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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 — DISPOSAL OF LISTED SECURITIES

Reference is made to the announcement of the Company dated 8 November 2021 in relation to the First Disposal and the announcement of the Company dated 24 November 2021 in relation to the Second Disposal.

THE THIRD DISPOSAL

The Board announced that Future Empire disposed of 4,050,000 shares in IDG Energy for an aggregate consideration of HK\$5,017,000 (excluding transaction costs) through a series of trades executed on the Stock Exchange on 30 November 2021. From 25 November 2021 to 30 November 2021, Future Empire disposed of an aggregate of 7,516,000 shares in IDG Energy for an aggregate consideration of HK\$9,425,940 (excluding transaction costs) through a series of trades executed on the Stock Exchange.

Given that the Third Disposal is made on the Stock Exchange at the prevailing market prices, the Directors (including the independent non-executive Directors) consider that the Third Disposal is on normal commercial terms, fair and reasonable, and in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As none of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the disposal of shares in IDG Energy from 25 November 2021 to 29 November 2021 of 3,466,000 shares in IDG Energy for an aggregate consideration of HK\$4,408,940 was more than 5%, it did not constitute a transaction of the Company under Chapter 14 of the Listing Rules.

As one of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the Third Disposal is more than 5% but less than 25%, the Third Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is only subject to the announcement requirement of the Listing Rules.

As the Third Disposal takes place within a 12-month period from the date of the First Disposal and the Second Disposal, the Third Disposal is required to aggregate with the First Disposal and the Second Disposal in accordance with Rule 14.22 of the Listing Rules for the purpose of transaction classification set out in Rule 14.06 of the Listing Rules.

As all of the percentage ratios (calculated in accordance with the Listing Rules) in respect of the Third Disposal, the First Disposal and the Second Disposal when aggregated are less than 25%, the Third Disposal, the First Disposal and the Second Disposal when aggregated do not constitute a major transaction of the Company under Chapter 14 of the Listing Rules.

Reference is made to the announcement of the Company dated 8 November 2021 in relation to the First Disposal and the announcement of the Company dated 24 November 2021 in relation to the Second Disposal.

THE THIRD DISPOSAL

The Board announced that Future Empire disposed of 4,050,000 shares in IDG Energy for an aggregate consideration of HK\$5,017,000 (excluding transaction costs) through a series of trades executed on the Stock Exchange on 30 November 2021. From 25 November 2021 to 30 November 2021, Future Empire disposed of an aggregate of 7,516,000 shares in IDG Energy for an aggregate consideration of HK\$9,425,940 (excluding transaction costs) through a series of trades executed on the Stock Exchange.

Listed securities to be disposed of

The 7,516,000 shares in IDG Energy have been accounted for as financial assets at fair value through profit or loss in the consolidated financial statements of the Group in accordance with Hong Kong Financial Reporting Standards 9 Financial Instruments with a carrying amount of HK\$7,516,000.

The 7,516,000 shares in IDG Energy represent approximately 0.11% of the issued share capital of IDG Energy as at the date of this announcement.

IDG Energy is a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange under stock code: 650. IDG Energy is an investment holding company principally engaged in the investment and management of global energy assets and mobility services businesses. The principal activities of its subsidiaries and invested portfolio companies consist of mobility services platform, upstream oil and gas business, LNG liquefaction and exporting, LNG importing, processing and sales, and LNG logistics services, energy investment fund management as well as investment in energy-related and other industries and businesses.

The following audited financial information is extracted from the annual report of IDG Energy for the year ended 31 March 2021:

	For the year ended 31 March 2021 <i>HK\$'000</i> (audited)	For the year ended 31 March 2020 <i>HK\$'000</i> (audited)
Revenue	1,760,515	243,546
Loss before tax	(464,389)	(303,843)
Loss for the year	(436,376)	(296,725)
Total assets	3,605,524	3,914,009
Net assets value	3,044,279	3,406,788

Consideration

The aggregate consideration from the Third Disposal is HK\$9,425,940 (excluding transaction costs) and the consideration of each trade of the Third Disposal is based on the bid and ask prices quoted on the Stock Exchange at the time of the trade executed.

The average selling price (excluding transaction costs) of each share in IDG Energy of the Third Disposal is approximately HK\$1.25.

The aggregate consideration from the Third Disposal is settled in cash upon completion.

Purchasers of the 7,516,000 shares in IDG Energy

As the trades of the Third Disposal are executed on the Stock Exchange, the Directors are not aware of the identities of the purchasers of the 7,516,000 shares in IDG Energy.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquires, each of the purchasers and, if applicable, its ultimate beneficial owners is Independent Third Party.

Completion

Completion of each trade of the Third Disposal takes place on the second trading day following the execution date of the trades.

INFORMATION OF THE GROUP AND FUTURE EMPIRE

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.

Future Empire is an investment holding company incorporated in the British Virgin Islands with limited liability and wholly-owned by the Company.

REASONS FOR THE THIRD DISPOSAL AND USE OF PROCEEDS FROM THE THIRD DISPOSAL

The Directors consider that the Third Disposal represented a good opportunity to realise a reasonable gain in Future Empire's investment in IDG Energy and obtain additional cash flow. Given that the Third Disposal is made on the Stock Exchange at the prevailing market prices, the Directors (including the independent non-executive Directors) consider that the Third Disposal is on normal commercial terms, fair and reasonable, and in the interests of the Company and its shareholders as a whole.

The Directors intend to use the aggregate consideration from the Third Disposal as the general working capital of the Group.

FINANCIAL EFFECTS OF THE THIRD DISPOSAL

Upon completing the Third Disposal, Future Empire will hold 7,398,000 shares in IDG Energy.

Future Empire expects to recognise a gain on the Third Disposal (before taxation) of HK\$1,909,940, which is the difference between the aggregate consideration for the Third Disposal of HK\$9,425,940 (excluding transaction costs) and the carrying amount of the 7,516,000 shares in IDG Energy of HK\$7,516,000.

IMPLICATIONS UNDER THE LISTING RULES

As none of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the disposal of shares in IDG Energy from 25 November 2021 to 29 November 2021 of 3,466,000 shares in IDG Energy for an aggregate consideration of HK\$4,408,940 was more than 5%, it did not constitute a transaction of the Company under Chapter 14 of the Listing Rules.

As one of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the Third Disposal is more than 5% but less than 25%, the Third Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is only subject to the announcement requirement of the Listing Rules.

As the Third Disposal takes place within a 12-month period from the date of the First Disposal and the Second Disposal, the Third Disposal is required to aggregate with the First Disposal and the Second Disposal in accordance with Rule 14.22 of the Listing Rules for the purpose of transaction classification set out in Rule 14.06 of the Listing Rules.

As all of the percentage ratios (calculated in accordance with the Listing Rules) in respect of the Third Disposal, the First Disposal and the Second Disposal when aggregated are less than 25%, the Third Disposal, the First Disposal and the Second Disposal when aggregated do not constitute a major transaction of the Company 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:

“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Company”	China Healthwise Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 348)
“Director(s)”	the director(s) of the Company
“First Disposal”	the disposal of an aggregate of 15,724,000 shares in IDG Energy by Future Empire for an aggregate consideration of HK\$9,989,980 (excluding transaction costs) through a series of trades executed on the Stock Exchange from 3 December 2020 to 8 November 2021
“Future Empire”	Future Empire Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“IDG Energy”	IDG Energy Investment Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 650)
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of and not connected with any directors, chief executive or substantial shareholders of the Company or its subsidiaries or any of their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Second Disposal”	the disposal of an aggregate of 9,362,000 shares in IDG Energy by Future Empire at an aggregate consideration of HK\$11,823,060 (excluding transaction costs) through a series of trades executed on the Stock Exchange from 9 November 2021 to 24 November 2021
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third Disposal”	the disposal of an aggregate of 7,516,000 Shares in IDG Energy by Future Empire at an aggregate consideration of HK\$9,425,940 (excluding transaction costs) through a series of trades executed on the Stock Exchange from 25 November 2021 to 30 November 2021
“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, 30 November 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.