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MASTERMIND CAPITAL LIMITED

慧德投資有限公司*

(the “Company”)

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 905)

ISSUE OF NEW SHARES PURSUANT TO GENERAL MANDATE

The Directors are pleased to announce that on 12 May 2009 (after trading hours), the Company and the Subscriber entered into the Subscription Agreement pursuant to which the Subscriber agreed to subscribe for a total of 48,000,000 Shares at the Subscription Price of HK\$0.125 per Share (HK\$6,000,000 in aggregate). The Subscription is conditional upon, among others, the granting of approval for the listing of and permission to deal in all of the Subscription Shares by the Listing Committee of the Stock Exchange. An application will be made to the Listing Committee of the Stock Exchange for the granting of approval for the listing of and permission to deal in all of the Subscription Shares.

The Company will use the net proceeds from the Subscription of approximately HK\$5.9 million for general working capital purposes.

As the Subscription is subject to the satisfaction of a condition precedent and may or may not proceed to completion, Shareholders and prospective investors are advised to exercise caution when dealing in the Shares.

SUBSCRIPTION AGREEMENT

The Subscription Agreement

Date : 12 May 2009

Parties : Issuer – Mastermind Capital Limited

Subscriber – Chen Zhong (陳鐘)

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, the Subscriber is an Independent Third Party.

Issue of Subscription Shares

The number of Subscription Shares is 48,000,000 Shares, which represents approximately 3.33% of the existing issued share capital of the Company and approximately 3.23% of the entire issued share capital of the Company immediately after issue of the Subscription Shares. The aggregate nominal value of the Subscription Shares is HK\$1,200,000. The Subscription Shares, when issued and fully paid, will rank pari passu among themselves and with Shares in issue at the time of issue and allotment of the Subscription Shares.

Subscription Price

The Subscription Price is HK\$0.125 per Subscription Share representing (i) a discount of approximately 5.30% to the closing price of HK\$0.132 per Share as quoted on the Stock Exchange on the Last Trading Date; (ii) a discount of approximately 5.30% to the average of the closing price of HK\$0.132 per Share quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Date; (iii) a discount of approximately 9.09% to the average of the closing price of HK\$0.1375 per Share quoted on the Stock Exchange for the last ten trading days up to and including the Last Trading Date; and (iv) a premium of 557.89% of the unaudited consolidated net asset value per share of the Company as of 31 March 2009 of HK\$0.019.

The aggregate Subscription Price amounting to HK\$6,000,000 is payable in cash by the Subscriber upon completion.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscriber by reference to the recent market price and taking into account the current volatile market condition. The Board (including the independent non-executive Directors) consider the Subscription Price and the terms of the Subscription Agreement are fair and reasonable, on normal commercial terms and are in the best interests of the Company and the Shareholders as a whole.

Condition of the Subscription Agreement

Completion of the Subscription is conditional upon the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Subscription Shares.

In the event that the Condition Precedent shall not have been fulfilled on or before 30 September 2009 or such other day as the Company and the Subscriber may agree, then the Subscription Agreement shall be terminated.

Completion

Completion of the Subscription shall take place (a) three Business Days after the condition stated above shall have been satisfied or (b) such other time or date as the Company and the Subscriber shall agree.

General Mandate

The Subscription Shares will be issued under the general mandate granted to the Directors pursuant to an ordinary resolution passed by the Shareholders at the Company's annual general meeting held on 30 June 2008. As such, the Subscription is not subject to Shareholders' approval. As at the date of this announcement, no Shares have been issued under such general mandate. The maximum number of Shares that may be issued under the general mandate is 48,000,000 Shares representing 20% of the total issued share capital of the Company as at the date of granting the general mandate and 3.33% of the total issued share capital of the Company as at the date of this announcement. Upon completion of the Subscription, there will be no outstanding Shares that may be issued under the general mandate.

The Company will apply to the Listing Committee of the Stock Exchange for granting approval for the listing of and permission to deal in the Subscription Shares.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The entire net proceeds from the Subscription amount to approximately HK\$5.9 million, and the net price is approximately HK\$0.123 per Subscription Share. The Company is an investment company under Chapter 21 of the Listing Rules and intends to use the proceeds for general working capital in accordance with the Company's business policy of investing in listed and unlisted companies in Hong Kong and the PRC so as to achieve capital appreciation of its assets.

The Directors (including the independent non-executive Directors) are of the view that the Subscription is fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole.

The Company raised approximately HK\$28 million by way of open offer to the then Shareholders in the proportion of five offer shares for every one share in December 2008. The proceeds have been applied as to approximately HK\$1.3 million for investing in certain securities and the balance, which is intended to be applied for making further investments, has been placed into interest-bearing savings account maintained with banks in Hong Kong. Other than this, there is no other fund raising activity for the Company in the 12 months immediately preceding the date of this announcement.

EFFECTS ON SHAREHOLDING

The following table summarises the effect on the shareholding structure of the Company pursuant to the Subscription (assuming that other than the Subscription Shares, no Shares are issued or purchased by the Company on or after the date of this announcement up to the date of completion of the Subscription):

Name of Shareholders	Existing number of Shares held	%	Immediate upon completion of the Subscription	%
中國天地行物流控股集團 有限公司 ⁽¹⁾	1,080,000,000	75.00	1,080,000,000	72.58
Public Shareholders				
Chen Zhong (陳鐘)	—	—	48,000,000	3.23
Other shareholders	<u>360,000,000</u>	<u>25.00</u>	<u>360,000,000</u>	<u>24.19</u>
Total:	<u><u>1,440,000,000</u></u>	<u><u>100.00</u></u>	<u><u>1,488,000,000</u></u>	<u><u>100.00</u></u>

Note:

- (1) 中國天地行物流控股集團有限公司, a company incorporated in Hong Kong, is 99.99% owned by Mr. Mung Kin Keung, a director and the Chairman of the Company.

As the Subscription is subject to the satisfaction of a condition precedent and may or may not proceed to completion, Shareholders and prospective investors shall exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“Board”	the board of Directors
“Business Day”	any day (excluding Saturdays, Sundays and public holidays in Hong Kong) on which licensed banks generally are open for business in Hong Kong
“Company”	Mastermind Capital Limited, a company incorporated in Cayman Islands whose Shares are listed on the Main Board of the Stock Exchange
“Condition Precedent”	the condition precedent to the completion of the Subscription Agreement as more particularly described above
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	third party independent of the Group and connected persons (as defined in the Listing Rules) of the Group
“Last Trading Day”	12 May 2009, being the last full trading day of the Shares before this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Shareholder(s)”	holder(s) of the Share(s)
“Shares”	the ordinary shares of HK\$0.025 each in the capital of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Chen Zhong (陳鐘)
“Subscription”	the subscription of the Subscription Shares pursuant to the terms of the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 12 May 2009 entered into between the Company and the Subscriber in relation to the Subscription
“Subscription Price”	HK\$0.125 per Share
“Subscription Shares”	a total of 48,000,000 new Shares to be subscribed for by the Subscriber pursuant to the Subscription Agreement
“%”	Percentage

By order of the Board
Mastermind Capital Limited
Mung Kin Keung
Chairman

Hong Kong, 12 May 2009

As at the date of this announcement, the Board comprises of four executive Directors, namely, Mr. Mung Kin Keung, Mr. Ha Wing Ho, Peter, Mr. Leong Chi Wai and Mr. Leung King Yue, Alex, and three independent non-executive Directors, namely, Mr. Chee Man Sang, Eric, Mr. Lo Tak Kin and Ms. Yu Tin Yan, Winnie.

This announcement is made by the order of the Board, of which the Directors individually and jointly accept responsibility for the accuracy of the information contained in this announcement.

* *for identification purpose only*