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TONLY ELECTRONICS HOLDINGS LIMITED

通力電子控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01249)

**IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION**

Cause No. FSD 294 of 2020

IN THE MATTER OF SECTION 86 OF THE COMPANIES ACT (2020 REVISION)
(AS REVISED)
AND IN THE MATTER OF ORDER 102 OF THE GRAND COURT RULES 1995
(AS REVISED)
AND IN THE MATTER OF TONLY ELECTRONICS HOLDINGS LIMITED

NOTICE OF COURT MEETING

NOTICE IS HEREBY GIVEN that, by an order dated the 26th day of January 2021 (the “**Order**”) made in the above matter, the Grand Court of the Cayman Islands (the “**Court**”) has directed a meeting (the “**Meeting**”) to be convened of the Disinterested Scheme Shareholders (as defined in the Scheme hereinafter mentioned) for the purpose of considering and, if thought fit, approving, with or without modifications, a scheme of arrangement (the “**Scheme**”) proposed to be made between the Company and the Scheme Shareholders (as defined in the Scheme), and that such Meeting will be held at 10:00 a.m. on Tuesday, 23 February 2021 at 8th Floor, Building 22E, 22 Science Park East Avenue, Hong Kong Science Park, Shatin, New Territories, Hong Kong at which place and time the Disinterested Scheme Shareholders are requested to attend.

A copy of the Scheme and a copy of the explanatory memorandum (the “**Explanatory Memorandum**”) explaining the effect of the Scheme are incorporated in the composite scheme document of which this Notice forms part (the “**Scheme Document**”), which has been despatched by post to the Shareholders. A copy of the Scheme Document can also be obtained by any person entitled to attend the Meeting during usual business hours on any day prior to the day appointed for the Meeting (other than a Saturday, a Sunday or a public holiday in Hong Kong) from the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong.

The Disinterested Scheme Shareholders may vote in person at the Meeting or they may appoint one person, whether a member of the Company or not, as their proxy to attend and vote in their stead. A PINK form of proxy for use at the Meeting is enclosed with the Scheme Document.

In the case of joint holders of a Disinterested Scheme Share (as defined in the Scheme Document), the vote of the most senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the Disinterested Scheme Share.

For the purposes of determining whether or not a majority in number of Disinterested Scheme Shareholders approved the Scheme pursuant to Section 86 of the Companies Act, where the same person is the holder of a number of Shares bearing different certificate numbers or account numbers, such person shall be entitled to be present at the Meeting personally or by proxy and vote such Shares in which case he/she/it will be treated as a single Shareholder. In accordance with articles 4.14 and 14.4 of the Articles of the Company, if a Share is held in the name of two or more persons, the person first named in the Register shall be deemed the sole Shareholder and be entitled to vote in respect of the relevant joint holding either in person or by proxy.

It is requested that forms appointing proxies, together with the letter or power of attorney or other authority (if any) under which they are signed or a notarially certified copy thereof (in the case of a corporation either under its common seal or under the hand of an attorney or a duly authorised officer on its behalf and to the satisfaction of the directors of the Company), be lodged at the Company’s branch share registrar and transfer office in Hong Kong as stated above no later than 48 hours before the time appointed for holding the Meeting or any adjournment thereof. Alternatively, PINK forms of proxy may be handed to the chairman of the Meeting at the Meeting (who shall have absolute discretion as to whether or not to accept it) before the taking of the poll.

Completion and return of the form of proxy will not preclude a Disinterested Scheme Shareholder from attending and voting in person at the Meeting or any adjournment thereof. In the event that a Disinterested Scheme Shareholder attends and votes at the Meeting or any adjournment thereof after having lodged his/her/its form of proxy, his/her/its form of proxy shall be revoked by operation of law.

For the purpose of determining the entitlements of Disinterested Scheme Shareholder to attend and vote at the Meeting, the register of members of the Company will be closed from Wednesday, 17 February 2021 to Tuesday, 23 February 2021, both dates inclusive, and during such period, no transfer of Shares will be effected. In order to qualify to attend and vote at the Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong as stated above before 4:30 p.m. (Hong Kong time) on Tuesday, 16 February 2021.

By the same order, the Court has appointed Mr. POON Chiu Kwok, an independent non-executive director of the Company or failing him, any other director of the Company at the time of the Meeting to act as the chairman of the Meeting and has directed the chairman of the Meeting to report the result thereof to the Court.

The Scheme will be subject to the subsequent sanction of the Court as set out in the Explanatory Memorandum contained in the Scheme Document.

By Order of the Court
Tonly Electronics Holdings Limited
通力電子控股有限公司

Dated the 29th day of January 2021.

Registered office:

P.O. Box 309, Uglan House, Grand Cayman
KY1-1104, Cayman Islands

Principal place of business in Hong Kong:

8th Floor, Building 22E, 22 Science Park East Avenue,
Hong Kong Science Park, Shatin,
New Territories, Hong Kong

Notes:

- (i) Unless otherwise defined in this notice or the context otherwise requires, terms defined in the Scheme Document shall have the same meanings when used in this notice.
- (ii) At the Meeting, the Scheme will be voted on by way of poll as required under the Listing Rules and the Takeovers Code.
- (iii) A PINK form of proxy for use at the Meeting (or any adjournment thereof) is enclosed with the Scheme Document.

- (iv) A Disinterested Scheme Shareholder who is a Registered Owner (other than HKSCC Nominees) entitled to attend and vote at the Meeting is entitled to appoint one proxy, whether a member of the Company or not, as his/her/its proxy(ies) to attend, speak and vote instead of him/her/it. Each Disinterested Scheme Shareholder who is a Registered Owner (other than HKSCC Nominees) is only entitled to submit one proxy form for the Meeting. If more than one proxy form for the Meeting is submitted by a Disinterested Scheme Shareholder who is a Registered Owner (other than HKSCC Nominees) and the voting instructions require the proxies to vote both FOR and AGAINST the Scheme, the proxy forms will not be accepted. If more than one proxy form for the Meeting is submitted by a Disinterested Scheme Shareholder who is a Registered Owner (other than HKSCC Nominees) and the voting instructions require the proxies to vote either FOR or AGAINST the Scheme but not both FOR and AGAINST the Scheme, the chairman of the Meeting shall have absolute discretion as to whether or not to accept those proxy forms.
- (v) The PINK form of proxy, together with the letter or power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof (in the case of a corporation, either under its common seal or under the hand of an attorney or a duly authorised officer on its behalf and to the satisfaction of the directors of the Company), should be lodged at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 48 hours before the time appointed for holding the Meeting or any adjournment thereof although it may be handed to the chairman of the Meeting at the Meeting before the taking of the poll and the chairman of the Meeting shall have absolute discretion whether or not to accept it. Completion and return of the PINK form of proxy will not preclude a Disinterested Scheme Shareholder from attending and voting in person at the Meeting or any adjournment thereof. In the event that a Disinterested Scheme Shareholder attends and votes at the Meeting after having lodged his/her/its PINK form of proxy, his/her/its PINK form of proxy shall be revoked by operation of law.
- (vi) In the case of joint holders of a Disinterested Scheme Share, the vote of the most senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the Disinterested Scheme Share.
- (vii) For the purpose of determining the entitlements of holders of the Disinterested Scheme Shares to attend and vote at the Meeting, the register of members of the Company will be closed from Wednesday, 17 February 2021 to Tuesday, 23 February 2021, both dates inclusive, and during such period, no transfer of Shares will be effected. In order to qualify to attend and vote at the Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong before 4:30 p.m. (Hong Kong time) on Tuesday, 16 February 2021.
- (viii) The Disinterested Scheme Shareholders of the Company should note that the Meeting will be held as scheduled when tropical cyclone warning signal no. 8 (or above), black rainstorm or "extreme conditions" as defined under Chapter 1 of the Listing Rules is in force. In such event, Disinterested Scheme Shareholders of the Company should make their own decision as to whether they would attend the Meeting under bad weather conditions bearing in mind their own situations and if they should choose to do so, they are advised to exercise care and caution.
- (ix) Taking into account the recent development of the epidemic caused by coronavirus disease (COVID-19), the Company will implement the following prevention and control measures at the Meeting to protect the Disinterested Scheme Shareholders from the risk of infection:
 - a. compulsory body temperature checks will be conducted for every attending Disinterested Scheme Shareholder and/or proxy at the entrance of the venue;
 - b. every attending Disinterested Scheme Shareholder and/or proxy is required to wear a surgical mask throughout the Meeting;

- c. Disinterested Scheme Shareholders and/or their proxies who do not comply with the precautionary measures or have a body temperature of over 37.3 degrees Celsius but wish to attend the Meeting in person will be accommodated in designated area of the venue to attend the Meeting and exercise their voting rights;
 - d. Seating in the Meeting venue will also be arranged so as to allow for appropriate social distancing. In view of the Regulation and the requirements for social distancing to ensure the health and safety of attendees, there will be limited capacity for Shareholders to attend the Meeting and only Disinterested Scheme Shareholders and/or their proxies and relevant Meeting staff will be allowed entry into Meeting venue and the attending Disinterested Scheme Shareholders (or their proxies) will be admitted to the main conference room at the venue on a “first-come-first-served” basis, whereas other attending Shareholders (or their proxies) will be accommodated in other room(s) at the venue after the main conference room is fully occupied. The Company may limit the number of attendees at the Meeting as may be necessary to avoid overcrowding; and
 - e. no refreshments will be served at the Meeting.
- (x) In order to facilitate the prevention and control of COVID-19, and to safeguard the health and safety of the Disinterested Scheme Shareholders, **the Company reminds all Disinterested Scheme Shareholders that physical attendance in person at the Meeting is not necessary for the purpose of exercising their voting rights and strongly advises the Disinterested Scheme Shareholders to appoint the chairman of the Meeting as a proxy to vote on the resolutions as an alternative to attending the Meeting in person** in light of the continuing risks posed by the COVID-19 pandemic. Disinterested Scheme Shareholders are requested (a) to consider carefully the risk of attending the Meeting, which will be held in an enclosed environment; (b) to follow and comply with any law and guidelines or requirements implemented by the Hong Kong Government relating to COVID-19 pandemic in deciding whether or not to attend the Meeting; and (c) not to attend the Meeting if they have contracted or are suspected to have contracted COVID-19 or have been in close contact with anybody who has contracted or is suspected to have contracted COVID-19.

As at the date of this announcement, the board of directors comprises YU Guanghui, SONG Yonghong and REN Xuenong as executive directors, LIAO Qian as non-executive director and LEONG Yue Wing, POON Chiu Kwok and LI Qi as independent non-executive directors.