

Form 604

Corporations Act 2001
Section 671B

Notice of change in interests of substantial holder

This Notice corrects and replaces the Notice released to the market on 11 October 2017 and on 17 October 2017

To: Company Name/Scheme XPD SOCCER GEAR GROUP LIMITED

ACN/ARSN 96 169 695 283

1. Details of substantial holder (1)

Name CHOU QIN INTERNATIONAL CO., LTD (**Chou Qin**) and
JIAMENG ZHANG (**the Substantial Holder**).

ACN/ARSN (if applicable)

There was a change in the interests of the substantial holder on During 2017

The previous notice was given to the company on 31 January 2017

The previous notice was dated 31 January 2017

2. Previous and present voting power

The total number of votes attached to all the voting share in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary Shares	241,803,794	55.8%	90,032,153	20.72%

NB: Voting Power based on full issued capital of 434,534,634 shares

This Notice corrects and replaces the Notice released to the market on 11 October 2017 which stated that the Number of shares in XPD held by Chou Qin was 211,550,911. It also corrects the Notice released to the market on 17 October 2017 which states that the number of shares in XPD held by Chou Qin was 177, 287,519. It is also noted that the Appendix 3Y released to the market on 6 October 2017 is also incorrect as it states a shareholding interest for Jiameng Zhang via Chou Qin of 142,202,276

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Please see Appendix A

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Substantial Holder	Citicorp Nominees Pty Limited	Citicorp Nominees Pty Limited	Relevant interest arising under section 608(1)(b) and (c)	52,209,432	12.02%
Substantial Holder	Chou Qin International Co Ltd	Chou Qin	Relevant interest arising under section 608(1) as the registered holder	20,000,000	4.60%
Substantial Holder	HSBC Custody	HSBC Custody	Relevant interest arising under section 608(1)(b) and (c)	6,400,000	1.47%
Substantial Holder	Sun Hung Kai Investment Services Limited	Sun Hung Kai Investment Services Limited	Relevant interest arising under section 608(1)(b) and (c)	10,000,000	2.30%
Substantial Holder	Jiameng Zhang	Jiameng Zhang	Relevant interest arising under section 608(1) as the registered holder	1,422,721	0.33%
Total				90,032,153	20.72%

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
The Substantial Holder	Mr Zhang controls an 80% shareholding in Chou Qin and act together and as such are associates of each other

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
The Substantial Holders	
Citicorp Nominees Pty Limited	GPO Box 764G
HSBC Custody Nominees (Australia) Limited	GPO Box 5302
Sun Hung Kai Investment Services Ltd	42/F The Lee Gardens, 33 Hysan Ave Causeway Bay, Hong Kong
Chou Qin International Co Ltd	6F Chaoda BLDG Huzhong Ind Zone Chendai Jinjiang City
Jiameng Zhang	Level 1 530 Little Collins St Melbourne Victoria

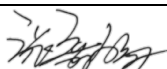
Signature

Print name

JIAMENG ZHANG

Capacity Director of Chou Qin and in his own right

sign here



date 7 May 2018

Directions

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

APPENDIX A – FORM 604 – CHOU QIN INTERNATIONAL CO., LTD (“Chou Qin”)

On 21 November 2016, 234,904,834 shares held by Chou Qin were released from escrow. On this date Chou Qin’s total holding was 249,003,794 fully paid shares which resulted in it controlling 57.3% of the Company at that time.

On 21 November 2016, Chou Qin signed a Non-Recourse Loan agreement with Gallus Financial Management Limited (“Gallus Agreement”) whereby Chou Qin pledged all rights, title and interest in an aggregate of 206,000,000 shares in XPD Soccer Gear Group Limited (XPD) to secure a loan in the total sum of A\$20 million.

During the first quarter of 2017, Chou Qin transferred 20,800,000 shares in XPD to unrelated third parties in off market transfers as below:

18 January 2017	7,200,000
28 February 2017	600,000
20 March 2017	13,000,000
Total	20,800,000

Chou Qin also transferred shares to nominee companies, though the shares remained under Chou Qin’s control, as below:

Nominee Company	9 August 2016	29 Nov 2016	25 Jan 2017	14 March 2017	16 March 2017	10 April 2017	Total
Citicorp Nominees	14,198,960	100,000,000			24,004,834		138,203,794
HSBC Custodians			50,000,000	30,000,000			80,000,000
Sun Hung Kai						10,000,000	10,000,000
Total							228,203,794

During 2017, Chou Qin pledged specific securities as it drew down on the Gallus loan facility referred to above as per the table below:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
12/02/2017	Chou Qin International Co Ltd	Securities pledged for personal loan in a number of tranches	USD 465,000	15,435,568	
16/02/2017			USD 465,000	16,735,840	
02/03/2017			USD232,500	14,459,226	
10/03/2017			USD232,500	14,587,466	
24/03/2017			USD232,500	18,033,692	
05/04/2017			USD232,500	15,299,876	
27/04/2017			USD186,000	15,056,840	
08/05/2017			USD186,000	14,808,892	
12/07/2017			USD202,206	14,000,000	
18/07/2017			USD310,180	21,176,962	
TOTAL			USD2,744,386	159,594,362	

The facility is currently in default as the Company has been continuously suspended from ASX trading for longer than 10 days. The event of default allows the Lender to transfer all pledged shares into a Securities Account with the effect that all of the pledged shares noted above will be, or are, removed from the control of Chou Qin.

Chou Qin have no further obligation to provide any further shares under the original Gallus Agreement.

The loss of the pledged shares result in Chou Qin retaining control of 68,609,432 shares.

During the period since the last Form 604 Chou Qin also acquired shares as below.

12 March 2018	Chou Qin International Co Limited	20,000,000
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The Company has issued tracking notices on the aforementioned Companies, and other nominee companies to confirm the numbers as above.

The net effect of the above is that Chou Qin is the beneficial owner of 88,609,432 shares in XPD, and that with Jiameng Zhang's shareholding of 1,422,721 included the number is increased to 90,032,153 shares.