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**WISDOM SPORTS GROUP**  
**智美體育集團**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 1661)**

**SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE**

**Financial adviser to the Company**



**THE SUBSCRIPTION**

On 6 March 2024 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, a total of 310,000,000 Shares at the Subscription Price of HK\$0.139 per Subscription Share. The Subscription Shares will be allotted and issued pursuant to the General Mandate.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion, the Subscription Shares represent (i) 19.46% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.29% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares.

The Subscription Price represents (i) a discount of approximately 19.65% to the closing price of HK\$0.173 per Share as quoted on the Stock Exchange on 6 March 2024, being the date of the Subscription Agreement; and (ii) a premium of approximately 9.97% to the average closing price per Share of HK\$0.1264 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Subscription Agreement.

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

The gross proceeds and net proceeds from the Subscription will be approximately HK\$43.1 million and HK\$43.0 million respectively. The net proceeds are intended to be used for the development of sports events and provision of sports services and working capital of the Group.

## **PRINCIPAL TERMS OF THE SUBSCRIPTION AGREEMENT**

### **The Subscription Agreement**

Date:	6 March 2024
Parties:	(i) The Company (ii) The Subscriber
Number of Subscription Shares:	310,000,000
Subscription Price:	HK\$0.139 per Subscription Share

### **The Subscriber**

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, as at the date of this announcement, the Subscriber is an Independent Third Party. Immediately before entering into the Subscription Agreement, the Subscriber does not have any Shares.

### **Subscription Shares**

Pursuant to the terms of the Subscription Agreement, the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue 310,000,000 Subscription Shares at HK\$0.139 per Subscription Share, representing:

- (i) 19.46% of the existing issued share capital of the Company as at the date of this announcement; and

- (ii) approximately 16.29% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming there is no other change to the issued share capital of the Company between the date of the Subscription Agreement and the Completion Date).

Upon Completion, the Subscriber will not become a substantial shareholder (as defined in the Main Board Listing Rules) and hence not a connected person (as defined in the Main Board Listing Rules) of the Company.

### **Subscription Price**

The Subscription Price of HK\$0.139 per Subscription Share represents:

- (i) a discount of approximately 19.65% to the closing price of HK\$0.173 per Share as quoted on the Stock Exchange on 6 March 2024, being the date of the Subscription Agreement; and
- (ii) a premium of approximately 9.97% to the average closing price per Share of HK\$0.1264 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Subscription Agreement.

The market value of the Subscription Shares is approximately HK\$53.6 million, based on the closing price of HK\$0.173 per Share as at the date of the Subscription Agreement. The aggregate nominal value of the Subscription Shares will be HK\$604,500.

The Subscription Price was negotiated on an arm's length basis between the Company and the Subscriber with reference to current market conditions, prevailing market price and recent trading volume of the Shares.

The gross proceeds from the Subscription will be approximately HK\$43.1 million. The net proceeds from the Subscription, after deduction of the relevant expenses, will amount to approximately HK\$43.0 million, representing a net subscription price of approximately HK\$0.139 per Subscription Share.

### **Ranking of Subscription Shares**

The Subscription Shares, when fully paid and allotted and issued, will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Subscription Shares.

## **Condition Precedent for the Subscription**

Completion of the Subscription is conditional upon (a) the Stock Exchange having granted the listing of and permission to deal in the Subscription Shares and (b) all necessary consents and approvals required to be obtained on (i) the Company; and (ii) the Subscriber in respect of the Subscription Agreement and the transactions contemplated thereunder having been obtained.

If the Conditions Precedents are not fulfilled on or before 30 September 2024, or such other time and date as may be agreed by the Subscriber and the Company, the Subscription Agreement will terminate and the parties to the Subscription Agreement will be released from all of their respective obligations and liabilities hereunder, save and except for any liabilities of any party hereto in respect of any antecedent breaches hereof and such termination shall not affect or otherwise prejudice any party's rights or remedies in respect of such antecedent breaches.

## **Completion of the Subscription**

Completion shall take place at 5:00 p.m. on the Completion Date.

## **General Mandate**

Pursuant to the General Mandate granted to the Directors at the AGM, the total number of new Shares that the Company is authorised to allot and issue is 318,588,400 Shares, representing 20% of the issued share capital of the Company as at the date of the AGM. Since the date of the AGM and up to the date of this announcement, no new Share has been allotted and issued by the Company under the General Mandate. Accordingly, the General Mandate is sufficient for the allotment and issue of the Subscription Shares, and the issue of the Subscription Shares will not be subject to further approval by the Shareholders.

## **APPLICATION FOR LISTING**

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

## **REASONS FOR THE SUBSCRIPTION AND THE USE OF PROCEEDS**

The Group has been constantly looking for business opportunities to enhance shareholders' value.

The estimated net proceeds from the Subscription, after deduction of the relevant expenses, will amount to approximately HK\$43.0 million. The net proceeds are intended to be used for the development of sports events and provision of sports services and working capital of the Group. Accordingly, the Board (including the independent non-executive Directors) considers that the Subscription is in the interests of the Company and the Shareholders as a whole, and the terms of the Subscription Agreement are fair and reasonable.

## EFFECTS ON SHAREHOLDING STRUCTURE

The table below sets out the changes to the shareholding structure of the Company as a result of completion of the Subscription (assuming there being no other change in the share capital and shareholding structure of the Company between the date of this announcement and Completion):

Shareholders	As at the date of this announcement		Immediately upon the Completion	
	No. of Shares	%	No. of Shares	%
Queen Media Co., Ltd ( <i>Note 1</i> )	202,780,000	12.73	202,780,000	10.66
HKND Limited ( <i>Note 2</i> )	400,000,000	25.11	400,000,000	21.02
The Subscriber	–	–	310,000,000	16.29
Other public Shareholders	<u>990,162,000</u>	<u>62.16</u>	<u>990,162,000</u>	<u>52.03</u>
<b>Total</b>	<b><u>1,592,942,000</u></b>	<b><u>100.00</u></b>	<b><u>1,902,942,000</u></b>	<b><u>100.00</u></b>

*Notes:*

1. The entire equity interest of Queen Media Co., Ltd is deemed to be ultimately held by Ms. Ren Wen, an executive Director.
2. The entire equity interest of HKND Limited is ultimately held by Mr. Wang Zhihan.

## FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Saved for debt financing, the Company has not conducted any equity fund raising activities in the past twelve months immediately before the date of this announcement.

**Shareholders and potential investors should note that the Subscription is subject to the fulfilment of the condition under the Subscription Agreement. As the Subscription may or may not proceed to completion, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## DEFINITIONS

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

- “AGM” the annual general meeting of the Company held on 28 June 2023
- “Board” the board of directors of the Company

“Business Day”	a day (excluding Saturday, Sunday and public holidays) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	Wisdom Sports Group, a limited liability exempted company incorporated in Cayman Islands, the issued shares of which are listed on Main Board (stock code: 1661)
“Completion”	the completion of the Subscription in accordance with the terms and condition set out in the Subscription Agreement
“Completion Date”	A date within five Business Days (or such other date and time as may be agreed by the Company) following the date on which the condition precedent of the Subscription Agreement are fulfilled
“Director(s)”	the director(s) of the Company
“Main Board”	Main Board operated by the Stock Exchange
“Main Board Listing Rules”	the Rules Governing the Listing of Securities on Main Board
“General Mandate”	the general mandate to allot and issue up to 318,588,400 Shares granted to the Board by a resolution of the Shareholders passed at the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	a party who is not a connected person (as defined in the Main Board Listing Rules) of the Company and is independent of and not connected with the Company and its connected persons (as defined in the Main Board Listing Rules)
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscriber”	ND Medical Technology Limited, a company incorporated in Hong Kong with limited liability and an independent third party to the Company
“Subscription Agreement”	the conditional subscription agreement dated 6 March 2024 entered into between the Company and the Subscriber in respect of the Subscription
“Subscription Price”	HK\$0.139 per Subscription Share
“Subscription Shares”	310,000,000 Shares to be subscribed by the Subscriber pursuant to the Subscription Agreement
“Subscription”	the subscription of a total of 310,000,000 Subscription Shares by the Subscriber pursuant to the terms and condition of the Subscription Agreement
“%”	Per cent

By order of the Board  
**Wisdom Sports Group**  
**Ren Wen**  
*Co-chairlady and Executive Director*

Hong Kong, 6 March 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.*