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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

Reference is made to the announcements of the Company dated 7 November 2017, 7 November 2018 and 7 November 2019 (the “**Announcements**”) in relation to the granting of the Loan in a principal amount of HK\$35 million to Customer A. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

The Board announces that on 5 November 2020, Good Cheer Global entered into a supplemental agreement (the “**2020 Supplemental Agreement**”) with Customer A to extend the repayment date of the Loan for 2 years from 7 November 2020 to 7 November 2022 (the “**Loan Extension**”); and to change the interest rate of the Loan from 8% per annum to 13% per annum with effective from 8 November 2020 (the “**Change of Interest Rate**”). 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 are disclosed in the Announcements.

Information on Customer A

Ms. Wang Ming 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 A 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 of Interest Rate

As money lending is one of the principal activities of the Group, the provision of the Loan to Customer A and the Loan Extension and the Change of Interest Rate is in the ordinary and usual course of business of the Group.

At the request of Customer A, Good Cheer Global and Customer A negotiated for an extension of the repayment date of the Loan. The terms of the 2020 Supplemental Agreement were agreed after arm's length negotiation between Good Cheer Global and Customer A. Having considered the financial background of Customer A, the interest payment history of Customer A and the additional interest income of HK\$9.1 million to be generated to Good Cheer Global from the Loan Extension and the Change of Interest Rate, the Directors consider that the 2020 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

As three of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the provision of financial assistance upon signing the 2020 Supplemental Agreement are more than 5% but all ratios are less than 25%, the transaction constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

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

Hong Kong, 5 November 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.