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NetMind Financial Holdings Limited

網智金控集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 985)

DISCLOSEABLE TRANSACTION IN RELATION TO THE ACQUISITION OF AN ASSET

On 15 July 2017, the Buyer entered into the Yacht Construction Contract with the Builder, pursuant to which the Buyer agreed to purchase and the Builder agreed to construct, sell and deliver to the Buyer a Yacht at a consideration of €10,180,000.00 (equivalent to approximately HK\$90,922,670.00), upon and subject to the terms and conditions therein.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules with respect to the Purchase exceeds 5% but not more than 25%, the Purchase constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to announcement and notification requirements under the Listing Rules.

YACHT CONSTRUCTION CONTRACT

Principal terms of the Yacht Construction Contract are set out as below:

Date	:	15 July 2017
Builder	:	Azimut-Benetti SpA
Buyer	:	Double Yield Global Limited, a company incorporated in British Virgin Islands with limited liability and an indirect wholly owned subsidiary of the Company
Yacht	:	Benetti Mediterraneo 116' – Twin Screw Diesel Motor Yacht
Consideration	:	€10,180,000.00 (equivalent to approximately HK\$90,922,670.00)

The Consideration was agreed after arm's length negotiations between the Builder and the Buyer with reference to the current market value of the Yacht and shall be paid by the Buyer to the Builder in the following manner:

- (a) First Instalment – 20% of the Consideration within three (3) days after signature of the Yacht Construction Contract (credit to be given for the deposit of €1,017,975.00 (equivalent to approximately HK\$9,092,043.71) already received by the Builder under the Letter of Intent dated 29 May 2017, as amended and novated by a supplemental agreement dated 21 June 2017 to the Letter of Intent made between the Builder, the Buyer and Deep Bowl;

- (b) Second Instalment – 20% of the Consideration within five (5) banking days (when banks are opened for business in Hong Kong, London and Italy) after the Yacht’s moulded hull and the first section of her superstructure have been joined together but not before 31 August 2017;
- (c) Third Instalment – 20% of the Consideration within five (5) banking days after the Yacht’s main engines have been placed on their seatings but not before 29 January 2018;
- (d) Fourth Instalment – 20% of the Consideration within five (5) banking days after the first piece of decorative furniture has been placed on board the Yacht but not before 26 May 2018; and
- (e) Final Instalment – the balance of the Consideration together with all other sums due to the Builder under the Yacht Construction Contract when the Yacht has been properly tendered for delivery, less any liquidated damages payable by the Builder to the Buyer.

Scheduled Delivery Date : 31 March 2019

- If for causes for which the Builder is liable the Yacht is not properly tendered for delivery by the Scheduled Delivery Date (as the same may be extended from time to time under the terms of the Yacht Construction Contract) then the Builder will pay the following liquidated damages to the Buyer:

- (a) for the first forty five days (45) of delay for which the Builder is liable, nothing; and
- (b) for each further full day of delay thereafter for which the Builder is liable, up to a maximum total delay of two hundred and seventy (270) days, €1,500.00 (equivalent to approximately HK\$13,397.25) per day, the aggregate of which shall be applied as credits toward the deduction of the Final Instalment;

provided that no liquidated damages will be payable for any delay in excess of two hundred and seventy (270) days after the Scheduled Delivery Date.

- If for causes for which the Builder is liable the Yacht is not properly tendered for delivery by the two hundred and seventy (270) days after the Scheduled Delivery Date (as the same may be extended from time to time under the terms of the Yacht Construction Contract) then the Buyer as an alternative to claiming any liquidated damages will have the option to terminate the Yacht Construction Contract.

- At any time after the Buyer's right to terminate the Yacht Construction Contract arises, the Builder may give a notice in writing specifying a new scheduled delivery date and requiring the Buyer to elect either to terminate the Yacht Construction Contract or to agree such new scheduled delivery date and if within fourteen (14) days after receipt of such notice the Buyer does not give notice to the Builder terminating the Yacht Construction Contract then the new scheduled delivery date specified by the Builder will become the Scheduled Delivery Date for the purposes of the Yacht Construction Contract.

Guarantor : the Company as guarantor, first irrevocably and unconditionally guarantees to the Builder the due and punctual performance of the Buyer's obligations under the Yacht Construction Contract and the due and punctual payment and satisfaction of all sums of money, interest, costs and damages at any time due and owing by the Buyer under the Yacht Construction Contract or in consequence of any breach or termination of the Yacht Construction Contract.

INFORMATION OF THE BUILDER

The Builder is a company incorporated in Italian Republic, the principal business activities of which included manufactures and sells yachts. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Builder is an Independent Third Party and not connected with the Group.

REASONS FOR THE PURCHASE

The Company intends to hold the Yacht for marketing and client development purposes and it is expected by an increase of the Company's resources in marketing and client development, the business of the Company will be enhanced.

The Board considers that the Purchase and the terms of the Yacht Construction Contract including the Consideration are on normal commercial terms, fair and reasonable and in the interests of the Group and the Shareholders as a whole. The Consideration will be funded by the Group's internal resources.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules with respect to the Purchase exceeds 5% but not more than 25%, the Purchase constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to announcement and notification requirements under the Listing Rules.

GENERAL

The principal business activities of the Group are (i) exploration, development and mining of copper and other mineral resources materials, (ii) investment in financial instruments, (iii) property investment, (iv) money lending and (v) e-logistics platform.

DEFINITIONS

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

“Builder”	Azimut-Benetti SpA, a company incorporated in Italian Republic
“Buyer”	Double Yield Global Limited, a company incorporated in British Virgin Islands with limited liability and an indirect wholly owned subsidiary of the Company
“Company”	NetMind Financial Holdings Limited (網智金控集團有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange (stock code: 985)
“Consideration”	€10,180,000.00 (equivalent to approximately HK\$90,922,670.00), being the consideration payable by the Buyer to the Builder for the sale and purchase of the Yacht
“Deep Bowl”	Deep Bowl Limited, a company incorporated in British Virgin Islands with limited liability and an indirect wholly owned subsidiary of the Company
“Director(s)”	the director(s) of the Company
“Euro” or “€”	the lawful currency of the European Community
“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 People’s Republic of China
“Independent Third Party(ies)”	person(s) who or company(ies) together with its/their ultimate beneficial owner(s) which is/are third party(ies) independent of the Company and its connected person(s)(as defined under the Listing Rules)
“Letter of Intent”	the letter of intent dated 29 May 2017, entered into between the Builder and Deep Bowl, in relation to the Purchase
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchase”	the purchase of the Yacht pursuant to the terms and conditions of the Yacht Construction Contract
“Schedule Delivery Date”	31 March 2019
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Yacht”	Benetti Mediterraneo 116’ – Twin Screw Diesel Motor Yacht
“Yacht Construction Contract”	the Yacht Construction Contract dated 15 July 2017, entered into between the Buyer and the Builder, in relation to the Purchase

By Order of the Board
NetMind Financial Holdings Limited
Chiu Tao
Executive Director and Chairman

Hong Kong, 16 July 2017

As at the date of this announcement, the Board comprises (i) Mr. Chiu Tao (Chairman), Mr. Hui Richard Rui, Mr. Lee Ming Tung, Mr. Kwan Kam Hung, Jimmy, Mr. Yeung Kwok Yu, Mr. Tsui Ching Hung, Mr. Chen Weixing and Mr. Wah Wang Kei, Jackie as executive directors of the Company; and (ii) Mr. Yu Pan, Ms. Tong So Yuet, Ms. Ma Yin Fan and Mr. Leung Hoi Ying as independent non-executive directors of the Company.