

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.



EDS Wellness Holdings Limited

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

(Stock Code: 8176)

DISCLOSEABLE TRANSACTION FINANCE LEASE AGREEMENT

On 16 December 2015 (after trading hours), Shenzhen Donica and Century Finance (both are indirectly wholly-owned subsidiaries of the Company) entered into the Finance Lease Agreement with the Lessor pursuant to which Shenzhen Donica shall lease the Equipment from the Lessor for a term of one year for an aggregate lease payment of approximately RMB10.73 million (equivalent to approximately HK\$12.75 million). Upon expiry of the lease period, Shenzhen Donica shall purchase the Equipment from the Lessor at a nominal purchase price of RMB1.

As one of the applicable percentage ratios as defined in the GEM Listing Rules is more than 5% but less than 25%, the entering into of the Finance Lease Agreement (including the acquisition of the Equipment upon expiry of the Finance Lease Agreement) constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the relevant disclosure requirements under the GEM Listing Rules.

THE FINANCE LEASE AGREEMENT

The Company announces that, on 16 December 2015 (after trading hours), Shenzhen Donica and Century Finance (both are indirectly wholly-owned subsidiaries of the Company) entered into the Finance Lease Agreement with the Lessor. The principal terms of the Finance Lease Agreement are set out below.

Date : 16 December 2015

Parties : the Lessor (as lessor)

Shenzhen Donica (as lessee)

Century Finance (as guarantor)

Subject matter

Under the Finance Lease Agreement, the Lessor has agreed to purchase the Equipment from the Supplier as specified by Shenzhen Donica and lease the Equipment to Shenzhen Donica for a term of one year, commencing from the date of payment for the Equipment by the Lessor to the Supplier. On 16 December 2015, the Lessor (as purchaser), the Supplier and Shenzhen Donica (as user) entered into the Purchase Agreement pursuant to which the Lessor shall purchase the Equipment from the Supplier as required and to be used by Shenzhen Donica.

Lease payment

The aggregate lease payments over the one year period is approximately RMB10.73 million (equivalent to approximately HK\$12.75 million) which was determined after arm's length negotiations among the parties to the Finance Lease Agreement based on the purchase price (including tax) of the Equipment from the Supplier plus an interest at 1.2% per annum which is determined based on the difference between deposit rate in Hong Kong and lending rate in the PRC. Shenzhen Donica will make the lease payments to the Lessor in 10 installments as follows: RMB127,200 (equivalent to approximately HK\$0.15 million) payable upon payment of the purchase price of the Equipment by the Lessor to the Supplier; and nine monthly payments of RMB1,177,777.78 (equivalent to approximately HK\$1.40 million) payable on the first day of each of the fourth to twelfth months following the initial payment.

Guarantee

Century Finance is required to provide an amount of HK\$12.75 million to a third party designated by the Lessor as a guarantee in favour of the Lessor for the lease payments or any other amounts payable by Shenzhen Donica under the Finance Lease Agreement. The Lessor or the third party as designated by the Lessor shall refund the amount of the guarantee on and equivalent to the lease payments made by Shenzhen Donica.

Ownership

The ownership of the Equipment under the Finance Lease Agreement will be held by the Lessor throughout the lease period. Upon expiry of the lease period, Shenzhen Donica shall purchase the Equipment from the Lessor at a nominal purchase price of RMB1 and the ownership of the Equipment will be transferred to Shenzhen Donica on the condition that Shenzhen Donica has fulfilled its obligations under the Finance Lease Agreement.

INFORMATION ON THE LESSOR AND THE SUPPLIER

The Lessor is principally engaged in provision of financial leasing services in the PRC and is a wholly-owned subsidiary of Sino Credit whose shares are listed on the Main Board. To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, the Lessor and Sino Credit are independent third parties of and are not connected with the connected persons of the Company.

The Supplier is a company incorporated in the PRC principally engaging in trading of interactive and WLAN connecting equipment. To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, the Supplier and its ultimate beneficial owner(s) are independent third parties of and are not connected with the connected persons of the Company.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Group is principally engaged in the provision of in-flight WLAN and WIFI engineering service business as well as the development, distribution and marketing of personal care treatments, products and services. The Equipment comprises connecting devices used on aircraft for the Group's in-flight WLAN/WIFI business. In view of the foreign exchange requirements in the PRC and the time required for Shenzhen Doncia to raise its registered capital in the PRC, in lieu of purchasing the Equipment from the Supplier, Shenzhen Doncia entered into the Finance Lease Agreement to gain access to the Equipment for the development of the Group's in-flight WLAN/WIFI business. Taking into account the terms of the Finance Lease Agreement including the interest rate, the Directors consider that the terms of the Finance Lease Agreement are fair and reasonable and the entering into of the Finance Lease Agreement is in the interests of the Company and its shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios as defined in the GEM Listing Rules is more than 5% but less than 25%, the entering into of the Finance Lease Agreement (including the acquisition of the Equipment upon expiry of the Finance Lease Agreement) constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the relevant disclosure requirements under the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Board”	the board of Directors
“Century Finance”	Century Finance Limited, a wholly-owned subsidiary of the Company
“Company”	EDS Wellness Holdings Limited, a company originally incorporated in the Cayman Islands and continued in Bermuda as an exempted company on 22 April 2014, the issued shares of which are listed on GEM under stock code: 8176
“connected persons”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Equipment”	the 5,200 units of connecting devices which facilitate passengers to access the information and entertainment contents through the in-flight WLAN or WIFI connection equipment
“Finance Lease Agreement”	the finance lease agreement dated 16 December 2015 entered into among Century Finance, Shenzhen Donica and the Lessor
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Lessor”	廣東聚謙融資租賃有限公司 (Guangdong Juqian Leasing Limited*)
“Main Board”	the Main Board of the Stock Exchange
“PRC”	the People’s Republic of China
“Purchase Agreement”	the purchase agreement dated 16 December 2015 entered into among the Lessor, Shenzhen Donica and the Supplier
“RMB”	Renminbi Yuan, the lawful currency of the PRC

“Shenzhen Donica”	深圳多尼卡互聯技術有限公司 (Shenzhen Donica Networking Technology Co. Ltd.*), a wholly-owned subsidiary of the Company and a wholly-foreign-owned enterprise in the PRC
“Sino Credit”	Sino Credit Holdings Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board under stock code: 0628
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplier”	北京四點零科技發展有限公司 (Beijing Sidianling Technology Development Company Limited*)
“US”	United States of America
“WIFI”	Wireless Fidelity, a set of standards for WLAN based on the IEEE 802.11 specifications developed by the Institute of Electrical and Electronics Engineers, an independent non-profit organization based in the US for establishing standards for computers formats and devices
“WLAN”	wireless local area network

The figures in RMB are converted into HK\$ at the rate of RMB1: HK\$1.188 throughout this announcement for indicative purpose only.

By Order of the Board
EDS Wellness Holdings Limited
Cai Zhaoyang

Executive Director and Chief Executive Officer

Hong Kong, 16 December 2015

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Cai Zhaoyang, Mr. Chan Kin Wah Billy and Mr. Lee Chan Wah; and three independent non-executive Directors, namely Mr. Tam B Ray Billy, Mr. Chu Kin Wang Peleus and Mr. Tse Joseph.

This announcement, for which the Directors collectively and individually accept responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief the information contained in this announcement 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 announcement misleading.

* For identification purpose only

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the Company’s website at www.eds-wellness.com.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.