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WISDOM HOLDINGS GROUP

智美控股集团

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1661)

DISCLOSEABLE TRANSACTIONS SUBSCRIPTIONS OF RENMINBI WEALTH MANAGEMENT PRODUCTS

The Board of the Company announces that, the Group subscribed for (1) Renminbi wealth management product “Zhao Zhao Jin (朝招金)” issued by CMB at a subscription amount of RMB140 million on 28 November 2014; (2) Renminbi wealth management product “Tian Tian Jin (天添金)” issued by CMB at a subscription amount of RMB100 million on 11 December 2014; (3) Renminbi wealth management product “Bu Bu Sheng Jin (步步生金)” issued by CMB at a subscription amount of RMB150 million on 6 January 2015; (4) Renminbi wealth management product “Tian Tian Jin (天添金)” issued by CMB at a subscription amount of RMB60 million on 7 January 2015; and (5) Renminbi wealth management product “Ding Ding Cheng Jin (鼎鼎成金)” issued by CMB at a subscription amount of RMB100 million on 13 January 2015.

For each of the First Subscription, the Second Subscription, the Third Subscription, the Fourth Subscription and the Fifth Subscription, the relevant applicable percentage ratios (as defined under the Listing Rules) exceed 5% but are less than 25%. Therefore, pursuant to the Listing Rules, each of the First Subscription, the Second Subscription, the Third Subscription, the Fourth Subscription and the Fifth Subscription constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under the Listing Rules, while exempted from the shareholders’ approval requirement.

SUBSCRIPTIONS OF RENMINBI WEALTH MANAGEMENT PRODUCTS

The Company has recently subscribed for five Renminbi wealth management products issued by CMB, the principal terms of which are set out as follows:

First Subscription

Date of the subscription:	28 November 2014
Parties of the subscription:	(1) Beijing Wisdom Media (as the subscriber); and (2) CMB (as the custodian bank)
Name of the product and term of investment:	Renminbi wealth management product “Zhao Zhao Jin (朝招金)” (No. 7007) with an investment term from 28 November 2014 to 23 December 2014
Currency of investment and return:	Renminbi
Rate of return on investment:	The annualized rate of return is approximately 3.2%.
Subscription amount:	RMB140 million. The subscription amount is determined with reference to the level of cash and cash equivalent as well as the estimated short-term funding requirements of the Group.
Investment scope of the product:	This wealth management product proposes to invest in financial assets and financial instruments with higher credit rating and better liquidity available in the PRC interbank market, including but not limited to, bonds, asset-backed securities, direct financing tool, money lending, reverse repurchase and bank deposit as well as investment through asset management plan.

Second Subscription

Date of the subscription:	11 December 2014
Parties of the subscription:	(1) Beijing Wisdom Media (as the subscriber); and (2) CMB (as the custodian bank)
Name of the product and term of investment:	Renminbi wealth management product “Tian Tian Jin (天添金)” (No. 9250) with an investment term from 11 December 2014 to 26 December 2014

Currency of investment and return:	Renminbi
Rate of return on investment:	The annualized rate of return is approximately 5.1%.
Subscription amount:	RMB100 million. The subscription amount is determined with reference to the level of cash and cash equivalent as well as the estimated short-term funding requirements of the Group.
Investment scope of the product:	This wealth management product proposes to invest in financial instruments with higher credit rating and better liquidity available in the interbank market as well as the stock exchange market, and at the same time invest in other financial assets such as corporate bonds, enterprise bonds, short-term commercial paper, subordinated bonds, private bonds, government bonds, policy financial bonds, central bank bills and bank deposit with good credit rating.

Third Subscription

Date of the subscription:	6 January 2015
Parties of the subscription:	(1) Tianjin Huafu (as the subscriber); and (2) CMB (as the custodian bank)
Name of the product and term of investment:	Renminbi wealth management product “Bu Bu Sheng Jin (步步生金)” (No. 8688) with an investment term from 6 January 2015 to 2 February 2015
Currency of investment and return:	Renminbi
Rate of return on investment:	The annualized rate of return is approximately 3.0%.
Subscription amount:	RMB150 million. The subscription amount is determined with reference to the level of cash and cash equivalent as well as the estimated short-term funding requirements of the Group.
Investment scope of the product:	This wealth management product proposes to invest in financial assets with higher credit rating and better liquidity available in the PRC interbank market, including but not limited to, government bonds, central bank bills, bond repurchase, money lending and bank deposit as well as other financial assets such as corporate bonds and enterprise bonds with high credit rating.

Fourth Subscription

Date of the subscription:	7 January 2015
Parties of the subscription:	(1) Tianjin Huafu (as the subscriber); and (2) CMB (as the custodian bank)
Name of the product and term of investment:	Renminbi wealth management product “Tian Tian Jin (天添金)” (No. 9250), with an investment term from 7 January 2015, can be redeemed at any time on or before 11 March 2017 at the discretion of the Company considering its funding requirements. As at 24 March 2015, the Company has redeemed RMB10 million under this wealth management product.
Currency of investment and return:	Renminbi
Rate of return on investment:	The expected annualized rate of return is approximately 5.4%.
Subscription amount:	RMB60 million. The subscription amount is determined with reference to the level of cash and cash equivalent as well as the estimated short-term funding requirements of the Group.
Investment scope of the product:	This wealth management product proposes to invest in financial instruments with higher credit rating and better liquidity available in the interbank market as well as the stock exchange market, and at the same time invest in other financial assets such as corporate bonds, enterprise bonds, short-term commercial paper, subordinated bonds, private bonds, government bonds, policy financial bonds, central bank bills and bank deposit with good credit rating.

Fifth Subscription

Date of the subscription:	13 January 2015
Parties of the subscription:	(1) Tianjin Huafu (as the subscriber); and (2) CMB (as the custodian bank)
Name of the product and term of investment:	Renminbi wealth management product “Ding Ding Cheng Jin (鼎鼎成金)” (No. 68409) with an investment term from 13 January 2015 to 16 February 2015

Currency of investment and return:	Renminbi
Rate of return on investment:	The annualized rate of return is approximately 5.3%.
Subscription amount:	RMB100 million. The subscription amount is determined with reference to the level of cash and cash equivalent as well as the estimated short-term funding requirements of the Group.
Investment scope of the product:	This wealth management product proposes to invest in bonds available in the interbank market and the stock exchange market as well as money lending, entrusted plans, swaps and other financial assets.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS

The Group has been constantly looking for business opportunities to enhance the shareholders' value while abiding to the internal investment policy of the Group. In light of the current low interest rates on bank deposit, the Directors of the Company are of the view that subscription of wealth management products is an ideal short-term investment opportunity for the Group as this allows the Company to utilize its Renminbi surplus cash reserves more efficiently. The Company selects short-term principal-guaranteed wealth management products prudently with an aim to improve its efficiency on capital utilization, earn extra return on investment and combat inflation while not affecting the Group's daily cash flows. After taking into account the characteristics of the aforementioned wealth management products that the Group subscribed for, which are low-risk, with flexible investment term and principal-guaranteed, and with reference to similar investment products available in the market and their general rate of return, the Board considers that the terms of the aforementioned subscriptions of the wealth management products are on normal commercial terms, and are fair and reasonable and in the interest of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

For each of the First Subscription, the Second Subscription, the Third Subscription, the Fourth Subscription and the Fifth Subscription, the relevant applicable percentage ratios (as defined under the Listing Rules) exceed 5% but are less than 25%. Therefore, pursuant to the Listing Rules, each of the First Subscription, the Second Subscription, the Third Subscription, the Fourth Subscription and the Fifth Subscription constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under the Listing Rules, while exempted from the shareholders' approval requirement.

INFORMATION ABOUT THE GROUP AND CMB

The Group is a leading sports culture group in the PRC engaged in the operation of sporting tournaments and production of movie and television programmes, with a special emphasis on the development and extension of the sports industry chain. Both of Tianjin Huafu and Beijing Wisdom Media are wholly-owned subsidiaries of the Company.

CMB is a licensed bank incorporated under the laws of the PRC. Its principal activities are to provide corporates and individuals with banking, wealth management, investment, asset management, custody, finance leases, insurance and other financial services. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, CMB and its ultimate beneficial owners are independent third parties.

Risk Control Measures

While reviewing the accounts of the Company for the year of 2014 and the period commencing from 1 January 2015 and up to the date of this announcement, the Directors noticed that each of the First Subscription, the Second Subscription, the Third Subscription, the Fourth Subscription and the Fifth Subscription constituted a disclosable transaction. In order to allow the public to understand the latest information of the Company in a more timely manner in the future, the Company specifically adopts a set of stringent operating procedures, being authority granted to Mr. Sheng Jie and Dr. Shen Wei, executive Directors of the Company by the Board to subscribe for wealth management products within a certain limit. The limit shall not exceed 5% calculated in accordance with the relevant applicable percentage ratios under the Listing Rules. Once the aforementioned executive Directors, who were granted the authority, consider that it is necessary to subscribe for wealth management products with the limit exceeding the above limit of 5%, they shall notify the Board immediately and seek approval from the Board. If the proposed subscription is approved by the Board, the applicable disclosure requirements under the Listing Rules shall be satisfied as soon as possible. The factors that the Board and the aforementioned executive Directors shall consider before subscribing for the wealth management products are as follows:

1. Investment Objective and Goal

The investment objective for the Group to subscribe for wealth management products is to make utilize its capital to achieve satisfactory return. As a result, the Group attaches great importance to the stability and reasonable rate of return of the investment. Therefore, the Group mainly invests in principal-guaranteed or low-risk investment products.

2. Scope of the Investment Products

In general, the Group would only subscribe for investment products from banks with good reputation and with a certain scale in the PRC (such as state-owned banks and other joint stock commercial banks) in order to minimize investment risks. Moreover, the Group would only subscribe for investment products with an expected rate of return which is higher than the benchmark interest rate on deposit with the same term with the People's Bank of China, and would place priority on principal-guaranteed wealth management products. Normally, the investment term shall not exceed three months, which allows the Group to retain sufficient cash flows to maintain liquidity. The criteria for the selection of wealth management products are in line with the Group's general investment objective and goal which emphasize investment stability.

3. Risk Assessment

The Group assesses investment products available for subscription in all material respects, including but not limited to the reputation of the issuing banks, previous issuance record, expected rate of return and so forth.

The Board of the Company considers that the above risk control measures are adequate to cope with risks related to the wealth management products subscribed for. If new wealth management products available can generate a reasonable rate of return for the Group and are also in compliance with the investment policy of the Group and the Listing Rules, the Group will continue to subscribe for such wealth management products.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms have the meanings set out below:

“Beijing Wisdom Media”	Beijing Wisdom Media Holding Co., Ltd. (北京智美傳媒股份有限公司), a company effectively controlled by the Company through structured contracts, as disclosed in the Company’s prospectus dated 28 June 2013, and the financial information of which for the track record period has been incorporated into the Group as a wholly-owned subsidiary of the Company;
“Board”	the board of directors of the Company;
“Company”	Wisdom Holdings Group, an exempted limited liability company incorporated in the Cayman Islands on 21 March 2012;
“CMB”	China Merchants Bank Co., Ltd. (招商銀行股份有限公司), a licensed bank incorporated under the laws of the PRC;
“Directors”	the directors of the Company;
“Fifth Subscription”	Renminbi wealth management product “Ding Ding Cheng Jin (鼎鼎成金)” (No. 68409) subscribed for by the Group at a subscription amount of RMB100 million;
“First Subscription”	Renminbi wealth management product “Zhao Zhao Jin (朝招金)” (No. 7007) subscribed for by the Group at a subscription amount of RMB140 million;

“Fourth Subscription”	Renminbi wealth management product “Tian Tian Jin (天添金)” (No. 9250) subscribed for by the Group at a subscription amount of RMB60 million;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	The People’s Republic of China, for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“Renminbi”	Renminbi, the lawful currency of the PRC;
“Second Subscription”	Renminbi wealth management product “Tian Tian Jin (天添金)” (No. 9250) subscribed for by the Group at a subscription amount of RMB100 million;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Third Subscription”	Renminbi wealth management product “Bu Bu Sheng Jin (步步生金)” (No. 8688) subscribed for by the Group at a subscription amount of RMB150 million; and
“Tianjin Huafu”	Tianjin Wisdom Huafu Advertising Co., Ltd. (天津智美華復廣告有限公司), a wholly-subsiidiary of the Company.

By order of the Board
Wisdom Holdings Group
Ren Wen
Chairlady and Executive Director

Hong Kong, 25 March 2015

As at the date of this announcement, the executive directors of the Company are Ms. Ren Wen, Mr. Sheng Jie, Mr. Zhang Han and Dr. Shen Wei; the non-executive directors of the Company are Mr. Jin Haitao and Mr. Xu Jiongwei; and the independent non-executive directors of the Company are Mr. Wei Kevin Cheng, Mr. Ip Kwok On Sammy and Mr. Jin Guoqiang.