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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Healthwise Holdings Limited (the “Company”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.

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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)**

### **PROPOSED AMENDMENTS TO THE TERMS AND CONDITIONS OF CONVERTIBLE BOND AND NOTICE OF EXTRAORDINARY GENERAL MEETING**

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Resolutions will be proposed at the extraordinary general meeting of the Company to be held at Meeting Room (Soho 1), 6/F., ibis Hong Kong Central & Sheung Wan Hotel, No. 28 Des Voeux Road West, Sheung Wan, Hong Kong on Wednesday, 5 October 2022 at 11:00 a.m. (the “EGM”) to approve the matters referred to in this circular.

The notice convening the EGM together with the form of proxy for use at the EGM are enclosed with this circular. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.healthwisehk.com>).

Whether or not you are able to attend the EGM, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and deliver it to the Company’s branch share registrar in Hong Kong, Tricor Abacus Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the EGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish and in such event, the proxy form shall be deemed to be revoked.

13 September 2022

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## DEFINITIONS

*In this circular, the following expressions have the meanings set out below unless the context requires otherwise:*

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Bond”	the convertible bond, in the aggregate principal amount of HK\$120.0 million, which is unsecured and issued by the Company to the Subscriber on 11 October 2018 of which HK\$72.3 million remaining outstanding and held by the Subscriber as at the Latest Practicable Date
“Bondholder(s)”	holder(s) of the Bond
“Business Day”	any day (excluding a Saturday, Sunday and public holiday) on which banks in Hong Kong are 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)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Conversion Shares”	the new shares to be allotted and issued by the Company upon the exercise of the conversion right attached to the Bond
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at Meeting Room (Soho 1), 6/F., ibis Hong Kong Central & Sheung Wan Hotel, No. 28 Des Voeux Road West, Sheung Wan, Hong Kong on Wednesday, 5 October 2022 at 11:00 a.m. for the purpose of considering and, if thought fit, approving the Second Supplemental Agreement and the Specific Mandate
“First Supplemental Agreement”	the first supplemental agreement dated 28 August 2020 entered into between the Company and the Subscriber in relation to certain amendments to the Bond

## DEFINITIONS

“General Mandate”	the general mandate granted to the Directors at the annual general meeting of the Company held on 16 June 2020, to allot, issue and deal with additional Shares and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into Shares) of up to 155,661,167 Shares (taking into account the effect of the capital reorganisation of the Company which has become effective on 6 October 2021)
“Group”	the Company and its subsidiaries
“Heng Tai”	Heng Tai Consumables Group Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 197)
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of the Company and its subsidiaries and not connected with any of the connected persons of the Company or any of their respective associates
“Instrument”	the instrument dated 11 October 2018 (as amended and supplemented by a supplemental instrument dated 10 October 2020 in accordance with the terms of the First Supplemental Agreement) executed by the Company by way of a deed poll constituting the Bond
“Latest Practicable Date”	7 September 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in it
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	9 October 2022 (or such later date as may be agreed between the Company and the Subscriber) where all of the conditions precedent under the Second Supplemental Agreement have to be satisfied

## DEFINITIONS

“Maturity Date”	10 October 2022 (or if that day is not a Business Day, the immediately following Business Day), being the amended maturity date of the Bond pursuant to the First Supplemental Agreement, and is conditionally subject to extension to 10 October 2024 under the Second Supplemental Agreement
“New Conversion Price”	the proposed new conversion price of HK\$0.38 per Conversion Share under the Second Supplemental Agreement, subject to adjustment provided in the Bond
“Proposed Amendments”	the conditional amendments to the Bond as regards (i) the extension of the Maturity Date for two years; (ii) the amendment of the conversion price of the Bond from HK\$1.00 per Conversion Share to HK\$0.38 per Conversion Share; and (iii) to utilise the Specific Mandate in lieu of the General Mandate for the Conversion Shares
“Second Supplemental Agreement”	the second supplemental agreement dated 17 August 2022 entered into between the Company and the Subscriber in relation to the Proposed Amendments
“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)
“Specific Mandate”	the specific mandate for the allotment and issue of the Conversion Shares to be granted to the Directors by the Shareholders at the EGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Heng Tai Finance Limited, a wholly-owned subsidiary of Heng Tai
“Subscription Agreement”	the subscription agreement dated 8 October 2018 (as amended and supplemented by the First Supplemental Agreement) entered into between the Company and the Subscriber in relation to the subscription of the Bond
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

## **PRECAUTIONARY MEASURES FOR THE EGM**

In view of the ongoing COVID-19 epidemic and recent requirements for prevention and control of its spread, the Company will implement the following preventive measures at the EGM to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendee at the entrance of the EGM venue. Any person with a body temperature of over 37.5 degrees Celsius may be denied entry into the EGM venue or be required to leave the EGM venue.
- (ii) The Company requests attendees to wear surgical face masks inside the EGM venue at all times, and to maintain a safe distance between seats.
- (iii) No refreshments will be served, and there will be no corporate gifts.

To the extent permitted under law, the Company reserves the right to deny entry into the EGM venue or require any person to leave the EGM venue in order to ensure the safety of the attendees at the EGM.

In the interest of all stakeholders' health and safety and consistent with recent COVID-19 guidelines for prevention and control, the Company reminds all Shareholders that physical attendance in person at the EGM is not necessary for the purpose of exercising voting rights. As an alternative, by using forms of proxy with voting instructions inserted, Shareholders may appoint the Chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM instead of attending the EGM in person.

**LETTER FROM THE BOARD**

**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)**

*Executive Directors:*

Lei Hong Wai (*Chairman*)  
Cheung Kwok Wai Elton (*Vice Chairman*)  
Leung Alex  
Lo Ming Wan  
Tse Chi Keung  
Yuan Huixia

*Registered Office:*

P.O. Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

*Independent Non-executive Directors:*

Lai Hok Lim  
Lien Wai Hung  
Wong Tak Chuen

*Head Office and Principal Place of*

*Business in Hong Kong:*  
Unit 1209, Shun Tak Centre  
West Tower  
168–200 Connaught Road Central  
Hong Kong

13 September 2022

*To the Shareholders*

Dear Sir/Madam,

**PROPOSED AMENDMENTS TO THE TERMS AND  
CONDITIONS OF CONVERTIBLE BOND**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 17 August 2022 in relation to the Proposed Amendments.

The purpose of this circular is to provide you with (i) further information regarding the Proposed Amendments; and (ii) the notice convening the EGM.

**BACKGROUND**

On 8 October 2018, the Company as issuer and the Subscriber as subscriber entered into the Subscription Agreement in relation to the issue and subscription of the Bond. On 11 October 2018, the Bond in the principal amount of HK\$120.0 million was issued to the Subscriber pursuant to the Subscription Agreement. With effect from 22 November 2018, the conversion rights attached to the Bond have become unconditional and irrevocable.

## LETTER FROM THE BOARD

On 28 August 2020, the Company and the Subscriber entered into the First Supplemental Agreement pursuant to which the Company and the Subscriber agreed to (i) amend and extend the original maturity date of 10 October 2020, being the date falling on the second anniversary of the issue date of the Bond for another two years to 10 October 2022 (or if that day is not a Business Day, the immediately following Business Day); and (ii) amend the Instrument that the Company shall utilise the General Mandate for the Conversion Shares for the then extended period of the maturity date of the Bond instead of the previous specific mandate which will expire on the original maturity date of the Bond (i.e. 10 October 2020).

On 17 August 2022, the Company and the Subscriber entered into the Second Supplemental Agreement to amend the Subscription Agreement and the terms and conditions of the Instrument. Pursuant to the Second Supplemental Agreement, the Company and the Subscriber have conditionally agreed:

- (i) to amend and extend the Maturity Date of 10 October 2022 to 10 October 2024 (or if that day is not a Business Day, the immediately following Business Day);
- (ii) to amend the conversion price of the Bond from HK\$1.00 per Conversion Share to HK\$0.38 per Conversion Share; and
- (iii) to amend the Instrument that the Company shall utilise the Specific Mandate for the Conversion Shares for the extended period of the Maturity Date instead of the previous General Mandate which will expire on the original Maturity Date.

Other than the Proposed Amendments above (and the necessary administrative matters to give effect to such changes), no other terms and conditions of the Instrument constituting the Bond have been changed.

As at the Latest Practicable Date, the aggregate principal amount of HK\$72.3 million remained outstanding under the Bond held by the Subscriber, being the sole Bondholder.

### THE SECOND SUPPLEMENTAL AGREEMENT

#### Date

17 August 2022

#### Parties

The issuer:           the Company

The subscriber:      the Subscriber

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Subscriber and its ultimate beneficial owners are Independent Third Parties.



## LETTER FROM THE BOARD

The Subscriber is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding.

### **Effective date**

10 October 2022 (or such later date as may be agreed between the Company and the Subscriber), provided only that all the conditions precedent under the Second Supplemental Agreement have been satisfied on or before the Long Stop Date.

### **Proposed Amendments**

Pursuant to the Second Supplemental Agreement, the Company and the Subscriber have conditionally agreed:

- (i) to amend and extend the Maturity Date of 10 October 2022 to 10 October 2024 (or if that day is not a Business Day, the immediately following Business Day);
- (ii) to amend the conversion price of the Bond from HK\$1.00 per Conversion Share to HK\$0.38 per Conversion Share; and
- (iii) to amend the Instrument that the Company shall utilise the Specific Mandate for the Conversion Shares for the extended period of the Maturity Date instead of the previous General Mandate which will expire on the original Maturity Date.

Other than the Proposed Amendments above (and the necessary administrative matters to give effect to such changes), no other terms and conditions of the Instrument constituting the Bond have been changed.

### **Conditions precedent**

The obligations of the parties as set out in the Second Supplemental Agreement are conditional upon the following conditions precedent having been satisfied on or before the Long Stop Date:

- (a) the passing by the shareholders of Heng Tai at its extraordinary general meeting to be convened of the necessary resolution(s) to approve the Second Supplemental Agreement and the transactions contemplated thereunder;
- (b) the passing by the Shareholders at the EGM to be convened of the necessary resolution(s) to approve the grant of the Specific Mandate to exercise the powers of the Company to allot and issue the Conversion Shares;
- (c) the representations and warranties of the Company as set out in the Subscription Agreement (as amended by the First Supplemental Agreement and the Second Supplemental Agreement) remaining true, accurate and not misleading in each case in accordance with their terms;

## LETTER FROM THE BOARD

- (d) since the date of the Second Supplemental Agreement, there having been, in the opinion of the Subscriber, no material adverse change of the Group;
- (e) the Stock Exchange having granted the listing of, and permission to deal in, the Conversion Shares to the Company;
- (f) the Stock Exchange having granted approval for the amendments to the Bond; and
- (g) the Company delivering to the Subscriber a cashier's order or a cheque issued by a bank licensed in Hong Kong in the amount of HK\$4,338,000 payable to the Subscriber, being the outstanding accrued interests on the Maturity Date (i.e. 10 October 2022) of the outstanding principal amount of the Bond.

The parties shall use their respective best endeavours to procure the fulfilment of the above conditions precedent, and in the event that any of such conditions is not fulfilled by 5:00 p.m. on the Long Stop Date (without prejudice to the Subscriber's rights thereunder, and under the Subscription Agreement and the Instrument), the Second Supplemental Agreement will automatically be terminated.

As at the Latest Practicable Date, none of the above conditions precedent had been fulfilled.

### **PRINCIPAL TERMS OF THE BOND**

#### **Outstanding principal amount**

HK\$72.3 million

#### **Issue price**

100% of the principal amount of the Bond

#### **Interest**

The Bond shall bear interest on the outstanding principal amount from and including the date of its issue at 6% per annum. Interest shall be accrued daily on a 365 days basis and is payable annually or with respect to the last payment, on the Maturity Date.

#### **Maturity date**

10 October 2022 (or if that day is not a Business Day, the immediately following Business Day), being the amended maturity date of the Bond pursuant to the First Supplemental Agreement, and is conditionally subject to extension to 10 October 2024 under the Second Supplemental Agreement).

## LETTER FROM THE BOARD

### Conversion price

HK\$1.00 per Conversion Share, and is conditionally subject to amendment to HK\$0.38 per Conversion Share under the Second Supplemental Agreement. The conversion price shall be subject to adjustment provided in the Bond.

The New Conversion Price of HK\$0.38 per Conversion Share represents:

- (i) a premium of approximately 53.85% over the closing price of HK\$0.247 per Share as quoted on the Stock Exchange on date of the Second Supplemental Agreement;
- (ii) a premium of approximately 42.32% over the average closing price of HK\$0.267 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Second Supplemental Agreement; and
- (iii) a premium of approximately 58.33% over the closing price of HK\$0.240 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (iv) a premium of approximately 51.39% over the audited net asset value per Share of approximately HK\$0.251 per Share based on the audited net asset value of the Group of HK\$193,064,000 as at 31 December 2021 and 770,480,836 Shares in issue as at the Latest Practicable Date.

### Adjustments to the conversion price

The initial conversion price shall be, from time to time, subject to adjustment upon occurrence of any of the following events:

- (i) consolidation or sub-division of the Shares;
- (ii) capitalisation of profits or reserves;
- (iii) capital distribution;
- (iv) offer of new Shares for subscription by way of a rights issue, an open offer or a grant of options or warrants to subscribe for new Shares, at a price which is less than 90% of the market price at the date of the announcement of the terms of such offer or grant per Share to the Shareholders;
- (v) issue wholly for cash being made by the Company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the total effective consideration per new Share receivable is less than 90% of the market price at the date of the announcement of the terms of issue of such securities, or the conversion, exchange or subscription rights of any such issue are altered so that the said total effective consideration receivable per Share initially is less than 90% of such market price at the date of announcement of the terms of such issue;

## LETTER FROM THE BOARD

- (vi) issue of the Shares being made wholly for cash at a price less than 90% of the market price per Share at the date of announcement of the terms of such issue; and
- (vii) issue of the Shares for the acquisition of asset at a total effective consideration per new Share receivable is less than 90% of the market price at the date of the announcement of the terms of such issue.

Any adjustment to the conversion price shall be made to the nearest of a cent so that any amount under half of a cent shall be rounded down and any amount of half of a cent or more shall be rounded up. No adjustment shall be made to the conversion price in any case in which the amount by which the same would be reduced would be less than HK\$0.01 and any adjustment which would otherwise then be required shall not be carried forward.

The Company shall take all necessary action prior to carrying out any action that may render the conversion price being adjusted so that on conversion the Conversion Shares shall fall to be issued at a discount to their nominal value, failing which the Company shall compensate the Bondholder all losses as a result thereto including but not limited to such amount that the Bondholder would be entitled under the adjustment but was being prevented and all costs and expenses.

If any adjustment to be made will render the total number of the Conversion Shares exceeding the Specific Mandate, the Bondholder shall be entitled to convert up to the maximum number of the Conversion Shares and the remaining portion of the principal amount shall be redeemed on the Maturity Date on a dollar-to-dollar basis together with accrued interests.

### **Conversion Shares**

Upon the Proposed Amendments becoming effective, based on the New Conversion Price of HK\$0.38, a maximum number of 190,263,157 Conversion Shares may fall to be allotted and issued upon exercise of the conversion rights in full, which represent:

- (i) approximately 24.69% of the existing issued share capital of the Company as at the Latest Practicable Date; and
- (ii) approximately 19.80% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares upon exercise of the conversion right in full (assuming that there is no other change in the existing shareholding of the Company).

As amended by the Second Supplemental Agreement, the Conversion Shares shall be allotted and issued under the Specific Mandate to be sought at the EGM.

### **Ranking of the Conversion Shares**

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

## LETTER FROM THE BOARD

### **Conversion period**

Any time up to 4:00 p.m. (Hong Kong time) immediately prior to and exclusive of the Maturity Date.

### **Redemption**

The Company may at any time before the Maturity Date by serving at least seven (7) days' prior written notice to the Bondholder with the total amount proposed to be redeemed from the Bondholder specified therein, redeem the Bond (in whole or in part) at par together with accrued interests provided always that no conversion notice has been served by the Bondholder on or prior to the date the redemption notice is served by the Company to the Bondholder(s). If a conversion notice is served on the same date as a redemption notice is served by the Company, the Bondholder's conversion notice will deem to take priority.

If an event of default has occurred, each Bondholder may require the Company to redeem all or a portion of its Bond, and the Company shall, in addition to and without prejudice to any of its other payment obligations under the instrument constituting the Bond, pay to such Bondholder an additional amount of interest as default interest which shall be payable monthly in cash, such that a total interest rate of 10% per annum shall accrue on the aggregate unpaid principal, interest and/or other amounts owed by the Company to such Bondholder from the relevant due date of such unpaid amount until the date on which has been fully paid by the Company to such Bondholder.

### **Transferability**

Unless the Bondholder(s) transfers the Bond to its subsidiaries or a holding company of the Bondholder(s), the Bondholder(s) may only assign or transfer the Bond to the transferee (other than a connected person of the Company who/which could not be a transferee) subject to the written consent of the Company. The Bond may be assigned or transferred in whole or in part (in whole multiples of HK\$5 million) of its outstanding principal amount upon the payment in full and the Company shall facilitate any such assignment or transfer of the Bond, including making any necessary applications to the Stock Exchange for the said approval (if required).

### **Status of the Bond**

The Bond constitutes direct, unconditional, unsubordinated and unsecured obligations of the Company and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Company under the Bond shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

## LETTER FROM THE BOARD

### **Voting**

The Bondholder(s) shall not be entitled to attend or vote at any meetings of the Company by reason only it being the Bondholder(s).

### **Listing**

No application will be made to the Listing Committee of the Stock Exchange for the listing of the Bond on the Stock Exchange or any other stock exchange.

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

### **REASONS FOR AND BENEFITS OF THE PROPOSED AMENDMENTS**

The Bond shall mature on 10 October 2022, which means that the Company shall redeem the Bond in a principal amount of HK\$72.3 million under the circumstance that the Subscriber has not converted the Bond into the Conversion Shares. According to the interim results announcement of the Company dated 25 August 2022, the Company recorded consolidated cash and cash equivalents of approximately HK\$28.75 million as at 30 June 2022.

Before arriving at the decision to the entering into of the Second Supplemental Agreement, the Company has taken into account other alternative fund raising methods (including debt financing and equity fund raising methods such as placing of new Shares, rights issue and open offer) to redeem the Bond. The Directors consider that debt financing may involve (i) lengthy due diligence procedures which may be relatively costly and time-consuming; (ii) higher interest rate (ranging from 8% to 10% based on the existing borrowings of the Group); and (iii) requirement regarding charge of assets or guarantee as all the existing borrowings of the Group are secured by assets. In respect of equity fund raising methods, (i) to attract subscription by potential investors or existing Shareholders, the subscription price would have to be set at a deep discount to the prevailing market price of the Shares which would result in higher dilution on the shareholding of the existing Shareholders; and (ii) regarding rights issue and open offer, they usually require a relatively longer period and more stringent documentary requirements including negotiation with the underwriter on the terms and conditions of the underwriting agreement, preparation of listing document and application forms and registration for listing document.

The extension of the Maturity Date allows the Company to redeem the Bond on a later date before 10 October 2024. The Directors consider that the extension of the Maturity Date provide the Group with flexibility to deploy its financial resources to finance its operation and business development.

The current conversion price of the Bond is HK1.00, which represents a premium of approximately 304.86% to the closing price of the Shares of HK\$0.247 as at the date of the Second Supplemental Agreement. After revising the conversion price to HK\$0.38, representing a premium of approximately 53.85% to the closing price of the Shares as at the date of the Second Supplemental Agreement, it shall be more feasible for the Subscriber to exercise the

## LETTER FROM THE BOARD

conversion rights attaching to the Bond and convert the Bond into the Shares. The Board is of the view that the reduction in conversion price of the Bond provides a more practical alternative to the Subscriber to capitalise the debt owed by the Company, thereby alleviating the financial burden of the Company.

In respect of the amendment regarding the utilisation of the Specific Mandate in lieu of the previous General Mandate, the Directors consider this amendment is to facilitate the extension of the Maturity Date and the adjustment to of the conversion price, and shall have no impact on the Group.

Based on the above, although the Proposed Amendments would incur potential additional interest to the Group for the extended period of the Maturity Date, having taken into account that:

- (i) the Proposed Amendments are the most appropriate means as (a) the Proposed Amendments save the time, cost and effort for additional due diligence procedures, application process, documentation and/or negotiation process, (b) the interest rate of 6% is lower than those interest rates possibly offered by third party money lenders; and (c) as the New Conversion Price of HK\$0.38 is out-of-the money as at the date of the Second Supplemental Agreement, it is expected that the Subscriber will not exercise its conversion rights under current circumstance, and thus no immediate dilution impact would be imposed on the existing Shareholders;
- (ii) the extension of the Maturity Date provides the Group with flexibility to deploy its financial resources to finance its operation and business development; and
- (iii) the reduction in conversion price of the Bond provides a more practical alternative to the Subscriber to capitalise the debt owed by the Company, thereby alleviating the financial burden of the Company,

the Directors consider that the Proposed Amendments are fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

No proceeds will be received by the Company as a result of the Proposed Amendments.

## LETTER FROM THE BOARD

### EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date and (ii) immediately after the full conversion of the outstanding Bond at the New Conversion Price (assuming that there is no other change in the existing shareholding of the Company) is as follows:

<b>Name of the Shareholder</b>	<b>As at the Latest Practicable Date</b>		<b>Immediately after the full conversion of the outstanding Bond at the New Conversion Price (assuming that there is no other change in the existing shareholding of the Company)</b>	
	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>
Eternity Investment Limited <i>(Note 1)</i>	165,662,824	21.50	165,662,824	17.24
Mr. Lei Hong Wai <i>(Note 2)</i>	56,663,636	7.35	56,663,636	5.90
The Subscriber	—	—	190,263,157	19.80
Public Shareholders	<u>548,154,376</u>	<u>71.15</u>	<u>548,154,376</u>	<u>57.06</u>
 Total	 <u><u>770,480,836</u></u>	 <u><u>100.00</u></u>	 <u><u>960,743,993</u></u>	 <u><u>100.00</u></u>

*Notes:*

1. 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 (“Eternity”), the shares of which are listed on the Main Board of the Stock Exchange under stock code: 764.
2. He, an executive Director, is also an executive director of Eternity and by virtue of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), is deemed to be interested in approximately 25.99% of the issued share capital of Eternity.

### EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST 12 MONTHS

The Company had not conducted any equity fund raising activities in the past 12 months immediately preceding the Latest Practicable Date.



## LETTER FROM THE BOARD

### LISTING RULES IMPLICATIONS

Pursuant to Rule 28.05 of the Listing Rules, any alteration in the terms of convertible debt securities after issue must be approved by the Stock Exchange, except where the alterations take effect automatically under the existing terms of such convertible debt securities. Accordingly, the Company will apply to the Stock Exchange for the approval of the Proposed Amendments.

The grant of the Specific Mandate for the issue and allotment of the Conversion Shares will also be subject to approval by the Shareholders at the EGM.

**Shareholders and potential investors should note that the Second Supplemental Agreement is conditional upon fulfilment of all conditions precedent therein. The transactions contemplated under the Second Supplemental Agreement may or may not materialise. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

### EGM

A notice convening the EGM to be held at Meeting Room (Soho 1), 6/F., ibis Hong Kong Central & Sheung Wan Hotel, No. 28 Des Voeux Road West, Sheung Wan, Hong Kong on Wednesday, 5 October 2022 at 11:00 a.m. at which an ordinary resolution will be proposed to the Shareholders to consider and, if thought fit, to approve the Second Supplemental Agreement and the Specific Mandate is set out on pages EGM-1 to EGM-2 of this circular.

To the best knowledge of the Directors, no Shareholders have a material interest in the Second Supplemental Agreement and the Specific Mandate and accordingly, no Shareholders will have to abstain from voting at the EGM.

Whether or not you intend to attend the EGM, you are requested to complete and return the form of proxy accompanying with this circular in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof in person if you so wish.

### CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Thursday, 29 September 2022 to Wednesday, 5 October 2022, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the share register of the Company, Tricor Abacus Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Wednesday, 28 September 2022.

## LETTER FROM THE BOARD

### RECOMMENDATION

The Directors consider that the Second Supplemental Agreement and the Specific Mandate are in the interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the relevant resolution at the EGM.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,  
For and on behalf of the Board  
**China Healthwise Holdings Limited**  
**Lei Hong Wai**  
*Chairman and Executive Director*

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**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)**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting of China Healthwise Holdings Limited (the “**Company**”) will be held at Meeting Room (Soho 1), 6/F., ibis Hong Kong Central & Sheung Wan Hotel, No. 28 Des Voeux Road West, Sheung Wan, Hong Kong on Wednesday, 5 October 2022 at 11:00 a.m. for the following purposes:

**ORDINARY RESOLUTION**

“**THAT**

- (a) the entering into of the second supplemental agreement (the “**Second Supplemental Agreement**”) dated 17 August 2022 between the Company and Heng Tai Finance Limited in relation to the proposed amendment of terms of the bond (the “**Bond**”) (the “**Proposed Amendments**”) issued by the Company to Heng Tai Finance Limited on 11 October 2018 in the aggregate outstanding principal amount of HK\$72,300,000 (a copy of the Second Supplemental Agreement having been produced to the meeting and marked “A” and initialled by the chairman of the meeting for the purpose of identification), and the transactions contemplated thereunder (including but not limited to the Proposed Amendments) be and are hereby approved, confirmed and ratified;
- (b) the board of directors of the Company be and is hereby granted a specific mandate to allot and issue the conversion shares which may fall to be issued by the Company upon exercise of the conversion rights attached to the Bond in accordance with the terms and conditions of the Bond as amended by the Second Supplemental Agreement; and
- (c) any one or more directors of the Company be and is/are hereby authorised for and on behalf of the Company to execute all such documents, agreements and do all such acts and things, as he/she may in his/her discretion consider necessary, expedient or desirable for the purpose of in connection with the implementation of or giving effect to the Second Supplemental Agreement, the Proposed Amendments and all matters incidental thereto or in connection therewith.”

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

Hong Kong, 13 September 2022

## NOTICE OF EXTRAORDINARY GENERAL MEETING

*Notes:*

1. All resolutions at the meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. The register of members of the Company will be closed from Thursday, 29 September 2022 to Wednesday, 5 October 2022 (both dates inclusive), during which period no transfer of shares of the Company will be registered.
3. In order to qualify for the attendance and voting at the meeting, all transfer documents accompanied by the relevant shares certificates for registration must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Abacus Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Wednesday, 28 September 2022.
4. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies (who must be an individual or individuals) to attend and vote instead of him/her/it. A proxy need not be a shareholder of the Company.
5. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of attorney or authority must be delivered to the Company’s branch share registrar in Hong Kong, Tricor Abacus Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and delivery of the form of proxy shall not preclude you from attending and voting in person at the meeting and any adjournment thereof if you so wish.
6. If a black rainstorm warning or a tropical cyclone warning signal number 8 or above is hoisted, or extreme condition is in force at or after 8:00 a.m. and before the scheduled meeting time, the above meeting will not be held on Wednesday, 5 October 2022. The date of the postponed meeting will be rescheduled as soon as practicable. Shareholders may contact Customer Service Hotline of Tricor Abacus Limited at (852) 2980-1333 from 9:00 a.m. to 5:00 p.m., Monday to Friday (excluding public holidays) for any enquiry regarding the aforesaid arrangement.
7. Where there are joint holders of any share in the Company, any one of such joint holders may vote at the meeting, either in person or by proxy, in respect of such share as if he/she/they were solely entitled thereto, but if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of other holder(s) and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
8. Taking into account of the recent development of the epidemic caused by novel coronavirus (COVID-19) pneumonia, the Company will implement the following prevention and control measures at the meeting against the epidemic to protect the shareholders from the risk of infection: (i) compulsory body temperature checks will be conducted on every shareholder of the Company, proxy and other attendee at the entrance of the venue. Any person with a body temperature of over 37.5 degrees Celsius may be denied entry into the venue or be required to leave the venue; (ii) the Company requests attendees to wear surgical face masks inside the venue at all times, and to maintain a safe distance between seats; and (iii) no refreshments will be served, and there will be no corporate gifts. Furthermore, the Company wishes to advise the shareholders of the Company, particularly shareholders of the Company who are subject to quarantine in relation to COVID-19, that they may appoint the chairman of the meeting as a proxy to vote on the resolution, instead of attending the meeting in person.
9. References to time and dates in this notice are to Hong Kong time and dates.
10. The translation of this notice into Chinese language is for reference only. In case of any inconsistency, the English version shall prevail.
11. As at the date of this notice, the executive directors of the Company 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 of the Company are Mr. Lai Hok Lim, Mr. Lien Wai Hung and Mr. Wong Tak Chuen.