

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.



MASTERMIND CAPITAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 905)

CHANGE OF INVESTMENT MANAGER

CONTINUING CONNECTED TRANSACTION – NEW INVESTMENT MANAGEMENT AGREEMENT

The Board announces that the Company entered into the New Agreement with OP Calypso on 30 April 2010, whereby OP Calypso has agreed to provide asset management services for the Company for an initial term of one year from 13 May 2010 subject to the terms and conditions of the New Agreement. The existing investment management agreement between the Company and Hua Yu Investment Management Limited will be terminated on 12 May 2010.

NEW AGREEMENT

The board of directors (“Board”) announces that the Company entered into an investment management agreement (“New Agreement”) with OP Calypso Capital Limited (“OP Calypso”) on 30 April 2010 to appoint OP Calypso as its investment manager commencing from 13 May 2010 (“Commencement Date”).

Parties

- (1) The Company; and
- (2) OP Calypso

Mr. Michael STOCKFORD (“Mr. Stockford”) and Mr. Benoit DESCOURTIEUX (“Mr. Descourtieux”) are directors and responsible officers of OP Calypso. Mr. Stockford, an executive director of the Company (“Director”) with effect from 13 May 2010, is a director of Asian Special Opportunities Fund (“Fund”). Mr. Stockford and Mr. Descourtieux, also an executive Director with effect from 13 May 2010, are directors of the investment manager of the Fund. The Fund holds 123,200,000 shares representing approximately 6.94% in the issued capital of the Company.

Date

30 April 2010

Terms of the New Agreement

OP Calypso has been appointed as the investment manager of the Company with effect from the Commencement Date to provide asset management services for the Company. The New Agreement shall be for an initial term of one year, renewable on terms and conditions to be agreed by OP Calypso and the Company and subject to the Company's compliance with the Rules Governing the Listing of Securities on the main board of the Stock Exchange of Hong Kong Limited (the "Listing Rules") in connection with continuing connected transactions.

The investment management fee was agreed after arms-length negotiations between the Company and OP Calypso. The investment management fee is HK\$500,000 per annum. The existing investment management fee paid to Hua Yu is HK\$600,000 per annum.

Reasons for Entering into the New Agreement

OP Calypso has a strong team of professionals with extensive investment and analytical experience. They provide asset management services for several funds in Asia with a focus on China.

OP Calypso has access to investment opportunities and emphasizes the identification of sources of value creation at the investee level. OP Calypso selects its investment carefully with a fully explicit decision making process. The Directors of the Company consider that OP Calypso's expertise will provide valuable contribution to the management of investments of the Company.

Information of the Company

The principal activity of the Company is investing in listed and unlisted companies mainly in Hong Kong and the PRC. The main investment strategies of the Company are to achieve performance through investing in projects with ownership of proprietary technology, products or operating status; in possession of undervalued assets; or in control of distribution infrastructure and/or channels.

Background of OP Calypso

OP Calypso, a company incorporated in Hong Kong with limited liability under the Companies Ordinance in 2003 and licensed since 18 February 2004 under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO"), is principally engaged in the business of provision of asset management services to clients and is a licensed corporation to carry out Type 9 (asset management) regulated activities under the SFO.

The particulars of Mr. Benoit Descourtieux and Mr. Michael Stockford, responsible officers (as defined by the SFO) of OP Calypso, are as follows:

Mr. Benoit Descourtieux, aged 47, is the Chief Investment Officer of OP Financial Investments Limited ("OPFI"), a listed company in Hong Kong (Stock Code: 1140), and a Principal at OP Calypso Capital Limited, an affiliate of OPFI. Mr. Descourtieux obtained a diploma from the Institute for Political Studies in Paris in 1986 and is a Chartered Financial Analyst (CFA) since 1994. Mr. Descourtieux has over 20 years of investment management in Asia, having started his career at Credit Agricole in Hong Kong and Japan, then becoming President and CEO of Lombard Odier (Asia) Limited in Hong Kong in 1999 before founding Calypso Capital in 2003. Mr. Descourtieux was head of the Institute for Political Studies Alumni Association in Japan, was the creator and editor in chief of "mediAsia" and was a member of the CFA Institute's Candidate Curriculum Committee. Mr. Descourtieux is currently a Project Consultant for the CFA Institute.

Mr. Michael Stockford, aged 50, is the Head of Asset Management Operations of OP Financial Investments Limited (“OPFI”), a listed company in Hong Kong (Stock Code: 1140), the parent company of OP Calypso. He graduated with a bachelor degree in accounting and finance in 1981. Mr. Stockford is a full member of Hong Kong Securities Institute, member of the Committee of Inspection for Peregrine Derivatives Limited and member of Global Association of Risk Professionals. Mr. Stockford was the co-founder of the OP Calypso.

Termination of the Existing Investment Management Agreement

Upon the appointment of OP Calypso as investment manager of the Company under the New Agreement, the appointment of Hua Yu Investment Management Limited (“Hua Yu”) as investment manager under the existing investment management agreement will be terminated on 12 May 2010 accordingly. The reason for the termination is that the Board believed that OP Calypso would introduce asset management knowledge to the investments of the Company. The performance of the investments will be improved, which in turn will increase the value of the Company.

The amount of fee paid and payable to Hua Yu as the Company’s previous investment manager was HK\$600,000 for each of the past 3 years. There was no disagreement between the Company and Hua Yu.

Connected Transaction

OP Calypso will be regarded as a connected person of the Company pursuant to Rule 21.13 of the Listing Rules after being appointed as an investment manager of the Company. The New Agreement will be regarded as continuing connected transaction. As investment management fees to be paid by the Company to OP Calypso under the New Agreement is less than HK\$10,000,000 per annum and each of the percentage ratios (other than the profits ratio) prescribed under Rule 14.07 of the Listing Rules is less than 25%, the New Agreement falls within the provision of Rule 14A.34 of the Listing Rules and is exempted from independent shareholders’ approval requirements.

The New Agreement will be subject to the annual review requirement and the reporting requirement under Rules 14A.37 to 14A.41 and Rules 14A.45 to 14A.46 of the Listing Rules respectively.

The Directors (including the independent non-executive Directors) consider that the New Agreement has been entered into on normal commercial terms and in the ordinary and usual course of business of the Company and that the terms of the New Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

By Order of the Board
Mastermind Capital Limited
Mung Kin Keung
Chairman

Hong Kong, 30 April 2010

As at the date of this announcement, the board of directors comprises Mr. Mung Kin Keung, Mr. Ha Wing Ho, Peter, Mr. Leong Chi Wai and Mr. Leung King Yue, Alex as executive directors; Mr. Chee Man Sang, Eric, Mr. Lo Tak Kin and Ms. Yu Tin Yan, Winnie as independent non-executive directors.