

FILA



THE GAME
NEVER LOOKS
THE SAME
AGAIN

*MIX OF ATHLETIC AND AESTHETIC,
AUTHENTIC AND FASHIONS,
ITALIAN AND COSMOPOLITAN*



Acquisition

On 30 September 2009, the Group completed the acquisition of the Fila PRC Trademarks through the acquisition of 85% equity interest in Full Prospect and the business of retailing Fila Products in Hong Kong and Macau through the acquisition of the entire equity interest in Fila Marketing. The total consideration was funded by the internal resources of the Group. Please referred to note 30 of the consolidated financial statements for further information on the transactions.

The "FILA" brand is a well-known global sportswear brand targeting the high-end market segment. The acquisition represents a good opportunity for us to expand our coverage to the high-end sportswear market in the PRC. The operation of Fila retail stores in Hong Kong and Macau is strategically important



for extending the brand's reputation to the PRC market. As at 31 December 2009, the Group's distributors have been operating nearly 50 Fila outlets in major cities of the PRC and the Group has nearly 10 Fila outlets in Hong Kong and Macau.

Heritage

Established in Italy in 1911, Fila made a dramatic debut as an elite sportswear brand in 1973 with two things: the F-box logo and Björn Borg. The F-box became a design icon, and while Borg was on his way to becoming one of the greatest tennis players in the sport's history, it introduced cotton ribbed, fashionable designs in vibrant colors to conservative tennis whites. The game never looks the same again.

But Fila is not just tennis. Worn by Ingemar Stenmark in his pursuit of 86 World Cup titles, Fila swept through alpine skiing. Fila graced the greens of 5 British Open and 2 Masters titles with Tom Watson. Through the 1980s and 90s, names like Reinhold Messner, Alberto Tomba, Monica Seles, Antonio Rossi, Svetlana Kuznetsova and Kim Clijsters stood out not only for their achievements, but also for the Fila designs they wore. Fila have since then branched out into fitness and wellness.

Fila becomes the leading authentic performance sportswear brand inspired by the style, elegance, and passion of its Italian heritage. It has tailored the sportswear to elite and style-conscious professional athletes around the world and has made the same fashionable offerings for their spectators.

Rejuvenation

For over three decades, Fila has been a well-known sportswear brand in the global market. In order to raise the brand awareness and impact on the young elite groups in the PRC high-end sportswear market, the Group has been studying thoroughly how to rejuvenate and reposition Fila brand in China.

Integration

The Group has integrated the PRC team and the Hong Kong team who have deep understanding of Fila brand together with Fila's worldwide resources and designers to form a strong product development team. Through innovative design, luxurious materials, and attention to detail, the Group will mix the heritage of Fila design with the fashion elements taking into account the preferences and physical characteristics of Chinese consumers to offer a new look of Fila products to the PRC market. The Group has also introduced OEM with extensive experience in serving international brands and high-end customer markets to strengthen supply chain.

