sale and Purchase Agreement, the Company as vendor has agreed to sell, and the CATV Fund as purchaser has agreed to purchase, the entire issued share capital of Golden Target and 99.9% equity interest in China Investment as contribution in kind by the Company to subscribe for the limited partnership interest in the CATV Fund.

**IMPLICATION UNDER THE LISTING RULES**

As the relevant percentage ratio (as defined in the Listing Rules) in respect of the transactions contemplated under the Sale and Purchase Agreement exceed 5% but are less than 25%, the Disposal and the Subscription constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules and are subject to the reporting and announcement requirements but are exempted from Shareholders' approval requirement under Chapter 14 of the Listing Rules.

## **CHANGES TO THE COMPOSITION OF THE BOARD AND COMMITTEES**

The Board is pleased to announce that following the Disposal Completion, there will be changes in the composition of the Board and various committees with effective from 1 January 2021 with the objective of infusing the Board with a young, vibrant and professional team leading the Group to the next stage of growth.

## **CONTINUING CONNECTED TRANSACTIONS**

As at the date of this Announcement, Crazy Sports is held by Mr. Peng Xitao and an associate of Mr. Peng under the Listing Rules. Following the appointment of Mr. Peng as an executive Director becoming effective on 1 January 2021 the transactions contemplated under the VIE Contracts will constitute continuing connected transactions of the Company for the purpose of Chapter 14A of the Listing Rules, and are subject to the reporting, announcement and independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules. The Company will apply to the Stock Exchange for a waiver from strict compliance with the said requirements under Chapter 14A of the Listing Rules in respect of the continuing connected transactions under the VIE Contracts.

## **PROPOSED CHANGE OF COMPANY NAME**

The Board proposes to change the Company's English name from "V1 Group Limited" to "Crazy Sports Group Limited" and the Company's secondary name from "第一視頻集團有限公司" to "瘋狂體育集團有限公司". The Change of Company Name is subject to the approval by the Shareholders at the 2021 AGM by way of a special resolution and the approval of the Registrar of Companies in Bermuda.

A circular containing, among others, details of the Change of Company Name, together with a notice to convene the 2021 AGM, will be dispatched to the Shareholders in due course.

## **(1) DISCLOSEABLE TRANSACTIONS — RESTRUCTURING OF TELEMEDIA BUSINESS**

The Board is pleased to announce that the Group is undertaking a restructuring of its telemedia and e-commerce business segment which involves a series of reorganization steps comprising of, amongst others, the following:

1. disposal of the Telemedia Equipment via disposal of China Investment, a 99.9%-owned subsidiary of the Company, to the CATV Fund, of which Goal Dynasty, a wholly-owned subsidiary of the Company, will be admitted as a limited partner to the CATV Fund; and
2. disposal of the business in CATV via the disposal of Golden Target, a wholly-owned subsidiary of the Company, to the CATV Fund.

**(a) The Disposal**

On 7 December 2020, the CATV Fund entered into the Sale and Purchase Agreement with the Company, pursuant to which the CATV Fund agreed to purchase 50,000 ordinary shares of Golden Target, representing its entire issued share capital and 99.9% equity interest in China Investment from the Company at a consideration of USD11,080,000.

***The Sale and Purchase Agreement***

The principal terms of the Sale and Purchase Agreement are set out below:

***Date***

7 December 2020

***Parties***

1. The CATV Fund, as purchaser; and
2. Company, as vendor.

***Subject matter***

Pursuant to the Sale and Purchase Agreement, the Company agreed to sell as legal and beneficial owner, and the CATV Fund agreed to purchase, (i) the entire issued share capital of Golden Target and (ii) 99.9% equity interest in China Investment with effect from completion free from all encumbrances and together with all rights and title thereto.

As of the date of this Announcement, the Company owns:

- (1) the entire issued share capital of Golden Target which in turns hold:
  - (i) the 95.98% issued share capital of CATV Group Limited which in turn holds the entire issued share capital of Arab Business TV FZ-LLC; and
  - (ii) the entire issued share capital of miniV.tv Holdings Limited which in turn holds the entire share capital of miniV.tv (Hong Kong) Limited and which in turn holds the entire issued share capital of 北京迷你微視信息技術有限公司 (Beijing miniV. tv Information Technology Co., Ltd.\*); and
- (2) 99.9% equity interests in China Investment which holds:
  - (i) the Telemedia Equipment;
  - (ii) the Group's investment of 7.57% equity interest in 深圳市前海手繪科技文化有限公司 (Shenzhen Qianhai Shouhui Technology Culture Co., Ltd.\*), a company established in the PRC;

(iii) the Group's investment of 9.65% equity interest in 杭州翼心信息科技有限公司 (Hangzhou Yixin Technology Limited\*), a company established in the PRC; and

(iv) the Group's limited partnership interest in 杭州中金前海偉億投資合夥企業 (Hangzhou China Capital Qianhai Weiyi Investment Partnership Limited\*), an enterprise established in the PRC which is principally engaged in asset management and investment management.

China Investment held assets other than the above before the entering into of the Sale and Purchase Agreement. As part of the restructuring of the Group, those assets which are to be retained by the Group had been transferred to other Group companies before the Disposal. The proforma unaudited financial results of China Investment for the two years immediately preceding the date of this announcement on the basis that the current structure of China Investment had already been in place on 1 January 2018 were as follows:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2018</b>	<b>2019</b>
	(Unaudited)	(Unaudited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss before tax	3,662	11,073
Loss after tax	3,662	11,073

The unaudited net asset value of China Investment as of 30 September 2020 was approximately HK\$75,090,000.

The unaudited financial results of the CATV Group for the two years immediately preceding the date of this announcement on the basis that the current structure of CATV Group had already been in place on 1 January 2018 were as follows:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2018</b>	<b>2019</b>
	(Unaudited)	(Unaudited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss before tax	18,184	29,666
Loss after tax	18,184	29,666

The unaudited net assets value of the CATV Group attributable to the Group as at 30 September 2020 was approximately HK\$19,390,000.

### ***Consideration***

The consideration of USD11,080,000 shall be satisfied by way of admission of subscription of limited partnership interest in the CATV Fund by Goal Dynasty, a direct wholly owned subsidiary of the Company. Golden Ruby, on behalf of the CATV Fund, agrees to receive entire issued share capital of Golden Target and 99.9% equity interest in China Investment as the capital contribution in kind from Goal Dynasty. As a result, Goal Dynasty will be admitted as the limited partner of CATV Fund and the CATV Fund will not be accounted for as a subsidiary of the Company.

The consideration of USD11,080,000 for the purchase of the entire issued share capital of Golden Target and 99.9% equity interests in China Investment was determined after arm's length negotiation between the parties based on: (1) the net book value of the assets in China Investments, including the Telemedia Equipment, in the total amount of HK\$75,090,000; and (2) the financial position of Golden Target.

The Board considers that the Sale and Purchase Agreement is on normal commercial terms, its terms and conditions are fair and reasonable and are in the benefits of the Company and the Shareholders as a whole.

### ***Disposal Completion***

The Sale and Purchase Agreement is unconditional and completion took place immediately upon signing of the Sale and Purchase Agreement.

## **(b) The Subscription**

### ***The Subscription Agreement***

On 7 December 2020, Goal Dynasty, a wholly-owned subsidiary of the Company, entered into the Subscription Agreement pursuant to which Goal Dynasty agreed to subscribe for the limited partnership interests in the CATV Fund at an aggregate subscription amount of USD11,080,000.

The principal terms of the Subscription Agreement are summarized below:

Date: : 7 December 2020

Parties : (i) Goal Dynasty, a wholly-owned subsidiary of the Company, as subscriber; and  
(ii) Golden Ruby as general partner, on behalf of itself and of the CATV Fund.

- Interests acquired : All of the limited partnership interests in the CATV Fund
- Subscription amount for the interests acquired : Goal Dynasty shall contribute USD11,080,000 by way of contribution in kind through injecting the entire issued share capital of Golden Target and 99.9% equity interest in China Investment which represents the subject assets under the Sale and Purchase Agreements.

### ***The Limited Partnership Agreement***

Pursuant to the Subscription Agreement, *inter alia*, the CATV Fund agrees to admit Goal Dynasty as a limited partner in accordance with the terms of the Limited Partnership Agreement.

- Term : The CATV Fund shall continue until the third (3<sup>rd</sup>) anniversary of the date of the Limited Partnership Agreement; provided, however, that the term may be extended: (i) for up to two (2) years by Golden Ruby as the general partner in its reasonable discretion; and (ii) for such further periods as Golden Ruby shall determine, with the approval of the limited partners having at least 66% of the aggregate capital commitment of the limited partners.
- Purpose and scope : Holding investment in China Investment and Golden Target and performing any activities that are ancillary to them.
- Transferability of the interests : The limited partnership interests in the CATV Fund may not be transferred, assigned or pledged without the prior written consent of Golden Ruby, the general partner.
- Management : Golden Ruby is the general partner and it has the overall responsibility of the management, operation, policy and control of the business and affairs of the CATV Fund. Goal Dynasty, as a limited partner does not have control nor significant influence in its operational and financing decisions.
- Distribution : Golden Ruby as general partner may make distributions to the limited partners (pro rata in accordance with the balance of each limited partner's percentage interest) at such times and in such amounts as may be determined by the general partner in its sole discretion.

### ***Information of the Parties to the Sale and Purchase Agreement and the Subscription Agreement***

The CATV Fund is a newly set up exempted limited partnership registered in the Cayman Islands.

Goal Dynasty is a wholly owned subsidiary of the Company and will be admitted as a limited partner of the CATV Fund.

Golden Ruby, general partner of the CATV Fund, is an exempted company incorporated in the Cayman Islands and is wholly owned by Ms. Wong. Ms. Wong has prior experience in private equity investments in the TMT sector (technology, media and telecom). A company controlled by Ms. Wong is a general partner of a Cayman exempted limited partnership which had invested approximately US\$200 million in a PRC mobile games company and made a remarkable return upon exiting the investment.

Save as disclosed above, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Golden Ruby and its ultimate beneficial owners are Independent Third Parties.

### ***Financial Effect of the Disposal***

Upon the Disposal Completion, the Company will cease to control in Golden Target and China Investment, and the financial results and assets and liabilities of Golden Target and China Investment will cease to be consolidated into the accounts of the Group.

With reference to the unaudited net assets values of the CATV Group and China Investment of approximately USD12,191,000 (approximately HK\$94,480,000) as of 30 September 2020, the estimated gain on the Disposal was approximately USD711,000 (approximately HK\$5,515,000). Subject to audit, it is anticipated that as a result of the Disposal, the unaudited profit after taxation at the Group will be increased by approximately HK\$5,515,000, assuming no significant change in foreign exchange fluctuation and fair value changes of the investment held by V1 Investment at the actual settlement date. Such calculation is only an estimate provide for illustrative purposes and the accounting treatment of the Disposal will be subject to further review by the auditors of the Company.

As the consideration will not be settled in cash, no proceeds will be received by the Group for the Disposal. The Company will hold its limited partnership interest in the CATV Fund as long term equity investments.

For illustrative purposes only, assuming the Disposal and the discontinuation of e-commerce business as mentioned below had taken place on 30 September 2020 with Crazy Sports Group being the core operating business of the Group, the Group would have recorded a revenue of HK\$244.5 million, gross profit of HK\$96.5 million and profit for the period from continuing



operations of HK\$30.2 million. The discontinued operations would have recorded a loss for the period of HK\$40.0 million and impairment of goodwill and intangible assets of HK\$109.8 million.

## **DISCONTINUATION OF E-COMMERCE BUSINESS**

The Board has determined to discontinue the operation of the Liangzi Port by the first quarter of 2021 as the e-commerce segment has been operating under a challenging and competitive environment with lowering profit margins.

The Board is of the view that the discontinuation of the operation of the Liangzi Port Business will enable the Group to better utilize the resources for the business development of Crazy Sports and other high return investments.

## **BACKGROUND, REASONS FOR AND BENEFITS OF THE RESTRUCTURING**

The Group has been operating under two business segments, namely, (i) the sports and lottery related business and (ii) the telemedia and e-commerce business, which during the past few years, alignment of the two businesses have been diverging with respective strategies and characteristics. On the one hand, the sports and lottery related business of the Group has experienced rapid growth and development since the Group acquired the Crazy Sports Group in late 2018 and Crazy Sports Group has become a core engine of delivering profit to the Group.

On the other hand, the Group's telemedia and e-commerce business segment has not had the right opportunity and market development to excel. The business of the Liangzi Port has been operating under a challenging and competitive environment with lowering profit margins. Therefore, the Board has determined to discontinue the operation of the business of the Liangzi Port by the first quarter of 2021. Following the Disposal, the Group will cease to operate the telemedia business. The restructuring will allow the Company to deploy and streamline its financial, personnel and other resources in furthering its strategic focus on the most profitable and promising business segment, i.e. the Crazy Sports Group, while the Group will continue to hold its interest in CATV Group and China Investment to gain a share of the potential returns in them by taking a passive investor's role in the CATV Fund. The CATV Group and the investments in China Investment are capital intensive. The Company aims to leverage on the external network and the expertise of the general partner of the CATV Fund to exploit potential fund raising opportunities, thereby to continue to sustain the operation of those businesses with further capital contribution from other investors.

The Board considers the restructuring would be the most appropriate and suitable arrangement and in the interest of the Company and the Shareholders as a whole.



## **LISTING RULES IMPLICATION**

The Disposal and the Subscription each constitutes a discloseable transaction under Chapter 14 of the Listing Rules. As the relevant percentage ratio (as defined in the Listing Rules) in respect of the transaction(s) contemplated under the Sale and Purchase Agreement exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements but is exempted from Shareholders' approval requirement under Chapter 14 of the Listing Rules.

### **(2) VOLUNTARY BUSINESS UPDATE OF CRAZY SPORTS GROUP**

#### **A. Overview**

Crazy Sports Group is a leading sports lottery and entertainment services provider in the PRC. The platform comprises of (i) Crazy Red Insights app, a paid sports lottery information services platform, (ii) Crazy Sports app, a sports events information, live-streaming and social interactive platform; (iii) online mobile interactive game applications, and (iv) its new strategy in the provision of sales services of lottery tickets and related auxiliary services through nationwide retail channels in the PRC. The paid sports lottery information services of Crazy Sports ranked first in China in terms of revenue in 2019, according to the CIC Report. The Group has accumulated over a decade of experience as a leading listed company in the lottery industry, which has led to the successful operation of Lottery 365, China's largest lottery mobile user terminal, and the China Soccer Lottery website. Altogether, these platforms have over 200 million users, which has, in turn, formed a vast user community and big data vault for the Group as a core competitive advantage.

Through its unique O2O sports community and lottery e-commerce ecosystem, users can engage in sports lottery and entertainment activities in many ways, including obtaining professional analyses, predictions, tips, odds and match updates relating to sports events in particularly football and basketball games, watching live matches with anchors, anchor performance and socializing, engaging in a variety of sports related mobile games, and purchasing sports lottery tickets through retail channels in the neighborhood. Crazy Sports focuses on building innovative product offerings and services that are highly complementary in its ecosystem, thereby enhancing users experience, engagement and retention.

Crazy Sports Group has achieved significant growth since its inception. Crazy Sports Group's audited revenue in 2019 was HK\$186.0 million with gross profit of HK\$124.1 million. For the nine months ended 30 September 2020, our unaudited revenue was HK\$244.4 million with gross profit of HK\$96.4 million. During the nine months ended 30 September 2020, Crazy Sports Group made significant business developments, including:

- expansion of sales channels of Crazy Red Insights to 24 media platforms with high users traffic;

- further addition of renowned convenience store chains with a total of 18 business partners covering no less than 20,000 retail sales points in China;
- launching and promoting new mobile games which successfully offset the decline in business revenue of Crazy Red Insights during the COVID-19 pandemic;
- release of an official e-sports mobile game of CSL; and
- establishment of its presence in Hainan Province with an aim to develop the sports entertainment project of the Group leveraging the relevant new policy of Hainan Province.

## **B. Market Opportunity**

According to the CIC Report, the market size for the sport lottery industry in the PRC in terms of revenue is projected to increase from RMB230.8 billion in 2019 to RMB395.5 billion in 2024, of which event-based sports betting lottery can be catalyzed by large sports events, and boasts a high retention rate as participants are educated after major sports events. The percentage of sports betting lottery to total sports lottery sales has grown significantly in recent years, boosting the demand for paid sports lottery information service. It accounted for 53% of total sports lottery sales in 2019 and is expected to grow to 67% by 2024. Major sports events (for example, UEFA Euro, FIFA World Cup and the Olympics) in both 2021 and 2022 are expected to substantially facilitate the sales of sports betting lottery after a year almost absent of major sports events due to COVID-19 pandemic. Despite the stringent government regulations, sports lottery market in China is being revitalized towards a more transparent and controllable mechanism. The State General Admission of Sports announced its decision to promote high-quality sports development in its 14<sup>th</sup> Five Year Plan. Similarly, in 2016, the 13<sup>th</sup> Five-Year Plan for the Sports Industry made the sports lottery as one of the eight key development industries. China Insights Consultancy also projected the market size for the paid sports lottery information industry to increase from RMB440 million in 2019 to RMB2.7 billion in 2024, representing a compound annual growth rate of 43.4%. This has created vast opportunity for the Crazy Sports to accelerate the development of sports lottery and entertainment ecosystem to serve the increasing needs and number of lottery players.

## **C. Growth Strategies**

The management team of Crazy Sports possesses extensive experience and a proven track record of over 10 years in the sports lottery and entertainment industry in the PRC.

Crazy Sports seeks to lead the development of a vibrant sports lottery and entertainment industry in China to create long-term value for users and plan to implement the following growth strategies:

- (i) to speed up in establishing a nationwide retail sales points of sports lottery in the PRC;
- (ii) to reinforce our paid content leadership;
- (iii) to continue to develop new online games leveraging core competences of our platform;
- (iv) to continue to invest in technology and data capabilities;
- (v) to increase the brand awareness of Crazy Sports by executing marketing strategies; and
- (vi) to enhance our monetization capabilities by cross-selling among the online and offline sports community and lottery e-commerce ecosystem.

After restructuring, Crazy Sports will become the only main operating business of the Company, and the Group will truly become the first internet sports concept stock listed on the Main Board of the Stock Exchange with high profit capability and aim to bring fruitful return to all shareholders.

### **(3) CHANGES TO THE COMPOSITION OF THE BOARD AND OF COMMITTEES**

#### ***Changes to the Composition of the Board***

The Board is pleased to announce that following the Disposal Completion and effective from 1 January 2021, there will be changes to the composition of the Board with the objective of infusing the Group with a young, vibrant and professional team which will lead the Group to the next stage of growth, the details of which are set out below:

1. Ms. Wang Chun will resign as an executive Director;
2. Mr. Ji Qiang will resign as an executive Director;
3. Mr. Wang Linan and Professor Gong Zhankui will cease to be independent non-executive Directors upon expiry of their respective service contracts on 31 December 2020;
4. Mr. Peng Xitao will be appointed as an executive Director and the chief executive officer of the Company;
5. Mr. Zang Dongli and Mr. Zhou Jingping will be appointed as independent non-executive Directors.

Each of Ms. Wang Chun, Mr. Ji Qiang, Professor Gong Zhankui and Mr. Wang Linan has confirmed that he or she has no disagreement with the Board and there is no matter relating to his or her resignation that needs to be brought to the attention of the shareholders of the Company and the Stock Exchange.

The biographical details of the newly appointed directors are as follow:

**Mr. Peng Xitao**, aged 43, holds a Master degree of Computer Application from Nankai University and has more than 14 years of experience in the internet and related industries. He was appointed as the Joint Chief Operations Officer of the Group in October 2018. In 2012, Mr. Peng founded Yicai Yangguang\* (溢彩陽光) as chief executive officer, and Lottery 365 under his leadership quickly emerged as the number one mobile customers product in terms of the number of users and market share in the mobile internet lottery sector in China. With its outstanding product features, Lottery 365 had received many prestigious awards for its product innovation and branding in the industry. In 2015, Mr. Peng founded Crazy Sports and served as the chief executive officer. He pioneered the paid lottery information service platform — Crazy Red Insights which focus on providing lottery players with professional analyses and information services relating to football and basketball games, such platform has quickly become a leader in the industry. Crazy Sports was fully acquired by the Group in October 2018.

Mr. Peng has entered into a service agreement with the Company for an initial term of three years commencing on 1 January 2021, which may be terminated either by Mr. Peng or the Company by giving not less than three months' written notice at any time during the said initial term. However, Mr. Peng's directorship with the Company is subject to retirement at next annual general meeting in accordance with the bye-laws of the Company and shall then be eligible for re-election at that meeting. Pursuant to the terms of his service agreement, Mr. Peng is entitled to an annual remuneration of HK\$1,500,000 which was determined with reference to his duties and responsibilities as the independent non-executive Director and it has been reviewed by the remuneration committee of the Company.

As at the date of this announcement, Mr. Peng holds and is deemed to hold in aggregate 120,389,998 Shares. These 120,389,998 Shares comprise of: (i) 86,116,000 Shares directly held by Mr. Peng; and (ii) deemed interest of 34,273,998 Shares directly held by the spouse of Mr. Peng. Save as disclosed above, he does not have any interests in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

As at the date of this announcement, Mr. Peng does not have any relationship with any director, senior management, substantial or controlling shareholder of the Company for the purpose of the Listing Rules.

Save as disclosed above, there is no other information about Mr. Peng which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no matters that need to be brought to the attention of the shareholders of the Company in relation to her appointment.

**Mr. Zang Dongli**, aged 60, has about 40 years of experience in cultural and sport industries. He has been engaged in the development, advertising and fund-raising activities of national large-scale projects. Mr. Zang was responsible for the advertising, marketing and financing work of various large-scale projects, including the 11<sup>th</sup> Asia Games, the 7<sup>th</sup> National Games of the People's Republic of China, the 3rd Far East and South Pacific Games for the Disabled, the 21<sup>st</sup> Universiade and the 2008 Olympic Games in Beijing respectively. From 2007 to 2009, Mr. Zang served as the head of the market development department of Beijing International Media Center to provide services to the 2008 Olympic Games in Beijing, during which he was responsible for raising funds for the establishment of the Media Center and facilitated the cooperation with dozens of famous brands and enterprises in respect of fund raising and in-kind contributions. Thereafter, Mr. Zang worked as a project director of the business department of National Stadium Co., Ltd., responsible for the development of large-scale events and project fundraising for the National Stadium (Bird's Nest) until his retirement in early 2020.

Mr. Zang has entered into a service agreement with the Company for an initial term of three years commencing on 1 January 2021, which may be terminated either by Mr. Zang or the Company by giving not less than three months' written notice at any time during the said initial term. However, Mr. Zang's directorship with the Company is subject to retirement at next annual general meeting in accordance with the bye-laws of the Company and shall then be eligible for re-election at that meeting. Pursuant to the terms of his service agreement, Mr. Zang is entitled to an annual remuneration of HK\$120,000 which was determined with reference to his duties and responsibilities as the independent non-executive Director and it has been reviewed by the remuneration committee of the Company.

Save as disclosed herein, Mr. Zang did not (i) hold other positions in the Group as at the date of this announcement; (ii) have any other relationship with any Directors, senior management or substantial or controlling shareholder of the Company as at the date of this announcement; and (iii) in the last three years immediately preceding the date of this announcement, hold any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the date of this announcement, Mr. Zang is interested in the options pursuant to which he is entitled to subscribe for 3,000,000 Shares at a price of HK\$0.385 per Share which are exercisable over a period of 3 years from 30 March 2020 to 29 March 2023. Save as disclosed above, he does not have any interests in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

As at the date of this announcement, Mr. Zang does not have any relationship with any director, senior management, substantial or controlling shareholder of the Company for the purpose of the Listing Rules.

Save as disclosed above, there is no other information about Mr. Zang which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no matters that need to be brought to the attention of the shareholders of the Company in relation to her appointment.

**Mr. Zhou Jingping**, aged 54, is currently the vice chairman of HeYi Group (和易集團) and the managing director of King & Wood Mallesons. Before his career in business, Mr. Zhou worked as a police officer for 35 years and was recognized as a National Outstanding Police Officer and won the Outstanding Central State Organization Youth Award. Mr. Zhou used to serve as the director of the Economic Crime Investigation Division of the Ministry of Public Security, and the deputy district head and police chief of the Public Security Bureau of the People's Government of Fuling District, Chongqing. Mr. Zhou always focuses on the development of sports. During his tenure in Chongqing, he successfully organized various large-scale sports and culture events and exhibitions to promote the exchange of sports culture in China. Mr. Zhou holds a degree of Economics and Management from the Central Party School.

Mr. Zhou has entered into a service agreement with the Company for an initial term of three years commencing on 1 January 2021, which may be terminated either by Mr. Zhou or the Company by giving not less than three months' written notice at any time during the said initial term. However, Mr. Zhou's directorship with the Company is subject to retirement at next annual general meeting in accordance with the bye-laws of the Company and shall then be eligible for re-election at that meeting. Pursuant to the terms of his service agreement, Mr. Zhou is entitled to an annual remuneration of HK\$120,000 which was determined with reference to his duties and responsibilities as the independent non-executive Director and it has been reviewed by the remuneration committee of the Company.

Save as disclosed herein, Mr. Zhou did not (i) hold other positions in the Group as at the date of this announcement; (ii) have any other relationship with any Directors, senior management or substantial or controlling shareholder of the Company as at the date of this announcement; and (iii) in the last three years immediately preceding the date of this announcement, hold any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the date of this announcement, Mr. Zhou is interested in the options pursuant to which he is entitled to subscribe for 3,000,000 Shares at a price of HK\$0.385 per Share which are exercisable over a period of 5 years from 5 October 2020 to 4 October 2025. Save as disclosed above, he does not have any interests in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

As at the date of this announcement, Mr. Zhou does not have any relationship with any director, senior management, substantial or controlling shareholder of the Company for the purpose of the Listing Rules.

Save as disclosed above, there is no other information about Mr. Zhou which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no matters that need to be brought to the attention of the shareholders of the Company in relation to his appointment.



### *Changes to the Composition of Board Committees*

The Board is pleased to announce that following the change of Directors mentioned above and with effect from 1 January 2021, the following changes in the composition of its Board committees will be made:

1. Dr. Zhang will cease to be the member of remuneration committee and corporate governance committee of the Company;
2. Ms. Wang Chun will cease to be the member of each of the remuneration committee and the nomination committee of the Company upon retirement;
3. Ms. Cheng Po Chuen will become the member of each of the remuneration committee, the nomination committee and the corporate social responsibility committee and the chairman of the corporate governance committee of the Company;
4. Dr. Loke Yu will cease to be the member of the corporate governance committee of the Company;
5. Mr. Wang Linan will cease to be the member of each of the audit committee, the nomination committee, the remuneration committee and the corporate governance committee of the Company;
6. Professor Gong Zhankui will cease to be chairman of the corporate governance committee and the member of each of the audit committee, the nomination committee and the remuneration committee of the Company;
7. Mr. Peng Xitao will become the member of the corporate governance committee and the chairman of the corporate social responsibility committee of the Company;
8. Mr. Zang Dongli will become the member of each of the audit committee, the remuneration committee, the nomination committee and the corporate social responsibility committee of the Company; and
9. Mr. Zhou Jingping will become the member of each of the audit committee, the nomination committee, the corporate governance committee and the corporate social responsibility committee of the Company.



## Summary

With effect from 1 January 2021, the members of the Board of the Company are set out below:

### *Executive Directors*

Dr. Zhang Lijun (*Chairman*)

Mr. Peng Xitao

Ms. Cheng Po Chuen

### *Independent non-executive Directors*

Dr. Loke Yu (alias Loke Hoi Lam)

Mr. Zang Dongli

Mr. Zhou Jingping

There are five Board committees in the Company. The table below provides membership information of these committees on which each Board member serves.

	<b>Audit Committee</b>	<b>Remuneration Committee</b>	<b>Nomination Committee</b>	<b>Corporate Governance Committee</b>	<b>Corporate Social Responsibility Committee</b>
Dr. Zhang Lijun	—	—	C	—	—
Mr. Peng Xitao	—	—	—	M	C
Ms. Cheng Po Chuen	—	M	M	C	M
Dr. Loke Yu (alias Loke Hoi Lam)	C	C	M	—	—
Mr. Zang Dongli	M	M	M	—	M
Mr. Zhou Jingping	M	—	M	M	M

*Notes:*

C Chairman of the relevant Board committees

M Member of the relevant Board committees

## (4) CONTINUING CONNECTED TRANSACTIONS

The Group's sport business has been under a variable interest entity arrangement contemplated under the VIE Contracts to which Crazy Sports and WFOE, an indirect wholly-owned subsidiary of the Company, are parties. Details of the structured contracts were disclosed in the Company's latest annual reports and the circular dated 28 September 2018 in relation to the acquisition of Crazy Sports Group.

As at the date of this announcement, Crazy Sports is held by Mr. Peng and an associate of Mr. Peng under the Listing Rules. Following the appointment of Mr. Peng as an executive Director becoming effective on 1 January 2021, the transactions contemplated under the VIE Contracts will constitute continuing connected transactions of the Company for the purpose of Chapter 14A of the Listing Rules, and are subject to the reporting, announcement and independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules. The Company will apply to

the Stock Exchange for a waiver from strict compliance with the said requirements under Chapter 14A of the Listing Rules in respect of the continuing connected transactions under the VIE Contracts.

## **(5) PROPOSED CHANGE OF COMPANY NAME**

The Board proposes to change the Company's English name from "V1 Group Limited" to "Crazy Sports Group Limited" and the Company's secondary name from "第一視頻集團有限公司" to "瘋狂體育集團有限公司". The Change of Company Name is subject to the approval by the Shareholders at the 2021 AGM by way of a special resolution and the approval of the Registrar of Companies in Bermuda. A special resolution will be proposed at the 2021 AGM to be convened in around May 2021 for the Shareholders to consider and, if thought fit, approve the Change of Company Name.

### **Conditions of the Change of Company Name**

The Change of Company Name will be subject to the following conditions having been satisfied:

1. the passing of a special resolution by the Shareholders at the 2021 AGM to approve the Change of Company Name; and
2. the Registrar of Companies in Bermuda approving the Change of Company Name.

Subject to the satisfaction of the conditions set out above, the Change of Company Name will take effect from the date of the certificate of incorporation on change of company name to be issued by the Registrar of Companies in Bermuda in respect of the Change of Company Name. The Company will carry out all necessary filing procedures with the Companies Registry in Hong Kong upon the Change of Company Name becoming effective.

### **Reasons for the Change of Company Name**

The Board considers that the Change of Company Name will better reflect the future business plans and development of the Group. The Board believes that the new name can provide the Company with a more relevant and distinctive corporate identity following the restructuring which will benefit the Company's future business development and is in the best interests of the Company and the Shareholders as a whole.

### **Effect of the Change of Company Name**

The Change of Company Name will not affect any rights of the existing holders of securities of the Company. All the existing certificates of securities in issue bearing the present name and former names of the Company will, after the Change of Company Name becoming effective, continue to be evidence of title to such securities and the existing share certificates will continue to be valid for trading, settlement, registration, and delivery purposes. Accordingly, there will not be any arrangement for exchange of the existing certificates of securities for new certificates

bearing the new name. Once the Change of Company Name becomes effective, new certificates of securities will be issued bearing the new name. The Company will make further announcement(s) as and when appropriate on the arrangement relating to the trading and dealings in the securities of the Company on the Main Board of the Stock Exchange under the new name and as to when the new name will become effective. In addition, subject to the confirmation by the Stock Exchange, the English stock short name and the Chinese stock short name for trading of the shares of the Company on the Stock Exchange will also be changed after the proposed Change of Company Name has become effective.

## **General**

A circular containing, among others, details of the Change of Company Name, together with a notice of the 2021 AGM, will be despatched to the Shareholders in due course.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meaning ascribed to them below:

“AGM”	the annual general meeting of the Company held on 21 May 2020
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	board of Directors
“Business Day”	any day (not being a Saturday, Sunday and public or statutory holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CATV”	China Arab TV, a Chinese-Arabic bilingual satellite TV channel incorporated and headquartered in Dubai, the UAE
“CATV Group”	collectively, Golden Target, CATV Group Limited, and Arab Business TV FZ-LLC, miniV.tv Holdings Limited, miniV.tv (Hong Kong) Limited and 北京迷你微視信息技術有限公司
“CATV Fund”	CATV Cayman LP, an exempted limited partnership registered in the Cayman Islands
“CIC Report”	an industry report commissioned by the Group and prepared by China Insights Consultancy, an independent research firm, to provide information regarding the sports lottery and entertainment industry and the market position of Crazy Sports Group in the PRC

“Change of Company Name”	The change of the Company name to the Company’s English name from “V1 Group Limited” to “Crazy Sports Group Limited” and the Company’s secondary name from “第一視頻集團有限公司” to “瘋狂體育集團有限公司” to be proposed to Shareholders for approval at the 2021 AGM
“China Investment”	第一視頻(中國)投資有限公司 (V1 (China) Investment Co., Ltd.*), a limited liability company established in the PRC
“Company”	V1 Group Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“Crazy Sports”	北京瘋狂體育產業管理有限公司 (Beijing Crazy Sports Management Company Limited*), a company established in the PRC through which the Group’s sports business is operated by way of variable interest entity arrangement under the VIE Contracts
“Crazy Sports Group”	the WFOE, and Crazy Sports and its subsidiaries which are deemed to be subsidiaries of the Group by reason of the VIE Contracts
“Directors”	the directors of the Company
“Disposal”	the disposal of the CATV Group and China Investment from the Company pursuant to the Sale and Purchase Agreement
“Disposal Completion”	the completion of the Sale and Purchase Agreement
“Goal Dynasty”	Goal Dynasty Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Golden Ruby”	Golden Ruby Cayman LTD, an exempted company incorporated in the Cayman Islands with limited liability and the sole general partner of the CATV Fund
“Golden Target”	Golden Target Global Limited, a company incorporated in the British Virgin Islands with limited liability
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Third Party(ies)”	an individual(s) or a company(ies) who or which is(are) independent of and not connected with (within the meaning of the Listing Rules) any Directors, chief executive or substantial shareholders, of the Company, its subsidiaries or any of their respective associate(s)
“Liangzi Port”	the Group’s online and offline digital trading platform for consumer electronic products
“Limited Partnership Agreement”	the amended and restated limited partnership agreement of the CATV Fund dated 7 December 2020
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Peng”	Mr. Peng Xitao
“Ms. Wong”	Ms. Wong Wai Kwan
“O2O”	online-to-offline
“PRC”	The People’s Republic of China
“Sale and Purchase Agreement”	the sale and purchase agreement entered into between the Company as vendor and CATV Fund as purchaser on 7 December 2020 in relation to the Disposal
“Share(s)”	the 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
“Subscription”	subscription of the limited partnership interest in the CATV Fund under the Subscription Agreement
“Subscription Agreement”	the subscription agreement executed on 7 December 2020 by the Goal Dynasty as subscriber in relation to the subscription for the limited partnership interests in the CATV Fund, pursuant to which Goal Dynasty has applied to subscribe for limited partnership interests in the CATV Fund with the capital commitment in kind which has been accepted by the CATV Fund
“substantial shareholder(s)”	has the meaning as described thereto under the Listing Rules
“Telemedia Equipment”	equipment used in or relating to the V1 Platform

“VIE Contracts”	the structured contracts entered into between WFOE and Crazy Sports for the operation of the Group’s sports business details of which are disclosed in the circular of the Company dated 28 September 2018 in relation to the acquisition of the sports business by the Group
“V1 Platform”	a news video-blogging platform that provide internet information services included internet audio-visual new media and other Internet+ business in the PRC
“WFOE”	瘋狂新游(北京)技術有限公司 (Crazy New Game (Beijing) Technology Co. Ltd.*), an indirect wholly-owned subsidiary of the Company
“2021 AGM”	the next annual general meeting of the Company to be held in 2021
“%”	per cent.

By Order of the Board  
**V1 Group Limited**  
**ZHANG Lijun**  
*Chairman*

Hong Kong, 7 December 2020

As at the date of this announcement, the Directors are:

*Executive Directors:*

Dr. ZHANG Lijun (*Chairman*)

Ms. WANG Chun

Mr. JI Qiang

Ms. CHENG Po Chuen

*Independent non-executive Directors:*

Dr. LOKE Yu (*alias LOKE Hoi Lam*)

Prof. GONG Zhankui

Mr. WANG Linan

\* *The English translations of the Chinese names of the PRC entities are provided for identification purposes only.*