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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)

INSIDE INFORMATION

REPAYMENT OF PAYMENTS ADVANCED BY THE GROUP IN CONNECTION WITH THE POTENTIAL ACQUISITION UNDER MEMORANDUM OF UNDERSTANDING DATED 17 NOVEMBER 2015

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements ("**Previous Announcements**") of the Company dated 17 November 2015, 29 August 2016, 5 October 2016 and 30 December 2016 in relation to, among others, (i) the Potential Acquisition contemplated under the MOU, (ii) the payment by the Group in connection with the Potential Acquisition under the MOU, (iii) the execution of a deed of confirmation and undertaking (the "**Loan Deed**") under which Wuxi Xinyou, Shanghai Shenglang, Shanghai Kaijiu, Shanghai Yinte Investment Centre* (上海银特投资中心) and their respective ultimate beneficial owners have jointly and severally undertaken to repay the Loans to the relevant member of the Group as soon as possible and in any event not later than the Due Date and if any such Loans shall not be repaid in full by the Due Date, to pay interest on the outstanding sum accrued at the rate of 5% per annum until repayment in full, (iv) the execution of a deed of confirmation and undertaking ("**Winning Wisdom Payment Deed**") under which Wuxi Xinyou, Shanghai Shenglang, Winning Wisdom and their respective ultimate beneficial owner have jointly and severally undertaken to repay the Winning Wisdom Payment to the relevant member of the Group as soon as possible and in any event not later than the Due Date, and if the Winning Wisdom Payment shall not be repaid in full by the Due Date, to pay daily interest on the outstanding sum accrued at the rate of 5/10000 until repayment in full, (v) the Company having been notified by each of Wuxi Xinyou, Shanghai Shenglang, Winning Wisdom and their respective ultimate beneficial owner that the Winning Wisdom Payment cannot be repaid in full by the Due Date, (vi) the execution of a supplemental deed of confirmation and undertaking (the "**Supplemental Loan Deed**") in favour of the Company, Shenzhen SinoCom and Shenzhen Qianhai in relation to, among others, an extension of the repayment date of the

Outstanding Loans to 30 June 2017, and (vi) the execution of a supplemental deed of confirmation and undertaking ("**Supplemental Winning Wisdom Payment Deed**") in favour of the Company and SinoCom Holdings (BVI) in relation to, among other things, an extension of the repayment date of the Outstanding Winning Wisdom Payment to 28 February 2017.

Unless otherwise defined herein, capitalized terms used herein shall have the same meanings as defined in the Previous Announcements.

REPAYMENT OF PAYMENTS ADVANCED BY THE GROUP

As disclosed in the announcement dated of the Company 30 December 2016, Wuxi Xinyou, Shanghai Shenglang, Winning Wisdom and their respective ultimate beneficial owner executed the Supplemental Winning Wisdom Payment Deed in favour of the Company and SinoCom Holdings (BVI) in relation to, among other things, an extension of the repayment date of the Outstanding Winning Wisdom Payment to 28 February 2017.

The Board wishes to update the Shareholders and potential investors of the Company that the Group has received the Outstanding Winning Wisdom Payment and all interests accrued thereon under the Supplemental Winning Wisdom Payment Deed in full on 28 February 2017.

As at the date of this announcement, the Outstanding Loans in the amount of RMB70,000,000 and interests thereon under the Supplemental Loan Deed remain owed by Wuxi Xinyou, Shanghai Shenglang, Shanghai Kaijiu, Shanghai Yinte Investment Centre and their respective ultimate beneficial owner to the Group. Pursuant to the Supplemental Loan Deed, the due date for repayment of the Outstanding Loans is 30 June 2017. Further announcement(s) regarding the status of the repayment of the Outstanding Loans will be made by the Company as and when appropriate in compliance with the Listing Rules.

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

Hong Kong, 28 February, 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.