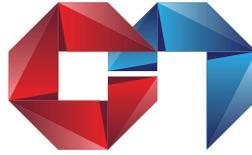


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GLOBAL MASTERMIND
環球大通

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)

THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

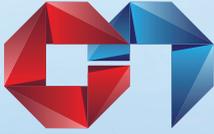
GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, 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.

This announcement, for which the directors of Global Mastermind Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (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 announcement 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 in this announcement misleading.

* For identification purposes only

The board of directors (the “**Board**”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (the “**Group**”) for the nine months ended 30 September 2022. This announcement, containing the full text of the Third Quarterly Report 2022 of the Company, complies with the relevant requirements of the GEM Listing Rules in relation to information to accompany preliminary announcement of quarterly results. Printed version of the Company’s Third Quarterly Report 2022 will be delivered to the shareholders of the Company and available for viewing on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the Company’s website at www.globalmholdings.com on or before 14 November 2022.



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

THIRD QUARTERLY REPORT
2022

*For identification purposes only

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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*This report, for which the directors of Global Mastermind Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report 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 report misleading.*

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

	NOTES	Three months ended 30 September		Nine months ended 30 September	
		2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited) (Restated)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited) (Restated)
Continuing operations					
Interest income from money lending business		3,441	7,300	11,119	21,983
Commission income from securities brokerage		450	1,096	1,562	3,864
Interest income from margin financing		1,706	1,530	5,083	4,537
Interest income from initial public offering financing		-	25	-	60
Handling and settlement income arising from securities brokerage		987	1,767	3,386	5,492
Asset management fee income		1	12	3	71
Advisory fee income from corporate finance		25	1,364	95	2,263
Net realised gain on securities investment	3	10	15	10	5,389
Net unrealised (loss)/gain on securities investment	3	(2,583)	(8,431)	(6,896)	17,944
Other income, other gains and losses	4	953	(11,961)	2,984	(9,130)
Staff costs		(3,842)	(3,423)	(11,174)	(13,480)
Depreciation and amortisation expenses		(84)	(88)	(254)	(1,944)
Gain on fair value changes of investment properties		400	-	7,400	6,800
Allowance for expected credit loss on loan receivables		(42,472)	(26,065)	(72,187)	(25,180)
Allowance for expected credit loss on account receivables from securities margin clients		(5,022)	-	(11,291)	-
Other expenses	5	(4,154)	(4,084)	(13,411)	(15,102)
Finance costs	6	(2,016)	(2,016)	(5,983)	(7,660)
Loss before tax		(52,200)	(42,959)	(89,554)	(4,093)
Income tax credit	7	6,989	4,373	11,905	4,121
(Loss)/profit for the period from continuing operations		(45,211)	(38,586)	(77,649)	28
Discontinued operation					
Profit/(loss) for the period from discontinued operation	8	-	91	-	(7,462)
Loss for the period		(45,211)	(38,495)	(77,649)	(7,434)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME** *(Continued)*
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

	Three months ended 30 September		Nine months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited) (Restated)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited) (Restated)
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange differences arising on translation of foreign operations	-	-	-	45
Reclassification of cumulative exchange reserve upon disposal of foreign operation	-	15,889	-	15,889
Other comprehensive income for the period	-	15,889	-	15,934
Total comprehensive (expense)/ income for the period	(45,211)	(22,606)	(77,649)	8,500
(Loss)/profit for the period attributable to owners of the Company:				
- from continuing operations	(45,211)	(38,586)	(77,600)	32
- from discontinued operation	-	91	-	(7,462)
	(45,211)	(38,495)	(77,600)	(7,430)
Loss for the period attributable to non-controlling interests:				
- from continuing operations	-	-	(49)	(4)
- from discontinued operation	-	-	-	-
	-	-	(49)	(4)
	(45,211)	(38,495)	(77,649)	(7,434)
Total comprehensive (expense)/ income for the period attributable to:				
Owners of the Company	(45,211)	(22,606)	(77,600)	8,504
Non-controlling interests	-	-	(49)	(4)
	(45,211)	(22,606)	(77,649)	8,500

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME** *(Continued)*

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

NOTE	Three months ended 30 September		Nine months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited) (Restated)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited) (Restated)
Total comprehensive (expense)/ income for the period attributable to owners of the Company:				
– from continuing operations	(45,211)	(38,586)	(77,600)	32
– from discontinued operation	–	15,980	–	8,472
	<u>(45,211)</u>	<u>(22,606)</u>	<u>(77,600)</u>	<u>8,504</u>
(Loss)/earnings per share attributable to owners of the Company				
		9		
From continuing and discontinued operations:				
Basic and diluted (HK cents)	(8.85)	(7.54)	(15.19)	(1.57)
	<u>(8.85)</u>	<u>(7.55)</u>	<u>(15.19)</u>	<u>0.01</u>
From continuing operations:				
Basic and diluted (HK cents)	(8.85)	(7.55)	(15.19)	0.01
	<u>(8.85)</u>	<u>(7.55)</u>	<u>(15.19)</u>	<u>0.01</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial information for the nine months ended 30 September 2022 has been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**GEM Listing Rules**”). The unaudited condensed consolidated financial information does not include all the information required for a complete set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2021 (the “**2021 Financial Statements**”).

2. PRINCIPAL ACCOUNTING POLICIES

The amounts included in the unaudited condensed consolidated financial information have been computed based on the accounting policies adopted by the Group which are in accordance with HKFRSs issued by the HKICPA applicable to interim periods. However, it does not contain sufficient information to constitute an interim financial report as defined in HKFRSs.

The unaudited condensed consolidated financial information has been prepared under the historical cost basis, except for certain properties and financial instruments that are measured at fair values at the end of each reporting period, as appropriate.

The principal accounting policies applied in preparing the unaudited condensed consolidated financial information for the nine months ended 30 September 2022 are set out in note 3 to the 2021 Financial Statements, except for the adoption of the amendments to HKFRSs as described below.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION *(Continued)*

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

In the current period for the nine months ended 30 September 2022, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2022 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendment to HKFRS 16	COVID-19-Related Rent Concessions beyond 30 June 2021
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018-2020
Accounting Guideline 5 (Revised)	Merger Accounting for Common Control Combination

The application of the amendments to HKFRSs in the current period has had no material impact on the Group's financial performance for the current and prior periods and/or on the disclosures set out in the unaudited condensed consolidated financial information.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION *(Continued)*

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

3. NET (LOSS)/GAIN ON SECURITIES INVESTMENT

Net realised gain or loss on securities investment represents the proceeds from sale of financial assets at fair value through profit or loss (“FVTPL”) less the carrying amounts of respective financial assets measured at fair value at the end of last financial period, and the dividend income is recognised when the Group’s right to receive the dividends is established. Net unrealised gain or loss represents the remaining fair value changes on the financial assets at FVTPL.

	Three months ended 30 September		Nine months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Net realised gain on financial assets at FVTPL:				
Proceeds from sale of financial assets at FVTPL	-	-	-	18,557
Carrying amount of financial assets at FVTPL	-	-	-	(13,183)
	-	-	-	5,374
Dividend income from securities investments	10	15	10	15
	10	15	10	5,389
Net unrealised (loss)/gain on financial assets at FVTPL	(2,583)	(8,431)	(6,896)	17,944
	(2,573)	(8,416)	(6,886)	23,333

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

4. OTHER INCOME, OTHER GAINS AND LOSSES

	Three months ended 30 September		Nine months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited) (Restated)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited) (Restated)
Continuing operations				
Rental income from related parties (note 13(b))	879	1,256	2,638	3,769
Loss on financial guarantee contract	(232)	(13,394)	(117)	(13,394)
Government grant* – Employment Support Scheme from the Hong Kong government	288	–	432	–
Others	18	177	31	495
	<u>953</u>	<u>(11,961)</u>	<u>2,984</u>	<u>(9,130)</u>

* The conditions of the government grant have been fulfilled and the Group has received the government grants already.

5. OTHER EXPENSES

	Three months ended 30 September		Nine months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited) (Restated)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited) (Restated)
Continuing operations				
Handling fee and commission arising from brokerage business	1,222	1,866	4,068	6,048
Legal and professional fees	1,048	598	3,972	4,295
Expense relating to short-term leases	780	729	2,277	1,280
Telecommunication expenses	196	131	554	457
Others	908	760	2,540	3,022
	<u>4,154</u>	<u>4,084</u>	<u>13,411</u>	<u>15,102</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

6. FINANCE COSTS

	Three months ended 30 September		Nine months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited) (Restated)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited) (Restated)
Continuing operations				
Interest on other borrowing	2,016	2,016	5,983	5,983
Interest on convertible bonds	-	-	-	1,657
Interest on lease liabilities	-	-	-	20
	<u>2,016</u>	<u>2,016</u>	<u>5,983</u>	<u>7,660</u>

7. INCOME TAX CREDIT/(EXPENSE)

	Three months ended 30 September		Nine months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited) (Restated)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited) (Restated)
Continuing operations				
The income tax credit/(charge) comprises:				
Current tax				
- Hong Kong Profits Tax	-	40	(7)	(87)
Overprovision in prior periods				
- Hong Kong Profits Tax	-	32	-	53
Deferred tax – current period	6,989	4,301	11,912	4,155
	<u>6,989</u>	<u>4,373</u>	<u>11,905</u>	<u>4,121</u>

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 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%. Accordingly, the Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2,000,000 of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2,000,000 for both periods.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION *(Continued)*

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

8. DISCONTINUED OPERATION

The Group disposed of its equity interests in Safe2Travel Pte Ltd (“**Safe2Travel**”) and Harvest Well International Limited (“**Harvest Well**”, together with its subsidiaries, collectively referred to as the “**Harvest Well Group**”) during the year ended 31 December 2021. The Harvest Well Group was principally engaged in the travel business in Singapore through its subsidiary, Safe2Travel. The disposal of Harvest Well was effected in order to reduce the Group’s continual exposure to further loss and capital requirements of, and further financial commitments to the Group’s travel business in Singapore.

The comparative figures in the condensed consolidated statement of profit or loss and other comprehensive income for the three months ended and nine months ended 30 September 2021, which have been restated to re-present the travel business in Singapore as a discontinued operation, were as follows:

	Three months ended 30 September 2021 HK\$'000 (Unaudited)	Nine months ended 30 September 2021 HK\$'000 (Unaudited)
Service income from provision of travel-related services	–	457
Other income, other gains and losses	91	2,504
Staff costs	–	(4,151)
Depreciation expenses	–	(1,236)
Allowance for expected credit loss on trade receivables	–	(870)
Other expenses	–	(3,402)
Finance costs	–	(764)
	<hr/>	<hr/>
Profit/(loss) for the period	91	(7,462)
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION *(Continued)*

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

9. (LOSS)/EARNINGS PER SHARE

- (i) From continuing operations

The calculation of the basic and diluted (loss)/earnings per share from continuing operations attributable to owners of the Company is based on the following data:

	Three months ended 30 September		Nine months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
(Loss)/earnings				
(Loss)/earnings for the period attributable to owners of the Company for the purposes of basic and diluted (loss)/earnings per share	(45,211)	(38,586)	(77,600)	32

	Three months ended 30 September		Nine months ended 30 September	
	2022 '000 (Unaudited)	2021 '000 (Unaudited)	2022 '000 (Unaudited)	2021 '000 (Unaudited)
Number of shares				
Weighted average number of ordinary shares for the purposes of basic and diluted (loss)/earnings per share	510,794	510,794	510,794	471,791

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION *(Continued)*

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

9. (LOSS)/EARNINGS PER SHARE *(Continued)*

- (i) From continuing operations *(Continued)*

On 14 April 2021, the Company implemented the share consolidation by consolidating every ten issued and unissued existing ordinary shares of HK\$0.01 each of the Company into one ordinary share of HK\$0.10 each. The weighted average number of ordinary shares used in the basic and diluted earnings per share calculation for the nine months ended 30 September 2021 was adjusted retrospectively.

For the nine months ended 30 September 2021, the weighted average number of ordinary shares for the purpose of basic earnings per share has been adjusted for the conversion of convertible bonds that took place on 12 May 2021.

- (ii) From continuing and discontinued operations

The calculation of the basic and diluted loss per share from continuing and discontinued operations attributable to owners of the Company is based on the following data:

	Three months ended 30 September		Nine months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Loss				
Loss for the period attributable to owners of the Company for the purposes of basic and diluted loss per share	(45,211)	(38,495)	(77,600)	(7,430)

The denominators used are the same as those detailed in note 9(i) above for both basic and diluted loss per share.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION *(Continued)*

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

9. (LOSS)/EARNINGS PER SHARE *(Continued)*

- (iii) From discontinued operation

For the nine months ended 30 September 2021, both basic and diluted loss per share for the discontinued operation was HK1.58 cents per share, based on the loss for the period from the discontinued operation of HK\$7,462,000 and the denominator detailed in note 9(i) above for both basic and diluted loss per share.

For the three months ended 30 September 2021, both basic and diluted earnings per share for the discontinued operation was HK0.02 cents per share, based on the earnings for the period from the discontinued operation of HK\$91,000 and the denominator detailed in note 9(i) above for both basic and diluted earnings per share.

For the three months ended 30 September 2022 and 2021 and the nine months ended 30 September 2022, diluted loss per share was the same as the basic loss per share as there was no potential dilutive ordinary shares.

For the nine months ended 30 September 2021, the computation of diluted loss per share does not assume the conversion of the convertible bonds since their assumed exercise would result in an increase in earnings per share from the continuing operations.

10. INTERIM DIVIDENDS

No dividend was paid, declared or proposed for ordinary shareholders of the Company during the nine months ended 30 September 2022 and 2021 nor has any dividend been proposed since the end of both reporting periods.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

11. SHARE CAPITAL, SHARE PREMIUM AND RESERVES

	Attributable to owners of the Company							Non-controlling interests	Total
	Share capital	Share premium	Capital reserve	Exchange reserve	Property revaluation reserve	Accumulated losses	Sub-total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited) (Note i)	(Unaudited)	(Unaudited) (Note ii)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
At 1 January 2022	51,079	1,068,425	32,589	-	65,547	(875,662)	341,978	(7)	341,971
Loss and total comprehensive expense for the period	-	-	-	-	-	(77,600)	(77,600)	(49)	(77,649)
At 30 September 2022	51,079	1,068,425	32,589	-	65,547	(953,262)	284,378	(56)	284,322
At 1 January 2021	42,629	920,537	32,589	(19,111)	65,547	(692,571)	349,620	-	349,620
Loss for the period	-	-	-	-	-	(7,430)	(7,430)	(4)	(7,434)
Other comprehensive income for the period	-	-	-	15,934	-	-	15,934	-	15,934
Total comprehensive income/ (expense) for the period	-	-	-	15,934	-	(7,430)	8,504	(4)	8,500
Conversion of convertible bonds	8,450	51,550	-	-	-	-	60,000	-	60,000
At 30 September 2021	51,079	972,087	32,589	(3,177)	65,547	(700,001)	418,124	(4)	418,120

Notes:

- (i) The capital reserve represented the credit arising from the capital reduction effected by the Company during the year ended 31 December 2009.
- (ii) The property revaluation reserve represents cumulative gains and losses arising from revaluation of the corresponding properties during the year ended 31 December 2018 upon transfer of self-owned properties to investment properties that have been recognised in other comprehensive income. Such item will not be reclassified to profit or loss in subsequent periods.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION *(Continued)*

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

12. SHARE-BASED PAYMENT TRANSACTIONS

The Company adopted a new share option scheme to replace the share option scheme adopted on 19 May 2011 pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 24 June 2021. The purpose of the share option scheme is to enable the Company to grant options to selected eligible participants who include employees and directors of the Company and its subsidiaries as incentives or rewards for their contribution or potential contribution to the Group. Under the share option scheme, the option period during which a share option may be exercised shall be determined and notified by the directors to the grantee and in any event shall not exceed ten years from the date of grant. The maximum number of shares which may be issued upon exercise of all options may be granted at any time under the share option scheme together with options which may be granted under any other share option schemes for the time being of the Company shall not exceed such number of shares as equals 10% of the issued share capital of the Company as at the date of the approval of the share option scheme (the "**Scheme Mandate Limit**"), without prior approval from the Company's shareholders. The Company may seek approval by the shareholders of the Company in general meeting to refresh the Scheme Mandate Limit under the share option scheme.

The exercise price is determined by the directors, and is not less than the highest of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the Company's shares for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company's share on the date of grant.

No share options were granted during the nine months ended 30 September 2022 and 2021. No share options were outstanding as at 30 September 2022 and 2021.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION *(Continued)*

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

13. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the condensed consolidated financial information, the Group has entered into the following significant related party transactions during the reporting period.

- (a) Compensation of key management personnel

The remuneration of directors during the period was as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Short-term employee benefits	510	510	1,530	5,280
Post-employment benefits	5	4	14	29
	<u>515</u>	<u>514</u>	<u>1,544</u>	<u>5,309</u>

The remuneration of directors is determined by the remuneration committee having regards to the performance of individuals and market trends.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

13. RELATED PARTY TRANSACTIONS (Continued)

- (b) During the period, the Group entered into the following transactions with related parties:

		Three months ended 30 September		Nine months ended 30 September	
		2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Related companies (Note i)	Rental income	879	1,256	2,638	3,769
	Brokerage commission income and other service charge income	-	-	-	243
Subsidiaries of a substantial shareholder of the Company (Note ii)	Lease payments	-	-	-	1,181
	Advisory fee income from corporate finance	-	-	-	370
	Brokerage commission income and other service charge income	-	-	-	47
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

Notes:

- i. Mr. Mung Hon Ting, Jackie (“**Mr. Jackie Mung**”), a close family member of Mr. Mung Kin Keung and Mr. Mung Bun Man, Alan (“**Mr. Alan Mung**”), both of whom are executive directors of the Company.

For the nine months ended 30 September 2022 and 2021, Mr. Alan Mung and Mr. Jackie Mung have the beneficial interests in the related companies.

- ii. These companies are wholly-owned subsidiaries of Eternity Investment Limited, a company listed on the Main Board of the Stock Exchange and a substantial shareholder of the Company. Eternity Investment Limited ceased to have a significant influence over the Company on 24 May 2021.

All of the above transactions also constitute connected transactions as defined in Chapter 20 of the GEM Listing Rules. However, these transactions are fully exempt from the connected transaction requirements in Chapter 20 of the GEM Listing Rules under Rule 20.74(1)(c).

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
FINANCIAL INFORMATION** *(Continued)*

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

14. EVENTS AFTER THE END OF THE REPORTING PERIOD

There is no important event affecting the Group which has occurred since the end of the reporting period.

15. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current period's presentation and the disclosure requirements in respect of the discontinued operation set out in note 8.

MANAGEMENT DISCUSSION & ANALYSIS

Financial Review

Given that the travel business in Singapore suffered sustained losses in recent years due to severe market competition and the outbreak of the COVID-19 pandemic, Global Mastermind Holdings Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) ceased its travel business in Singapore by disposing of its entire issued equity interest in Harvest Well International Limited on 30 August 2021. The principal subsidiary of Harvest Well International Limited was Safe2Travel Pte Ltd (“**Safe2Travel**”), which was engaged in the travel business in Singapore. Accordingly, the results of Safe2Travel for the period from 1 January 2021 to the disposal date have been restated to represent as a discontinued operation for financial reporting purposes.

Results of Continuing Operations

The Group recorded a loss attributable to owners of the Company of HK\$77,600,000 for the nine months ended 30 September 2022 (2021: profit attributable to owners of the Company of HK\$32,000). The change from profit to loss was due to (i) a HK\$10,864,000 decrease in interest income from money lending business, (ii) the recognition of a HK\$6,886,000 net realised and unrealised loss on securities investment in the nine months ended 30 September 2022, in contrast to a HK\$23,333,000 net realised and unrealised gain on securities investment in the corresponding period last year, (iii) the recognition of an allowance for expected credit losses (“**ECL**”) of HK\$11,291,000 on account receivables from securities margin clients, and (iv) a HK\$47,007,000 increase in the allowance for ECL on loan receivables, which were partially offset by a HK\$13,277,000 decrease in loss on financial guarantee contract as recorded in other income, other gains and losses.

MANAGEMENT DISCUSSION & ANALYSIS *(Continued)*

Results of Continuing Operations *(Continued)*

Revenue and profitability

An analysis of the Group's revenue for the nine months ended 30 September 2022 and 2021 was as follows:

	Nine months ended 30 September	
	2022	2021
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest income from money lending business	11,119	21,983
Net realised gain on securities investment	10	5,389
Revenue derived from financial services business	10,129	16,287
	21,258	43,659

For the nine months ended 30 September 2022, the revenue of the Group amounted to HK\$21,258,000, which was comprised of interest income from money lending business of HK\$11,119,000, net realised gain on securities investment of HK\$10,000, and revenue derived from financial services business of HK\$10,129,000. Revenue derived from financial services business includes commission income from securities brokerage, interest income from margin financing and initial public offering (“**IPO**”) financing, handling and settlement income arising from securities brokerage, asset management fee income, and advisory fee income from corporate finance.

The Group reported a decrease of 51% in its revenue for the nine months ended 30 September 2022 compared to HK\$43,659,000 for the nine months ended 30 September 2021. The decrease was mainly attributable to (i) a HK\$10,864,000 decrease in interest income from the money lending business, (ii) a HK\$5,379,000 decrease in net realised gain on securities investment, and (iii) a HK\$6,158,000 decrease in revenue derived from financial services business.

MANAGEMENT DISCUSSION & ANALYSIS *(Continued)*

Results of Continuing Operations *(Continued)*

Other income, other gains and losses

Other income, other gains and losses for the nine months ended 30 September 2022 amounted to a net income of HK\$2,984,000, whereas a net loss of HK\$9,130,000 for the nine months ended 30 September 2021. The change from loss to profit was mainly attributable to the HK\$13,277,000 decrease in loss on financial guarantee contract relating to the payments made by the Company to a bank in Singapore in fulfilling its obligation as a financial guarantor in respect of the banking facilities granted to Safe2Travel.

Staff costs, depreciation and amortisation expenses, and other expenses

For the nine months ended 30 September 2022, staff costs amounted to HK\$11,174,000 (2021: HK\$13,480,000). Depreciation and amortisation expenses amounted to HK\$254,000 (2021: HK\$1,944,000). Other expenses amounted to HK\$13,411,000 (2021: HK\$15,102,000).

The decrease in staff costs was mainly due to two executive directors of the Company not taking any directors' emoluments since 1 June 2021.

The decrease in depreciation and amortisation expenses was mainly attributable to the Group's right-of-use assets being fully depreciated upon the expiry of the related lease contracts.

The decrease in other expenses was mainly due to a HK\$1,980,000 decrease in handling fee and commission arising from the Group's securities brokerage business.

MANAGEMENT DISCUSSION & ANALYSIS *(Continued)*

Results of Continuing Operations *(Continued)*

Gain on fair value changes in investment properties

Based on a valuation prepared by an independent qualified valuer, a gain on fair value changes of investment properties of HK\$7,400,000 (2021: HK\$6,800,000) was recognised in the nine months ended 30 September 2022. The recognition of the gain on fair value changes of investment properties was due to the better performance of the commercial property market in Hong Kong in 2022 as compared with last year.

Allowance for ECL on loan receivables

In the six months ended 30 June 2022, the Group recognised an allowance for ECL of HK\$29,715,000 on loan receivables based on a valuation prepared by an independent professional valuer. At the end of the reporting period, the directors performed an ECL assessment on the Group's loan receivables and recognised an allowance for ECL of HK\$42,472,000 for the three months ended 30 September 2022. Accordingly, the allowance for ECL on loan receivables for the nine months ended 30 September 2022 amounted to HK\$72,187,000 (2021: HK\$25,180,000).

The increase in the allowance for ECL on loans receivables for the nine months ended 30 September 2022 was due to (i) an allowance for ECL of HK\$7,998,000 made against the reclassification of a loan receivable from stage 1 (initial recognition) to stage 2 (significant increase in credit risk) as the customer failed to pay interest for more than 30 days, (ii) an allowance for ECL of HK\$47,019,000 made against the reclassification of a loan receivable from stage 1 (initial recognition) to stage 3 (credit-impaired) as the customer failed to settle the outstanding principal and interest thereon for more than 90 days, and (iii) an allowance for ECL of HK\$17,051,000 made against the reclassification of a loan receivable from stage 2 (significant increase in credit risk) to stage 3 (credit-impaired) as the customer failed to settle the outstanding principal on the due date and the Group entered into a deed of settlement with the customer in May 2022.

MANAGEMENT DISCUSSION & ANALYSIS *(Continued)*

Results of Continuing Operations *(Continued)*

Allowance for ECL on account receivables from securities margin clients

At the end of the reporting period, the directors performed an ECL assessment on the account receivables from the securities margin clients. As the market values of the pledged securities held by three securities margin clients fell below their outstanding amounts of securities margin loan, the directors concluded that an allowance for ECL on account receivables from securities margin clients of HK\$11,291,000 (2021: Nil) was required for the nine months ended 30 September 2022.

Finance costs

For the nine months ended 30 September 2022, the finance costs amounted to HK\$5,983,000 (2021: HK\$7,660,000), representing the interest expense on other borrowing (2021: HK\$5,983,000). There were no interest expenses related to convertible bonds (2021: HK\$1,657,000) and lease liabilities (2021: HK\$20,000) for the nine months ended 30 September 2022. The decrease in finance costs was due to the full conversion of the entire convertible bonds with the principal amount of HK\$60,000,000 issued in 2020 into ordinary shares of the Company on 12 May 2021.

Results of Discontinued Operation

Loss from discontinued operation for the nine months ended 30 September 2021 amounted to HK\$7,462,000, which mainly represented the results of Safe2Travel for the period from 1 January 2021 to the disposal date.

MANAGEMENT DISCUSSION & ANALYSIS *(Continued)*

Business Review

Money lending business

During the nine months ended 30 September 2022, the Group's money lending business generated interest income on loans of HK\$11,119,000 (2021: HK\$21,983,000), a 49% decrease as compared to the corresponding period last year.

The decrease in interest income was contributed by (i) no further interest income recognised from three overdue loans classified under stage 3 (credit-impaired) as the Group cast doubt on their ability and intention to repay, and (ii) the change in interest income recognition method of two non-overdue loans classified under stage 3 (credit-impaired), where interest income on these loans was calculated based on the effective interest rate on their net carrying amounts (after deducting their accumulated allowance for ECL), rather than their gross balance.

During the nine months ended 30 September 2022, the Group granted a new loan in the principal amount of HK\$17,000,000 and extended the final repayment date of an existing loan in the principal amount of HK\$26,650,000. The Group's customers made a drawing of HK\$15,792,000 from the new loan and the repayments of HK\$20,412,000 to the Group.

MANAGEMENT DISCUSSION & ANALYSIS *(Continued)*

Business Review *(Continued)*

Money lending business *(Continued)*

As at 30 September 2022, nine loans remained outstanding, in which (i) a loan receivable with a gross balance of HK\$16,248,000 was classified under stage 1 (initial recognition), (ii) a loan receivable with a gross balance of HK\$27,796,000 was classified under stage 2 (significant increase in credit risk), and (iii) seven loan receivables with the aggregate gross balance of HK\$275,281,000 were classified under stage 3 (credit-impaired). During the nine months ended 30 September 2022, a loan receivable with a gross balance of HK\$27,796,000 was transferred from stage 1 (initial recognition) to stage 2 (significant increase in credit risk) as the customer failed to pay interest on the loan for more than 30 days, a loan receivable with a gross balance of HK\$49,916,000 was transferred from stage 1 (initial recognition) to stage 3 (credit-impaired) as the customer failed to settle the outstanding principal and the interest thereon for more than 90 days, and a loan receivable with a gross balance of HK\$28,240,000 was transferred from stage 2 (significant increase in credit risk) to stage 3 (credit-impaired) as the customer failed to settle the outstanding principal on the due date. The Group entered into the deed of settlement with that customer in May 2022.

At the end of the reporting period, a total of HK\$72,187,000 allowance for ECL on loan receivables was made in the nine months ended 30 September 2022 (2021: HK\$25,180,000). Of the total allowance for ECL, HK\$130,000 was recognised for loan receivables classified under stage 1 (initial recognition), HK\$7,998,000 was recognised for loan receivables classified under stage 2 (significant increase in credit risk) and HK\$64,059,000 was recognised for loan receivables classified under stage 3 (credit-impaired).

MANAGEMENT DISCUSSION & ANALYSIS *(Continued)*

Business Review *(Continued)*

Money lending business (Continued)

For stage 2 (significant increase in credit risk), the allowance for ECL of HK\$7,998,000 was made against the loan receivable with the gross balance of HK\$27,796,000 transferred from stage 1 (initial recognition) to stage 2 (significant increase in credit risk). The allowance for ECL under stage 3 (credit-impaired) of HK\$64,059,000 was mainly made against (i) the loan receivable with the gross balance of HK\$49,916,000 transferred from stage 1 (initial recognition) to stage 3 (credit-impaired) and (ii) the loan receivable with the gross balance of HK\$28,240,000 transferred from stage 2 (significant increase in credit risk) to stage 3 (credit-impaired).

Set out below is the latest development for the recovery of the loan receivables classified under stage 3 (credit-impaired):

- (a) A customer has failed to pay the interest on the loan to the Group since May 2021. In January 2022, the Group obtained a corporate guarantee provided by a company incorporated in the People's Republic of China (the "PRC") to secure all of her repayment obligations of the loan in the principal amount of HK\$58,000,000 under the loan agreement. The Group has commenced legal action against the corporate guarantor in the PRC with a view to recovering the loan receivable. The legal adviser has recently lodged a civil claim against the corporate guarantor to the court. The court has not yet scheduled the date of the hearing as at the date of this report.

MANAGEMENT DISCUSSION & ANALYSIS *(Continued)*

Business Review *(Continued)*

Money lending business *(Continued)*

- (b) A customer failed to repay the outstanding principal amount of the revolving loan facilities of HK\$55,000,000 and the accrued and unpaid interest thereon as they fell due in April 2020. The Group commenced civil proceedings in the PRC against the customer and the guarantor in September 2020 to recover the outstanding principal amount together with the accrued and unpaid interest thereon. The first court hearing was held on 19 October 2021, and the court handed down the judgement in favour of the Group on 22 December 2021. However, the guarantor lodged an appeal against the judgement on 3 March 2022. The court has not yet scheduled the date of hearing for the appeal as at the date of this report.
- (c) A customer failed to repay the outstanding principal amount of a loan of HK\$2,000,000 and the accrued and unpaid interest thereon as they fell due in May 2021. The customer has an investment portfolio of listed equity securities (the “**Listed Shares**”) maintained at Global Mastermind Securities Limited, a wholly-owned subsidiary of the Company engaging in the provision of securities services. He had given an undertaking to the Group, pursuant to which he agreed he will dispose of whole or part of the Listed Shares to repay his loan owned to the Group in the event of default. The Group is currently negotiating with him to dispose of the Listed Shares to repay the outstanding principal amount and the accrued and unpaid interest thereon.

MANAGEMENT DISCUSSION & ANALYSIS *(Continued)*

Business Review *(Continued)*

Money lending business *(Continued)*

- (d) A customer failed to pay the accrued interest since May 2020. The revolving loan facilities of HK\$19,000,000 granted to him were secured by a first legal charge over a commercial property. During the year ended 31 December 2021, the Group took possession of the commercial property and sold it to an independent third party to recover HK\$15,497,000 of the outstanding principal amount. Currently, the Group is working with its legal adviser to commence legal action against the customer by issuing a writ of summons to the customer demanding the repayment of the remaining outstanding principal amount of the loan of HK\$3,503,000 together with the accrued and unpaid interest thereon.
- (e) A customer did not repay the outstanding principal amount of a loan of HK\$35,300,000 as it fell due in May 2022. Thus, the Group entered into the deed of settlement with the customer for a settlement plan of the outstanding principal amount (the “**Settlement Amount**”), in which HK\$7,060,000 was repaid on 30 May 2022, and the remaining outstanding balance of HK\$28,240,000 would be paid by four instalments in 20 months commenced from 1 June 2022. In consideration of the Group agreeing to enter into the deed of settlement, (i) a wholly-owned subsidiary of the customer has undertaken to pay 70% of the revenue generated from its corporate services business within 30 days after actual receipt of payment in respect of such revenue for settlement of the same amount of the Settlement Amount unless and until the Settlement Amount is fully settled; and (ii) another wholly-owned subsidiary of the customer has undertaken to pay 80% of all of its revenue (excluding certain revenue as defined in the deed of settlement) actually received by it within 30 days after actual receipt of the payment in respect of such revenue for settlement of the same amount of the Settlement Amount unless and until the Settlement Amount is fully settled.

MANAGEMENT DISCUSSION & ANALYSIS *(Continued)*

Business Review *(Continued)*

Money lending business *(Continued)*

- (f) A customer has failed to pay the interest on the loan in the principal amount of HK\$63,000,000 since February 2022. The Group is currently in negotiation with the customer regarding the settlement arrangement.
- (g) A customer has failed to repay the outstanding principal amount of HK\$48,000,000 and accrued and unpaid interest thereon as they fell due in May 2022. Subsequently, the customer paid HK\$6,629,000 to the Group in August and October 2022 as partial repayment of the loan and interest payment. The Group is currently in negotiation with the customer regarding the settlement arrangement.

As at 30 September 2022, the Group's loan receivables, together with accrued interest receivables (before accumulated allowance for ECL of HK\$233,887,000 (31 December 2021: HK\$161,700,000)), amounted to HK\$319,325,000 (31 December 2021: HK\$322,021,000).

Treasury management business

During the nine months ended 30 September 2022, the Group did not acquire or dispose of any securities investment. Taking into account the dividend income from its securities investment, the Group recorded a net realised gain on securities investment of HK\$10,000 (2021: HK\$5,389,000). As at 30 September 2022, the Group remeasured its securities investment at fair value and recorded a net unrealised loss of HK\$6,896,000 arising on changes in fair values of securities investment (2021: net unrealised gain of HK\$17,944,000).

MANAGEMENT DISCUSSION & ANALYSIS *(Continued)*

Business Review *(Continued)*

Financial services business

During the nine months ended 30 September 2022, the revenue of the Group's financial services business decreased by 38% to HK\$10,129,000 (2021: HK\$16,287,000).

Commission income from securities brokerage for the nine months ended 30 September 2022 decreased by 60% to HK\$1,562,000 (2021: HK\$3,864,000). This decrease was due to a decrease in customers' transaction volumes resulting from poor market sentiment.

Interest income from margin financing and IPO financing for the nine months ended 30 September 2022 increased by 11% to HK\$5,083,000 (2021: HK\$4,597,000) as there was an increase in the Group's securities margin financing business. The average monthly outstanding balance of loans of securities margin clients (before accumulated allowance for ECL) increased from HK\$63,758,000 in the nine months ended 30 September 2021 to HK\$70,706,000 in the nine months ended 30 September 2022.

The handling and settlement income arising from securities brokerage for the nine months ended 30 September 2022 decreased by 38% to HK\$3,386,000 (2021: HK\$5,492,000) due to the decrease in customers' transaction volumes resulting from poor market sentiment.

The asset management fee income for the nine months ended 30 September 2022 decreased by 96% to HK\$3,000 (2021: HK\$71,000). The decrease was due to the decrease in the assets under management by the Group.

The advisory fee income from corporate finance for the nine months ended 30 September 2022 decreased by 96% to HK\$95,000 (2021: HK\$2,263,000).

MANAGEMENT DISCUSSION & ANALYSIS *(Continued)*

Outlook

The Hong Kong economy may continue to be suppressed by various economic uncertainties, including the Russia-Ukraine war, commodity price fluctuations, the aggressive monetary tightening campaign of the United States, and geopolitical tensions. The directors will continue closely monitoring the repayment and financial condition of the Group's money lending customers to ensure speedy actions on any early signs of loan recovery issues and take various measures to recover the overdue loan receivables and the unpaid interest on loans.

Various downside risks cloud the outlook of the Hong Kong equity market, such as the United States' interest rate hike and the disruption caused by the pandemic prevention measures. The directors will closely monitor and adjust the Group's securities investment from time to time and realise the securities investment into cash as and when appropriate.

The directors are hopeful for an improvement in the performance of the Group's financial services business. Although there are still many uncertainties in the Hong Kong equity market, the increasing vaccination rates and the expectation of borders reopening, the directors believe the market sentiment will be aroused in the next year.

The directors will continue to leverage on the Group's experience in the travel industry and formulate business plans to develop its travel business in Hong Kong, focusing on inbound travel from the PRC and/or outbound short-haul trips to the Guangdong-Hong Kong-Macao Greater Bay Area, which are believed to be less capital intensive and can recover more quickly when the PRC lifts border restrictions.

MANAGEMENT DISCUSSION & ANALYSIS *(Continued)*

Outlook *(Continued)*

The new Omicron variants continue to spread over the world, the directors will be watchful over the development of the COVID-19 pandemic. The directors commit to leading the Group to weather the challenges and continue to monitor the business environment cautiously and strengthen the Group's business foundation by focusing on its existing businesses. In addition to focusing on the Group's existing businesses, the directors will continue to cautiously identify suitable investment opportunities for the Group to diversify its businesses and broaden its revenue.

Events after the Reporting Period

There is no important event affecting the Group which has occurred since the end of the reporting period.

ADDITIONAL INFORMATION REQUIRED BY THE GEM LISTING RULES

Dividends

The Board does not recommend the payment of an interim dividend for the nine months ended 30 September 2022 (2021: Nil).

Directors' and Chief Executive's Interests in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at 30 September 2022, none of the directors and the chief executive and their associates had any interests in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Future Ordinance (the "SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors as referred to in Rule 5.46 of the GEM Listing Rules.

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares of the Company

As at 30 September 2022, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholders had notified the Company of relevant interests in the issued share capital of the Company:

ADDITIONAL INFORMATION REQUIRED BY THE GEM LISTING RULES *(Continued)*

Long positions – Ordinary shares of HK\$0.10 each of the Company

Name of shareholder	Capacity	Number of shares of the Company held	Percentage of the issued share capital of the Company
Heng Tai Finance Limited <i>(Note 1)</i>	Beneficial owner	84,507,042	16.54%
Heng Tai Consumables Group Limited <i>(Note 1)</i>	Interest of controlled corporation	84,507,042	16.54%
Eternity Investment Limited ("Eternity") <i>(Note 2)</i>	Interest of controlled corporation	94,497,000	18.50%

Notes:

1. Heng Tai Finance Limited is a wholly-owned subsidiary of Heng Tai Consumables Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 197). Heng Tai Finance Limited is interested in 84,507,042 ordinary shares of the Company. Heng Tai Consumables Group Limited is deemed to be interested in such 84,507,042 ordinary shares by virtue of the SFO.
2. Eternity Finance Group Limited and Max Winner Investments Limited are wholly-owned subsidiary of Eternity, a company listed on the Main Board of the Stock Exchange (Stock code: 764). Eternity Finance Group Limited and Max Winner Investments Limited are interested in 81,932,000 and 12,565,000 ordinary shares of the Company respectively. Eternity is deemed to be interested in such 94,497,000 ordinary shares by virtue of the SFO.

Other than as disclosed above, the Company had not been notified of any other relevant interests or short positions in the shares and underlying shares of the Company as at 30 September 2022.

ADDITIONAL INFORMATION REQUIRED BY THE GEM LISTING RULES *(Continued)*

Disclosure Pursuant to Rule 17.22 of the GEM Listing Rules

As at 30 September 2022, the outstanding principal amount of the loan made by the Group to Mr. Yuen Hoi Po, an independent third party customer, amounted to HK\$62,247,000 (before accumulated allowance for ECL), which exceeds 8% under the assets ratio defined under Rule 19.07(1) of the GEM Listing Rules. The loan is interest-bearing at 9.00% per annum, unsecured, and repayable in one lump sum on 10 November 2022. The loan granted to Mr. Yuen Hoi Po was in the ordinary course of the Group's money lending business. Details of the grant of the loan were disclosed in the Company's announcements dated 28 November 2018 and 11 November 2020.

Directors' Interests in Competing Business

During the nine months ended 30 September 2022 and up to the date of this report, Mr. Cheung Kwok Wai, Elton, the Chairman of the Board and an executive director, has interests in businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group:

- (a) Mr. Cheung Kwok Wai, Elton has an indirect interest of 15.29% in the issued shares of and is an executive director of Eternity. The subsidiaries of Eternity also engage in money lending and the sale of financial assets businesses.
- (b) Mr. Cheung Kwok Wai, Elton is the vice-chairman of the board of directors and an executive director of China Healthwise Holdings Limited, a company listed on the Main board of the Stock Exchange (stock code: 348). The subsidiaries of China Healthwise Holdings Limited also engage in money lending and investment in financial instruments businesses.

As the Board of the Company is independent of the boards of directors of the above entities, the Group is capable of carrying on its businesses independently of, and at arm's length from, the above businesses.

ADDITIONAL INFORMATION REQUIRED BY THE GEM LISTING RULES *(Continued)*

Purchase, Redemption or Sale of the Company's Listed Securities

During the nine months ended 30 September 2022, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

Review of Financial Information

The unaudited condensed consolidated financial information for the nine months ended 30 September 2022 and this report of the Company have been reviewed by the Audit Committee of the Board, which was of the opinion that the preparation of such financial information and report complied with the applicable accounting standards, the GEM Listing Rules and legal requirements, and adequate disclosures have been made.

Acknowledgement

On behalf of the Board, I would like to express my gratitude and appreciation to my fellow directors, the management and staff for their dedication, loyalty and contribution. In addition, I would like to thank our shareholders for their continuous support.

On behalf of the Board

Cheung Kwok Wai, Elton

Chairman and Executive Director

Hong Kong, 9 November 2022

As at the date of this report, the Board comprises Mr. Cheung Kwok Wai, Elton, Mr. Mung Kin Keung and Mr. Mung Bun Man, Alan as executive directors; and Mr. Law Kwok Ho, Kenward, Mr. Fung Wai Ching and Mr. Lai Hok Lim as independent non-executive directors.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the nine months ended 30 September 2022 (for the nine months ended 30 September 2021: Nil).

AUDIT COMMITTEE

The audit committee (the “**Audit Committee**”) of the Board currently comprises three independent non-executive directors, namely Mr. Law Kwok Ho, Kenward (as chairman), Mr. Fung Wai Ching and Mr. Lai Hok Lim, with written terms of reference in compliance with the GEM Listing Rules. The Audit Committee has reviewed the unaudited condensed consolidated results of the Group for the nine months ended 30 September 2022 and is of the opinion that the preparation of such results complied with the applicable accounting standards, the GEM Listing Rules and any other applicable laws and has been adequately disclosed.

By Order of the Board
Global Mastermind Holdings Limited
Cheung Kwok Wai, Elton
Chairman and Executive Director

Hong Kong, 9 November 2022

As at the date of this announcement, the Board comprises Mr. Cheung Kwok Wai, Elton, Mr. Mung Kin Keung and Mr. Mung Bun Man, Alan as executive directors, and Mr. Law Kwok Ho, Kenward, Mr. Fung Wai Ching and Mr. Lai Hok Lim, as independent non-executive directors.

This announcement will remain on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk on the “Latest Listed Company Information” page for at least seven days from the date of publication and on the Company’s website at www.globalmholdings.com.