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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)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

CONSOLIDATED RESULTS

The board (the “**Board**”) of directors (the “**Directors**” and each a “**Director**”) of Wisdom Sports Group (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2020 (the “**Reporting Period**”) as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	<i>Note</i>	2020 RMB'000	2019 <i>RMB'000</i>
Revenue	4	8,942	158,967
Cost of services		<u>(9,323)</u>	<u>(186,728)</u>
Gross loss		(381)	(27,761)
Other income	5	17,838	17,740
Other losses	6	(9,983)	(397,931)
Selling and distribution expenses		(1,940)	(22,513)
General and administrative expenses		<u>(45,514)</u>	<u>(67,953)</u>
Loss from operations		(39,980)	(498,418)
Finance costs		(36)	(56)
Share of results of associates		<u>(913)</u>	<u>(1,411)</u>
Loss before tax		(40,929)	(499,885)
Income tax (expense)/credit	8	<u>(5,612)</u>	<u>15,289</u>
Loss for the year	9	<u>(46,541)</u>	<u>(484,596)</u>
Attributable to:			
Owners of the Company		(43,985)	(455,122)
Non-controlling interests		<u>(2,556)</u>	<u>(29,474)</u>
		<u>(46,541)</u>	<u>(484,596)</u>

	<i>Note</i>	2020 RMB'000	2019 RMB'000
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss:</i>			
Financial assets at fair value through other comprehensive income – net movement in fair value reserve (non-recycling)		<u>12,138</u>	<u>11,736</u>
Other comprehensive income for the year, net of tax		<u>12,138</u>	<u>11,736</u>
Total comprehensive income for the year		<u>(34,403)</u>	<u>(472,860)</u>
Attributable to:			
Owners of the Company		(31,847)	(443,386)
Non-controlling interests		<u>(2,556)</u>	<u>(29,474)</u>
		<u>(34,403)</u>	<u>(472,860)</u>
Loss per share attributable to owners of the Company	<i>11</i>		
Basic and diluted		<u>RMB(0.03)</u>	<u>RMB(0.29)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2020

	<i>Note</i>	2020 RMB'000	2019 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment		64,479	8,977
Right-of-use asset		147	8,494
Investment property		–	15,692
Goodwill		–	–
Intangible assets		3,225	4,688
Financial assets at fair value through other comprehensive income		84,142	92,176
Other receivables		50,000	59,629
Investments in associates		10,896	12,333
Deferred tax assets		6,720	9,328
Other non-current assets		20,370	78,844
Total non-current assets		239,979	290,161
Current assets			
Inventories		2,205	2,414
Financial assets at fair value through profit or loss		62,064	13,229
Trade receivables	12	1,552	54,964
Other receivables		132,632	129,441
Prepayments and other current assets		31,773	35,105
Cash and cash equivalents		137,696	167,317
Total current assets		367,922	402,470
TOTAL ASSETS		607,901	692,631
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		2,454	2,454
Reserves		557,981	589,828
		560,435	592,282
Non-controlling interests		(622)	7,110
TOTAL EQUITY		559,813	599,392

	<i>Note</i>	2020 RMB'000	2019 <i>RMB'000</i>
LIABILITIES			
Non-current liabilities			
Lease liability		<u>—</u>	<u>2,871</u>
Current liabilities			
Trade payables	<i>13</i>	15,421	44,092
Other payables and accrued expenses		10,706	19,695
Contract liabilities		910	75
Lease liability		324	5,432
Income tax payables		<u>20,727</u>	<u>21,074</u>
Total current liabilities		<u>48,088</u>	<u>90,368</u>
TOTAL LIABILITIES		<u>48,088</u>	<u>93,239</u>
TOTAL EQUITY AND LIABILITIES		<u>607,901</u>	<u>692,631</u>
NET CURRENT ASSETS		<u>319,834</u>	<u>312,102</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. GENERAL INFORMATION

Wisdom Sports Group (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 (2012 Revision) of the Cayman Islands on 21 March 2012 and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Its ultimate controlling party is Ms. Ren Wen, who is also the Chairlady of the Board of the Company. The address of the registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business of the Company in China is 7/F, Block 1, No.16, Xinyuanli, Chaoyang District, Beijing, the People’s Republic of China (the “**PRC**”). The Company and its subsidiaries (collectively referred to as the “**Group**”) is principally engaged in the provision of events operation and marketing services, and sports services in the PRC.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). HKFRSs comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange and with the disclosure requirements of the Hong Kong Companies Ordinance. Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current year of the Group. Note 3 to the consolidated financial statements provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior years reflected in these consolidated financial statements.

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

(a) Application of new and revised HKFRSs

The Group has applied the Amendments to References to the Conceptual Framework in HKFRS Standards and the following amendments to HKFRSs issued by the HKICPA for the first time relevant to the Group, which are mandatorily effective for the annual period beginning on or after 1 January 2020 for the preparation of the consolidated financial statements:

(i) Amendments to HKAS 1 and HKAS 8 *Definition of Material*

The amendments provide a new definition of material that states “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” The amendments also clarify that materiality depends on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements taken as a whole.

The application of the Amendments to References to the Conceptual Framework in HKFRS Standards and the amendments to HKFRSs in the current year had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

(b) New and revised HKFRSs in issue but not yet effective

The Group has not early applied any new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2020. These new and revised HKFRSs include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendment to HKFRS 16 <i>Covid-19-Related Rent Concessions</i>	1 June 2020
Amendments to HKFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to HKAS 16 <i>Property, plant and equipment: proceeds before intended use</i>	1 January 2022
Amendments to HKAS 37 <i>Onerous contracts – cost of fulfilling a contract</i>	1 January 2022
Annual Improvements to HKFRSs 2018 – 2020 Cycle	1 January 2022
Amendments to HKAS 1 <i>Classification of liabilities as current or non-current</i>	1 January 2023
Amendments to HKFRS 10 and HKAS 28 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

4. REVENUE

An analysis of the Group's revenue for the year is as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Events operation and marketing income	671	74,171
Sports services income	<u>8,271</u>	<u>84,796</u>
	<u>8,942</u>	<u>158,967</u>
	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Timing of revenue recognition		
– At a point in time	7,759	158,967
– Over time	<u>1,183</u>	<u>–</u>
	<u>8,942</u>	<u>158,967</u>

Except for rental income from equipment under operating leases within sports services having revenue recognised over time covering the periods of sports-related competitions, revenue recognised at a point in time comprises income generated from sports-related competitions by the provision of events operation and marketing services, and all other sports services when the competitions are held.

5. OTHER INCOME

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Interest income from treasury products (<i>note (a)</i>)	5,972	7,234
Interest income from loans to companies	4,084	5,019
Interest income from fund investment in a partnership	2,375	4,000
Interest income from short-term bank deposits	30	447
Dividend income from a financial asset at fair value through other comprehensive income	4,820	–
Government grant (<i>note (b)</i>)	307	35
Rental income	–	586
Others	<u>250</u>	<u>419</u>
	<u>17,838</u>	<u>17,740</u>

Notes:

- (a) The Group invested in treasury products issued by financial institutions in the PRC. The investments are denominated in RMB and with maturity periods within six months. The rates of return range from 2.3% to 8.6% per annum (2019: 2.7% to 6.1% per annum).
- (b) Government grant represents the wage subsidy received under Employment Support Scheme in Hong Kong as a time-limited compensation for expenses incurred without unfulfilled conditions during the economic instability under COVID-19 pandemic for the year ended 31 December 2020 (2019: the Group benefits from government grants in the form of tax refund from a governmental body of Fuzhou, Jiangxi Province as a result of their contribution for developing the cultural and media industry in the city).

6. OTHER LOSSES

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Allowance for impairment of trade receivables	(4,552)	(23,454)
Allowance for impairment of other receivables	(2,757)	(34,360)
Exchange (losses)/gains	(3,368)	1,329
Fair value loss on listed equity securities of financial assets at fair value through profit or loss	(3,565)	(3,922)
Gain/(loss) on disposals of listed equity securities of financial assets at fair value through profit or loss	14,710	(46,181)
Impairment of intangible assets	–	(826)
Impairment of investments in associates	(524)	(3,076)
Impairment of goodwill	–	(191,584)
Loss on disposal of a subsidiary	(3,392)	–
(Loss)/gain on disposals of property, plant and equipment	(85)	2,427
(Loss)/gain on disposal of a right-of-use asset	(124)	393
Write-off of an operating right included in intangible assets	–	(84,552)
Write-off of trade receivables	(1,111)	(2,620)
Write-off of other receivables (<i>note</i>)	(1,983)	–
Write-off of prepayments	(1,707)	(8,000)
Others	(1,525)	(3,505)
	<u>(9,983)</u>	<u>(397,931)</u>

Note: Write-off of other receivables during the year ended 31 December 2020 included write-off of RMB1,462,000 originally due from 深圳韌行投資有限公司 (“SZRX”) in which Ms. Ren Wen had a material interest from indirect controlling shareholding.

7. SEGMENT INFORMATION

Information reported to the Chief Executive Officer, being the chief operating decision maker (“CODM”), for the purpose of resources allocation and assessment of segment performance focuses on types of services provided.

The Group has two reportable operating segments, which are (a) Events Operation and Marketing; and (b) Sports Services.

The Group’s operating and reportable segments are as follows:

Events Operation and Marketing	Providing mainly marketing services in conjunction with sports-related competitions. Types of revenue include mainly corporate sponsorship income.
Sports Services	Providing services mainly to government, marathon runners and media companies in conjunction with sports-related competitions. Types of revenue include mainly live broadcasting and program production income, individual consumption income, and rental income from equipment.

The Group’s reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

Segment results are measured as gross profit/(loss) of each segment without allocation of selling and distribution expenses, general and administrative expenses, finance costs, other income, other losses, share of results of associates and income tax (expense)/credit. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.

No segment assets or liabilities information or other segment information is provided as the CODM does not review this information for the purpose of resource allocation and assessment of segment performance.

No geographical segment information is presented as all the sales and operating losses of the Group are derived within the PRC and all the operating assets of the Group are located in the PRC, which is considered as one geographic location with similar risks and returns.

The segment information provided to the CODM for the reportable segments for the years ended 31 December 2020 and 2019 is as follows:

Year ended 31 December 2020

	Events Operation and Marketing RMB'000	Sports Services RMB'000	Total RMB'000
Revenue	671	8,271	8,942
Cost of services	<u>—</u>	<u>(9,323)</u>	<u>(9,323)</u>
Segment results	<u>671</u>	<u>(1,052)</u>	(381)
Other income			17,838
Other losses			(9,983)
Selling and distribution expenses			(1,940)
General and administrative expenses			(45,514)
Finance costs			(36)
Share of results of associates			(913)
Income tax expense			<u>(5,612)</u>
Loss for the year			<u><u>(46,541)</u></u>

Year ended 31 December 2019

	Events Operation and Marketing RMB'000	Sports Services RMB'000	Total RMB'000
Revenue	74,171	84,796	158,967
Cost of services	<u>(123,102)</u>	<u>(63,626)</u>	<u>(186,728)</u>
Segment results	<u>(48,931)</u>	<u>21,170</u>	(27,761)
Other income			17,740
Other losses			(397,931)
Selling and distribution expenses			(22,513)
General and administrative expenses			(67,953)
Finance costs			(56)
Share of results of associates			(1,411)
Income tax credit			<u>15,289</u>
Loss for the year			<u><u>(484,596)</u></u>

Revenue from major customer:

Revenue from customer contributing over 10% of the total revenue of the Group is as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Customer A	<u>1,052</u>	<u>N/A</u>

None of the customers contributed over 10% of the total revenue of the Group for the year ended 31 December 2019 only.

8. INCOME TAX (EXPENSE)/CREDIT

Income tax has been recognised in profit or loss as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Current tax		
Provision for the year – the PRC	(3,900)	(12,599)
Over-provision in prior years	<u>896</u>	<u>141</u>
	(3,004)	(12,458)
Deferred tax	<u>(2,608)</u>	<u>27,747</u>
	<u>(5,612)</u>	<u>15,289</u>

No provision for Hong Kong Profits Tax was required since the Group had no assessable profits for the years ended 31 December 2020 and 2019.

PRC Corporate Income Tax has been provided at a rate of 25% (2019: 25%).

Pursuant to the PRC law on Corporate Income Tax, 10% withholding income tax will be levied on foreign investors for dividend distribution from foreign invested enterprises' profit earned after 1 January 2008. For qualified investors incorporated in Hong Kong, a treaty rate of 5% will be applied.

Tax charged on profits assessable elsewhere has been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

The reconciliation between the income tax (expense)/credit and the product of loss before tax multiplied by the respective applicable tax rates is as follows:

	2020 RMB'000	2019 RMB'000
Loss before tax	<u>(40,929)</u>	<u>(499,885)</u>
Tax at the respective applicable tax rates	9,609	104,506
Tax effect of share of results of associates	(228)	(353)
Tax effect of income that is not taxable	816	3,866
Tax effect of expenses that is not deductible	(972)	(47,028)
Net tax effect of temporary differences not recognised	(543)	22,227
Tax effect of tax losses not recognised	(11,290)	(56,070)
Withholding tax	(3,900)	(12,000)
Over-provision in prior years	<u>896</u>	<u>141</u>
Income tax (expense)/credit	<u>(5,612)</u>	<u>15,289</u>

9. LOSS FOR THE YEAR

The Group's loss for the year is stated after charging/(crediting) the following:

	2020 RMB'000	2019 RMB'000
Amortisation of intangible assets	988	12,932
Cost of inventories utilised	5	1,984
Depreciation of investment property	–	1,260
Depreciation of property, plant and equipment	13,006	4,822
Depreciation of right-of-use assets	581	7,661
Donation	200	–
Fair value loss on listed equity securities of financial assets at fair value through profit or loss (<i>note 6</i>)	3,565	3,922
(Gain)/loss on disposals of listed equity securities of financial assets at fair value through profit or loss (<i>note 6</i>)	(14,710)	46,181
Loss/(gain) on disposals of property, plant and equipment (<i>note 6</i>)	85	(2,427)
Loss/(gain) on disposal of a right-of-use asset (<i>note 6</i>)	124	(393)
Loss on disposal of a subsidiary	3,392	–
Staff costs		
– Salaries, bonuses and allowances	7,056	37,981
– Retirement benefit scheme contributions	807	7,317
– Share-based payments	–	48
Write-off of an operating right included in intangible assets	–	84,552
Auditor's remuneration	1,150	2,200
Allowance for impairment of trade receivables (<i>note 6</i>)	4,552	23,454
Allowance for impairment of other receivables (<i>note 6</i>)	2,757	34,360
Write-off of trade receivables (<i>note 6</i>)	1,111	2,620
Write-off of other receivables (<i>note 6</i>)	1,983	–
Write-off of prepayments (<i>note 6</i>)	1,707	8,000
Impairment of goodwill (<i>note 6</i>)	–	191,584
Impairment of intangible assets (<i>note 6</i>)	–	826
Impairment of investments in associates (<i>note 6</i>)	<u>524</u>	<u>3,076</u>

10. DIVIDENDS

2019
RMB'000

2018 final dividend of RMB0.062 per share paid 98,762

The Board of Directors does not recommend the payment of any dividend in respect of the years ended 31 December 2020 and 2019.

11. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following:

	2020 RMB'000	2019 RMB'000
Loss attributable to owners of the Company		
Loss for the purpose of calculating basic and diluted loss per share	<u>(43,985)</u>	<u>(455,122)</u>

	2020 '000	2019 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	<u>1,592,942</u>	<u>1,592,942</u>

The computation of diluted loss per share did not assume the exercise of the Company's outstanding share options as the exercise price of those share options was higher than the average market price for shares for the years ended 31 December 2020 and 2019.

12. TRADE RECEIVABLES

	2020 RMB'000	2019 RMB'000
Trade receivables	25,172	104,122
Allowance for impairment of trade receivables	<u>(23,620)</u>	<u>(49,158)</u>
	<u>1,552</u>	<u>54,964</u>

The Group generally allows an average credit period of 180 days (2019: 180 days) for its customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the Directors.

The aging analysis of trade receivables, net of allowance for impairment of trade receivables, presented based on the invoice dates is as follows:

	2020 RMB'000	2019 <i>RMB'000</i>
Within 1 month	274	23,671
1 to 3 months	3	18,700
4 to 6 months	5	2,210
7 to 12 months	–	2,939
1 to 2 years	1,270	7,444
Over 2 years	–	–
	<u>1,552</u>	<u>54,964</u>

The carrying amounts of the Group's trade receivables are all denominated in RMB.

13. TRADE PAYABLES

	2020 RMB'000	2019 <i>RMB'000</i>
Trade payables	<u>15,421</u>	<u>44,092</u>

Trade payables comprised amounts due to suppliers for purchase of goods or services used in regular course of business. Trade payables are non-interest bearing and generally due upon demand. The aging analysis of trade payables based on the invoice dates is as follows:

	2020 RMB'000	2019 <i>RMB'000</i>
Within 1 month	119	27,564
1 to 3 months	–	5,631
4 to 6 months	–	1
7 to 12 months	–	2,931
Over 12 months	<u>15,302</u>	<u>7,965</u>
	<u>15,421</u>	<u>44,092</u>

The carrying amounts of the Group's trade payables are all denominated in RMB.

MANAGEMENT DISCUSSION AND ANALYSIS

Group Overview

2020 was a difficult year for athletes because the worldwide spread of the novel coronavirus (the “COVID-19”) pandemic materially impacted the sports industry. Due to the need to strictly control the spread of the pandemic, the operation of the global sports industry and major international and domestic events were cancelled or postponed. The sports industry therefore became a land of wailing and despairs, and many participants in the sports industry had to wait for the end of the pandemic before sports events would be resumed.

As an operator of many marathon events in the PRC, the Group was also materially and adversely impacted by the pandemic. As marathons are regarded as highly crowded gathering events, only a few marathon events were allowed to be held throughout 2020. Given the pressure of pandemic prevention and control, governments in many cities decided to postpone the holding of the marathon events to avoid mass people movement and gathering caused by the events, which would increase the risk of spreading the pandemic. The holding of the marathon events to which the Group had operating rights were also postponed at the decision of the governments in the cities where such events should have been held during the period stipulated in the contracts. As such, the Group made efforts to meet the needs of runners by holding online running events including the Nanchang Marathon* (南昌馬拉松) and the Shenzhen Marathon* (深圳馬拉松) to compensate for the disappointment from the postponement of other marathon events.

Taking into account various factors such as the severity and high infectivity of the pandemic, the management of the Group accurately predicted the prolonged outbreak of the pandemic in early 2020, and promptly decided to reduce the operating costs of the Company and prepare for the “cold winter” during the outbreak of the pandemic. Unless necessary, our staff were required to stay home in order to reduce the chances of being contracted with COVID-19 while maintaining the smooth operation of the Company at the lowest costs and expenses to maintain healthy cash flow position and improve its core competitiveness in the industry so that the Company can restart quickly after the pandemic.

Under the current situation, the Group successfully won the bid for the operating rights of the Lu'an Marathon* (六安馬拉松), held the online events in relation to the Nanchang Marathon* (南昌馬拉松) and the Shenzhen Marathon* (深圳馬拉松), and participated in the bidding for the operating rights of the Rongcheng Marathon* (榮成馬拉松) and other projects. The events operated by the Company won many awards from the International Association of Athletics Federations and the Chinese Athletics Association* (中國田徑協會). Among them, the Shenzhen International Marathon* (深圳國際馬拉松) was once again named an international gold label track race, and the Nanchang International Marathon* (南昌國際馬拉松) and the Changsha International Marathon* (長沙國際馬拉松) were named the international silver label track races; while in the selection activities organised by the Chinese Athletics Association* (中國田徑協會), the Company received 11 honours, including six gold medal events, two silver medal events, one bronze medal event and two characteristic events. The Group has always maintained a leading position among the marathon operators in the PRC.

Meanwhile, the Group constantly conducts market research for obtaining new projects, including market opportunities in paddle sports, winter sports, youth training and other fields, and prepares basic research and market analysis for project planning in related fields for 2021.

On this basis, the Group is also purchasing wealth management and financial products to earn capital gains to replenish the operating cash flow of the Company. The Group continues to capture investment opportunities in sports, finance and other related fields, aiming to create a two-wheel driving development model in the “sports + finance” field.

Outlook of the Industry and the Group

At the beginning of 2021, pandemic prevention and control in the PRC achieved great success, and rapidly made breakthroughs in the research, development and vaccination of vaccines, which brought the pandemic under a preventable and controllable situation. For the sports industry and enterprises in the industry, the most difficult time has passed. Although the Chinese Athletics Association* (中國田徑協會) still does not approve the holding of marathon events before 31 March 2021 in the PRC, people are confident that the sports competitions and market will gradually reopen after March 2021 and it is expected that there will be a rebound from the lowermost.

The Group has also actively made work deployment for this year based on its judgment of the situation. In particular, the Group has arranged staff to resume working in the office in an orderly manner, carried out overall planning and marketing preparations for the events that remain within the contract terms, connected with local governments, actively conducted event development, participated in bidding and tendering, and focused on the exploration of small-scale events, enterprise customised events and other fields on top of the original large-scale urban marathon events to avoid the adverse impact of the pandemic on large-scale crowd gathering events. The Group believes that it will be able to bring more innovative sports events with its sincerity to runners in 2021. Meanwhile, according to the experience of the rapid development of sports performance industry after the severe acute respiratory syndrome (SARS) epidemic in 2003, the Group believes that active participation in the projects within the athletic performance field will effectively improve the profitability of the Group.

Although the pandemic dragged down the development of the sports industry, for sports event operators such as the Group and participants in the sports industry, our passion and obsession for sports have never diminished, and we are still positive and optimistic about the long-term and rapid development of the sports industry in the future. In the PRC, people’s enthusiasm for health and sports involvement is increasing day by day, so we will also continue to forge ahead on the path of sports industry development and make our due contributions with an aim to be well received and reputed by consumers.

FINANCIAL REVIEW

During the Reporting Period, the Group had two business divisions which represented two reportable operating segments, namely:

- (a) the Events Operation and Marketing segment, which mainly provides marketing services in conjunction with sports-related competitions. Its revenue includes mainly corporate sponsorship income; and
- (b) the Sports Services segment, which provides services mainly to government, marathon runners and media companies in conjunction with sports-related competitions. Its revenue includes mainly live broadcasting and program production income, individual consumption income, and rental income from equipment.

Revenue

The Group's revenue decreased by approximately 94.4% to RMB8.9 million for the year ended 31 December 2020 from RMB159.0 million for the year ended 31 December 2019, which was mainly due to the fact that the sports events could not be organised as scheduled as a result of the outbreak of the COVID-19 pandemic. Details based on reportable segments are as follows:

- Revenue of the Events Operation and Marketing segment decreased by 99.1% to RMB0.7 million for the year ended 31 December 2020 from RMB74.2 million for the year ended 31 December 2019; and
- Revenue of the Sports Services segment decreased by approximately 90.3% to RMB8.2 million for the year ended 31 December 2020 from RMB84.8 million for the year ended 31 December 2019.

Cost of Services

The Group's cost of services decreased by approximately 95.0% to RMB9.3 million for the year ended 31 December 2020 from RMB186.7 million for the year ended 31 December 2019, which was mainly due to the fact that the sports events could not be organised as scheduled as a result of the outbreak of the COVID-19 pandemic. Details based on reportable segments are as follows:

- Cost of the Events Operation and Marketing segment decreased by 100% to RMB Nil for the year ended 31 December 2020 from RMB123.1 million for the year ended 31 December 2019; and
- Cost of the Sports Services segment decreased by approximately 85.4% to RMB9.3 million for the year ended 31 December 2020 from RMB63.6 million for the year ended 31 December 2019.

Gross Loss and Gross Loss Margin

As a result of the aforementioned factors, the gross loss of the Group decreased by approximately 98.6% to RMB0.4 million for the year ended 31 December 2020 from RMB27.7 million for the year ended 31 December 2019, and the gross loss margin decreased to approximately 4.5% for the year ended 31 December 2020 from 17.4% for the year ended 31 December 2019. The changes in both gross loss and gross loss margin were mainly due to the fact that the sports events could not be organised as scheduled as a result of the outbreak of the COVID-19 pandemic. Details based on reportable segments are as follows:

- As a result of the foregoing changes in revenue and cost of services of the Events Operation and Marketing segment, the Group recorded a gross profit for the Events Operation and Marketing segment of RMB0.7 million for the year ended 31 December 2020 as compared to a gross loss of RMB48.9 million recorded for the year ended 31 December 2019, representing an increase of approximately 101.4% in gross profit. The Group recognised a gross profit margin of 100.0% for the year ended 31 December 2020 as compared to a gross loss margin of 65.9% for the year ended 31 December 2019; and
- As a result of the foregoing changes in revenue and cost of services of the Sports Services segment, the Group recorded a gross loss for the Sports Services segment of RMB1.1 million for the year ended 31 December 2020 as compared to a gross profit of RMB21.2 million recorded for the year ended 31 December 2019, representing a decrease of approximately 105.2% in gross profit. The Group recognised a gross loss margin of 13.4% for the year ended 31 December 2020 as compared to a gross profit margin of 25.0% for the year ended 31 December 2019.

Selling and Distribution Expenses

The Group's selling and distribution expenses decreased by approximately 91.6% to RMB1.9 million for the year ended 31 December 2020 from RMB22.5 million for the year ended 31 December 2019. The decrease was mainly attributable to the optimisation of labour cost by the Group and the decrease in promotion and marketing consultancy fees due to the fact that the sports events could not be organised as scheduled as a result of the outbreak of the COVID-19 pandemic.

General and Administrative Expenses

The Group's general and administrative expenses decreased by approximately 33.1% to RMB45.5 million for the year ended 31 December 2020 from RMB68.0 million for the year ended 31 December 2019. This decrease was mainly due to the enhancement of daily expenses management and optimisation of labour cost by the Group.

Other Income

The Group's other income increased by approximately 0.6% to RMB17.8 million for the year ended 31 December 2020 from RMB17.7 million for the year ended 31 December 2019.

Other Losses

The Group's other losses decreased by approximately 97.5% to net losses of RMB10.0 million for the year ended 31 December 2020 from the net losses of RMB397.9 million for the year ended 31 December 2019. The decrease in losses was mainly due to: (i) the impairment of the goodwill under the Events Operation and Marketing cash-generating unit ("CGU") and the Sports Services CGU during last year; (ii) the write-off of an exclusive operating right to a "Running in China"* (奔跑中國) marathon event under intangible assets of Beijing Shangde Da'ai Sports Co., Ltd.* (北京上德大愛體育有限公司)("SDDA"), a subsidiary of the Company during last year; and (iii) the increase in gain on disposals of listed equities of financial assets at fair value through profit or loss for the year ended 31 December 2020.

Loss before Income Tax

As a result of the foregoing, the Group's loss before income tax decreased by 91.8% to RMB40.9 million for the year ended 31 December 2020 from RMB499.9 million for the year ended 31 December 2019.

Income Tax Credit

The Group's income tax expense was RMB5.6 million for the year ended 31 December 2020 while the income tax credit was RMB15.3 million for the year ended 31 December 2019. The change was mainly due to the reversal of deferred tax liability upon the write-off of an exclusive operating right to a "Running in China"* (奔跑中國) marathon event under intangible assets of SDDA during last year.

Loss Attributable to the Owners of the Company

As a result of the foregoing, the loss attributable to the owners of the Company decreased by 90.3% to RMB44.0 million for the year ended 31 December 2020 from RMB455.1 million for the year ended 31 December 2019.

Cash Flow

As at 31 December 2020, the Group's cash and cash equivalents amounted to approximately RMB137.7 million as compared to that of approximately RMB167.3 million as at 31 December 2019.

Working Capital

The Group's net current assets increased by approximately 2.5% to RMB319.8 million as at 31 December 2020 from RMB312.1 million as at 31 December 2019. This shows that the Group's net current assets were maintained at a relatively high level that can adequately meet its daily working capital requirements and finance the business development.

Capital Expenditure

The Group's total expenditure on the acquisition of property, plant and equipment amounted to RMB58.5 million for the year ended 31 December 2020 (year ended 31 December 2019: RMB1.5 million).

CAPITAL STRUCTURE OF THE GROUP

The reorganisation of the Group as set out in the prospectus of the Company dated 28 June 2013 (the “**Prospectus**”) was completed on 24 June 2013. The Company was listed on the Main Board of the Stock Exchange on 11 July 2013. On 7 August 2013, the Company issued an additional 9,045,000 ordinary shares at the offer price of HK\$2.11 each to the public upon the partial exercise of the over-allotment option. The options to subscribe for a total of 1,210,000 shares of the Company were granted on 23 May 2014 to employees of the Group. As at the date of this announcement, no option has been exercised. The options to subscribe for a total of 2,500,000 shares of the Company were granted on 29 May 2015 to employees of the Group. As at the date of this announcement, no option has been exercised. Save for the above, there was no alteration in the capital structure of the Group for the year ended 31 December 2020.

CHARGE ON ASSETS

As at 31 December 2020, there was no charge on the Group’s assets (2019: Nil).

CONTINGENT LIABILITIES

As at 31 December 2020, the Company had no material contingent liabilities (2019: RMB2.3 million relating to a litigation matter of a breach of contract for the provision of Events Operation and Marketing services).

DIVIDENDS

The Board does not recommend the payment of a final dividend for the year ended 31 December 2020 (2019: Nil). The Company did not declare payment of an interim dividend for the six months ended 30 June 2020.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2020.

CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company (the “**AGM**”) is expected to be held on Monday, 28 June 2021. In order to determine the shareholders who will be qualified for attending and voting at the AGM, the register of members of the Company will be closed from Wednesday, 23 June 2021 to Monday, 28 June 2021, both days inclusive. To be eligible to attend and vote at the AGM, all completed transfer document(s) together with the relevant share certificate(s) must be lodged with the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 22 June 2021 for registration.

CORPORATE GOVERNANCE CODE

The Company has applied the principles/code provisions as set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The Board is of the view that for the year ended 31 December 2020, the Company has complied with the code provisions set out in the CG Code, save and except for code provision A.2.1. Details are set out below.

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Ms. Ren Wen, who acts as the chairlady of the Board and an executive Director, was also the president of the Company and was mainly responsible for the implementation of the strategic layout of the Group.

On 3 September 2020, Ms. Ren Wen stepped down as the president of the Company and remains as an executive Director and the chairlady of the Board. Mr. Song Hongfei, who is an executive Director and vice-president of the Company, was re-designated as the president of the Company and remains as an executive Director. Following the change of president, the Company has re-complied with code provision A.2.1 of the CG Code. For details, please refer to the Company’s announcement dated 3 September 2020.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

During the year ended 31 December 2020, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as the code of conduct for dealing in securities of the Company by the Directors. Specific enquiry has been made with all the Directors and each of the Directors has confirmed that he/she has complied with the Model Code throughout the year ended 31 December 2020.

The Company has also established written guidelines no less exacting than the Model Code (the “**Employees Written Guidelines**”) for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company throughout the year ended 31 December 2020.

AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”) in compliance with Rule 3.21 of the Listing Rules and with terms of reference in compliance with the code provision C.3 of the CG Code for the purpose of reviewing the financial information and providing supervision on the financial reporting system and the review of the risk management and internal control systems as well as the effectiveness of the internal audit function of the Group.

As at the date of this announcement, the Audit Committee comprises three members, namely Mr. Chen Zhijian (chairman), Mr. Jin Guoqiang and Mr. Ip Kwok On Sammy, all being independent non-executive Directors.

The Audit Committee communicated with the external auditor of the Company to discuss the review process and accounting issues of the Company. The Audit Committee, together with the management of the Company, has reviewed the audited consolidated financial results of the Group for the year ended 31 December 2020 and considers that the results are in compliance with generally accepted accounting principles as well as the applicable laws and regulations.

AUDITOR

The figures of the Group’s results for the year ended 31 December 2020 as set out in this announcement have been agreed by the Group’s auditor, RSM Hong Kong, to be the same amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by RSM Hong Kong in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants (HKICPA) and consequently no assurance has been expressed by RSM Hong Kong on this announcement.

CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of new HKFRSs and amendments to HKFRS that are first effective in the Reporting Period, certain of which are relevant to the Group’s consolidated financial statements for the year ended 31 December 2020. For details, please refer to Note 3 to the consolidated financial statements in this announcement.

SIGNIFICANT INVESTMENT, ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND PLANS FOR SIGNIFICANT INVESTMENT OR ACQUISITION OF CAPITAL ASSETS IN THE FUTURE

Subscriptions to the Baoying A-001 Private Investment Fund* (寶盈A-001號私募投資基金)

On 21 April 2020, Shenzhen Wisdom Sports Industry Co., Ltd.* (深圳智美體育產業有限公司) (“**Shenzhen Wisdom**”), a wholly-owned subsidiary of the Company, subscribed to the Baoying A-001 Private Investment Fund* (寶盈A-001號私募投資基金) (the “**Fund**”) with RMB50 million (the “**Subscription**”), which was managed by Qianhai Century Fund Management Co., Ltd.* (前海世紀基金管理有限公司) (the “**Fund Manager**”). The Fund invests in “**Jubao No.1 Private Investment Fund**”* (鉅寶1號私募投資基金), which invests in various monetary instruments, bonds, bond funds, and other fixed incomes and fixed-class income products. As the Subscription had matured, Shenzhen Wisdom had made subsequent subscriptions to the Fund (the “**Further Subscriptions**”). The Fund does not guarantee to capital protection and minimum return. The expected annualised rate of return also differs based on each 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 low interest rates on bank deposits and the stable return of the Fund, the Board is of the view that the Subscription and the Further Subscriptions will enable the Company to continue to utilise its Renminbi surplus cash reserves more efficiently. Pursuant to Rule 14.22 of the Listing Rules, as the Subscription and the Further Subscriptions were entered into between Shenzhen Wisdom and the Fund Manager within a 12-month period, the Subscription and Further Subscriptions were considered and were aggregated as one transaction (the “**Transaction**”). As at the date of this announcement, the Group had recognised return of approximately RMB1,413,227 from the Transaction. The Transaction constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules. For details, please refer to the announcements of the Company dated 21 April 2020, 5 June 2020, 13 July 2020, 24 August 2020 and 11 November 2020, respectively.

On 2 April 2020, Beijing Wisdom Sports Culture Co., Ltd.* (北京智美體育文化有限公司), a wholly-owned subsidiary of the Company, also subscribed to a certain portion of the Fund with RMB32 million and withdraw the Fund before the maturity date. During the subscription holding period, the Group had recognised return of approximately RMB95,386 from the transaction. This transaction constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules. For details, please refer to the announcements of the Company dated 2 April 2020 and 20 April 2020, respectively.

Investment in the Zhixin No.1003 Trust Scheme* (至信1003號集合資金信託計劃)

On 12 May 2020, Shenzhen Wisdom entered into a trust scheme agreement (the “**Minsheng Trust Scheme Agreement**”) with China Minsheng Trust Co., Ltd., (“**Minsheng Trust**”) pursuant to which Shenzhen Wisdom agreed to invest in the Zhixin No.1003 Trust Scheme* (至信1003號集合資金信託計劃) (the “**Minsheng Trust Scheme**”) offered by Minsheng Trust for RMB34 million (the “**Minsheng Investment**”). Pursuant to the terms of the Minsheng Trust Scheme Agreement, Minsheng Trust will utilise the investment contribution by investing in the underlying assets of a third-party company, namely, Sunac Hetai (Tianjin) Factoring Limited* (融創和泰(天津)商業保理有限公司) (“**Sunac Hetai**”). The underlying assets are in the form of receivables derived from the sale of commercial housing projects conducted by certain subsidiaries of Sunac China Holdings Limited (“**Sunac**”). Upon completion of the sale of the commercial housing projects, the receivables will be transferred to Sunac Hetai and Sunac Hetai will distribute the earnings to the Minsheng Trust Scheme whereby the beneficiaries will receive the payouts based on their respective investment proportions plus the annualised rate of return. The Minsheng Investment does not guarantee to capital protection and minimum return. The expected annualised rate of return is 4.7%. The Board is of the opinion that investments in short-term wealth management products such as the Minsheng Trust Scheme will improve the Group’s efficiency on capital utilisation, earn extra return on investment and combat inflation while not affecting the Group’s daily cash flows. As at the date of this announcement, the Group had recognised return of approximately RMB271,441 from the Minsheng Investment. The Minsheng Investment constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules. For details, please refer to the announcements of the Company dated 12 May 2020 and 18 May 2020, respectively.

Investment in the 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)

On 7 April 2020, Beijing Wisdom Sports Industry Co., Ltd.* (北京智美體育產業有限公司) (“**Beijing Wisdom Sports**”), a wholly-owned subsidiary of the Company, entered into a trust scheme agreement (the “**Chang’an Trust Scheme Agreement**”) with Chang’an International Trust Co., Ltd. (“**Chang’an Trust**”), pursuant to which Beijing Wisdom Sports agreed to invest in the 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) (the “**Chang’an Trust Scheme**”) established by Chang’an Trust for RMB40 million (the “**Chang’an Investment**”). The Chang’an 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 high liquidity. As the Chang’an Investment had matured, Beijing Wisdom Sports had re-invested in the Chang’an Trust Scheme (the “**Chang’an Re-investments**”). The Chang’an Trust Scheme does not guarantee to capital protection and minimum return. The expected annualised rate of return also differs based on each investment.

The Board is of the opinion that investments in short-term wealth management products such as the Chang'an Trust Scheme will improve the Group's efficiency on capital utilisation, earn extra return on investment and combat inflation while not affecting the Group's daily cash flows. Pursuant to Rule 14.22 of the Listing Rules, as the Chang'an Investment and Chang'an Re-investments were conducted within a 12-month period, the Chang'an Investment and Chang'an Re-investments were considered and were aggregated as one transaction (the "**Chang'an Investments**"). As at the date of this announcement, the Group had recognised approximately RMB1,531,682 from the Chang'an Investments. The Chang'an Investments constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules. For details, please refer to the announcements of the Company dated 7 April 2020, 15 July 2020 and 21 October 2020, respectively.

Save as disclosed in this announcement, the Company had no other significant investment, acquisition and disposal of subsidiaries, associates and joint ventures during the year ended 31 December 2020 and, as at the date of this announcement, has no specific plans for significant investment or acquisition of material capital assets in the future.

LITIGATION

In December 2019, several subsidiaries of the Company began to initiate legal proceedings (the "**Legal Proceedings**") against Wisdom Sports Arena Operation (Shenzhen) Co., Ltd. (the "**Arena Company**") in relation to, among others, (i) return of loan; (ii) return of investment; (iii) return of prepayments; and (iv) return of payment on behalf, amounting to a total claim of approximately RMB38.0 million. Most of the Legal Proceedings formally commenced in February 2020. Please refer to the Company's announcement dated 11 February 2020 for further details.

As at the date of this announcement, bankruptcy proceedings against the Arena Company ("**Bankruptcy Proceedings**") have been initiated by its creditors and the Group, being one of its creditors, has lodged its creditor's application to claim against the Arena Company for outstanding debts and the Legal Proceedings have been subsequently withdrawn.

As at the date of this announcement, the Bankruptcy Proceedings have not been concluded.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

Proposed and termination of placing of new shares

On 11 February 2021, the Company entered into a placing agreement (the “**Placing Agreement**”) under the General Mandate (as defined in the relevant announcement) with the placing agent (the “**Placing Agent**”), pursuant to which the Company conditionally agreed to place through the Placing Agent, on a best effort basis, up to 318,588,400 new shares (the “**Placing Shares**”) of the Company to not less than six placees at a price of HK\$0.232 per Placing Share (collectively, the “**Placing**”).

On 15 February 2021, the Company entered into a supplemental placing agreement (the “**Supplemental Placing Agreement**”) with the Placing Agent, pursuant to which the Placing Agent and the Company agreed that the placing price should be revised from HK\$0.232 per Placing Share to HK\$0.235 per Placing Share.

It was expected that the gross proceeds and net proceeds (after deducting placing commission and other relevant costs and expenses) from the Placing would be approximately HK\$74.87 million and approximately HK\$72.62 million, respectively, and the Company would apply the net proceeds towards the business development of the Group and general working capital.

On 25 March 2021, the Company and the Placing Agent mutually agreed to terminate the Placing Agreement and the Supplemental Placing Agreement due to market conditions.

Please refer to the announcements of the Company dated 11 February 2021, 15 February 2021 and 25 March 2021 for further details.

Acquisition of interest in Yuan Tong Global Financial Group Limited (the “**Target Company**”)

The Company entered into a sale and purchase agreement (the “**Agreement**”) with LPD Investments Limited (the “**Vendor**”), an independent third party, on 12 May 2020 in relation to the acquisition of 49% of the issued share capital (the “**Acquisition**”) of the Target Company for a consideration of HK\$53,410,000. Pursuant to the terms of the Agreement, the Company shall pay the Vendor 15% of the consideration, being HK\$8,011,500, as refundable down payment. The Target Company is a company incorporated in Hong Kong with limited liability and, through its subsidiaries, is engaged in, among others, the provision of (i) securities brokerage; (ii) wealth and asset management; and (iii) corporate financial services such as underwriting and placing of initial public offerings shares. In view of the optimistic prospect of the financial services industry in Hong Kong, the Board is of the opinion that the Acquisition will enable the Group to capitalise on the active financial market in Hong Kong and would broaden its sources of income. This transaction constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules. For details, please refer to the announcement of the Company dated 12 May 2020.

On 26 February 2021, the Company entered into a supplemental agreement to the Agreement with the Vendor, pursuant to which the parties have agreed to make certain amendments to the terms of the Agreement including, among other things, to extend the long stop date from 28 February 2021 to 31 March 2021. Please refer to the Company's announcement dated 26 February 2021 for further details.

The Acquisition was completed on 26 March 2021. Please refer to the Company's announcement dated 26 March 2021 for further details.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, for the year ended 31 December 2020 and as at the date of this announcement, the Company has maintained sufficient public float as required under the Listing Rules.

PUBLICATION OF 2020 ANNUAL RESULTS AND 2020 ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This annual results announcement is published on the websites of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<http://www.wisdomsports.com.cn>), and the 2020 annual report of the Company, containing all the information required by the Listing Rules, will be dispatched to the shareholders of the Company and published on the websites of the Stock Exchange and the Company in due course.

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

Hong Kong, 30 March 2021

As at the date of this announcement, the executive Directors are Ms. Ren Wen, Mr. Sheng Jie, Mr. Song Hongfei and Ms. Hao Bin; and the independent non-executive Directors are Mr. Chen Zhijian, Mr. Ip Kwok On Sammy and Mr. Jin Guoqiang.

* *For identification purpose only*