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GLOBAL TOKEN LIMITED

環球通証有限公司

(continued in Bermuda with limited liability)

(Stock Code: 8192)

**(1) QUARTERLY UPDATE ON STATUS OF RESUMPTION;
(2) DELAY IN PUBLICATION OF
AUDITED ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019;
AND
(3) CONTINUED SUSPENSION OF TRADING**

This announcement is made by Global Token Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.26A of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to (i) the announcements of the Company dated 22 March 2019, 29 March 2019, 10 July 2019, 28 October 2019 and 24 March 2020; and (ii) the quarterly update announcement of the Company dated 3 February 2020 (collectively, the “**Announcements**”). Unless otherwise stated, capitalised terms used herein shall have the same meaning as those defined in the Announcements.

BUSINESS OPERATIONS

The Group continues to engage in (i) trading business, (ii) money lending business, (iii) securities trading business and (iv) blockchain technology related business.

Since the outbreak of the novel coronavirus (“**COVID-19**”) in early 2020, a series of precautionary and control measures have been continuing to be implemented across the country/regions. As at the date of this announcement, the Group has continued its business operations as usual. The Group will pay close attention to the development of the COVID-19 outbreak, which may have negative impacts on its business operations, the financial position and operating results of the Group.

Expansion of the trading business of the Group

Trading of electronic products in the People's Republic of China (“PRC”) has been the key business segment of the Group with significant contribution to the Group's revenue and profit. To further leverage on the Group's business network and consolidate its focus on the trading business segment, the Group has expanded its business coverage to include the trading of cryptocurrencies mining hardware for Bitcoin (“BTC”), a cryptocurrency, since March 2020.

Such business activity is now being carried out principally through three subsidiaries of the Company, namely (i) High Sharp Electronic Limited (高銳電子有限公司) (“**High Sharp**”), a company incorporated in Hong Kong with limited liability and owned as to approximately 85.7% by the Company indirectly; (ii) Zhong Da Bo Cheng Energy Technology (Shenzhen) Limited (中達博誠能源科技(深圳)有限公司) (“**Zhong Da**”), a company incorporated in the PRC with limited liability and an indirectly wholly-owned subsidiary of the Company; and (iii) Shanghai High Sharp Tech Ltd.* (上海青那科技有限公司) (“**Shanghai High Sharp**”), a company incorporated in the PRC with limited liability and owned as to 90% by the Company indirectly.

High Sharp is principally engaged in the provision of general trading; Zhong Da is principally engaged in investing holding and trading business in the PRC and Shanghai High Sharp is principally engaged in the research and development of ASIC-based chips which are critical components of the cryptocurrencies mining hardware products.

In this connection, High Sharp entered into a loan agreement with an independent lender pursuant to which High Sharp will borrow a loan from such lender in the principal amount of HK\$60.0 million with interest at the rate of 5% per annum for a term of 18 months commencing from the date on which the loan is drawn down. Such loan is guaranteed by Mr. Wang Xing* (王星), as the first guarantor, and Beijing Yulongjiaye Asset Management Centre LP* (北京裕隆嘉業資產管理中心(有限合夥)), as the second guarantor. Mr. Wang Xing is one of the ultimate beneficial owners of Shenzhen Jumen Technology Group Limited* (深圳市巨門科技集團有限公司) (“**Jumen Technology**”), being the controlling shareholder of Shenzhen Jumen Technology LP* (深圳巨門科技合夥企業(有限合夥)) which owned 65% of Jumen Technology directly. Jumen Technology owned approximately 14.3% of High Sharp directly and owned 10% of Shanghai High Sharp directly respectively.

As the borrowing of the loan was conducted on normal commercial terms and the provision of guarantee by Mr. Wang Xing was not secured by any assets of the Group, the loan was fully exempted from notification, announcement and shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Disposal of Non-mainstream Cryptocurrency Trading Business and Acquisition of Cryptocurrencies

On 1 April 2020, the Group entered into a sale and purchase agreement (the “**SP Agreement**”) with an independent third party for the disposal of its entire interests in Even Reward Limited, a company incorporated in the British Virgin Islands with limited liability and its non-wholly-own subsidiary, Tide Global Exchange Technology Limited, a joint venture company incorporated in Hong Kong with limited liability (the “**Target Group**”) at a consideration of HK\$1,400,000 which was settled by the purchaser by transferring approximately 28.35 units of BTC to the Group (the “**Disposal and Acquisition**”). The Target Group was principally engaged in operating of non-mainstream cryptocurrency trading business. Completion of the Disposal and Acquisition took place immediately after the signing of the SP Agreement on 1 April 2020.

The market value of such BTC amounted to approximately HK\$1,406,000. The Board intends to use the net proceeds from the Target Group as general working capital.

Immediately after the completion of the Disposal and Acquisition, each member of the Target Group has ceased to be a subsidiary of the Company and the Group has ceased to have any equity interest in each member of the Target Group. The financial results of the Target Group will no longer be consolidated into the Group’s financial statements.

UPDATE ON DELAY IN PUBLICATION OF AUDITED ANNUAL RESULTS

As disclosed in the announcement of the Company dated 17 March 2020, in relation to, among other things, delay in publication of audited annual results announcement for the year ended 31 December 2019, the Company has been in constant discussions with its auditors on the progress and status of the audit work on the audited consolidated financial results of the Group for the year ended 31 December 2019. The Company has been informed that the progress of the relevant audit field work in the PRC where the business operations of the Group are located, has been adversely affected by the restrictions imposed on both travel and resumption of work due to the outbreak of the COVID-19 in the PRC. As such, while the Company has been preparing the audited consolidated financial results of the Group for the year ended 31 December 2019 as required under the GEM Listing Rules, there is a delay in the publication of its audited consolidated financial results of the Group for the year ended 31 December 2019.

As disclosed in the announcement of the Company dated 24 March 2020, the Stock Exchange has imposed the following additional resumption guidance on the Company:

- publish all outstanding financial results and address any audit modifications.

On 31 March 2020, in order to keep the Shareholders and potential investors of the Company informed of the financial position of the Group, the Company published unaudited annual results of the Group for the year ended 31 December 2019 together with the audited comparative figures for the corresponding period in 2018. The Company will publish further announcement in due course to inform the Shareholders the date of the release of the audited consolidated financial results of the Group for the year ended 31 December 2019 and will try best endeavour to resolve any audit modifications if applicable.

UPDATE ON THE RESUMPTION PLAN

The Group will continue to review its existing business from time to time and is committed to improving the business operations and financial position of the Group. The Company will actively identify potential business and investment opportunities to expand its source of income.

As disclosed in the announcement of the Company dated 3 February 2020, the Company has also appointed an international consultancy firm as the Company's financial advisor to assist the Company in formulating a resumption proposal in order to demonstrate that the Company maintains a sufficient level of operations or assets as required under Rule 17.26 of the GEM Listing Rules. The resumption proposal is working in progress.

The Company will make further announcements in due course to inform the Shareholders and the potential investors of the Company of the latest status of the resumption of trading in the shares of the Company.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company has been suspended with effect from 9:00 a.m. on 25 October 2019 in accordance with Rule 9.04 of the GEM Listing Rules and will remain suspended until further notice.

Shareholders who have queries about the implication of the delisting of the shares of the Company are advised to seek appropriate professional advice.

On behalf of the Board
Global Token Limited
Guo Yong
Chairman & Executive Director

Hong Kong, 24 April 2020

As at the date of this announcement, the executive Directors are Mr. Guo Yong, Mr. Tsang Chun Kit Terence, Mr. Wang An Zhong and Mr. Xu Wenbin; the non-executive Director is Mr. Shi Guang Rong; and the independent non-executive Directors are Mr. Leung Wah and Ms. Wong Mei Ling.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rule 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.

This announcement will remain on the “Latest Company Announcements” page on the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the Company’s website at www.8192.com.hk.

** For identification purposes only*