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**GREAT SEASON
VENTURES LIMITED**

*(Incorporated in BVI
with limited liability)*

**LIANTENG GROUP
LIMITED**

*(Incorporated in BVI
with limited liability)*

REN GUI SHENG

**WINDMILL GROUP
LIMITED
(海鑫集團有限公司)**

*(Incorporated in the Cayman Islands
with limited liability)
(Stock code: 1850)*

JOINT ANNOUNCEMENT

**(1) COMPLETION OF THE SALE AND PURCHASE OF SHARES IN
WINDMILL GROUP LIMITED;
(2) MANDATORY UNCONDITIONAL CASH OFFER BY
GET NICE SECURITIES LIMITED
FOR AND ON BEHALF OF THE JOINT OFFERORS
TO ACQUIRE ALL THE ISSUED SHARES OF
WINDMILL GROUP LIMITED
(OTHER THAN THOSE ALREADY OWNED BY THE JOINT OFFERORS
AND
PARTIES ACTING IN CONCERT WITH ANY OF THEM);
AND
(3) RESUMPTION OF TRADING**

Financial Advisers to the Joint Offerors



VEDA | CAPITAL
智略資本

**Independent Financial Adviser to the Independent Board Committee and
the Independent Shareholders**



SALE AND PURCHASE OF THE SALE SHARES

The Company was informed by the Joint Offerors that on 12 August 2021 (after trading hours), the Joint Offerors and the Vendors entered into the Sale and Purchase Agreement, pursuant to which the Joint Offerors acquired from the Vendors an aggregate of 600,000,000 Shares, representing 75.00% of the total issued share capital of the Company as at the date of this joint announcement, at approximately HK\$0.3333 per Sale Share in the following manner:

- (i) Great Season acquired 240,000,000 Shares (representing 30% of the total issued share capital of the Company as at the date of this joint announcement) from Standard Dynamic at the cash consideration of HK\$80,000,000 (equivalent to approximately HK\$0.3333 per Sale Share);
- (ii) Lianteng Group acquired 108,000,000 Shares (representing 13.50% of the total issued share capital of the Company as at the date of this joint announcement) from Standard Dynamic at the cash consideration of HK\$36,000,000 (equivalent to approximately HK\$0.3333 per Sale Share); and
- (iii) Mr. Ren acquired 132,034,002 Shares (representing approximately 16.50% of the total issued share capital of the Company as at the date of this joint announcement) from Standard Dynamic at the cash consideration of HK\$44,011,334 (equivalent to approximately HK\$0.3333 per Sale Share), and 119,965,998 Shares (representing approximately 15.00% of the total issued share capital of the Company as at the date of this joint announcement) from Smart Million at the cash consideration of HK\$39,988,666 (equivalent to approximately HK\$0.3333 per Sale Share) respectively.

Completion was not subject to any conditions and took place on 12 August 2021. Immediately following Completion, each of the Vendors ceased to have any interest in the Shares.

MANDATORY UNCONDITIONAL CASH OFFER

The Joint Offerors and the Joint Offerors' Concert Parties did not have any interest in the Shares prior to Completion. Upon Completion, the interest of the Joint Offerors in the voting rights of the Company (through Great Season's interest in 240,000,000 Shares, Lianteng Group's interest in 108,000,000 Shares and Mr. Ren's interest in 252,000,000 Shares), in aggregate, increased to 75.00% of the total issued share capital of the Company as at the date of this joint announcement. In accordance with Rule 26.1 of the Takeovers Code, the Joint Offerors are required to make a mandatory unconditional cash offer for the Offer Shares, being all the issued Shares other than those Shares already owned by the Joint Offerors and the Joint Offerors' Concert Parties.

Get Nice Securities will, on behalf of the Joint Offerors and in compliance with the Takeovers Code, make the Offer to acquire all the Offer Shares on the terms to be set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

For each Offer Share HK\$0.3334 in cash

The Offer Price of HK\$0.3334 per Offer Share is approximately equal to but not lower than the purchase price per Sale Share paid by the Joint Offerors for the Sale Shares.

Assuming that there is no change in the issued share capital of the Company up to the close of the Offer, a total of 200,000,000 issued Shares (representing the Shares not already owned by the Joint Offerors and the Joint Offerors' Concert Parties) will be subject to the Offer. Based on the Offer Price of HK\$0.3334 per Offer Share, the maximum cash consideration payable by the Joint Offerors under the Offer would be approximately HK\$66,680,000. The Joint Offerors intend to fund the consideration payable under the Offer in full by a loan facility under the Loan Agreement.

Independent Board Committee and Independent Financial Adviser

The Independent Board Committee has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give recommendation to the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to acceptance of the Offer. First Capital International Finance Limited has been appointed as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Offer, and in particular, as to whether the terms of the Offer are fair and reasonable and as to acceptance of the Offer. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

Maintaining the listing status of the Company and public float

The Joint Offerors intend to maintain the listing of the Shares on the Main Board on the Stock Exchange and will take appropriate steps (including but not limited to placement of Shares) as soon as possible following the close of the Offer to ensure that sufficient public float exists in the Shares following the close of the Offer.

Despatch of Composite Document

It is the intention of the Joint Offerors and the Company to combine the offer document and the offeree board circular into the Composite Document, which will contain, amongst other things, (i) details of the Offer; (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders in respect of the Offer; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offer, together with the relevant form of acceptance.

Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document is required to be despatched to the Shareholders within 21 days of the date of this joint announcement or such later date as the Executive may approve. The Composite Document will be despatched to the Shareholders in accordance with the requirements of the Takeovers Code.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been halted with effect from 9:00 a.m. on 13 August 2021 pending the publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 19 August 2021.

WARNING

The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to acceptance of the Offer in this joint announcement, and strongly recommend the Independent Shareholders not to form a view on the Offer unless and until they have received and read the Composite Document, including the recommendation of the Independent Board Committee in respect of the Offer and a letter of advice from the Independent Financial Adviser.

Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in the Shares, and if they are in any doubt about their positions, they should consult their professional advisers.

A. SALE AND PURCHASE OF THE SALE SHARES

Reference is made to the announcements of the Company dated 28 June 2021 and 28 July 2021 in relation to the possible disposal of the Shares by Standard Dynamic. The Company was informed by the Joint Offerors that on 12 August 2021 (after trading hours), the Joint Offerors and the Vendors entered into the Sale and Purchase Agreement, pursuant to which the Joint Offerors acquired from the Vendors an aggregate of 600,000,000 Shares, representing 75.00% of the total issued share capital of the Company as at the date of this joint announcement, at approximately HK\$0.3333 per Sale Share.

Summary of the principal terms of the Sale and Purchase Agreement

Date : 12 August 2021

Parties : The Purchasers

- (i) Great Season, an investment holding company incorporated in the BVI with limited liability, and wholly owned by Mr. Jiang;
- (ii) Lianteng Group, an investment holding company incorporated in the BVI with limited liability, and wholly owned by Mr. Yu; and
- (iii) Mr. Ren, a PRC citizen

The Vendors

- (iv) Standard Dynamic, a company incorporated in the BVI with limited liability and wholly owned by Mr. Ma Ting Hung; and
- (v) Smart Million, a company incorporated in the BVI with limited liability and whose ultimate beneficial owner is Mr. Ma Ting Wai Barry, an executive Director.

Subject matter

The Sale Shares, being 600,000,000 Shares, represent 75.00% of the total issued share capital of the Company as at the date of this joint announcement.

The Joint Offerors acquired the Sale Shares in the following manner:

- (i) Great Season acquired 240,000,000 Shares (representing 30% of the total issued share capital of the Company as at the date of this joint announcement) from Standard Dynamic at the cash consideration of HK\$80,000,000 (equivalent to approximately HK\$0.3333 per Sale Share);
- (ii) Lianteng Group acquired 108,000,000 Shares (representing 13.50% of the total issued share capital of the Company as at the date of this joint announcement) from Standard Dynamic at the cash consideration of HK\$36,000,000 (equivalent to approximately HK\$0.3333 per Sale Share); and
- (iii) Mr. Ren acquired 132,034,002 Shares (representing approximately 16.50% of the total issued share capital of the Company as at the date of this joint announcement) from Standard Dynamic at the cash consideration of HK\$44,011,334 (equivalent to approximately HK\$0.3333 per Sale Share) and 119,965,998 Shares (representing approximately 15.00% of the total issued share capital of the Company as at the date of this joint announcement) from Smart Million at the cash consideration of HK\$39,988,666 (equivalent to approximately HK\$0.3333 per Sale Share) respectively.

The Sale Shares were acquired by the Joint Offerors free from any encumbrance and together with all rights attached and accrued to them at the date of Completion including all rights to any dividend or other distribution declared, made or paid on or after the date of the Completion. Furthermore, there was no dividend declared but unpaid on the date of the Completion.

Consideration for the Sale Shares

The Consideration was determined after arm's length negotiations between the Joint Offerors and the Vendors taking into account of, amongst other things, (i) the historical operating and financial performance of the Group; (ii) the prevailing market price of the Shares; and (iii) the current market conditions.

Consideration paid to Standard Dynamic

- A. The consideration for the sale and purchase of 240,000,000 Shares in the sum of HK\$80,000,000 had been paid and satisfied by Great Season to Standard Dynamic in the following manner: (i) a deposit of HK\$8,000,000 was paid within three (3) business days upon the date of the MOU; and (ii) the balance thereof was paid upon Completion.
- B. The consideration for the sale and purchase of 108,000,000 Shares in the sum of HK\$36,000,000 had been paid and satisfied by Lianteng Group to Standard Dynamic in the following manner: (i) a deposit of HK\$3,600,000 was paid within three (3) business days upon the date of the MOU; and (ii) the balance thereof was paid upon Completion.
- C. The consideration for the sale and purchase of 132,034,002 Shares in the sum of HK\$44,011,334 had been paid and satisfied by Mr. Ren to Standard Dynamic in the following manner: (i) a deposit of HK\$8,400,000 was paid within three (3) business days upon the date of the MOU; and (ii) the balance thereof was paid upon Completion.

Consideration paid to Smart Million

- D. The consideration for the sale and purchase of 119,965,998 Shares in the sum of HK\$39,988,666 had been paid and satisfied by Mr. Ren to Smart Million upon Completion.

All of the above consideration had been fully paid and settled in cash at Completion.

Completion

Completion was not subject to any conditions and took place on 12 August 2021. Immediately following Completion, each of the Vendors ceased to have any interest in the Shares.

B. MANDATORY UNCONDITIONAL CASH OFFER

Immediately prior to Completion, the Joint Offerors and the Joint Offerors' Concert Parties had no interest in the Shares. Immediately after Completion and as at the date of this joint announcement, the Joint Offerors are in aggregate interested in 600,000,000 Shares (through Great Season's interest in 240,000,000 Shares, Lianteng Group's interest in 108,000,000 Shares and Mr. Ren's interest in 252,000,000 Shares), representing 75.00% of the total issued share capital of the Company. In accordance with Rule 26.1 of the Takeovers Code, the Joint Offerors are required to make a mandatory unconditional cash offer for the Offer Shares, being all the issued Shares other than those Shares already owned by the Joint Offerors and the Joint Offerors' Concert Parties.

Principal terms of the Offer

Get Nice Securities will, on behalf of the Joint Offerors and in compliance with the Takeovers Code, make the Offer to acquire all the Offer Shares on the terms to be set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

For each Offer Share HK\$0.3334 in cash

The Offer Price of HK\$0.3334 per Offer Share is approximately equal to but not lower than the purchase price per Sale Share paid by the Joint Offerors for the Sale Shares.

The Offer is unconditional in all aspects when it is made and will not be conditional upon acceptances being received in respect of a minimum number of Shares or other conditions.

The Joint Offerors will acquire the Shares tendered for acceptance by the Shareholders in accordance with the terms of the Offer in the proportion of 40% by Great Season, 18% by Lianteng Group and 42% by Mr. Ren. Each of the Joint Offerors will pay for the Shares tendered under the Offer according to the aforesaid proportion.

Comparison of value

The Offer Price of HK\$0.3334 per Offer Share represents:

- (i) a discount of approximately 75.12% to the closing price of HK\$1.3400 per Share quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 83.45% to the average of the closing prices quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day of approximately HK\$2.0140 per Share;

- (iii) a discount of approximately 85.88% to the average of the closing prices quoted on the Stock Exchange for the ten consecutive trading days immediately prior to and including the Last Trading Day of approximately HK\$2.3610 per Share;
- (iv) a discount of approximately 87.69% to the average of the closing prices quoted on the Stock Exchange for the thirty consecutive trading days immediately prior to and including the Last Trading Day of approximately HK\$2.7093 per Share; and
- (v) a premium of approximately 132.33% over the audited consolidated net assets attributable to the Shareholders per Share of approximately HK\$0.1435 as at 30 April 2021, calculated based on the audited consolidated net assets attributable to the Shareholders of approximately HK\$114,793,000 as at 30 April 2021 and 800,000,000 Shares in issue as at the date of this joint announcement.

Highest and lowest Share prices

During the six-month period immediately preceding 28 June 2021 (being the commencement of the Offer Period) and the period up to and including the Last Trading Day:

- (i) the highest closing price of the Shares quoted on the Stock Exchange was HK\$3.56 per Share on 14 July 2021; and
- (ii) the lowest closing price of the Shares quoted on the Stock Exchange was HK\$0.265 per Share on 20 January 2021, 21 January 2021, 22 January 2021, 25 January 2021, 26 January 2021, 27 January 2021, 28 January 2021, 29 January 2021, 1 February 2021, 2 February 2021, 3 February 2021 and 21 April 2021.

Securities of the Company

As at the date of this joint announcement, the Company has 800,000,000 Shares in issue and does not have any outstanding options, warrants, derivatives or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) or securities which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

Value of the Offer

Following Completion and as at the date of this joint announcement, the Joint Offerors and the Joint Offerors' Concert Parties collectively hold a total of 600,000,000 Shares, representing 75.00% of the issued share capital of the Company. Save for the aforesaid, the Joint Offerors and the Joint Offerors' Concert Parties do not hold, own, control or have direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

Assuming that there is no change in the issued share capital of the Company up to the close of the Offer, a total of 200,000,000 issued Shares (representing the Shares not already owned by the Joint Offerors and the Joint Offerors' Concert Parties) will be subject to the Offer. On the basis of the Offer Price of HK\$0.3334 per Offer Share, the maximum cash consideration payable by the Joint Offerors under the Offer would be approximately HK\$66,680,000.

Financial resources confirmation

The Joint Offerors intend to finance the consideration payable under the Offer of approximately HK\$66,680,000 through a loan facility under the Loan Agreement which is secured by, among other things, a charge over all the Shares owned by the Joint Offerors, the relevant securities accounts in which the Shares are deposited and all the Shares to be acquired by the Joint Offerors under the Offer or otherwise.

Get Nice Capital and Veda Capital, being the joint financial advisers to the Joint Offerors, are satisfied that sufficient financial resources are available to the Joint Offerors to satisfy the full acceptances of the Offer.

Effect of accepting the Offer

Acceptance of the Offer by any Independent Shareholder will constitute a warranty by such person that all Offer Shares to be sold by such person under the Offer are fully paid and free from all encumbrances whatsoever together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date of the Composite Document.

The Company confirms that as at the date of this joint announcement, (a) it has not declared any dividend, the record date of which falls on or after the expected date of despatch of the Composite Document; and (b) it does not have any intention to make, declare or pay any future dividend or make other distributions until the close of the Offer. Furthermore, there was no dividend declared but unpaid as at the date of this joint announcement.

Acceptances of the Offer shall be irrevocable and shall not be capable of being withdrawn, except as permitted under the Takeovers Code.

Independent Shareholders are reminded to read the recommendation of the Independent Board Committee and the advice of the Independent Financial Adviser in respect of the Offer which will be included in the Composite Document.

Hong Kong's stamp duty

Sellers' Hong Kong ad valorem stamp duty on acceptances of the Offer at a rate of 0.13% of the consideration payable in respect of the relevant acceptances or, if higher, the market value of the Shares subject to such acceptance, will be deducted from the amounts payable to the Independent Shareholders who accept the Offer. The Joint Offerors will arrange for payment of sellers' ad valorem stamp duty on behalf of the Independent Shareholders who accept the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfers of the relevant Offer Shares in accordance with the Stamp Duty Ordinance (Cap. 117 of the Laws of Hong Kong).

Taxation advice

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Joint Offerors or the Joint Offerors' Concert Parties, Get Nice Securities, the Company, Get Nice Capital, Veda Capital, the Independent Financial Adviser and their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

Payment

Payment in cash in respect of acceptances of the Offer will be made as soon as possible but in any event within seven (7) business days (as defined in the Takeovers Code) of the date on which the duly completed acceptances of the Offer and all relevant documents of title in respect of such acceptances are received by the Joint Offerors (or their agents acting on their behalf) to render each such acceptance complete and valid pursuant to the Takeovers Code.

Overseas Shareholders

The availability of the Offer to any Overseas Shareholders may be affected by the applicable laws and regulations of their relevant jurisdictions of residence. Overseas Shareholders should fully observe any applicable legal and regulatory requirements and, where necessary, consult their own professional advisers. It is the responsibilities of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such Overseas Shareholders in respect of such jurisdictions).

Acceptance of the Offer by any Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Joint Offerors that all local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt.

Dealing and interests in the Company's securities

Following Completion and as at the date of this joint announcement, the Joint Offerors and the Joint Offerors' Concert Parties collectively hold a total of 600,000,000 Shares, representing 75.00% of the issued share capital of the Company. Save for the aforesaid, the Joint Offerors and the Joint Offerors' Concert Parties do not hold, own, control or have direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

The following table sets out the shareholding structure of the Company as at the date of this joint announcement:

| Shareholders | As at the date of this joint announcement | |
|---|--|---------------------------------|
| | Number of Shares | Approximate shareholding |
| The Joint Offerors and the Joint Offerors' Concert Parties | | |
| Great Season | 240,000,000 | 30.00% |
| Lianteng Group | 108,000,000 | 13.50% |
| Mr. Ren | 252,000,000 | 31.50% |
| Subtotal | 600,000,000 | 75.00% |
| Independent Shareholders | 200,000,000 | 25.00% |
| TOTAL | 800,000,000 | 100.00% |

The Joint Offerors and the Joint Offerors' Concert Parties confirm that, as at the date of this joint announcement:

- (i) save for a total of 600,000,000 Shares, none of the Joint Offerors or the Joint Offerors' Concert Parties own or have control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives of the Company;

- (ii) there is no outstanding derivative in respect of securities in Company which is owned, controlled or directed by, or has been entered into by the Joint Offerors and/or any the Joint Offerors' Concert Parties;
- (iii) the Joint Offerors and the Joint Offerors' Concert Parties have not borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (iv) save for the Acquisitions and the Loan Agreement, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Joint Offerors or the Shares and which might be material to the Offer;
- (v) there is no agreement or arrangement to which any of the Joint Offerors or the Joint Offerors' Concert Parties is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (vi) the Joint Offerors and the Joint Offerors' Concert Parties have not received any irrevocable commitment to accept or reject the Offer;
- (vii) save for the Loan Agreement, there was no agreement, arrangement or understanding which may result in the securities of the Company to be acquired in pursuance of the Offer being transferred, charged or pledged to any other persons;
- (viii) none of the Joint Offerors and the Joint Offerors' Concert Parties have dealt in any Shares, options, derivatives, warrants or other securities convertible into Shares during the six-month period immediately prior to the commencement of the Offer Period;
- (ix) there is no understanding, arrangement or agreement which constitutes special deal (as defined under Rule 25 of the Takeovers Code) between the Joint Offerors or any of the Joint Offerors' Concert Parties on the one hand, and the Vendors and any parties acting in concert with any of them on the other hand;
- (x) there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (1) any Shareholder; and (2)(a) the Joint Offerors or any of the Joint Offerors' Concert Parties; or (2)(b) the Company, its subsidiaries or associated companies; and
- (xi) save for the Consideration for the Sale Shares, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Joint Offerors or any of the Joint Offerors' Concert Parties to the Vendors and their respective parties acting in concert in respect of the Sale Shares.

Information on the Group

The Company was incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange. The Company is an investment holding company and the Group is principally engaged in the design, supply and installation of fire safety systems for buildings under construction or re-development, maintenance and repair of fire safety systems for built premises and trading of fire services accessories.

Set out below is the summary of financial information of the Group for the financial years ended 30 April 2020 and 2021 as extracted from the annual results announcement of the Company for the year ended 30 April 2021:

| | For the year ended 30 April | |
|---|------------------------------------|------------------|
| | 2021 | 2020 |
| | HK\$'000 | HK\$'000 |
| | (audited) | (audited) |
| Revenue | 197,598 | 152,851 |
| Profit/(Loss) before taxation | 6,006 | (23,796) |
| Profit/(Loss) for the year attributable to the Shareholders | 4,887 | (20,653) |
| | As at 30 April | |
| | 2021 | 2020 |
| | HK\$'000 | HK\$'000 |
| | (audited) | (audited) |
| Total assets | 180,814 | 195,811 |
| Total equity attributable to the Shareholders | 114,793 | 109,906 |

Information on the Joint Offerors

Great Season

Great Season is an investment holding company incorporated in the BVI with limited liability. As at the date of this joint announcement, Great Season is wholly-owned by Mr. Jiang, who is also the sole director of Great Season.

Mr. Jiang, aged 46, has years of experience in the financial services and investment industry. He was the general manager of a non-banking financial institution in the PRC which is principally engaged in, among others, money-lending, guarantee and pawning businesses. Mr. Jiang is deemed to be a controlling shareholder of China Carbon Neutral Development Group Limited (stock code: 1372) and a substantial shareholder of Sino Golf Holdings Limited (stock code: 361), the issued shares of each of them are listed on the Main Board of the Stock Exchange.

Lianteng Group

Lianteng Group is an investment holding company incorporated in the BVI with limited liability. As at the date of this joint announcement, Lianteng Group is wholly-owned by Mr. Yu, who is also the sole director of Lianteng Group.

Mr. Yu, aged 48, has over 25 years of working experience in mining, finance and property management industries. He was one of the founders of Guangfeng Talc Development Co., Ltd* (廣豐縣滑石發展有限公司), a company principally engaged in the production and sales of talc in the PRC, and has been the vice chairman since 2001. He was also the founder of Jiangxi Hongli Pawn Co., Ltd* (上饒市廣豐區鴻利典當有限公司) in 2007, a company principally engaged in financial business in the PRC. He was the founder and is currently the manager of Pineapple Apartment (Shenzhen) Co., Ltd* (菠蘿公寓(深圳)有限公司), a company principally engaged in property rental and management business in the PRC. Mr. Yu was elected as a member of Shangrao Committee of Chinese People's Political Consultative Conference in 2012.

Mr. Ren

Mr. Ren, aged 61, has over 40 years of experience in building materials and communication materials industry. He is the founder and the chairman of Tongcheng Zhongyu Communication Co., Ltd* (桐城市中宇通信有限公司), a company principally engaged in communication materials retail business in the PRC, and Anhui Meinianda Trade Co., Ltd* (安徽省美年達貿易有限公司), a company principally engaged in building materials wholesale business in the PRC.

Following Completion, the Joint Offerors are in aggregate interested in 600,000,000 Shares (through Great Season's interest in 240,000,000 Shares, Lianteng Group's interest in 108,000,000 Shares and Mr. Ren's interest in 252,000,000 Shares), which represented 75.00% of the total issued share capital of the Company as at the date of this announcement.

Save as disclosed above, the Joint Offerors and the Joint Offerors' Concert Parties do not hold any Shares or any other securities of the Company as at the date of this joint announcement.

Intention of the Joint Offerors on the Group

Following the close of the Offer, it is the intention of the Joint Offerors that the Group will continue with its existing principal activities. As at the date of this joint announcement, no investment or business opportunities has been identified nor have the Joint Offerors entered into any agreement, arrangements, understandings or negotiation in relation to (a) the injection of any assets or business into the Group; or (b) the disposal of any assets or business of the Group, other than those conducted by the Company in its ordinary course of business and/or those which are immaterial in nature.

After having preliminarily assessed the fire safety installation market in Hong Kong, the Joint Offerors believe that the Acquisitions enable the Joint Offerors to tap into the fire safety systems industry. Through the Acquisitions, the Joint Offerors can leverage on the experience of the personnel of the Group which can in turn facilitate the Joint Offerors in diversifying their business scope into the fire safety systems market in Hong Kong. While Mr. Jiang, Mr. Yu and Mr. Ren do not have immediate experience in similar business of the Group, their experience in formulating corporate strategies, planning and business development, together with their business network, may provide some insights into the Group's sales and marketing efforts. The Joint Offerors believe that, by leveraging their extensive business network, the customer base of the Group would be broadened and additional marketing channels for promoting the Group can be introduced which allows the Group to expand its business in Hong Kong. The Joint Offerors will also conduct a detailed review on the existing principal businesses and operations, and the financial position of the Group for the purpose of formulating business plans and strategies for the Group's long-term business development and will explore other business opportunities for the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Joint Offerors may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth.

As at the date of this joint announcement, the Joint Offerors have no intention to (i) discontinue the employment of any employees of the Group or change the composition of the Board; (ii) redeploy the fixed assets of the Group other than those in its ordinary and usual course of business; or (iii) introduce any major changes in the existing operations and business of the Group.

Proposed changes to the Board

As at the date of this joint announcement, the Board comprises Mr. Li Shing Kuen Alexander and Mr. Ma Ting Wai Barry as executive Directors, Mr. Chan Ming Fai as non-executive Director and Mr. Pun Kin Wa, Mr. Tsang Man Bui and Mr. Lee Kwok Tung Louis as independent non-executive Directors.

Mr. Ma Ting Wai Barry will resign as executive Director of the Company and all other offices and positions held in the Group (including membership in any committees under the board of directors of the Company) with effect from a date which is no earlier than such date as permitted under Rule 7 of the Takeovers Code.

As at the date of this joint announcement, the Joint Offerors intend to nominate new directors to the Board and such appointments will not take effect earlier than the date of posting of the Composite Document in relation to the Offer or such other date as permitted under the Takeovers Code. As at the date of this joint announcement, the Joint Offerors have not reached any final decision as to who will be nominated and the final composition of the Board. Any changes to the Board will be made in compliance with the Takeovers Code and the Listing Rules and a separate announcement will be made in this regard as and when appropriate.

Independent Board Committee and Independent Financial Adviser

Rule 2.1 of the Takeovers Code requires the Company to establish an independent committee of the Board to give a recommendation to the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to acceptance of the Offer, and Rule 2.8 of the Takeovers Code requires that such independent committee should comprise all the non-executive Directors who have no direct or indirect interest in the Offer other than as a Shareholder.

The Independent Board Committee, comprising Mr. Chan Ming Fai (a non-executive Director) and Mr. Pun Kin Wa, Mr. Tsang Man Biu and Mr. Lee Kwok Tung Louis (independent non-executive Directors), has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give recommendation to the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to acceptance of the Offer. First Capital International Finance Limited has been appointed as the Independent Financial Adviser to the Independent Board Committee in respect of the Offer, and in particular, as to whether the terms of the Offer are fair and reasonable and as to acceptance of the Offer. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

Maintaining the listing status of the Company

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the Shares, are held by the public, or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the trading of the Shares; or
- (ii) there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Shares.

The Joint Offerors intend the Company to remain listed on the Stock Exchange after the close of the Offer. The directors of the Joint Offerors and the new Director(s) to be appointed to the Board will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

Compulsory acquisition

The Joint Offerors do not intend to exercise or apply any right which may be available to them to acquire compulsorily any Shares outstanding after the close of the Offer.

Despatch of Composite Document

It is the intention of the Joint Offerors and Company to combine the offer document and the offeree board circular into the Composite Document, which will contain, amongst other things, (i) details of the Offer; (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offer, together with the relevant form of acceptance.

Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document is required to be despatched to the Shareholders within 21 days of the date of this joint announcement or such later date as the Executive may approve. The Composite Document will be despatched to the Shareholders in accordance with the requirements of the Takeovers Code.

Dealing Disclosure

All associates (as defined under the Takeovers Code and include persons holding 5% or more of any class of relevant securities) of the Company and the Joint Offerors are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings including identities of clients, as part of that co-operation.”

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been halted with effect from 9:00 a.m. on 13 August 2021 pending the publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 19 August 2021.

WARNING

The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to acceptance of the Offer in this joint announcement, and strongly recommend the Independent Shareholders not to form a view on the Offer unless and until they have received and read the Composite Document, including the recommendation of the Independent Board Committee in respect of the Offer and a letter of advice from the Independent Financial Adviser.

Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in the Shares, and if they are in any doubt about their positions, they should consult their professional advisers.

DEFINITIONS

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

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| “Acquisitions” | the acquisitions of the Sale Shares by the Joint Offerors |
| “acting in concert” | has the meaning ascribed to it in the Takeovers Code |
| “associate(s)” | has the meaning ascribed to it in the Takeovers Code |
| “Board” | the board of Directors |
| “BVI” | the British Virgin Islands |
| “Consideration” | the total consideration for the Sale Shares |
| “Company” | WINDMILL Group Limited (Stock Code: 1850), an exempted company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board |
| “Completion” | completion of the Acquisitions |

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| “Composite Document” | the composite offer document and response document to be jointly issued by the Joint Offerors and the Company in accordance with the Takeovers Code containing, among other things, details of the Offer, the recommendation from the Independent Board Committee to the Independent Shareholders and the advice from the Independent Financial Adviser in respect of the Offer |
| “Director(s)” | director(s) of the Company |
| “Encumbrance” | any mortgage, charge, pledge, lien, equities, hypothecation or other encumbrance, priority or security interest, deferred purchase, title retention, leasing, sale-and-repurchase sale-and-leaseback arrangement, rights of pre-emption or any other third party rights of any nature or any agreement for any of the same |
| “Executive” | the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director |
| “Get Nice Capital” | Get Nice Capital Limited, a corporation licensed to carry out type 6 (advising on corporate finance) regulated activity under the SFO, which is appointed as one of the joint financial advisers to the Joint Offerors in respect of the Offer |
| “Get Nice Securities” | Get Nice Securities Limited, a corporation licensed to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO |
| “Great Season” | Great Season Ventures Limited, a company incorporated in the BVI with limited liabilities, being one of the Joint Offerors |
| “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 |

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| “Independent Board Committee” | an independent committee of the Board comprising all non-executive Director and independent non-executive Directors, namely Mr. Chan Ming Fai, Mr. Pun Kin Wa, Mr. Tsang Man Biu and Mr. Lee Kwok Tung Louis, established for the purpose of advising and giving recommendation to the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to acceptance of the Offer |
| “Independent Financial Adviser” | First Capital International Finance Limited, a corporation licensed to carry out business in type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, which is appointed as the independent financial adviser to advise the Independent Board Committee in respect of the Offer |
| “Independent Shareholder(s)” | Shareholder(s) other than the Joint Offerors or the Joint Offerors’ Concert Parties |
| “Joint Offerors” or “Purchasers” | collectively, Great Season, Lianteng Group and Mr. Ren, being the purchasers of the Sale Shares and the joint offerors in relation to the Offer |
| “Joint Offerors’ Concert Party(ies)” | party(ies) acting in concert and presumed to be acting in concert with the Joint Offerors as determined in accordance with the Takeovers Code |
| “Last Trading Day” | 12 August 2021, being the last trading day of the Shares before publication of this joint announcement |
| “Lianteng Group” | Lianteng Group Limited, a company incorporated in the BVI with limited liabilities, being one of the Joint Offerors |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |

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| “Loan Agreement” | the loan facility agreement entered into between Get Nice Securities as the lender and the Joint Offerors as the borrowers in relation to a loan facility for financing part of the consideration payable by the Offerors pursuant to the Offer and the relevant security documents, including but not limited to, a charge over all the Shares owned by the Joint Offerors, the relevant securities account in which the Shares are deposited and all the Shares to be acquired by the Joint Offerors under the Offer or otherwise |
| “Main Board” | the main board maintained and operated by the Stock Exchange |
| “MOU” | the memorandum of understanding dated 24 June 2021 entered into between, amongst others, Mr. Yu and Standard Dynamic |
| “Mr. Jiang” | Mr. Jiang Jianhui, the sole shareholder and director of Great Season |
| “Mr. Ren” | Mr. Ren Guisheng, being one of the Joint Offerors |
| “Mr. Yu” | Mr. Yu Lixiong, the sole shareholder and director of Lianteng Group |
| “Offer” | the mandatory unconditional cash offer to be made by Get Nice Securities for and on behalf of the Joint Offerors to acquire all the Offer Shares in accordance with the Takeovers Code |
| “Offer Period” | the period commencing from 28 June 2021, being the date of the announcement made by the Company pursuant to Rule 3.7 of the Takeovers Code), and ending on the closing date of the Offer |
| “Offer Price” | the price at which the Offer will be made, being HK\$0.3334 per Offer Share |
| “Offer Share(s)” | all the Share(s) in issue, other than those Shares already owned by the Joint Offerors or the Joint Offerors’ Concert Parties |

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| “Overseas Shareholder(s)” | Independent Shareholder(s) whose address(es), as shown in the register of members of the Company, is (are) outside Hong Kong |
| “PRC” | the People’s Republic of China, but for the purpose of this joint announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan |
| “Sale and Purchase Agreement” | the sale and purchase agreement entered into between the Purchasers and the Vendors in respect of the sale and purchase of the Sale Shares |
| “Sale Shares” | 600,000,000 Shares acquired by the Joint Offerors from the Vendors |
| “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 Shares |
| “Smart Million” | Smart Million (BVI) Limited, a company incorporated in the BVI with limited liabilities, being one of the Vendors |
| “Standard Dynamic” | Standard Dynamic Enterprises Limited, a company incorporated in the BVI with limited liabilities, being one of the Vendors |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | the Hong Kong Code on Takeovers and Mergers and Share Buy-backs |
| “Veda Capital” | Veda Capital Limited, a corporation licensed to carry out business in type 6 (advising on corporate finance) regulated activity under the SFO, which is appointed as one of the joint financial advisers to the Joint Offerors in respect of the Offer |

“Vendors” collectively, Standard Dynamic and Smart Million, being the vendors of the Sale Shares

“%” per cent

* for identification purpose only

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| By order of the board of Great Season Ventures Limited Jiang Jianhui Sole Director | By order of the board of Lianteng Group Limited Yu Lixiong Sole Director | Ren Guisheng | By order of the board of WINDMILL Group Limited Li Shing Kuen Alexander Chairman and Chief Executive Officer |
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Hong Kong, 19 August 2021

As at the date of this joint announcement, the Board comprises (i) Mr. Li Shing Kuen Alexander and Mr. Ma Ting Wai Barry as executive Directors; (ii) Mr. Chan Ming Fai as non-executive Director; and (iii) Mr. Pun Kin Wa, Mr. Tsang Man Biu and Mr. Lee Kwok Tung Louis as independent non-executive Directors. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Joint Offerors and the Joint Offerors' Concert Parties), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than the opinion expressed by the directors of the Joint Offerors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the sole director of Great Season is Mr. Jiang Jianhui. The sole director of the Great Season accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group, Lianteng Group and Mr. Ren), and confirms, having made all reasonable enquires, that to the best of his knowledge, opinions expressed in this joint announcement (other than the opinions expressed by the Directors, sole director of Lianteng Group and Mr. Ren) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

As at the date of this joint announcement, the sole director of Lianteng Group is Mr. Yu Lixiong. The sole director of the Lianteng Group accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group, Great Season and Mr. Ren), and confirms, having made all reasonable enquires, that to the best of his knowledge, opinions expressed in this joint announcement (other than the opinions expressed by the Directors, sole director of Great Season and Mr. Ren) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

Mr. Ren accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group, Great Season and Lianteng Group), and confirms, having made all reasonable enquires, that to the best of his knowledge, opinions expressed in this joint announcement (other than the opinions expressed by the Directors, sole director of Great Season and sole director of Lianteng Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

The English text of this joint announcement shall prevail over its Chinese text.