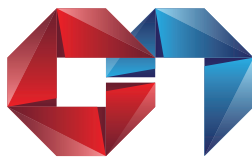


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GLOBAL MASTERMIND

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)**

## **DECISION OF THE GEM LISTING COMMITTEE**

This announcement is made by Global Mastermind Holdings Limited (the “**Company**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Exchange**”) (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 7 October 2024, 8 October 2024 and 17 October 2024, in relation to, among other things, (i) a decision from the listing division of the Exchange (the “**Division**”) (the “**Division Decision**”) that the Company has failed to maintain a sufficient level of operations and assets of sufficient value to support its operations to warrant the continued listing of its shares (the “**Shares**”) under Rule 17.26 of the GEM Listing Rules; and (ii) a request from the Company for the Division Decision to be referred to the GEM Listing Committee (the “**Committee**”) for review (the “**Review**”) pursuant to Chapter 4 of the GEM Listing Rules. The review hearing of the Division Decision by the Committee was held on 14 January 2025.

## **THE DECISION OF THE GEM LISTING COMMITTEE**

The board of directors of the Company (the “**Directors**”) (the “**Board**”) wishes to inform the shareholders and potential investors of the Company that on 7 February 2025, the Company received a letter from the Committee, notifying the Company that, having considered all the submissions (both written and oral) made by the Company and the Division, the Committee was of the view that the Company had failed to maintain a sufficient level of operations and assets of sufficient value to support its operations as required under GEM Listing Rule 17.26 to warrant the continued listing of the Shares. The Committee therefore decided to uphold the Division Decision to suspend trading in the Shares under GEM Listing Rule 9.04(3) (the “**Committee Decision**”).

\* *For identification purposes only*

## Reasons

The Committee arrived at its decision having considered the following:

### On operation

1. The Company's operation has continuously been deteriorating in recent years with a decline in its revenue from HK\$75.6 million in FY2019 to HK\$13.9 million in FY2023. In addition, the Company had recorded net losses ranging from HK\$34.1 million to HK\$267.1 million in the past five years. In 1H2024, the Company recorded a minimal revenue of HK\$6.6 million and net loss of HK\$24.3 million.
2. The Money Lending Business and the Brokerage Business were the key revenue contributors to the Company in the past five years. During the past five years, the Money Lending Business had recognised decreasing revenue. The Company recorded significant impairments and had a limited number of customers in its loan portfolio and consequently the deterioration in this business did not appear to be a temporary downturn. The Brokerage Business had shrunk to a minimal scale in FY2023. The Company did not have a concrete and detailed plan to improve either of the Money Lending Business and the Brokerage Business. For the Corporate Finance Advisory Business, the Asset Management Business and the Treasury Management Business, the scale of their respective operations had remained small over the years. While the Company planned to resume the Travel Business or explore opportunities for acquisitions or cooperation with potential vendors and/or business partners, such plan was preliminary and devoid of concrete details.
3. Overall, the Committee did not consider the Company's businesses to be of substance, viable and sustainable given that each of the Company's businesses had failed to generate sufficient revenue to cover corporate expenses between FY2019 and FY2023. The Company had sustained net losses throughout the past five years and continued to do so despite the recent economic upturn.

#### Money Lending Business

4. The Money Lending Business had been the main revenue contributor of the Company since FY2019. However, the Committee did not consider it to be viable and sustainable or have substance. The Committee noted that:
  - (i). the scale of operation had diminished to a low level and this did not appear to be a temporary downturn. In particular:
    - (a). its revenue decreased from HK\$29.1 million in FY2019 to HK\$5.3 million in FY2023 and HK\$1.4 million in 1H2024;
    - (b). it had a small number of customers, which was at most nine borrowers;
    - (c). of the entire loan portfolio, only one loan generated interest income for the Company as at 31 December 2023 and 30 June 2024. Further, such loan was granted to China Healthwise Holdings Limited, which appeared to be connected to the Company's substantial shareholders and directors as noted in the Division Decision;

- (d). save for the loan to China Healthwise Holdings Limited, the Company had not granted any new loan for over four years; and
- (e). the Company submitted that going forward, its focus would be the recovery of the overdue loans and that it planned to re-allocate the financial resources to be collected from the Money Lending Business to the Brokerage Business. It did not have any concrete plan to procure new borrowers or grant new loans.

Based on the above, the Company failed to demonstrate to the Committee its plan not only to recover the overdue loans but how to grow the Money Lending Business such that its scale of operation would be substantially improved in the coming years.

- (ii). the Company recorded impairment losses on its loans and interest receivables in each of the five years between FY2019 and FY2023, with significant impairment losses in an aggregate amount of HK\$248.6 million recorded between FY2020 and FY2022. The Company had recorded segment losses over the past five years, and the total impairment loss of HK\$271.4 million far exceeded the total revenue of HK\$105.3 million recognised in the same period. Despite the credit loss reversal of HK\$2.5 million recorded in 1H2024, 96.5% of the Company's loan and interest receivables remained impaired as at 30 June 2024; and
- (iii). given that the loan portfolio for the Company had been maintained at a minimal level over the years and the Company recorded significant impairment losses on their loans receivables, the Company had not demonstrated that the Money Lending Business was operated by management with the requisite expertise.

#### Brokerage Business

- 5. The revenue of the Brokerage Business dropped significantly from HK\$17.8 million in FY2021 to HK\$7.5 million in FY2023, which was the lowest level in the last five years. In 1H2024, the Brokerage Business recorded revenue of HK\$4.5 million and loss of HK\$1.5 million. Despite the net increase in the number of client accounts over the years, the Brokerage Business had continuously been loss-making since its inception. To improve this business, the Company planned to re-allocate the financial resources to be collected from the Money Lending Business to the Brokerage Business. However, given the uncertainty on the feasibility and timing of loan recovery for its Money Lending Business, the Company had not demonstrated that its plan to improve the Brokerage Business was concrete or sufficient to substantially improve the scale of operation.

#### Corporate Finance Advisory Business and Asset Management Business

- 6. The Corporate Finance Advisory Business and the Asset Management Business had minimal scale of operations. The Company did not provide any concrete plan to improve these businesses.

#### Treasury Management Business

- 7. The Treasury Management Business had a minimal scale of operation. It recorded an aggregated negative revenue of HK\$0.4 million in the past five years. Further, the Company did not provide any concrete plan to improve this business.

## Travel Business

8. The Company's plan to resume the Travel Business was preliminary, and lacked concrete detail on how it would be developed.

### **On assets**

9. As at 30 June 2024, the Company only had a small cash balance of HK\$11.3 million. Regarding the Company's self-owned properties currently being leased out, the Exchange's Guidance on sufficiency of operations provides, among others, that assets that are not used to support an issuer's operations are disregarded. Despite the Company's submission that these properties could be put into use by its businesses, the Committee considered that an issuer that holds significant assets but does not carry out a sufficient level of operations is not compliant with GEM Listing Rule 17.26. Even if these properties were to be taken into account in assessing the sufficiency of assets, it still failed to demonstrate that it had sufficient assets to support an operation that generated sufficient revenue and profits as illustrated above.
10. In conclusion, the Committee considered that the Company had failed to maintain a sufficient level of operations and assets of sufficient value to support its operations as required under GEM Listing Rule 17.26 to warrant the continued listing of its Shares.

## **RIGHT TO REVIEW**

Under Chapter 4 of the GEM Listing Rules, the Company has the right to have the Committee Decision referred to the GEM Listing Review Committee for review. GEM Listing Rule 4.08(1) provides that an application for review has to be made to the Secretary of the GEM Listing Review Committee within seven business days of the issue of the Committee Decision.

The Company is in the process of seeking advice from its professional advisers and will consider lodging a request for reviewing the Committee Decision. Shareholders and potential investors are reminded that the Company has yet to make a decision as to whether or not to request for reviewing the Committee Decision and the outcome of such review by the GEM Listing Review Committee, if undertaken, is uncertain.

Further announcements will be made by the Company as and when appropriate and in accordance with the requirements of the GEM Listing Rules. Shareholders who have any queries about the implication of the Committee Decision are advised to obtain appropriate professional advice.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

By Order of the Board  
**Global Mastermind Holdings Limited**  
**Zhou Danqing**  
*Executive Director*

Hong Kong, 7 February 2025

*As at the date of this announcement, the Board comprises Mr. Mung Bun Man Alan, Mr. Mung Kin Keung and Mr. Zhou Danqing as executive Directors; and Mr. Fung Wai Ching, Ms. Lau Mei Ying and Mr. Yiu To Wa as independent non-executive Directors.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this 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 herein or this announcement misleading.*

*This announcement will remain on the website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://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](http://www.globalmholdings.com).*