

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.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.



Virtual Mind Holding Company Limited

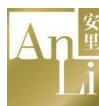
天機控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1520)

PLACING OF CONVERTIBLE BONDS UNDER GENERAL MANDATE

Placing Agent



On 27 July 2022 (after trading hours), the Company entered into the CB Placing Agreement with the Placing Agent, pursuant to which the Company proposed to offer for subscription, and the Placing Agent agreed to procure subscriptions for, the Convertible Bonds on a best effort basis on the terms and subject to the conditions set out in the CB Placing Agreement. The Placing Agent shall procure CB Placing Placees to subscribe for the Convertible Bonds in the principal amount of up to HK\$15,000,000.

In the case of the Conversion Rights having been exercised in full at the initial Conversion Price of HK\$0.25, a maximum of 60,000,000 new Shares will be allotted and issued by the Company, representing (i) approximately 3.05% of the existing total issued Share as at the date of this announcement; and (ii) approximately 2.96% of the aggregate number of the issued Shares as enlarged by the Conversion Shares (assuming no other change in the issued share capital of the Company between the date of this announcement and the full conversion of the Convertible Bonds).

Assuming that all the Convertible Bonds are successfully placed by the Placing Agent, the gross proceeds from the CB Placing will be HK\$15,000,000 and the Company intends to use the net proceeds of HK\$14,850,000 from the CB Placing for general working capital of the Group.

The CB Placing is not subject to Shareholders' approval as the Conversion Shares will be allotted and issued under the General Mandate. The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

Shareholders and potential investors of the Company should note that the CB Placing Closing is subject to the fulfilment of the conditions precedent under the CB Placing Agreement. As the CB Placing may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

On 27 July 2022 (after trading hours), the Company entered into the CB Placing Agreement with the Placing Agent, pursuant to which the Company proposed to offer for subscription, and the Placing Agent agreed to procure subscriptions for, the Convertible Bonds on a best effort basis on the terms and subject to the conditions set out in the CB Placing Agreement. The Placing Agent shall procure CB Placing Placees to subscribe for the Convertible Bonds in the principal amount of up to HK\$15,000,000.

THE CB PLACING AGREEMENT

Date

27 July 2022

Issuer

The Company

Placing Agent

Anli Securities Limited

As at the date of this announcement, Anli Investment Fund SPC - Anli Greater China Opportunity Fund Segregated Portfolio, an associate of the Placing Agent, holds 121,650,887 Shares in the Company, representing approximately 6.17% of the existing total issued Shares. Save for the aforementioned, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are third parties independent of the Company.

CB Placing Commission

The Company shall pay to the Placing Agent a commission, in Hong Kong dollars, of 1% of the amount equal to the principal amount of the Convertible Bonds for which the Placing Agent has successfully procured subscribers for the Convertible Bonds.

CB Placing Placees

The Placing Agent agreed to procure CB Placing Placees to subscribe for the Convertible Bonds on terms and conditions set out in the CB Placing Agreement on a best effort basis.

The Placing Agent shall and shall procure its sub-placing agent (if applicable and any) to use its reasonable endeavours to ensure that all CB Placing Placees and their ultimate beneficial owners (a) shall be independent of and not connected with the Company (and its subsidiaries), its connected person(s) and their respective associate(s); (b) shall be independent of and not be parties acting in concert with any persons, other CB Placing Placee(s) or Shareholders to the effect that any CB Placing to such CB Placing Placee(s) shall not trigger any mandatory offer obligation under Rule 26.1 of the Takeovers Code; and (c) shall be regarded as public (within the meaning as defined under Rule 8.24 of the Listing Rules).

Conditions precedent to the CB Placing Agreement

The CB Placing Closing is conditional upon:

- (a) the Listing Committee having granted approval for the listing of, and permission to deal in, the Conversion Shares on the Stock Exchange and the approval not having been subsequently revoked or cancelled;
- (b) if required, the Company having obtained the necessary consent, approval, authorisation, permission, or confirmation for the consummation of the transactions contemplated under the CB Placing Agreement from any third party to which the Company or its subsidiaries have entered into any agreement or arrangement; and
- (c) the Company's representations and warranties made pursuant to the CB Placing Agreement being true and accurate and not misleading as of the date of the CB Placing Agreement and the CB Placing Closing Date.

The conditions precedent contained in (a) to (b) above cannot be waived by any Party. The Placing Agent may at any time prior to the CB Placing Long Stop Date unilaterally waive the condition precedent (c) above.

The Company shall use all its reasonable endeavours to procure the satisfaction of the conditions precedent as set out above, but if the conditions precedent shall not have been so satisfied (or, where applicable, waived) by the CB Placing Long Stop Date or any of the force majeure event set out in the section headed "Force Majeure to the CB Placing Agreement" below shall have occurred, subject to terms of the CB Placing Agreement, all obligations of the Placing Agent and of the Company under the CB Placing Agreement shall cease and determine and none of the Parties shall have any claim against the other in relation thereto save for any antecedent breach of any obligations under the CB Placing Agreement and without prejudice to the accrued rights and liabilities of the Parties.

Force Majeure to the CB Placing Agreement

If at any time between the date of the CB Placing Agreement and at 1:00 p.m. on the CB Placing Closing Date, there occurs:

- (a) the introduction of any new legislations or regulation or any change in existing legislations or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company;
- (b) the occurrence of any local, national or international event or change occurring after the date of the CB Placing Agreement of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company or adversely prejudices the success of the CB Placing (such success being the completion of the placing of the Convertible Bonds to potential investor(s)) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the CB Placing;
- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs after the date of the CB Placing Agreement which materially and adversely affects the success of the CB Placing (such success being the completion of the placing of the Convertible Bonds to potential investor(s)) or otherwise in the reasonable opinion of the Placing Agent make it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the CB Placing;
- (d) the Company commits any material breach of or omits to observe any of its obligations or undertakings under the CB Placing Agreement; or

- (e) any of the representations or warranties contained in the CB Placing Agreement was, when given or deemed to be repeated under the CB Placing Agreement, untrue or inaccurate in any material respect or would in any material respect be untrue or inaccurate, or if repeated the Placing Agent shall determine in its reasonable opinion that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Company or will otherwise likely to have a material prejudicial effect on the CB Placing,

then the Placing Agent may upon giving notice to the Company terminate the CB Placing Agreement with immediate effect. If the CB Placing Agreement shall be terminated pursuant to the abovementioned force majeure, the obligations of the Placing Agent shall cease and the Company shall not be liable to pay any commission under the CB Placing Agreement, and other provisions of the CB Placing Agreement (other than certain provisions as set out in the CB Placing Agreement and all other provisions necessary for the interpretation or enforcement of such provisions and without prejudice to the accrued rights and liabilities of the Parties) shall forthwith cease and determine and no Party shall, save as provided in the abovementioned force majeure, have any claim against the other Party for compensation, costs, damages or otherwise.

CB Placing Closing

Subject to the fulfilment of the conditions precedent to the CB Placing Agreement, the CB Placing Closing shall take place on the CB Placing Closing Date.

PRINCIPAL TERMS OF THE CONVERTIBLE BONDS

Set out below are the principal terms of the Convertible Bonds:

Issuer:	The Company
Principal amount:	Up to HK\$15,000,000
Maturity date:	The date which falls on the second anniversary of the First Issue Date (the “ Maturity Date ”).
Interest:	10% per annum, payable on an annual basis in arrears from the First Issue Date and accrued up to the date of conversion, redemption or maturity of the Convertible Bonds, whichever date is earlier

Conversion Price: HK\$0.25 per Conversion Share, subject to adjustment(s) upon occurrence of certain events as summarised in the paragraph headed “Adjustments to the Conversion Price” below.

The initial Conversion Price of HK\$0.25 per Conversion Share represents:

- (i) a premium of approximately 6.84% to the closing price of HK\$0.234 per Share as quoted on the Stock Exchange on the date of the CB Placing Agreement; and
- (ii) a premium of approximately 8.13% to the average closing price of HK\$0.2312 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the CB Placing Agreement.

The net Conversion Price, after deduction of relevant expenses, is HK\$0.2475 per Conversion Share.

The initial Conversion Price was arrived at after arm’s length negotiations between the Parties with reference to, among others, the prevailing market performance of the Shares.

Adjustments to the
Conversion Price:

The Conversion Price shall from time to time be subject to adjustments in accordance with this paragraph if, whilst any of the Convertible Bonds remains outstanding, any of the following events or circumstances in relation to the Shares shall occur:

- (i) if and whenever there shall be an alteration to the value of the Shares as a result of consolidation or subdivision;
- (ii) if and whenever the Company shall issue any Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves (including any share premium account and/or capital redemption reserve), other than Shares issued in lieu of the whole or a part of a cash dividend and other than an issue that would amount to capital distribution (as defined in the CB Instrument);

- (iii) if and whenever the Company shall pay or make any capital distribution (as defined in the CB Instrument) to the Shareholders;
- (iv) if and whenever the Company shall issue Shares to all or substantially all Shareholders as a class by way of rights, or shall issue or grant to all or substantially all Shareholders as a class, by way of rights, any options, warrants or other rights to subscribe for or purchase any Shares, in each case at less than 95% of the fair market value of one Share, as determined in good faith by the independent accountant or financial advisor acting as an expert, on the day immediately preceding the date on which such issue or grant to Shareholders is made;
- (v) if and whenever the Company shall (a) issue any securities (other than Shares or options, warrants or other rights to subscribe for or purchase Shares) to all or substantially all Shareholders as a class by way of rights; or (b) grant to all or substantially all Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase any securities (other than Shares or options, warrants or other rights to subscribe for or purchase Shares);
- (vi) if and whenever the Company shall wholly for cash (a) issue (otherwise than as mentioned in sub-paragraph (iv) above) any Shares (other than Shares issued on the exercise of Conversion Rights or on the exercise of any other rights of conversion into, or exchange or subscription for, Shares); or (b) issues or grants (otherwise than as mentioned in sub-paragraph (iv) above) options, warrants or other rights to subscribe for or purchase Shares, in each case at a price per Share which is less than 95% of the fair market value of one Share, as determined in good faith by the independent accountant or financial advisor acting as an expert, on the day immediately preceding the date of such issue or grant;

- (vii) save in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities themselves falling within the provisions of this sub-paragraph (vii), if and whenever the Company or any subsidiary of the Company (otherwise than as mentioned in sub-paragraphs (iv), (v) or (vi) above), or (at the direction or request of or pursuant to any arrangements with the Company or any subsidiary of the Company) any other company, person or entity, shall issue wholly for cash any securities (other than the Convertible Bonds) which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares to be issued by the Company upon conversion, exchange or subscription, at a consideration per Share which is less than 95% of the fair market value of one Share, as determined in good faith by the independent accountant or financial advisor acting as an expert, on the day immediately preceding the date of the issue of such securities;
- (viii) if and whenever there shall be any modification of the rights of conversion, exchange or subscription attaching to any such securities as are mentioned in sub-paragraph (vii) above (other than in accordance with the terms applicable to such securities) so that the consideration per Share receivable by the Company is less than 95% of the fair market value of one Share, as determined in good faith by the independent accountant or financial advisor acting as an expert, on the day immediately preceding the date of such modification;
- (ix) if and whenever the Company or any subsidiary of the Company or (at the direction or request of or pursuant to any arrangements with the Company or any subsidiary of the Company) any other company, person or entity issues, sells or distributes any securities in connection with an offer pursuant to which Shareholders generally (meaning for these purposes the holders of at least 60% of the Shares outstanding at the time such offer is made) are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted under sub-paragraphs (iv) to (vii) above).

Conversion Shares:	<p>In the case of the Conversion Rights having been exercised in full, a maximum of 60,000,000 new Shares will be allotted and issued by the Company, representing:</p> <ul style="list-style-type: none"> (i) approximately 3.05% of the existing total issued Share as at the date of this announcement; and (ii) approximately 2.96% of the aggregate number of issued Shares as enlarged by the Conversion Shares (assuming no other change in the issued share capital of the Company between the date of this announcement and the full conversion of the Convertible Bonds).
Conversion period:	<p>The period commencing from the date immediately after three (3) calendar months of the First Issue Date and ending on the date which falls on the fifth (5th) Business Day before the Maturity Date, both days inclusive, provided that if the Company fails to redeem the Convertible Bonds on the date of redemption in accordance with the terms of the CB Instrument the period shall continue until redemption in full occurs (the “Conversion Period”).</p>
Conversion Rights:	<p>Each Bondholder shall have the right, exercisable during the Conversion Period in the manner provided in the CB Instrument, to convert the whole or any part (subject to the CB Instrument, in multiples of HK\$500,000) of the outstanding principal amount of the Convertible Bonds held by such Bondholder into such number of Shares as will be determined by dividing the principal amount of the Convertible Bonds to be converted by the Conversion Price in effect on the Conversion Date.</p>
Conversion restrictions:	<p>A Bondholder shall not exercise any Conversion Rights if, as a result of such exercise, it will cause the public float of the Company to be unable to meet the relevant requirements under the Listing Rules.</p>

A Bondholder shall not exercise any Conversion Rights, and the Company shall not be required to issue any Conversion Shares, if, as a result of the relevant exercise of the Conversion Rights, the Bondholder and/or parties acting in concert with it would be required to make a mandatory general offer under Rule 26 of the Takeovers Code for the Shares held by the Company's other Shareholders (collectively, the "**Conversion Restrictions**").

Early redemption

The Bondholder shall have the right to request the Company an early redemption of all (but not any portion) of the Convertible Bonds on the first anniversary of the First Issue Date, at a redemption amount equal to 100% of the principal amount of such Convertible Bonds. The Bondholder may exercise such redemption right by no less than one (1) calendar month prior notice in writing to the Company.

Redemption at maturity:

All Convertible Bonds which have not been redeemed or converted in accordance with the terms and conditions contained in the CB Instrument by the Maturity Date, shall be redeemed by the Company on the Maturity Date at a redemption amount equal to 100% of the principal amount of such Convertible Bonds.

Redemption on default:

If any of the events ("**Events of Default**") specified in the CB Instrument occurs, the Company shall forthwith give notice thereof to the Bondholders and each Bondholder may (without prejudice to any other rights and remedies available to the Bondholders), at its option, opt to convert their Convertible Bonds in its entirety or, alternatively, give a notice for redemption to the Company in respect of part or all of the Convertible Bonds held by it, whereupon such Convertible Bonds shall become immediately due and payable at a redemption amount equal to 100% of the principal amount of such Convertible Bonds.

Ranking:

Subject to the CB Instrument, the Shares issued upon exercise of Conversion Rights shall rank pari passu in all respects with all other existing Shares outstanding at the Conversion Date and all Conversion Shares shall include rights to participate in all dividends and other distributions the record date of which falls on or after the Conversion Date.

Transferability:	<p>Subject to compliance with the Listing Rules and regulatory requirements, the Convertible Bonds may (subject to the CB Instrument) be transferred to any person provided that where the Convertible Bond(s) is/are intended to be transferred to a connected person (other than the associates of the Bondholder), such transfer shall comply with the requirements under the Listing Rules and/or requirements imposed by the Stock Exchange, if any.</p> <p>Any transfer of the Convertible Bonds shall be in respect of the whole or any part (subject to the CB Instrument, in multiples of HK\$500,000) of the outstanding principal amount of the Convertible Bonds.</p>
Status:	<p>The obligations of the Company arising under the Convertible Bonds constitute general, unsecured and unsubordinated obligations of the Company and rank equally among themselves and pari passu with all other present and future unsecured and unsubordinated obligations of the Company except for obligations accorded preference by mandatory provisions of applicable law.</p>
Application for listing:	<p>No application shall be made to the Stock Exchange for the listing of the Convertible Bonds. The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.</p>

REASONS FOR THE CB PLACING AND USE OF PROCEEDS

The Group is principally engaged in design, manufacturing and trading of apparels as well as provision of money lending services.

Assuming that all the Convertible Bonds are successfully placed by the Placing Agent, the gross proceeds from the CB Placing will be HK\$15,000,000 and the Company intends to use the net proceeds of HK\$14,850,000 from the CB Placing for general working capital of the Group.

The Directors are of the view that (i) the CB Placing Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company and the Placing Agent; and (ii) the net proceeds of the CB Placing will improve the financial position of the Group. Accordingly, they consider that the CB Placing (including the terms and conditions of the Convertible Bonds) is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS

Set out below is a summary of the equity fund raising activity of the Company during the past 12 months immediately before the date of this announcement:

Date of announcement	Fund raising activity	Net proceeds raised (approximately)	Intended use of the net proceeds	Actual use of proceeds
13 December 2021 and 6 January 2022	Placing of convertible bonds under general mandate	HK\$34,125,000	For general working capital of the Group (such as staff cost, office rental, administrative expenses, etc.)	Used as intended

Save as disclosed above, the Company has not carried out any equity fund raising activities in the past 12 months immediately before the date of this announcement.

SHAREHOLDING STRUCTURE

As at the date of this announcement, the Company has 1,970,267,378 Shares in issue. The table below illustrates the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon full conversion of the Convertible Bonds at the initial Conversion Price (assuming that the Convertible Bonds were placed in full and there is no other change in the issued share capital of the Company from the date of this announcement up to the date of full conversion of the Convertible Bonds):

	As at the date of this announcement		Immediately upon full conversion of the Convertible Bonds at the initial Conversion Price	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Director				
Tang Shu Pui Simon (<i>Note 1</i>)	5,000,000	0.25	5,000,000	0.24
Substantial Shareholders				
World Field Industries Limited (<i>Note 2</i>)	283,994,000	14.41	283,994,000	13.99
BLB International Company Limited (<i>Note 3</i>)	240,000,000	12.18	240,000,000	11.82
Public Shareholders				
Placees	—	—	60,000,000	2.96
Other public Shareholders	1,441,273,378	73.16	1,441,273,378	70.99
Total	1,970,267,378	100.00	2,030,267,378	100.00

Notes:

1. These 5,000,000 Shares are beneficially owned by Tang Shu Pui Simon, an independent non-executive Director.
2. Based on the disclosure of interests forms filed on 19 July 2022, World Field Industries Limited is owned as to 100% by Green Astute Limited, which is in turn owned as to 100% by Hao Tian Media & Culture Holdings Limited, which is in turn owned as to 100% by Aceso Life Science Group Limited (“**Aceso**”), the shares of which are listed on the Main Board of the Stock Exchange (stock code: 474.HK). Based on the disclosure of interest forms in relation to Aceso filed on 25 March 2022 and 24 August 2021 respectively, Aceso is owned as to 49.19% by Asia Link Capital Investment Holdings Ltd. (“**Asia Link**”) and as to 10.83% by Century Golden Resources Investment Co., Ltd (“**Century Golden**”). Asia Link is owned as to 100% by Li Shao Yu (李少宇). Century Golden is owned as to 50% by Huang Tao (黄涛) and as to 40% by Huang Shiyong (黄世榮).

3. Based on the disclosure of interests forms filed on 21 July 2022, BLB International Company Limited is owned as to 100% by Baolingbao Biology Co., Ltd. (“**BLB Biology**”), the shares of which are listed on the Shenzhen Stock Exchange (stock code: 2286.SZ). Based on the annual report of BLB Biology for year ended 31 December 2021 published on the website of the Shenzhen Stock Exchange (www.szse.cn) on 29 April 2022, as at 31 December 2021, BLB Biology was owned as to 12.71% by Beijing Yongyu Investment Management Limited (北京永裕投資管理有限公司, “**Beijing Yongyu**”) and as to 10.25% is owned by Ningbo Baopu Futong Asset Management Center (Limited Partnership) (寧波鈞樸富通資產管理中心(有限合夥)). Based on information published on Beijing Enterprise Credit Information website (北京市企業信用信息網, qyxy.scjgj.beijing.gov.cn) and based on the information available to the Company, Beijing Yongyu is wholly owned by Dai Sijue (戴斯覺).

GENERAL MANDATE

Upon exercise in full of the Conversion Rights at the initial Conversion Price, 60,000,000 Conversion Shares shall be allotted and issued under the General Mandate. The General Mandate entitles the Directors to allot, issue and deal with the Shares not exceeding 20% of the total number of Shares in issue as at the date of the annual general meeting of the Company held on 21 June 2022 approving the General Mandate.

The maximum number of Shares allowed to be allotted and issued under the General Mandate is 358,053,475 Shares. As at the date of this announcement, none of the Shares have been issued by the Company under the General Mandate. Accordingly, the allotment and issue of the Conversion Shares are not subject to the Shareholders’ approval.

Shareholders and potential investors of the Company should note that the CB Placing Closing is subject to the fulfilment of the conditions precedent under the CB Placing Agreement. As the CB Placing may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

The following terms have the following meanings in this announcement unless the context otherwise requires:

“acting in concert”	has the meaning ascribed thereto in the Takeovers Code
“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors

“Bondholder(s)”	the person(s) who for the time being is the holder of the Convertible Bond(s) with the benefit of and subject to the provisions of the CB Instrument
“Business Day(s)”	any day (excluding Saturday, Sunday or public holiday) on which no tropical cyclone warning No. 8 or above is hoisted, no “black rainstorm warning signal” is issued and no “extreme conditions” is announced in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) and on which licensed banks in Hong Kong are open for general banking business
“CB Instrument”	the instrument constituting the Convertible Bonds
“CB Placing”	the proposed placing of the Convertible Bonds on the terms and subject to the conditions set out in the CB Placing Agreement
“CB Placing Agreement”	the agreement entered into between the Company and the Placing Agent dated 27 July 2022 in respect of the CB Placing
“CB Placing Closing”	the completion of the CB Placing
“CB Placing Closing Date”	any Business Day within a period of three Business Days following the date on which the conditions precedent of the CB Placing Agreement are fulfilled or, if applicable, waived (or such later date as the Parties may agree)
“CB Placing Long Stop Date”	17 August 2022 (or such later date as may be agreed by the Parties in writing)
“CB Placing Period”	the period commencing on the date of execution of the CB Placing Agreement and expiring on 10 August 2022 (both days inclusive), or such longer period of time as the Parties may otherwise agree in writing, unless terminated earlier pursuant to the terms of the CB Placing Agreement

“CB Placing Placee(s)”	any investor who is either a professional or institutional investor or other investors selected and procured by or on behalf of the Placing Agent as contemplated by the CB Placing Agreement and is independent as referred to in the CB Placing Agreement, procured by the Placing Agent to subscribe for any of the Convertible Bonds pursuant to the Placing Agent’s obligations under the CB Placing Agreement
“Company”	Virtual Mind Holding Company Limited, a company incorporated in Cayman Island with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Conversion Date”	the date on which the Company receives or is deemed to have received a duly completed and executed conversion notice together with the bond certificate(s) for the Convertible Bond(s) being converted by a Bondholder pursuant to the CB Instrument or, insofar as is appropriate, the date on which it is automatically triggered under and pursuant to any agreement for or in relation to any subscription of the Convertible Bonds
“Conversion Price”	HK\$0.25 per Conversion Share, subject to adjustment(s) pursuant to paragraph headed “Adjustments to the Conversion Price” in this announcement
“Conversion Rights”	the rights pursuant to the CB Instrument attaching to each Convertible Bond to convert the principal amount or a part thereof into Shares
“Conversion Share(s)”	the Shares to be issued by the Company upon exercise by the Bondholder(s) of the Conversion Rights
“Convertible Bond(s)”	up to HK\$15,000,000 2-year 10% coupon unsecured redeemable convertible bonds to be issued by the Company in denomination of HK\$500,000 each with the benefit of and subject to the provisions of the CB Instrument

“Director(s)”	the director(s) of the Company
“First Issue Date”	the initial date of issue of the Convertible Bonds under and pursuant to the CB Instrument
“General Mandate”	the general mandate granted by the Shareholders to the Directors to allot, issue and deal with not more than 358,053,475 new Shares at the annual general meeting of the Company held on 21 June 2022
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Committee”	the listing committee appointed by the Stock Exchange for considering applications for listing and approving the listing of and dealing with securities on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parties”	collectively, the Company and the Placing Agent, and individually, a “Party”
“Placing Agent”	Anli Securities Limited, a licensed corporation by the SFC to carry out and conduct type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under and pursuant to the SFO
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) from time to time

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs published by the SFC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Virtual Mind Holding Company Limited
Li Yang
Chairman and Executive Director

Hong Kong, 27 July 2022

As at the date of this announcement, the executive Directors are Mr. Li Yang, Ms. Tin Yat Yu Carol, Mr. Cheung Ka Lung, Mr. Chan Ming Leung Terence and Mr. Gong Xiaohan; and the independent non-executive Directors of the Company are Mr. Tang Shu Pui Simon, Mr. Hon Ming Sang and Ms. Lo Wing Sze BBS, JP.