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HENG TAI CONSUMABLES GROUP LIMITED

亨泰消費品集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00197)

**Conversion of the Convertible Bonds
into shares of
Global Mastermind Holdings Limited**

Reference is made to the announcement of the Company dated 25 September 2020, the circular dated 23 October 2020 and the announcement dated 12 November 2020 (collectively the “**Announcements**”) in relation to the Convertible Bonds. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

Since the completion of the subscription of the Convertible Bonds, the Board has been noticing the slow and steady increase in the share price of Global Mastermind and also been cautiously optimistic to the slow and steady recovery of the business environment due to the coronavirus pandemic.

The Board is pleased to announce that on 7 May 2021, the Subscriber (a wholly owned subsidiary of the Company), has decided to convert the entire Convertible Bonds in the principal amount of HK\$60,000,000 into the Conversion Shares at the adjusted conversion price of HK\$0.71 per Conversion Share. (The adjusted conversion price was due to a 10 to 1 share consolidation of Global Mastermind which took place on 14 April 2021 which caused the initial conversion price of HK\$0.071 to be adjusted to HK\$0.71 after the share consolidation.)

The Company received 84,507,042 Conversion Shares of Global Mastermind on 12 May 2021, representing about 16.54% of the issued share capital of Global Mastermind as enlarged by the issue and allotment of the said Conversion Shares.

Immediately after the conversion, the Group will hold the said 84,507,042 Conversion Shares as investment-for-sale. For reference purposes only, based on the closing share price of Global Mastermind of HK\$1.87 on 12 May 2021, the Group is expected to book an unaudited gain of about HK\$96.2 million as a result of the conversion of the Convertible Bonds into the Conversion Shares.

The Group currently has no business relationship with Global Mastermind Group (other than the previous holding of the Convertible Bonds) and the Board expects the Group to remain as a passive investor in Global Mastermind by continuing holding the Conversion Shares. The Board will review the Group's investment strategies from time to time.

The Board also noted that after the conversion, each of the members of the Group has become a connected person of Global Mastermind and the Board will comply with the Listing Rules in relation to any transaction between the Group and Global Mastermind.

On behalf of the Board
Heng Tai Consumables Group Limited
Lam Kwok Hing
Chairman

Hong Kong, 12 May 2021

As at the date of this announcement, the Board comprises four executive directors, namely Mr. Lam Kwok Hing (Chairman), Ms. Lee Choi Lin Joey, Ms. Gao Qin Jian and Mr. Chan Cheuk Yu Stephen; and three independent non-executive directors, namely Ms. Mak Yun Chu, Mr. Poon Yiu Cheung Newman and Mr. Hung Hing Man.