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## **CHINA HEALTHWISE HOLDINGS LIMITED**

**中國智能健康控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 348)**

### **DISCLOSEABLE TRANSACTION — PROVISION OF FINANCIAL ASSISTANCE**

#### **PROVISION OF FINANCIAL ASSISTANCE**

The Board announces that, on 12 August 2021 (after trading hours of the Stock Exchange), the Supplemental Agreement was entered into between Good Cheer Global and Customer L in relation to the Loan Extension and the Change in Principal Amount. Save as disclosed herein, all other terms and conditions of the Loan Agreement remain unchanged and continue in full force and effect.

The principal terms and conditions of the Loan Agreement and the Supplemental Agreement are set out in the paragraphs headed “The Loan Agreement” and “The Supplemental Agreement” respectively in this announcement.

The Directors consider that the Loan Extension and the Change in Principal Amount and its terms are fair and reasonable and in the interests of the Company and its shareholders as a whole.

#### **IMPLICATIONS UNDER THE LISTING RULES**

Given that none of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the granting of the Facilities under the Loan Agreement was more than 5%, the provision of financial assistance did not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

As two of the relevant percentage ratios (as defined under the Listing Rules) in respect of the provision of financial assistance upon signing the Supplemental Agreement are more than 5% but all are less than 25%, the transaction constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## PROVISION OF FINANCIAL ASSISTANCE

The Board announces that, on 12 August 2021 (after trading hours of the Stock Exchange), the Supplemental Agreement was entered into between Good Cheer Global and Customer L in relation to the extension of the final repayment date of the Facilities from 15 August 2021 to 15 August 2023 (the “**Loan Extension**”) and the increase of the principal amount of the Facilities from HK\$15 million to HK\$30 million (the “**Change in Principal Amount**”). Save as disclosed herein, all other terms and conditions of the Loan Agreement remain unchanged and continue in full force and effect.

As at the date of this announcement, the outstanding principal amount of the Loan was HK\$15 million.

### The Loan Agreement

The principal terms and conditions of the Loan Agreement are summarised as follows:

Date	:	16 August 2019
Lender	:	Good Cheer Global, a licensed money lender in Hong Kong
Borrower	:	Customer L
Principal amount of the Facilities	:	Up to HK\$15 million
Interest rate	:	12% per annum, payable quarterly
Default interest rate	:	12% per annum on overdue sums, including outstanding principal amount of the Loan, interest and other amounts payable under the Loan Agreement, from the due date until payment in full.
Security	:	No security is provided by Customer L.
Availability period	:	The period commencing from the date on which the Loan Agreement becoming unconditional and ending on the final repayment date.

If (i) Customer L has not made the first drawing of the Facilities for 90 days (or such other number of days as Customer L and Good Cheer Global may agree in writing) after the commencement of the availability period; or (ii) Customer L has not made a drawing for 15 days (or such other number of days as Customer L and Good Cheer Global may agree in writing) after Customer L has repaid all the principal amount of the Loan, the interest accrued thereon and all other outstanding amounts under the Loan Agreement to Good Cheer Global, the Facilities shall automatically be cancelled and no longer be available for drawing.

- Final repayment date : 15 August 2021, being the date falling 24 months after the date on which the Loan Agreement becoming unconditional.
- Repayment : Customer L shall repay the outstanding principal amount of the Loan in full together with any accrued and unpaid interest in one lump sum on the final repayment date.
- Prepayment : Customer L may prepay to Good Cheer Global the whole or any part of the outstanding principal amount of the Loan before the final repayment date provided that (i) Customer L shall have given to Good Cheer Global prior written notice specifying the amount to be prepaid and the date on which prepayment is to be made, and (ii) Customer L shall, on the date of prepayment, pay to Good Cheer Global all accrued interest on the amount prepaid.
- Re-borrowing and drawing : Any amounts prepaid by Customer L before the final repayment date shall be available for re-borrowing and drawing provided that the aggregate outstanding principal amount of the Loan shall not exceed HK\$15 million.
- Conditions precedent : The Loan Agreement is conditional upon the fulfillment of the following conditions:
- (a) all representations and warranties made by Customer L in the Loan Agreement or in connection therewith being true and correct with the same effect as though made on and as of the date of drawing with reference to the facts and circumstances then subsisting;
  - (b) no event of default having occurred and no potential event of default having occurred (or being likely to occur as a result of the Loan being made); and

- (c) Good Cheer Global having received and found satisfactory such additional information and documents relating to Customer L as Good Cheer Global may reasonably require.

Long stop date : 30 August 2019.

### **The Supplemental Agreement**

The principal terms and conditions of the Supplemental Agreement are summarised as follows:

Date : 12 August 2021

Lender : Good Cheer Global, a licensed money lender in Hong Kong

Borrower : Customer L

Principal amount of the Facilities : Up to HK\$30 million

Final repayment date : 15 August 2023, being the date falling 48 months after the date on which the Loan Agreement becoming unconditional.

Re-borrowing and drawing : Any amounts prepaid by Customer L before the final repayment date shall be available for re-borrowing and drawing provided that the aggregate outstanding principal amount of the Loan shall not exceed HK\$30 million.

Conditions precedent : The Supplemental Agreement is conditional upon the fulfillment of the following condition:

The publication of an announcement of the Company in relation to the Supplemental Agreement and the transactions contemplated thereunder in compliance with Chapter 14 of the Listing Rules.

Save as disclosed herein, all other terms and conditions of the Loan Agreement remain unchanged and continue in full force and effect.

### **Funding of the Facilities**

The Facilities will be financed by internal resources of the Group.

### **Information on Customer L**

Mr. Zhang Chong is an individual who is a merchant.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquires, Customer L is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

### **Information on the Group and Good Cheer Global**

The Company is an investment holding company and the Group is principally engaged in sales of Chinese health products, money lending business and investment in financial instruments.

Good Cheer Global is a money lender licensed in Hong Kong under the provisions of the Money Lenders Ordinance. Good Cheer Global conducts money lending business in Hong Kong through the provision of secured and unsecured loans to customers.

### **Reasons for and benefits of the Loan Extension and the Change in Principal Amount**

As money lending is one of the principal activities of the Group, the provision of the Loan to Customer L, the Loan Extension and the Change in Principal Amount are in the ordinary and usual course of business of the Group.

At the request of Customer L, Good Cheer Global and Customer L negotiated for the Loan Extension and the Change in Principal Amount. The terms of the Supplemental Agreement were agreed after arm's length negotiation between Good Cheer Global and Customer L. Having considered the financial background of Customer L, the interest payment history of Customer L and the additional interest income of HK\$7.2 million to be generated to Good Cheer Global from the Loan Extension and the Change in Principal Amount, the Directors consider that the Supplemental Agreement and its terms are fair and reasonable and in the interests of the Company and its shareholders as a whole.

### **IMPLICATIONS UNDER THE LISTING RULES**

Given that none of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the granting of the Facilities under the Loan Agreement was more than 5%, the provision of financial assistance did not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

As two of the relevant percentage ratios (as defined under the Listing Rules) in respect of the provision of financial assistance upon signing the Supplemental Agreement are more than 5% but all are less than 25%, the transaction constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, the following words and expressions shall, unless the context otherwise requires, have the same meanings when used herein:

“Board”	the board of Directors
“Company”	China Healthwise Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 348)
“Customer L”	Mr. Zhang Chong
“Director(s)”	the director(s) of the Company
“Facilities”	the Loan to be made available by Good Cheer Global to Customer L under the Loan Agreement
“Good Cheer Global”	Good Cheer Global Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the principal amount of up to HK\$15 million to be advanced by Good Cheer Global to Customer L subject to and upon the terms and conditions of the Loan Agreement or any part thereof and for the time being outstanding (such principal amount has increased to up to HK\$30 million as amended and supplemented by the Supplemental Agreement)
“Loan Agreement”	the conditional loan agreement dated 16 August 2019 and entered into between Good Cheer Global as lender and Customer L as borrower relating to the granting of the Facilities
“Money Lenders Ordinance”	the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Supplemental Agreement”	the supplemental agreement dated 12 August 2021 and entered into between Good Cheer Global and Customer L relating to the Loan Extension and the Change in Principal Amount
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**China Healthwise Holdings Limited**  
**Lei Hong Wai**  
*Chairman and Executive Director*

Hong Kong, 12 August 2021

*As at the date of this announcement, the executive Directors are Mr. Lei Hong Wai (Chairman), Mr. Cheung Kwok Wai, Elton (Vice Chairman), Mr. Leung Alex, Ms. Lo Ming Wan, Mr. Tse Chi Keung and Mr. Yuan Huixia; and the independent non-executive Directors are Mr. Lai Hok Lim, Mr. Lien Wai Hung and Mr. Wong Tak Chuen.*