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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)

**(1) DISCLOSEABLE TRANSACTION —
THE ACQUISITION OF
THE ENTIRE ISSUED SHARE IN THE TARGET COMPANY
INVOLVING THE ISSUE OF PROMISSORY NOTE AND
CONSIDERATION SHARES UNDER GENERAL MANDATE
AND
(2) CONTINUING CONNECTED TRANSACTION —
THE LEASE AGREEMENT**

THE SALE AND PURCHASE AGREEMENT

The Board is pleased to announce that on 10 June 2022 (after trading hours of the Stock Exchange), the Company as the purchaser entered into the Sale and Purchase Agreement with the Vendor and the Guarantor pursuant to which the Company has conditionally agreed to purchase and the Vendor has conditionally agreed to sell the Sale Share, representing the entire issued share capital in the Target Company, at the Consideration of HK\$43,000,000.

THE LEASE AGREEMENT

The entering into of the Lease Agreement is one of the conditions precedent to the Sale and Purchase Agreement. Pursuant to the Sale and Purchase Agreement, the Malaysia Subsidiary, as landlord, shall enter into the Lease Agreement with the Vendor, as tenant, to lease the Properties for a term of three years commencing from the Properties Delivery Date and thereafter renewable automatically for succeeding terms of three years at the sole discretion of the Malaysia Subsidiary, subject to the same terms and conditions as the preceding lease and unless otherwise terminated by the Malaysia Subsidiary.

LISTING RULES IMPLICATIONS

The Sale and Purchase Agreement

As the highest of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

The Lease Agreement

Upon Completion, the Malaysia Subsidiary will become an indirect wholly-owned subsidiary of the Company. As the Vendor will hold approximately 12.69% of the total issued Shares upon Completion and immediately after the allotment and issue of the Consideration Shares, it will be a substantial Shareholder and connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transaction contemplated under the Lease Agreement constitutes a continuing connected transaction of the Company.

As the highest of the applicable percentage ratios (as defined under the Listing Rules) in respect of the maximum annual cap of the Lease Agreement exceeds 0.1% but is less than 5%, and the transactions are conducted on normal commercial terms, the Lease Agreement is exempt from the circular (including independent financial advice and independent shareholders' approval requirements), but shall be subject to the relevant announcement, annual reporting and annual review requirements under Chapter 14A of the Listing Rules.

The Board is pleased to announce that on 10 June 2022 (after trading hours of the Stock Exchange), the Company as the purchaser entered into the Sale and Purchase Agreement with the Vendor and the Guarantor pursuant to which the Company has conditionally agreed to purchase and the Vendor has conditionally agreed to sell the Sale Share, representing the entire issued share capital in the Target Company, at the Consideration of HK\$43,000,000. Details of the Sale and Purchase Agreement are set out below:

THE SALE AND PURCHASE AGREEMENT

- Date: 10 June 2022
- Parties:
- (1) Stable Development Company Limited, as vendor
 - (2) China Healthwise Holdings Limited, as purchaser
 - (3) Mr. Chu Hin Ming Alfonso, as guarantor

The Vendor is an investment holding company incorporated in Hong Kong with limited liability. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor and the Guarantor, who is the sole ultimate beneficial owner of the Vendor, are Independent Third Parties.

Assets to be acquired

Pursuant to the Sale and Purchase Agreement, the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Share, representing the entire issued share capital in the Target Company.

The Consideration

The Consideration for the sale and purchase of the Sale Share shall be the sum of HK\$43,000,000. The Consideration shall be satisfied by the Company on Completion in the following manner:

- (i) as to HK\$28,000,000 by allotting and issuing to the Vendor the Consideration Shares credited as fully paid, at the Issue Price; and
- (ii) as to HK\$15,000,000 by the issue of Promissory Note by the Company.

The Consideration was determined after arms' length negotiations between the Company and the Vendor taking into account the preliminary valuation of the Properties of HK\$43,800,000 as at 30 May 2022 by CresVAL Corporate Advisory Group Limited, an independent valuer, based on direct comparison method.

The Consideration Shares

The Issue Price

The Consideration Shares will be issued at the Issue Price of HK\$0.25 per Share, which represents:

- (i) the closing price of HK\$0.25 per Share as quoted on the Stock Exchange on the date of the Sale and Purchase Agreement; and
- (ii) the average closing price of HK\$0.25 per Share for the five consecutive trading days up to and including the date of the Sale and Purchase Agreement.

The Issue Price was arrived at after arm's length negotiations between the parties to the Sale and Purchase Agreement after taking into account the prevailing market price of the Shares.

Number of the Consideration Shares

The 112,000,000 Consideration Shares represent:

- (i) approximately 14.54% of the existing issued share capital of the Company as at the date of this announcement; and
- (ii) approximately 12.69% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares.

Ranking

The Consideration Shares, when allotted and issued, will rank *pari passu* in all respects with the Shares in issue.

Mandate to issue the Consideration Shares

The Consideration Shares will be allotted and issued pursuant to the General Mandate. The maximum number of Shares that can be issued under the General Mandate is 154,096,167 Shares. As at the date of this announcement, the Company has not allotted and issued any Shares pursuant to the General Mandate and the General Mandate is sufficient for the allotment and issue of the Consideration Shares.

Application for listing

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

Conditions precedent

Completion shall be conditional upon and subject to:

- (a) the Company being reasonably satisfied with the results of the due diligence review to be conducted on the Target Group in accordance with the Sale and Purchase Agreement;
- (b) all necessary consents, licences and approvals required to be obtained on the part of the Vendor, the Guarantor and the Target Group (including the Malaysia Subsidiary upon completion of the Reorganisation) in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder having been obtained and remain in full force and effect;
- (c) all necessary consents, licences and approvals required to be obtained on the part of the Company in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder having been obtained and remain in full force and effect;
- (d) the warranties given by the Vendor remaining true and accurate in all respects;
- (e) the Company having reasonably satisfied that there has not been any material adverse change on the Target Group (including the Malaysia Subsidiary upon completion of the Reorganisation) since the date of the Sale and Purchase Agreement;
- (f) the Stock Exchange granting the listing of and permission to deal in the Consideration Shares;
- (g) the obtaining of a Malaysian legal opinion (in the form and substance satisfactory to the Company) from a firm of Malaysian legal advisers appointed by the Company;
- (h) the obtaining of a valuation report (in the form and substance satisfactory to the Company) from a firm of independent professional valuers appointed by the Company showing the value of the Properties to be not less than the Consideration; and

- (i) the entering into of the Lease Agreement; and
- (j) the Target Group having completed the Reorganisation.

The Company may at its absolute discretion at any time waive in writing any of the conditions (a), (d) and (e) above and such waiver may be made subject to such terms and conditions as are determined by the Company. If the conditions set out above have not been satisfied (or as the case may be, waived) at or before 12:00 noon on 30 September 2022 or such later date as the Vendor and the Company may agree, the Sale and Purchase Agreement shall cease and determine (save and except for the clauses specified in the Sale and Purchase Agreement which shall continue to have full force and effect) and thereafter neither party thereto shall have any obligations and liabilities thereunder save for any antecedent breaches of the terms thereof.

Guarantee

Pursuant to the Sale and Purchase Agreement, the Guarantor has irrevocably and unconditionally undertaken to the Company that he will procure the full, punctual and complete performance by the Vendor of all its obligations under the Sale and Purchase Agreement and if and whenever the Vendor shall fail to observe and perform its obligations in accordance with the Sale and Purchase Agreement, the Guarantor shall make good such default and indemnify the Company against all losses, damages, costs and expenses which may be suffered by the Company by reasons of such default.

Completion

Upon fulfillment (or waiver) of all the conditions set out above, Completion shall take place on the Completion Date.

Upon Completion, the Target Group will become wholly-owned subsidiaries of the Company and the financial results of the Target Group will be consolidated into the accounts of the Group.

Put Option

Pursuant to the Sale and Purchase Agreement, the Vendor granted to the Company the Put Option whereby in the sole event that the Developer has not delivered the vacant possession of the Properties on or before 30 June 2024, the Company may exercise the Put Option at its discretion during the Put Option Period to require the Vendor to purchase from the Company the Sale Share at the Put Option Price.

The Put Option Price shall be satisfied by the Vendor by (i) returning the Promissory Note to the Company for cancellation of the Promissory Note within five Business Days after the exercise of the Put Option (or such later date as may be agreed by the parties thereto in writing) and the Put Option Price will be set off against the remaining outstanding principal amount of the Promissory Note on a dollar-for-dollar basis, unless the Promissory Note is otherwise redeemed in full by the Company; (ii) the proceeds from the disposal of the Escrow Shares in accordance with the Sale and Purchase Agreement; and (iii) as to the remaining balance of the Put Option Price (if any) by remittance in immediately available funds to such bank account to be designated by the Company on the Put Option Completion Date.

If the Developer has not delivered the vacant possession of the Properties on or before 30 June 2024, the Company shall have the right to exercise the Put Option to require the Vendor to purchase from the Company the Sale Share at the Put Option Price. For the purpose of settling the Put Option Price, the Company shall instruct the Escrow Agent to dispose of the Escrow Shares (if the Escrow Agent itself is a licensed securities dealer) or release the Escrow Shares to a licensed securities dealer authorised to carry on type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) as may be nominated by the Company to dispose of the Escrow Shares at the then best price reasonably obtainable by such securities dealer. The net proceeds from the disposal of the Escrow Shares shall be applied to settle the Put Option Price and such securities dealer shall pay the net proceeds from such sale to the Company within five Business Days after the exercise of the Put Option (or such later date as may be agreed by the parties thereto in writing). Upon payment in full of the Put Option Price, should there be remaining proceeds generated from the sale of the Escrow Shares, such remaining sale proceeds from the disposal of Escrow Shares shall be released by the Escrow Agent to the Vendor within one month upon receipt of the net proceeds generated from the sale of the Escrow Shares.

Upon the exercise of the Put Option, the Company shall as beneficial owner sell and the Vendor shall purchase the Sale Share free from all liens, charges, encumbrances, equities and other adverse third party rights and together with all rights attaching thereto as at the Put Option Completion Date.

In the event that the Company decides to exercise the Put Option, the exercise of the Put Option may constitute a notifiable transaction on the part of the Company under the Listing Rules. The Company shall make further announcement(s) in relation to the exercise of the Put Option in compliance with the Listing Rules as and when appropriate.

Escrow arrangement

As a security for the performance of the obligations of the Vendor under the Put Option, the Company and the Vendor shall jointly appoint an escrow agent (and if no such escrow agent is appointed, the Company) (the “**Escrow Agent**”) to act as the escrow agent and to hold the original share certificates for 33,600,000 Consideration Shares (“**Escrow Shares**”), representing 30% of the Consideration Shares, issued in the name of the Vendor.

If the Developer has delivered the vacant possession of the Properties on or before 30 June 2024, the Company shall instruct the Escrow Agent to release the Escrow Shares to the Vendor within three Business Days after such delivery. The Company also reserves the right to instruct the Escrow Agent to release the Escrow Shares to the Vendor as the Company sees fit before the aforementioned delivery of vacant possession of the Properties.

THE PROMISSORY NOTE

Upon Completion, the Company shall issue the Promissory Note to the Vendor for settlement of part of the Consideration. The principal terms and conditions of the Promissory Note are as follows:

Issuer:	The Company
Payee:	The Vendor
Issue date:	The Completion Date
Principal amount:	HK\$15,000,000
Interest:	9% per annum on the outstanding principal amount accruing from (and including) the date of issue to (but excluding) repayment in full of the relevant principal amount, payable annually on the 30 th day of June in arrears (the “ Interest Payment Date ”) and the first Interest Payment Date shall be 30 June 2023 and subject to the provision in relation to the early redemption, upon the early redemption of the relevant outstanding principal amount. If an Interest Payment Date is not a Business Day it shall be postponed to the next day which is a Business Day
Maturity:	The third anniversary date (the “ Maturity Date ”)
Transferability:	The Promissory Note shall not be transferred by the payee to any person or persons at any time unless (i) the prior written consent will have been obtained from the Company; and (ii) such transfer, if effected, is in compliance with all applicable laws, regulations and rules (including without limitation the Listing Rules)
Security:	The obligations of the Company under the Promissory Note are unsecured
Early redemption:	The Company has the right to redeem the whole or any part of the outstanding principal amount at any time prior to the Maturity Date if the Company has given to the payee not less than three days’ prior written notice specifying the date of redemption, provided that any partial prepayment shall be not less than HK\$1,000,000 or its integral multiples thereof and interest accrued on such amount prepaid (if any) shall be paid at the same time

THE LEASE AGREEMENT

The entering into of the Lease Agreement is one of the conditions precedent to the Sale and Purchase Agreement. Pursuant to the Sale and Purchase Agreement, the Malaysia Subsidiary, as landlord, shall enter into the Lease Agreement with the Vendor as tenant and the Guarantor as guarantor, to lease the Properties for a term of three years to be effective immediately after the Properties Delivery Date and thereafter renewable automatically for succeeding terms of three years at the sole discretion of the Malaysia Subsidiary, subject to the same terms and conditions as the preceding lease and unless otherwise terminated by the Malaysia Subsidiary. Principal terms of the Lease Agreement are set out as follows:

- Parties:
- (1) Cherating Select Property Sdn. Bhd., as landlord
 - (2) Stable Development Company Limited, as tenant
 - (3) Mr. Chu Hin Ming Alfonso, as guarantor
- Leased properties: 20 units of stratified hotel serviced suites with an aggregate built-up area of 18,348 sq. ft. in Block C of the resort development project known as Impiana Residences Cherating, which is located at Mukim Sungai Karang, Daerah Kuantan, Negeri Pahang, Malaysia
- Lease term: Three years to be effective immediately after the Properties Delivery Date and thereafter renewable automatically for succeeding terms of three years at the sole discretion of the Malaysia Subsidiary, subject to the same terms and conditions as the preceding lease and unless otherwise terminated by the Malaysia Subsidiary
- In the event that the renewal of the Lease Agreement constitutes a notifiable transaction or connected transaction under the Listing Rules, the Company shall comply with the Listing Rules and publish relevant announcement as and when appropriate.
- Rent rate: HK\$1,505,000 (representing 3.50% of the total Consideration) per annum

Annual caps

Subject to the start of the term of the lease, the maximum annual cap for the transaction contemplated under the Lease Agreement, which is equivalent to the rental payments to be received by the Group per year, is HK\$1,505,000.

The rent rate under the Lease Agreement was determined by after arm's length negotiations between the parties taking into account the lease area and the lease term.

INFORMATION ON THE VENDOR AND THE GUARANTOR

The Vendor is an investment holding company incorporated in Hong Kong with limited liability.

The Guarantor, a Hong Kong citizen, is experienced in real estate industry. He is the founder and co-chairmen of a company which focuses mainly on real estate equity and property investments in ASEAN countries and Australia, as well as fellow members of Royal Institute of Chartered Surveyors of the United Kingdom and Chartered Institute of Building of United Kingdom.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor and the Guarantor, who is the sole ultimate beneficial owner of the Vendor, are Independent Third Parties.

INFORMATION ON THE TARGET GROUP

The Target Company is an investment holding company incorporated in the British Virgin Islands on 2 May 2022 with limited liability. As at the date of this announcement, the Target Company directly holds the entire issued shares in the Hong Kong Subsidiary.

The Hong Kong Subsidiary is an investment holding company incorporated in Hong Kong on 26 May 2022 with limited liability. Upon completion of the Reorganisation, the Hong Kong Subsidiary will directly hold the entire issued shares in the Malaysia Subsidiary.

The Malaysia Subsidiary is a property holding company incorporated in Malaysia on 2 June 2022 with limited liability. Upon completion of the Reorganisation, the principal assets of the Malaysia Subsidiary shall be the Properties. Under the Reorganisation, the Malaysia Subsidiary shall enter into the SPAs with the Developer and the Proprietor in relation to the sale and purchase of the Properties. A deed of novation will be entered into among the Developer, the Proprietor, the Malaysia Subsidiary and the Vendor upon which the Vendor will assume all obligations and liabilities of the Malaysia Subsidiary under the SPAs. The Developer shall deliver the vacant possession of the Properties to the Malaysia Subsidiary on or before 30 June 2024 pursuant to the Sale and Purchase Agreement.

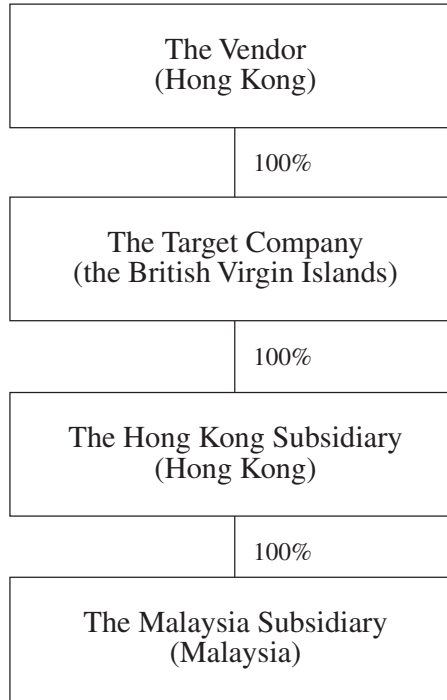
The Properties shall comprise 20 units of stratified hotel serviced suites with an aggregate gross floor area of 18,348 sq. ft. in Block C of the resort development project known as Impiana Residences Cherating, which is located at Mukim Sungai Karang, Daerah Kuantan, Negeri Pahang, Malaysia.

Impiana Residences Cherating will be a resort that offers extensive facilities including swimming pool, beach, gym and spa facility, barbecue area, restaurant and bar. Impiana Residences Cherating will have three blocks of stratified serviced hotel with a total of over 100 units.

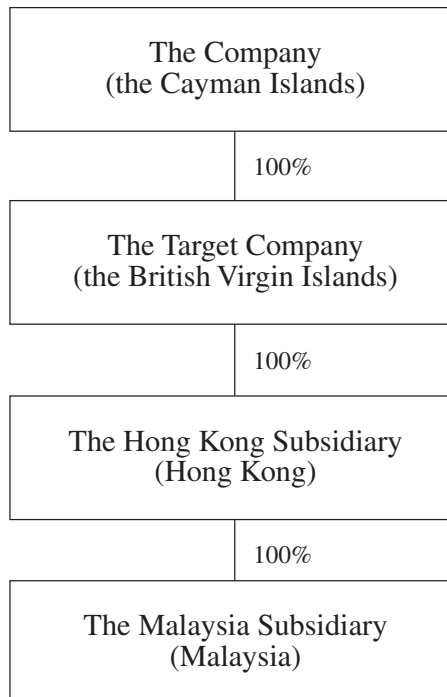
The entering into of the Lease Agreement is one of the conditions precedent to the Sale and Purchase Agreement. Pursuant to the Sale and Purchase Agreement, the Malaysia Subsidiary, as landlord, shall enter into the Lease Agreement with the Vendor, as tenant, to lease the Properties for a term of three years commencing from the Properties Delivery Date. The Lease Agreement is renewable automatically for succeeding terms of three years at the sole discretion of the Malaysia Subsidiary, subject to the same terms and conditions as the preceding lease and unless otherwise terminated by the Malaysia Subsidiary.

Shareholding structure of the Target Group

Immediately after the Reorganisation but before Completion



Immediately after Completion



Financial information of the Target Group

Each of the members of the Target Group recorded nil net profit both before and after tax for the period from its respective date of incorporation to 2 June 2022.

As at 2 June 2022, the Target Company, the Hong Kong Subsidiary and the Malaysia Subsidiary recorded net assets of approximately HK\$8, HK\$10,000 and HK\$180 respectively.

REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE SALE AND PURCHASE AGREEMENT AND THE LEASE AGREEMENT

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.

The Group has continuously evaluated its business strategies with an aim to achieve the best use of its resources and improve its overall performance and portfolio diversification. The Company has been actively looking to diversify the revenue sources of the Group in order to create Shareholders' value through making investments and/or acquiring business or projects that have promising outlooks and prospects.

Since the outbreak of COVID-19 epidemic in late 2019, nations had implemented different entry restrictions, such as nucleic acid test and long quarantine period, to avoid further spread of the pandemic. Some countries or cities had even blocked the entry of people from certain locations which had severe pandemic situation. The world's tourism industry had been devastated. Recently, as the situation of COVID-19 pandemic has gradually alleviated, increasing number of countries or cities, including Malaysia, has announced to ease travel restrictions. People are allowed to travel to such places without or with less restraints. It is anticipated that people can travel freely around the world and the global travel business will resume normal soon.

An express railway called "East Coast Rail Link", which will connect different parts of the east coast region and the west coast region of Malaysia, is under construction and is expected to complete in 2026 and start operation in 2027. A new station will be built in Cherating which will be only approximately 7 kilometers away from Impiana Residences Cherating. Travelling to the east coast region of Malaysia where the Properties locate will be more convenient. It is anticipated that being benefited from the commencement of operation of East Coast Rail Link in 2027, the tourism industry in the east coast of Malaysia, including Cherating, is promising.

In view of the above, the Board is positive about the prospect of tourism industry as well as the location of the Properties, and intends to hold the Properties for investment purpose. The Board believes that it is the appropriate time for the Company to invest in tourism related business, i.e. the Properties. Along with the recovery of the world's tourism business, there can be possible return on value of the Properties in the future.

Apart from the potential investment return on the Properties, the Board believes that with the entering into of the Lease Agreement, which is a condition precedent to the Sale and Purchase Agreement and renewable automatically, the Group shall receive stable income in the forthcoming years as well.

For the satisfaction of the Consideration, as it is through the combination of the issue of the Promissory Note and the allotment and issue of the Consideration Shares, the Board considers that there is no immediate cashflow burden on the Group.

Based on the above, although the entering into of the Lease Agreement is not in the ordinary and usual course of business of the Group, the Directors (including the independent non-executive Directors) are of the view that the terms of the Sale and Purchase Agreement and the Lease Agreement are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

Since none of the Directors has a material interest in the Lease Agreement and the transaction contemplated thereunder, no Directors will be required to abstain from voting on the relevant board resolution(s) to approve the Lease Agreement.

EFFECTS OF SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) upon Completion and immediately after the allotment and issue of the Consideration Shares:

Name of the Shareholder	As at the date of this announcement		Upon Completion and immediately after the allotment and issue of the Consideration Shares	
	No. of Shares	Approx. %	No. of Shares	Approx. %
Eternity Investment Limited (<i>Note 1</i>)	165,662,824	21.50	165,662,824	18.77
Mr. Lei Hong Wai (<i>Note 2</i>)	56,663,636	7.35	56,663,636	6.42
The Vendor	—	—	112,000,000	12.69
Public Shareholders	<u>548,154,376</u>	<u>71.15</u>	<u>548,154,376</u>	<u>62.12</u>
Total	<u><u>770,480,836</u></u>	<u><u>100.00</u></u>	<u><u>882,480,836</u></u>	<u><u>100.00</u></u>

Notes:

- These Shares were registered in the name of Eternity Finance Group Limited, a wholly-owned subsidiary of RICHE (BVI) LIMITED, which in turn is wholly-owned by Eternity Investment Limited, the shares of which are listed on the Main Board of the Stock Exchange under stock code: 764.
- He is an executive Director.

LISTING RULES IMPLICATIONS

The Sale and Purchase Agreement

As the highest of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

The Lease Agreement

Upon Completion, the Malaysia Subsidiary will become an indirect wholly-owned subsidiary of the Company. As the Vendor will hold approximately 12.69% of the total issued Shares upon Completion and immediately after the allotment and issue of the Consideration Shares, it will be a substantial Shareholder and connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transaction contemplated under the Lease Agreement constitutes a continuing connected transaction of the Company.

As the highest of the applicable percentage ratios (as defined under the Listing Rules) in respect of the maximum annual cap of the Lease Agreement exceeds 0.1% but is less than 5%, and the transactions are conducted on normal commercial terms, the Lease Agreement is exempt from the circular (including independent financial advice and independent shareholders' approval requirements), but shall be subject to the relevant announcement, annual reporting and annual review requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Acquisition”	the acquisition of the Sale Share by the Company from the Vendor pursuant to the terms and conditions of the Sale and Purchase Agreement
“Board”	the board of Directors
“Business Day”	a day other than a Saturday, Sunday or public holiday on which banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	China Healthwise Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares are listed on the Main Board of the Stock Exchange (stock code: 348)
“Completion”	completion of the sale and purchase of the Sale Share in accordance with the terms and conditions of the Sale and Purchase Agreement

“Completion Date”	within three Business Days after the fulfillment (or waiver) of the conditions precedent to the Sale and Purchase Agreement or such other date as the Vendor and the Company may agree
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration for the Sale Share of HK\$43,000,000 under the Sale and Purchase Agreement
“Consideration Shares”	112,000,000 new Shares to be allotted and issued by Company to the Vendor for the purpose of settlement of part of the Consideration, at the Issue Price, representing approximately 12.69% of the enlarged issued share capital of the Company immediately after the allotment and issue of Consideration Shares
“Developer”	Impiana Cherating Sdn. Bhd., being the developer of the Properties
“Directors”	directors of the Company
“General Mandate”	the general mandate granted to the Directors pursuant to an ordinary resolution passed at the Company’s annual general meeting on 24 June 2021 to allot and issue up to 154,096,167 Shares, representing 20% of the total number of issued Shares on the date passing such resolution
“Group”	the Company and its subsidiaries
“Guarantor”	Mr. Chu Hin Ming Alfonso
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Subsidiary”	Cherating Powerful Limited, a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of the Target Company
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons
“Issue Price”	the issue price of HK\$0.25 for each Consideration Share

“Lease Agreement”	the lease agreement to be entered into among the Malaysia Subsidiary as landlord, the Vendor as tenant and the Guarantor as guarantor in relation to the leaseback of the Properties to the Vendor in the consideration of HK\$1,505,000 (representing 3.50% of the total Consideration) per annum for a term of three years to be effective immediately after the Properties Delivery Date and thereafter renewable automatically for succeeding terms of three years at the sole discretion of the Malaysia Subsidiary, subject to the same terms and conditions as the preceding lease and unless otherwise terminated by the Malaysia Subsidiary
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Malaysia Subsidiary”	Cherating Select Property Sdn. Bhd., a company incorporated in Malaysia and an indirect wholly-owned subsidiary of the Target Company upon completion of the Reorganisation
“Promissory Note”	the promissory note bearing interest of 9% in the principal amount of HK\$15,000,000 due on the Business Day immediately preceding the third anniversary of the issue date to be issued by the Company
“Properties”	the properties beneficially to be owned by the Malaysia Subsidiary upon execution of the SPAs, namely 20 units of stratified hotel serviced suites with an aggregate built-up area of 18,348 sq. ft. in Block C of the resort development project known as Impiana Residences Cherating, which is located at Mukim Sungai Karang, Daerah Kuantan, Negeri Pahang, Malaysia
“Properties Delivery Date”	the actual date on which the vacant possession of the Properties is delivered by the Developer to the Malaysia Subsidiary, which shall be on or before 30 June 2024 pursuant to the Sale and Purchase Agreement
“Proprietor”	Impiana Ipoh Sdn. Bhd., being the proprietor of the Properties
“Put Option”	the put option to require the Vendor to purchase from the Company the Sale Share at the Put Option Price
“Put Option Completion Date”	within five Business Days after the exercise of the Put Option (or such later date as may be agreed by the Company, the Vendor and the Guarantor in writing)

“Put Option Period”	the period commencing on 1 July 2024 and ending on 31 December 2024 (or such later date as may be agreed by the Company, the Vendor and the Guarantor in writing)
“Put Option Price”	the amount equivalent to the aggregation of the Consideration and interest amount paid by the Company under the Promissory Note (if any)
“Reorganisation”	the reorganisation of the Target Group pursuant to which (i) the Malaysia Subsidiary will enter into the SPAs with the Developer and the Proprietor in relation to the sale and purchase of the Properties, which are under development and completion of the SPAs has not taken place and it is expected that the delivery of vacant possession of the Properties by the Developer to the Malaysia Subsidiary will take place on or before 30 June 2024; (ii) the Hong Kong Subsidiary will acquire the entire issued share capital of the Malaysia Subsidiary and upon completion of which the Hong Kong Subsidiary will be the registered and beneficial owner of the entire issued share capital of the Malaysia Subsidiary; and (iii) a deed of novation will be entered into among the Developer, the Proprietor, the Malaysia Subsidiary and the Vendor upon which the Vendor will assume all obligations and liabilities of the Malaysia Subsidiary under the SPAs
“Sale and Purchase Agreement”	the agreement dated 10 June 2022 entered into among the Company, the Vendor and the Guarantor in relation to the sale and purchase of the Sale Share
“Sale Share”	one ordinary share of the Target Company, representing the entire issued share capital in the Target Company
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“SPAs”	twenty sale and purchase agreements to be entered into among the Malaysia Subsidiary, the Developer and the Proprietor in relation to the sale and purchase of the Properties
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Powerful Select Limited, a company incorporated in the British Virgin Islands with limited liability
“Target Group”	the Target Company, the Hong Kong Subsidiary and the Malaysia Subsidiary upon completion of the Reorganisation

“Vendor”	Stable Development Company Limited, a company incorporated in Hong Kong with limited liability
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“sq. ft.”	square feet
“%”	per cent.

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

Hong Kong, 10 June 2022

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.