

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.



Virtual Mind Holding Company Limited **天機控股有限公司**

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1520)

VOLUNTARY ANNOUNCEMENT - INVESTMENT FRAMEWORK AGREEMENT

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of Virtual Mind Holding Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

INVESTMENT FRAMEWORK AGREEMENT

The Board announces that on 29 October 2024, the Company entered into a non-legally binding investment framework agreement (the “**Framework Agreement**”) with N-Bridge Capital Group Limited (the “**Target Company**”), pursuant to which the Company shall inject HK\$6 million into the Target Company to subscribe for the preference shares to be issued by the Target Company (the “**Investment**”).

As at the date of this announcement, Mr. Mei Weiyi, the Chairman and an executive Director of the Company, holds 40% issued shares of the Target Company. Save as disclosed above, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the holder of the remaining issued shares of the Target Company and its ultimate beneficial owners are independent of and not connected with the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Both parties have exclusive negotiation rights within 30 working days after signing the Framework Agreement (the “**Exclusivity Period**”) (or a date extended by mutual agreement). Both parties shall use best endeavours to procure the signing of a formal investment agreement and other related agreements and legal documents within the Exclusivity Period.

After completing the Investment, the Company will obtain 10% of the authorized share capital of the Target Company.

Principal terms of preference share subscription

- Dividend rights: The preference shares entitle the preferential distribution of dividends of not less than 2%, which must be actually paid within 10 working days after the Target Company's audited financial statements is completed and confirms that the Target Company has distributable profits and its board of directors resolve by a resolution to distribute dividends (if the actual dividend rate exceeds the agreed preference shares dividend, the actual dividend rate shall prevail, but in this situation the Company will no longer have the additional right to preferentially distribute dividends).
- Pre-emptive subscription rights: When the Target Company makes any offer to increase capital or issue new shares to other parties, the Company has the corresponding pre-emptive subscription rights based on its shareholding ratio in the Target Company (but except for the issuance of employee stock ownership plans, the issuance of new shares upon acquisition of another company or other matters approved by the director nominated by the Company).
- Voting rights: The Company does not have the right to vote at the Target Company's shareholders' meeting.
- Director seats: On the premise that the Company's shareholding ratio reaches or exceeds 30%, the Company has the right to nominate a director to the Target Company's board of directors and has the right to veto the agreed matters.

Information about the Target Company

The Target Company was incorporated in Hong Kong in 2015.

The Target Company has the necessary intellectual property rights authorization and operational experience related to establishing a universal exchange certificate issuance and management platform (including but not limited to stable coins, digital currencies, Non-Fungible Tokens (NFTs), etc. ("**Exchange Certificate Platform**")) around the world.

The Target Company has obtained the permanent global exclusive authorization from Jinlian Huixin Technology Development (Beijing) Co., Ltd.* (金鏈匯信科技發展(北京)有限公司), and the authorized products include all patents, software copyrights, proprietary technologies, etc. related to the Exchange Certificate Platform. The Target Company has the right to sub-license or further sub-license to any other third parties.

Jinlian Huixin Technology Development (Beijing) Co., Ltd.* (金鏈匯信科技發展(北京)有限公司) is a leading enterprise in the decentralized economy. The company innovatively uses blockchain technology to build a decentralized cooperation platform. Through the platform, it provides transaction witnessing, transaction accounting, transaction sub-accounting and transaction financing services.

Reasons and benefits of the Investment

The Group has been actively seeking to expand the Group's business. The Exchange Certificate Platform is developed through the application of blockchain technology, that is, the application of distributed ledger technology, empowering all consensus parties in the industry chain to automatically implement consensus rules 7*24 hours. The platform codifies and standardizes multi-party consensus transaction rules, providing transaction witnessing, transaction accounting, transaction sub-accounting and transaction financing service platform for all parties involved in the industry consensus. The Company has the market resources and development and investment capabilities for universal exchange certificates for real-world transactions. The Company plans to cooperate with the Target Company to jointly develop the universal exchange certificate business based on real-world transaction scenarios.

The Board considers that the Framework Agreement will help the Group to promote the Exchange Certificate Platform business globally and is in line with the Company's development strategy, the terms and conditions are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

GENERAL

The Target Company is held as to 40% shareholding by Mr. Mei Weiyi, the Chairman and an executive Director of the Company. The Target Company is regarded as an associate of Mr. Mei Weiyi in accordance with Chapter 14A of the Listing Rules. The Investment, if materializes, will constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. If the parties enter into a formal investment agreement, or if there are any material developments with respect to the Investment, the Company will make further announcement(s) and seek shareholders' approval (if applicable) in accordance with the Listing Rules as and when appropriate.

Shareholders of the Company and/or potential investors should note that the Investment may or may not materialise as no formal binding documentation has been executed between the parties and negotiations are still in progress. Shareholders of the Company and/or potential investors are reminded to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 1 November 2024

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

**for identification purpose only*