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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)

VOLUNTARY ANNOUNCEMENT

This announcement is made by Wisdom Sports Group (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis. References are made to the announcements of the Company dated 26 March 2021, 26 February 2021, 12 May 2020 and 25 March 2020 (collectively, the “**Announcements**”) in relation to the Acquisition. Unless otherwise defined, capitalized terms used herein shall denote the same meanings as those defined in the Announcements.

The Company has noted from recent news reports that a winding-up order (the “**Winding-up Order**”) has been granted by the High Court of Hong Kong (the “**Court**”) against the Target Company. The Company would like to provide Shareholders an update in relation to the Winding-up Order.

UPDATES IN RELATION TO THE WINDING-UP ORDER

As disclosed in the Company’s 2020 Interim Report (the “**2020 Interim Report**”), the Company was aware that a winding-up petition (the “**Winding-up Petition**”) was issued to the Target Company by the petitioner (the “**Petitioner**”) since the Target Company failed to respond to a statutory demand in respect of a claim for HK\$1.3 million, being service fees allegedly owed by the Target Company to the Petitioner (the “**Petition Debt**”). The initial hearing of the winding-up petition took place in November 2020 and was further adjourned to May 2021 (the “**May 2021 Hearing**”) as the Target Company disputed to the claim. The Winding-up Order was granted by the Court in the May 2021 Hearing as the Court ruled that the Target Company had failed to demonstrate a *bona fide* dispute on substantial grounds as to the Petition Debt.

As a result of the Winding-up Order, the Vendor took out a summons on 8 June 2021 (the “**Summons**”) for, among others, (i) that the Winding-up Order be permanently stayed on proof; (ii) the Vendor to pay the Petition Debt; and (iii) the Official Receiver be discharged as the provisional

liquidator of the Target Company. The Petitioner consented to the Summons and an order was granted by the Court on 15 June 2021 whereby the Winding-up Order would be permanently stayed and that the Official Receiver was discharged as the provisional liquidator of the Target Company.

THE BOARD'S VIEW ON THE WINDING-UP ORDER

While the Board is fully aware that the Winding-up Petition was issued to the Target Company prior to the completion of the Acquisition, the Board had decided to proceed with the Acquisition based on the reasons disclosed on page 22 of the 2020 Interim Report.

The Board wishes to further clarify that it has actively monitored the progress and development of the Winding-up Petition. Further, based on the insignificant sum involved in the Petition Debt and taking into consideration the Vendor's undertaking to settle the Petition Debt should the May 2021 Hearing rule in favor of the Petitioner, the Board was of the view that the Winding-up Order would have no material impact on the Target Company. Accordingly, the Board was of the view that the Acquisition had always been in the best interests of the Company and its Shareholders as a whole. The Board is pleased to know that the dispute has been finally settled among the parties.

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

Hong Kong, 29 June 2021

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.