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HENG TAI CONSUMABLES GROUP LIMITED
亨泰消費品集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 00197)

**SUPPLEMENTAL ANNOUNCEMENT
IN RELATION TO THE MAJOR TRANSACTION
SUBSCRIPTION OF BONDS OF
CHINA HEALTHWISE HOLDINGS LIMITED**

References are made to the announcements of the Company dated 19 August 2024, 8 October 2024 and 15 November 2024 respectively (the “**Announcements**”) in relation to the subscription of the Bonds by the Subscriber. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

As disclosed in the Announcements, there is a new Condition Precedent (g) “the entering into of the pledge (the “**Share Pledge**”) of 100% of the total issued shares of Good Cheer Global Limited (“**Good Cheer**”) by Ultra Classic Investments Limited, the sole shareholder of Good Cheer and a wholly-owned subsidiary of China Healthwise, in favour of the Subscriber as security for the payment obligations of China Healthwise under the Bonds” included in the Subscription Agreement.

The Company would like to supplement the following additional information in relation to Good Cheer and the Share Pledge:-

Good Cheer is a company incorporated in Hong Kong with limited liability and a wholly subsidiary of China Healthwise. It is principally engaged in money lending business in Hong Kong and is a money lender licensed in Hong Kong under the Money Lenders Ordinance (Cap. 163 of laws of Hong Kong).

Based on the information provided by China Healthwise, as at 30 September 2024, Good Cheer had total assets in the amount of approximately HK\$12.2 million, including (i) loan receivable in the amount of approximately HK\$298 million; (ii) provision for expected credit loss for loan receivable in the amount of approximately HK\$296 million; (iii) loan interest receivable of approximately HK\$8.5 million; and (iv) bank balance of approximately HK\$1.7 million. Good Cheer also had total liabilities of approximately HK\$310.4 million, of which approximately HK\$309.3 million were borrowings from China Healthwise and its subsidiaries and will be waived by China Healthwise and its subsidiaries (the “**Waiver**”) in the event that China Healthwise is in default of payment under the Bonds and the Subscriber enforces the Share Pledge. Considering the above Waiver, the net assets value of Good Cheer would be approximately HK\$11.1 million.

Immediately upon execution of the Share Pledge, China Healthwise is required to deliver to the Subscriber all the relevant necessary documents (including but not limited to the signed but undated waiver letters by China Healthwise and its subsidiaries) so as to effect the Waiver upon the enforcement of the Share Pledge by the Subscriber.

The Company is of the view that the entering into of the Second Supplemental Agreement will result in the Bonds being secured by the Share Pledge and it will definitely put the Subscriber in a better position than the Subscriber being the holder of the Outstanding Bonds which were unsecured. The Share Pledge will set out clearly the events of default (including payment default and commencement of any winding up proceedings against China Healthwise and its subsidiaries) and the Subscriber will be fully entitled to enforce the Share Pledge upon occurrence of any events of default. In addition, the Share Pledge effectively gives the Subscriber first priority to claim against the assets of Good Cheer over other unsecured creditors of China Healthwise and its subsidiaries. Despite the fact that the net assets value of Good Cheer is approximately HK\$11.1 million (taking into account the Waiver) and will not be sufficient to cover the entire principal amount of the Bonds, the Share Pledge will definitely provide the Subscriber with better protection comparing with the Outstanding Bonds which were unsecured. Given that Good Cheer is the sole operating subsidiary of the money lending business of China Healthwise, the Share Pledge effectively charges one of the core businesses of China Healthwise to the Subscriber. Taking into account of the above, the Board is of the view that the entering into of the Second Supplemental Agreement is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

The Company would also like to supplement that as disclosed in the announcement of the Company dated 19 August 2024, the interest under the Bonds will be payable annually in arrears. After further discussion and negotiation between the Subscriber and China Healthwise, the parties agree that the interest under the Bonds will be payable semi-annually in arrears.

A circular containing, inter alia, further details of the Subscription Agreement (as supplemented by the Supplemental Agreement and the Second Supplemental Agreement) and the transactions contemplated thereunder, a notice of EGM and such other information as may be required under the Listing Rules will be despatched to the Shareholders as soon as practicable and not later than Friday, 22 November 2024.

Shareholders and potential investors of the Company should note that the completion of the Subscription Agreement is subject to fulfilment of the Conditions Precedent. As the Subscription may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.

On behalf of the Board
Heng Tai Consumables Group Limited
Lam Kwok Hing
Chairman

Hong Kong, 20 November 2024

As at the date of this announcement, the Board comprises five executive directors, namely Mr. Lam Kwok Hing (Chairman), Ms. Lee Choi Lin Joecy, Ms. Gao Qin Jian, Mr. Chan Cheuk Yu Stephen and Mr. Mok Tsan San; and three independent non-executive directors, namely Ms. Mak Yun Chu, Mr. Poon Yiu Cheung Newman and Mr. Hung Hing Man.