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**Noble Gate International Limited**  
*(Incorporated in British Virgin Islands with limited liability)*

**WINTO GROUP (HOLDINGS) LIMITED**  
**惠陶集團(控股)有限公司**  
*(Incorporated in Cayman Islands with limited liability)*  
**(Stock code: 8238)**

## **JOINT ANNOUNCEMENT**

**(1) ACQUISITION OF SALE SHARES IN WINTO GROUP (HOLDINGS) LIMITED BY NOBLE GATE INTERNATIONAL LIMITED;**  
**(2) POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER BY GF SECURITIES (HONG KONG) BROKERAGE LIMITED FOR AND ON BEHALF OF NOBLE GATE INTERNATIONAL LIMITED FOR ALL THE ISSUED SHARES OF WINTO GROUP (HOLDINGS) LIMITED (OTHER THAN THOSE ALREADY OWNED AND AGREED TO BE ACQUIRED BY NOBLE GATE INTERNATIONAL LIMITED AND PARTIES ACTING IN CONCERT WITH IT); AND**  
**(3) RESUMPTION OF TRADING**

**Financial adviser to the Offeror**



**Joint financial advisers to the Company**



### **THE S&P AGREEMENT**

The Company was informed by the Offeror that on 16 November 2017 (after trading hours of the Stock Exchange), the Purchaser, Mr. Tang and the Vendor entered into the S&P Agreement pursuant to which the Vendor conditionally agreed to sell and the Purchaser conditionally agreed to acquire a total of 1,704,232,000 Shares at a total cash consideration of HK\$85,211,600 (equivalent to HK\$0.050 per Sale Share). The Sale Shares represent approximately 19.72% of the total issued share capital of the Company as at the date of this joint announcement. Completion of the S&P Agreement will take place on the 5th Trading Day following the publication of this joint announcement on the website of the Stock Exchange, or such other date as the Vendor and the Purchaser may mutually agree in writing, upon the fulfillment of certain conditions as described in the paragraph headed “S&P Completion” under the section headed “1. The S&P Agreement” in this joint announcement.

## **POSSIBLE UNCONDITIONAL MANDATORY CASH OFFER**

As at the date of this joint announcement, Mr. Tang, the Offeror and the parties acting in concert with any of them were interested in 2,928,816,000 Shares, representing approximately 33.90% of the total issued share capital of the Company. Immediately upon the S&P Completion, Mr. Tang, the Offeror and the parties acting in concert with any of them will be interested in 4,633,048,000 Shares, representing approximately 53.62% of the total issued share capital of the Company at S&P Completion.

Pursuant to Rule 26.1 of the Takeovers Code, upon S&P Completion, the Offeror will be required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned and agreed to be acquired by the Offeror and the parties acting in concert with it).

### **The Offer**

Subject to S&P Completion, GF Securities will make the Offer, for and on behalf of the Offeror and the parties acting in concert with it, in accordance with the Takeovers Code on the following basis:

**For every Offer Share . . . . .HK\$0.055 in cash**

The Offer Price of HK\$0.055 per Offer Share represents the highest price paid by the Offeror or the parties acting in concert with it for the acquisition of the Shares within 6 months prior to the commencement of the offer period.

Subject to S&P Completion, the Offer will be unconditional in all respects. The principal terms of the Offer are set out in the section headed “Principal terms of the Offer” in this joint announcement.

### **The Irrevocable Undertakings**

On 22 November 2017, SVF gave its irrevocable undertaking to the Offeror that it will not transfer, dispose of or tender 2,568,816,000 Shares (representing approximately 29.73% of the issued share capital of the Company as at the date of this joint announcement) held by it for acceptance of the Offer prior to the close of the Offer.

On 23 November 2017, Mr. Yuan and Perfect Wood gave their joint and several irrevocable undertakings to the Offeror that they will not transfer, dispose of or tender 248,496,000 Shares (representing approximately 2.88% of the issued share capital of the Company as at the date of this joint announcement) held by them for acceptance of the Offer prior to the close of the Offer.

Please refer to the paragraph headed “The Irrevocable Undertakings” under the section headed “2. Possible unconditional mandatory cash offer” in this joint announcement for details.

## **ADVICE FOR THE INDEPENDENT SHAREHOLDERS IN RESPECT OF THE OFFER**

The Independent Board Committee comprising the non-executive Director and all the independent non-executive Directors has been established to advise the Independent Shareholders as to whether the Offer is fair and reasonable and as to its acceptance. An independent financial adviser will be appointed (with the approval of the Independent Board Committee) to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer. Further announcement(s) will be made by the Company as soon as possible after the appointment of the independent financial adviser.

### **TAKEOVERS CODE IMPLICATION**

#### **Special deal under Rule 25 of the Takeovers Code**

On 8 November 2017, the Offeror, SVF and Mr. Tang, entered into the Subscription Agreement pursuant to which the Offeror agreed to issue the Note to SVF. The Note was issued to SVF on 9 November 2017. Pursuant to the Subscription Agreement, the Note bears an interest rate of 8% per annum payable by the Offeror to SVF. The Transaction therefore constitutes a special deal under Rule 25 of the Takeovers Code which requires the consent of the Executive. An application will be made to the Executive for consent under Rule 25 of the Takeovers Code in relation to the Subscription Agreement.

Such consent, if granted, will be subject to (i) the Rule 25 IFA publicly stating that in its opinion the terms of the Subscription Agreement are fair and reasonable; and (ii) the approval of the Transaction by the Independent Shareholders by way of a poll at the EGM.

Subject to consent to the Executive, the Rule 25 IBC will be established to give a recommendation to the Independent Shareholders in respect of the Transaction. A Rule 25 IFA will be appointed by the Company with the approval of the Rule 25 IBC to advise the Rule 25 IBC and the Independent Shareholders in the same regard. Further announcement(s) will be made by the Company as soon as possible after the appointment of the Rule 25 IFA.

#### **EGM and circular**

Subject to consent to the Executive, an EGM will be convened to consider and approve the Transaction. A circular containing, among other things, (i) details of the Transaction; (ii) the recommendation of the Rule 25 IBC in respect of the Transaction; (iii) the advice from the Rule 25 IFA to the Rule 25 IBC and the Independent Shareholders in the same regard; and (iv) the notice of the EGM, will be despatched to Shareholders as soon as possible.

## **DESPATCH OF THE COMPOSITE OFFER DOCUMENT**

It is the intention of the Offeror and the Company to combine the offer document with the offeree board circular from the Company in a composite offer document. In accordance with Rule 8.2 of the Takeovers Code, the composite offer document containing, among other things: (i) details of the Offer (including the expected timetable); (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders in relation to the Offer; and (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Offer, together with (iv) the relevant forms of acceptance and transfer, is required to be despatched to the Shareholders as soon as possible but in any event within 21 days from the date of this joint announcement unless the Executive grants a consent for extension.

## **TRADING HALT AND RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 16 November 2017 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 29 November 2017.

**WARNING: THE OFFER IS A POSSIBILITY AND IT WILL ONLY BE MADE IF THE S&P COMPLETION TAKES PLACE AND THE S&P COMPLETION IS CONDITIONAL UPON THE FULFILLMENT OF THE CONDITIONS PRECEDENT. ACCORDINGLY, THE TRANSACTION CONTEMPLATED UNDER THE S&P AGREEMENT MAY OR MAY NOT COMPLETE AND THE OFFER MAY OR MAY NOT PROCEED. THE SHAREHOLDERS AND POTENTIAL INVESTORS ARE THEREFORE URGED TO EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY. FURTHER ANNOUNCEMENT(S) WILL BE MADE BY THE OFFEROR AND THE COMPANY REGARDING THE OFFER AS AND WHEN APPROPRIATE.**

The Company was informed by the Offeror that on 16 November 2017 (after trading hours of the Stock Exchange), the Purchaser, Mr. Tang and the Vendor entered into the S&P Agreement.

### **1. THE S&P AGREEMENT**

**Date:** 16 November 2017

#### **Parties**

Purchaser : Noble Gate International Limited

Vendor : Mr. Wong Man Hin Charles

Guarantor : Mr. Tang, being the sole beneficial owner of the Offeror, has agreed to guarantee the due and punctual performance by the Offeror of its payment obligations in respect of the total consideration for the Sale Shares under the S&P Agreement. Mr. Tang is also an executive Director

The Purchaser is a company incorporated in the BVI with limited liability and is wholly owned by Mr. Tang. The principal activity of the Purchaser is investment holding. As at the date of this joint announcement, Mr. Tang, the Offeror and the parties acting in concert with any of them were interested in 2,928,816,000 Shares, representing approximately 33.90% of the total issued share capital of the Company.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, other than being a substantial Shareholder, the Vendor is a third party independent of and not connected with the Company and its connected persons. The Vendor holds 1,704,232,000 Shares, representing approximately 19.72% of the total issued share capital of the Company as at the date of this joint announcement.

### **Subject of the S&P Agreement**

Pursuant to the S&P Agreement, the Vendor conditionally agreed to sell and the Purchaser conditionally agreed to acquire a total of 1,704,232,000 Shares at a total cash consideration of HK\$85,211,600 (equivalent to HK\$0.050 per Sale Share). The Sale Shares represent approximately 19.72% of the total issued share capital of the Company as at the date of this joint announcement.

The Sale Shares will be acquired by the Purchaser free from all encumbrances together with all rights attached thereto as at the date of S&P Agreement including but not limited to all dividends paid, declared or made on or after the S&P Completion.

### **Consideration**

The total consideration for the Sale Shares is HK\$85,211,600 (equivalent to HK\$0.050 per Sale Share) has been agreed between the Purchaser and the Vendor after arm's length negotiations after taking into account of the recent trading prices of the Shares before the trading halt on 16 November 2017. The consideration shall be payable by the Purchaser in cash upon the S&P Completion. The consideration will be financed solely by the Facility granted by GF Securities to the Offeror. In the event the Transaction is approved by the Independent Shareholders in the EGM, the Offeror intends to use a portion of the proceeds from the issue of the Note to repay the indebtedness of the Offeror under the Facility.

### **S&P Completion**

S&P Completion will take place on the 5th Trading Day following the publication of this joint announcement on the website of the Stock Exchange, or such other date as the Vendor and the Purchaser may mutually agree in writing, upon the following conditions being fulfilled by the Purchaser:

- (a) prior to S&P Completion, the Company has not suspended or ceased to carry on all or a material part of its business;
- (b) prior to S&P Completion, the Shares have not become suspended from being listed or ceased to be listed on GEM (save and except for any suspension from trading on GEM for the purpose of clearing any announcement(s) by the Company);
- (c) an announcement on the Offer is made and issued in compliance with the Takeovers Code and the GEM Listing Rules;

- (d) the Stock Exchange has not raised before Completion any opposition or challenge as to non-compliance or breach of any provisions of GEM Listing Rules arising from or in connection with the sale and purchase of the Sale Shares and/or the Offer;
- (e) prior to S&P Completion, no restriction has been imposed on transfer of any or all of the Sale Shares by law or regulation or by the Stock Exchange or SFC;
- (f) nothing has happened on or prior to S&P Completion that may have a material adverse effect on the listing of the Shares on GEM; and
- (g) prior to S&P Completion, the warranties given by the Offeror in the S&P Agreement remain true, complete and accurate in all material respects.

## **2. POSSIBLE UNCONDITIONAL MANDATORY CASH OFFER**

As at the date of this joint announcement, Mr. Tang, the Offeror and the parties acting in concert with any of them were interested in 2,928,816,000 Shares, representing approximately 33.90% of the total issued share capital of the Company. Immediately upon the S&P Completion, Mr. Tang, the Offeror and the parties acting in concert with any of them will be interested in 4,633,048,000 Shares, representing approximately 53.62% of the total voting rights in general meeting of the Company.

Pursuant to Rule 26.1 of the Takeovers Code, upon S&P Completion, the Offeror will be required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned and agreed to be acquired by the Offeror and the parties acting in concert with it).

### **Securities of the Company**

As at the date of this joint announcement, the Company had a total of 8,640,000,000 Shares in issue. There are no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue.

## **PRINCIPAL TERMS OF THE OFFER**

### **THE OFFER**

Subject to S&P Completion, GF Securities will make the Offer, for and on behalf of the Offeror and the parties acting in concert with it, in accordance with the Takeovers Code on the following basis:

**For every Offer Share . . . . . HK\$0.055 in cash**

The Offer Price of HK\$0.055 per Offer Share represents the highest price paid by the Offeror or the parties acting in concert with it for the Shares within 6 months prior to the commencement of the offer period.



## **Comparison of value**

The Offer Price of HK\$0.055 represents:

- (a) a premium of approximately 17.02% to the closing price of HK\$0.047 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 19.57% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day of HK\$0.046 per Share;
- (c) a premium of approximately 19.57% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day of HK\$0.046 per Share; and
- (d) a premium of approximately 587.50% over the unaudited consolidated net asset value of the Company of approximately HK\$0.008 per Share as at 30 September 2017.

## **Highest and lowest Share prices**

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period immediately up to and including the Last Trading Day were HK\$0.056 per Share on 5 June 2017, 6 June 2017, 12 June 2017, 22 June 2017, 26 June 2017 and 30 June 2017 and HK\$0.04 per Share on 28 June 2017 and 25 September 2017, respectively.

As at the date of this joint announcement, Mr. Tang, the Offeror and the parties acting in concert with any of them were interested in 2,928,816,000 Shares, representing approximately 33.90% of the entire issued share capital of the Company. Save for the aforesaid, Mr. Tang, the Offeror and the parties acting in concert with any of them do not have any other interests in the share capital or voting rights of the Company.

Subject to S&P Completion, the Offer will be unconditional in all respects and will not be conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

The Shares to be acquired under the Offer shall be fully paid, free from all liens, charges and encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them, including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the Offer is made, that is, the date of despatch of the Composite Document.

## **The Irrevocable Undertakings**

On 22 November 2017, SVF gave its irrevocable undertaking to the Offeror that, subject to the SVF Security Deed, it will not transfer, sell, charge, pledge or grant any option over or dispose of or tender 2,568,816,000 Shares (representing approximately 29.73% of the issued share capital of the Company as at the date of this joint announcement) held by it for acceptance of the Offer prior to the close of the Offer.

SVF is an investment fund incorporated in the Cayman Islands and the beneficial owner of 2,568,816,000 Shares, representing approximately 29.73% of the issued share capital of the Company as at the date of this joint announcement. SVF is currently managed by CM

Asset Management (Hongkong) Company Limited (a company incorporated in Hong Kong with limited liability), which is wholly owned by China Minsheng Financial Holding Corporation Limited, a company listed on the Hong Kong Stock Exchange (Stock Code No.: 245).

As a result of the charging of Shares held by SVF in favour of GF Securities as security under the Facility pursuant to the SVF Security Deed, SVF is presumed to be acting in concert with the Offeror under the Takeovers Code. The entire issued capital of the Offeror is pledged to SVF in connection with such financing.

Pursuant to the SVF Irrevocable Undertaking, SVF has irrevocably and unconditionally undertaken to the Offeror that from the date of the SVF Irrevocable Undertaking to the date of the close of the Offer, SVF shall, subject to the SVF Security Deed, *inter alia*:

- (a) not or shall not agree to transfer, sell, charge, pledge or grant any option over or otherwise dispose of or create any encumbrances in respect of any of the 2,568,816,000 Shares held by it or any part thereof or any interest therein or any part thereof except to give effect to the arrangements in the SVF Irrevocable Undertaking; and
- (b) not tender the 2,568,816,000 Shares held by it for acceptance under the Offer (if it is entitled to the Offer) or otherwise make the 2,568,816,000 Shares available for acceptance.

On 23 November 2017, Mr. Yuan and Perfect Wood gave their joint and several irrevocable undertakings to the Offeror that they will not transfer, sell, charge, pledge or grant any option over or dispose of or tender 248,496,000 Shares (representing approximately 2.88% of the issued share capital of the Company as at the date of this joint announcement) held by them for acceptance of the Offer prior to the close of the Offer.

Mr. Yuan is the beneficial owner (directly and indirectly through Perfect Wood, a company incorporate in the BVI with limited liability) of 248,496,000 Shares in aggregate, representing approximately 2.88% of the issued Share Capital as at the date of this joint announcement.

Pursuant to the Yuan Chao Irrevocable Undertaking, Mr. Yuan and Perfect Wood have irrevocably and unconditionally, jointly and severally, undertaken to the Offeror that from the date of the Yuan Chao Irrevocable Undertaking to the date of the close of the Offer, Mr. Yuan and Perfect Wood shall, *inter alia*:

- (a) not or shall not agree to, whether directly or indirectly, transfer, sell, charge, pledge or grant any option over or otherwise dispose of or create any encumbrances in respect of any of the 248,496,000 Shares held by them or any part thereof or any interest in the 248,496,000 Shares held by them or any part thereof except to give effect to the arrangements in the Yuan Chao Irrevocable Undertaking;
- (b) not tender the 248,496,000 Shares held by them for acceptance under the Offer, whether it comprises a higher offer or not and irrespective of the means by which it is to be implemented (if they are entitled to the Offer) or otherwise make the 248,496,000 Shares available for acceptance; and



- (c) save for the 248,496,000 Shares held by them, they will not acquire any further interest in any shares in the Company and, if any such shares, securities or interest is acquired by them, such shares, securities or interest (as the case may be) shall be deemed to be included in the expression of the 248,496,000 Shares held by them for the purposes of the Yuan Chao Irrevocable Undertaking.

## **VALUE OF THE OFFER**

As at the date of this joint announcement, there were 8,640,000,000 Shares in issue. There are no outstanding warrants, options, derivatives or securities convertible into Shares.

On the basis of 8,640,000,000 Shares in issue and assuming there is no change in the issued share capital of the Company up to the close of the Offer, of which the Offeror and parties acting in concert with it hold 4,633,048,000 Shares immediately after the S&P Completion, the number of Shares subject to the Offer is 4,006,952,000 Shares and the value of the Offer is HK\$220,382,360 based on the Offer Price of HK\$0.055.

## **Financial resources available for the Offer**

The consideration of the Sale Shares is HK\$85,211,600. The Offeror intends to finance the consideration of the Sale Shares solely by the Facility granted by GF Securities to the Offeror. In the event the Transaction is approved by the Independent Shareholders in the EGM, the Offeror intends to use a portion of the proceeds from the issue of the Note to repay the indebtedness of the Offeror under the Facility.

The maximum cash consideration payable under the Offer, excluding the Shares already held by the Offeror and the parties acting in concert with it and the 248,496,000 Shares held by Mr. Yuan and Perfect Wood, is HK\$206,715,080. The Offeror intends to finance the total consideration payable under the Offer through the Facility in an amount of not more than HK\$300,000,000 provided by GF Securities.

As at the date of this joint announcement, other than the beneficial interest of GF Securities in the Security Deeds providing security for repayment of any amount due to GF Securities under the Finance Documents, neither GF Securities nor GF Capital is a beneficial owner of any Shares. GF Capital, being the financial advisor to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy the total consideration in respect of the consideration of the Sale Shares and full acceptance of the Offer.

The Offeror has entered into the Facility Agreement under which the Offeror, Maxace, Mr. Tang and SVF are required to and have entered into, amongst others, the Security Deeds and Personal Guarantee in favour of GF Securities.

## **Effect of accepting the Offer**

The Offer, subject to S&P Completion taking place, will be unconditional. By accepting the Offer, the Shareholders shall sell their Shares to the Offeror free from all liens, claims, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them, including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the Offer is made, that is, the date of despatch of the composite offer document.

## **Hong Kong stamp duty**

Seller's Hong Kong ad valorem stamp duty payable by the Shareholders who accept the Offer and calculated at a rate of 0.1% of (i) the market value of the Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong), will be deducted from the amount payable by the Offeror to such person on acceptance of the Offer. The Offeror will bear the buyer's Hong Kong ad valorem stamp duty as purchaser of the Shares and will arrange for the payment of the stamp duty in connection with such sales and purchases.

## **Settlement**

Settlement of the considerations for the Offer Shares will be made in cash as soon as possible but in any event within seven Business Days (as defined in the Takeovers Code) of the date on which the duly completed acceptances of the Offer and the relevant documents of title are received by or on behalf of the Offeror (or its agent) to render each such acceptance complete and valid.

## **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 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).

## **Taxation advice**

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 Mr. Tang, the Offeror, parties acting in concert with the Offeror, the Company, GF Securities, GF Capital retain Grand Moore Capital Limited, China AF Corporate Finance Limited and their respective ultimate beneficial owners, directors, officers, 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.

## **INFORMATION ON THE OFFEROR AND SVF**

The Offeror is an investment holding company incorporated in the BVI on 2 January 2015 with limited liability. The sole ultimate beneficial owner of the Offeror is Mr. Tang.

As at the date of this joint announcement, Mr. Tang is the sole director of the Offeror.

Mr. Tang, aged 55, holds a Bachelor of Social Science (Honours) degree from the University of Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants in the United Kingdom, a member of the Taxation Institute of Hong

Kong and the Hong Kong Institute of Directors. Mr. Tang has over 25 years of accounting, auditing and financial advisory experience and held key management position in numerous listed companies in Hong Kong and United States. Mr. Tang has been an executive Director since 13 July 2017.

Maxace is a company incorporated in the BVI with limited liability and its sole ultimate beneficial owner is Mr. Tang. Maxace is the beneficial owner of 360,000,000 Shares representing approximately 4.17% of the issued share capital of the Company as at the date of this joint announcement.

SVF is a hedge fund with sizeable investments in industries such as new energy, aviation, healthcare and technology.

Since the appointment of Mr. Tang as the executive Director of the Company on 13 July 2017, the Company has been improving from both operational and financial perspectives.

Although SVF considered acquiring further Shares was in line with its investment strategies, SVF was restricted from acquiring the controlling stake in the Company under its investment mandate. After considering (1) the Company is turning around under Mr. Tang's management and leadership; and (2) Mr. Tang's experience and connections in the fields of accountancy and auditing and expertise in corporate management, SVF considers that pledging its Shares in favor of GF Securities as security under the Facility to assist Mr. Tang, whose management principle aligns with SVF's interest, to increase his equity interests in the Company could motivate Mr. Tang's involvement in and contribution to the Company's development and operation and is in the best interest of SVF, being the substantial Shareholder of the Company.

Save as disclosed in this announcement, SVF and Mr. Tang have no other relationship.

## DEALING AND INTERESTS IN THE COMPANY'S SECURITIES

Save for the Sale Shares and as disclosed below, none of the Offeror, its ultimate beneficial owner nor parties acting in concert with any one of them has dealt in the Shares, outstanding options, derivatives, warrants or other securities convertible into Shares during the six-month period preceding the commencement of the offer period (as defined under the Takeovers Code) and up to the date of this joint announcement:

Name of Purchaser	Name of Vendor	Date of Transaction	Transaction	Total number of Shares acquired/ (disposed of)	Average price per Share	Price Range
Maxace	on market	29/6/2017	Purchase	10,000,000	0.0495	0.0495
Maxace	Lan Zhi Cheng	11/7/2017	Purchase	350,000,000	0.055	0.055
SVF	on market	23/5/2017	Purchase	2,560,000	0.053	0.053
SVF	on market	24/5/2017	Purchase	130,000,000	0.0549	0.053–0.055
SVF	on market	25/5/2017	Purchase	67,784,000	0.0549	0.054–0.055
SVF	on market	26/5/2017	Purchase	95,088,000	0.0548	0.054–0.055
SVF	on market	29/5/2017	Purchase	4,000,000	0.054	0.054
SVF	on market	31/5/2017	Purchase	33,000,000	0.055	0.055
SVF	on market	1/6/2017	Purchase	4,720,000	0.054	0.054
SVF	on market	2/6/2017	Purchase	11,592,000	0.054	0.054
SVF	on market	5/6/2017	Purchase	58,520,000	0.0548	0.054–0.055
SVF	on market	7/6/2017	Purchase	656,000	0.054	0.054
SVF	on market	8/6/2017	Purchase	9,488,000	0.054	0.054

Name of Purchaser	Name of Vendor	Date of Transaction	Transaction	Total number of Shares acquired/ (disposed of)	Average price per Share	Price Range
SVF	on market	9/6/2017	Purchase	12,024,000	0.054	0.054
SVF	on market	12/6/2017	Purchase	21,576,000	0.055	0.055
SVF	on market	14/6/2017	Purchase	78,288,000	0.0549	0.054–0.055
SVF	on market	16/6/2017	Purchase	10,136,000	0.054	0.054
SVF	on market	19/6/2017	Purchase	10,432,000	0.054	0.054
SVF	on market	20/6/2017	Purchase	18,888,000	0.055	0.055
SVF	on market	21/6/2017	Purchase	22,064,000	0.055	0.055
SVF	Grand Powerful Group Limited	22/6/2017	Purchase	498,000,000	0.055	0.055
SVF	on market	22/6/2017	Purchase	2,216,000	0.055	0.055
SVF	on market	23/6/2017	Purchase	16,728,000	0.055	0.055
SVF	on market	27/6/2017	Purchase	65,024,000	0.055	0.055
SVF	on market	28/6/2017	Purchase	23,776,000	0.055	0.055
SVF	on market	29/6/2017	Purchase	130,832,000	0.0518	0.043–0.055
SVF	on market	30/6/2017	Purchase	48,456,000	0.0542	0.053–0.055
SVF	on market	13/7/2017	Purchase	51,880,000	0.053	0.053
SVF	on market	31/7/2017	Purchase	1,968,000	0.0495	0.049–0.050
SVF	on market	1/8/2017	Purchase	4,952,000	0.0499	0.049–0.050
SVF	on market	2/8/2017	Purchase	21,744,000	0.0495	0.049–0.050
SVF	on market	17/8/2017	Purchase	32,296,000	0.05	0.049–0.050
SVF	on market	18/8/2017	Purchase	20,168,000	0.05	0.049–0.050
SVF	on market	22/8/2017	Purchase	62,432,000	0.0528	0.051–0.053
SVF	on market	24/8/2017	Purchase	37,600,000	0.0529	0.052–0.053
SVF	on market	25/8/2017	Purchase	36,896,000	0.0529	0.052–0.053
SVF	on market	28/8/2017	Purchase	36,896,000	0.0529	0.052–0.053
SVF	on market	30/8/2017	Purchase	36,896,000	0.0527	0.052–0.053
SVF	on market	31/8/2017	Purchase	36,896,000	0.0527	0.052–0.053
SVF	on market	1/9/2017	Purchase	36,896,000	0.0526	0.052–0.053
SVF	on market	4/9/2017	Purchase	36,896,000	0.0528	0.051–0.053
SVF	on market	26/9/2017	Purchase	1,096,000	0.0411	0.041–0.042
SVF	on market	27/9/2017	Purchase	9,000,000	0.0424	0.040–0.045
SVF	on market	28/9/2017	Purchase	6,008,000	0.0441	0.042–0.046
SVF	on market	29/9/2017	Purchase	21,056,000	0.0468	0.045–0.049

Furthermore, save as disclosed in this joint announcement, the Offeror, its ultimate beneficial owner and parties acting in concert with any one of them have not entered into any arrangements or contracts in relation to the outstanding derivatives in respect of securities in the Company nor have any of them borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

## OFFEROR'S INTERESTS IN SECURITIES OF THE COMPANY

The Offeror confirms that as at the date of this joint announcement:

- (a) save for the aggregate of 2,928,816,000 Shares held by Maxace and SVF, representing approximately 33.90% of the total issued share capital of the Company, Mr. Tang, the Offeror and parties acting in concert with any of them (including GF Securities and GF Capital) did not own or have control or direction over any voting rights in any Shares nor own or have direction over any other rights or interests in the issued share capital or voting rights of the Company;

- (b) the Offeror and parties acting in concert with it have no other outstanding securities, warrants, options, derivatives or other securities that are convertible or exchangeable into Shares or other types of equity interest in the Company;
- (c) save for the acquisition of the Sale Shares and as disclosed in the section headed “Dealing and interests in the Company’s securities” in this joint announcement, none of the Offeror nor parties acting concert with it have dealt for value in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities in the six months prior to the commencement of the offer period (as defined under the Takeovers Code), up to and including the date of this joint announcement;
- (d) save for (i) the S&P Agreement; (ii) the Irrevocable Undertakings; (iii) the financial assistance provided by SVF to the Offeror to acquire the Sale Shares under the Subscription Agreement; (iv) the Facility Agreement; (v) the Security Deeds; and (vi) the Personal Guarantee, 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 or the shares of the Offeror which may be material to the Offer;
- (e) save for the S&P Agreement, there is no agreement or arrangement to which the Offeror or parties acting concert with it, is a party which relates to circumstances in which the Offeror may or may not seek to invoke a pre-condition or a condition to the Offer;
- (f) none of the Offeror nor parties acting concert with it have borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code);
- (g) save for the Irrevocable Undertakings, none of the Offeror nor parties acting concert with it have received any irrevocable commitment to accept or not to accept the Offer; and
- (h) there is no outstanding derivative in respect of the securities in the Company entered into by the Offeror nor parties acting concert with it.

Each of the Offeror and the Vendor confirms that as at the date of this joint announcement:

- (a) save for the Transaction, there is no special deal (as defined under Rule 25 of the Takeovers Code) between Mr. Tang, the Offeror and the parties acting in concert with any of them on one hand and the Vendor and their respective concert parties on the other hand; and
- (b) each of the Vendor and its concert parties or any of their respective nominees and representatives has not received and will not receive any other consideration and benefits in whatever form from the Offeror, its ultimate owners or their respective concert parties.

## SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the date of this joint announcement; (ii) immediately upon S&P Completion (assuming no other changes to the shareholding structure of the Company from the date of this joint announcement to the S&P Completion).

	As at the date of this joint announcement		Immediately after the S&P Completion	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
<i>The Offeror and parties acting in concert it</i>				
Offeror and Mr. Tang <sup>(note)</sup>	360,000,000	4.17	2,064,232,000	23.89
SVF	<u>2,568,816,000</u>	<u>29.73</u>	<u>2,568,816,000</u>	<u>29.73</u>
<b>Sub-total</b>	<b>2,928,816,000</b>	<b>33.90</b>	<b>4,633,048,000</b>	<b>53.62</b>
Vendor	<u>1,704,232,000</u>	<u>19.72</u>	<u>—</u>	<u>—</u>
<i>Public Shareholders</i>				
Mr. Yuan and Perfect Wood	248,496,000	2.88	248,496,000	2.88
Other public shareholders	<u>3,758,456,000</u>	<u>43.50</u>	<u>3,758,456,000</u>	<u>43.50</u>
<b>Sub-total</b>	<b><u>4,006,952,000</u></b>	<b><u>46.38</u></b>	<b><u>4,006,952,000</u></b>	<b><u>46.38</u></b>
<b>Total</b>	<b><u><u>8,640,000,000</u></u></b>	<b><u><u>100.00</u></u></b>	<b><u><u>8,640,000,000</u></u></b>	<b><u><u>100.00</u></u></b>

*Note:* The 360,000,000 Shares are held by Mr. Tang through Maxace as at the date of this joint announcement

## INFORMATION ON THE GROUP

The Company is a company incorporated in the Cayman Islands with limited liability, the Shares of which are currently listed on GEM (stock code: 8238). The Group is principally engaged in (i) sales and free distribution of Chinese language lifestyle magazines, the sales of advertising space in the magazines; (ii) provision of outdoor advertising services; and (iii) mobile phone apps development, provision of apps solutions and provision of online marketing planning and production.



## Financial information

The following table sets out a summary of the audited consolidated results of the Group for each of the two years ended 31 December 2015 and 2016, its unaudited results for the nine months ended 30 September 2017 and its unaudited results for the six months ended 30 June 2017, as extracted from the annual report of the Company for the year ended 31 December 2016, the third quarterly report of the Company for the nine months ended 30 September 2017 and the interim report of the Company for the six months ended 30 June 2017 respectively.

	<b>For the nine months ended 30 September 2017 HK\$ (unaudited)</b>	<b>For the six months ended 30 June 2017 HK\$ (unaudited)</b>	<b>For the year ended 31 December</b>	
			<b>2016 HK\$ (audited)</b>	<b>2015 HK\$ (audited)</b>
Revenue <sup>(note)</sup>	24,771,302	16,668,961	128,562,534	20,824,027
Gross profit/(loss) <sup>(note)</sup>	3,085,108	1,771,712	(512,866)	18,417,129
Loss before taxation <sup>(note)</sup>	(12,057,672)	(8,857,362)	(26,737,619)	(3,650,971)
Loss for the period/year	(6,310,611)	(9,470,529)	(27,406,746)	(5,761,648)
	<b>As at 30 September 2017 HK\$ (unaudited)</b>	<b>As at 30 June 2017 HK\$ (unaudited)</b>	<b>As at 31 December 2016 HK\$ (audited)</b>	<b>As at 31 December 2015 HK\$ (audited)</b>
Consolidated net asset value attributable to owners of the Company	70,711,066	67,199,434	76,009,231	64,003,203

*Note:* According to the interim report of the Company for the six months ended 30 June 2017, the Company entered into a share purchase agreement with an independent third party, pursuant to which the Company disposed of its entire interests in Lasermoon Limited on 2 June 2017. Lasermoon Limited and its subsidiaries have been classified as a disposal group. The items in the above table have excluded the operation results of the disposal group, which include but not limited to (i) revenue of HK\$99,578,294 and HK\$93,825,731, (ii) gross profit of HK\$431,310 and HK\$368,365, and (iii) loss before taxation of HK\$622,454 and HK\$585,354 for the nine months ended 30 September 2017 and six months ended 30 June 2017 respectively.

## INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

It is the Offeror's intention to further consolidate its interest in the Company pursuant to the Offer. The intention of the Offeror is that the Company's existing principal activities will be maintained, and at the same time after completion of the Offer, the Offeror will assist the Company in reviewing its business and operations and seek for new investment opportunities.

The Offeror has no intention to introduce major changes to the business of the Group, including any redeployment of fixed assets other than those in its ordinary course of business. Save and except that there may be some changes to the composition of the Board, the Offeror has no plan to terminate the employment of any senior management personnel of the Group in the short term. Instead, the Offeror is inclined to work together with the senior management of the Company and to leverage on their expertise and experience to further promote the growth of the Group. However, the Offeror reserves the right to make any changes that it deems necessary or appropriate to the Group's businesses and operations to increase the value of the Group.

The Board is currently made up of seven Directors, comprising three executive Directors, one non-executive Director and three independent non-executive Directors. It is currently expected that the Offeror will require all Directors (excluding Mr. Tang) to resign from the Board, and the Offeror will nominate new Directors to be appointed to the Board at the earliest time as allowed under the Takeovers Code. Any such resignation and appointment will be made in compliance with the Takeovers Code and the GEM Listing Rules. Further announcement(s) will be made upon any resignation and appointment of Directors.

## **MAINTAINING THE LISTING STATUS OF THE COMPANY**

The Offeror intends the issued Shares to remain listed on the Stock Exchange after the close of the Offer.

Pursuant to the GEM Listing Rules, if, at the closing of the Offer, less than 25% of the issued 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, then the Stock Exchange will consider exercising its discretion to suspend trading in the Shares.

The Offeror will take appropriate steps to ensure that sufficient public float exists in the Shares after the close of the Offer.

## **ADVICE FOR THE INDEPENDENT SHAREHOLDERS IN RESPECT OF THE OFFER**

The Independent Board Committee comprising the non-executive Director and all the independent non-executive Directors has been established to advise the Independent Shareholders as to whether the Offer is fair and reasonable and as to its acceptance. An independent financial adviser will be appointed (with the approval of the Independent Board Committee) to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer. Further announcement(s) will be made by the Company as soon as possible after the appointment of the independent financial adviser is appointed.

## **TAKEOVERS CODE IMPLICATION**

### **Special deal under Rule 25 of the Takeovers Code**

On 8 November 2017, the Offeror as the issuer, SVF as the investor and Mr. Tang as the guarantor, entered into the Subscription Agreement pursuant to which the Offeror agreed to issue the Note to SVF. The Note was issued to SVF on 9 November 2017.

Pursuant to the Subscription Agreement, the Note bears an interest rate of 8% per annum payable by the Offeror to SVF. The Transaction therefore constitutes a special deal under Rule 25 of the Takeovers Code which requires the consent of the Executive. An application will be made to the Executive for consent under Rule 25 of the Takeovers Code in relation to the Subscription Agreement.

Such consent, if granted, will be subject to (i) the Rule 25 IFA publicly stating that in its opinion the terms of the Subscription Agreement are fair and reasonable; and (ii) the approval of the Transaction by the Independent Shareholders by way of a poll at the EGM. The Shareholders including (i) the Vendor, its associates and parties acting in concert; (ii) the Offeror, Mr. Tang and any parties acting in concert with any of them (including SVF); (iii) Mr. Yuan; (iv) Perfect Wood; and (v) any Shareholders who are involved in or interested in the S&P Agreement, the Subscription Agreement, the Note, or the transactions contemplated thereunder, will be required to abstain from voting on the resolution in respect of the Transaction at the EGM. Further announcement(s) will be made by the Company as soon as possible after the appointment of the Rule 25 IFA.

Subject to consent of the Executive, the Rule 25 IBC will be established to give a recommendation to the Independent Shareholders in respect of the Transaction. A Rule 25 IFA will be appointed by the Company with the approval of the Rule 25 IBC to advise the Rule 25 IBC and the Independent Shareholders in the same regard.

### **EGM and circular**

Subject to consent of the Executive, an EGM will be convened to consider and approve the Transaction. A circular containing, among other things, (i) details of the Transaction; (ii) the recommendation of the Rule 25 IBC in respect of the Transaction; (iii) the advice from the Rule 25 IFA to the Rule 25 IBC and the Independent Shareholders in the same regard; and (iv) the notice of the EGM, will be despatched to Shareholders as soon as possible.

### **DESPATCH OF THE COMPOSITE OFFER DOCUMENT**

It is the intention of the Offeror and the Company to combine the offer document with the offeree board circular from the Company in a composite offer document. In accordance with Rule 8.2 of the Takeovers Code, the composite offer document containing, among other things: (i) further details of the Offer (including the expected timetable); (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders in relation to the Offer; and (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Offer, together with (iv) the relevant forms of acceptance and transfer, is required to be despatched to the Shareholders as soon as possible but in any event within 21 days from the date of this joint announcement unless the Executive grants a consent for extension.

### **DEALINGS DISCLOSURE**

In accordance with Rule 3.8 of the Takeovers Code, the associates (within the meaning ascribed thereto under the Takeovers Code, including but not limited to any person holding 5% or more of a class of relevant securities of the Company) of the Company and the Offeror are hereby reminded to disclose their dealings in any securities of the Company pursuant to Rule 22 of 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 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 HK\$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.”*

**WARNING: THE OFFER IS A POSSIBILITY AND IT WILL ONLY BE MADE IF THE S&P COMPLETION TAKES PLACE AND THE S&P COMPLETION IS CONDITIONAL UPON THE FULFILLMENT OF THE CONDITIONS PRECEDENT. ACCORDINGLY, THE TRANSACTION CONTEMPLATED UNDER THE S&P AGREEMENT MAY OR MAY NOT COMPLETE AND THE OFFER MAY OR MAY NOT PROCEED. THE SHAREHOLDERS AND POTENTIAL INVESTORS ARE THEREFORE URGED TO EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY. FURTHER ANNOUNCEMENT(S) WILL BE MADE BY THE OFFEROR AND THE COMPANY REGARDING THE OFFER AS AND WHEN APPROPRIATE.**

**3. TRADING HALT AND RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 17 November 2017 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 29 November 2017.

## DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Takeovers Code or the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	day(s) on which the Stock Exchange is open for the transaction of business
“BVI”	the British Virgin Islands
“Company”	Winto Group (Holdings) Limited (stock code: 8238), a company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on the GEM of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company from time to time
“EGM”	an extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the Transaction
“Executive”	the executive director of the Corporate Finance Division of the SFC from time to time or any delegate of the executive director
“Finance Documents”	means, among others, the Facility Agreement, the Security Deeds and the Personal Guarantee
“Facility”	a credit facility of up to HK\$300,000,000 granted by GF Securities as lender and GF Capital as designated agent, to the Offeror as borrower in accordance with the terms of the Facility Agreement for financing the S&P Agreement and the Offer
“Facility Agreement”	the facility agreement and the supplemental facility agreement entered into among GF Securities as lender, GF Capital as designated agent and the Offeror as borrower dated 16 November 2017 and 26 November 2017, respectively, in respect of the Facility
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“GF Capital”	GF Capital (Hong Kong) Limited, a licensed corporation to carry out type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Offeror in respect of the Offer

“GF Securities”	GF Securities (Hong Kong) Brokerage Limited, a licensed corporation to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO, being the agent making the Offer on behalf of the Offeror
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board, comprising the non-executive Director, namely Mr. Liu Kwong Chi Nelson, and all the independent non-executive Directors, namely Mr. Tsang Ho Ka Eugene, Ms. Wong Fei Tat and Mr. Pang Siu Yin, which has been established by the Company to make recommendations to the Independent Shareholders regarding the terms of the Offer and as to their acceptance
“Independent Shareholders”	Shareholders other than (i) the Vendor, its associates and parties acting in concert with the Vendor; (ii) the Offeror, Mr. Tang and any parties acting in concert with any of them (including SVF); (iii) Mr. Yuan; (iv) Perfect Wood; and (v) any Shareholders who are involved in or interested in the S&P Agreement, Subscription Agreement, the Note, or the transactions contemplated thereunder
“Irrevocable Undertakings”	collectively, SVF Irrevocable Undertaking and Yuan Chao Irrevocable Undertaking
“Last Trading Day”	16 November 2017, being the last full trading day of the Shares on the Stock Exchange before the publication of this joint announcement
“Maxace”	Maxace Holdings Limited, a company incorporated in the BVI with limited liability and wholly owned by Mr. Tang, an executive Director
“Maxace Security Deed”	the security deed and the supplemental security deed entered into between GF Securities as chargee and Maxace as chargor dated 16 November 2017 and 26 November 2017, respectively, whereby Maxace has charged to GF Securities, <i>inter alia</i> , the Shares owned and to be owned by it and deposited in the account maintained with GF Securities from time to time during the tenure of the security deed as security for the repayment of any amount due to GF Securities under the Finance Documents
“Mr. Tang”	Mr. Tang Yau Sing, the sole ultimate beneficial owner and sole director of the Offeror and Maxace, and an executive Director
“Mr. Yuan”	Mr. Yuan Chao



“Noble Gate Security Deed”	the security deed and the supplemental security deed entered into between GF Securities as chargee and Noble Gate as chargor dated 16 November 2017 and 26 November 2017, respectively, whereby Noble Gate has charged to GF Securities, <i>inter alia</i> , the Shares owned and to be owned by it and deposited in the account maintained with GF Securities from time to time during the tenure of the security deed as security for the repayment of any amount due to GF Securities under the Finance Documents
“Note”	the loan note in the principal amount of HK\$90 million issued on 9 November 2017 pursuant to the Subscription Agreement
“Offer”	the mandatory unconditional cash offer to be made by GF Securities for and on behalf of the Offeror to acquire all the issued Shares other than (a) those already owned and agreed to be acquired by the Offeror and parties acting in concert with it in accordance with the Takeovers Code and (b) the 248,496,000 Shares in aggregate held by Mr. Yuan and Perfect Wood
“Offer Price”	the price of HK\$0.055 per Offer Share payable by the Offeror to the Shareholders for each Offer Share accepted under the Offer
“Offer Share(s)”	Share(s) (a) not already or agreed to be owned by the Offeror and parties acting in concert with it and (b) the 248,496,000 Shares in aggregate held by Mr. Yuan and Perfect Wood
“Offeror” or “Purchaser”	Noble Gate International Limited, a company incorporated in the BVI with limited liability and is wholly owned by Mr. Tang, an executive Director
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as shown on the register of members of the Company is/are outside Hong Kong
“Perfect Wood”	Perfect Wood Limited, a company incorporated in the BVI with limited liability and wholly owned by Mr. Yuan
“Personal Guarantee”	the personal guarantee and the supplemental personal guarantee entered into between GF Securities as lender and Mr. Tang as guarantor dated 16 November 2017 and 26 November 2017, respectively, whereby Mr. Tang guarantees to the Lender, amongst others, the punctual performance, payment and discharge of all obligations and liabilities from time to time incurred by the Borrower under or in connection with the Facility
“Rule 25 IBC”	an independent board committee to be established to give recommendation to Independent Shareholders in respect of the Transaction
“Rule 25 IFA”	The independent financial adviser appointed by the Company with the approval of the Rule 25 IBC to advise the Rule 25 IBC and the Independent Shareholders in respect of the Transaction

“Sale Share(s)”	an aggregate of 1,704,232,000 Shares agreed to be acquired by the Offeror from the Vendor pursuant to the S&P Agreement
“Security Deeds”	collectively, Maxace Security Deed, Noble Gate Security Deed and SVF Security Deed and the deeds of account charge executed by the Offeror, Maxace and SVF in favour of GF Securities charging any cash and/or securities deposited in their securities accounts maintained with GF Securities and the rights of such securities accounts as security for the repayment of any amount due to GF Securities under the Finance Documents
“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\$0.001 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
“S&P Agreement”	the sale and purchase agreement dated 16 November 2017 entered into between the Offeror (as purchaser), Mr. Tang (as guarantor) and the Vendor (as vendor) in relation to the sale and purchase of the Sale Shares, and as initialled by the parties on 22 November 2017 and amended by a supplemental agreement dated 26 November 2017 and a second supplemental agreement dated 28 November 2017 entered into between the parties
“S&P Completion”	completion of the S&P Agreement in accordance with the terms therein
“Subscription Agreement”	the subscription agreement entered into between the Offer as issuer, SVF as investor and Mr. Tang as guarantor on 8 November 2017, pursuant to which the Offeror agreed to issue a loan note to SVF in the principal sum of HK\$90 million at the interest rate of 8% per annum and repayable within one year from the date of issue
“SVF”	Shareholder Value Fund, a company incorporated in the Cayman Islands with limited liability and beneficially owned by CM Securities Investment Limited (31.25%), Haitong Global Investment SPC III Haitong Smart Portfolio Fund SP (37.5%) and Orient Finance Holdings Hong Kong Limited (31.25%)
“SVF Irrevocable Undertaking”	the irrevocable undertaking given by SVF that, among others, SVF will not transfer, dispose of, or tender 2,568,816,000 Shares held by it for acceptance of the Offer

“SVF Security Deed”	the security deed and the supplemental security deed entered into between GF Securities as chargee and SVF as chargor dated 16 November 2017 and 26 November 2017, respectively, whereby SVF has charged to GF Securities, amongst others, the Shares owned and to be owned by it and deposited in the account maintained with GF Securities from time to time during the tenure of the security deed as security for the repayment of any amount due to GF Securities under the Finance Documents
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs
“Trading Day”	means a day on which the Shares are traded on the Stock Exchange for a minimum of 3 hours
“Transaction”	the issuance of the Note on 9 November 2017 under the Subscription Agreement
“Vendor”	Mr. Wong Man Hin Charles, being the vendor of the S&P Agreement
“Yuan Chao Irrevocable Undertaking”	the irrevocable undertaking given jointly and severally by Mr. Yuan and Perfect Wood that, among others, they will not transfer, dispose of, or tender 248,496,000 Shares held by them for acceptance of the Offer prior to the close of the Offer
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

*Certain amounts and percentage figures included in this joint announcement have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregate of the figures preceding them.*

By order of the board of directors of  
**Noble Gate International Limited**  
**Tang Yau Sing**  
*Director*

By order of the board of directors of  
**Winto Group (Holdings) Limited**  
**Mak Wai Kit**  
*Executive Director*

Hong Kong, 28 November 2017

*As at the date of this joint announcement, the Board comprises three executive directors, namely, Mr. Mak Wai Kit, Ms. Law Shiu Wai and Mr. Tang Yau Sing; one non-executive director, namely Mr. Liu Kwong Chi Nelson and three independent non-executive directors, namely, Mr. Tsang Ho Ka Eugene, Ms. Wong Fei Tat and Mr. Pang Siu Yin.*

*The Directors jointly and severally accept full responsibility for accuracy of the information contained in this joint announcement (other than the information relating to the Offeror and parties acting in concert with it) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by the Offeror and parties acting in concert with it) 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 the Offeror is Mr. Tang Yau Sing.*

*The sole director of the Offeror accepts full responsibility for the accuracy of information contained in this joint announcement (other than the information relating to the Vendor, the Group and their respective associates and parties acting in concert with any of them) and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Vendor, the Group and their respective associates and parties acting in concert with any of them) 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.*

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

*\* For identification purpose only*