

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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

THE DISPOSAL

The Board announced that Future Empire disposed of 4,428,000 shares in China Treasures for an aggregate consideration of approximately HK\$4,074,000 (excluding transaction costs) through a series of trades executed on the Stock Exchange on 21 September 2023. The average selling price (excluding transaction costs) of each share in China Treasures is HK\$0.92.

Given that the Disposal is made on the Stock Exchange at the prevailing market prices, the Directors (including the independent non-executive Directors) consider that the 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 one of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the Disposal is more than 5% but less than 25%, the 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.

THE DISPOSAL

The Board announced that Future Empire disposed of 4,428,000 shares in China Treasures for an aggregate consideration of approximately HK\$4,074,000 (excluding transaction costs) through a series of trades executed on the Stock Exchange on 21 September 2023. The average selling price (excluding transaction costs) of each share in China Treasures is HK\$0.92.

Listed securities to be disposed of

The 4,428,000 shares in China Treasures 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 approximately HK\$2,808,000.

The 4,428,000 shares in China Treasures represent approximately 0.44% of the issued share capital of China Treasures as at the date of this announcement.

China Treasures is an exempted company with limited liability incorporated in the Cayman Islands and the issued shares of which are listed on the Main Board of the Stock Exchange under stock code: 2439. China Treasures is an investment holding company and its subsidiaries are principally engaged in development and manufacture of biodegradable plastic products and non-biodegradable automobile plastic parts in the People's Republic of China.

The following audited financial information is extracted from the annual report of China Treasures for the year ended 31 December 2022:

	For the year ended 31 December 2022 RMB'000 (audited)	For the year ended 31 December 2021 RMB'000 (audited)
Revenue	299,789	256,740
Profit before tax	69,829	91,977
Profit for the year	56,987	78,417
Total assets	304,845	225,522
Net assets value	198,004	140,946

Consideration

The aggregate consideration from the Disposal is approximately HK\$4,074,000 (excluding transaction costs) and the consideration of each trade of the 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 China Treasures is HK\$0.92.

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

Purchasers of the 4,428,000 shares in China Treasures

As the trades of the Disposal are executed on the Stock Exchange, the Directors are not aware of the identities of the purchasers of the 4,428,000 shares in China Treasures.

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 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 DISPOSAL AND USE OF PROCEEDS FROM THE DISPOSAL

The Directors consider that the recent increase in the share price of China Treasures provides an opportunity to realise Future Empire's investment in China Treasures and obtain additional cash flow. Given that the Disposal is made on the Stock Exchange at the prevailing market prices, the Directors (including the independent non-executive Directors) consider that the 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 Disposal as general working capital of the Group.

FINANCIAL EFFECTS OF THE DISPOSAL

Upon completing the Disposal, Future Empire will not hold any share in China Treasures.

Future Empire expects to recognise a gain on the Disposal (before taxation) of approximately HK\$1,266,000, which is the difference between the aggregate consideration for the Disposal of approximately HK\$4,074,000 (excluding transaction costs) and the carrying amount of the 4,428,000 shares in China Treasures of approximately HK\$2,808,000.

IMPLICATIONS UNDER THE LISTING RULES

As one of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the Disposal is more than 5% but less than 25%, the 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.

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
“China Treasures”	China Treasures New Materials Group Ltd., an exempted company with limited liability incorporated in the Cayman Islands and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 2439)
“Company”	China Healthwise Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of the Company are listed on the Main Board of the Stock Exchange (stock code: 348)
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of 4,428,000 shares in China Treasures by Future Empire at an aggregate consideration of approximately HK\$4,074,000 (excluding transaction costs) through a series of trades executed on the Stock Exchange on 21 September 2023
“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
“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
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“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, 21 September 2023

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.