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GLOBAL MASTERMIND CAPITAL LIMITED

環球大通投資有限公司*

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

(Stock Code: 905)

ANNOUNCEMENT OF 2019 FINAL RESULTS

The board (the “**Board**”) of directors (the “**Director(s)**”) of Global Mastermind Capital Limited (the “**Company**”) presents the annual consolidated statement of profit or loss and other comprehensive income of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2019 and the consolidated statement of financial position of the Group as at 31 December 2019 together with the comparative figures for the year ended 31 December 2018 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2019

	<i>Notes</i>	2019 <i>HK\$'000</i>	2018 <i>HK\$'000</i>
Revenue	6	6,028	3,461
Other income	7	146	137
Loss arising in change in fair value of financial assets at fair value through profit or loss		(77,633)	(122,160)
Administrative expenses and other operating expenses		(19,034)	(22,362)
Finance costs	8	(802)	(299)
Loss before income tax	9	(91,295)	(141,223)
Income tax expense	10	—	—
Loss for the year attributable to owners of the Company		(91,295)	(141,223)

* *For identification purposes only*

	Notes	2019 <i>HK\$'000</i>	2018 <i>HK\$'000</i>
Other comprehensive income/(loss)			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations during the year		<u>1</u>	<u>(1)</u>
Other comprehensive income/(loss) for the year		<u>1</u>	<u>(1)</u>
Total comprehensive loss for the year attributable to owners of the Company		<u>(91,294)</u>	<u>(141,224)</u>
Loss per share	<i>11</i>		
Basic and diluted (<i>HK cents</i>)		<u>(13.04)</u>	<u>(20.17)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2019

	<i>Notes</i>	2019 <i>HK\$'000</i>	2018 <i>HK\$'000</i>
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		3,046	4,431
Right-of-use assets		6,198	–
Intangible assets		5,785	5,785
		<u>15,029</u>	<u>10,216</u>
Current assets			
Prepayments		511	424
Other receivables		2,576	7,401
Deposits paid		1,062	1,069
Amount due from a related company		84	330
Financial assets at fair value through profit or loss	13	316,419	361,790
Cash and cash equivalents		3,857	38,500
		<u>324,509</u>	<u>409,514</u>
Current liabilities			
Accruals and other payables		26,216	20,586
Amount due to a related company		–	920
Lease liabilities		3,481	–
		<u>29,697</u>	<u>21,506</u>
Net current assets		<u>294,812</u>	<u>388,008</u>
Total assets less current liabilities		<u>309,841</u>	<u>398,224</u>
Non-current liabilities			
Other financial liability			
– non-convertible bond		9,936	9,899
Lease liabilities		2,874	–
		<u>12,810</u>	<u>9,899</u>
Net assets		<u>297,031</u>	<u>388,325</u>
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital		7,003	7,003
Reserves		290,028	381,322
Total equity		<u>297,031</u>	<u>388,325</u>
Net asset value per share (HK\$)		<u>0.42</u>	<u>0.55</u>

NOTES

For the year ended 31 December 2019

1. GENERAL INFORMATION

The Company was domiciled in Hong Kong and incorporated in the Cayman Islands and continued in Bermuda. The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The address of the Company's registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. Its principal place of business is situated at Unit 3107, 31/F, Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong.

The consolidated financial statements are presented in Hong Kong dollar ("**HK\$**"), which is also the functional currency of the Company and all values are rounded to the nearest thousand (HK\$'000) except otherwise indicated.

The principal activity of the Company its subsidiaries (collectively referred to as the "**Group**") principally engaged in investment in listed and unlisted companies.

2. STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange of Hong Kong Limited and by the disclosure requirement of the Hong Kong Companies Ordinance.

3. BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

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, the Group 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 these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16 *Leases* (since 1 January 2019) or HKAS 17 *Leases* (before application of HKFRS 16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs are to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

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.

4. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

New and amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied, for the first time, the following new and amendments to standards and interpretations (collectively referred to as the “**new and amendments to HKFRSs**”) issued by the HKICPA, which are effective for the Group’s financial year beginning from 1 January 2019. A summary of the new and amendments to HKFRSs application by the Group is set out as follows:

HKFRS 16	Leases
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017 Cycle

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

HKFRS 16 *Leases*

The Group has applied HKFRS 16 for the first time in the current period. HKFRS 16 superseded HKAS 17 and the related interpretations.

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) – Int 4 *Determining whether an Arrangement contains a Lease* and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance which requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019.

At 1 January 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities by applying HKFRS 16.C8(b)(ii) transition. Any difference at the date of initial application is recognised in the opening accumulated losses and comparative information has not been restated.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating lease under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- (i) relied on the assessment of whether leases are onerous by applying HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* as an alternative of impairment review;
- (ii) elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- (iii) excluded initial direct costs from measuring the right-of-use assets at the date of initial application;
- (iv) applied a single discount rate to a portfolio of leases with similar remaining terms for similar class of underlying assets in similar economic environment. Specifically, discount rate for certain lease of properties in Hong Kong was determined on a portfolio basis; and
- (v) use hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group's leases with extension and termination options.

When recognising the lease liabilities for leases previously classified as operating lease, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average incremental borrowing rate applied is 5.13%.

	At 1 January 2019 <i>HK\$'000</i>
Operating lease commitments disclosed at 31 December 2018	10,386
Less: Future finance costs	<u>(723)</u>
	9,663
Analysed as:	
Current	3,307
Non-current	<u>6,356</u>
	<u><u>9,663</u></u>

The carrying amount of right-of-use assets at 1 January 2019 comprises the following:

	Right-of-use assets <i>HK\$'000</i>
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	<u><u>9,663</u></u>
By class:	
Buildings	<u><u>9,663</u></u>

	Carrying amounts previous reported at 31 December 2018 <i>HK\$'000</i>	Adjustments <i>HK\$'000</i>	Carrying amounts under HKFRS 16 at 1 January 2019 <i>HK\$'000</i>
Non-current assets			
Right-of-use assets	–	9,663	9,663
Current liabilities			
Lease liabilities	–	3,307	3,307
Non-current liabilities			
Lease liabilities	–	6,356	6,356

New and amendments to HKFRSs in issue but not yet effective

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

HKFRS 17	Insurance Contracts ¹
Amendments to HKFRS 3	Definition of a Business 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 HKAS 1 and HKAS 8	Definition of Material ⁴
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ⁴

¹ Effective for annual periods beginning on or after 1 January 2021.

² Effective for business combination and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.

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

⁴ Effective for annual periods beginning on or after 1 January 2020.

In addition to the above new and amendments to HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, *the Amendments to References to the Conceptual Framework in HKFRS Standards*, will be effective for annual periods beginning on or after 1 January 2020.

The directors of the Company anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

5. SEGMENT INFORMATION

The chief operating decision-maker (the “CODM”) has been identified as the Company’s executive directors. The Group’s principal activity is engaged in investment in listed and unlisted companies. The CODM regard it as a single business segment and no segment information is presented.

At the end of the reporting period, non-current assets included property, plant and equipment, right-of-use assets and intangible assets of approximately HK\$3,046,000 (2018: HK\$4,431,000), HK\$6,198,000 (2018: nil) and HK\$5,785,000 (2018: HK\$5,785,000) which are located in Hong Kong. The Company’s place of domicile is in Hong Kong which is determined based on the location of central management.

The Group’s revenue is mainly derived from Hong Kong during the year ended 31 December 2019 and 2018.

6. REVENUE

	2019 <i>HK\$’000</i>	2018 <i>HK\$’000</i>
Dividend income	3,821	3,380
Interest income	<u>2,207</u>	<u>81</u>
	<u>6,028</u>	<u>3,461</u>

7. OTHER INCOME

	2019 <i>HK\$’000</i>	2018 <i>HK\$’000</i>
Managerial and administrative service income	<u>146</u>	<u>137</u>

8. FINANCE COSTS

	2019 <i>HK\$'000</i>	2018 <i>HK\$'000</i>
Interest on:		
Other financial liability		
– non-convertible bond	237	237
Finance lease	–	2
Lease liabilities	418	–
Other interest expenses to financial institutions	147	60
	<u>802</u>	<u>299</u>

9. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging:

	2019 <i>HK\$'000</i>	2018 <i>HK\$'000</i>
Auditors' remuneration:		
– Audit services	400	430
– Non-audit services	110	61
	510	491
Depreciation of property, plant and equipment	1,715	674
Depreciation of right-of-use assets	3,465	–
Loss arising in change in fair value of financial assets at fair value through profit or loss (“FVTPL”)	77,633	122,160
Net foreign exchange loss	289	108
Operating lease rentals in respect of premises	–	822
Expense relating to short-term leases	23	–
	<u>82,635</u>	<u>253,755</u>

An analysis of the loss arising in change in fair value financial assets at FVTPL is as follows:

	2019	2018
	HK\$'000	HK\$'000
Realised gains on disposal of financial assets at FVTPL		
Proceeds from disposal of financial assets at FVTPL	(105,264)	(165,869)
Less: Carrying amounts of financial assets at FVTPL	<u>100,911</u>	<u>155,606</u>
	(4,353)	(10,263)
Unrealised loss on financial assets at FVTPL	<u>81,986</u>	<u>132,423</u>
	<u><u>77,633</u></u>	<u><u>122,160</u></u>

10. INCOME TAX EXPENSE

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The directors considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

The subsidiary located in the People’s Republic of China (the “**PRC**”) is subject to PRC Enterprise Income Tax at 25% for both years.

No provision for Hong Kong Profits Tax has been made as the Group incurred estimated tax losses or the taxable profits was wholly absorbed by estimated tax losses brought forward from prior years.

No provision for PRC Enterprise Income Tax has been made as the Group had no assessable profit arising in or derived from PRC for both years.

11. LOSS PER SHARE

The computations of basic and diluted loss per share attributable to owners of the Company are based on the following data:

	2019 <i>HK\$'000</i>	2018 <i>HK\$'000</i>
Loss		
Loss for the purpose of basic and diluted loss per share (Loss for the year attributable to owners of the Company)	<u><u>(91,295)</u></u>	<u><u>(141,223)</u></u>
	2019 <i>'000</i>	2018 <i>'000</i>
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u><u>700,334</u></u>	<u><u>700,334</u></u>

The basic and diluted loss per share are the same for both years.

As the Company's outstanding share options where applicable had an anti-dilutive effect to the basic loss per share calculation for the year ended 31 December 2019 and 31 December 2018, the exercise of the above potential dilutive shares is not assumed in the calculation of diluted loss per share for both years.

12. DIVIDENDS

No dividend was paid, declared or proposed during the year ended 31 December 2019 and 31 December 2018, nor has any dividend been proposed by the Board subsequent to the end of the reporting period.

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2019 <i>HK\$'000</i>	2018 <i>HK\$'000</i>
Listed equity and debt securities:		
– Equity and debt securities in Hong Kong, at fair value	216,184	280,310
– Equity and debt securities outside Hong Kong, at fair value	<u>35,738</u>	<u>24,038</u>
	251,922	304,348
Unlisted equity securities	41,338	35,864
Unlisted investment funds	<u>23,159</u>	<u>21,578</u>
	<u><u>316,419</u></u>	<u><u>361,790</u></u>

14. INVESTMENT

Pursuant to the requirements stipulated in Chapter 21.12 of the Listing Rules, the Group discloses its list of all investments with a value greater than 5% of the Group's gross assets and at least 10 largest investments at 31 December 2019 and 31 December 2018 respectively as follows:

At 31 December 2019

Name of equity securities	Notes	Percentage of equity interest held %	Net assets attributable to the Company HK\$'000	Cost of investment HK\$'000	Market value/fair value at 31 December 2019 HK\$'000	Dividend received HK\$'000
Listed equity and debt securities in Hong Kong						
Beijing Enterprises Water Group Limited	<i>a</i>	0.04	17,858	20,122	16,138	740
Brockman Mining Limited	<i>b</i>	2.93	18,091	44,597	35,652	–
China Information Technology Development Limited	<i>c</i>	3.32	13,392	26,435	15,959	–
China State Construction International Holdings Limited	<i>d</i>	0.04	19,177	19,562	13,466	533
Greenland Hong Kong Holdings Limited	<i>e</i>	N/A	N/A	15,600	15,758	N/A
Huayi Tencent Entertainment Company Limited	<i>f</i>	1.16	9,630	82,330	17,160	–
Kaisa Group Holdings Ltd.	<i>g</i>	0.17	85,536	37,098	37,966	1,217
Listed debt securities outside Hong Kong						
Seazen Group Limited	<i>h</i>	N/A	N/A	23,317	23,373	N/A
Unlisted equity securities outside Hong Kong						
Oddup Inc. – Preference shares	<i>i</i>	N/A	N/A	11,700	13,354	–
Unlisted investment funds outside Hong Kong						
Click Ventures Segregated Portfolio Company – Fund Series 3T SP	<i>j</i>	N/A	N/A	7,800	17,043	–
				<u>288,561</u>	<u>205,869</u>	

At 31 December 2018

Name of equity securities	Percentage of equity interest held %	Net assets attributable to the Company HK\$'000	Cost of investment HK\$'000	Market value/fair value at 31 December 2018 HK\$'000	Dividend received HK\$'000
Listed equity and debt securities in Hong Kong					
Affluent Partners Holdings Limited	2.21	4,793	29,341	43,442	–
Beijing Enterprises Water Group Limited	0.04	15,650	19,349	15,545	662
Brockman Mining Limited	2.95	16,198	44,597	48,616	–
China Information Technology Development Limited	3.33	14,850	26,435	17,858	–
Frontier Services Group Limited	0.41	4,920	9,597	12,008	–
Greenland Hong Kong Holdings Limited	N/A	N/A	15,600	15,758	N/A
Huayi Tencent Entertainment Company Limited	1.35	11,737	103,487	35,378	–
Kingston Financial Group Limited	0.07	15,363	36,608	18,600	200
Listed equity securities outside Hong Kong					
Kuang-chi Technologies Co., Ltd.	0.09	7,975	25,036	22,402	–
Unlisted investment funds outside Hong Kong					
Click Ventures Segregated Portfolio Company – Fund Series 3T SP	N/A	N/A	7,800	17,393	–
			<u>317,850</u>	<u>247,000</u>	

Notes:

- (a) Beijing Enterprises Water Group Limited was incorporated in the Bermuda and its shares are listed on the Stock Exchange (stock code: 00371). Beijing Enterprises Water Group Limited is principally engaged in water treatment business, construction and technical services for the water environmental renovation.

For the six months ended 30 June 2019, the unaudited consolidated profit attributable to the owners of the company was approximately HK\$2,769,856,000 and its unaudited consolidated net assets was approximately HK\$43,692,192,000.

- (b) Brockman Mining Limited was incorporated in Bermuda and its shares are listed on the Stock Exchange (stock code: 00159). Brockman Mining Limited is principally engaged in the acquisition, exploration and development of iron ore in Australia.

For the six months ended 31 December 2019, the unaudited consolidated loss attributable to the owners of the company was approximately HK\$13,508,000 and its unaudited consolidated net assets was approximately HK\$617,659,000.

- (c) China Information Technology Development Limited was incorporated in the Cayman Islands and its shares are listed on GEM of the Stock Exchange (stock code: 08178). China Information Technology Development Limited is principally engaged in provision of system integration and related support services, provision of IT infrastructure solutions and maintenance services, money lending and securities trading.

For the six months ended 30 June 2019, the unaudited consolidated loss attributable to the owners of the company was approximately HK\$52,026,000 and its unaudited consolidated net assets was approximately HK\$403,343,000.

- (d) China State Construction International Holdings Limited was incorporated in the Cayman Islands and its shares are listed on the Stock Exchange (stock code: 03311). China State Construction International Holdings Limited is principally engaged in construction business, project consultancy services, thermoelectricity business, infrastructure project investments, toll road operation and facade contracting business.

For the year ended 31 December 2019, the audited consolidated profit attributable to the owners of the company was approximately HK\$5,413,208,000 and its audited consolidated net assets was approximately HK\$50,907,565,000.

- (e) Greenland Hong Kong Holdings Limited (stock code: 00337) issued a maximum principal amount of US\$200,000,000, 1.5 year, 9.875% bonds on 18 December 2018 and listed on the Stock Exchange (stock code: 05485) with the coupon rate 9.875% per annum, interest payable semi-annually and matured on 17 June 2020.

- (f) Huayi Tencent Entertainment Company Limited was incorporated in the Cayman Islands and its shares are listed on the Stock Exchange (stock code: 00419). Huayi Tencent Entertainment Company Limited is principally engaged in entertainment and media business and provision of offline healthcare and wellness services.

For the year ended 31 December 2019, the audited consolidated loss attributable to the owners of the company was approximately HK\$28,770,000 and its audited consolidated net assets was approximately HK\$833,210,000.

- (g) Kaisa Group Holdings Ltd. was incorporated in the Cayman Islands and its shares are listed on the Stock Exchange (stock code: 01638). Kaisa Group Holdings Ltd. is principally engaged in property development, property investment, property management, hotel and catering operations, cinema, department store and cultural centre operations, water-way passenger and cargo transportation and healthcare business in the PRC.

For the six months ended 30 June 2019, the unaudited consolidated profit attributable to the owners of the company was approximately RMB2,837,222,000 and its unaudited consolidated net assets was approximately RMB44,878,707,000.

- (h) Seazen Group Limited (stock code: 01030) issued a maximum principal amount of US\$350,000,000, 3 years, 5.0% senior notes on 16 February 2017 and listed on the Singapore Exchange Securities Trading Limited with the coupon rate 5.0% per annum, interest payable semi-annually and matured on 16 February 2020.

- (i) Oddup Inc. was incorporated in the United States of America and is principally engaged in operating a research platform that provides analytical information on startups, their trends, and both current and expected future valuations.

For the year ended 31 December 2019, the unaudited consolidated loss attributable to the owners of the company was approximately US\$584,000 and its unaudited consolidated net assets was approximately US\$17,199,000.

- (j) Fund Series 3T SP operates by Click Ventures Segregated Portfolio Company was incorporated in the Cayman Islands. Fund Series 3T SP is principally invested in start-ups at the seed to series A stage in Hong Kong and internationally.

For the year ended 31 December 2019, the unaudited net assets attributable to holders was approximately US\$2,403,000.

15. COMPARATIVE FIGURES

The Group has initially applied HKFRS 16 at 1 January 2019. Under the transition method, comparative information is not restated.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2019 (for the year ended 31 December 2018: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

During the year ended 31 December 2019, the Group recorded a loss attributable to owners of the Company of approximately HK\$91.3 million, compared to a loss attributable to owners of the Company of approximately HK\$141.2 million for the year ended 31 December 2018. The Group recorded a decrease in loss of approximately HK\$49.9 million attributable to owners of the Company for the year ended 31 December 2019. Such decrease was mainly attributable to (i) a decrease in loss arising in change in fair value of financial assets at fair value through profit or loss of approximately HK\$44.5 million; (ii) an increase in revenue of approximately HK\$2.6 million; and (iii) a decrease in administrative expenses and other operating expenses of approximately HK\$3.3 million.

Investment Objectives, Policies and Restrictions

Set out below are the investment objectives, policies and restrictions of the Group:

- i. Our investments will normally be made in listed and unlisted companies;
- ii. The Group had made investments with a short to long term perspective with the objective of making capital gain as well as income from dividend or interests. Over the years, the Group invested in listed and unlisted securities, bonds, direct investments, projects, properties and structured products. Investments are also made in special or recovery situations;
- iii. There is no restriction on the proportion of the Company's assets which may be invested in any specific sector or company save for the restriction that the Company will not make an investment in any company which represents more than 20% of the consolidated net assets of the Company at the time such investment is made;

- iv. The Company will not either on its own or in conjunction with any connected person take legal, or effective, management control of underlying investments and that in any event the investment company will not own or control more than 30% (or such other percentage as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer) of the voting rights in any one company or body; and
- v. The Directors do not intend to seek bank borrowings until substantially all the Company's funds have been invested and that the Company borrows, the Directors do not intend to borrow amounts representing in aggregate more than the consolidated net assets of the Company at the time the borrowing is made.

Investment Review

As at 31 December 2019, the major investments of the Group were (i) approximately HK\$251,922,000 of a portfolio of listed financial instruments; (ii) approximately HK\$41,338,000 of direct investment in unlisted financial instruments; and (iii) approximately HK\$23,159,000 of direct investment in unlisted investment funds. The investment portfolio of the Group mainly comprises equity and debt securities mainly in Hong Kong, Singapore, Canada and the United States of America.

Dividend from listed equity investments during the year ended 31 December 2019 was approximately HK\$3,821,000. Interest income from debt securities during the year ended 31 December 2019 was approximately HK\$2,207,000.

The details of all investments with a value greater than 5% of the Group's gross assets and at least 10 largest investments at 31 December 2019 are respectively set out in note 14.

The (loss)/gain arising in change in fair value of financial assets at fair value through profit or loss for all investments with a value greater than 5% of the Group's gross assets and at least 10 largest investment of the companies for the year ended 31 December 2019 as follows

Name of investments	<i>Notes</i>	(Loss)/ gain arising in change in fair value of financial assets at fair value through profit or loss HK\$'000
Listed equity and debt securities in Hong Kong		
Beijing Enterprises Water Group Limited	<i>1</i>	(180)
Brockman Mining Limited	<i>2</i>	(12,964)
China Information Technology Development Limited	<i>3</i>	(1,899)
China State Construction International Holdings Limited	<i>4</i>	1,636
Greenland Hong Kong Holdings Limited.	<i>5</i>	–
Huayi Tencent Entertainment Company Limited	<i>6</i>	(15,414)
Kaisa Group Holdings Ltd	<i>7</i>	655
Listed debt securities outside Hong Kong		
Seazen Group Limited	<i>8</i>	56
Unlisted equity securities outside Hong Kong		
Oddup Inc. – Preference shares	<i>9</i>	1,732
Unlisted investment fund outside Hong Kong		
Click Ventures Segregated Portfolio Company – Fund Series 3T SP	<i>10</i>	(350)

Notes:

- (1) As disclosed in the interim report 2019 of Beijing Enterprises Water Group Limited (“BJ Ent Water”) for the six months ended 30 June 2019, during the period, BJ Ent Water entered into service concession arrangements and entrustment agreements for a total of 1,047 water plants including 875* sewage treatment plants, 140 water distribution plants, 30 reclaimed water treatment plants and 2 seawater desalination plants. They had 20 comprehensive renovation projects under construction during the period. The projects mainly located in Zhejiang Hangzhou, Zhejiang Taizhou, Chengdu Jianyang, Malaysia Terengganu, Inner Mongolia, Sichuan Luzhou, Beijing Daxing and Hebei Hengshui.

In the second half of 2019, BJ Ent Water will endeavour to grasp a strategic move heading towards an asset-light enterprise, and drive the growth of both core and emerging businesses according to its comprehensive innovative and ecological strategies by capitalising on its strategic position as an integrated, leading and professional water environment comprehensive service provider that offers services across the industry chain.

- (2) As disclosed in the interim report 2019/20 of Brockman Mining Limited (“Brockman Mining”) for the six months ended 31 December 2019, Brockman Iron Pty Ltd (“Brockman Iron”), a wholly-owned subsidiary of Brockman Mining, and Polaris Metals Pty Ltd (“Polaris”), a wholly-owned subsidiary of Mineral Resources Limited (“MRL”), progressed activities towards satisfaction of their Farm-In obligations in relation to the Farm-In Joint Venture Agreement (the “FJV Agreement”) over Brockman’s Marillana Iron Ore Project located in Pilbara region of Western Australia.

On 19 July 2019, both parties agreed that extra time was required to undertake additional drilling and metallurgical testwork to ensure that there are no fatal flaws in the mine plan and process plant design. Hence, they agreed to extend certain key dates pertaining to the FJV Agreement, as discussed in the section “Farm-In Prior to Joint Venture”. Under the terms of the FJV Agreement and following satisfaction of the conditions precedent and completion of the Farm-In Obligations, Polaris will earn a 50% interest in Marillana, and MRL will be responsible for the development of the mine, construction and operation of the processing plant. MRL has also committed to the construction and operation of ore haulage and port infrastructure to facilitate the export of Marillana product. Following the recent agreed variations to the FJV Agreement, it is expected that construction of this infrastructure will commence before the end of 2020 and be operational before the end of 2022. The establishment of the Joint Venture will unlock the value of the Marillana Iron Ore Project and may assist in the future development of the group’s other iron ore projects in the Pilbara.

- (3) As disclosed in the interim report 2019 of China Information Technology Development Limited (“China Info Tech”) for the six months ended 30 June 2019, China Info Tech has made steady progress in refining its business model, putting more emphasis on their main business in Macro and the future development of DataCube. Leveraging their established brand names including Macro and DataCube, they deliver quality services to its clients. With more centralized resources, they will continue to endeavour to intensify its innovation facilitation and enhance new market expansions.

Meanwhile, China Info Tech has acquired 51% of the equity interest of FULLPAY K.K. (FULLPAY株式会社) (“Fullpay”) at a consideration of HK\$15,300,000 (the “Acquisition”). Upon the Acquisition, the company owns 67.67% of the equity interest of Fullpay. Fullpay is principally engaged in the sourcing and provision of electronic fund transfer at point of sale (“EFT-POS”) terminals and peripheral devices which support WeChat Pay, as well as the provision of relevant EFT-POS installation and system support services, to vendors in Japan.

Subsequent to the period ended 30 June 2019, China Info Tech shall dedicate to pay close attention to the market condition and act accordingly while continue to team up Macro and DataCube so as to synergize their IT capabilities and to jump on the bandwagon of Smart Cities among the businesses.

- (4) According to the latest annual result announcement of China State Construction International Holdings Limited (“China State”) for the year ended 31 December 2019, during the year of 2019, they continued to maintain its leading position in Hong Kong and Macau’s construction market, and continued to provide stable cash flow. They fully utilized its competitive advantages and brand value, seized market opportunities and achieved new breakthroughs in Hong Kong. The new contracts signed in Hong Kong amounted to HK\$38.13 billion in the year, representing a significant growth of 44.9% as compared with previous year.

In Mainland China Market, China State reduced the proportion of orders for long term projects, strengthened business model innovation, and actively acquired infrastructure projects with a shorter cycle, faster turnover and higher return based on their strategy of balance between scale growth, leverage and cash flow. The new contracts signed in the Mainland China amounted to HK\$55.43 billion, with a slight reduction from the previous years’ scale, while the structure of contracts was significantly optimized and the project cycle was relatively shortened, which achieved the target of structural adjustment.

In 2020, China State will continue to improve their investment management system, and refine the investment research and project management for the business in Mainland China. They will establish a standardized evaluation system for each of the regional markets and different types of investment projects. Also, they will continue to strengthen the leading position in Hong Kong and Macau’s construction market, actively exploring markets and obtaining contracts in both public and private sectors. They will mainly focus on large-scale construction projects such as public housing, hospitals and airports, and seeking for opportunities in investment-driven contracting and old buildings reconstruction.

- (5) Greenland Hong Kong Holding Limited (stock code: 00337) issued a maximum principal amount of USD200,000,000, 1.5 year, 9.875% coupon interest bonds international bond on 18 December 2018 and listed on the Stock Exchange (stock code: 05485) with the coupon rate 9.875%, interest payable semiannually and matured on 16 June 2020.
- (6) According to the latest annual result announcement of Huayi Tencent Entertainment Company Limited (“Huayi Tencent”) for the year ended 31 December 2019, during the year, Huayi Tencent has all along been paying heed to the trend of the film market and the evolvement of taste of the audience, as well as actively looking for opportunities in commencing media and entertainment projects in North America. During the year under review, the group’s joint investment in and production of “Moonfall”, a Hollywood science-fiction and disaster epic directed by Roland Emmerich, with HBI, its parent company, have already been put in place and the group also obtained the distribution rights of the film in the PRC. A production in partnership with Centropolis Entertainment, Street Entertainment, HBI and Huayi Tencent.

For the healthcare and wellness services, Haui Tencent focused on the operations of “Bayhood No. 9 Club”, a healthcare and wellness centre which the group continues to operate on a lease basis. It is one of the top green health clubs in the PRC with well-equipped facilities such as a standard 18-hole golf course, lakeside golf course private VIP rooms, spa facilities as well as Asia’s first PGA-branded golf academy, offering high-end enterprises and individual clients professional and excellent healthcare and wellness services. The membership of “Bayhood No. 9 Club” remained steady during the year under review, and the healthcare and wellness services contributed approximately HK\$96,590,000 in revenue to the group in 2019.

Looking ahead to 2020, Haui Tencent expects that, given the successive completion of entertainment and media projects which it had financed and produced, the season of harvest is now on the horizon. It is anticipated that five movies of the group will be screened across the globe and in the PRC during the year 2020 and 2021, including productions directed by famous Hollywood directors and films enthusiastically talked about in Korea. Haui Tencent is confident that these productions will attain success and significantly boost the group’s revenue generated from the Entertainment and Media Operations.

- (7) As disclosed in the interim report 2019 of Kaisa Group Holdings Ltd. (“Kaisa Group”) for the six months ended 30 June 2019, during the period, Kaisa Group launched favorable products and services to enhance the satisfaction of customers, thereby contributing to the solid growth in its property sales. Sales in first-tier and major second-tier cities where Kaisa Group has strong presence continued to drive the growth. In particular, sales in first-tier cities contributed 40% of its contracted sales, projects such as Shenzhen Yantian Kaisa City Plaza, Shenzhen Bantian Kaisa City Plaza, Shenzhen E Cube, Wuhan Kaisa Plaza, Wuhan Kaisa Yuefu, Zhongshan Kaisa Metro City and Huizhou Riverbank New Town recorded satisfactory results during the period. Kaisa Group acquired a total of 15 parcels of land with estimated attributable gross floor area of approximately 2.5 million sq. m., and undertook 167 real estate projects in 47 cities nationwide. Regarding the redevelopment projects, Kaisa Group successfully obtained a project in Xuhang Town, Jiading District in Shanghai for redeveloping a site of a village in the city into a land for commercial and residential use.

In the second half of 2019, Kaisa Group will also actively grasp opportunities by trying to acquire quality lands opportunely so as to consolidate its business presence in the area. Meanwhile, they will also focus on first-tier and major second-tier cities in Shanghai and Beijing Region, as well as their surrounding areas. They will secure the land supply for the short, medium and long term through ways of public bidding, M&A, urban renewal and development of industrial property.

- (8) Seazen Group Limited (stock code: 01030) issued a maximum principal amount of USD350,000,000, 3 years, 5.0% senior notes on 9 February 2017 and listed on the Singapore Exchange Securities Trading Limited with the coupon rate 5.0%, interest payable semiannually and matured on 16 February 2020.
- (9) Oddup Inc. was incorporated in the United States of America and is principally engaged in operating a research platform that provides analytical information on startups, their trends, and both current and expected future valuations.
- (10) Fund Series 3T SP operates by Click Ventures Segregated Portfolio Company was incorporated in the Cayman Islands. Fund Series 3T SP is principally invested in start-ups at the seed to series A stage in Hong Kong and internationally.

The directors believe that the future performance of the Hong Kong listed equities held by the Group is largely affected by economic factors, investor sentiment, demand and supply balance of an investee company's shares and fundamentals of an investee company, such as investee company's news, business fundamental and development, financial performance and prospects. Accordingly, the directors closely monitor the above factors, particularly the fundamentals of each investee company in the Group's equity portfolio, and proactively adjust the Group's equity portfolio mix in order to improve its performance.

Liquidity and Financial Resources

As at 31 December 2019, the Group had (i) cash and cash equivalents of approximately HK\$3,857,000 (as at 31 December 2018: approximately HK\$38,500,000); (ii) financial liability of approximately HK\$9,936,000 (as at 31 December 2018: approximately HK\$9,899,000); and lease liabilities of approximately HK\$6,355,000 (as at 31 December 2018: Nil); (iii) net current assets of approximately HK\$294,812,000, as compared to approximately HK\$388,088,000 as at 31 December 2018. The gearing ratio (borrowings/total equity) was 5.5% (as at 31 December 2018: 2.5%), borrowings included other financial liability and lease liabilities. The current ratio of the Group was 10.93 compared to 19.04 as at 31 December 2018.

Charges on Assets

As at 31 December 2019, a portfolio of listed equity and debt securities held under margin account with carrying amounts of Nil (as at 31 December 2018: HK\$32,080,000) have been pledged to secure margin loan from securities broker in accruals and other payables

Capital Commitment and Contingent Liabilities

The Group had no material capital commitment and contingent liabilities as at 31 December 2019 (31 December 2018: Nil).

Foreign Exchange Exposure

Most of the investments and the business transactions of the Group are denominated in Hong Kong dollars. The Board believes the foreign exchange exposure is minimal.

Share Capital and Capital Structure

As at 31 December 2019, the Company had 700,333,925 shares of HK\$0.01 each in issue (31 December 2018: 700,333,925 shares).

Material Acquisitions and Disposals of Subsidiaries

The Group did not have any material acquisition or disposal of subsidiaries during the year ended 31 December 2019.

Prospects

Due to the ongoing social unrest, U.S. China trade disputes, 2020 was a slow year for the Hong Kong stock market. After experiencing a heavy sell-off in the 2nd half of the year, and a slight recovery in December, the board originally expected 2020's sentiment to be positive. However, with the outbreak of the coronavirus, everything changed.

Due to the coronavirus, stock markets worldwide are experiencing brutal sell-off, it also leads to huge uncertainty in the world, and it will be changing our lives as we know permanently. Although the Federal Reserve & other central banks had significantly cut-rate, launched quantitative easing programs, and multiples government had launched different stimulus packages. These extreme measures did not help the investor to regain their confidence, and major stock markets entered a bear market.

The Group will remain focus on finding and purchase strong companies that are trading at an attractive value, and the Group will increase its cash position and reinvest when it finds suitable.

Employees and Remuneration Policy

The Group ensured that its employees are remunerated according to the prevailing manpower market conditions and individual performance, qualification, experience and the remuneration policies are reviewed on a regular basis.

There are 13 employees, including 2 executive Directors and 3 independent non-executive Directors. Remuneration policies are reviewed in accordance with the market situation and the performance of individual Director from time to time. In addition to salaries, the Group provides employee benefits such as medical insurance and mandatory provident fund schemes. Moreover, discretionary bonus and share options will be paid or granted to employees based on the Group's and individual performances.

The emoluments of the Directors were determined with reference to their duties and responsibilities with the Company, the Company's performance, prevailing market conditions and the market emoluments for directors of other listed companies and reviewed by the Remuneration Committee.

The Group's total staff costs (including directors' emoluments) for the year ended 31 December 2019 under review amounted to approximately HK\$8,087,000 (as at 31 December 2018: approximately HK\$11,974,000).

Environmental Policy

The Group is committed to acting in an environmentally responsible manner in our business operations and promoting green measures towards environmental protection to our employees. Our Group adheres to the principle of recycling, reducing and reusing. Encouraging paper recycling culture, doubled-sided printing and copying, and encouraging energy-saving culture by switching off idle lightings and electrical appliance are implemented by the Group. In order to enhance environmental sustainability, our Group will review its environmental practices from time to time and will consider implementing further eco-friendly measures and practices in the Group's business operation.

Compliance with Regulations

During the year, there was no incidence of non-compliance with the relevant laws and regulations that have a significant impact on the Group as far as the Board is aware.

Relationship with Employee, Customers, Suppliers and Others

As the Group is engaged in investment in listed and unlisted financial instruments, there are no major customers and suppliers during the year.

The Group understands the importance of maintaining a good relationship with its suppliers, customers, employees and other stakeholders to meet the Group's immediate and long-term goals. Although there are no major customers and suppliers during the year the Company creates a framework for motivating staff and a formal communication channel in order to maintain healthy relationships with its employees and other stakeholders.

Financial Key Performance Indicators

The Group's net asset value is a key indicator of the financial performance and it decreased to approximately HK\$297,031,000 as at 31 December 2019 (as at 31 December 2018: HK\$388,325,000). During the year ended 31 December 2019, the Group suffered from a loss of approximately HK\$91,295,000, mainly because of the loss arising in change in fair value of financial assets at fair value through profit or loss amounting to approximately HK\$77,633,000.

The net asset value per share was HK\$0.42, which was calculated on the above net assets value and 700,333,925 ordinary shares of HK\$0.01 each in issue as at 31 December 2019.

ANNUAL GENERAL MEETING

The annual general meeting ("AGM") of the Company will be held on 16 June 2020. The notice of AGM will be sent to shareholders at least 20 clear business days before AGM.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining shareholders who are entitled to attend and vote at the AGM to be held on 16 June 2020, the register of member of the Company will be closed from 11 June 2020 to 16 June 2020, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the AGM, all transfer documents should be lodged for registration with the Company's Hong Kong branch share registrar, Tricor Secretaries Limited, at Level 54, Tricor Secretaries Limited Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 10 June 2020 at 4:30 pm.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has complied with the requirements under Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules. The Company has received confirmation of independence from all 3 independent non-executive directors (the "**Independent Non-executive Director(s)**"), namely Mr. Poon Wai Hoi, Percy, Mr. Fung Wai Ching and Mr. Lei Seng Fat in accordance with Rules 3.13 of the Listing Rules.

The Board has reviewed the independence of all Independent Non-executive Directors and concluded that all of them are independent within the definition of the Listing Rules. Furthermore, the Board is not aware of the occurrence of any events which would cause it to believe that the independence of any of the Independent Non-executive Directors has been impaired up to the date of this announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 to the Listing Rules on the Stock Exchange as the code of conduct for dealing in securities of the Company by the Directors. All Directors have confirmed, upon specific enquiries made by the Company, that they have complied with the required standard set out in the Model Code during the year ended 31 December 2019. To ensure Directors’ dealings in the securities of the Company (the “**Securities**”) are conducted in accordance with the Model Code, a Director is required to notify designated executive directors in writing and obtain a written acknowledgement from the designated executive directors prior to any dealings the Securities.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company has applied the principles and complied with all the applicable code provisions set out in the Corporate Governance Code (the “**CG Code**”) in Appendix 14 of the Listing Rules during the period except for the following deviations:

Code Provision A.4.1

Code provision A.4.1 of the CG Code provides that the non-executive directors should be appointed for a specific term and subject to re-election. Mr. Poon Wai Hoi, Percy, the Independent Non-executive Director, is not appointed for a specific term but is subject to retirement from office by rotation and re-election at least once every three years in accordance with the bye-laws of the Company (the “**Bye-laws**”) and Code provision A.4.2 of the CG Code. As such, the Board considers that such provision is sufficient to meet the underlying objective of this code provision.

Code Provision D.1.4

Code provision D.1.4 of the CG Code provides that issuers should have formal letters of appointment for directors setting out the key terms and conditions of their appointment. The Company did not have formal letters of appointment for Directors (except Mr. Mung Kin Keung, Mr. Lei Seng Fat and Mr. Fung Wai Ching). However, the Directors shall be subject to retirement by rotation at least once every three years in accordance with the Bye-laws and Code provision A.4.2 of the CG Code. In any event, all Directors, including those without a letter of appointment, must retire by rotation in the manner prescribed under the Bye-laws, and on re-election of the retiring Directors, shareholders of the Company are given information that is reasonably necessary for them to make an informed decision on the reappointment of the relevant Directors. In addition, the Directors are required to refer to the guidelines set out in “A Guide on Directors’ Duties” issued by the Companies Registry and “Guidelines for Directors” and “Guide for Independent Non-executive Directors” (if applicable) published by the Hong Kong Institute of Directors in performing their duties and responsibilities as Directors. Besides, the Directors are required to comply with the requirements under statute and common law, the Listing Rules, legal and other regulatory requirements and the Company’s business and governance policies.

Code Provision E.1.2

Code provision E.1.2 of the CG Code states that the chairman of the Board should attend the annual general meeting of the Company. Mr. Mung Kin Keung, the chairman of the Board, was unable to attend the annual general meeting of the Company held on 13 June 2019 (the “2019 AGM”) due to other engagements. However, arrangements including the attendance of another member of the Board had been in place to ensure the 2019 AGM was in order.

CHANGES IN DIRECTORS’ INFORMATION

The change in information on Directors since the date of the 2018 annual report of the Company, which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules, is set out below:–

Biographical Details

Name	Details of Changes
Mr. Mung Kin Keung	resigned as an executive director and co-chairman of the board of director of CWT International Limited (Stock Code: 521) with effect from 28 June 2019.
Mr. Mung Bun Man, Alan	resigned as an non-executive director of the of CWT International Limited (Stock Code: 521) with effect from 25 November 2019.

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2019.

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirmed that the Company has maintained a sufficient amount of public float for its ordinary shares as required under the Listing Rules as at the date of this announcement.

AUDIT COMMITTEE

The audit committee of the Company has reviewed with management in conjunction with the external auditors of the Group's consolidated financial statements for the year ended 31 December 2019, the accounting principles and practices adopted by the Group and discussed auditing, risk management and internal controls, and financial reporting matters of the Group for the year ended 31 December 2019.

REVIEW OF THIS FINAL RESULTS ANNOUNCEMENT

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2019 have been agreed by the Group's auditors, HLB Hodgson Impey Cheng Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by HLB Hodgson Impey Cheng Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by HLB Hodgson Impey Cheng Limited on the preliminary announcement.

EVENTS AFTER THE REPORTING PERIOD

Since early 2020, the epidemic of Coronavirus Disease 2019 (the "**COVID-19 outbreak**") has spread across China and other countries and it has affected the business and economic activities of the Group as well as the Group's investees to some extent.

The Group will closely monitor the development of the COVID-19 outbreak and continue to evaluate its impact on the business, the financial position and operating results of the Group.

PUBLICATION OF THE CONSOLIDATED ANNUAL RESULTS AND 2019 ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This final results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.irasia.com/listco/hk/mastermindcap/) and the 2019 annual report containing all the information required by the Listing Rules will be dispatched to shareholders of the Company and published on the respective websites of the Stock Exchange and the Company in due course.

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

Hong Kong, 27 March 2020

As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. MUNG Kin Keung (Chairman) and Mr. MUNG Bun Man, Alan; and three independent non-executive Directors, namely, Mr. FUNG Wai Ching, Mr. LEI Seng Fat and Mr. POON Wai Hoi, Percy.