



FREQUENTLY ASKED QUESTIONS

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1. WHAT IS WTT

1.1. Why did ITTF set up WTT?

Despite being one of the most practiced sports in the world, the gap between our sport and other sports at the professional level was becoming larger and larger, events outside the World Championships received little attention, the gap in commercial growth was becoming larger and the clear indicator of this fact was the minimal increase in prize money for the players over the last 20 years. There was only a slow increase of commercial revenues and the events themselves were far below the standard needed to be competitive in an ever-competitive environment. It meant that the attention the sport received was minimal in the overall global media landscape and this therefore affected the ITTF membership also in a negative way as prospective young people surrounded by media would be more likely to choose another sport that it found excited by in the market.

ITTF did a professional audit of the way it does its commercial and event business by Deloitte Sports Group and legal firm Withers. It was recommended that the ITTF set up a commercial vehicle with relative autonomy whose pure focus was growing the sport of table tennis from the professional level with the athlete and the fans as its priority and allow ITTF to continue to serve its membership in a constructive way. This is how the idea of World Table Tennis was born.

1.2. Who is WTT & what is its structure?

World Table Tennis is a commercial entity created in Singapore by the ITTF to grow the professionalisation of table tennis by running ITTF's commercial and events business. WTT will have a board with ITTF representation and is seeking external investment in order to ensure that WTT has the financial means to fast track the growth of the sport.

As an autonomous organisation, WTT will be able to ensure it manages in a much more flexible and modern way, such as obtaining external investment to accelerate the growth of table tennis or having the capacity to quickly react to external elements, such as the current crisis.

1.3. What is WTT's relationship arrangement with the ITTF?

ITTF and WTT have signed a very precise 15-year period master license agreement (MLA) which passes ITTF's commercial rights and event hosting rights (except WTTC's) to WTT.

The MLA details how the organisations need to work together and the control mechanisms in place. Key terms include:

- WTT's business plan must be approved annually by the ITTF Executive Committee
- WTT's accounts must be audited and provided to the ITTF
- Clear termination clauses if WTT is not working in the best interests of table tennis
- A joint steering committee to manage technical issues

ITTF is a shareholder of WTT and has clear rights and control over the company to ensure transparency to the ITTF.

1.4. What level of financial commitment does ITTF have to WTT and vice versa?

WTT is committed to pay a \$2 million license fee annually to the ITTF, which increases over time, and as a shareholder has access to dividends on profits. ITTF has no financial commitments to WTT.

1.5. What are the benefits WTT can bring to players?

WTT is designed to increase the popularity and bring the spotlight onto the stars of the sport, our players and their entourage.

WTT aims to bring:

- Increased prize money
- More professionally run events
- More promotional opportunities to build their own brand
- A dedicated women's tour
- More media and broadcast exposure
- More development opportunities
- A bigger economy for the player and entourage (coaches, physios, managers, etc)

1.6. What are the playing commitments for players?

The top players will continue to play a similar number of events that they currently play now and only if they have success at the major events may be required to play a few more days than the current reality. Players with a ranking that automatically qualifies them to participate in a Grand Smash or WTT Champions event will be required to play these and there will be a maximum of 4 Grand Smash and 4 WTT Champions per year. The top players will be able to play additional WTT Star Contenders and WTT Contenders events at their leisure and subject to National Entry and Play Down Restrictions.

Entry into Star Contenders and Contenders events are by open entry according to ranking and all players have the option to choose however many of these events they would like to play subject to National Entry and Play Down Restrictions.

It is important to note here that WTT does not intend to interrupt players' preference to participate in National based activities: Club, leagues, National Championships etc. In fact it's a strong desire of WTT to make a more clear global events calendar for table tennis.

1.7. What are the benefits WTT can bring to ITTF Member Associations?

As WTT is a platform at the highest end of the development pyramid and competition structure, the objective is that the sport of table tennis, through this platform, will get more media attention, more television coverage and will become more popular in modern day mainstream society. By doing so, more young boys and girls around the world would prefer to choose table tennis compared to another sport, what will certainly increase the base of athletes affiliated to the ITTF member associations.

As well, with more income in the industry, there will be a larger economy for the table tennis world which will also ensure there are more resources for Member Associations to tap into.

Furthermore, for those Member Associations currently hosting international events, WTT is bringing a professional structure that will help these events to improve massively in their presentation and fan experience, resulting once again in a greater popularisation of our sport.

1.8. How may WTT help member associations and regions to find commercial partners and host high level WTT events?

WTT offers a range of event tiers targeted at different hosting objectives and budgets which allows us to suit the needs for different LOCs globally.

WTT also recognises that there are many high potential markets that we need to invest into in order to ensure table tennis is expanding beyond just the “stronghold” regions. We would like to see events spread across the entire world to ensure that table tennis truly becomes a global sport. We have identified the markets where we need development, where we need expansion and where we need consolidation and growth, and we would like to investigate all possibilities to host events in all these different regions.

One of the key aspects WTT brings to the table is the level of expertise and existing business relations of our new partners. This will open the door for investments that in the old system, were simply not possible, as certain doors could not be knocked.

1.9. ITTF did seek the advice of Deloitte as Sport Business Consultant, and Withers as legal firm with experience in sports. What do they bring?

It was important for us that the entire process was done in the most professional way. From the business aspect, Deloitte had previously helped in developing the ITTF strategic plan and our World Championships reform, and they were very well positioned as they knew already many of the details of our sport. At the same time and based on the experiences the ITTF had in the past with commercial partners and marketing agencies, it was important to ensure a robust legal approach, which will dissipate any concerns, or eventual comparisons with old models, which today are seen as very questionable. Here, the expertise, advice and review of Withers was fundamental.

2. GENERAL

2.1. Is WTT making any research to know the Table Tennis popularity and visibility among youths in different continents?

Yes, it is most important to understand who our fans are and to engage the youth. WTT has engaged a brand building agency, 160over90, to segment the current table tennis fans and engage them better, as well as to identify opportunity audiences and strategies to convert these non-fans into fans.

2.2. What is the plan to promote and develop the social elements of table tennis such as sport for all para table tennis?

We would like the organisers to be creative with how they build their events into a sport/entertainment product. Where possible, we would encourage all organisers to look at ways they can incorporate youth, seniors/veterans, para athletes into their events - either as exhibitions or additional events. We want also the fans to be part of the experience at the WTT events.

Additionally, the increased exposure and attention that WTT will garner will provide us with greater opportunities to promote ITTF's other events.

2.3. How will WTT ensure gender equality?

WTT has created a dedicated Women's Champions Series culminating in the Women's Cup Finals to brighten the spotlight on the next generation of female stars, provide equal prize money as for the male Series, identify iconic venues and locations for an "I was there" experience and having world-class TV production and digital storytelling to boost the profile of the players.

2.4. If you have other general-related questions, please send us an email at info@worldtabletennis.com

3. GOVERNANCE

3.1. Has WTT considered and thoroughly evaluated all risk mitigation factors (governance, technical, ranking, financial, development etc) including covid-19 pandemic, including due diligence of shortlisted companies/strategic partners?

WTT has used industry leaders Deloitte to model out all the external risk factors such as government, economy and financial to ensure that we are well positioned to mitigate these risks if and when they appear. This risk management has put us in a position to deal with the unforeseen distress that Covid-19 has put on the world.

Deloitte and our legal firm Withers also assisted us in deep due diligence of all the shortlisted bidders in the commercial tender and this was factored into our decision on the best partner for WTT.

WTT has used internal ITTF experts to assist with technical, ranking and development factors to ensure that WTT is looking at the 360-degree holistic development of table tennis.

3.2. How does WTT help in mitigating ITTF's risks?

Overall, the risk for ITTF related to competitions' organisation is primarily mitigated with the introduction of WTT, as ITTF has a guaranteed revenue generated through the Master License Agreement.

The ITTF has been undertaking Risk Assessment Workshops every two years for the past six years, and as the financial growth occurred in more recent years, the risk grew within ITTF. "Lack of diversification", "reliance on few major sponsors" or "lack of global geographic representation", were all risks commonly being brought up. All of these were risks directly associated with the ITTF.

The creation of WTT has started to remove many of these risks from the ITTF and has now placed them in WTT. Currently COVID-19 is a major risk, and something that couldn't have been foreseen, and even now couldn't have been mitigated. The biggest advantage for the ITTF, based on the new business model with WTT, is that ITTF does not bear the risk like WTT has through a pandemic like COVID-19.

Although COVID-19 is the current risk, of course there are other risks, such as the sport being primarily dominated by one country, and one region within the world, or the possibility of being affected by bad reputation, as we have seen in other sports recently. Separating the business from the governance, helps to mitigate the risk of corruption at the management, due to the mechanisms of control, independence and separation of powers.

In terms of diversification, WTT will look to invest in ways to develop players from around the world so the reliance on a few countries starts to reduce. This reliance mitigation is one of the important aspects to work on the overall WTT strategy.

3.3. What is the financial step change WTT can bring compared to continuing as we have done in the past?

When the ITTF first undertook the project of designing and building a Special Purpose Vehicle (SPV), to house the commercial rights of the ITTF, which is now known as World Table Tennis, the primary objective was to be able to maximise the value of these rights and generate increased revenues.

An initial analysis was undertaken based on the current financial structure and model of the ITTF's commercial rights. It was evident that a majority of the income generated for the commercial rights were then being reinvested back into the competitions in which the rights were generated, with any additional funds generally covering the operational costs of the ITTF, and then if any further funds still available, they would generally go towards Development. When looking at the figures in this sense, it was roughly a USD15m income, and USD15m expenses being incurred with the commercial rights housed inside the ITTF. Had the commercial rights stayed within the current structure, the most positive business models were producing a 5-10% increase from 2020 to 2021 in a normal pre COVID-19 situation and now possibly even less of an increase or a reduction if business was conducted the same as the past.

However, for a significant increase to occur, there were a few specific areas of change that needed to take place, primarily around the re-shaping of competitions, and turning them more into a mix of events and entertainment, or 'sportainment', which is now evident through the event structure shared by WTT.

The restructure of the events has provided a greater opportunity to increase the commercial value of the various events within the new structure, and initial forecasts (prior to COVID-19), saw revenue levels doubling from 2020 to 2021 (100% increase), and by 2030 saw revenue levels reaching over 450% growth compared to the current level of revenues. Of course, these figures now need adjustment due to COVID-19.

3.4. Who are the directors/trustees and how is the legal entity formed?

WTT was created in Singapore upon approval of the ITTF Executive Committee. The current interim directors are Stephen Dainton, Matthew Pound and Koh Yu Han - these are currently held on behalf of the ITTF. The ITTF will soon allocate a position to the ITTF Executive Committee as per the Master License Agreement. Investors secured will also require positions on the board. However, it is always as mandated through the Master License Agreement and any shareholding agreements that there is negative control in favour of the ITTF.

3.5. Is WTT currently being funded by ITTF or have investors already been secured?

ITTF has provided WTT an initial loan to get it started which will be repaid once finance is secured.

3.6. Can ITTF share the Master License Agreement with WTT to every member association?

The Master License Agreement, like all legal documents, is bound by a confidentiality clause which means the agreement in entirety cannot be distributed to the public domain. The ITTF and WTT will summarise the key points from the agreement relevant to the National Associations and distribute them accordingly.

3.7. As WTT events become one of the most important and most attractive components of Table Tennis events, how will the WTT rules be applied in line with ITTF rules?

To professionalise further all elements of WTT events, we will need to take a closer look at the current ITTF rules to ensure that they are optimal for modernising the way WTT does business and runs events to ensure it can achieve its mission of growing the sport of table tennis.

3.8. If you have other governance-related questions, please send us an email at info@worldtabletennis.com

4. EVENT

4.1. With the situation of COVID-19 has there been any thought to delay WTT till September 2021 so that the competition calendar could mirror the one in 2020 within the safety criteria and give some clarity to the players?

Covid-19 has made the task of planning and preparing more complicated. However, we are committed to launching in 2021 with as many WTT events as possible as we build up to a full calendar as and when events come onboard. Of course, respecting athletes' preparation for the Olympics will be a priority as this still remains their main concern.

4.2. What investments is WTT making to create the world-class events envisioned?

Event hosts will be supported by the WTT team and its partners in line with industry best practices to elevate the marketing and commercial potential of the events to the next level.

WTT has brought on board professional staff and consultants such as Philippe Le Floc'h whose stellar experience includes stints as Chief Commercial Officer at FIFA, football's international governing body, and as Marketing Director at UEFA, the sport's European governing body and Stephen Duckitt, who has 15 years of corporate global sports industry experience, including management and marketing of top international tennis events on the ATP World Tour and WTA International Series.

Additionally, WTT is working with consultancies in different areas such as Pumpjack Dataworks (data and digital strategy), Turnstile (IP valuation), 160over90 (marketing and brand building) and Superunion (graphic design).

WTT will soon announce a partnership with a global sports marketing agency which will include taking a new centralised approach to broadcast production. WTT will invest in and manage all global broadcast production to convey the emotion and narrative of the players and events consistently, building authentic connections between fans and players.

One of the key missions of WTT is to improve the level of prize money for our players. WTT To achieve this, WTT is taking the burden of prize money away from the organisers and is investing heavily to increase the amounts.

4.3. The new hosting requirements are very strict. How will WTT ensure that it is feasible for LOCs to fulfil the requirements?

WTT is building a consistent look and feel across all of its event tiers. Therefore, it is important that WTT puts in place a minimum set of standards to ensure we have consistency and quality at all WTT events.

Therefore, we have created a pathway of requirements to where we would like to see ALL WTT events be. This consistency and quality will enhance and elevate the event experience for the players and fans and the LOC which will lead to the delivery of a greater product for broadcasters which will in turn lead to better commercial outcomes for the sport.

WTT will work with successful LOCs to adapt the requirements in the short-term to ensure that a common sense approach is taken to event delivery while bringing them on this journey to always keep improving, as progress makes things better.

4.4. Will WTT find its own local promoters in Europe without consulting the Member Associations?

WTT is providing all NA's the opportunity to bid and host for a WTT event.

In order to grow the professional events needed for WTT to be a success, we are open to external organisers/promoters being a part of the table tennis family.

Where there is promoter interest in a WTT market, we will work with the promoter to explore the potential opportunities. Once there is concrete interest from the promoter confirmed, then we will ensure that there is a positive relationship established for the promoter to support the NA and vice versa.

4.5. Are there any sustainability criteria for WTT host selections?

WTT would like to see as much sustainability built into the event - both from an environmental / CSR perspective and also for creating and developing a table tennis legacy in the host cities.

Within the application process there is a section for events to outline their sustainability initiatives.

WTT will work with successful LOC's to build sustainability throughout the events.

- 4.6. Representatives from WTT are from other sports, football and tennis. They know well the situation inside these sports but are not in table tennis. How can we ensure that the requirements do not alienate hosts?**

WTT is bringing expertise from outside the table tennis world to provide insight and experience from other sports to work with the existing ITTF team to ensure that we unlock the potential for table tennis into the future.

- 4.7. What will happen with the U21-events? Will this be a separate tier as is the World Junior and Cadet series? How will WTT manage the calendar to ensure that continental, national and club competitions can be accommodated?**

A new youth structure is being prepared by the ITTF and will be shared with all National Associations in due course.

- 4.8. The LOC will have to bear all the costs of the events while WTT retains all the commercial rights. How can an event be financially sustainable?**

WTT is taking on a large chunk of the event costs covering prize money, TV/streaming production, IT systems, event support and marketing and promotion expertise. However, WTT would like to work with all the LOCs to find a sustainable event model to ensure both parties are comfortable.

Please contact WTT individually to further discuss in detail.

- 4.9. How can table tennis organisers generate more ticketing income to be comparable to tennis and football that has larger stadiums and longer durations bringing millions of spectators?**

This is what we are trying to achieve for WTT - by creating a global sports brand with strong events, smart session scheduling and the best players we will be able to drive more interest into the sport which would translate to higher ticket revenues and packed stadiums.

- 4.10. If you have other event-related questions, please send us an email at events@worldtabletennis.com**

5. PLAYING SYSTEM

5.1. How will the WTT World Ranking points system be like? Will it affect the players with the Olympics postponed to 2021?

A rankings proposal is being developed and will be presented in due course.

5.2. How will Mixed doubles qualify for the Olympic Games considering World Tour is over?

The ITTF has taken a thorough process in looking at the disrupted qualification system and this was a work done in close cooperation with the Athletes Commission, including a survey addressed to athletes. All details including, but not limited to, the disruption of the qualification system, the postponement of events, the subsequent complications and the fact a new event structure comes in place in 2021 have been considered, with the objective to reach the best possible solution.

Despite the Mixed Doubles qualification system didn't have originally ranking quotas, (only a provision for reallocation of unused quotas), the ITTF and WTT will accommodate sufficient participation opportunities for mixed doubles pairs, as deemed necessary, on 2021 WTT events leading up to the conclusion of the qualification process. The ITTF has currently finalised the necessary amendments to the Olympic Games qualification system, which was approved unanimously by the ITTF Executive Committee, and it will be submitted to the IOC for final approval. We expect the adjustments being published by the ITTF within this month.

5.3. How will WTT address the problem that only 2 of the TOP 20 players can participate at Star Contenders and Contenders events?

WTT has introduced a Play Down Restriction to ensure that the Top 20 players are not continually dropping down to prevent lower ranked players from earning prize money and rankings points.

This will provide all players with the opportunity to move up and down the rankings based on performance while earning prize money.

Events will also be permitted to use one of its Host Wildcard allocations to allow a third Top 20 player to participate in their event.

The rule will not stop any Top 20 players from wishing to play doubles or mixed doubles at Star Contender or Contender events should they wish to do so.

- 5.4. If you have other playing system-related questions, please send us an email at events@worldtabletennis.com

6. OTHER FEEDBACK

- 6.1. The Chinese TTA had always supported ITTF events but in recent years it was felt there was not a big step up on the organisational levels, and the players would eventually stop being interested, as the domestic opportunities were greater. Unsatisfying prize money and often unstable quality of events were some of their concerns.

CTTA was indeed modelling its new event system before knowing about WTT. With WTT, CTTA has confidence in the future international events and firmly believes in the plans of the ITTF. The CTTA supports WTT as well as the overall reform of table tennis led by the ITTF in full.

Indeed, the development of alternative initiatives by external powers, such professional table tennis leagues, not regulated within the framework of the ITTF and its members, was an existing risk. We have seen this happening in Swimming, in Athletics, and even in Equestrian. The ITTF is glad of the initial evaluation of the Chinese Table Tennis Association and want to thank their confidence. We also recognise that the table tennis events needed a massive improvement, and the analysis of the situation of the last 10-15 years was the seed that led to the creation of WTT. The players are the stars of our sport and WTT needs to ensure that we provide the best stage for them to shine and take our sport to the next level, but this requires investment that was not possible to achieve in the fast pace WTT can.

- 6.2. **As the commercial arm of the ITTF, World Table Tennis was described at the webinar by one of the ITTF Member Associations Presidents as “a very noble and professional path that must be taken. The road that ITTF has taken is commendable.”**

There is a hope that the ITTF funding that is helping developing events around the world will no longer be just a social responsibility program but will result in true development of the sport. There is a lot that needs to be done in partnership.

At the same time, the same Member Association President indicated “we must go all out in ensuring that the branding of WTT is in place in all countries of the world. Branding and publicity must be heavily carried out. We must create a wave with how WTT is presented. The consultants you have used and brought on board, have proven themselves in creation of sports brands that the world follows. We have to be at the top. “

Indeed, we have seen in recent years some investment bearing fruits, and some not. The work has to continue, exploring possibilities, and the partnership with our new in-house consultants and the companies we are signing agreements with will help us growing the market and we would like to continue to have events spread across the entire world to

ensure that we are a global sport.

Additionally, together with our professional consultants WTT has put together a PR plan to ensure that we are communicating and promoting WTT to the best extent.

- 6.3. One of the Member Associations representatives spoke about the Champions League being very useful towards the development of the sport. There was a question about the schedule for the events, the overall calendar planning, and how to ensure the young players, future stars, can watch the top players like Samsonov, Ovtcharov, Mizutani, Freitas, etc, at these events, and how to balance this with their need to compete at WTT events to earn prize money.**

A desire was expressed to have European competitions providing ranking points, in order to ensure governments will subsidise attending to these events, and how to establish partnerships with WTT and work together for the common goals.

Indeed, the ITTF hopes that WTT becomes a common project for everyone in table tennis with the goal to expand and bringing more revenue to our sport.

It has been noticed that the club system, particularly in Europe, has played an important role towards the development of players as well as a source of income. This issue is being discussed, although no decision has yet been taken. There is a degree of complexity in ensuring unanimity across the decision makers, as securing a fair global approach as a world organisation we are, is needed. But the ITTF and WTT are open to consider possibilities as we always aim to ensure the best outcome for the sport is achieved.