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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 SUBSCRIPTION OF NOTES

THE FURTHER SUBSCRIPTION

Reference is made to the Company's announcement dated 8 January 2024 (the “**Announcement**”) in relation to the Subscription. Unless otherwise stated, capitalised terms used herein shall denote the same meanings as those defined in the Announcement.

As the Notes under the Subscription had been fully redeemed, the Board is pleased to announcement that on 27 February 2024, Auto Culture, an indirect wholly owned subsidiary of the Company, has further subscribed to the offer of the Notes issued by the Issuer and guaranteed by the Guarantor for a total subscription amount of US\$2.9 million (equivalent to approximately HK\$20,873,911).

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Rule 14.22 of the Listing Rules, as the Subscription and the Further Subscription of the Notes were conducted within a 12-month period, the Subscription and the Further Subscription were considered and were aggregated as one transaction.

As one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the aggregated subscriptions exceeds 5% but is less than 25%, the Further Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to reporting and announcement requirements under the Listing Rules.

THE FURTHER SUBSCRIPTION

Reference is made to the Company's announcement dated 8 January 2024 in relation to the Subscription. As Auto Culture's Subscription of the Notes had been fully redeemed, the Board is pleased to announce that Auto Culture has further subscribed to the offer of the Notes for a total subscription amount of US\$2.9 million (equivalent to approximately HK\$20,873,911). The Further Subscription was funded by the Group's surplus cash reserves.

PRINCIPAL TERMS OF THE NOTES

Parties:

- (i) Auto Culture, as subscriber;
- (ii) CMB International Global Products Limited, as Issuer; and
- (iii) CMB International Capital Corporation Limited, as Guarantor

Aggregate Nominal Amount: US\$2.9 million

Total Subscription Amount: US\$2.9 million (equivalent to approximately HK\$20,873,911)

Issued Price: 100% of the aggregate nominal amount

Specified Denomination(s): US\$10,000

Interest Rate(s): Different rates of interest will apply to different periods (each, a "Period") during the tenor of the Notes as follows:

Number of days the Notes have been outstanding	Interest rate (% per annum)
1 – 30 ("Period A")	5.15 ("Fixed Rate A")
31 – 90 ("Period B")	5.15 ("Fixed Rate B")
91 – 180 ("Period C")	5.15 ("Fixed Rate C")
181 – 364 ("Period D")	5.15 ("Fixed Rate D")

(a) If the Notes are redeemed on the Maturity Date, the interest amount payable per Calculation Amount on the Interest Payment Date will be determined by the Calculation Agent as follows:

Interest amount = Calculation Amount × (Fixed Rate A × number of days in Period A + Fixed Rate B × number of days in Period B + Fixed Rate C × number of days in Period C + Fixed Rate D × number of days in Period D) ÷ 360

- (b) If the Notes are early redeemed due to the exercise of the Investor Put, the interest amount per Calculation Amount will be adjusted accordingly based on the actual number of days the Notes have been outstanding. For instance, if the Investor Put is exercised and the Notes are early redeemed in Period C, the interest amount per Calculation Amount will be determined by the Calculation Agent as follows:

Interest amount = Calculation Amount \times (Fixed Rate A \times number of days in Period A + Fixed Rate B \times number of days in Period B + Fixed Rate C \times actual number of days the Notes have been outstanding during Period C) \div 360

- (c) If any Notes are early redeemed for tax reasons or illegality, the interest amount payable per Calculation Amount shall be calculated by reference to (b) above as if the Notes were early redeemed due to exercise of the Investor Put.

Issue Date: 27 February 2024

Settlement Date: 28 February 2024

Maturity Date: 28 February 2025

Status of the Notes: The Notes will constitute direct and unsecured obligations of the Issuer and will at all times rank *pari passu* and without any preference among themselves. The obligations of the Issuer under the Notes will, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other unsecured and unsubordinated obligations of the Issuer, present and future.

Final Redemption Amount of Notes: Nominal amount

Investor Put:

Notwithstanding anything to the contrary of the Investor Put and provided that an Early Redemption Date has not occurred, a holder of the Notes may, on Exercise Notice Date and not later than 5 Business Days prior to the Scheduled Maturity Date, provide a duly completed Exercise Notice (in accordance with the Conditions of the Notes to request the Issuer to early redeem all or part of the Notes held by it on the Optional Redemption Date. The Exercise Notice is irrevocable once given. The Notes subject to the Exercise Notice will be redeemed on the Optional Redemption Date at the Optional Redemption Amount.

Redemption for Tax Reasons:

In the event that, in the determination of the Calculation Agent, a Tax Event has occurred, the Notes may be redeemed at the option of the Issuer, but not in part, at any time or on any Interest Payment Date, on giving not less than 30 days' notice to the Noteholders in accordance with the notice requirements (which notice shall be irrevocable).

If the Notes are redeemed for tax reasons, the interest amount payable per Calculation Amount shall be calculated as if the Notes were early redeemed due to the exercise of the Investor Put.

Redemption for Illegality:

In the event that, in the sole determination of the Calculation Agent, either (i) it has become or will become unlawful, illegal, or otherwise prohibited or restricted in whole or in part or (ii) the Issuer will incur a materially increased cost in performing its obligations under the Notes or in holding, acquiring or disposing of any arrangement made to hedge its positions under the Notes, whether under any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative, exchanges, clearing houses, or judicial authority or power (but, if not having the force of law, only if compliance with it is in accordance with the general practice of persons to whom it is intended to apply), or in the interpretation thereof, the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time or on any Interest Payment Date on giving not less than 30 days' notice to the Noteholders in accordance with the notice requirements (which notice shall be irrevocable).

If the Notes are redeemed for illegality, the interest amount payable per Calculation Amount shall be calculated as if the Notes were early redeemed due to the exercise of the Investor Put.

Early Redemption Amount: (i) the nominal amount of each Note; plus

(ii) the interest accrued to (and excluding) the Early Redemption Date and calculated at the applicable rate determined in accordance with section (c) of the Interest Rate(s) mentioned in this announcement.

Rating: Unrated

Guarantee: The Guarantor unconditionally and irrevocably guarantees that if the Issuer does not pay any sum payable by it under the Deed of Covenant or the Notes by the time and on the date specified for such payment (whether on the normal due date, on acceleration or otherwise), the Guarantor shall pay that sum to each Holder and each Relevant Account Holder before close of business on that date in the city to which payment is so to be made. All payments under this Guarantee by the Guarantor shall be made subject to the Conditions.

INFORMATION OF THE ISSUER AND THE GUARANTOR

According to the offering circular of the Notes issued by the Issuer, the Issuer was incorporated in the British Virgin Islands and is a wholly owned subsidiary of CMB International Investment Management Limited, which is wholly owned by the Guarantor. The Issuer has no prior operating history or prior business and will not have any substantial assets or liabilities other than in connection with the Notes.

The Guarantor is a well-established capital market financial services platform incorporated in Hong Kong. It is a wholly owned subsidiary of China Merchants Bank Co., Ltd., PRCs joint-stock commercial bank which is ranked 12th in The Banker's Top 500 Banking Brands in 2017.

To the best of the Director's knowledge, information and belief and having made all reasonable enquiry, the Issuer, the Guarantor and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

INFORMATION OF THE SUBSCRIBER AND THE GROUP

Auto Culture is a company incorporated in Hong Kong with limited liability and is an indirect wholly owned subsidiary of the Company. It is principally engaged in investment holding.

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.

REASONS FOR AND BENEFITS OF THE FURTHER SUBSCRIPTION

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 interest rate level and considering the flexibility of funds, the Board is of the view that the Further Subscription can generate stable return to the Group.

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

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Rule 14.22 of the Listing Rules, as the Subscription and the Further Subscription of the Notes were conducted within a 12-month period, the Subscription and the Further Subscription were considered and were aggregated as one transaction.

As one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the aggregated subscriptions exceeds 5% but is less than 25%, the Further Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to reporting and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Auto Culture”	Auto Culture Group Holdings Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly owned subsidiary of the Company
“Board”	the board of directors of the Company
“Business Day”	a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency
“Calculation Agent”	CMB International Global Products Limited, a company incorporated in the British Virgin Islands with limited liability
“Calculation Amount”	US\$10,000

“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
“Condition(s)”	Terms and Conditions of the Notes
“Deed of Covenant”	dated 12 April 2019 and as may be amended and/or supplemented from time to time
“Director(s)”	the directors of the Company
“Early Redemption Date”	the date on which the Notes are redeemed before the Maturity Date
“Exercise Notice”	a duly completed exercise notice
“Exercise Notice Date”	any Business Day following the Issue Date
“Further Subscription”	the further subscription of the Notes by the Company in the total subscription amount of US\$2.90 million (equivalent to approximately HK\$20,873,911)
“Group”	the Company and its subsidiaries
“Guarantee”	the notes are guaranteed by the Guarantor pursuant to an amended and restated deed of guarantee dated 8 October 2021
“Guarantor”	CMB International Capital Corporation Limited, a company incorporated in Hong Kong with limited liability
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Holder”	holders of any Notes
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Interest Payment Date”	(a) Specified period(s)/Specified Interest Payment Dates: The earlier of (i) Maturity Date; (ii) the Early Redemption Date; or (iii) the Optional Redemption Date (b) Business Day Convention: Following Business Day Convention

“Investor Put”	redemption at the option of the Noteholders
“Issue Date”	27 February 2024
“Issuer”	CMB International Global Products Limited, a company incorporated in the British Virgin Islands with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maturity Date”	28 February 2025
“Noteholder(s)”	the person who is for the time being the holder of the Notes
“Note(s)”	U.S.\$3,000,000,000 Guaranteed Structured Note Programme at a fixed rate with step-up feature
“Optional Redemption Amount”	(a) the nominal amount of each Note; plus (b) the interest accrued to (and excluding) the Optional Redemption Date and calculated at the applicable rate determined in accordance with section (a) or (b) of the Interest Rate(s) mentioned in this announcement
“Optional Redemption Date”	the date for early redemption as designated in the Exercise Notice which is not earlier than the 5 Business Day following the Exercise Notice Date
“PRC”	The People’s Republic of China, for the purposes of this announcement, excluding Hong Kong, Macau and Taiwan
“Relevant Account Holder”	Auto Culture
“Scheduled Maturity Date”	28 February 2025
“Settlement Date”	27 February 2024
“Shareholder(s)”	holder(s) of the issued shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscription”	the subscription of the Notes by the Company in the total subscription amount of US\$1.25 million (equivalent to approximately HK\$9,760,538), details of which are set out in the Company's announcement dated 8 January 2024
“Tax Event”	the change in, or amendment to, the laws or regulations of a tax jurisdiction, or any change in application or official interpretation of such laws or regulations, which results in any present or future taxes, duties or governmental charges of any nature whatsoever being imposed on payments in respect of the Notes
“US\$”	US dollars, the lawful currency of the United States
“%”	per cent.

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

Hong Kong, 27 February 2024

As at the date of this announcement, the executive Directors of the Company are Ms. Ren Wen, Mr. Wong Man Keung, Ms. Ren Song and Mr. Sheng Jie; and the independent non-executive Directors of the Company are Mr. Chen Zhijian, Mr. Lee Kin Fai, Mr. Jin Guoqiang and Ms. Gao Wenjuan.