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**bossini**

**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 TRANSACTIONS  
PURCHASE FRAMEWORK AGREEMENT**

Reference is made to the announcement issued by the Company on 14 November 2023 in relation to the continuing connected transactions contemplated under the Purchase Agreement made between Guangzhou Fubaolong and Viva Shoes.

**PURCHASE FRAMEWORK AGREEMENT**

The Board is pleased to announce that on 4 October 2024 (after trading hours), the Company and Viva Shoes entered into the Purchase Framework Agreement which replaced the Purchase Agreement. Pursuant to the Purchase Framework Agreement, the members of the Group may, subject to the annual caps, purchase the Products from Viva Shoes. The Purchase Agreement will be terminated with effect from 4 October 2024.

The terms of the Purchase Framework Agreement are as follows:

|                          |   |
|--------------------------|---|
| <b>Date:</b>             | 4 October 2024  |
| <b>Parties:</b>          | the Company<br><br>Viva Shoes, a non wholly-owned subsidiary of Viva Goods  |
| <b>Effective Period:</b> | For a term commencing from the date of the Purchase Framework Agreement and ending on 31 December 2025.   |
| <b>Principal terms:</b>  | Pursuant to the Purchase Framework Agreement, the members of the Group may purchase the Products from Viva Shoes and will provide the design of the Products specifying the type of materials to be used before requesting Viva Shoes to provide quotations for the production of the Products. |

\* For identification purposes only

**Payment terms:**

The members of the Group shall pay within 30 days after they have checked the quality of the Products for the relevant order. The fees payable will be satisfied by internal resources of the Group.

**Price and  
Pricing Policy:**

The prices for the Products are determined by reference to (i) the prevailing market prices of the raw materials and accessories used in the Products, the labour costs, the order size, the complexity of the design of the Products and prevailing market demand; and (ii) the prevailing market price of similar products and order size taking into consideration of the workmanship and quality of such products, and on similar terms of payment and delivery offered by suppliers, being independent third parties, to the Group.

To ensure that the terms of purchase offered by Viva Shoes are no less favourable to the Group than those available from independent third parties, the members of the Group will obtain quotations of similar products and order size taking into consideration of the workmanship and quality of such products, and on similar payment and delivery terms from at least two suppliers which are independent third parties in order to ascertain the prevailing market price mentioned in (ii) above.

When entering individual contracts as contemplated under the Purchase Framework Agreement with Viva Shoes, the product department of the Company will conduct the independent third-party quotations comparison procedure as described in the paragraph above to ensure that the price and terms of each contract, taken as a whole, offered by Viva Shoes are no less favourable to the Group than those offered by independent third parties.

Upon delivery of the Products, the quality control department of the Group will also conduct checks to review and assess whether the Products have been supplied in accordance with the terms of each contract and the pricing policy described above.

## Annual caps and basis of determination

The table below sets out the annual cap for the fees payable by the Group contemplated under the Purchase Framework Agreement:

| <i>In RMB</i> | <b>For the year<br/>ending 31 December</b> |             |
|---------------|--|-------------|
|               | <b>2024</b>                                | <b>2025</b> |
| Annual caps   | 5 million                                  | 5 million   |

The annual caps have been determined with reference to (i) the historical transaction amounts of purchases from Viva Shoes under the Purchase Agreement; and (ii) the anticipated sales volume of the Group for the two financial years ending 31 December 2025. For avoidance of doubt, the historical transaction amounts between Guangzhou Fubaolong and Viva Shoes during 2024 would be included in the annual caps for the Purchase Framework Agreement for the year ending 31 December 2024. As at the date of this announcement, the total amount of transactions between Guangzhou Fubaolong and Viva Shoes under the Purchase Agreement has not exceeded the proposed annual cap for the Purchase Framework Agreement for the year ending 31 December 2024.

The historical transaction amounts between the Guangzhou Fubaolong and Viva Shoes for the two financial years ended 31 December 2023 and the eight months ended 31 August 2024 were as follows:

| <i>In RMB</i>   | <b>For the year<br/>ended 31 December</b> |             | <b>For the<br/>eight months<br/>ended</b> |
|-----------------|---|-------------|---|
|                 | <b>2022</b>                               | <b>2023</b> | <b>31 August<br/>2024</b>                 |
| Actual purchase | 0.7 million                               | 3.6 million | 1.4 million                               |

## Reasons and benefits of the transactions

The Group is principally engaged in retailing and distribution of garments bearing the Group's designated brand names including "bossini", "bossini.X" and "bossini.X KIDS". Viva Shoes is a non wholly-owned subsidiary of Viva Goods, which principally engaged in manufacturing footwear.

The Group has made orders for footwear from Viva Shoes and it has been a reliable supplier of the Products to the Group to meet its business needs. The Directors consider that the transactions with Viva Shoes are in the interest of the Group, as it would be able to provide secure reliable source of quality Products to the Group at prices and terms, considered as a whole, not less favourable than that offered by independent third party suppliers.

Considered the business development of the Group, the Directors are of the view that entering into the Purchase Framework Agreement allows the members of the Group (including Guangzhou Fubaolong) to enjoy the flexibility of acquiring the Products from Viva Shoes according to their individual's needs and conditions which further achieves synergy between the Group and the Viva Group in supply chains solutions and distribution channels.

## **INTERNAL CONTROL**

In order to ensure that the Group complies with the terms of the Purchase Framework Agreement, the Company has adopted a series of internal control policies in its daily operations.

These internal control policies are implemented and monitored by the Company's finance department, product department, independent non-executive Directors and external auditors:

- (1) the Company's finance department conducts regular monitoring of connected transactions, the results of which together with the external auditor's report are then submitted to the audit committee and independent non-executive Directors for review. The Company's finance department and the product department supervise connected transactions and ensures that these transactions are carried out in the following ways: (a) the price of the Products is determined in accordance with the relevant pricing principles; and (b) the continuing connected transactions are conducted in accordance with the terms of the Purchase Framework Agreement, and that the terms are fair and reasonable and are in the interests of the Company and its Shareholders as a whole;
- (2) the independent non-executive Directors have reviewed and will continue to review the continuing connected transactions and confirm in the annual report whether the transactions are concluded on normal or better commercial terms; in accordance with the Purchase Framework Agreement, and that the terms are fair and reasonable and are in the interests of the Company and its Shareholders as a whole; and
- (3) the Company's external auditors will also conduct annual reviews on the continuing connected transactions including reviews of the total amount of accumulated transactions and annual caps, and make corresponding confirmations in the Company's annual report.

The Board believes that the above internal control procedures can ensure that the transactions under the Purchase Framework Agreement will be implemented on normal or better commercial terms and will not harm the interests of the Company and its Shareholders.

## **INFORMATION OF THE PARTIES TO THE PURCHASE FRAMEWORK AGREEMENT**

The Company and its subsidiaries are principally engaged in the retailing and distribution of garments bearing the Group's designated brand names including "bossini", "bossini.X" and "bossini.X KIDS". As at the date of this announcement, the Company is owned as to approximately 62.91% by Dragon Leap Consumables Limited (which is in turn indirectly wholly-owned by Viva Goods) and is an indirect non-wholly owned subsidiary of Viva Goods.

Viva Shoes, a non wholly-owned subsidiary of Viva Goods, is principally engaged in manufacturing footwear.

Viva Goods and its subsidiaries are principally engaged in the operation of "multi-brands apparels and footwear" business. It also engages in the "sports experience" business, including the operation, service provision and investment of sports destinations, sports competitions and events as well as an e-sports club.

## **IMPLICATIONS OF THE LISTING RULES**

Viva Shoes is a subsidiary of Viva Goods, the indirect controlling shareholder of the Company. Accordingly, Viva Shoes is a connected person of the Company and the transactions contemplated under the Purchase Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since one or more of the applicable percentage ratios in respect of the transactions under the Purchase Framework Agreement exceed 0.1% but do not exceed 5%, the continuing connected transactions under the Purchase Framework Agreement are subject to reporting and announcement requirements but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

In view of the reasons and benefits set out in the paragraphs headed "Reasons and benefits of the transactions", the Directors (including the independent non-executive Directors) are of the view that the Purchase Framework Agreement and the transactions contemplated thereunder (together with the annual caps) have been entered into in the ordinary course of business of the Company, and on normal commercial terms after arm's length negotiations between the parties, and the terms of the Purchase Framework Agreement and the transactions contemplated thereunder (together with the annual caps) are fair and reasonable and in the best interests of the Company and its Shareholders as a whole.

As no Director is considered by the Board to have a material interest in the Purchase Framework Agreement and the continuing connected transactions contemplated thereunder, none of the Directors have abstained from voting on the relevant Board resolutions.

## DEFINITIONS

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

|                           |   |
|---------------------------|---|
| “Board”                   | the board of Directors;   |
| “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;  |
| “Director(s)”             | the director(s) of the Company;   |
| “Group”                   | the Company and its subsidiaries;   |
| “Guangzhou Fubaolong”     | 廣州富葆龍貿易有限公司, a company established in the PRC, a wholly-owned subsidiary of the Company;  |
| “Hong Kong”               | the Hong Kong Special Administrative Region of the PRC;   |
| “Listing Rules”           | the Rules Governing the Listing of Securities on the Stock Exchange;  |
| “percentage ratio(s)”     | has the meaning as given in the Listing Rules;  |
| “PRC”                     | the People’s Republic of China, which for the purpose of this announcement only, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan;                                       |
| “Products”                | adult and children shoes;   |
| “Purchase Agreement”      | the purchase agreement dated 14 November 2023 entered into between Guangzhou Fubaolong and Viva Shoes;  |

|                                |  |
|--------------------------------|--|
| “Purchase Framework Agreement” | the purchase framework agreement dated 4 October 2024 entered into between the Company and Viva Shoes;   |
| “RMB”                          | Renminbi, the lawful currency of the PRC;  |
| “Shares”                       | the ordinary shares of the Company;  |
| “Shareholders”                 | holders of the Shares;   |
| “Stock Exchange”               | The Stock Exchange of Hong Kong Limited;   |
| “Viva Goods”                   | Viva Goods Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 933) and the indirect controlling shareholder of the Company; |
| “Viva Group”                   | Viva Goods and its subsidiaries from time to time;   |
| “Viva Shoes”                   | 來賓寧聚力鞋業有限公司, a company established in the PRC, a non wholly-owned subsidiary of Viva Goods;  |
| “%”                            | percent.   |

By Order of the Board of  
**Bossini International Holdings Limited**  
**Mr. ZHAO Jianguo**  
*Chairman and Executive Director*

Hong Kong SAR, 4 October 2024

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. ZHAO Jianguo (Chairman), Mr. CHEUNG Chi (Chief Executive Officer) and Ms. YU Xin, one non-executive Director, namely Mr. LAW Ching Kit Bosco, and three independent non-executive Directors, namely Mr. LEE Kwok Ming, Prof. SIN Yat Ming and Mr. CHEONG Shin Keong.*