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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 AND (2) 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 Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements (the “**Announcements**”) of the Company dated 22 March 2019, 29 March 2019, 10 July 2019, 28 October 2019, 3 February 2020 and 23 April 2020. Unless otherwise stated, capitalized 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 and (iii) securities trading business.

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

Discontinued operation of blockchain technology related business

Reference are made to the first quarterly report 2020 (“**First Quarterly Report 2020**”) and annual report 2019 (“**Annual Report 2019**”), given the unsatisfactory financial performance of blockchain technology related business, the Directors is of the opinion that it’s cost-intensive to continue the operation. The business has contributed to a substantial segment loss since its commencement and no revenue was able to generate from the business since the second quarter of 2019. A further substantial capital contribution might be required in the development cost of the blockchain technology as the industry is still in its initial stage. On 15 May 2020, the board of Directors of the Company approved to discontinue the entire blockchain technology related business including the existing sub-segments of mainstream cryptocurrencies trading and enterprise solution for blockchain technology.

Update in relation to provision of financial assistance

Reference is made to the announcement dated 24 April 2020, 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, entered into a loan agreement (“**Loan Agreement**”) with an independent lender pursuant to which High Sharp borrowed 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.

Upon further discussion between the lender, the borrower and the guarantors, the parties have entered into a supplemental agreement to amend the term of the Loan Agreement as follows:

1. Wuhan Fuchangsheng Business Company Limited* (武漢富長勝商貿有限公司) (the “**New First Guarantor**”) will become a guarantor of the Loan in replacement of Wang Xing* (王星). The New First Guarantor is a limited company incorporated in the PRC, the issued share capital of which is held by two individual shareholders. Its largest shareholder holding 80% of its issued share capital is Wang Wei* (王偉), and the shareholder holding 20% of its issued share capital is Fang Quan* (方泉). To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the New First Guarantor and its ultimate beneficial owners are third parties independent of the Company and its Connected Persons; and
2. the second guarantor remains as a guarantor of the Loan.

Apart from the above, all other terms of the Loan Agreement remain unchanged.

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 of the Company 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 and Executive Director

Hong Kong, 24 July 2020

** For identification purposes only*

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, Ms. Wong Mei Ling and Mr. Hu Xiaoming.

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 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.