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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)

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

On 8 June 2016 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, being an Independent Third Party, pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue a total of 84,000,000 Subscription Shares at the Subscription Price of HK\$0.42 per Subscription Share.

The Subscription Shares represent (i) approximately 19.96% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.64% of the total enlarged issued share capital of the Company immediately following completion of the Subscription. The Subscription Shares will be allotted and issued pursuant to the General Mandate and the Subscription Agreement and the transactions contemplated thereunder are not subject to the approval by the Shareholders.

* *For identification purposes only*

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscriber with reference to the market condition and the prevailing market price of the Shares and the unaudited consolidated net asset value per Share of HK\$0.985 calculated as at 30 April 2016. The Subscription Price of HK\$0.42 per Share represents (i) a discount of approximately 10.64% to the closing price of HK\$0.470 per Share as quoted on the Stock Exchange on 8 June 2016, being the closing price on the date of the Subscription Agreement; and (ii) a discount of approximately 9.09% to the average of the closing prices of HK\$0.462 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the date of the Subscription Agreement.

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in the Subscription Shares.

The Consideration is in the aggregate sum of approximately HK\$35.3 million which shall be satisfied by the Subscriber in cash on Completion.

The gross proceeds from the Subscription are estimated to be approximately HK\$35.3 million and the net proceeds from the Subscription, after deduction of the related expenses, are estimated to be approximately HK\$35.2 million. The net proceeds from the Subscription will be used for future investments when such investments opportunities arise.

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

INTRODUCTION

On 8 June 2016 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, who is an Independent Third Party, pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue a total of 84,000,000 Subscription Shares at the Subscription Price of HK\$0.42 per Subscription Share.

THE SUBSCRIPTION AGREEMENT

Date:

8 June 2016 (after trading hours)

Parties to the Subscription Agreement

Issuer: the Company

Subscriber: Hong Kong Resources Holdings Company Limited

Information on the Subscriber

The Subscriber is a company incorporated in Bermuda with limited liability whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 2882).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Subscriber and its ultimate beneficial owners are Independent Third Parties. As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Subscriber and its ultimate beneficial owners do not have any interests in any Shares.

The Subscription Shares

The Subscription Shares represent (i) approximately 19.96% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.64% of the total enlarged issued share capital of the Company immediately following completion of the Subscription. The Subscription Shares will be allotted and issued pursuant to the General Mandate and the Subscription Agreement and the transactions contemplated thereunder are not subject to the approval by the Shareholders.

Subscription Price

HK\$0.42 per Subscription Share, which was arrived at after arm's length negotiation among the Company and the Subscriber with reference to the market condition, the prevailing market price of the Shares and the unaudited consolidated net asset value per Share of HK\$0.985 calculated as at 30 April 2016.

The Subscription Price represents:

- (i) a discount of approximately 10.64% to the closing price of HK\$0.470 per Share as quoted on the Stock Exchange on 8 June 2016, being the closing price on the date of the Subscription Agreement; and
- (ii) a discount of approximately 9.09% to the average of the closing prices of HK\$0.462 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the date of the Subscription Agreement.

The net Subscription Price, after deduction of related expenses, is expected to be approximately HK\$0.419 per Subscription Share.

The Consideration

The Consideration is in the aggregate sum of approximately HK\$35.3 million which shall be satisfied by the Subscriber in cash on Completion.

General Mandate to issue the Subscription Shares

The Subscription Shares will be allotted and issued pursuant to the General Mandate and is not subject to Shareholders' approval. The maximum number of Shares that can be issued under the General Mandate is 84,166,785 Shares. As at the date of this announcement, no Shares have been allotted and issued under the General Mandate. The General Mandate is sufficient for the allotment and issue of the Subscription Shares. No separate approval of Shareholders is required for the Subscription. The 84,000,000 Subscription Shares constitute approximately 99.8% of the General Mandate.

Ranking

The Subscription Shares, when fully paid, will rank pari passu in all respects with the existing Shares in issue as at the date of issue of the Subscription Shares.

Application for listing

Application will be made to the Stock Exchange for the grant of the listing of, and permission to deal in the Subscription Shares.

Conditions

Completion of the Subscription Agreement shall be subject to and conditional upon the following:

- (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in the Subscription Shares; and
- (ii) if necessary, all relevant approvals and consents from governmental or other competent authority or in accordance with applicable laws having been obtained.

None of the above conditions are capable of being waived. In the event that the conditions of the Subscription are not fulfilled on or before 8 July 2016 (or such other time and date as may be agreed between the parties to the Subscription Agreement), the Subscription Agreement shall cease and determine and neither the Company nor the Subscriber shall have any obligations and liabilities under the Subscription Agreement.

Completion

Completion of the Subscription Agreement shall take place on the seventh Business Day after the above conditions have been satisfied or such other date to be agreed between the Company and the Subscriber.

EFFECTS OF THE SUBSCRIPTION

As at the date of this announcement, the Company has 420,833,925 Shares in issue. The shareholding structure of the Company as at the date of this announcement and immediately after completion of the Subscription (assuming that there are no other changes to the shareholding structure of the Company from the date of this announcement to the date of completion of the Subscription) are as follows:

	As at the date of this announcement		Immediately after completion of the Subscription (assuming that there are no other changes to the shareholding structure of the Company from the date of this announcement to the date of completion of the Subscription)	
	No. of Shares	Approximately %	No. of Shares	Approximately %
China Tian Di Xing Logistics Holdings Limited (<i>Note</i>)	104,858,000	24.92	104,858,000	20.77
Public Shareholders	315,975,925	75.08	315,975,925	62.59
Subscriber	—	—	84,000,000	16.64
Total:	<u>420,833,925</u>	<u>100.00</u>	<u>504,833,925</u>	<u>100.00</u>

Note: Mr. Mung Kin Keung, the executive Director, is a director and controlling shareholder of China Tian Di Xing Logistics Holdings Limited.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The principal activity of the Company is to act as an investment holding company. The Group principally invests in listed and unlisted companies in Hong Kong, the United States and other parts of the PRC as equity investments.

Assuming all the Subscription Shares are fully subscribed, the gross proceeds from the Subscription will be approximately HK\$35.3 million. The maximum net proceeds, after deducting the all relevant costs and expenses, will be approximately HK\$35.2 million, representing a net Subscription Price of approximately HK\$0.419 per Share. The Company intends to use the net proceeds from the Subscription for future investments when such investment opportunities arise.

The Directors are of the view that the Subscription will provide a good opportunity to raise additional funds to strengthen the financial position and broaden the shareholder and capital base of the Group so as to facilitate its future development. Accordingly, the Board considers that the terms of the Subscription Agreement are fair and reasonable and the Subscription is in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST 12 MONTHS

Save as disclosed below, the Company has not conducted any other fund raising activities during the 12 months immediately preceding the date of this announcement.

Date of announcement	Event	Shares issued	Net proceeds (approximately)	Use of proceeds	Actual use of proceeds
13 May 2015 (circular dated 26 June 2015 and prospectus dated 3 August 2015)	Open Offer	935,215,800	Approximately HK\$272 million	(i) Approximately HK\$200 million for the investment of the financial instruments available in local financial market and/ or listed or unlisted companies in Hong Kong; and (ii) approximately HK\$72 million for the investment of the financial instruments available in the PRC financial markets (Note)	Approximately HK\$272 million had been used for investment financial instruments available in listed companies in Hong Kong

Date of announcement	Event	Shares issued	Net proceeds (approximately)	Use of proceeds	Actual use of proceeds
29 February 2016	Placing of new shares under general mandate	an aggregate of 70,128,000 placing shares	HK\$27 million	investment of the financial instruments available in Hong Kong financial markets	Approximately HK\$27 million had been used for investment of the financial instruments available in Hong Kong financial markets

Note:

As disclosed in the announcement of the Company dated 10 November 2015, in view of the then devaluation of Renminbi, and the tumble of the Shanghai Composite Index, a huge amount of Renminbi outflows have picked up. In these volatile market conditions, the Company no longer finds suitable to limit the investment to the financial instruments available in the PRC financial markets. Accordingly, the Company intends to apply the net proceeds from the open offer of approximately HK\$72 million to invest in financial instruments available in local or international financial markets in addition to the PRC financial markets.

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

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Business Day(s)”	any day (excluding a Saturday, a Sunday and a public holiday) on which banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	Global Mastermind Capital Limited (stock code: 905), a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Subscription

“Completion Date”	the date of Completion
“Consideration”	HK\$35,280,000, the consideration for the Subscription Shares payable by the Subscriber to the Company
“connected persons”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company on 3 June 2016
“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)”	independent third party(ies) who is(are) not connected person(s) (as defined in the Listing Rules) of the Company and is(are) independent of and not connected with the connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Shares”	the ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Shares
“Subscriber”	Hong Kong Resources Holdings Company Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the Main Board of the Stock Exchange

“Subscription”	the subscription of the Subscription Shares by the Subscriber in accordance with the terms and conditions of the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 8 June 2016 and entered into by the Company with the Subscriber, in relation to the Subscription
“Subscription Price”	HK\$0.42 per Subscription Share
“Subscription Share(s)”	the total of 84,000,000 new Shares to be issued by the Company to the Subscriber upon completion of the Subscription Agreement
“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
Global Mastermind Capital Limited
Mung Kin Keung
Chairman

Hong Kong, 8 June 2016

As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Mung Kin Keung (Chairman), Mr. Mung Bun Man, Alan; and three independent non-executive Directors, namely, Mr. Man Kong Yui, Mr. Fung Wai Ching and Mr. Poon Wai Hoi, Percy.