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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 – SUPPLEMENTAL DEED IN RELATION TO THE LOAN AGREEMENT

SUPPLEMENTAL DEED IN RELATION TO THE LOAN AGREEMENT

Reference is made to the 2019 Announcement in relation to the Loan Agreement. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the 2019 Announcement.

On 13 January 2020 (after trading hours of the Stock Exchange), Good Cheer Global, Customer H and the Guarantor entered into the Supplemental Deed in relation to the Loan Agreement. Pursuant to the Supplemental Deed, among other things, (i) the principal amount under the Facilities was reduced from HK\$60.00 million to HK\$25.65 million; (ii) the final repayment date of the Loan was extended to the earlier of (a) the date falling 12 months after the date of the Supplemental Deed; and (b) the date of redemption of the Convertible Notes; and (iii) a guarantee was provided by the Guarantor in favour of Good Cheer Global to secure the due repayment of the Loan and the accrued interest thereon.

LISTING RULES IMPLICATIONS

As the Supplemental Deed constitutes a material variation of the terms of the Loan Agreement, which were disclosed in the 2019 Announcement, it is subject to the announcement requirement pursuant to Rule 14.36 of the Listing Rules.

SUPPLEMENTAL DEED IN RELATION TO THE LOAN AGREEMENT

Reference is made to the 2019 Announcement in relation to the Loan Agreement. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the 2019 Announcement.

The Board wishes to announce that on 13 January 2020 (after trading hours of the Stock Exchange), Good Cheer Global, Customer H and the Guarantor entered into the Supplemental Deed in relation to the Loan Agreement.

The Supplemental Deed

The principal terms and conditions of the Loan Agreement as varied by the Supplemental Deed are summarised as follows:

Date	:	13 January 2020
Lender	:	Good Cheer Global
Borrower	:	Customer H
Guarantor	:	The Guarantor
Reduction of principal amount of the Facilities	:	The principal amount under the Facilities was reduced from HK\$60.00 million to HK\$25.65 million, which was the aggregate of the Loan previously drawn by Customer H in the amount of HK\$24.00 million under the Facilities and the accrued interest thereon as at the date of the Supplement Deed.
Extension of final repayment date of the Loan	:	The final repayment date of the Loan was extended to the earlier of (a) the date falling 12 months after the date of the Supplemental Deed; and (b) the date of redemption of the Convertible Notes.
Security	:	The Facilities were secured by the guarantee provided by the Guarantor in favour of Good Cheer Global.
Undertaking by the Guarantor	:	The Guarantor undertook to Good Cheer Global to utilise the proceeds obtained at the redemption of the Convertible Notes to repay the Loan and the accrued interest thereon on behalf of Customer H.
Re-borrowing and drawing	:	Any amounts prepaid by Customer H before the final repayment date shall not be available for re-borrowing and drawing.

Save as disclosed above, all other terms of the Loan Agreement shall remain unchanged.

Information on Customer H

Customer H is 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: 1466). Customer H is an investment holding company and its subsidiaries are principally engaged in (i) the purchasing, processing, designing, production and wholesale distribution of pearls and jewellery products and (ii) the operation of strategic investment and financial services segment, with the objective to include investments in real estate agency business and real estate investment funds and other potential investment opportunities.

As at the date of this announcement, Mr. Leung Alex, an executive Director, is an executive director of Customer H.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquires, Customer H 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 toys and 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.

Information on the Guarantor and the Convertible Notes

The Guarantor is a wholly-owned subsidiary of Customer H and is principally engaged in financial assets investment whereas the shares of Customer H are listed on the Main Board of the Stock Exchange. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Guarantor is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

The Guarantor is the registered holder of the Convertible Notes that consist of a series of convertible guaranteed redeemable loan notes in the aggregate principal amount of GBP3.5 million (equivalent to approximately HK\$35.35 million) in the name of the Guarantor issued by a company incorporated in the United Kingdom. The maturity date of the Convertible Notes is expected to be in November 2020.

Reasons for and benefits of entering into the Supplemental Deed

Having considered the current market condition, the Directors are of the view that the terms of the Supplemental Deed are on normal commercial terms.

The terms of the Supplemental Deed are negotiated on an arm's length basis between Good Cheer Global, Customer H and the Guarantor. In light of the additional guarantee and the repayment undertaking provided by the Guarantor and supported by the underlying Convertible Notes, the Directors (excluding Mr. Leung Alex who has abstained from voting on the relevant resolutions to approve the Supplemental Deed and the transaction contemplated thereunder at the meeting of the Board held on 13 January 2020) consider that the Supplemental Deed and its terms are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the Supplemental Deed constitutes a material variation of the terms of the Loan Agreement, which were disclosed in the 2019 Announcement, it is subject to the announcement requirement pursuant to Rule 14.36 of the Listing Rules.

DEFINITIONS

“Convertible Notes”	a series of convertible guaranteed redeemable loan notes in the aggregate principal amount of GBP3.5 million (equivalent to approximately HK\$35.35 million) in the name of the Guarantor issued by a company incorporated in the United Kingdom
“Customer H”	Affluent Partners 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: 1466)
“GBP”	Pound Sterling, the lawful currency of the United Kingdom
“Guarantor”	Full Wealth Investment Hong Kong Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Customer H
“Supplemental Deed”	the supplemental deed dated 13 January 2020 entered into between Good Cheer Global, Customer H and the Guarantor in relation to the Loan Agreement
“2019 Announcement”	the announcement dated 28 March 2019 of the Company in relation to the Facilities of up to a principal amount of HK\$60.00 million granted by Good Cheer Global to Customer H

Note: Unless otherwise stated, the figures in “GBP” are converted into HK\$ at the rate of GBP1.0: HK\$10.1 throughout this announcement for indicative purposes only, and should not be construed as a representation that any amount has been, could have been or may be, exchanged at this or any other rate.

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

Hong Kong, 13 January 2020

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.