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If you have sold or transferred all your securities in Global Mastermind Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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GLOBAL MASTERMIND
環球大通

Global Mastermind Holdings Limited
環球大通集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8063)

**MAJOR ACQUISITION IN RELATION TO
THE ACQUISITION OF PROPERTY HOLDINGS COMPANIES
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

Capitalised terms used in this cover page shall have the same meanings as those defined in this circular.

A letter from the Board is set out from pages 5 to 20 of this circular. A notice convening the extraordinary general meeting of the Company to be held at Meeting Room (SOHO 2), 6/F., ibis Hong Kong Central & Sheung Wan Hotel, No. 28 Des Voeux Road West, Sheung Wan, Hong Kong on Monday, 13 June 2016 at 10:30 a.m. (the “EGM”) is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the meeting is enclosed with this circular. Whether or not you are able to attend the meeting in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

24 May 2016

* for identification purposes only

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“Acquisition”	collectively the Hope Master Acquisition and the Famous Flamingo Acquisition
“Acquisition Agreements”	the Famous Flamingo Acquisition Agreement and the Hope Master Acquisition Agreement
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday, Sunday or public holiday) in Hong Kong on which licensed banks are generally open for business throughout the normal working hours
“BVI”	the British Virgin Islands
“Company”	Global Mastermind Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose issued shares are listed on GEM (stock code: 8063)
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Acquisition Agreements
“Completion Date”	the date of Completion which shall be within ten (10) Business Days after the fulfillment or waiver (as the case may be) of the conditions precedent set out in the Acquisition Agreements or such other date as the parties to the Acquisition Agreements may agree in writing
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Contractual Licencee”	China Precious Metal Resources Co., Ltd., an Independent Third Party
“Conveyancing and Property Ordinance”	Conveyancing and Property Ordinance, Chapter 219 of the Laws of Hong Kong (as amended from time to time)
“Director(s)”	director(s) of the Company for the time being

DEFINITIONS

“EGM”	the extraordinary general meeting of the Company to be held and convened at Meeting Room (SOHO 2), 6/F., ibis Hong Kong Central & Sheung Wan Hotel, No. 28 Des Voeux Road West, Sheung Wan, Hong Kong on Monday, 13 June 2016 at 10:30 a.m. for the purpose of considering and, if thought fit, approving the Acquisition Agreements and the transactions contemplated thereunder
“Encumbrance”	any mortgage, charge, pledge, lien, rental assignment, priority or security interest, whatsoever over or in any property, assets or rights whatsoever nature and includes any agreement for any of the same
“Enlarged Group”	the Group together with the Target Companies upon completion of the Acquisition
“Famous Flamingo”	Famous Flamingo Limited, a company incorporated in BVI with limited liability
“Famous Flamingo Acquisition”	the acquisition of the Famous Flamingo Sale Share and the Famous Flamingo Sale Loan by the Purchaser from Vendor B in accordance with the terms and conditions of the Famous Flamingo Acquisition Agreement
“Famous Flamingo Acquisition Agreement”	the sale and purchase agreement dated 4 March 2016 and entered into between the Purchaser and Vendor B in relation to the Famous Flamingo Acquisition
“Famous Flamingo Sale Loan”	the amount owing by Famous Flamingo to Vendor B in respect of loan repayable on demand with interest rate of 8% per annum on certain portion of the loan made by Vendor B to Famous Flamingo and the accrued interest thereon and all obligations, liabilities and debts owing or incurred by Famous Flamingo to Vendor B on or at any time prior to Completion whether actual, contingent or deferred and irrespective of whether or not the same is due and payable on Completion
“Famous Flamingo Sale Share”	1 issued share of US\$1.00 in the share capital of Famous Flamingo, representing the entire issued share capital of Famous Flamingo
“GEM”	Growth Enterprise Market of the Stock Exchange

DEFINITIONS

“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hope Master”	Hope Master Investments Limited, a company incorporated in BVI with limited liability
“Hope Master Acquisition”	the acquisition of the Hope Master Sale Share and the Hope Master Sale Loan by the Purchaser from Vendor A in accordance with the terms and conditions of the Hope Master Acquisition Agreement
“Hope Master Acquisition Agreement”	the sale and purchase agreement dated 4 March 2016 and entered into between the Purchaser and Vendor A in relation to the Hope Master Acquisition
“Hope Master Sale Loan”	the amount owing by Hope Master to Vendor A in respect of interest-free loan repayable on demand made by Vendor A to Hope Master and all obligations, liabilities and debts owing or incurred by Hope Master to Vendor A on or at any time prior to Completion whether actual, contingent or deferred and irrespective of whether or not the same is due and payable on Completion
“Hope Master Sale Share”	1 issued share of US\$1.00 in the share capital of Hope Master, representing the entire issued share capital of Hope Master
“Independent Third Party(ies)”	an individual(s) or a company(ies) who or which, as far as the Directors are aware after having made all reasonable enquiries, is/are not a connected person(s) of the Company within the meaning of the GEM Listing Rules
“Latest Practicable Date”	18 May 2016, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular

DEFINITIONS

“LOI A”	the non-legally binding letter of intent dated 29 January 2016 and entered into between Vendor A and the Purchaser in relation to the possible acquisition of 100% shareholding and shareholder’s loan in Hope Master
“LOI B”	the non-legally binding letter of intent dated 29 January 2016 and entered into between Vendor B and the Purchaser in relation to the possible acquisition of 100% shareholding and shareholder’s loan in Famous Flamingo
“Long Stop Date”	30 June 2016 or such later date as may be agreed between the parties to the relevant agreements in writing
“Properties”	Property A and Property B
“Property A”	Unit 3107, 31st Floor, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong
“Property B”	Units 3108 and 3109, 31st Floor, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong
“Purchaser”	Giant Code Limited, a company incorporated in BVI with limited liability and a direct wholly-owned subsidiary of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of issued Share(s)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Companies”	Hope Master and Famous Flamingo
“Vendor A”	Mr. Tse Joseph
“Vendor B”	Mr. Man Kong Yui
“%”	per cent.

LETTER FROM THE BOARD



GLOBAL MASTERMIND
環球大通

Global Mastermind Holdings Limited
環球大通集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8063)

Executive Directors:

Mr. Mung Kin Keung
Mr. Mung Bun Man, Alan
Mr. Leung Wai Man
Mr. Tse Ke Li

Independent non-executive Directors:

Mr. Law Kwok Ho, Kenward
Mr. Tsai Yung Chieh, David
Mr. Fung Wai Ching

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Unit 1611,
16/F., West Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

24 May 2016

To the Shareholders

Dear Sir or Madam,

**MAJOR ACQUISITION IN RELATION TO
THE ACQUISITION OF PROPERTY HOLDING COMPANIES
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 4 March 2016 in relation to, among others, the Acquisition.

* for identification purposes only

LETTER FROM THE BOARD

The Board announced that on 4 March 2016 (after trading hours):

- (i) the Purchaser, a direct wholly-owned subsidiary of the Company, as purchaser and Vendor A as vendor entered into the Hope Master Acquisition Agreement, pursuant to which Vendor A conditionally agreed to sell and the Purchaser conditionally agreed to purchase the Hope Master Sale Share, representing the entire issued share capital of Hope Master, and the Hope Master Sale Loan, at the aggregate consideration of HK\$63,370,687.10; and
- (ii) the Purchaser as purchaser and Vendor B as vendor entered into the Famous Flamingo Acquisition Agreement, pursuant to which Vendor B conditionally agreed to sell and the Purchaser conditionally agreed to purchase the Famous Flamingo Sale Share, representing the entire issued share capital of Famous Flamingo, and the Famous Flamingo Sale Loan, at the aggregate consideration of not exceeding HK\$73,600,000.00.

The purpose of this circular is to provide you with, among other matters, (i) further details regarding the Acquisition Agreements and the proposed Acquisition; (ii) financial information of the Group and the Target Companies; (iii) unaudited pro forma financial information of the Enlarged Group; (iv) valuation report on the Properties; (v) the general information of the Group; and (vi) a notice convening the EGM.

HOPE MASTER ACQUISITION AGREEMENT

Date: 4 March 2016 (after trading hours)

Parties: (i) Giant Code Limited, a direct wholly-owned subsidiary of the Company, as purchaser; and
(ii) Vendor A as vendor.

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, Vendor A is an Independent Third Party and a business acquaintance of Vendor B. Vendor A has extensive experience in finance and accounting. He has worked in several banks such as the Bank of East Asia Limited and The Hongkong and Shanghai Banking Corporation Limited. He is presently a chief financial officer of a company of which its principal activities are sales of health products.

Assets to be acquired

Pursuant to the Hope Master Acquisition Agreement, Vendor A conditionally agreed to sell and the Purchaser agreed to purchase (i) the Hope Master Sale Share, representing the entire issued share capital of Hope Master; and (ii) the Hope Master Sale Loan, representing the shareholder's loan owing by Hope Master to Vendor A as at Completion.

LETTER FROM THE BOARD

As at the Latest Practicable Date, Hope Master holds Property A which is an office unit located at Unit 3107, 31st Floor, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong. The gross floor area and saleable area of Property A are approximately 2,481 square feet and 2,010 square feet respectively. According to the valuation conducted by Grant Sherman as set out in the valuation report in Appendix V to this circular, the market value of Property A as at 29 February 2016 was approximately HK\$67,300,000. As disclosed in the valuation report, Grant Sherman has valued Property A by comparison approach assuming sale in its existing state by making reference to comparable sales evidences as available in the relevant market. It has further adjusted the market value subject to the differences of location, building age, floor level, orientation, view, building quality and market condition between Property A and the comparable sales evidences. The market condition is with reference to the price indexes announced by the Rating and Valuation Department and no further assumptions were made on market condition. The Directors consider that the price indexes prepared by the Rating and Valuation Department are authoritative and it is appropriate for Grant Sherman to determine the market condition with reference to the price indexes announced by the Rating and Valuation Department. The Directors were not aware of any subsequent events after 29 February 2016 which would materially affect the market value of Property A as at the Latest Practicable Date. As at 29 February 2016, the Hope Master Sale Loan amounted to HK\$63,370,679.30. The principal amount of the Hope Master Sale Loan is non-interest bearing. The Hope Master Sale Loan was provided by Vendor A to Hope Master mainly for the settlement of the consideration for the acquisition of Property A by Hope Master from the Contractual Licencee, the expenses to facilitate the completion of the acquisition of Property A by Hope Master including stamp duty, registration fee and legal fees, together with the management fee deposit paid in respect of Property A. The amount of the Hope Master Sale Loan will not increase before Completion and will be assigned to the Purchaser upon Completion.

The Purchaser shall not be obliged to purchase the Hope Master Sale Share and the Hope Master Sale Loan unless the transfer of the Hope Master Sale Share and the Hope Master Sale Loan are completed simultaneously.

Consideration

The aggregate consideration for the Hope Master Sale Share and Hope Master Sale Loan shall be HK\$63,370,687.10 comprising the followings:

- (a) the purchase price for the Hope Master Sale Loan shall be HK\$63,370,679.30 which is equal to the amount of the Hope Master Sale Loan as at 29 February 2016; and
- (b) the purchase price for the Hope Master Sale Share shall be the sum of HK\$7.80 which is equal to the amount of the issued share capital of Hope Master.

The aggregate consideration for the Hope Master Acquisition of HK\$63,370,687.10 shall be payable to Vendor A upon Completion in the following manner:

LETTER FROM THE BOARD

- (a) a refundable deposit of HK\$10,000,000, has been paid by the Purchaser to Vendor A upon signing of the LOI A which shall be applied as deposit under the Hope Master Acquisition Agreement and as part payment of the consideration on Completion;
- (b) a refundable deposit of HK\$10,000,000, has been paid by the Purchaser to Vendor A upon signing of the Hope Master Acquisition Agreement as deposit and as part payment of the consideration on Completion; and
- (c) the balance of the consideration shall be paid to Vendor A or Vendor A's solicitors in cash on Completion.

The consideration for the Hope Master Acquisition was determined after arm's length negotiations between the Purchaser and Vendor A having taken into account the amount of the Hope Master Sale Loan of HK\$63,370,679.30 as at 29 February 2016, the amount of the issued share capital of Hope Master and the prevailing market value of Property A. The Hope Master Acquisition will be funded as to HK\$37,000,000 by the net proceeds from the issue of 1,529,144,700 rights shares under the rights issue as completed on 29 February 2016 and as to HK\$26,370,687 by external financing from a revolving 8% interest loan facility of up to HK\$73,500,000 obtained by the Company from an Independent Third Party.

Adjustment to consideration in the event of extension of Long Stop Date

Pursuant to the Hope Master Acquisition Agreement, in the event that the Long Stop Date is extended to a date beyond 30 June 2016, the consideration payable by the Purchaser under the Hope Master Acquisition Agreement shall be subject to further agreement between the parties to the Hope Master Acquisition Agreement in writing.

Conditions precedent

Completion of the Hope Master Acquisition is subject to fulfillment of the following conditions:

- (a) Vendor A having shown and proved that Hope Master has a good title to Property A in accordance with Sections 13 and 13A of the Conveyancing and Property Ordinance free from all Encumbrances;
- (b) the Purchaser having completed its due diligence review and been reasonably satisfied with the results thereof;
- (c) the Company having obtained the necessary approval by its Shareholders of the Hope Master Acquisition Agreement and the transactions contemplated thereunder as required under the GEM Listing Rules;

LETTER FROM THE BOARD

- (d) all the conditions precedent to the completion of the transactions as contemplated under the Famous Flamingo Acquisition Agreement having been fulfilled (or waived in accordance with the Famous Flamingo Acquisition Agreement) (other than the condition precedent that all the conditions precedent to the completion of the transactions set out in the Hope Master Acquisition Agreement being fulfilled or waived); and
- (e) all the warranties remaining true and accurate in all respects from the date of the Hope Master Acquisition Agreement up to and immediately before Completion.

Vendor A shall use its best endeavours to assist the Purchaser in connection with the due diligence review and, in particular, shall procure that all information and documents required pursuant to the GEM Listing Rules, and other applicable rules, codes and regulations whether in connection with the preparation of all circulars, reports, documents, independent advice or otherwise are duly given promptly to the Purchaser.

The Purchaser may at any time waive (in whole or in part) any of the conditions referred to in conditions (b) and (e) above at its sole and reasonable discretion, such waiver shall be effective only if it is made in writing and notified to Vendor A's solicitors. The conditions (a), (c) and (d) set out above are incapable of being waived. If the conditions set out above have not been satisfied (or as the case may be, waived by the Purchaser) on or before 5:00 p.m. on the Long Stop Date, the Hope Master Acquisition Agreement shall cease and determine and thereafter neither party to the Hope Master Acquisition Agreement shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof and Vendor A shall forthwith return the refundable deposits without interest to the Purchaser in full.

As at the Latest Practicable Date, none of the above conditions had been fulfilled.

Use of Property A by the Contractual Licencee

Pursuant to the sale and purchase agreement dated 13 November 2015 and entered into between the Contractual Licencee as vendor and Hope Master as purchaser in relation to the acquisition of Property A by Hope Master, the Contractual Licencee has been granted a licence to occupy and use Property A free of charge until 30 June 2016. To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, the Contractual Licencee is an Independent Third Party and save for the above-mentioned transactions with Hope Master, the Contractual Licencee has no relationship with Vendor A.

Pursuant to the Hope Master Acquisition Agreement, notwithstanding Completion which shall take place on the Completion Date, the Contractual Licencee is allowed to occupy and use Property A until 30 June 2016 at 3:00 p.m.. Vendor A and the Purchaser agreed that Vendor A shall procure the Contractual Licencee to deliver vacant possession of Property A to Hope Master on "as is" basis on 30 June 2016 at 3:00 p.m. provided always that the Contractual Licencee shall pay the Government rates and rent and the management fee inclusive of all incidental

LETTER FROM THE BOARD

charges of recurrent nature (if any) related to Property A as demanded and payable on or before 30 June 2016 by the management company. Pursuant to the Hope Master Acquisition Agreement, Vendor A undertakes to procure the Contractual Licencee to deliver vacant possession of Property A to Hope Master on 30 June 2016 at 3:00 p.m. and discharge the outgoings of Property A in the manner agreed therein, failing which he shall indemnify the Purchaser and Hope Master for all the loss and damages suffered by them.

Completion

Completion of the Hope Master Acquisition Agreement shall take place on the Completion Date and simultaneously with completion under the Famous Flamingo Acquisition Agreement. It is further agreed by Vendor A and the Purchaser in writing that completion of the Hope Master Acquisition shall take place on 30 June 2016 and simultaneously with completion under the Famous Flamingo Acquisition Agreement.

Upon Completion, Hope Master will become an indirect wholly-owned subsidiary of the Company and the financial statements of Hope Master will be consolidated into the financial statements of the Group.

Information on Hope Master

As at the Latest Practicable Date, Hope Master is wholly-owned by Vendor A. Hope Master was incorporated in BVI on 28 April 2015 with limited liability and is engaged in holding of Property A.

Hope Master has not carried out any business since its establishment save for the acquisition of Property A in November 2015. Set out below is the audited financial information of Hope Master prepared in accordance with the Hong Kong Financial Reporting Standards as extracted from the accountants' report on Hope Master as contained in Appendix II to this circular and the key financial data of Hope Master based on the unaudited management accounts of Hope Master for the period from 1 January 2016 to 29 February 2016 as provided by Vendor A:

	For the period from 28 April 2015 (date of incorporation) to 31 December 2015 HK\$'000 (audited)	For the period from 1 January 2016 to 29 February 2016 HK\$'000 (unaudited)
Net profit/(loss) before and after taxation	3,999	(32)

LETTER FROM THE BOARD

As at 31 December 2015, Hope Master recorded an audited net asset of approximately HK\$3,999,000. As at 29 February 2016, the unaudited net asset of Hope Master amounted to approximately HK\$3,967,000. The accounting standards followed by Hope Master are the same as those of the Company's.

Management Discussion and Analysis of Hope Master

Set out below is the management discussion and analysis of Hope Master for the period from 28 April 2015 (date of incorporation) to 31 December 2015 (the “**Hope Master Relevant Period**”).

Business review

The principal asset of Hope Master was the Property A which was acquired during the Hope Master Relevant Period. Hope Master is engaged in holding of Property A.

Financial results

No revenue was derived by Hope Master during the Hope Master Relevant Period. Hope Master recorded a profit of HK\$3,999,000 for the period ended 31 December 2015. Such profit was mainly contributed by the fair value increase in investment property of HK\$4,013,000 for the period ended 31 December 2015. Hope Master incurred administrative expense of HK\$14,000 for the period ended 31 December 2015.

Liquidity and capital resources

Financial position

As at 31 December 2015, Hope Master had investment property, representing solely the Property A, of HK\$67,300,000, which was all stated at fair value as at the period ended 31 December 2015.

Hope Master mainly financed its operations by the advance from Vendor A, the sole director and beneficial owner of Hope Master. As at 31 December 2015, the advance from Vendor A was unsecured, non-interest bearing and repayable on demand with a balance of HK\$63,339,000.

Gearing ratio

As at 31 December 2015, the gearing ratio of Hope Master, calculated as a percentage of total liabilities of Hope Master to its total assets, was approximately 94.1%.

LETTER FROM THE BOARD

Securities and guarantee

As at 31 December 2015, Hope Master had not made any pledge of or created any security over assets and had not provided any corporate guarantee.

Contingent liabilities

As at 31 December 2015, Hope Master did not have any significant contingent liability.

Exchange rate risk

The majority of the Hope Master's assets and liabilities, including the investment property and the advance from Vendor A were denominated in Hong Kong dollars. During the Hope Master Relevant Period, Hope Master has not entered into any hedging arrangements.

Material acquisition and disposal of subsidiaries and affiliated companies

There was no material acquisition and/or disposal of subsidiaries and affiliated companies by Hope Master during the Hope Master Relevant Period.

Future plan for material investments or capital assets

As at 31 December 2015, Hope Master had no future plan for material investments or capital assets.

Staff and remuneration policy

Hope Master had no employee during the Hope Master Relevant Period.

FAMOUS FLAMINGO ACQUISITION AGREEMENT

Date: 4 March 2016 (after trading hours)

Parties: (i) Giant Code Limited as purchaser; and
(ii) Vendor B as vendor.

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, Vendor B is an Independent Third Party and a business acquaintance of Vendor A. Vendor B has been involved in the investment and financial industries for over 35 years and has extensive experience in bullion, foreign exchange, securities, futures and asset management business. He is currently a chief operating officer of a newly set up financial holdings company.

LETTER FROM THE BOARD

Assets to be acquired

Pursuant to the Famous Flamingo Acquisition Agreement, Vendor B conditionally agreed to sell and the Purchaser agreed to purchase (i) the Famous Flamingo Sale Share, representing the entire issued share capital of Famous Flamingo; and (ii) the Famous Flamingo Sale Loan, representing the shareholder's loan owing by Famous Flamingo to Vendor B as at Completion.

As at the Latest Practicable Date, Famous Flamingo holds Property B which comprises two office units located at Units 3108 and 3109, 31st Floor, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong. The gross floor area and saleable area of Property B are approximately 2,754 square feet and 2,229 square feet respectively. According to the valuation conducted by Grant Sherman as set out in the valuation report in Appendix V to this circular, the market value of Property B as at 29 February 2016 was approximately HK\$74,700,000. As disclosed in the valuation report, Grant Sherman has valued Property B by comparison approach assuming sale in its existing state by making reference to comparable sales evidences as available in the relevant market. It has further adjusted the market value subject to the differences of location, building age, floor level, orientation, view, building quality and market condition between Property B and the comparable sales evidences. The market condition is with reference to the price indexes announced by the Rating and Valuation Department and no further assumptions were made on market condition. The Directors consider that the price indexes prepared by the Rating and Valuation Department are authoritative and it is appropriate for Grant Sherman to determine the market condition with reference to the price indexes announced by the Rating and Valuation Department. The Directors were not aware of any subsequent events after 29 February 2016 which would materially affect the market value of Property B as at the Latest Practicable Date. As at 29 February 2016, the Famous Flamingo Sale Loan amounted to HK\$71,908,580.89, which comprises the principal amount of HK\$70,350,525.60 and accrued interest of HK\$1,558,055.29. As at 29 February 2016, the interest bearing principal amount was HK\$61,658,789.97 and the non-interest bearing principal amount was HK\$8,691,735.63. As from 9 March 2016, HK\$7,716,200.64 of the interest bearing principal amount became non-interest bearing. As from 30 April 2016, a further HK\$1,385,202.27 of the interest bearing principal amount will become non-interest bearing. The interest rate on the interest bearing principal amount is 8% per annum. The Famous Flamingo Sale Loan mainly comprises the advance from Vendor B to Famous Flamingo for the settlement of the consideration for the acquisition of Property B by Famous Flamingo from the Contractual Licencee, the expenses to facilitate the completion of the acquisition of the Property B by Famous Flamingo including stamp duty, registration fee and legal fees, together with the management fee deposit paid in respect of the Property B, and the interest accrued on the advance from Vendor B to Famous Flamingo. It is estimated that a further interest of approximately HK\$1,440,000 will be accrued for the period from 1 March to 30 June 2016, being the Completion Date mutually agreed between Vendor B and the Purchaser. The Famous Flamingo Sale Loan will be assigned to the Purchaser upon Completion.

LETTER FROM THE BOARD

The Purchaser shall not be obliged to purchase the Famous Flamingo Sale Share and the Famous Flamingo Sale Loan unless the transfer of the Famous Flamingo Sale Share and the Famous Flamingo Sale Loan are completed simultaneously.

Consideration

The aggregate consideration shall be the aggregate sum of the followings:

- (a) the purchase price for the Famous Flamingo Sale Loan shall be the dollar-to-dollar equivalent of the amount of the Famous Flamingo Sale Loan as at the date of Completion; and
- (b) the purchase price for the Famous Flamingo Sale Share shall be the sum of HK\$7.80 which is equal to the amount of the issued share capital of Famous Flamingo.

Vendor B and the Purchaser agree that the above consideration shall not exceed HK\$73,600,000 which was determined with reference to the market value of Property B in accordance with the valuation conducted by Grand Sherman.

The above consideration shall be payable to Vendor B upon Completion in the following manner:

- (a) a refundable deposit of HK\$10,000,000, has been paid by the Purchaser to Vendor B upon signing of the LOI B which shall be applied as deposit under the Famous Flamingo Acquisition Agreement and as part payment of the consideration;
- (b) a refundable deposit of HK\$10,000,000, has been paid by the Purchaser to Vendor B upon signing of the Famous Flamingo Acquisition Agreement as deposit and as part payment of the consideration; and
- (c) the balance of the consideration shall be paid to Vendor B in cash on Completion.

The consideration for the Famous Flamingo Acquisition was determined after arm's length negotiations between the Purchaser and Vendor B having taken into account the estimated amount of the Famous Flamingo Sale Loan as at Completion, the amount of the issued share capital of Famous Flamingo and the prevailing market value of Property B. The Famous Flamingo Acquisition will be funded as to HK\$37,000,000 by the net proceeds from the issue of 1,529,144,700 rights shares under the rights issue as completed on 29 February 2016 and the balance of the consideration of not more than HK\$36,600,000 will be funded by external financing from a revolving 8% interest loan facility of up to HK\$73,500,000 obtained by the Company from an Independent Third Party.

LETTER FROM THE BOARD

Adjustment to consideration in the event of extension of Long Stop Date

Pursuant to the Famous Flamingo Acquisition Agreement, in the event that the Long Stop Date is extended to a date beyond 30 June 2016, the consideration payable by the Purchaser under the Famous Flamingo Acquisition Agreement shall be subject to further agreement between the parties to the Famous Flamingo Acquisition Agreement in writing.

Conditions precedent

Completion of the Famous Flamingo Acquisition is subject to fulfillment of the following conditions:

- (a) Vendor B having shown and proved that Famous Flamingo has a good title to Property B in accordance with Sections 13 and 13A of the Conveyancing and Property Ordinance free from all Encumbrances;
- (b) the Purchaser having completed its due diligence review and been reasonably satisfied with the results thereof;
- (c) the Company having obtained the necessary approval by its Shareholders of the Famous Flamingo Acquisition Agreement and the transactions contemplated thereunder as required under the GEM Listing Rules;
- (d) all the conditions precedent to the completion of the transactions as contemplated under the Hope Master Acquisition Agreement having been fulfilled (or waived in accordance with the Hope Master Acquisition Agreement) (other than the condition precedent that all the conditions precedent to the completion of the transactions set out in the Famous Flamingo Acquisition Agreement being fulfilled or waived); and
- (e) all the warranties remaining true and accurate in all respects from the date of the Famous Flamingo Acquisition Agreement up to and immediately before Completion.

Vendor B shall use its best endeavours to assist the Purchaser in connection with the due diligence review and, in particular, shall procure that all information and documents required pursuant to the GEM Listing Rules, and other applicable rules, codes and regulations whether in connection with the preparation of all circulars, reports, documents, independent advice or otherwise are duly given promptly to the Purchaser.

The Purchaser may at any time waive (in whole or in part) any of the conditions referred to in conditions (b) and (e) above at its sole and reasonable discretion, such waiver shall be effective only if it is made in writing and notified to Vendor B's solicitors. The conditions (a), (c) and (d) set out above are incapable of being waived. If the conditions set out above have not been satisfied (or as the case may be, waived by the Purchaser) on or before 5:00 p.m. on the Long Stop Date, the Famous Flamingo Acquisition Agreement shall cease and terminate and thereafter

LETTER FROM THE BOARD

neither party to the Famous Flamingo Acquisition Agreement shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof and Vendor B shall forthwith return the refundable deposits without interest to the Purchaser in full.

As at the Latest Practicable Date, none of the above conditions had been fulfilled.

Use of Property B by the Contractual Licencee

Pursuant to the sale and purchase agreement dated 13 November 2015 and entered into between the Contractual Licencee as vendor and Famous Flamingo as purchaser in relation to the acquisition of Property B by Famous Flamingo, the Contractual Licencee has been granted a licence to occupy and use Property B free of charge until 30 June 2016. To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, save for the above-mentioned transactions with Famous Flamingo, the Contractual Licencee has no relationship with Vendor B.

Pursuant to the Famous Flamingo Acquisition Agreement, notwithstanding Completion which shall take place on the Completion Date, the Contractual Licencee is allowed to occupy and use Property B until 30 June 2016 at 3:00 p.m.. Vendor B and the Purchaser agreed that Vendor B shall procure the Contractual Licencee to deliver vacant possession of Property B to Famous Flamingo on “as is” basis on 30 June 2016 at 3:00 p.m. provided always that the Contractual Licencee shall pay the Government rates and rent and the management fee inclusive of all incidental charges of recurrent nature (if any) related to Property B as demanded and payable on or before 30 June 2016 by the management company. Pursuant to the Famous Flamingo Acquisition Agreement, Vendor B undertakes to procure the Contractual Licencee to deliver vacant possession of Property B to the Famous Flamingo on 30 June 2016 at 3:00 p.m. and discharge the outgoings of Property B in the manner agreed therein, failing which he shall indemnify the Purchaser and Famous Flamingo for all the loss and damages suffered by them.

Completion

Completion of the Famous Flamingo Acquisition Agreement shall take place on the Completion Date and simultaneously with completion under the Hope Master Acquisition Agreement. It is further agreed by Vendor B and the Purchaser in writing that completion of the Famous Flamingo Acquisition shall take place on 30 June 2016 and simultaneously with completion under the Hope Master Acquisition Agreement.

Upon Completion, Famous Flamingo will become an indirect wholly-owned subsidiary of the Company and the financial statements of Famous Flamingo will be consolidated into the financial statements of the Group.

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Information on Famous Flamingo

As at the Latest Practicable Date, Famous Flamingo is wholly-owned by Vendor B. Famous Flamingo was incorporated on 1 October 2015 with limited liability and is engaged in holding of Property B.

Famous Flamingo has not carried out any business since its establishment save for the acquisition of Property B in November 2015. Set out below is the audited financial information of Famous Flamingo prepared in accordance with the Hong Kong Financial Reporting Standards as extracted from the accountants' report on Famous Flamingo as contained in Appendix III to this circular and the key financial data of Famous Flamingo based on the unaudited management accounts of Famous Flamingo for the period from 1 January 2016 to 29 February 2016 as provided by Vendor B:

	For the period from 1 October 2015 (date of incorporation) to 31 December 2015 HK\$'000 (audited)	For the period from 1 January 2016 to 29 February 2016 HK\$'000 (unaudited)
Net profit/(loss) before and after taxation	3,738	(904)

As at 31 December 2015, Famous Flamingo recorded an audited net asset of approximately HK\$3,738,000. As at 29 February 2016, the unaudited net asset of Famous Flamingo amounted to approximately HK\$2,834,000. The accounting standards followed by Famous Flamingo are the same as those of the Company's.

Management Discussion and Analysis of Famous Flamingo

Set out below is the management discussion and analysis of Famous Flamingo for the period from 1 October 2015 (date of incorporation) to 31 December 2015 (the "**Famous Flamingo Relevant Period**").

Business review

The principal asset of Famous Flamingo was the Property B which was acquired during the Famous Flamingo Relevant Period. Famous Flamingo is engaged in holding of Property B.

LETTER FROM THE BOARD

Financial results

No revenue was derived by Famous Flamingo during the Famous Flamingo Relevant Period. Famous Flamingo recorded a profit of HK\$3,738,000 for the period ended 31 December 2015. Such profit was mainly contributed by the fair value increase in investment property of HK\$4,437,000 for the period ended 31 December 2015. Famous Flamingo incurred administrative expense and finance costs of HK\$13,000 and HK\$686,000 respectively for the period ended 31 December 2015.

Liquidity and capital resources

Financial position

As at 31 December 2015, Famous Flamingo had investment properties, representing solely the Property B, of HK\$74,700,000, which was all stated at fair value as at the period ended 31 December 2015.

Famous Flamingo mainly financed its operations by the advance from Vendor B, the sole director and beneficial owner of Famous Flamingo. As at 31 December 2015, the advance from Vendor B was unsecured, repayable on demand and with a balance of HK\$71,004,000 of which comprised the interest bearing principal amount of HK\$70,276,000; the non-interest bearing principal amount of HK\$42,000 and accrued interest of HK\$686,000. The interest rate on the interest bearing principal amount is 8% per annum.

Gearing ratio

As at 31 December 2015, the gearing ratio of Famous Flamingo, calculated as a percentage of total liabilities of Famous Flamingo to its total assets, was approximately 95.0%.

Securities and guarantee

As at 31 December 2015, Famous Flamingo had not made any pledge of or created any security over assets and had not provided any corporate guarantee.

Contingent liabilities

As at 31 December 2015, Famous Flamingo did not have any significant contingent liability.

Exchange rate risk

The majority of the Famous Flamingo's assets and liabilities, including the investment property and the advance from Vendor B were denominated in Hong Kong dollars. During the Famous Flamingo Relevant Period, Famous Flamingo has not entered into any hedging arrangements.

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Material acquisition and disposal of subsidiaries and affiliated companies

There was no material acquisition and/or disposal of subsidiaries and affiliated companies by Famous Flamingo during the Famous Flamingo Relevant Period.

Future plan for material investments or capital assets

As at 31 December 2015, Famous Flamingo had no future plan for material investments or capital asset.

Staff and remuneration policy

Famous Flamingo had no employee during the Famous Flamingo Relevant Period.

FINANCIAL EFFECTS OF THE ACQUISITION

Upon Completion, the Target Companies will become indirect wholly-owned subsidiaries of the Company and the financial results of the Target Companies will be consolidated into the financial results of the Company. The unaudited pro forma financial information of the Enlarged Group illustrating the financial effect of the Acquisition on the assets, earnings and liabilities of the Group is set out in Appendix IV to this circular.

REASONS FOR THE ACQUISITION

The Company is an investment holding company and its subsidiaries are principally engaged in provision and operation of travel business, treasury management and money lending. The Company intends to acquire Property A and Property B as the head office and principal place of business of the Group to cope with the expansion of the Group. Taking into account that the Properties will facilitate the Group to expand its business in the future, the Board considers that the Acquisition and the terms of the Acquisition Agreements are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one of the relevant applicable percentage ratios calculated in accordance with the GEM Listing Rules in respect of the Acquisition Agreements in aggregate exceeds 25% but less than 100%, the Acquisition constitutes a major acquisition on the part of the Company and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

To the best knowledge of the Company, as at the Latest Practicable Date, no Shareholder has material interest in the Acquisition and therefore no Shareholder is required to abstain from voting on the proposed resolution(s) to approve the Acquisition Agreements and the transactions contemplated thereunder at the EGM.

LETTER FROM THE BOARD

EGM

Set out on pages EGM-1 to EGM-3 to this circular is a notice convening the EGM which will be held at Meeting Room (SOHO 2), 6/F., ibis Hong Kong Central & Sheung Wan Hotel, No. 28 Des Voeux Road West, Sheung Wan, Hong Kong on Monday, 13 June 2016 at 10:30 a.m. during which resolutions will be proposed to approve, among others, the Acquisition Agreements and the transaction contemplated thereunder.

A proxy form for use by the Shareholders at the EGM is enclosed herewith. Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and deposit the same at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

RECOMMENDATION

The Directors consider that the Acquisition is fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Acquisition.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
Global Mastermind Holdings Limited
Mung Bun Man, Alan
Executive Director

1. FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS OF THE GROUP INCORPORATED BY REFERENCE

The audited consolidated financial statements, including the notes thereto, and the management discussion and analysis of the Group for each of the three years ended 31 December 2013, 31 December 2014 and 31 December 2015, have been disclosed in the following annual reports of the Company which are available on the Company's website at www.globalmholdings.com and the website of the Stock Exchange at www.hkexnews.hk:

- the annual report of the Company for the year ended 31 December 2013 (pages 4 to 7 and 25 to 74) published on 27 March 2014 (<http://www.hkexnews.hk/listedco/listconews/GEM/2014/0327/GLN20140327193.pdf>);
- the annual report of the Company for the year ended 31 December 2014 (pages 4 to 10 and pages 34 to 91) published on 30 March 2015 (<http://www.hkexnews.hk/listedco/listconews/GEM/2015/0330/GLN20150330109.pdf>);
- the annual report of the Company for the year ended 31 December 2015 (pages 5 to 17 and pages 39 to 98) published on 30 March 2016 (<http://www.hkexnews.hk/listedco/listconews/GEM/2016/0330/GLN20160330395.pdf>);

2. STATEMENT OF INDEBTEDNESS

At the close of business on 31 March 2016, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group and the Target Companies prior to the printing of this Circular, the Group had outstanding secured bank borrowings of approximately Singapore Dollar (“S\$”)409,000 (equivalent to approximately HK\$2,349,000), and the Group had guarantees provided by a bank and a financial institution totaling of approximately S\$3,526,000 (equivalent to approximately HK\$20,248,000) which had been given in favour to international airlines. The guarantees were guaranteed by the Company and were secured by the fixed charges of bank deposits of S\$211,000 (equivalent to approximately HK\$1,212,000) and cash collateral of approximately S\$497,000 (equivalent to approximately HK\$2,854,000) placed to the bank and the financial institution, respectively, by the Group. In addition, the Target Companies had amounts due to their shareholders of totaling approximately HK\$135,660,000 (including the amount due to Hope Master of HK\$63,371,000 and amount due to Famous Flamingo of HK\$72,289,000) which were unsecured and unguaranteed as at 31 March 2016.

Save as disclosed above and apart from intra-group liabilities, the Group did not have any loan capital issued and outstanding or authorised or otherwise overrated but unissued, bank overdrafts or other similar indebtedness, liabilities under acceptances (other than normal trade bills), acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, guarantees or other material contingent liabilities at the close of business on 31 March 2016.

3. WORKING CAPITAL SUFFICIENCY

The Directors, after due and careful consideration, are of the opinion that after taking into account of Hope Master Acquisition and Famous Flamingo Acquisition, the present internal resources, presently available facilities from bank and other providers of finance granted to the Enlarged Group, the Enlarged Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of this circular, in the absence of any unforeseeable circumstances.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, save for the matters as disclosed in the section headed “Financial and Trading Prospect of the Enlarged Group” below, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2015, the date to which the latest published audited financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECT OF THE ENLARGED GROUP

The Group will continue to maintain the provision and operation of travel business, treasury management and money lending as its principal activities. As disclosed in the Company’s annual report for the year ended 31 December 2015, the management is of the view that the travel business environment in coming years is continuing to be highly competitive and volatile. In order to maintain the Group’s sustainability and preservation of value over the longer term, the Group will continue to look for suitable investment opportunities and projects in other areas. On 4 February 2016, the Group was granted a money lender license by the relevant government authority in Hong Kong. The Group will further drive this business segment by achieving healthy loan growth and expanding its loan portfolio which in turn provides a stable income stream for the Group. In addition, the Company is in the process of making application for a license to carry out the asset management business. The management believes that such business segment will also generate steady and recurring income for the Group in the near future. As at 31 December 2015, the Group’s net current assets were approximately HK\$251.9 million. The completion of the issue of 1,529,144,700 new shares by way of rights issue as completed on 29 February 2016 provided an opportunity for the Company to broaden its shareholder base and strengthen its capital base. The Directors are of the view that the Group will still maintain a sound financial position after the Completion of the Acquisition.

On 6 May 2016, the Company issued a profit warning announcement (the “**Profit Warning Announcement**”) in which based on the unaudited consolidated management accounts of the Group for the three months ended 31 March 2016 and the information currently available, it is expected that the Group will record a loss of not less than HK\$10,000,000 for the three months ended 31 March 2016 as compared to the loss of HK\$4,856,000 recorded in the three months ended 31 March 2015.

The increase in loss is mainly attributable to (i) an estimated loss of HK\$4,200,000 arising on change in fair value of financial assets at fair value through profit or loss for the three months ended 31 March 2016; (ii) the absence of the revenue on the sales of hotel rooms in the current period; and (iii) an increase of HK\$1,400,000 in staff costs.

On 10 May 2016, the Company issued an update on profit warning announcement in which upon further review by the Board on the unaudited consolidated management accounts of the Group for the three months ended 31 March 2016, the Group expects to record a loss of not less than HK\$22,000,000 for the three months ended 31 March 2016, instead of not less than HK\$10,000,000 as announced in the Profit Warning Announcement.

The increase in the expected loss attributable to the owners of the Company is due to an estimated fair value loss of HK\$11,400,000 arising on impairment loss on available-for-sale investments. Due to a significant decline in the fair value of such investments below its cost, an impairment loss amounting to HK\$11,400,000 was required to be recognised during the three months ended 31 March 2016 which was reclassified from the investments revaluation reserve to profit or loss.

The Board expects that such expected loss for the three months ended 31 March 2016 will not have impact on the cash flow of the Group as the majority of the loss, including the estimated unrealised loss of \$1,744,000 arising on change in fair value of financial assets at fair value through profit or loss and the estimated fair value loss of HK\$11,400,000 arising on impairment loss on available-for-sale investments, are accounting related adjustments and non-cash items.

The Group does not expect any growth in the Group's travel business in the year ending 31 December 2016. With a view to improve its profitability, the Group will put more emphasis on its money lending business and the potential asset management business in order to provide a stable income and broaden the revenue base of the Group.

The Directors also consider that it would not be in the best interest to continue to use leased properties as the Group's head office because of the risk of substantial increase in rental expenditure and the risk of early termination or non-renewal of the Group's tenancy agreement by the landlord. Furthermore, the Acquisition will provide a permanent head office to the Group in Hong Kong to cope with the Group's future expansion and with a potential of capital appreciation in the long run. As such, the Acquisition is in the interests of the Company and its shareholders as a whole.



24 May 2016

The Board of Directors
Global Mastermind Holdings Limited

Dear Sirs/Madam,

We set out below our report on the financial information (the “Financial Information of Hope Master”) relating to Hope Master Investments Limited (“Hope Master”) for the period from 28 April 2015 (date of incorporation) to 31 December 2015 (the “Relevant Period”) for inclusion in a circular issued by Global Mastermind Holdings Limited (the “Company”) dated 24 May 2016 (the “Circular”) in connection with the proposed acquisition of the entire issued share capital of Hope Master and the amount owing by Hope Master to Mr. Tse Joseph (the “Hope Master Acquisition”).

Hope Master was incorporated on 28 April 2015 with limited liability in the British Virgin Islands (the “BVI”).

Hope Master has adopted 31 December as its financial year end date. No audited financial statements have been prepared for Hope Master as there is no statutory requirement for audited financial statements in the BVI.

For the purpose of this report, the sole director of Hope Master has prepared its financial statements for the Relevant Period in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) (the “Hope Master Underlying Financial Statements”). We have carried out an independent audit of the Hope Master Underlying Financial Statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA.

We have examined the Hope Master Underlying Financial Statements in accordance with Auditing Guideline 3.340 “Prospectuses and the reporting accountant” as recommended by the HKICPA.

The Financial Information of Hope Master for the Relevant Period set out in this report has been prepared from the Hope Master Underlying Financial Statements on the basis of presentation set out in note 2 below. No adjustments were considered necessary by the sole director of Hope Master to the Hope Master Underlying Financial Statements in preparing our report for inclusion in the Circular.

The preparation of the Hope Master Underlying Financial Statements is the responsibility of the sole director of Hope Master who approved their issue. The directors of the Company are responsible for the contents of the Circular in which this report is included. It is our responsibility to compile the Financial information of Hope Master set out in this report from the Hope Master Underlying Financial Statements, to form an independent opinion on the Financial information of Hope Master and to report our opinion to you.

In our opinion, on the basis of presentation sets out in note 2 below, the Financial Information of Hope Master gives, for the purpose of this report, a true and fair view of the financial position of Hope Master as at 31 December 2015, and of the financial performance and cash flows of Hope Master for the Relevant Period.

A. FINANCIAL INFORMATION

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period from 28 April 2015 (date of incorporation) to 31 December 2015

	<i>Notes</i>	<i>HK\$'000</i>
Revenue		–
Change in fair value of investment property	9	4,013
Administrative expenses		<u>(14)</u>
Profit before tax		3,999
Income tax expense	6	<u>–</u>
Profit and total comprehensive income for the period	7	<u><u>3,999</u></u>

STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

	<i>Notes</i>	<i>HK\$'000</i>
Non-current asset		
Investments property	9	<u>67,300</u>
Current asset		
Deposits paid		<u>38</u>
Current liability		
Advance from a shareholder	10	<u>63,339</u>
Net current liabilities		<u>(63,301)</u>
Net assets		<u><u>3,999</u></u>
Capital and reserve		
Share capital	11	–
Retained profit		<u>3,999</u>
Total equity		<u><u>3,999</u></u>

STATEMENT OF CHANGES IN EQUITY*For the period from 28 April 2015 (date of incorporation) to 31 December 2015*

	Share capital	Retained profit	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At date of incorporation	–	–	–
Profit and total comprehensive income for the period	<u>–</u>	<u>3,999</u>	<u>3,999</u>
At 31 December 2015	<u>–</u>	<u>3,999</u>	<u>3,999</u>

STATEMENT OF CASH FLOWS*For the period from 28 April 2015 (date of incorporation) to 31 December 2015*

	<i>HK\$'000</i>
OPERATING ACTIVITIES	
Profit before tax	3,999
Adjustment for:	
Change in fair value of investment property	<u>(4,013)</u>
Operating cash flows before movement in working capital	(14)
Increase in deposits paid	<u>(38)</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>(52)</u>
CASH USED IN INVESTING ACTIVITY	
Purchase of an investment property	<u>(63,287)</u>
CASH FROM FINANCING ACTIVITY	
Advance from a shareholder	<u>63,339</u>
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER 2015	<u><u>-</u></u>

NOTES TO THE FINANCIAL INFORMATION**1. General**

Hope Master was incorporated on 28 April 2015 with limited liability in the BVI. Its sole shareholder is Mr. Tse Joseph (“Mr. Tse”), who is also sole director of Hope Master. The address of the registered office is P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, the BVI and the principal place of operation is Rooms 71-76, 7/F., New Henry House, 10 Ice House Street, Central, Hong Kong.

Hope Master is principally engaged in property holding in Hong Kong.

The Financial Information of Hope Master is presented in HK\$, which is also the functional currency of Hope Master. The Financial Information of Hope Master for the Relevant Period is prepared solely for the purpose of including the Financial Information of Hope Master in the Circular.

2. Basis of Preparation of Financial Information of Hope Master

In preparing the Financial Information of Hope Master, the sole director of Hope Master have given careful consideration to the future liquidity of Hope Master, in view of the fact that Hope Master’s current liabilities exceeded its current assets by HK\$63,301,000 as at 31 December 2015. The sole director of Hope Master are satisfied that Hope Master will have sufficient funds to meet in full its financial obligations as they fall due for the foreseeable future, after taking into consideration that Mr. Tse has agreed to provide adequate funds to Hope Master to meet in full its financial obligations up to the date of the completion the Hope Master Acquisition. Moreover, upon completion of the Hope Master Acquisition, the Company will provide financial support to Hope Master to meet in full its financial obligations as they fall due in the foreseeable future. Accordingly, the Financial Information of Hope Master has been prepared on a going concern basis.

3. Application of Hong Kong Financial Reporting Standards (“HKFRSs”)

For the purposes of preparing and presenting the Financial Information of Hope Master for the Relevant Period, Hope Master has adopted the HKFRSs issued by the HKICPA that are effective for Hope Master’s accounting period beginning on 28 April 2015.

Hope Master has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial instruments ¹
HKFRS 15	Revenue from contracts with customers ¹
Amendments to HKFRS 11	Accounting for acquisitions of interests in joint operations ²
Amendments to HKAS 1	Disclosure initiative ²
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation ²
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer plants ²
Amendments to HKAS 27	Equity method in separate financial statements ²
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture ³
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investments entities: Applying the consolidation exception ²
Amendments to HKFRSs	Annual improvements to HKFRSs 2012 – 2014 cycle ²

¹ Effective for annual periods beginning on or after 1 January 2018.

² Effective for annual periods beginning on or after 1 January 2016.

³ Effective for annual periods beginning on or after a date to be determined.

The sole director of Hope Master does not anticipate that the application of the above new and amendments to HKFRSs will have a material impact on the Financial Information of Hope Master.

4. Significant Accounting Policies

The Financial Information of Hope Master has been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the Financial Information of Hope Master includes applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and in compliance with the Hong Kong Companies Ordinance (Cap. 622).

The Financial Information of Hope Master has been prepared on the historical cost basis, except for the investment property which is measured at fair value at the end of the reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, Hope Master takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the Financial Information of Hope Master is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Investment property

Investment property is property held to earn rentals and/or for capital appreciation.

Investment property is initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment property is measured at its fair value. Gain or loss arising from change in the fair value of investment property is included in profit or loss for the period in which it arises.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Hope Master's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Information of Hope Master and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which Hope Master expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Financial instruments

Financial liabilities are recognised in the statement of financial position when Hope Master becomes a party to the contractual provisions of the instrument.

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities are added to or deducted from the fair value of financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial liabilities and equity instruments

Debt and equity instruments issued by Hope Master are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets after deducting all of its liabilities. Equity instruments issued by Hope Master are recognised at the proceeds received, net of direct issue costs.

Financial liability

Financial liability represents advance from a shareholder is subsequently measured at amortised cost, using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Derecognition

Hope Master derecognises financial liabilities when, and only when, Hope Master's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Impairment losses on tangible assets

At the end of the reporting period, Hope Master reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately in profit or loss.

5. Key Sources of Estimation Uncertainty and Critical Accounting Judgments

In the application of accounting policies, which are described in note 4, the sole director of Hope Master is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The following is the critical judgment, apart from those involving estimations, that the sole director of Hope Master have made in the process of applying Hope Master's accounting policies and that have the most significant effect on the amounts recognised in the Financial Information of Hope Master.

Deferred taxation on investment property

For the purposes of measuring deferred tax liability or deferred tax asset arising from investment property that are measured using the fair value model, the sole director of Hope Master has reviewed Hope Master's investment property and concluded that Hope Master's investment property is not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. Therefore, in measuring Hope Master's deferred taxation on investment property, the sole director of Hope Master has determined that the presumption that the carrying amount of investment property is recovered entirely through sale is not rebutted. As a result, Hope Master has not recognised any deferred taxes on changes in fair value of investment property as Hope Master is not subject to any income taxes on the fair value changes of investment property on disposal.

The following is the key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fair value of investment property

Investment property in the statement of financial position at 31 December 2015 is carried at its fair value of HK\$67,300,000. The fair value was based on valuation on the properties conducted by independent firms of professional valuers using property valuation techniques which involve certain assumptions of market conditions. Favourable or unfavourable changes to these assumptions would result in change in the fair value of the investment property and corresponding adjustments to the amount of gain or loss reported in the statement of profit or loss and other comprehensive income.

6. Income Tax Expense

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit. No provisions for Hong Kong Profits Tax have been made in the Financial Information of Hope Master as Hope Master had no assessable profit for the period.

The income tax expense for the period can be reconciled to the profit before tax per the statement of profit or loss and other comprehensive income as follows:

	<i>HK\$'000</i>
Profit before tax	<u>3,999</u>
Tax at the applicable rate of 16.5%	660
Tax effect of income not taxable for tax purpose	(662)
Tax effect of expenses not deductible for tax purpose	<u>2</u>
Income tax expense	<u>–</u>

There was no significant unprovided deferred tax liabilities for the period or at the end of the reporting period.

7. Profit for the Period

	<i>HK\$'000</i>
Profit for the period has been arrived at after charging:	
Director's emoluments	–
Auditor's remuneration	<u>–</u>

8. Earnings per Share

Earnings per share information is not presented as its inclusion, for the purpose of this report, is not considered meaningful.

9. Investment Property

	<i>HK\$'000</i>
At date of incorporation	–
Addition	63,287
Increase in fair value recognised in profit or loss (unrealised)	<u>4,013</u>
At 31 December 2015, at fair value	<u><u>67,300</u></u>

The fair value of investment property at 31 December 2015 has been arrived at on the basis of a valuation carried out on that date by Grant Sherman Appraisal Limited (“Grant Sherman”), an independent qualified professional valuer not connected with Hope Master. Grant Sherman is a member of the Hong Kong Institute of Surveyors, and has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation of investment property at 31 December 2015 was arrived at using the comparison method based on market observable transactions of similar properties in other locations and adjusted to reflect the conditions and location of the subject property.

In estimating the fair value of the properties, the highest and best use of the property is its current use.

The following table gives information about how the fair value of the investment property is determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurement is categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurement is observable.

Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
Level 3	Comparison method The key input of comparison method is price per square foot	Market value per square foot, using market comparables and taking into account of location and other individual factors such as road frontage, size of property, of HK\$33,500 per square foot.	A slight increase in the price will increase the fair value significantly

Fair value measurements and valuation processes

In estimating the fair value of Hope Master's investment property, Hope Master uses market-observable data to the extent it is available. Where Level 1 inputs are not available, Hope Master engages third party qualified valuers to perform the valuation of Hope Master's investment property. At the end of each reporting period, the management of Hope Master works closely with the qualified external valuers to establish and determine the appropriate valuation techniques and inputs for Level 2 and Level 3 fair value measurements. Hope Master will first consider and adopt Level 2 inputs where inputs can be derived from observable quoted prices in the active market. When Level 2 inputs are not available, Hope Master will adopt valuation techniques that include Level 3 inputs. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the sole director of Hope Master.

Information about the valuation techniques and inputs used in determining the fair value of the Hope Master's investment property is disclosed above.

10. Advance from a Shareholder

The amounts are unsecured, interest-free and repayable on demand.

11. Share Capital

On 28 April 2015, Hope Master was incorporated in the BVI with limited liability with an authorised share capital of US\$50,000 divided into 50,000 shares of US\$1 each. On 28 October 2015, one subscriber share, was allotted and issued as fully paid share, to Mr. Tse. After that, there was no change in the authorised share capital and the issued share capital.

12. Capital Risk Management

In addition to its share capital, Hope Master also relies on its sole shareholder for funding its daily operations.

13. Financial Instruments**13a. Categories of financial instrument**

HK\$'000

Financial liability

Amortised cost

(63,339)**13b. Financial risk management objectives and policies**

The sole director of Hope Master monitors and manages the financial risks relating to the operations of Hope Master. These risks include market risk (including foreign currency risk) and liquidity risk.

There has been no change to the types of Hope Master's exposure in respect of financial instrument or the manner in which it manages and measures the risks.

Market risk

Foreign currency risk management

Hope Master operates in Hong Kong with most of the transactions denominated and settled in Hong Kong dollars.

Hope Master's exposure to risk resulting from changes in foreign currency exchange rate is minimal, and no sensitivity analysis has been presented assuming that the reasonably possible changes in foreign exchange rate would have no impact on Hope Master's other components of equity.

Liquidity risk

In the management of the liquidity risk, Hope Master monitors and maintains its financial position deemed adequate by the management to finance Hope Master's operations and mitigate the effects of fluctuations in cash flows.

Hope Master has net current liabilities of HK\$63,301,000 as at 31 December 2015. Hope Master has sufficient funds to finance its current working capital requirement taking into account of the financial support from its shareholder and the Company.

At the end of reporting period, Hope Master's remaining contractual maturity for its financial liability is based on agreed repayment terms. In the opinion of the directors, the difference between the carrying amount of the financial liability and the undiscounted cash flows based on the earliest date on which Hope Master can be required to pay is insignificant and therefore, no further analysis is presented.

13c. Fair value measurements of financial instruments

The fair value of financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input.

The sole director of Hope Master consider that the carrying amount of financial liability recorded at amortised cost in the Financial Information of Hope Master approximate the fair value.

14. Related Party Disclosures

(a) Related party balance

Details of the Company's outstanding balance with related company are set out in the statement of financial position and note 10.

(b) Compensation of key management personnel

No remuneration was paid or payable to the key management for the Relevant Period.

B. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the sole director of Hope Master in respect of any period subsequent to 31 December 2015.

Yours faithfully,

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong



24 May 2016

The Board of Directors
Global Mastermind Holdings Limited

Dear Sirs/Madam,

We set out below our report on the financial information (the “Financial Information of Famous Flamingo”) relating to Famous Flamingo Limited (“Famous Flamingo”) for the period from 1 October 2015 (date of incorporation) to 31 December 2015 (the “Relevant Period”) for inclusion in a circular issued by Global Mastermind Holdings Limited (the “Company”) dated 24 May 2016 (the “Circular”) in connection with the proposed acquisition of the entire issued share capital of Famous Flamingo and the amount owing by Famous Flamingo to Mr. Man Kong Yui (the “Famous Flamingo Acquisition”).

Famous Flamingo was incorporated on 1 October 2015 with limited liability in the British Virgin Islands (the “BVI”).

Famous Flamingo was adopted 31 December as its financial year end date. No audited financial statements have been prepared for Famous Flamingo as there is no statutory requirement for audited financial statements in the BVI.

For the purpose of this report, the sole director of Famous Flamingo has prepared its financial statements for the Relevant Period in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) (the “Famous Flamingo Underlying Financial Statements”). We have carried out an independent audit of the Famous Flamingo Underlying Financial Statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA.

We have examined the Famous Flamingo Underlying Financial Statements in accordance with Auditing Guideline 3.340 “Prospectuses and the reporting accountant” as recommended by the HKICPA.

The Financial Information of Famous Flamingo for the Relevant Period set out in this report has been prepared from the Famous Flamingo Underlying Financial Statements on the basis of preparation set out in note 2 below. No adjustments were considered necessary by the sole director of Famous Flamingo to the Famous Flamingo Underlying Financial Statements in preparing our report for inclusion in the Circular.

The preparation of the Famous Flamingo Underlying Financial Statements is the responsibility of the sole director of Famous Flamingo who approved their issue. The directors of the Company are responsible for the contents of the Circular in which this report is included. It is our responsibility to compile the Financial information of Famous Flamingo set out in this report from the Famous Flamingo Underlying Financial Statements, to form an independent opinion on the Financial information of Famous Flamingo and to report our opinion to you.

In our opinion, on the basis of presentation sets out in note 2 below, the Financial Information of Famous Flamingo gives, for the purpose of this report, a true and fair view of the financial position of Famous Flamingo as at 31 December 2015, and of the financial performance and cash flows of Famous Flamingo for the Relevant Period.

A. FINANCIAL INFORMATION

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period from 1 October 2015 (date of incorporation) to 31 December 2015

	<i>Notes</i>	<i>HK\$'000</i>
Revenue		–
Change in fair value of investment properties	9	4,437
Administrative expenses		(13)
Finance costs		<u>(686)</u>
Profit before tax		3,738
Income tax expense	6	<u>–</u>
Profit and total comprehensive income for the period	7	<u><u>3,738</u></u>

STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

	<i>Notes</i>	<i>HK\$'000</i>
Non-current asset		
Investments properties	9	<u>74,700</u>
Current asset		
Deposits paid		<u>42</u>
Current liability		
Advance from a shareholder	10	<u>71,004</u>
Net current liabilities		<u>(70,962)</u>
Net assets		<u><u>3,738</u></u>
Capital and		
Share capital	11	–
Retained profit		<u>3,738</u>
Total equity		<u><u>3,738</u></u>

STATEMENT OF CHANGES IN EQUITY*For the period from 1 October 2015 (date of incorporation) to 31 December 2015*

	Share capital	Retained profit	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At date of incorporation	–	–	–
Profit and total comprehensive income for the period	<u>–</u>	<u>3,738</u>	<u>3,738</u>
At 31 December 2015	<u>–</u>	<u>3,738</u>	<u>3,738</u>

STATEMENT OF CASH FLOWS*For the period from 1 October 2015 (date of incorporation) to 31 December 2015*

	<i>HK\$'000</i>
OPERATING ACTIVITIES	
Profit before tax	3,738
Adjustments for:	
Change in fair value of investment properties	(4,437)
Interest expenses	<u>686</u>
Operating cash flows before movement in working capital	(13)
Increase in deposits paid	<u>(42)</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>(55)</u>
CASH USED IN INVESTING ACTIVITY	
Purchase of investment properties	<u>(70,263)</u>
CASH FROM FINANCING ACTIVITY	
Advance from a shareholder	<u>70,318</u>
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER 2015	<u><u>–</u></u>

NOTES TO THE FINANCIAL INFORMATION**1. General**

Famous Flamingo was incorporated on 1 October 2015 with limited liability in the BVI. Its sole shareholder is Mr. Man Kong Yui (“Mr. Man”), who is also sole director of Famous Flamingo. The address of the registered office is P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, the BVI and the principal place of operation is Rooms 71-76, 7/F., New Henry House, 10 Ice House Street, Central, Hong Kong.

Famous Flamingo is principally engaged in property holding in Hong Kong.

The Financial Information of Famous Flamingo is presented in HK\$, which is also the functional currency of Famous Flamingo. The Financial Information of Famous Flamingo for the Relevant Period is prepared solely for the purpose of including the Financial Information of Famous Flamingo in the Circular.

2. Basis of Preparation of Financial Information of Famous Flamingo

In preparing the Financial Information of Famous Flamingo, the sole director of Famous Flamingo have given careful consideration to the future liquidity of Famous Flamingo, in view of the fact that Famous Flamingo’s current liabilities exceeded its current assets by HK\$70,962,000 as at 31 December 2015. The sole director of Famous Flamingo are satisfied that Famous Flamingo will have sufficient funds to meet in full its financial obligations as they fall due for the foreseeable future, after taking into consideration that Mr. Man has agreed to provide adequate funds to Famous Flamingo to meet in full its financial obligations up to the date of the completion the Famous Flamingo Acquisition. Moreover, upon completion of the Famous Flamingo Acquisition, the Company will provide financial support to Famous Flamingo to meet in full its financial obligations as they fall due in the foreseeable future. Accordingly, the Financial Information of Famous Flamingo has been prepared on a going concern basis.

3. Application of Hong Kong Financial Reporting Standards (“HKFRSs”)

For the purposes of preparing and presenting the Financial Information of Famous Flamingo for the Relevant Period, Famous Flamingo has adopted the HKFRSs issued by the HKICPA that are effective for Famous Flamingo’s accounting period beginning on 1 October 2015.

Famous Flamingo has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial instruments ¹
HKFRS 15	Revenue from contracts with customers ¹
Amendments to HKFRS 11	Accounting for acquisitions of interests in joint operations ²
Amendments to HKAS 1	Disclosure initiative ²
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation ²
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer plants ²
Amendments to HKAS 27	Equity method in separate financial statements ²
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture ³
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investments entities: Applying the consolidation exception ²
Amendments to HKFRSs	Annual improvements to HKFRSs 2012 – 2014 cycle ²

¹ Effective for annual periods beginning on or after 1 January 2018.

² Effective for annual periods beginning on or after 1 January 2016.

³ Effective for annual periods beginning on or after a date to be determined.

The sole director of Famous Flamingo does not anticipate that the application of the above new and amendments to HKFRSs will have a material impact on the Financial Information of Famous Flamingo.

4. Significant Accounting Policies

The Financial Information of Famous Flamingo has been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the Financial Information of Famous Flamingo includes applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and in compliance with the Hong Kong Companies Ordinance (Cap. 622).

The Financial Information of Famous Flamingo has been prepared on the historical cost basis, except for the investment properties which are measured at fair value at the end of the reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, Famous Flamingo takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the Financial Information of Famous Flamingo is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment property is initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment property is measured at its fair value. Gain or loss arising from change in the fair value of investment property is included in profit or loss for the period in which it arises.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property

(calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Famous Flamingo's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Information of Famous Flamingo and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which Famous Flamingo expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Financial instruments

Financial liabilities are recognised in the statement of financial position when Famous Flamingo becomes a party to the contractual provisions of the instrument.

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities are added to or deducted from the fair value of financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial liabilities and equity instruments

Debt and equity instruments issued by Famous Flamingo are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets after deducting all of its liabilities. Equity instruments issued by Famous Flamingo are recognised at the proceeds received, net of direct issue costs.

Financial liability

Financial liability represents advance from a shareholder is subsequently measured at amortised cost, using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Derecognition

Famous Flamingo derecognises financial liabilities when, and only when, Famous Flamingo's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Impairment losses on tangible assets

At the end of the reporting period, Famous Flamingo reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately in profit or loss.

5. Key Sources of Estimation Uncertainty and Critical Accounting Judgments

In the application of accounting policies, which are described in note 4, the sole director of Famous Flamingo is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The following is the critical judgment, apart from those involving estimations, that the sole director of Famous Flamingo have made in the process of applying Famous Flamingo's accounting policies and that have the most significant effect on the amounts recognised in the Financial Information of Famous Flamingo.

Deferred taxation on investment properties

For the purposes of measuring deferred tax liability or deferred tax asset arising from investment properties that are measured using the fair value model, the sole director of Famous Flamingo has reviewed Famous Flamingo's investment properties and concluded that Famous Flamingo's investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. Therefore, in measuring Famous Flamingo's deferred taxation on investment properties, the sole director of Famous Flamingo has determined that the presumption that the carrying amount of investment properties is recovered entirely through sale is not rebutted. As a result, Famous Flamingo has not recognised any deferred taxes on changes in fair value of investment properties as Famous Flamingo is not subject to any income taxes on the fair value changes of investment properties on disposal.

The following is the key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fair value of investment properties

Investment properties in the statement of financial position at 31 December 2015 is carried at its fair value of HK\$74,700,000. The fair value was based on valuation on the properties conducted by independent firms of professional valuers using property valuation techniques which involve certain assumptions of market conditions. Favourable or unfavourable changes to these assumptions would result in change in the fair value of the investment properties and corresponding adjustments to the amount of gain or loss reported in the statement of profit or loss and other comprehensive income.

6. Income Tax Expense

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit. No provisions for Hong Kong Profits Tax have been made in the Financial Information of Famous Flamingo as Famous Flamingo had no assessable profit for the period.

The income tax expense for the period can be reconciled to the profit before tax per the statement of profit or loss and other comprehensive income as follows:

	<i>HK\$'000</i>
Profit before tax	<u>3,738</u>
Tax at the applicable rate of 16.5%	617
Tax effect of income not taxable for tax purpose	(732)
Tax effect of expenses not deductible for tax purpose	<u>115</u>
Income tax expense	<u>–</u>

There was no significant unprovided deferred tax liabilities for the period or at the end of the reporting period.

7. Profit for the Period

	<i>HK\$'000</i>
Profit for the period has been arrived at after charging:	
Director's emoluments	–
Auditor's remuneration	<u>–</u>

8. Earnings per Share

Earnings per share information is not presented as its inclusion, for the purpose of this report, is not considered meaningful.

9. Investment Properties

	<i>HK\$'000</i>
At date of incorporation	–
Addition	70,263
Increase in fair value recognised in profit or loss (unrealised)	<u>4,437</u>
At 31 December 2015, at fair value	<u><u>74,700</u></u>

The fair value of investment properties at 31 December 2015 has been arrived at on the basis of a valuation carried out on that date by Grant Sherman Appraisal Limited (“Grant Sherman”), an independent qualified professional valuer not connected with Famous Flamingo. Grant Sherman is a member of the Hong Kong Institute of Surveyors, and has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation of investment properties at 31 December 2015 was arrived at using the comparison method based on market observable transactions of similar properties in other locations and adjusted to reflect the conditions and location of the subject properties.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The following table gives information about how the fair value of the investment properties is determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurement is categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurement is observable.

Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
Level 3	Comparison method The key input of comparison method is price per square foot	Market value per square foot, using market comparables and taking into account of location and other individual factors such as road frontage, size of properties, of HK\$33,500 per square foot.	A slight increase in the price will increase the fair value significantly

Fair value measurements and valuation processes

In estimating the fair value of Famous Flamingo's investment properties, Famous Flamingo uses market-observable data to the extent it is available. Where Level 1 inputs are not available, Famous Flamingo engages third party qualified valuers to perform the valuation of Famous Flamingo's investment properties. At the end of each reporting period, the management of Famous Flamingo works closely with the qualified external valuers to establish and determine the appropriate valuation techniques and inputs for Level 2 and Level 3 fair value measurements. Famous Flamingo will first consider and adopt Level 2 inputs where inputs can be derived from observable quoted prices in the active market. When Level 2 inputs are not available, Famous Flamingo will adopt valuation techniques that include Level 3 inputs. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the sole director of Famous Flamingo.

Information about the valuation techniques and inputs used in determining the fair value of the Famous Flamingo's investment properties is disclosed above.

10. Advance from a Shareholder

The amount is unsecured, interest-bearing at 8% per annum and repayable on demand.

11. Share Capital

On 1 October 2015, Famous Flamingo was incorporated in the BVI with limited liability with an authorised share capital of US\$50,000 divided into 50,000 shares of US\$1 each. On 28 October 2015, one subscriber share, was allotted and issued as fully paid share, to Mr. Man. After that, there was no change in the authorised share capital and the issued share capital.

12. Capital Risk Management

In addition to its share capital, Famous Flamingo also relies on its shareholder for funding its daily operations.

13. Financial Instruments**13a. Categories of financial instrument**

HK\$'000

Financial liability

Amortised cost

(71,004)**13b. Financial risk management objectives and policies**

The sole director of Famous Flamingo monitors and manages the financial risks relating to the operations of Famous Flamingo. These risks include market risk (including foreign currency risk and interest rate risk) and liquidity risk.

There has been no change to the types of Famous Flamingo's exposure in respect of financial instrument or the manner in which it manages and measures the risks.

*Market risk***(i) Foreign currency risk management**

Famous Flamingo operates in Hong Kong with most of the transactions denominated and settled in Hong Kong dollars.

Famous Flamingo's exposure to risk resulting from changes in foreign currency exchange rate is minimal, and no sensitivity analysis has been presented assuming that the reasonably possible changes in foreign exchange rate would have no impact on Famous Flamingo's other components of equity.

(ii) Interest rate risk management

Famous Flamingo currently does not have any interest rate hedging policy. Famous Flamingo monitors the interest rate risk exposure closely and may enter any hedging activities if the need arises.

Famous Flamingo is exposed to fair value interest rate risk in relation to fixed rate advance from a shareholder as set out in note 10.

Liquidity risk

In the management of the liquidity risk, Famous Flamingo monitors and maintains its financial position deemed adequate by the management to finance Famous Flamingo's operations and mitigate the effects of fluctuations in cash flows.

Famous Flamingo has net current liabilities of HK\$70,962,000 as at 31 December 2015. Famous Flamingo has sufficient funds to finance its current working capital requirement taking into account of the financial support from its shareholder and the Company.

At the end of reporting period, Famous Flamingo's remaining contractual maturity for its financial liability is based on agreed repayment terms. In the opinion of the directors, the difference between the carrying amount of the financial liability and the undiscounted cash flows based on the earliest date on which Famous Flamingo can be required to pay is insignificant and therefore, no further analysis is presented.

13c. Fair value measurements of financial instruments

The fair value of financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input.

The sole director of Famous Flamingo consider that the carrying amount of financial liability recorded at amortised cost in the Financial Information of Famous Flamingo approximate the fair value.

14. Related Party Disclosures**(a) Related party transaction**

During the period, Famous Flamingo had the following transaction with related party:

	<i>HK\$'000</i>
Interest expenses payable to a shareholder	<u>686</u>

(b) Related party balance

Details of the Company's outstanding balance with related company are set out in the statement of financial position and note 10.

(c) Compensation of key management personnel

No remuneration was paid or payable to the key management for the Relevant Period.

B. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the sole director of Famous Flamingo in respect of any period subsequent to 31 December 2015.

Yours faithfully,

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

**A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED
GROUP****Basis of preparation of the unaudited pro forma consolidated statement of assets and
liabilities of the Enlarged Group**

Capitalised terms used herein shall have the same meanings as those defined in this Circular, unless the context requires otherwise.

The accompanying unaudited pro forma consolidated statement of assets and liabilities of the Enlarged Group (the “Unaudited Pro Forma Financial Information”) has been prepared by the Directors of the Company in accordance with Paragraph 7.31 of the GEM Listing Rules to illustrate the effects of the Hope Master Acquisition and Famous Flamingo Acquisition, assuming the transactions had been completed as at 31 December 2015, might have affected the financial position of the Group.

The Unaudited Pro Forma Financial Information is prepared based on the consolidated statement of financial position of the Group as at 31 December 2015 as extracted from the latest published annual report of the Group for the year ended 31 December 2015, the audited statement of financial position of Hope Master as at 31 December 2015, and the audited statement of financial position of Famous Flamingo as at 31 December 2015, as extracted from the accountants’ reports as set out in Appendix II and III, respectively, to this Circular after making certain pro forma adjustments resulting from the Hope Master Acquisition and Famous Flamingo Acquisition.

The Unaudited Pro Forma Financial Information is prepared based on a number of assumptions, estimates, uncertainties and currently available information, and is provided for illustrative purposes only. Accordingly, as a result of the nature of the Unaudited Pro Forma Financial Information, it may not give a true picture of the actual financial position of the Group that would have been attained had the Hope Master Acquisition and Famous Flamingo Acquisition actually occurred on 31 December 2015. Furthermore, the Unaudited Pro Forma Financial Information does not purport to predict the Group’s future financial position.

The Unaudited Pro Forma Financial Information should be read in conjunction with the financial information of the Group as set out in Appendix I of this Circular, the financial information of Hope Master and financial information of Famous Flamingo as set out in Appendix II and III, respectively, of this Circular and other financial information included elsewhere in this Circular.

Unaudited Pro Forma Consolidated Statement of Assets and Liabilities of the Enlarged Group

	Pro forma adjustments						The Enlarged Group as at 31 December 2015 HK\$'000
	The Group as at 31 December 2015 HK\$'000 Note 1	Hope Master as at 31 December 2015 HK\$'000 Note 2	Famous Flamingo as at 31 December 2015 HK\$'000 Note 3	HK\$'000 Note 4	HK\$'000 Note 5	HK\$'000 Note 6	
Non-current assets							
Property, plant and equipment	3,181	-	-	63,333	70,962	1,000	138,476
Investment properties	-	67,300	74,700	(67,300)	(74,700)	-	-
Available-for-sale investments	46,800	-	-	-	-	-	46,800
Goodwill	-	-	-	-	-	-	-
Intangible assets	48,166	-	-	-	-	-	48,166
Interest in a joint venture	15,553	-	-	-	-	-	15,553
	<u>113,700</u>	<u>67,300</u>	<u>74,700</u>	<u>(3,967)</u>	<u>(3,738)</u>	<u>1,000</u>	<u>248,995</u>
Current assets							
Trade and other receivables	164,205	38	42	-	-	-	164,285
Financial assets at fair value through profit or loss	27,078	-	-	-	-	-	27,078
Pledged bank deposits	20,162	-	-	-	-	-	20,162
Bank balances and cash	112,724	-	-	(63,371)	(71,004)	(1,000)	(22,651)
	<u>324,169</u>	<u>38</u>	<u>42</u>	<u>(63,371)</u>	<u>(71,004)</u>	<u>(1,000)</u>	<u>188,906</u>
Current liabilities							
Trade and other payables	52,735	-	-	-	-	-	52,735
Tax payable	474	-	-	-	-	-	474
Advance from a shareholder	-	63,339	71,004	(63,339)	(71,004)	-	-
Bank borrowings	19,046	-	-	-	-	-	19,046
	<u>72,255</u>	<u>63,339</u>	<u>71,004</u>	<u>(63,339)</u>	<u>(71,004)</u>	<u>-</u>	<u>72,255</u>
Net current assets (liabilities)	<u>251,914</u>	<u>(63,301)</u>	<u>(70,962)</u>	<u>(32)</u>	<u>-</u>	<u>(1,000)</u>	<u>116,619</u>
Total assets less current liabilities	<u>365,614</u>	<u>3,999</u>	<u>3,738</u>	<u>(3,999)</u>	<u>(3,738)</u>	<u>-</u>	<u>365,614</u>
Non-current liabilities							
Deferred tax liabilities	8,183	-	-	-	-	-	8,183
Net assets (liabilities)	<u>357,431</u>	<u>3,999</u>	<u>3,738</u>	<u>(3,999)</u>	<u>(3,738)</u>	<u>-</u>	<u>357,431</u>

Notes:

1. The amounts are extracted from the latest published consolidated financial statements of the Group for the year ended 31 December 2015.
2. The adjustment represents the inclusion of the assets and liabilities of Hope Master as at 31 December 2015 as extracted from the accountants' report on financial information of Hope Master for the period ended 31 December 2015 as set out in Appendix II to this Circular.
3. The adjustment represents the inclusion of the assets and liabilities of Famous Flamingo as at 31 December 2015 as extracted from the accountants' report on financial information of Famous Flamingo for the period ended 31 December 2015 as set out in Appendix III to this Circular.
4. Pursuant to the Hope Master Acquisition Agreement, the cash consideration for Hope Master Acquisition is determined taking consideration of the following:
 - (a) the assignment of the amount of the Hope Master Sale Loan of approximately HK\$63,371,000 which is fixed and based on the amount of the Hope Master Sale Loan as at 29 February 2016; and
 - (b) the Hope Master Sale Share shall be the sum of HK\$7.80 which is equal to the amount of the issued share capital of Hope Master.

In the opinion of the Directors, the property to be acquired will be owner occupied for office use. Therefore, the adjustments also represent the purchase of property, plant and equipment based on consideration payable by the Company with respect to the Hope Master Acquisition.

Under Hong Kong Financial Reporting Standards ("HKFRSs"), the Hope Master Acquisition was accounted for as an acquisition of assets and liabilities as Hope Master proposed to be acquired by the Company does not constitute a business. Assuming that the Hope Master Acquisition had taken place on 31 December 2015, the fair value of the transaction consideration is allocated as follows:

	<i>HK\$'000</i>
Cash consideration for Hope Master Acquisition	63,371
Less: Net assets being acquired	(3,999)
Assignment of Hope Master Sale Loan	<u>(63,339)</u>
Allocation to property acquired	(3,967)
Fair value of property acquired	<u>67,300</u>
Deemed cost of the property, plant and equipment	<u><u>63,333</u></u>

The actual purchase cost allocation of net assets to be acquired is subject to change and will be determined as of the date of Completion and may differ materially from the amount disclosed above in the pro forma financial information. As the acquisition is assumed to have been taken place on 31 December 2015, there was no depreciation charge for the year ended 31 December 2015.

In addition, pursuant to the Hope Master Acquisition Agreement, the completion of the Hope Master Acquisition is inter-conditional with the Famous Flamingo Acquisition, and therefore it is assumed the conditions precedent to the completion of both Hope Master Acquisition and Famous Flamingo Acquisition are all satisfied, and both the transactions are completed simultaneously.

5. Pursuant to the Famous Flamingo Acquisition Agreement, the cash consideration for Famous Flamingo Acquisition shall not exceed HK\$73,600,000 and is determined taking into account the following:
- (a) the assignment of the amount of the Famous Flamingo Sale Loan as at the date of Completion; and
 - (b) the Famous Flamingo Sale Share shall be the sum of HK\$7.80 which is equal to the amount of the issued share capital of Famous Flamingo.

For the purposes of the preparation of the pro forma financial information of the Enlarged Group, the pro forma consideration of the Famous Flamingo Acquisition is assumed to be approximately HK\$71,004,000, which is based on (a) the amount of the Famous Flamingo Sale Loan of HK\$71,004,000 as at 31 December 2015; and (b) the Famous Flamingo Sale Share of HK\$7.80 as at 31 December 2015, as if the acquisition had taken place on 31 December 2015. It is assumed that the pro forma cash consideration of HK\$71,004,000 will be paid by the Group's bank balances and cash for the Famous Flamingo Acquisition.

In the opinion of the Directors, the properties to be acquired will be owner occupied for office use. Therefore, the adjustments also represent the purchase of property, plant and equipment based on consideration payable by the Company with respect to the Famous Flamingo Acquisition.

Under HKFRSs, the Famous Flamingo Acquisition was accounted for as an acquisition of assets and liabilities as Famous Flamingo proposed to be acquired by the Company does not constitute a business. Assuming that the Famous Flamingo Acquisition had taken place on 31 December 2015, the fair value of the transaction consideration is allocated as follows:

	<i>HK\$'000</i>
Pro forma cash consideration for Famous Flamingo Acquisition	71,004
Less: Net assets being acquired	(3,738)
Assignment of Famous Flamingo Sale Loan	(71,004)
Allocation to property acquired	(3,738)
Fair value of property acquired	74,700
Deemed cost of the property, plant and equipment	70,962

The actual cash consideration payable by the Group and the actual purchase cost allocation of net assets to be acquired is subject to change and will be determined as of the date of Completion and may differ materially from the amount disclosed above in the pro forma financial information.

In addition, pursuant to the Famous Flamingo Acquisition Agreement, the completion of the Famous Flamingo Acquisition is inter-conditional with the Hope Master Acquisition, and therefore it is assumed the conditions precedent to the completion of both Famous Flamingo Acquisition and Hope Master Acquisition are all satisfied, and both the transactions are completed simultaneously.

6. The adjustment represents estimated acquisition-related costs of approximately HK\$1,000,000 directly in relation to the Hope Master Acquisition and Famous Flamingo Acquisition which would be capitalised as part of the cost of property, plant and equipment of the Enlarged Group in accordance with HKAS 16 “Property, Plant and Equipment”, as if the Hope Master Acquisition and Famous Flamingo Acquisition had taken place on 31 December 2015.
7. No adjustments have been made to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2015.

**B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION****To the Directors of Global Mastermind Holdings Limited**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Global Mastermind Holdings Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) by the directors of the Company (the “Directors”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of assets and liabilities of the Group as at 31 December 2015 and related notes as set out on pages IV-2 to IV-5 of the circular issued by the Company dated 24 May 2016 (the “Circular”). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described on page IV-1 of the Circular.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impacts of the proposed acquisition of the entire equity interest of Hope Master Investments Limited (“Hope Master”) and the amount owing by Hope Master to Mr. Tse Joseph (“Hope Master Acquisition”), and the proposed acquisition of the entire equity interest of Famous Flamingo Limited (“Famous Flamingo”) and the amount owing by Famous Flamingo to Mr. Man Kong Yui (“Famous Flamingo Acquisition”) on the Group’s financial position at 31 December 2015 as if both the Hope Master Acquisition and Famous Flamingo Acquisition had taken place at 31 December 2015. As part of this process, information about the Group’s financial position has been extracted by the Directors from the Group’s consolidated financial statements for the year ended 31 December 2015, on which an auditor’s report has been published.

Directors’ Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Rules”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“AG 7”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the “Code of Ethics for Professional Accountants” issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control 1 “Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements” issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants’ Responsibilities

Our responsibility is to express an opinion, as required by paragraph 7.31(7) of the GEM Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the unaudited pro forma financial information in accordance with paragraph 7.31 of the GEM Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 December 2015 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 7.31(1) of the GEM Rules.

The following is the text of letter, summary of valuation and valuation certificates prepared for the purpose of incorporation in this circular, received from Grant Sherman Appraisal Limited, an independent property valuer, in connection with their valuation as at 29 February 2016 of the property interest to be held by the Group in the Hong Kong Special Administrative Region of the People's Republic of China.



GRANT SHERMAN

Unit 1005, 10/F., AXA Centre,
151 Gloucester Road,
Wanchai,
Hong Kong

24 May 2016

The Directors
Global Mastermind Holdings Limited
Unit 1611, 16/F,
Shun Tak Centre, West Tower,
168-200 Connaught Road Central,
Hong Kong

Dear Sirs,

RE: Unit No. 3107, Room 3108, Room 3109 on 31/F of West Tower, Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong (the "Properties")

In accordance with your instructions for us to value the property interest to be held by Global Mastermind Holdings Limited (the "Company") and its subsidiaries (together referred to as the "Group") in the Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong"), we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of such property interests as at the 29 February 2016 ("date of valuation") for inclusion in the circular issued by the Company.

Our valuation is our opinion of the market value of the property interests where we would define market value as intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

Market Value is understood as the value of a property estimated without regard to costs of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes.

In valuing the property interest, we have valued the Properties by comparison approach assuming sale in their existing state by making reference to comparable sales evidences as available in the relevant market. We have further adjusted the market value subject to the differences of location, building age, floor level, orientation, view, building quality and market condition between the Property and the comparable sales evidences. The market condition is with reference to the price indexes announced by Rating and Valuation Department, no further assumptions were made on market condition.

Our valuation has been made on the assumption that the owner sells the property interests on the open market in its existing state without the benefit of a deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement which would serve to increase the values of the property interests. In addition, no forced sale situation in any manner is assumed in our valuation.

No allowance has been made in our valuation for any charge, mortgage or amount owing on the Properties nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the Properties are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

In valuing the property interests, we have assumed that the owner has free and uninterrupted rights to use the Properties for the whole of the unexpired term as granted and are entitled to transfer the Properties with the residual term without payment of any further premium to the government authorities or any third parties.

We have assumed that all consents, approvals and licenses from relevant government authorities for the Properties have been granted without any onerous conditions or undue time delay which might affect their values. It is assumed that all applicable zoning and use regulations and restrictions have been complied with unless nonconformity has been stated, defined, and considered in the valuation certificates. Moreover, we have assumed that the utilization of the Properties and improvements are within the boundaries of the Properties described and that no encroachment or trespass exists, unless noted in the valuation certificates.

We have been provided with copies of extracts of title documents relating to the Properties. However, we have not caused title searches to be made for the Properties at the relevant government bureaus in Hong Kong and we have not inspected the original documents to verify the ownership, encumbrances or the existence of any subsequent amendments which may not appear on the copies handed to us. All documents have been used for reference only. All dimensions, measurements and areas are approximations.

We have relied to a considerable extent on information provided by the Group and have accepted advice given to us by the Group on such matters as planning approvals or statutory notices, easements, tenure, occupancy, lettings, site and floor areas and in the identification of the Properties and other relevant matter. We have no reason to doubt the truth and accuracy of the information provided to us by the Company which is material to the valuation. We have also been advised by the Group that no material facts had been concealed or omitted in the information provided to us and have no reason to suspect that any material information has been withheld. All documents have been used for reference only. We consider that we have been provided with sufficient information to reach an informed view.

In valuing the property interests which are situated in Hong Kong and held under the government leases which will be expired before 30th June 2047, we have taken into account of the statement contained in the Annex III of the Joint Declaration of the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China on the question of Hong Kong and the New Territories Leases (Extension) Ordinance 1988 that such leases would have been extended without payment of premium until 30th June 2047 and that an annual rent of three percent of the rateable value of the Properties would be charged from the date of extension.

We have inspected the exteriors and interiors of the Properties. However, no structural survey has been made and we are therefore unable to report as to whether the Properties are or not free of rot, infestation or any other structural defects. No tests have been carried out on any of the services. Neither have we carried out site investigation to determine the suitability of the ground conditions or the services for any property development thereon. Our valuations are on the basis that these aspects are satisfactory and that no extraordinary expense or delay will be incurred during the construction period. No structural survey has been carried out and it was not possible to inspect the wood work and other parts of the structures which were covered, unexposed or inaccessible. We are therefore, unable to report that the Properties are free of rot, infestation or any structural defects. No tests have been carried out on any of the building services.

All dimensions, measurements and areas included in the valuation certificates are based on information contained in the documents provided to us by the Group and are approximations only. No on-site measurement has been taken.

In valuing the property interests, we have fully complied with the HKIS Valuation Standards (2012 Edition) published by The Hong Kong Institute of Surveyors (HKIS) and the requirements set out in Chapter 8 to the Rule Governing the Listing of Securities (Growth Enterprise Market) issued by The Stock Exchange of Hong Kong Limited and the Code on Takeovers and Mergers.

Unless otherwise stated, all monetary amounts stated are in Hong Kong Dollars (HK\$).

We enclose herewith the summary of valuation together with the valuation certificates.

Respectfully submitted,
For and on behalf of
GRANT SHERMAN APPRAISAL LIMITED
Lawrence Chan Ka Wah
MRICS MHKIS RPS(GP)MHIREA
Director
Real Estate Group

Note:

Mr. Lawrence Chan Ka Wah is a member of the Royal Institution of Chartered Surveyors, a member of the Hong Kong Institute of Surveyors and Registered Professional Surveyors in the General Practice Section, who has over 12 years' experience in the valuation of properties in Hong Kong, Macau, the PRC and the Asian Rim.

SUMMARY OF VALUATIONS

Property	Market Value in existing state as at 29 February 2016	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 29 February 2016
Group I – Property interests to be held by the Group for self occupation purpose in Hong Kong			
1. Unit No. 3107 on 31/F of West Tower, Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong	HK\$67,300,000	100%	HK\$67,300,000
2. Room 3108 and Room 3109 on 31/F of West Tower, Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong	HK\$74,700,000	100%	HK\$74,700,000
Total	<u>HK\$142,000,000</u>		<u>HK\$142,000,000</u>

VALUATION CERTIFICATE

Property interests to be held by the Group for self occupation purpose in Hong Kong

Property	Description and Tenure	Particulars of Occupancy	Market value in existing state as at 29 February 2016 HK\$
1. Unit No. 3107 on 31/F of West Tower, Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong	The Property comprises 1 office unit on the 31/F of a 42-storey office/commercial building (including 3-storey basement) completed in about 1986.	The Property was owner occupied for office use as at the date of valuation	67,300,000
44/33,888th equal and undivided shares of and in the Inland Lot no. 8517.	The Property has a total gross floor area and total saleable area of approximately 2,481 sq.ft. and 2,010 sq.ft. respectively.	The Property is held for a term of 75 years and renewable for further 75 years commencing from 31 December 1980. The annual government rent of the lot is HK\$1,000.	

Notes:

- Pursuant to Land Registers, the registered owner of Unit 3107 is Hope Master Investments Limited, registered vide Memorial No. 15120800840047 dated 30 November 2015.
- The Property was inspected by our Mr. Jimmy Lee (M.Sc. (Real Estate) from University of Aberdeen) on 15 January 2016, the external and internal conditions of the Property were reasonable.
- According to the information provide, Hope Master Investments Limited is a company incorporated in the British Virgin Islands with limited liability to be acquired by the Group.
- Pursuant to the Approved Central District Outline Zoning Plan (S/H4/15), the land parcel of the Property situated is zoned for "Commercial" use.
- The Property is situated in Sheung Wan District, buildings in the locality are high-rise commercial/office buildings. MTR Sheung Wan Station is connected to the Property. Taxis, buses, MTR, mini-buses and trams are accessible to the Property.
- According to the Rating & Valuation Department, the market yield of Grade A Office in February 2016 is 2.9%.

VALUATION CERTIFICATE

Property	Description and Tenure	Particulars of Occupancy	Market value in existing state as at 29 February 2016 HK\$
2. Room 3108 and Room 3109 on 31/F of West Tower, Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong	The Property comprises 2 office units on the 31/F of a 42-storey office/ commercial building (including 3-storey basement) completed in about 1986.	The Property was owner occupied for office use as at the date of valuation	74,700,000
49/33,888th equal and undivided shares of and in the Inland Lot no. 8517.	The Property has a total gross floor area and total saleable area of approximately 2,754 sq.ft. and 2,229 sq.ft. respectively. The Property is held for a term of 75 years and renewable for further 75 years commencing from 31 December 1980. The annual government rent of the lot is HK\$1,000.		

Notes:

- Pursuant to Land Registers, the registered owner of Room 3108 and Room 3109 is Famous Flamingo Limited, registered vide Memorial No. 15120800840056 dated 30 November 2015.
- The Property was inspected by our Mr. Jimmy Lee (M.Sc. (Real Estate) from University of Aberdeen) on 15 January 2016, the external and internal conditions of the Property were reasonable.
- According to the information provide, Famous Flamingo Limited is a company incorporated in the British Virgin Islands with limited liability to be acquired by the Group.
- Pursuant to the Approved Central District Outline Zoning Plan (S/H4/15), the land parcel of the Property situated is zoned for "Commercial" use.
- The Property is situated in Sheung Wan District, buildings in the locality are high-rise commercial/office buildings. MTR Sheung Wan Station is connected to the Property. Taxis, buses, MTR, mini-buses and trams are accessible to the Property.
- According to the Rating & Valuation Department, the market yield of Grade A Office in February 2016 is 2.9%.

RECONCILIATION STATEMENT

Property A held by Hope Master and Property B held by Famous Flamingo have been valued by Grant Sherman Appraisal Limited, an independent professional valuer. The text of the letter in relation to the valuation report, summary of valuation and valuation certificates in connection with the valuation of Property A and Property B as at 29 February 2016 are set out in Appendix V to this circular.

The statement below shows the reconciliation of Property A and Property B from 31 December 2015, being the date to which the latest published audited financial statements of Hope Master and Famous Flamingo were made up, to 29 February 2016.

	Property A	Property B
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net book value as at 31 December 2015	67,300	74,700
Movement from 31 December 2015 to 29 February 2016	<u>—</u>	<u>—</u>
Net book value as at 29 February 2016	<u>67,300</u>	<u>74,700</u>
Valuation as at 29 February 2016 as per Appendix V	<u><u>67,300</u></u>	<u><u>74,700</u></u>

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, include 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 enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular 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 in this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Director's and chief executive's interests in the Company

As at the Latest Practicable Date, the interests and short positions of the Directors or chief executives and their associates in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which would have to be notified to the Company or any of its associated corporations and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or that was required to be recorded pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Name of Directors	Capacity	Approximate	
		Number of Shares or underlying Shares held	% of the Company's issued share capital
Mr. Mung Kin Keung (Note 1)	Interest in controlled corporation	532,000,000	23.19
Mr. Mung Bun Man, Alan (Note 1)	Interest in controlled corporation	532,000,000	23.19
Mr. Tse Ke Li	Beneficial owner	1,150,000	0.05

All interests stated above represent long positions.

Note 1: The 532,000,000 Shares are held by Excellent Mind Investments Limited ("Excellent Mind"), which is beneficially owned as to 60% by Mr. Mung Kin Keung and 40% by Mr. Mung Bun Man, Alan, both of them are executive Director. Accordingly, both Mr. Mung Kin Keung and Mr. Mung Bun Man, Alan, are deemed to be interested in the Shares owned by Excellent Mind under SFO.

Save as disclosed in the preceding paragraph, as at the Latest Practicable Date, none of the Directors nor the chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the GEM Listing Rules.

(b) Substantial Shareholders and other persons' interests in Shares and underlying Shares

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of SFO, and so far as is known to the Directors or chief executive of the Company, the following persons (other than a Director or a chief executive of the Company) had, or was deemed or taken to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 5% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying voting rights to vote in all circumstances at general meeting of any member of the Group:

Name	Capacity	Number of Shares or underlying Shares held	Approximate % of the Company's issued share capital
Excellent Mind Investments Limited (Note 1)	Beneficial owner	532,000,000	23.19
Charm City Developments Limited (Note 2)	Beneficial owner	153,936,000	6.71
Ms. Wang Chao Julia (Note 2)	Interest of controlled corporation	153,936,000	6.71

Note 1: Excellent Mind Investments Limited is owned as to 60.00% by Mr. Mung Kin Keung and 40.00% by Mr. Mung Bun Man, Alan, both of them are executive Directors.

Note 2: Charm City Developments Limited ("Charm City") is wholly-owned by Ms. Wang Chao Julia, who is deemed to be interested in all the shares in which Charm City is interested by virtue of the SFO.

Save as disclosed in the preceding paragraph and so far as is known to the Directors or chief executive of the Company, there is no person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying rights to vote in all circumstances at general meeting of any other member of the Group.

3. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors nor their respective associates was considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group, other than those businesses to which the Directors and their respective associates were appointed to represent the interests of the Company and/or the Group.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has entered into any service agreement with any member of the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

5. INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 31 December 2015, being the date to which the latest published audited accounts of the Group were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting at the date of this circular which is significant in relation to the business of the Group.

6. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

7. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by the Company or any members of the Group within the two years immediately preceding the date of this circular and are or may be material:

- (i) the placing agreement dated 8 July 2014 as supplemented by the supplemental letter dated 15 July 2014 entered into between the Company and Kingston Securities Limited (“**Kingston**”) as placing agent in relation to the placing of 29,980,000 new Shares (the “**Placing Shares**”) on best effort basis to places at the placing price of HK\$0.65 per Placing Share;
- (ii) the subscription agreement dated 8 July 2014 entered into between Long Joy Investments Limited, a wholly-owned subsidiary of the Company (“**Subscriber**”) and China Star Entertainment Limited (“**China Star**”), pursuant to which the Subscriber has conditionally agreed to subscribe and China Star has conditionally agreed to issue the 1,500,000,000 shares issued by China Star (“**China Star Share(s)**”) at the subscription price of HK\$0.09 per China Star Share, further details of which are set out in the circular of the Company dated 12 September 2014;
- (iii) the underwriting agreement dated 8 July 2014 entered into between the Company, Kingston and Mr. Mung Kin Keung in relation to the issue of 509,714,900 new Shares (the “**Offer Shares**”) by way of open offer on the basis of two Offer Shares for every one existing Share at the subscription price of HK\$0.30 per Offer Share, further details of which are set out in the circular of the Company dated 12 September 2014;
- (iv) the sale and purchase agreement dated 19 November 2014 entered into between the Company as purchaser and Pang Nga Lai as vendor (“**Vendor**”) in relation to the acquisition of 500,000 shares in the share capital of Perfect Well Tours Limited (the “**Target Company**”), representing entire issue share capital of Target Company, and the aggregate principal amount of the interest-free loans owing by the Target Company to the Vendor on completion at a cash consideration of HK\$100,000;

- (v) the loan agreement dated 11 September 2015 entered into between the Company as lender and a company incorporated in Hong Kong with limited liability and to the best of the knowledge, information and belief of the Directors having made all reasonable enquires, who is a third party independent of the Company and its connected persons (as defined under the GEM Listing Rules) as borrower (the “**Borrower**”), pursuant to which, the Company has conditionally agreed to grant the Borrower the revolving loan facilities of up to a principal amount of HK\$20.00 million, of which any amount prepaid shall be available for re-borrowing and drawing provided that the aggregate outstanding principal amount of the loan shall not exceed HK\$20.00 million;
- (vi) the underwriting agreement (the “**Underwriting Agreement**”) dated 8 October 2015 entered into between the Company, Kingston and Excellent Mind Investments Limited (“**Excellent Mind**”, together with Kingston, the “**Underwriters**”) in relation to the underwriting arrangement in respect of the allotment and issue of 1,529,144,700 new Shares by way of rights issue (the “**Rights Issue**”) to the qualifying shareholders on the basis of two (2) rights shares for every one (1) existing Share held on the record date, further details of which are set out in the circular of the Company dated 24 December 2015;
- (vii) the supplemental underwriting agreement dated 13 November 2015 and entered into among the Company and the Underwriters to amend certain terms of the Underwriting Agreement;
- (viii) the extension letter dated 21 December 2015 and entered into among the Company and the Underwriters to revise certain dates in connection with the Rights Issue;
- (ix) the Hope Master Acquisition Agreement; and
- (x) the Famous Flamingo Acquisition Agreement.

8. EXPERTS AND CONSENT

The following is the qualification of the expert who has given an opinion or advice contained in this circular:

Name	Qualification
Deloitte Touche Tohmatsu (“ Deloitte ”)	Certified Public Accountants
Grant Sherman Appraisal Limited (“ Grand Sherman ”)	Property Valuer

Each of Deloitte and Grand Sherman has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its reports and/or reference to its names (as the case may be) in the form and context in which they respectively appear.

As at the Latest Practicable Date, each of Deloitte and Grand Sherman did not have any interests, either direct or indirect, in any assets which have been acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2015, the date to which the latest published audited consolidated financial statements of the Group were made up.

As at the Latest Practicable Date, each of Deloitte and Grand Sherman was not interested beneficially or non-beneficially in any Shares in the Company or any of its subsidiaries or any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

9. MISCELLANEOUS

- (i) The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
- (ii) The head office and principal place of business of the Company in Hong Kong is Unit 1611, 16/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong.
- (iii) The secretary of the Company is Mr. Lee Chan Wah, who is a member of Hong Kong Institute of Certified Public Accountants and a member of the Association of Chartered Certified Accountants.
- (iv) The compliance officer of the Company is Mr. Mung Bun Man, Alan.
- (v) The branch share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (vi) As at the Latest Practicable Date, the audit committee of the Company comprised of three independent non-executive Directors, namely, Mr. Law Kwok Ho, Kenward (chairman of the audit committee), Mr. Tsai Yung Chieh, David, and Mr. Fung Wai Ching. Brief biographies of the independent non-executive Directors are set out below:

Mr. Law Kwok Ho, Kenward (“**Mr. Law**”), aged 43, has been appointed as an independent non-executive Director and the chairman of the audit committee of the Company and a member of the remuneration committee of the Company since 11 December 2015. Mr. Law graduated from University of New South Wales, Australia with a Bachelor of Commerce in Accountancy. He is a member of the Hong Kong Institute of Certified Public Accountants and a Certified Practising Accountant of CPA Australia. Mr. Law has experiences in auditing, taxation and finance for over 16 years. Mr. Law is presently the general manager of a consultancy company in Hong Kong. Mr. Law did not hold any directorships in any other listed public companies during the three years immediately preceding the Latest Practicable Date and does not hold any other position with the Company or other members of the Group.

Mr. Tsai Yung Chieh, David (“**Mr. Tsai**”), aged 48, has been appointed as an independent non-executive Director and the chairman of the remuneration committee of the Company and a member of each of the audit committee and the nomination committee of the Company since 11 December 2015. He graduated from University of Hong Kong with a LLB Degree. He is a practicing solicitor in Hong Kong since 2001 and is presently a partner of a firm of solicitors in Hong Kong. Mr. Tsai did not hold any directorships in any other listed public companies during the three years immediately preceding the Latest Practicable Date and does not hold any other position with the Company or other members of the Group.

Mr. Fung Wai Ching (“**Mr. Fung**”), aged 46, has been appointed as an independent non-executive Director since 23 June 2014. He is also the chairman of nomination committee of the Company and a member of each of the audit committee and remuneration committee of the Company. Mr. Fung is presently an owner of a printing company in Hong Kong. He has over 17 years’ experience in managing paper, packaging and printing industries in both China and Hong Kong markets. Mr. Fung is now an independent non-executive director of Global Mastermind Capital Limited (Stock Code: 905), a company whose shares are listed on the Main Board of the Stock Exchange. He was also an independent non-executive director of Lajin Entertainment Network Group Limited (Stock Code: 8172), a company whose shares are listed on the GEM for the period from 25 May 2012 to 30 June 2015. Save as aforesaid, Mr. Fung did not hold any directorship in other listed public companies during the three years immediately preceding the Latest Practicable Date and does not hold any other position with the Company or other members of the Group.

The audit committee of the Company is mainly responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of such auditor;

reviewing the quarterly, interim and annual reports and financial statements of the Group; and overseeing the Company's financial reporting system and internal control procedures.

- (vii) This circular has been prepared in both English and Chinese. In the case of any discrepancy, the English text shall prevail.

10. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the head office and principal place of business of the Company in Hong Kong at Unit 1611, 16/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong, during normal business hours on any weekday other than public holidays from the date of this circular, up to and including the date of the EGM:

- (i) the memorandum and articles of association of the Company;
- (ii) the material contracts referred to in the paragraph headed "Material Contracts" in this appendix;
- (iii) the written consent from the experts referred to under the paragraph headed "Experts and consent" in this appendix;
- (iv) the accountants' report prepared by Deloitte on Hope Master, the text of which is set out in Appendix II to this circular;
- (v) the accountants' report prepared by Deloitte on Famous Flamingo, the text of which is set out in Appendix III to this circular;
- (vi) the letter from Deloitte in respect of the unaudited pro forma financial information of the Enlarged Group, the text of which is set out in Appendix IV to this circular;
- (vii) the valuation report on the Properties prepared by Grand Sherman, the text of which is set out in Appendix V to this circular;
- (viii) the annual reports of the Company for the two financial years ended 31 December 2014 and 2015;
- (ix) the first quarterly report of the Company for the three months ended 31 March 2016; and
- (x) this circular.

NOTICE OF EGM



GLOBAL MASTERMIND
環球大通

Global Mastermind Holdings Limited **環球大通集團有限公司***

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8063)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the “**EGM**”) of Global Mastermind Holdings Limited (the “**Company**”) will be held at Meeting Room (SOHO 2), 6/F., ibis Hong Kong Central & Sheung Wan Hotel, No. 28 Des Voeux Road West, Sheung Wan, Hong Kong on Monday, 13 June 2016 at 10:30 a.m. for the following purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “THAT:

- (a) the sale and purchase agreement dated 4 March 2016 (the “**Hope Master Acquisition Agreement**”) and entered into between Giant Code Limited as purchaser (the “**Purchaser**”) and Mr. Tse Joseph as vendor (“**Vendor A**”), in relation to the acquisition of the (i) entire issued share capital of Hope Master Limited (“**Hope Master**”); and (ii) the amount owing by Hope Master to Vendor A in respect of the interest-free loan repayable on demand by Vendor A to Hope Master and all obligations, liabilities and debts owing by Hope Master to Vendor A at the completion (the “**Hope Master Completion**”) of the Hope Master Acquisition Agreement whether actual, contingent or deferred and irrespective of whether or not the same is due and payable on Hope Master Completion at the aggregate consideration of HK\$63,370,687.10, (a copy of the Hope Master Acquisition Agreement has been produced to this meeting marked “**A**” and signed by the chairman of the meeting for the purpose of identification), and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;
- (b) any one director of the Company be and is hereby authorised to do such acts and/or execute all such documents incidental to, ancillary to or in connection with matters contemplated in or relating to the Hope Master Acquisition Agreement as they may in their absolute discretion consider necessary, desirable or expedient to give effect to the Hope Master Acquisition Agreement and the implementation of all transactions contemplated thereunder.”

* for identification purposes only

NOTICE OF EGM

2. “**THAT:**

- (a) the sale and purchase agreement dated 4 March 2016 (the “**Famous Flamingo Acquisition Agreement**”) and entered into between Giant Code Limited as purchaser (the “**Purchaser**”) and Mr. Man Kong Yui as vendor (“**Vendor B**”), in relation to the acquisition of the (i) entire issued share capital of Famous Flamingo Limited (“**Famous Flamingo**”); and (ii) the amount owing by Famous Flamingo to Vendor B in respect of loan repayable on demand with interest rate of 8% per annum on certain portion of the loan made by Vendor B to Famous Flamingo and the accrued interest thereon and all obligations, liabilities and debts owing by Famous Flamingo to Vendor B at the completion (the “**Famous Flamingo Completion**”) of the Famous Flamingo Acquisition Agreement whether actual, contingent or deferred and irrespective of whether or not the same is due and payable on Famous Flamingo Completion at the aggregate consideration of not exceeding HK\$73,600,000, (a copy of the Famous Flamingo Acquisition Agreement has been produced to this meeting marked “**B**” and signed by the chairman of the meeting for the purpose of identification), and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;
- (b) any one director of the Company be and is hereby authorised to do such acts and/or execute all such documents incidental to, ancillary to or in connection with matters contemplated in or relating to the Famous Flamingo Acquisition Agreement as they may in their absolute discretion consider necessary, desirable or expedient to give effect to the Famous Flamingo Acquisition Agreement and the implementation of all transactions contemplated thereunder.”

By Order of the Board
Global Mastermind Holdings Limited
Mung Bun Man, Alan
Executive Director

Hong Kong, 24 May 2016

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

*Head office and principal place of
business in Hong Kong:*
Unit 1611,
16/F., West Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

NOTICE OF EGM

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or more than one proxy (for member holding two or more shares) to attend and vote in his/her stead. A proxy need not be a member of the Company. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.
2. In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s), and for this purpose, seniority will be determined by the order in which the names stand in the Register of Members of the Company in respect of the relevant joint holding.
3. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority must be deposited with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for the holding of the meeting or adjourned meeting, and in default thereof the form of proxy shall not be treated as valid.
4. Completion and delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the EGM if the member so wish and in such event, the instrument appointing a proxy should be deemed to be revoked.
5. All voting by the members at the EGM shall be conducted by way of poll.

As at the date of this notice, the Board comprises Mr. Mung Kin Keung, Mr. Mung Bun Man, Alan, Mr. Leung Wai Man and Mr. Tse Ke Li as executive Directors, and Mr. Law Kwok Ho, Kenward, Mr. Tsai Yung Chieh, David and Mr. Fung Wai Ching as independent non-executive Directors.

This notice, for which the Directors collectively and individually accept full 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 enquiries, confirm that to the best of their knowledge and belief the information contained in this notice 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 notice misleading.

This notice will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for a minimum period of seven days from the date of publication and on the Company's website at www.globalmholdings.com.