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TRIO INDUSTRIAL ELECTRONICS GROUP LIMITED

致豐工業電子集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 1710)

INSIDE INFORMATION

ACQUISITION OF SHARES BY CONTROLLING SHAREHOLDER AND CHANGE OF SHAREHOLDING IN CONTROLLING SHAREHOLDER

This announcement is made by Trio Industrial Electronics Group Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company has been informed by Trio Industrial Electronics Holding Limited (“**Trio Holding**”), a controlling shareholder of the Company, and Mr. Lai Yiu Wah (“**Mr. Lai**”), the chairman of the Board and an executive Director, that the following transactions (the “**Transactions**”) were made on 20 January 2023:

- (i) Trio Holding has entered into a sale and purchase agreement with, among others, Mr. Lai, pursuant to which Trio Holding agreed to purchase from Mr. Lai, and Mr. Lai agreed to sell 25,000,000 shares of the Company (the “**TIEG Sale Share(s)**”) held by Mr. Lai, representing 2.5% of the entire issued share capital of the Company as at the date of this announcement, at the aggregate consideration of HK\$5,480,000 (the “**TIEG Transaction**”), representing HK\$0.2192 per TIEG Sale Share, which was determined based on arm’s length negotiation between Mr. Lai and Trio Holding;
- (ii) Eastville Enterprises Limited (“**Eastville Enterprises**”), a company directly and wholly-owned by Ms. Wong So Nui Amy (“**Ms. Wong**”, the spouse of Mr. Kwan Chan Kwong, the chief executive officer of the Company), has entered into a sale and purchase agreement with Proactive Investment Inc. (“**Proactive Investment**”), a company directly and wholly-owned by Mr. Lai, pursuant to which Eastville Enterprises agreed to purchase from Proactive Investment, and Proactive Investment agreed to sell (a) 120 shares in Trio Holding held by Proactive Investment, representing 12.0% of the entire issued share capital of Trio Holding; and (b) a shareholder’s loan due from Trio Holding to Proactive Investment in the amount of HK\$16,039,710, at the aggregate consideration of HK\$19,062,857.14 which was determined based on arm’s length negotiation between Eastville Enterprises and Proactive Investment; and
- (iii) Mr. Lo Ka Kei Jun (“**Mr. Lo**”), an executive Director, has entered into a sale and purchase agreement with Proactive Investment, pursuant to which Mr. Lo agreed to purchase from Proactive Investment, and Proactive Investment agreed to sell (a) 55 shares in Trio Holding held by Proactive Investment, representing 5.5% of the entire issued share capital of Trio Holding; and (b) a shareholder’s loan due from Trio Holding to Proactive Investment in the amount of HK\$7,351,533.75, at the aggregate consideration of HK\$8,737,142.86 which was determined based on arm’s length negotiation between Mr. Lo and Proactive Investment.

The Board has also been informed by Grand Energy Investment Limited (“**Grand Energy**”), a company directly and wholly-owned by Mr. Joseph Mac Carthy (“**Mr. Mac Carthy**”, an executive Director) that Grand Energy proposed to transfer 175 shares in Trio Holding held by it, representing 17.5% of the entire issued share capital of Trio Holding, to JMC Investment Holdings Limited (“**JMC Investment**”) at nil consideration (the “**Grand Energy Transaction**”). JMC Investment is wholly-owned by Alpadis Trust (HK) Limited (“**Alpadis Trust**”), a company which acts as the trustee of a discretionary trust established by Mr. Mac Carthy as a settlor. The Grand Energy Transaction is expected to take place on 26 January 2023.

The TIEG Sale Shares represent 2.5% of the entire issued shares capital of the Company as at the date of this announcement. Immediately prior to the TIEG Transaction, Trio Holding was interested in 725,000,000 shares of the Company, representing 72.5% of the entire issued shares capital of the Company.

Immediately after the Transactions and Grand Energy Transaction:

- (i) Trio Holding is interested in 750,000,000 shares of the Company, representing 75.0% of the entire issued shares capital of the Company as at the date of this announcement and continues to be the controlling shareholder of the Company;
- (ii) Mr. Lai has ceased to hold any direct or indirect interest in the Company and Trio Holding; and
- (iii) Trio Holding will be owned as to 27.5%, 27.5%, 22.0%, 5.5% and 17.5% by Nawk Investment Inc. (“**Nawk Investment**”, a company directly and wholly-owned by Mr. Kwan Tak Sum Stanley (“**Mr. Stanley Kwan**”), a non-executive Director), LLT Investment Inc. (“**LLT Investment**”, a company directly and wholly-owned by Mr. Tai Leung Lam (“**Mr. Tai**”), an executive Director), Eastville Enterprises, Mr. Lo and JMC Investment, respectively.

The Board has also been informed that following an application for confirmation being made by Grand Energy and Trio Holding, a confirmation has been given by the executive director of Corporate Finance Division, the Securities and Futures Commission of Hong Kong that no general offer obligation will be triggered under Rule 26 of the Hong Kong Code on Takeovers and Mergers on the part of Trio Holding, Eastville Enterprises, Nawk Investment, LLT Investment, JMC Investment, Alpadis Trust, Ms. Wong, Mr. Stanley Kwan, Mr. Tai, Mr. Mac Carthy and Mr. Lo as a result of the Transactions and Grand Energy Transaction.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Trio Industrial Electronics Group Limited
Lai Yiu Wah
Chairman and executive Director

Hong Kong, 20 January 2023

As at the date of this announcement, the Board comprises Mr. Lai Yiu Wah (Chairman), Mr. Wong Sze Chai (Deputy Chairman), Mr. Tai Leung Lam, Mr. Joseph Mac Carthy and Mr. Lo Ka Kei Jun as executive Directors, Mr. Kwan Tak Sum Stanley as non-executive Director, and Mr. Fung Chun Chung, Mr. Hau Siu Laam and Ms. Law Ying Wai Denise as independent non-executive Directors.