



【For Immediate Release】

15 May 2023



(Stock code: 8032.HK)

Viva Goods Announces Q1 Results of FY2023
Revenue Surged by 684.6% to approximately HK\$3,011 million
Net Profit Reached approximately HK\$22.3 million

HKD 000'	For the Three Months ended 31 March		Change
	2023	2022	
Revenue	3,011,400	383,800	+684.6%
- Multi-Brand Apparel and Footwear Business	2,890,600	239,900	+1,104.9%
- Sports Experience Business	120,800	143,900	-16.1%
Gross profit	1,344,400	132,200	+916.7%
Profit/(loss) attributable to equity holders	23,300	(11,700)	Turnaround
Gross profit margin	44.6%	34.5%	+10.1 p.p.
Net profit margin	0.8%	N/A	Turnaround
Basic earnings/(loss) per share (HK cents)	0.2	(0.10)	Turnaround

(Hong Kong – 15 May 2023) **Viva Goods Company Ltd.** and its subsidiaries (“Viva Goods” or the “Group”; stock code: 8032.HK), is pleased to announce its results for the three months ended 31 March 2023 (the “Period”). As the British footwear brand Clarks acquired in the second half of 2022 put on exceptional performance during the Period, overall revenue of the Group rose by nearly 7 times to HK\$3,011 million while the gross profit surged by more than 9 times, achieving a turnaround from loss to profit. Profit attributable to equity holders recorded HK\$23.3 million. The Group's overall profit margin and operational efficiency were significantly improved. Besides, sales of several brands of the Group improved compared to the same period in 2022 as China has fully lifted the epidemic prevention and control measures, and social livelihood and economic activities have returned to normal.



Consolidate Multi-brand Apparel and Footwear Business to Reinforce International Strategic Expansion

Viva Goods is committed to becoming a top international consumer brands operation company, building its multi-brand apparel and footwear business whilst expanding market shares in Europe, the United States and the Asia-Pacific region. During the post-Covid period, the market environment is gradually stabilising. In mid-May, the Group changed its name from “Viva China Company Limited” to “Viva Goods Company Limited”, so as to support its global business expansion and international growth strategy, enhance the unique corporate identity and define a clear strategic direction for the Group’s future international growth.

In early 2023, the Group completed the increase in its shareholdings in Clarks, an internationally renowned footwear brand. With effective equity reaching 51%, the Group has become the largest shareholder of Clarks. During the Period, Clarks recorded a revenue of approximately HK\$2.6 billion, accounting for 86% of the Group’s total revenue, and its profits also made up for the losses of other apparel and footwear brands of the Group during the transformation stage. In the future, the Group will continue to consolidate the brand’s market shares in Europe and the United States, improve operational efficiency and profit margins, expand the business scale of Clarks in the Greater China market with the Group’s solid sales network and operational strengths.

Bossini under the Group has taken the new brand “bossini.X” as its development focus and continued to explore the huge consumption potential of the young generation with great consumption capacity. During the Period, the brand was infused with professional cycling spirit by sponsoring the Chinese Cycling Team, and connected to the target consumer groups. It also developed sports fashion categories suitable for daily wear. In the next few years, “bossini.X” is committed to working on product restructuring and channel expansion in an effort to narrow down the losses.



Mr. Li Ning, the Chairman, Chief Executive Officer and Executive Director of the Group said “Looking ahead, the global economy is gradually recovering from the epidemic, and the retail market and consumer confidence are expected to recover gradually. Viva Group will continue to explore and further consolidate the international brand matrix through brand value reshaping, and gradually grow into a more important market participant. Life has started to return to normal after the pandemic, and the macro environment is favourable for growth. The Group will remain vigilant and conduct thorough analysis of the global economic and consumption trends, making timely adjustments to operational and business strategies, with the goal of expanding its international business presence, capitalizing on potential opportunities, and maximizing shareholder value through sustainable development.”

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About Viva Goods Company Limited

Viva Group is a consumer brands operating company. It has developed a portfolio of renowned international multi-brand apparel and footwear brands, including Clarks, a well-known British footwear brand, Amedeo Testoni, an Italian luxury leatherwear brand, and bossini.X, the casual brands which are famous in both Mainland China and Hong Kong, as well as affordable luxury brand LNG and Lingerie brand Neizhuang. Apart from the multi-brand apparel and footwear business, the Company also developed its sports experience business, which includes operating and managing a total of 9 sports parks and 12 ice-skating rinks across China, as well as the E-Sports Team, LNG.

This press release is issued by DLK Advisory Limited on behalf of **Viva Goods Company Limited**.

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