MASTERMIND CAPITAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 905)

ANNOUNCEMENT OF 2008 FINAL RESULTS

The Board of Directors (the "Board") of Mastermind Capital Limited (the "Company") presents the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2008 (the "Year") together with the comparative figures for 2007 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31st December, 2008

	Notes	**2008** **HK$'000**	2007 *HK$'000*
REVENUE	*4*	**5**	14
OTHER INCOME	*4*	**–**	25
ADMINISTRATIVE EXPENSES		**(2,361)**	(3,183)
OTHER OPERATING EXPENSES		**–**	(115)
LOSS BEFORE INCOME TAX	*6*	**(2,356)**	(3,259)
INCOME TAX EXPENSE	*7*	**–**	–
LOSS FOR THE YEAR ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY	*8*	**(2,356)**	(3,259)
LOSS PER SHARE	*9*		
			(Restated)
BASIC *(HK cents)*		**(0.54)**	(0.94)
DILUTED *(HK cents)*		**N/A**	N/A

CONSOLIDATED BALANCE SHEET

As at 31st December, 2008

	Note	2008 HK$'000	2007 HK$'000
ASSETS AND LIABILITIES			
NON-CURRENT ASSETS			
Available-for-Sale Financial Assets		**189**	–
CURRENT ASSETS			
Prepayments		**308**	17
Cash at Banks		**27,963**	2,323
		28,271	2,340
CURRENT LIABILITIES			
Accruals and Other Payables		**555**	391
NET CURRENT ASSETS		**27,716**	1,949
NET ASSETS		**27,905**	1,949
EQUITY			
SHARE CAPITAL		**36,000**	6,000
RESERVES		**(8,095)**	(4,051)
TOTAL EQUITY		**27,905**	1,949
NET ASSET VALUE PER SHARE *(HK$)*	*10*	**0.02**	0.01

Notes:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The consolidated financial statements also include the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules").

2. SUMMARY OF THE INDEPENDENT AUDITORS' REPORT

Basis of qualified opinion

The Group has an available-for-sale financial asset in an unlisted equity security, Tianjin Standard International Building Materials Industry Co., Ltd., for a total cost of HK$17,461,000. The directors of the Company had made full impairment provision of this amount against the carrying value of this asset in previous years for the sake of prudence as they were unable to obtain any financial information relating to this entity. Grant Thornton, Certified Public Accountants, Hong Kong (the "Auditors") have not been able to obtain the information they need from the Company, nor were there any satisfactory alternative procedures they could perform, in order to assess whether the amount of impairment provision and the carrying value of this asset at 31st December, 2008 were fairly stated. Any adjustments to the carrying amount of this asset found to be necessary as at 31st December, 2008 would have a consequential effect on the net assets of the Group at that date and the loss for the Group for the year then ended.

Qualified opinion arising from limitation of audit scope

In the Auditors' opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the Auditors been able to satisfy themselves as to the carrying amount of the available-for-sale financial asset, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st December, 2008 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

In respect alone of the limitation on the Auditors' work relating to the carrying value of the available-for-sale financial asset, the Auditors have not obtained all the information and explanations that they considered necessary for the purpose of their audit.

3. ADOPTION OF NEW OR AMENDED HKFRSs

In the current year, the Group has applied, for the first time, the following new standards, amendments and interpretations issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1st January, 2008.

HK (IFRIC) – Int 11 HKFRS 2	Group and Treasury Share Transactions
HKAS 39 (Amendments)	Reclassification of Financial Assets

These new HKFRSs had no material impact on how the results and financial positions for the current and prior periods have been prepared and presented. Accordingly, no prior period adjustment is required.

The following new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

HKAS 1 (Revised)	Presentation of Financial Statements[1]
HKAS 23 (Revised)	Borrowing Costs[1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[2]
HKAS 32, HKAS 39 & HKFRS 7 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation[1]
HKAS 39 (Amendment)	Eligible Hedged Items[2]
HKFRS 1 and HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or an Associate[1]
HKFRS 2 (Amendment)	Share-based Payment – Vesting Conditions and Cancellation[1]
HKFRS 3 (Revised)	Business Combinations[2]
HKFRS 8	Operating Segments[1]
HK(IFRIC) – Int 13	Customer Loyalty Programmes[3]
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate[1]
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation[4]
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners[2]
HK(IFRIC) – Int 18	Transfer of Assets from Customers[6]
Various	Annual Improvements to HKFRS 2008[5]

[1] Effective for annual periods beginning on or after 1st January, 2009
[2] Effective for annual periods beginning on or after 1st July, 2009
[3] Effective for annual periods beginning on or after 1st July, 2008
[4] Effective for annual periods beginning on or after 1st October, 2008
[5] Generally effective for annual periods beginning on or after 1st January, 2009 unless otherwise stated in the specific HKFRS
[6] Effective for transfer of assets from customers received on or after 1st July, 2009

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning after the effective date of the pronouncements.

Among these new standards and interpretations, *HKAS 1 (Revised) Presentation of Financial Statements* is expected to materially change the presentation of the Group's financial statements. The amendments affect the presentation of owner changes in equity and introduce a statement of comprehensive income. The Group will have the option of presenting items of income and expenses and components of other comprehensive income either in a single statement of comprehensive income with subtotals, or in two separate statements (a separate income statement followed by a statement of comprehensive income). The amendment does not affect the financial position or results of the Group but will give rise to additional disclosures.

In addition, *HKFRS 8 Operating Segments* may result in new or amended disclosures. The directors are in the process of identifying reportable operating segments as defined in HKFRS 8.

The directors are currently assessing the impact of other new and amended HKFRSs upon initial application. So far, the directors have preliminarily concluded that the initial application of these HKFRSs is unlikely to have a significant impact on the Group's results and financial position.

4. REVENUE AND OTHER INCOME

	2008	2007
	HK$'000	*HK$'000*
Revenue:		
Interest income	**5**	14
Other income:		
Other payables written back	**–**	25

5. SEGMENT INFORMATION

A geographical analysis of the Group's revenue, segments assets and capital expenditure information is not presented as the Group's revenue, assets and capital expenditure are generated/located in Hong Kong.

All of the Group's turnover and contribution to operating results are attributable to its investment activities.

6. LOSS BEFORE INCOME TAX

	2008	2007
	HK$'000	*HK$'000*
Loss before income tax is arrived at after charging:		
Auditors' remuneration	**180**	200
Investment management fees	**600**	600
Retirement benefits scheme contributions	**35**	33
Staff costs (including directors' remuneration but excluding retirement benefits scheme contributions)	**916**	1,406
Property, plant and equipment written off	**–**	64
Operating lease charges on office premises	**–**	76
Other receivables written off	**–**	115

7. INCOME TAX EXPENSE

No Hong Kong Profits Tax has been provided in the financial statements as the Group had no estimated assessable profits arising in or derived from Hong Kong during the year (2007: HK$Nil).

At 31st December, 2008, a deferred tax asset of approximately HK$7,580,000 (2007: approximately HK$7,628,000) in respect of tax losses available to offset future profits was not recognised in the financial statements as it is not certain that the Group will generate future taxable profits to enable it to utilise such tax losses. This tax loss has no expiry date.

8. LOSS FOR THE YEAR ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY

Of the consolidated loss attributable to the equity holders of the Company of approximately HK$2,356,000 (2007: approximately HK$3,259,000), a loss of approximately HK$2,340,000 (2007: approximately HK$3,252,000) has been dealt with in the financial statements of the Company.

9. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss for the year attributable to the equity holders of the Company of approximately HK$2,356,000 (2007: approximately HK$3,259,000) and on the weighted average number of 439,000,000 (2007: 348,000,000 restated) ordinary shares in issue during the year.

Diluted loss per share has not been presented as there were no dilutive potential shares for the years ended 31st December, 2007 and 2008.

10. NET ASSET VALUE PER SHARE

The calculation of the net asset value per share is based on the net assets of the Group as at 31st December, 2008 of approximately HK$27,905,000 (2007: approximately HK$1,949,000) and the 1,440,000,000 (2007: 240,000,000) ordinary shares in issue.

FINAL DIVIDEND

The Directors do not recommend the payment of any dividend for the year (2007: HK$Nil).

CHAIRMAN'S STATEMENT

To call it a disaster would be an understatement for equities investors around the globe. However, compared to the developed economy China has been in relatively good shape with an annual GDP growth of 9% despite a rapidly decelerating second half which push the Chinese government to a U-turn in economic policy – from fighting inflating and overheating in first half to maintaining growth in the second half of 2008. Despite a vibrant economy and banks that are in relatively good shape, Chinese equities were not able to withstand the force of gravity as a result of high valuation and worldwide contraction of credits and withdrawal of liquidity, particularly from emerging markets.

The Shanghai A-share market index was the worst performing market in the world in 2008, losing 65% of its value. In Hong Kong, the Hang Seng Index and the Hang Seng China Enterprise Index were down 48% and 50% respectively for the year 2008.

In the fourth quarter of 2008 the China economy had lost its steam as a result of deteriorating world economy and macro tightening from the Chinese government that began two years ago as the central bank of China raised interest rates and required reserve ratio to freeze credits out of the economy. Consumers spending growth has decelerated while exports growth were rapidly approaching negative territory, not to mention unemployment which was on the rise.

The Chinese government has responded swiftly with both monetary and fiscal measures, cutting both interest rate and required reserve ratios while shelling out a RMB4 trillion stimulus package to improve infrastructure and healthcare, amongst other things. Subsequently stimulus policies for specific industry sectors have also been announced in quick succession.

At the time this report is published, there are already early signs of recovery in the Chinese economy – loan growth in January and February of 2009 has been record breaking, money supply M2 growth has accelerated, purchasing manager index has shown a V-shape recovery. However, consumer spending has remained slowed and export numbers continued to be worrying.

We strongly believe China will be the first to rebound from this crisis. China is flexible. Interest rate level in China is still relatively high at approximately 5%; government deficit to GDP level is low at 0.3% for fiscal year 2008; banks are lending to each other and are massively profitable with historical low level of bad loans; labour market is not unionized and mobile, wage level is flexible; Finally, further government stimulus policies can be announced without the requirement to go through potentially lengthy bipartisan approval process.

During the year the Company has changed its name to Mastermind Capital Limited to reflect the new directions and initiatives. In November 2008 the Company has successfully raised the net proceeds of approximately HK$28 million amidst the most difficult environment in equity markets worldwide. We are thankful of the support shown to the management by our shareholders.

Finally, I would like to extend my gratitude to all of my fellow directors and the Company's investment manager during the year 2008.

MUNG Kin Keung
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

Financial review

During the year, the Group recorded a loss of approximately HK$2,356,000 (2007: approximately HK$3,259,000) after deducting administrative expenses and other operating expenses of approximately HK$2,361,000 (2007: approximately HK$3,298,000).

Financial position

As at 31st December, 2008, the Group had bank and cash balances of approximately HK$27,963,000 (2007: approximately HK$2,323,000).

The Group had no debt as at 31st December, 2008 (2007: Nil).

As at 31st December, 2008, the Group had net current assets of approximately HK$27,716,000, as compared to approximately HK$1,949,000 as at 31st December, 2007.

As at 31st December, 2008, the current ratio of the Group was 50.94 compared to 5.98 at 31st December, 2007.

Charges on assets

As at 31st December, 2008, there were no charges on the Group's assets (2007: HK$Nil).

Foreign currency fluctuation

Most of the underlying investments and business transactions of the Group are denominated in Hong Kong dollars. The Board believes the foreign exchange risk is minimal.

Contingent liabilities

The Group had no contingent liabilities as at 31st December, 2008 (2007: HK$Nil).

Employees and remuneration policy

The Group ensured that its employees are remunerated according to the prevailing manpower market conditions and individual performance and the remuneration policies are reviewed on a regular basis.

There is one employee, four executive directors and three independent non-executive directors. Remuneration policies are reviewed by the remuneration committee in accordance with the market situation and the performance of individual directors from time to time.

The Group's total staff costs (including directors' emoluments) for the year under review amounted to approximately HK$0.9 million (2007: approximately HK$1.4 million).

AUDIT COMMITTEE

The audit committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters, including a review of annual results for the year ended 31st December, 2008.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles of, and complied with, the applicable code provisions of the Code on Corporate Governance Practices ("CG Code") as set out in Appendix 14 of the Listing Rules throughout the financial year ended 31st December, 2008, except for certain deviations which are summarised below:

Code provision A.2.1

The code provision A.2.1 of the CG Code states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

An individual chief executive officer was not appointed during the year. The Board considers that based on the existing size and structure of the Company, the appointment of an individual chief executive officer of the Company is not necessary. Furthermore, the Company has engaged Hua Yu Investment Management Limited as its investment manager.

Code provision A.4.1

The code provision A.4.1 of the CG Code states that non-executive directors should be appointed for a specific term subject to election.

All independent non-executive directors are not appointed for specific term. They are, however, subject to retirement by rotation at least once every three years in accordance with the Company's Articles of Association.

Code provision B.1.3

The code provision B.1.3 of the CG Code states that the terms of reference of the remuneration committee provides the discharge of certain specific duties by the remuneration committee.

No remuneration committee meeting was held during the financial year of 2008. The remuneration committee of the Company held its meeting in February, 2009 to discuss and approve the remuneration of executive directors.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules as the Code of Conduct regarding securities transactions by the directors. Having made specific enquiry of all directors, the Company confirmed that all directors have complied with required standard set out in the Model Code during the year.

By Order of the Board
HA Wing Ho, Peter
Executive Director

Hong Kong, 27th March, 2009

As at the date of this announcement, the board of directors comprises Mr. MUNG Kin Keung, Mr. HA Wing Ho, Peter, Mr. LEONG Chi Wai and Mr. LEUNG King Yue, Alex as executive directors; Mr. CHEE Man Sang, Eric, Mr. LO Tak Kin and Ms. YU Tin Yan, Winnie as independent non-executive directors.