

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint 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 joint announcement.*

*This joint announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company nor shall there be any sale, purchase or subscription for securities of the Company in any jurisdiction in which such offer, solicitation or sale would be unlawful absent the filing of a registration statement or the availability of an applicable exemption from registration or other waiver. This joint announcement is not for release, publication or distribution in or into any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.*



**CHINA LEAD INVESTMENT HOLDINGS LIMITED**  
領華投資控股有限公司

*(Incorporated in the British Virgin Islands with limited liability)*

**GLOBAL MASTERMIND CAPITAL LIMITED**

環球大通投資有限公司\*

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 905)**

## **JOINT ANNOUNCEMENT**

- (1) MANDATORY UNCONDITIONAL CASH OFFER BY  
SPRING SECURITIES LIMITED  
FOR AND ON BEHALF OF  
CHINA LEAD INVESTMENT HOLDINGS LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES OF  
GLOBAL MASTERMIND CAPITAL LIMITED  
AND  
TO CANCEL ALL OUTSTANDING OPTIONS OF  
GLOBAL MASTERMIND CAPITAL LIMITED  
(OTHER THAN THOSE SHARES AND OPTIONS ALREADY OWNED  
BY OR TO BE ACQUIRED  
BY CHINA LEAD INVESTMENT HOLDINGS LIMITED AND  
PARTIES ACTING IN CONCERT WITH IT);**
- (2) APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER;  
AND**
- (3) RESUMPTION OF TRADING**

**Joint financial advisers to the Offeror**

**六福金融**  
LUKFOOK FINANCIAL



**Grand Harbour Corporate Finance Limited**

**Joint financial advisers to the Company**

 **GLOBAL MASTERMIND SECURITIES LIMITED**  
環球大通證券有限公司

**Nuada Limited**

**Independent Financial Adviser to the Independent Board Committee**



中孚資本有限公司  
HOLOGRAM CAPITAL LIMITED

\* For identification purposes only

## **INTRODUCTION**

The Company was informed by the Offeror that on 14 May 2020, the Offeror acquired 195,500,000 Shares from China Healthwise through a block trade transaction on the Stock Exchange at a consideration of HK\$0.09 per Share, representing approximately 27.92% of the issued share capital of the Company as at the date of this joint announcement. Immediately following the above acquisition, given Mr. Mung is presumed to be a party acting in concert (as defined under the Takeovers Code) with the Offeror and thus, the Offeror and the parties acting in concert with it are interested in aggregate 354,054,000 Shares, representing approximately 50.56% of the issued share capital of the Company as at the date of this joint announcement. In addition, as at the same date, the Company has 900,408 outstanding Options, of which 581,802 Options are owned by Mr. Mung, a party acting in concert with the Offeror. Pursuant to Rules 26.1 and 13.1 of the Takeovers Code, the Offeror is required to make mandatory unconditional cash offers (i) to acquire all of the Shares in the issued share capital of the Company; and (ii) to cancel all outstanding Options (other than those Shares and Options already owned by or to be acquired by the Offeror and parties acting in concert with it).

## **THE OFFERS**

### **The Share Offer**

Spring Securities will, for and on behalf of the Offeror, make the Share Offer in compliance with the Takeovers Code on the following basis:

**For each Offer Share . . . . . HK\$0.09 in cash**

The Share Offer Price is the same as the consideration of HK\$0.09 per Share paid by the Offeror to acquire 195,500,000 Shares from China Healthwise through a block trade transaction on the Stock Exchange on 14 May 2020. The Share Offer Price of HK\$0.09 per Offer Share represents a discount of approximately 15.09% to the closing price of HK\$0.106 per Share as quoted on the Stock Exchange on 14 May 2020, being the Last Trading Day.

The Share Offer will be unconditional in all respects when made.

## **The Option Offer**

Spring Securities will, for and on behalf of the Offeror, make the Option Offer to the Optionholders in accordance with Rule 13 of the Takeovers Code to cancel all outstanding Options in exchange for cash on the following basis:

In respect of Options with an exercise price of HK\$9.748:

**For cancellation of each such Option . . . . . HK\$0.001 in cash**

The Option Offer will be unconditional in all respects when made. Following acceptance of the Option Offer, the relevant Options together with all rights attaching thereto will be entirely cancelled and renounced.

**The Offeror confirms that the Share Offer Price and cancellation price of the Options are final and will not be increased.**

As at the date of this joint announcement, there are (i) 700,333,925 Shares in issue, of which 354,054,000 Shares are held by the Offeror and parties acting in concert with it (representing approximately 50.56% of the total issued share capital of the Company); and (ii) 900,408 outstanding Options under the Share Option Scheme, of which 581,802 Options are owned by Mr. Mung, a party acting in concert with the Offeror. Save as disclosed above, there are no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company in issue.

## **Irrevocable Undertaking**

As at the date of this joint announcement, Mr. Mung (i) is interested in 158,554,000 Shares, including 53,696,000 Shares registered in his own name, and 104,858,000 Shares beneficially owned by TDX, representing in aggregate approximately 22.64% of the issued share capital of the Company; and (ii) holds 581,802 Options. Mr. Mung and TDX have given the Irrevocable Undertaking in favour of the Offeror, pursuant to which Mr. Mung and TDX have undertaken that they (i) shall not accept the Offers in respect of these 158,554,000 Shares and 581,802 Options (i.e. the Excluded Shares and Options); and (ii) shall not sell, transfer or otherwise dispose of, or charge, pledge or otherwise encumber, or grant any option or other right over these Shares and Options and/or otherwise make these Shares and Options available for acceptance for the Offers.

### **Value of the Offers**

As at the date of this joint announcement, there are 700,333,925 Shares in issue and 900,408 outstanding Options under the Share Option Scheme. On the basis of the Offer Price of HK\$0.09 per Offer Share and the price of HK\$0.001 for cancellation of each outstanding Option, all issued Shares and outstanding Options would be valued at approximately HK\$63,030,954.

Excluding 195,500,000 Shares already owned or agreed to be acquired by the Offeror and assuming no change in the issued share capital of the Company and no outstanding Options are exercised (as all Options are currently out-of-money and the Share Offer Price is lower than the exercise price of all outstanding Options), the Offers will be extended to 504,833,925 Shares and 900,408 Options (before excluding the Excluded Shares and Options which will be subject to the Irrevocable Undertaking), and the value of the Offers will be approximately HK\$45,435,954.

### **Financial resources available to the Offeror**

Based on (i) the Share Offer Price of HK\$0.09 per Offer Share and the price of HK\$0.001 for cancellation of each outstanding Option; and (ii) 346,279,925 Offer Shares and 318,606 Options (being 504,833,925 Offer Shares and 900,408 Options subject to the Offers minus those Excluded Shares and Options (being 158,554,000 Shares and 581,802 Options which will be subject to the Irrevocable Undertaking)), the total maximum consideration of the Offers will be approximately HK\$31,165,512.

The total consideration payable under the Offers shall be payable in cash. The Offeror intends to finance the consideration payable under the Offers by a shareholder's loan provided by Mr. Ng. Luk Fook Capital and Grand Harbour, being the joint financial advisers to the Offeror in respect of the Offers, are satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the consideration for full acceptance of the Offers.

The Offeror does not expect that the payment of interest on, repayment of principal of or security for any liability (contingent or otherwise) in relation to the shareholder's loan will be dependent on the business of the Group.

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee, comprising all independent non-executive Directors, namely, Mr. Fung Wai Ching, Mr. Lei Seng Fat and Mr. Poon Wai Hoi, Percy, has been established in accordance with Rule 2.1 of the Takeovers Code to advise the Independent Shareholders as to whether the terms of the Share Offer are fair and reasonable and as to acceptance of the Share Offer and the Optionholders as to whether the terms of the Option Offer are fair and reasonable and as to acceptance of the Option Offer.

Hologram has been appointed as the independent financial adviser to advise the Independent Board Committee in connection with the Offers. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

## **DESPATCH OF COMPOSITE DOCUMENT**

It is the intention of the Offeror and the Board to combine the offer document and the offeree board circular into a composite document. Accordingly, pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch the Composite Document (accompanied by the form of acceptance and transfer) in connection with the Offers containing, among other things, (i) details of the Offers (including the expected timetable); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offers, will be despatched jointly by the Offeror and the Company to the Shareholders within 21 days of the date of this joint announcement. It is expected that the Composite Document will be despatched on or before 15 June 2020.

Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 15 May 2020 pending the publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 26 May 2020.

**WARNING: Shareholders, Optionholders and/or potential investors of the Company should exercise caution when dealings in the Shares, exercising the Options or other rights in respect of any of them. Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.**

## **INTRODUCTION**

The Company was informed by the Offeror that on 14 May 2020, the Offeror acquired 195,500,000 Shares from China Healthwise through a block trade transaction on the Stock Exchange at a consideration of HK\$0.09 per Share, representing approximately 27.92% of the issued share capital of the Company as at the date of this joint announcement. Immediately following the above acquisition, given Mr. Mung is presumed to be a party acting in concert (as defined under the Takeovers Code) with the Offeror and thus, the Offeror and the parties acting in concert with it are interested in aggregate 354,054,000 Shares, representing approximately 50.56% of the issued share capital of the Company as at the date of this joint announcement. In addition, as at the same date, the Company has 900,408 outstanding Options, of which 581,802 Options are owned by Mr. Mung, a party acting in concert with the Offeror. Pursuant to Rules 26.1 and 13.1 of the Takeovers Code, the Offeror is required to make mandatory unconditional cash offers (i) to acquire all of the Shares in the issued share capital of the Company; and (ii) to cancel all outstanding Options (other than those Shares and Options already owned by or to be acquired by the Offeror and parties acting in concert with it).

The Offers will be open for acceptance for at least twenty-one (21) days after the date of posting of the Composite Document as required under the Takeovers Code.

## **THE OFFERS**

### **The Share Offer**

Spring Securities will, for and on behalf of the Offeror, make the Share Offer in compliance with the Takeovers Code on the following basis:

**For each Offer Share . . . . . HK\$0.09 in cash**

The Share Offer Price is the same as the consideration of HK\$0.09 per Share paid by the Offeror to acquire 195,500,000 Shares from China Healthwise through a block trade transaction on the Stock Exchange on 14 May 2020. The Share Offer Price of HK\$0.09 per Offer Share represents a discount of approximately 15.09% to the closing price of HK\$0.106 per Share as quoted on the Stock Exchange on 14 May 2020, being the Last Trading Day.

The Share Offer will be unconditional in all respects when made.

### **The Option Offer**

Spring Securities will, for and on behalf of the Offeror, make the Option Offer to the Optionholders in accordance with Rule 13 of the Takeovers Code to cancel all outstanding Options in exchange for cash on the following basis:

In respect of Options with an exercise price of HK\$9.748:

**For cancellation of each such Option . . . . . HK\$0.001 in cash**

The Option Offer will be unconditional in all respects when made. Following acceptance of the Option Offer, the relevant Options together with all rights attaching thereto will be entirely cancelled and renounced.

**The Offeror confirms that the Share Offer Price and cancellation price of the Options are final and will not be increased.**

As at the date of this joint announcement, there are (i) 700,333,925 Shares in issue, of which 354,054,000 Shares are held by the Offeror and parties acting in concert with it (representing approximately 50.56% of the total issued share capital of the Company); and (ii) 900,408 outstanding Options granted under the Share Option Scheme, of which 581,802 Options are owned by Mr. Mung, a party acting in concert with the Offeror. Save as disclosed above, there are no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company in issue. The Share Offer Price is the same as the highest price per Share paid by the Offeror, to acquire the Shares during the six-month period immediately prior to and including the Last Trading Day.

The Share Offer will be extended to all Independent Shareholders in accordance with the Takeovers Code. The Shares to be acquired under the Share Offer shall be (a) fully paid; (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature; and (c) together with all rights, benefits and entitlements attaching to them as at the Closing Date or subsequently becoming attached to them, including the right to receive and retain in full all dividends and other distributions, if any, the record date of which is on or after the Closing Date.

### **The Share Offer Price**

The Share Offer Price of HK\$0.09 per Offer Share represents:

- (i) a discount of approximately 15.09% to the closing price of HK\$0.106 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 1.10% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the 5 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.091 per Share;
- (iii) a premium of approximately 7.14% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.084 per Share;
- (iv) a premium of approximately 20.00% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.075 per Share;
- (v) a discount of approximately 78.77% to the audited consolidated net asset value per Share as at 31 December 2019 of approximately HK\$0.424 (which was calculated by dividing the sum of the audited consolidated net asset value of the Group as at 31 December 2019 (being the date to which the latest financial statements of the Company were made up) of approximately HK\$297,031,000) by 700,333,925 Shares in issue as at the date of this joint announcement); and
- (vi) a discount of approximately 75.94% to the unaudited consolidated net asset value per Share as at 30 April 2020 of approximately HK\$0.374 which was announced by the Company on 14 May 2020.



The Share Offer Price has been determined on a commercial basis after taking into account (i) the closing prices of the Shares traded on the Stock Exchange; and (ii) with reference to other general offers in Hong Kong in recent years.

### **Highest and lowest Share prices**

During the six-month period immediately prior to and including the Last Trading Day, the highest closing price per Share as quoted on the Stock Exchange was HK\$0.114 on 26 February 2020 and the lowest closing price per Share as quoted on the Stock Exchange was HK\$0.062 on 23 March 2020 and 24 March 2020.

### **Irrevocable Undertaking**

As at the date of this joint announcement, Mr. Mung (i) is interested in 158,554,000 Shares, including 53,696,000 Shares registered in his own name, and 104,858,000 Shares beneficially owned by TDX, representing in aggregate approximately 22.64% of the issued share capital of the Company; and (ii) holds 581,802 Options. Mr. Mung and TDX have given the Irrevocable Undertaking in favour of the Offeror, pursuant to which Mr. Mung and TDX have undertaken that they (i) shall not accept the Offers in respect of these 158,554,000 Shares and 581,802 Options (i.e. the Excluded Shares and Options); and (ii) shall not sell, transfer or otherwise dispose of, or charge, pledge or otherwise encumber, or grant any option or other right over these Shares and Options and/or otherwise make these Shares and Options available for acceptance for the Offers.

### **Value of the Offers**

As at the date of this joint announcement, there are 700,333,925 Shares in issue and 900,408 outstanding Options under the Share Option Scheme. On the basis of the Offer Price of HK\$0.09 per Offer Share and the price of HK\$0.001 for cancellation of each outstanding Option, all issued Shares and outstanding Options would be valued at approximately HK\$63,030,954.

Excluding 195,500,000 Shares already owned or agreed to be acquired by the Offeror and assuming no change in the issued share capital of the Company and no outstanding Options are exercised (as all Options are currently out-of-money and the Share Offer Price is lower than the exercise price of all outstanding Options), the Offers will be extended to 504,833,925 Shares and 900,408 Options (before excluding the Excluded Shares and Options which will be subject to the Irrevocable Undertaking), and the value of the Offers will be approximately HK\$45,435,954.

## **Financial resources available to the Offeror**

Based on (i) the Share Offer Price of HK\$0.09 per Offer Share and the price of HK\$0.001 for cancellation of each outstanding Option; and (ii) 346,279,925 Offer Shares and 318,606 Options (being 504,833,925 Offer Shares and 900,408 Options subject to the Offers minus those Excluded Shares and Options (being 158,554,000 Shares and 581,802 Options which will be subject to the Irrevocable Undertaking)), the total maximum consideration of the Offers will be approximately HK\$31,165,512.

The total consideration payable under the Offers shall be payable in cash. The Offeror intends to finance the consideration payable under the Offers by a shareholder's loan provided by Mr. Ng. Luk Fook Capital and Grand Harbour, being the joint financial advisers to the Offeror in respect of the Offers, are satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the consideration for full acceptance of the Offers.

The Offeror does not expect that the payment of interest on, repayment of principal of or security for any liability (contingent or otherwise) in relation to the shareholder's loan will be dependent on the business of the Group.

## **Effect of accepting the Offers**

By accepting the Share Offer, the Independent Shareholders will sell their Shares to the Offeror that are (a) fully paid; (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and any other third party rights of any nature; and (c) together with all rights, benefits and entitlements attached thereto as at the Closing Date or subsequently becoming attached to them, including the right to receive and retain in full all dividends and other distributions, if any, the record date of which is on or after the Closing Date.

By accepting the Option Offer, the Optionholders will agree to the cancellation of their tendered Options and all rights attached thereto with effect from the date on which the Option Offer is made, being the date of the despatch of the Composite Document.

The Offers will be unconditional in all respects when made. Acceptances of the Offers shall be irrevocable and not capable of being withdrawn, except as otherwise permitted under the Takeovers Code.

**The Offers will be made in compliance with the Takeovers Code which is administered by the Executive.**

**The Shareholders are reminded to read the letter from the Independent Board Committee containing its recommendations to the Independent Shareholders in respect of the Offers and the letter from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Offers which will be included in the Composite Document.**

### **Taxation advice**

Independent Shareholders and Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offers. None of the Offeror and parties acting in concert with it, the Company, Luk Fook Capital, Grand Harbour, Spring Securities, Global Mastermind Securities Limited, Nuada Limited and their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offers accepts any responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

### **Overseas Independent Shareholders and Optionholders**

The Offeror intends to make the Share Offer and Option Offer available to all Independent Shareholders and Optionholders, respectively, including those who are not resident in Hong Kong. The availability of the Share Offer and Option Offer to persons who are not resident in Hong Kong may be affected by the laws of the relevant overseas jurisdictions. The making of the Offers to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or affected by the laws or regulations of the relevant jurisdictions. Such Independent Shareholders and Optionholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe relevant applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the responsibility of the individual Independent Shareholders and Optionholders who wish to accept the Share Offer and Option Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Share Offer and Option Offer (including the obtaining of any regulatory or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due in respect of such jurisdictions).

In the event that the receipt of the Composite Document by overseas Shareholders and Optionholders is prohibited by any applicable laws and regulations or may only be effected upon compliance with conditions or requirements in such overseas jurisdictions that would be unduly burdensome, the Composite Document, subject to the Executive's consent, will not be despatched to such overseas Shareholders and Optionholders. The Offeror will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time.

**Any acceptance by any Independent Shareholder and Optionholders who is not resident in Hong Kong will be deemed to constitute a representation and warranty from such Shareholder and Optionholder to the Offeror that the local laws and requirements have been complied with. All such Independent Shareholders and Optionholders should consult their professional advisers if in doubt.**

### **Stamp duty**

Seller's ad valorem stamp duty at a rate of 0.1% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Share Offer, whichever is higher, will be deducted from the amount payable to the relevant Shareholder on acceptance of the Share Offer (where the stamp duty calculated includes a fraction of HK\$1.00, the stamp duty would be rounded-up to the nearest HK\$1.00). The Offeror will arrange for payment of the sellers' ad valorem stamp duty on behalf of accepting Shareholders and pay the buyer's ad valorem stamp duty in connection with such Offer Shares and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

No stamp duty is payable in connection with the Option Offer.

### **Payment**

Payment in cash in respect of acceptances of the Offers will be made as soon as possible but in any event within seven (7) Business Days (as defined under the Takeovers Code) of the date on which the duly completed acceptances of the Offers and the relevant documents of title in respect of such acceptance are received by the Offeror (or its agent) to render each such acceptance complete and valid.

## **DEALING AND INTERESTS IN THE COMPANY'S SECURITIES**

Save for 195,500,000 Shares acquired by the Offeror from China Healthwise through a block trade transaction on the Stock Exchange at a consideration of HK\$0.09 per Share on 14 May 2020, representing approximately 27.92% of the issued share capital of the Company as at the date of this joint announcement, none of the Offeror and parties acting in concert with it had dealt for value in any Shares, Options, convertible securities, warrants or options of the Company or any derivatives in respect of such securities in the six months prior to the date of this joint announcement.

## **OTHER INFORMATION**

The Offeror confirms that, as at the date of this joint announcement:

- (a) save for a total of 354,054,000 Shares and 581,802 Options that the Offeror and parties acting in concert with it are interested in, none of the Offeror and/or parties acting in concert with it owns or has control or direction over any voting rights or rights over the Shares, options, derivatives, warrants or other securities convertible into Shares;
- (b) save for the Irrevocable Undertaking, none of the Offeror and/or parties acting in concert with it has received any irrevocable commitment to accept or reject the Offers or any irrevocable undertaking from any Shareholders not to sell or transfer (or cause the same to be done) or otherwise dispose of (or permit any such action to occur in respect of) any interest in any Shares held by he/she/it/them;
- (c) save for the Irrevocable Undertaking, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Company and which might be material to the Offers;
- (d) there is no agreement or arrangement to which the Offeror is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offers;
- (e) none of the Offeror and/or parties acting in concert with it has entered into any arrangements or contracts in relation to any outstanding derivative in respect of the securities in the Company;

- (f) other than the consideration for the acquisition of 195,500,000 Shares from China Healthwise through a block trade transaction on the Stock Exchange on 14 May 2020, there is no other consideration, compensation or benefits in whatever form paid or to be paid by the Offeror or any parties acting in concert with it to China Healthwise or any party acting in concert with it in connection with abovementioned acquisition;
- (g) save for the acquisition of 195,500,000 Shares from China Healthwise through a block trade transaction on the Stock Exchange on 14 May 2020, there is no understanding, arrangement or special deal (as defined under Rule 25 of the Takeovers Code) between China Healthwise and any parties acting in concert with it on one hand, and the Offeror or any parties acting in concert with any of it on the other hand;
- (h) save for the Irrevocable Undertaking, there is no agreement, understanding, arrangement or special deal (as defined in Rule 25 of the Takeovers Code) between (1) any Shareholder; and (2)(a) the Offeror and/or parties acting in concert with it, or (b) the Company, its subsidiaries or associated companies; and
- (i) none of the Offeror and/or parties acting in concert with it has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

The Company confirms that, as at the date of this joint announcement, there is no agreement, understanding, arrangement, or special deal (as defined in Rule 25 of the Takeovers Code) between (1) any Shareholder; and (2)(a) the Offeror and/or parties acting in concert with it, or (b) the Company, its subsidiaries or associated companies.

## **INFORMATION ON THE GROUP**

The Company is an investment holding company. The Group is principally engaged in investing in listed and unlisted companies mainly in Hong Kong, Singapore, the United States, and Canada.

## **INFORMATION OF THE OFFEROR**

The Offeror is an investment holding company incorporated in the British Virgin Islands with limited liability and is wholly and beneficially owned by Mr. Ng, who is also the sole director of the Offeror. Mr. Ng is an experienced investor with more than 20 years of experience in investing in both listed and unlisted companies in Hong Kong. He is the sole beneficial owner of each of Grand Harbour and Spring Securities. He was admitted as a member of the American Institute of Certified Public Accountants in September 2004, a member of the Hong Kong Institute of Certified Public Accountants in February 2005, a member of The Hong Kong Institute of Chartered Secretaries in October 2006, and a member of the Institute of Chartered Secretaries and Administrators in October 2006.

According to the press release of the SFC, on 21 May 2020, SFC has presented a petition to the Court of First Instance to wind up Combest Holdings Limited (“Combest”) and to disqualify, amongst others, Mr. Ng, a suspected shadow director, under the Securities and Futures Ordinance to protect the interest of Combest’s shareholders, creditors and the investing public. As advised by Mr. Ng, the first hearing of the petition against him (the “Petition”) will be held on 12 August 2020.

Luk Fook Capital and Grand Harbour, being the joint financial advisers to the Offeror in respect of the Offers, are satisfied that the Petition will have no impact on the Offers and the financial resources available to the Offeror to satisfy the consideration for full acceptance of the Offers.

## **INTENTIONS OF THE OFFEROR IN RELATION TO THE GROUP**

The Offeror intends to continue the existing businesses of the Group. As at the date of this joint announcement, the Offeror has no plans to inject any assets or businesses into the Group or to procure the Group to acquire or dispose of any assets.

Immediately after the close of the Offers, the Offeror will conduct a review of the financial position and operations of the Group in order to formulate a long-term strategy for the Group and explore other business/investment opportunities for enhancing its future development and strengthening its revenue bases. As at the date of this joint announcement, the Offeror has not identified such investments or business opportunities.

Subject to the result of the Offeror's review of the Group, the Offeror has no intention to terminate the employment of any employees of the Group or to make significant changes to any employment or to dispose of or re-allocate the Group's fixed assets which are not in the ordinary and usual course of business of the Group as a result of completion of the Offer. However, the Offeror reserves the right to make any changes that it deems necessary or appropriate to the Group's businesses and operations to optimize the value of the Group.

The Offeror has not yet determined the composition of the Board. Any changes to the Board will be made in compliance with the Takeovers Code and the Listing Rules and further announcement will be made as and when appropriate.

### **Maintaining the listing status of the Company**

The Offeror has no intention to privatise the Company and intends to maintain the listing of the Shares on the Stock Exchange. The Offeror will undertake to the Stock Exchange to take appropriate steps to ensure that not less than 25% of the issued share capital of the Company will continue to be held by the public at all material times.

The Stock Exchange has stated that if, upon closing of the Offers, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the Shares; or
- (ii) there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealing in the Shares.



## SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below are the shareholding structure of the Company as at the date of this joint announcement:

	<b>As at the date of this joint announcement</b>	
	<i>Number of Shares</i>	<i>Approximate % of the issued share capital</i>
<b>Offeror and parties acting in concert with it</b>		
<b>Offeror and parties acting in concert with it     (excluding Mr. Mung)</b>		
Offeror	195,500,000	27.92
<b>Mr. Mung</b> <i>(Note)</i>	158,554,000	22.64
Sub-total	354,054,000	50.56
<b>Other Shareholders</b>	346,279,925	49.44
Total	700,333,925	100.00

*Note:* Mr. Mung is an executive Director and the chairman of the board of Directors. As at the date of this joint announcement, 53,696,000 Shares were registered in the name of Mr. Mung, and 104,858,000 shares were registered in the name of and were beneficially owned by TDX, a company in which Mr. Mung holds 99.99% equity interests and Ms. Sin Lai Ni, spouse of Mr. Mung holds 0.01% equity interest. Therefore, Mr. Mung is deemed to have an interest in the Shares in which TDX is interested. In addition, Mr. Mung holds Options under the Share Option Scheme exercisable into a total of 581,802 Shares.

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

Under Rule 2.1 of the Takeovers Code, a board which receives an offer or which is approached with a view to an offer being made, must, in the interests of shareholders, establish an independent committee of the Board to make a recommendation: (i) as to whether the offer is, or is not, fair and reasonable; and (ii) as to acceptance.

The Independent Board Committee, comprising all independent non-executive Directors, namely, Mr. Fung Wai Ching, Mr. Lei Seng Fat and Mr. Poon Wai Hoi, Percy, has been established in accordance with Rule 2.1 of the Takeovers Code to advise the Independent Shareholders as to whether the terms of the Share Offer are fair and reasonable and as to acceptance of the Share Offer and the Optionholders as to whether the terms of the Option Offer are fair and reasonable and as to acceptance of the Option Offer.

Hologram has been appointed as the independent financial adviser to advise the Independent Board Committee in connection with the Offers. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

## **REASONS FOR THE OFFERS AND EXPECTED BENEFITS**

The Offers allow the Offeror to increase its direct investment in the Company and, together with parties acting in concert with it, become the controlling shareholder of the Company.

The Offeror takes the view that the trading price of the Shares have long been below the net asset value per Share. During the six-month period immediately prior to and including the Last Trading Day, the highest closing price per Share as quoted on the Stock Exchange was HK\$0.114 on 26 February 2020 and the lowest closing price per Share as quoted on the Stock Exchange was HK\$0.062 on 23 March 2020 and 24 March 2020. According to the public disclosure of the Company, (i) the audited consolidated net asset value per Share as at 31 December 2019 was approximately HK\$0.424 (which was calculated by dividing the sum of the audited consolidated net asset value of the Group as at 31 December 2019 (being the date to which the latest financial statements of the Company were made up) of approximately HK\$297,031,000) by 700,333,925 Shares in issue as at the date of this joint announcement); and (ii) the unaudited consolidated net asset value per Share as at 30 April 2020 was approximately HK\$0.374 which was announced by the Company on 14 May 2020. Accordingly, the Offeror is of the view that the Share Offer Price is below the net asset value per Share and hence wants to increase its direct investment in the Company.

## **DESPATCH OF COMPOSITE DOCUMENT**

It is the intention of the Offeror and the Board to combine the offer document and the offeree board circular into a composite document. Accordingly, pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch the Composite Document (accompanied by the form of acceptance and transfer) containing, among other things, (i) details of the Offers (including the expected timetable); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offers. The Composite Document will be despatched jointly by the Offeror and the Company to the Shareholders within 21 days of the date of this joint announcement. It is expected that the Composite Document will be despatched on or before 15 June 2020.

Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

## **GENERAL**

### **Disclosure of dealings**

In accordance with Rule 3.8 of the Takeovers Code, the associates (including any person holding 5% or more of a class of relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code)) of the Company and the Offeror are hereby reminded to disclose their dealings in the securities of the Company and/or the Offeror pursuant to the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

#### ***“Responsibilities of stockbrokers, banks and other intermediaries***

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

The Offeror, its nominees or brokers or associates may from time to time make certain purchases of, or arrangements to purchase Shares, other than pursuant to the Share Offer, before or during the period in which the Offer remains open for acceptance in compliance with the Takeovers Code. These purchases may occur in the open market at prevailing prices. Any information about such purchases will be reported to the SFC and will be available on the website of the SFC at <http://www.sfc.hk/>.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 15 May 2020 pending the publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 26 May 2020.

### **WARNING:**

**Shareholders, Optionholders and/or potential investors of the Company should exercise caution when dealings in the Shares, exercising the Options or other rights in respect of any of them. Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.**

## DEFINITIONS

Unless the context requires otherwise, the following terms have the following meanings in this joint announcement:

“acting in concert”	has the meaning as ascribed thereto under the Takeovers Code
“associates”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of the Directors
“Business Day(s)”	a day on the Stock Exchange is open for the transaction or business
“China Healthwise”	China Healthwise Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 348)
“Closing Date”	the date to be stated in the Composite Document as the first closing date of the Share Offer or any subsequent closing date as may be announced by the Offeror and approved by the Executive
“Company”	Global Mastermind Capital Limited, 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)
“Composite Document”	the composite document to be issued jointly by the Offeror and the Company in relation to the Offers in accordance with the Takeovers Code and the Listing Rules
“Director(s)”	the director(s) of the Company

“Excluded Shares and Options”	158,554,000 Shares that Mr. Mung is interested in, including 53,696,000 Shares registered in his own name, and 104,858,000 Shares beneficially owned by TDX; and 581,802 Options held by Mr. Mung
“Executive”	the Executive Director of the Corporate Finance Division of the SFC and any delegate of the Executive Director
“Grand Harbour”	Grand Harbour Corporate Finance Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being one of the joint financial advisers to the Offeror in respect of the Offers
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company, comprising all independent non-executive Directors, namely Mr. Fung Wai Ching, Mr. Lei Seng Fat and Mr. Poon Wai Hoi, Percy, established for the purpose of making a recommendation to the Independent Shareholders in relation to the Offers
“Independent Financial Adviser” or “Hologram”	Hologram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser to advise the Independent Board Committee in connection with the Offers
“Independent Shareholders”	the Shareholders, other than the Offeror, Mr. Mung and parties acting in concert with any of them

“Irrevocable Undertaking”	the irrevocable undertaking given by Mr. Mung and TDX in favour of the Offeror that they will not, inter alia, tender the Excluded Shares and Options for acceptance of the Offers
“Last Trading Day”	14 May 2020, being the last trading day immediately prior to the release of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Luk Fook Capital”	Luk Fook Capital (HK) Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being one of the joint financial advisers to the Offeror in respect of the Offers
“Mr. Ng”	Mr. Ng Kwok Fai, the sole director and sole shareholder of the Offeror
“Mr. Mung”	Mr. Mung Kin Keung, an executive Director and the chairman of the Company
“Offers”	the Share Offer and the Option Offer
“Offer Share(s)”	any and all of the issued Share(s), other than those Shares already owned by or to be acquired by the Offeror and parties acting in concert with it
“Offeror”	China Lead Investment Holdings Limited, a company incorporated in the British Virgin Islands, which is wholly and beneficially owned by Mr. Ng, as at the date of this joint announcement
“Option(s)”	share option(s) granted by the Company pursuant to the Share Option Scheme of the Company, whether vested or not
“Optionholder(s)”	the holder(s) of the Options, other than Mr. Mung

“Option Offer”	the proposal to be made by the Offeror in compliance with Rule 13 of the Takeovers Code to cancel all outstanding Options in accordance with the terms and conditions set out in this joint announcement
“PRC”	the People’s Republic of China, which for the purpose of this joint announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Share Offer”	the mandatory unconditional cash offer by the Offeror to acquire all of the outstanding Shares in accordance with the terms and conditions set out in this joint announcement
“Share Offer Price”	the price at which the Share Offer will be made, being HK\$0.09 per Offer Share
“Share Option Scheme”	the share option scheme adopted by the Company on 12 January 2009, as amended from time to time
“Spring Securities”	Spring Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities) regulated activity under the SFO
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers



“TDX” China Tian Di Xing Logistics Holdings Limited, a company incorporated in Hong Kong in which Mr. Mung holds 99.99% equity interests and Ms. Sin Lai Ni, spouse of Mr. Mung holds 0.01% equity interest

“%” per cent

By order of the board  
**China Lead Investment Holdings Limited**  
**Ng Kwok Fai**  
*Sole Director*

By order of the Board  
**Global Mastermind Capital Limited**  
**Mung Kin Keung**  
*Chairman*

Hong Kong, 25 May 2020

*As at the date of this joint announcement, the Board comprises Mr. Mung Kin Keung, and Mr. Mung Bun Man, Alan as executive Directors; and Mr. Fung Wai Ching, Mr. Lei Seng Fat and Mr. Poon Wai Hoi, Percy as independent non-executive Directors.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information (other than that relating to the Offeror and parties acting in concert with it) contained in this joint announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed (other than those expressed by the Offeror and parties acting in concert with it) in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, Mr. Ng Kwok Fai is the sole director of the Offeror.*

*The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group), and confirms, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.*