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New Sports Group Limited
新 體 育 集 團 有 限 公 司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 299)

POSITIVE PROFIT ALERT

This announcement is made by New Sports Group Limited (the "**Company**", together with its subsidiaries as the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the "**SFO**").

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on a preliminary review and assessment of the information currently available to the Board, including the unaudited consolidated management accounts of the Group for the six months ended 30 June 2017, the Group is expected to record a net profit for the six months ended 30 June 2017 as compared to a net loss for the corresponding period in 2016.

Shareholders and potential investors are advised to refer to details of the financial information to be disclosed in the Company's announcement of the 2017 Interim Results, which is expected to be published around the midst of August 2017.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on a preliminary review and assessment of the information currently available to the Board, including the unaudited consolidated management accounts of the Group for the six months ended 30 June 2017, the Group is expected to record a net profit for the six months ended 30 June 2017 as compared to a net loss for the corresponding period in 2016. The aforesaid turnaround from net loss to net profit was mainly attributable to (i) the unrealized gain on the investment in Hong Kong listed securities; (ii) the unrealized gain on the revaluation of investment properties; (iii) the gain on disposal of subsidiaries; and (iv) the fair value gain on contingent consideration payable due to the drop in the market price of the Company's shares during the period ended 30 June 2017, notwithstanding that the Group has been still suffering from the recognized loss on impairment on goodwill and other intangible assets in relation to the existing operating business.

The Company is still in the process of finalising the consolidated financial results of the Group for the six months ended 30 June 2017 (the "**2017 Interim Results**"). The information contained in this announcement only represents a preliminary assessment made by the Board based on the information currently available to the Board as at the date hereof and such information or figures have neither been reviewed or audited by the independent auditors nor approved by the Audit Committee of the Company and may be subject to adjustments or amendments. Shareholders and potential investors are advised to refer to details of the financial information to be disclosed in the Company's announcement of the 2017 Interim Results, which is expected to be published around the midst of August 2017.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
New Sports Group Limited
Zhang Xiaodong
Chairman

Hong Kong, 28 July 2017

As at the date of this announcement, the Company's executive directors are Mr. Zhang Xiaodong and Ms. Xia Lingjie; the non-executive director is Mr. Lau Wan Po; and the independent non-executive directors are Mr. Chen Zetong, Ms. He Suying and Dr. Tang Lai Wah.