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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 SHARES IN
GLOBAL MASTERMIND CAPITAL LIMITED**

THE DISPOSAL

On 14 May 2020, the Company disposed of an aggregate of 195,500,000 Sale Shares to the Purchaser for an aggregate consideration of HK\$17,595,000 (excluding transaction costs) at the Selling Price of HK\$0.09 per Sale Share through a block trade transaction on the Stock Exchange. The 195,500,000 Sale Shares representing approximately 27.92% of the entire issued share capital of Global Mastermind as at the date of this announcement.

IMPLICATIONS UNDER THE LISTING RULES

As two of the relevant percentage ratios (as defined under the Listing Rules) in respect of the Disposal are more than 5% but all are less than 25%, the Disposal 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.

THE DISPOSAL

On 14 May 2020, the Company disposed of an aggregate of 195,500,000 Sale Shares to the Purchaser for an aggregate consideration of HK\$17,595,000 (excluding transaction costs) at the Selling Price of HK\$0.09 per Sale Share through a block trade transaction on the Stock Exchange. The 195,500,000 Sale Shares representing approximately 27.92% of the entire issued share capital of Global Mastermind as at the date of this announcement.

Date: 14 May 2020

The vendor: the Company

The purchaser: the Purchaser

Sale Shares

The 195,500,000 Sale Shares represents approximately 27.92% of the issued share capital of Global Mastermind (based on 700,333,925 Global Mastermind Shares in issue as at the date of this announcement, according to public information).

After the Disposal, the Company does not hold any shares in Global Mastermind.

Consideration

The Consideration is HK\$17,595,000 (excluding transaction costs) and will be settled in cash upon Completion.

Basic of consideration

The Selling Price of HK\$0.09 per Sale Share represents:

- (i) a premium of approximately 7.1% to the closing price of HK\$0.084 per Sale Share as quoted on the Stock Exchange on 13 May 2020, being the trading day immediately prior to the date of the Disposal; and
- (ii) a premium of approximately 2.7% to the average closing price of approximately HK\$0.0876 per Sale Share in the last five consecutive trading days immediately prior to 14 May 2020, being the date of the Disposal.

The Selling Price is determined after arm's length negotiations between the Company and the Purchaser with reference to, among other things, the prevailing trading price of the Global Mastermind Share.

The Directors consider that the Selling Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Completion

The Disposal will be completed on the second trading day following the execution date of the block trade transaction.

INFORMATION OF THE COMPANY

The Company is an investment holding company and its subsidiaries are principally engaged in sale of toys and Chinese health products, money lending business and investment in financial instruments.

INFORMATION OF THE PURCHASER

The Purchaser is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding. The ultimate beneficial owner of the Purchaser is Mr. Ng Kwok Fai.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Purchaser and its ultimate beneficial owner are Independent Third Parties.

INFORMATION OF GLOBAL MASTERMIND

Global Mastermind is a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 905). The principal activity of Global Mastermind is investment holding and the principal activity of its subsidiaries is investment in listed and unlisted companies mainly in Hong Kong, Singapore, the United States, and Canada.

Set out below is the audited financial information of Global Mastermind for the years ended 31 December 2018 and 31 December 2019:

	For the year ended 31 December 2019 HK\$'000 (audited)	For the year ended 31 December 2018 HK\$'000 (audited)
Revenue	6,028	3,461
Net loss before tax	(91,295)	(141,223)
Net loss for the year	(91,295)	(141,223)

The audited consolidated total assets and net asset value of Global Mastermind as at 31 December 2019 were HK\$339,538,000 and HK\$297,031,000 respectively.

REASONS FOR THE DISPOSAL AND USE OF PROCEEDS FROM THE DISPOSAL

In view of the high volatility of the global securities market and possible deterioration of the Group's business environment caused by the novel coronavirus pandemic, the Directors intend to realise certain investment in listed securities of the Group for the purpose of obtaining additional cash flow so as to strengthen the cash position of the Group.

Given that the consideration of the Disposal is reached after arm's length negotiations between the Company and the Purchaser, the Directors are of the view that the Disposal is fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

The aggregate gross proceeds from the Disposal is HK\$17,595,000. The Company intends to allocate the net proceeds from the Disposal for general working capital for the Group.

FINANCIAL EFFECTS OF THE DISPOSAL

As a result of the Disposal, the Group is expected to recognise no gain or loss (subject to adjustment and audit), which is calculated on the basis of the difference between the fair value of the Sale Shares of approximately HK\$17,595,000 as at 31 December 2019 and the gross proceeds of approximately HK\$17,595,000 from the Disposal.

IMPLICATIONS UNDER THE LISTING RULES

As two of the relevant percentage ratios (as defined under the Listing Rules) in respect of the Disposal are more than 5% but all are less than 25%, the Disposal 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:

“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)
“Completion”	completion of the Disposal
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the 195,500,000 Sale Shares owned by the Company through a block trade transaction on the Stock Exchange on 14 May 2020
“Global Mastermind”	Global Mastermind Capital Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the issued Global Mastermind Shares are listed on the Main Board of the Stock Exchange (stock code: 905)
“Global Mastermind Shares”	the ordinary share(s) of HK\$0.01 each in the share capital of Global Mastermind
“Group”	the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“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
“Purchaser”	China Lead Investment Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“Sale Share(s)”	195,500,000 Global Mastermind Shares disposed by the Company to the Purchaser through a block trade transaction on the Stock Exchange on 14 May 2020
“Selling Price”	HK\$0.09 per Sale Share
“Share(s)”	the ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“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, 14 May 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.