

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



GLOBAL TOKEN LIMITED

環球通証有限公司

(continued in Bermuda with limited liability)

(Stock Code: 8192)

QUARTERLY UPDATE ON STATUS OF RESUMPTION

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 (the “**Stock Exchange**”) and Inside Information Provisions 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 22 March 2019, 29 March 2019, 10 July 2019, 28 October 2019, 3 February 2020, 23 April 2020 and 24 July 2020 (the “**Announcements**”). Unless otherwise stated, capitalised terms used herein shall have the same meaning as those defined in the Announcements.

BUSINESS OPERATIONS

The Group is principally engaged in (i) trading business, (ii) money lending business, (iii) securities trading business, and (iv) supercomputing data centre maintenance (“**SDC Maintenance**”).

Since the outbreak of the novel coronavirus (“**COVID-19**”) in 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 COVID-19 outbreak, which may have negative impacts on the financial position and operating results of the Group.

Expansion of Trading Business

In view of the intensified trade war between the U.S. and China, the Directors of the Company are of the opinion that the trading market should be diversified into the domestic market to minimise the concentration risk. At the end of the second quarter of 2020, the Group has expanded its trading business through Zhongda Bocheng Energy Technology (Shenzhen) Limited (“**Zhongda**”), an indirect wholly-owned subsidiary of the Company, to cover the trading of computer servers. As at the date of this announcement, the new customers for the trading of computer servers has been reached to over a number of thirty, indicating a significant potential of the market to trading of computer servers. The Directors believe that, by expanding into the market of computer serves, the trading business will take advantage to improve the business performance as a whole.

Default of Loan Agreement and Assignment of Creditor’s Rights

Reference is made to the announcements dated 23 September 2020 and 25 September 2020, Infinity Wealth International Limited (the “**Borrower**”) failed to repay a loan in a principal amount of HK\$10,000,000 (the “**Loan**”) and the outstanding interest in a total of HK\$2,250,000 (together refer to the “**Debt**”) to United Property Finance Limited (the “**Lender**”), an indirect wholly-owned subsidiary of the Company, on time (the “**Default**”). Demand letters had been issued to the Borrower and the Guarantee demanding repayment of the Loan and the accrued interest.

On 25 September 2020, the Lender entered into an agreement with an independent third party, pursuant to which the Lender as the assignor agreed to sell and assign, and the independent third party as the assignee agreed to purchase and be assigned the rights, titles and benefits of the Debt (the “**Assignment**”). The Directors believes that the Assignment will make a positive contribution to the cash flow of the Group, given the uncertainties of the Borrower in repayment of the Debt.

Considering the material uncertainties of the global economic environment, the money lending business is now focused on the small size of loans in order to diversify the high default risk. UPF will persistently adopt a prudent manner to the risks assessment of the money lending business.

Commencement of New Business Segment in SDC Maintenance

On 7 August 2020, the Group entered into acquisition agreements with the two shareholders of Chengdu Shuwa Technology Company Limited (“**Chengdu Shuwa**”), a company incorporated in the PRC with limited liability, acquiring 39% and 51% equity interests in Chengdu Shuwa, respectively. The acquisition was completed on 14 August 2020 and does not constitute a notifiable transaction of the Company.

Chengdu Shuwa was mainly engaged in provision of supercomputing data centre maintenance services to small and medium-sized enterprises including directing, coordinating and monitoring the daily operation of the data centre facilities of the client. The customers of our business are mainly engaged in the information technology processing and internet technology innovation-related business. The Group expects to transform into a service nature enterprise through the entrance of internet data centre industry, from expanding the trading business to computer servers and providing the maintenance service of supercomputing data centre to small and medium-sized enterprises.

UPDATE ON THE RESUMPTION PLAN

The Group continues 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.

On 25 September 2020, the Company has submitted a resumption proposal (“**Resumption Proposal**”) to demonstrate the re-compliance of Rule 17.26 of the GEM Listing Rules. On 12 October 2020, the Company received a letter from the Stock Exchange stating its doubt about the viability to the resumption plans stated in the Resumption Proposal. In response to the concerns from the Stock Exchange, the Company has submitted a reply letter at the date of this announcement to address the progress of the resumption plans and the further actions will take.

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.

By Order of the Board
Global Token Limited
Guo Yong
Chairman

Hong Kong, 23 October 2020

As at the date of this announcement, the board of Directors comprises Mr. Guo Yong, Mr. Tsang Chun Kit Terence and Mr. Wang An Zhong as executive Directors, Mr. Shi Guang Rong as non-executive Director and Mr. Leung Wah, Ms. Wong Mei Ling and Mr. Hu Xiaoming 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 GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the Company website at www.8192.com.hk.