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## **WINDMILL GROUP LIMITED**

**(海鑫集團有限公司)**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1850)**

### **CLARIFICATION ON POSITIVE PROFIT ALERT ANNOUNCEMENT**

References are made to (i) the announcement of WINDMILL Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 16 July 2021 in relation to the positive profit alert of the Company (the “**Profit Alert**”) and (ii) the announcement of the Company dated 28 June 2021 (the “**3.7 Announcement**”) pursuant to Rule 3.7 of the Code on Takeovers and Mergers (the “**Takeovers Code**”). Capitalised terms used in this announcement shall have the same meanings as those defined in the Rule 3.7 Announcement unless the context herein requires otherwise. This clarification announcement is published in accordance with Practice Note 2 of the Takeovers Code.

The Directors would like to clarify that the Profit Alert constitutes a profit forecast under Rule 10 of the Takeovers Code and is required to be reported on by the financial advisers and the accountants or auditors in accordance with Rule 10.4 of the Takeovers Code. As the Profit Alert was made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong), which require the Company to disclose any inside information as soon as practicable and given the time constraints, the Company has encountered practical difficulties in meeting the requirements of Rule 10.4 of the Takeovers Code. Accordingly, the Profit Alert does not meet the standard required by Rule 10 of the Takeovers Code.

Pursuant to Practice Note 2 of the Takeovers Code, the reports from the Company’s financial adviser and auditors or accountants on the profit forecasts are required to be included in the next document to be sent to the Shareholders (the “**Profit Forecast Reports**”). The audited annual results announcement of the Company for the year ended 30 April 2021 (the “**Annual Results**”) is expected to be published on or before 30 July 2021. It is expected that the Annual Results will be published prior to the despatch of any offer or response documents that may be sent to the Shareholders in respect of Possible Share Disposal described in the 3.7 Announcement. Accordingly, the requirement to include the Profit Forecast Reports in the next document sent to the Shareholders pursuant to Rule 10 of the Takeovers Code is expected to be superseded by the publication of the Annual Results.

Save for the clarification stated in this announcement, all information in the Profit Alert remains unchanged.

**Shareholders and potential investors of the Company should note that the Profit Alert does not meet the standard required by Rule 10 of the Takeovers Code and has not been reported on in accordance with the Takeovers Code. Shareholders and potential investors of the Company should therefore exercise caution in placing reliance on the Profit Alert in assessing the merits and demerits of the Possible Share Disposal.**

**There is no assurance that the Possible Share Disposal will proceed resulting in a change of controlling shareholder and the leading to general offers under Rule 26.1 of the Takeovers Code for the securities of the Company. Shareholders and public investors should exercise caution when dealing in the securities of the Company.**

By order of the Board  
**WINDMILL Group Limited**  
**Li Shing Kuen Alexander**  
*Chairman and Chief Executive Officer*

Hong Kong, 19 July 2021

*As at the date of this announcement, the executive Directors are Mr. Li Shing Kuen Alexander and Mr. Ma Ting Wai Barry; the non-executive Director is Mr. Chan Ming Fai; and the independent non-executive Directors are Mr. Pun Kin Wa, Mr. Tsang Man Biu and Mr. Lee Kwok Tung Louis.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*