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# WISDOM

## WISDOM SPORTS GROUP

## 智美體育集團

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1661)**

### **DISCLOSEABLE TRANSACTION INVESTMENT IN TRUST SCHEME**

The Board is pleased to announce that on 7 April 2020, Beijing Wisdom Sports and Chang'an International Trust entered into the Trust Scheme Agreement, pursuant to which Beijing Wisdom Sports agreed to invest in the Trust Scheme established by Chang'an International Trust for a total of RMB40.0 million.

As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in relation to the Investment exceeds 5% but all other applicable percentage ratios are less than 25%, the Investment constitutes a discloseable transaction for the Company under Rule 14.06 of the Listing Rules and is subject to reporting and announcement requirements under the Listing Rules.

### **SUBSCRIPTION OF THE TRUST SCHEME**

The Board is pleased to announce that on 7 April 2020, Beijing Wisdom Sports entered into the Trust Scheme Agreement, pursuant to which Beijing Wisdom Sports agreed to invest in the Trust Scheme established by Chang'an International Trust for a total of RMB40.0 million.

The principal terms of the Trust Scheme Agreement are as follows:

Date of subscription: 7 April 2020

Parties: (1) Beijing Wisdom Sports; and  
(2) Chang'an International Trust Co., Ltd.

Custodian of the Trust Scheme: Shaanxi Branch of China Construction Bank Corporation

Name of the Trust Scheme:	Chang'an Trust – Wenjian Zengli No.1 Trust Scheme
Code of the Trust Scheme Agreement:	1204646
Investment strategy:	The Trust Scheme will invest in, among others, various monetary instruments, bonds, bond funds, and other fixed incomes products and other short-term financial instruments with low risk and good liquidity
Characteristics of risk and return:	The Trust Scheme does not guarantee to capital protection and minimum return
Expected annualized rate of return:	5.8%
Date of interest commencement:	8 April 2020
Maturity date of investment:	8 July 2020
Investment time limit:	91 days

## **REASONS FOR AND BENEFITS OF THE INVESTMENT**

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 are of the view that the Investment 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 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 that the investment risks and potential returns of the Investment are in line with the needs of the Company, the Board considers that the terms of the Investment are on normal commercial terms, and are fair and reasonable and in the interest of the Company and its shareholders as a whole.

## **INFORMATION OF THE GROUP AND THE PARTIES**

The Group is a leading sports industry group in the PRC engaged in the operation and marketing of sports events and provision of sports services, with a special emphasis on the development and extension of the sports industry chain.

Beijing Wisdom Sports is a company established under the laws of the PRC with limited liability and is a wholly-owned subsidiary of the Company. Beijing Wisdom Sports is principally engaged in event organisation and related services in the PRC.

Chang'an International Trust is a company established under the laws of the PRC with limited liability and is principally engaged in investment management activities in the PRC. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Chang'an International Trust is owned by various shareholders and is ultimately controlled by Xian Investment Holdings Limited\*. Xian Investment Holdings Limited\* is wholly-owned by the Xi'an Finance Bureau.

Shanxi Branch of China Construction Bank Corporation is a licensed bank established under the laws of the PRC. Shaanxi Branch of China Construction Bank Corporation is principally engaged in the provision of banking and related financial services.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiry, each of Chang'an International Trust, Shaanxi Branch of China Construction Bank Corporation and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in relation to the Investment exceeds 5% but all other applicable percentage ratios are less than 25%, the Investment constitutes a discloseable transaction for the Company under Rule 14.06 of the Listing Rules and is subject to reporting and announcement requirements under the Listing Rules.

## **DEFINITIONS**

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

“Beijing Wisdom Sports”	Beijing Wisdom Sports Industry Co., Ltd.* (北京智美體育產業有限公司), a company established under the laws of the PRC and a wholly-owned subsidiary of the Company
“Board”	the board of directors of the Company
“Chang'an International Trust”	Chang'an International Trust Co., Ltd., a company incorporated in the PRC and is engaged mainly in investment activities in the PRC
“Company”	Wisdom Sports Group (智美體育集團), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange with stock code 1661

“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region
“Listing Rules”	the 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, Macau and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Investment”	the investment in the Trust Scheme established by Chang’an International Trust
“Trust Scheme”	the trust scheme named as Chang’an Trust – Wenjian Zengli No.1 Trust Scheme* (長安信託•穩健增利1號集合資金信託計劃) offered by Chang’an International Trust
Trust Scheme Agreement	the trust scheme agreement dated 7 April 2020 entered into by Beijing Wisdom Sports and Chang’an International Trust in relation to the Trust Scheme

By Order of the Board  
**Wisdom Sports Group**  
**Ren Wen**  
*Chairlady and Executive Director*

Hong Kong, 7 April 2020

*As at the date of this announcement, the executive directors of the Company are Ms. Ren Wen, Mr. Sheng Jie, Mr. Song Hongfei and Ms. Hao Bin; and the independent non-executive directors of the Company are Mr. Chen Zhijian, Mr. Ip Kwok On Sammy and Mr. Jin Guoqiang.*

\* *for identification purpose only*