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**T.C.L. Industries Holdings (H.K.) Limited**  
*(Incorporated in Hong Kong with limited liability)*

 **TONLY**  
**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)

## **JOINT ANNOUNCEMENT**

**(1) PROPOSED PRIVATISATION OF  
TONLY ELECTRONICS HOLDINGS LIMITED  
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT  
UNDER SECTION 86 OF THE COMPANIES ACT  
AND  
(2) SPECIAL DEAL IN RELATION TO  
THE ROLLOVER ARRANGEMENT  
AND  
(3) PROPOSED WITHDRAWAL OF LISTING OF THE COMPANY  
SANCTION OF THE SCHEME BY THE COURT  
AND  
PROPOSED WITHDRAWAL OF LISTING**

**Exclusive Financial Adviser to the Offeror**



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

 **SOMERLEY CAPITAL LIMITED**

References are made to (i) the scheme document jointly issued by Tonly Electronics Holdings Limited (the “**Company**”) and T.C.L. Industries Holdings (H.K.) Limited (the “**Offeror**”) on 29 January 2021 (the “**Scheme Document**”) in relation to, among other things, the proposed privatisation of the Company by the Offeror by way of a scheme of arrangement under Section 86 of the Companies Act (2020 Revision) of the Cayman Islands; and (ii) the announcement jointly issued by the Offeror and the Company on 23 February 2021 in relation to the results of the Court Meeting and the EGM (the “**Results Announcement**”).

Unless otherwise defined, terms used herein shall have the same meanings as those defined in the Scheme Document.

## **SANCTION OF THE SCHEME BY THE COURT**

The Scheme was sanctioned without modification by the Court on Tuesday, 2 March 2021 (Cayman Islands time). The reduction of the issued share capital of the Company resulting from the cancellation and extinguishment of the Scheme Shares was also confirmed by the Court on the same day.

Copies of the court orders sanctioning the Scheme and confirming the reduction of the issued share capital of the Company are expected to be delivered to the Registrar of Companies in the Cayman Islands for registration on or before Thursday, 4 March 2021 (Cayman Islands time).

## **EXPECTED EFFECTIVE DATE**

Reference is made to the application made by the Offeror for consent from the Executive in relation to the Rollover Arrangement. The Offeror has obtained the Executive’s consent in relation to the Rollover Arrangement pursuant to Note 3 of Rule 25 of the Takeovers Code subject to the Rollover Arrangement being approved by the Disinterested Scheme Shareholders at the EGM. As mentioned in the Results Announcement, the ordinary resolution to approve the Rollover Arrangement was approved by the Disinterested Scheme Shareholders at the EGM.

All of the Conditions as set out on pages 88 to 91 of the Scheme Document in the section headed “3. Conditions of the Proposal and the Scheme” in “Part VII - Explanatory Memorandum” have been fulfilled, except for the delivery to the Registrar of Companies in the Cayman Islands of copies of the court orders sanctioning the Scheme and confirming the reduction of the issued share capital of the Company for registration, which is expected to be completed by Thursday, 4 March 2021 (Cayman Islands time). Therefore, the Scheme is expected to become effective on Thursday, 4 March 2021 (Cayman Islands time).

A further announcement will be made when the Scheme has become effective.

## PROPOSED WITHDRAWAL OF LISTING

The Stock Exchange has approved the withdrawal of listing of the Shares on the Stock Exchange with effect from 4:00 p.m. on Monday, 8 March 2021 (Hong Kong time), subject to the Scheme becoming effective.

## EXPECTED TIMETABLE

**Hong Kong Time**  
(unless otherwise stated)

Scheme Record Date (*Note 1 and Note 2*) . . . . . Thursday, 4 March 2021

Effective Date (*Note 3*) . . . . . Thursday, 4 March 2021  
**(Cayman Islands time)**

Option Offer becoming unconditional . . . . . Thursday, 4 March 2021

Announcement of the Effective Date and  
the withdrawal of the listing of the Shares  
on the Stock Exchange . . . . . before 8:30 a.m. on  
Friday, 5 March 2021

Expected withdrawal of the listing of the Shares  
on the Stock Exchange becomes effective (*Note 4*) . . . . . 4:00 p.m. on  
Monday, 8 March 2021

Latest date to despatch cheques  
for cash payment under the Scheme . . . . . Monday, 15 March 2021

Latest time and date to accept the Option Offer (*Note 2*)  
and closing date of the Option Offer . . . . . 4:30 p.m. on  
Wednesday, 7 April 2021

Announcement of the results of the Option Offer posted  
on the respective websites of the Company and the SFC . . . . . not later than 7:00 p.m. on  
Wednesday, 7 April 2021

Lapse of all Share Options (*Note 6*) . . . . . Wednesday, 7 April 2021

Latest time to make payment under the Option Offer (*Note 5*) . . . . . Friday, 16 April 2021

**Shareholders and Option Holders should note that the above timetable is subject to change. Further announcement(s) will be made in the event that there is any change.**

*Notes:*

- (1) If holders of Share Options wish to be qualified for entitlements under the Scheme, they must exercise their Share Options in accordance with the Share Option Scheme and lodge their notices of exercise before the time specified above on the Latest Options Exercise Date and, subject to the customary process for allotment and issue of Shares by the Company, become registered holders of Shares by the time of the Scheme Record Date.
- (2) Forms of Acceptance, duly completed in accordance with the instructions on them, must be lodged with the Human Resources Department of the Company not later than 4:30 p.m. on Wednesday, 7 April 2021 (or such later date as may be notified by the Offeror, Citigroup and the Company to the Option Holders or by way of joint announcement by the Offeror and the Company on the respective websites of the Stock Exchange and the Company).
- (3) The Scheme shall become effective upon all the Conditions set out in the paragraph headed “3. Conditions of the Proposal and the Scheme” in Part VII – Explanatory Memorandum of the Scheme Document having been fulfilled or (to the extent permitted) waived (as the case may be).
- (4) If the Proposal becomes unconditional and the Scheme becomes effective, it is expected that the listing of the Shares on the Stock Exchange will be withdrawn at or before 4:00 p.m. on Monday, 8 March 2021.
- (5) Payment (by cheque, cash or bank transfer) in relation to outstanding Share Options as at the Scheme Record Date in respect of validly completed Forms of Acceptance received after the Scheme Record Date but before 4:30 p.m. on Wednesday, 7 April 2021 will be made within 7 Business Days following receipt of such validly completed Forms of Acceptance.
- (6) Pursuant to the terms of the Share Option Scheme, all outstanding Share Options shall lapse automatically and not be exercisable at the expiry of the period of 21 Business Days after the Effective Date.

All references to times and dates in this joint announcement are references to Hong Kong times and dates, unless otherwise stated.

## **WARNINGS**

**Shareholders, Option Holders and/or potential investors should be aware that the implementation of the Proposal will only become effective upon all the Conditions being satisfied or validly waived (as applicable in whole or in part) and thus the Scheme may or may not become effective and the Option Offer may or may not be implemented.**

The Offeror and the Company hereby remind their respective associates of the dealing restrictions under the Takeovers Code and to disclose their permitted dealings, if any, in any securities of the Company.

By order of the board of  
**T.C.L. Industries Holdings (H.K.) Limited**  
**LI Dongsheng**  
*Director*

By order of the board of  
**TONLY ELECTRONICS HOLDINGS**  
**LIMITED**  
**LIAO Qian**  
*Chairman*

Hong Kong, 3 March 2021

*As at the date of this joint announcement, the directors of the Offeror are:*

Mr. LI Dongsheng  
Mr. DU Yuanhua  
Ms. XIONG Yan

*As at the date of this joint announcement, the Directors are:*

*Non-executive Director*  
Mr. LIAO Qian (*Chairman*)

*Executive Directors*  
Mr. YU Guanghui  
Mr. SONG Yonghong  
Mr. REN Xuenong

*Independent non-executive Directors*

Mr. POON Chiu Kwok  
Mr. LI Qi  
Mr. LEONG Yue Wing

*The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors) 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 Directors jointly and severally accept full responsibility for the accuracy of information contained in this joint announcement (in relation to the information relating to the Group only) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Offeror) 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 the joint announcement misleading.*