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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 FURTHER REINVESTMENT IN TRUST SCHEME

FURTHER REINVESTMENT IN THE TRUST SCHEME

Reference is made to the Company's announcements dated 7 April 2020 and 15 July 2020 in relation to the investment in the Trust Scheme (collectively, the "Announcements"). Unless otherwise stated, capitalized terms used herein shall denote the same meanings as those defined in the Announcements.

As Beijing Wisdom Sports' Reinvestment in the Trust Scheme has matured on 15 October 2020, the Board is pleased to announce that Beijing Wisdom Sports has further reinvested in the Trust Scheme with RMB28.0 million on 21 October 2020.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Rule 14.22 of the Listing Rules, as the Investment, the Reinvestment and the Further Reinvestment in the Trust Scheme were conducted within a 12-month period, the Investment, the Reinvestment and Further Reinvestment were considered and were aggregated as one transaction.

As one or more of the relevant applicable percentage ratios defined under Rule 14.07 of the aggregated investments exceed 5% but is less than 25%, the Further Reinvestment constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to notification and announcement requirements under the Listing Rules.

FURTHER REINVESTMENT IN THE TRUST SCHEME

Reference is made to the Company's announcements dated 7 April 2020 and 15 July 2020, respectively. As Beijing Wisdom Sports' Reinvestment in the Trust Scheme has matured on 15 October 2020, the Board is pleased to announce that Beijing Wisdom Sports has further reinvested in the Trust Scheme with RMB28.0 million on 21 October 2020.

The principal terms of the Further Reinvestment are set out as follows:

Date of subscription:	21 October 2020
Parties involved:	(1) Beijing Wisdom Sports ; and (2) Chang'an International Trust
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
Investment strategy:	The Trust Scheme will invest in, among others, various monetary instruments, bonds, bond funds, and other fixed income 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
Performance comparison benchmark (annualized):	5.5%
Date of interest commencement:	21 October 2020
Investment time limit:	92 days

REASONS FOR AND BENEFITS OF THE FURTHER REINVESTMENT

The Group has been constantly looking for business opportunities to enhance shareholders' value while abiding to the internal investment policy of the Group. In light of the current low interest rates on bank deposits and the stable return of the Trust Scheme, the Board is of the view that the Further Reinvestment will enable the Company to continue to utilize its Renminbi surplus cash reserves more efficiently.

As the Company is familiar with the Trust Scheme, its investment risks and potential returns, the Board considers that the terms of the Further Reinvestment are on normal commercial terms, and are fair and reasonable and are in the interest of the Company and its shareholders as a whole.

INFORMATION OF 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 Xi'an Investment Holdings Limited*. Xi'an Investment Holdings Limited* is wholly-owned by the Xi'an Finance Bureau.

Shaanxi 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

Pursuant to Rule 14.22 of the Listing Rules, as the Investment, the Reinvestment and the Further Reinvestment in the Trust Scheme were conducted within a 12-month period, the Investment, the Reinvestment and the Further Reinvestment were considered and were aggregated as one transaction.

As one or more of the relevant applicable percentage ratios defined under Rule 14.07 of the aggregated subscriptions exceed 5% but is less than 25%, the Further Reinvestment constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to notification and announcement requirements under the Listing Rules.

DEFINITIONS

Unless the context otherwise requires, the following expressions have the following meanings in this announcement:

“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
“connected persons”	has the same meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Further Reinvestment”	the further reinvestment in the Trust Scheme as a result of the maturity of the Reinvestment, details of which are set out in this announcement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region
“Investment”	the investment in the Trust Scheme established by Chang’an International Trust, details of which are set out in the Company’s announcement dated 7 April 2020
“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
“Reinvestment”	the reinvestment in the Trust Scheme as a result of the maturity of the Investment, details of which are set out in the Company’s announcement dated 15 July 2020

“RMB”	Renminbi, the lawful currency in the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“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

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

Hong Kong, 21 October 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 purposes only*