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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Trio Industrial Electronics Group Limited, you should at once hand this circular together with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

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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)**

**PROPOSALS FOR**

- (1) GRANTING OF GENERAL MANDATES TO  
ISSUE AND REPURCHASE SHARES;**
  - (2) EXTENSION OF ISSUE MANDATE;**
  - (3) RE-ELECTION OF RETIRING DIRECTORS;**
  - (4) DECLARATION OF FINAL DIVIDEND;**
  - (5) RE-APPOINTMENT OF INDEPENDENT AUDITOR;**
  - (6) PROPOSED AMENDMENT TO SHARE OPTION SCHEME;**
- AND**
- NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening an annual general meeting of the Company to be held at Room 4 – 5, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 24 May 2021 at 2:30 p.m. or any adjournment thereof is set out on pages 17 to 22 of this circular. A form of proxy for use at the 2021 AGM is enclosed with this circular. Such form of proxy is also published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and website of the Company ([www.trio-ieg.com](http://www.trio-ieg.com)).

Whether or not you intend to attend the 2021 AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and deposit the same at the Company's share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong and in any event not less than 48 hours before the time appointed for holding the 2021 AGM or any adjournment thereof. The completion and return of the form of proxy will not preclude you from attending and voting in person at the 2021 AGM or any adjournment thereof if you so wish.

**PRECAUTIONARY MEASURES FOR THE 2021 AGM**

To safeguard the health and safety of the Shareholders who may be attending the 2021 AGM in person, the Company will implement the following additional precautionary measures at the 2021 AGM, including:

1. mandatory screening of body temperatures;
2. wearing of surgical face masks (please bring your own);
3. promotion and maintenance of social distancing;
4. no handing out of corporate gifts; and
5. no provision of refreshments or drinks.

For details of such measures, please refer to Page 1 of this circular.

Attendees are requested to observe and practise good personal hygiene at all times at the 2021 AGM venue. To the extent permitted under law, the Company reserves the right to deny entry into the 2021 AGM venue or require any person to leave the 2021 AGM venue so as to ensure the health and safety of the attendees at the 2021 AGM. Shareholders are strongly encouraged to cast their votes by submitting a form of proxy appointing the Chairman of the 2021 AGM as their proxy instead of attending the 2021 AGM in person.

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## PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

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With the outbreak and spreading of Coronavirus Disease 2019 (the “**COVID-19**”) pandemic and recent requirements for prevention and control of its spreading, the Company will implement the following precautionary measures to safeguard the health and safety of the Shareholders, staff and other attendees who might be attending the 2021 AGM in person:

- (i) mandatory screening of body temperatures will be conducted on every Shareholder, proxy and other attendee at the entrance of the 2021 AGM venue. Any person with a body temperature of over 37.4 degrees Celsius will be denied entry into the 2021 AGM venue or be required to leave the 2021 AGM venue;
- (ii) every attendee is required to wear surgical face masks before they are permitted to attend, and throughout their attendance of the 2021 AGM at all times, and they are encouraged to maintain a safe distance between seats;
- (iii) there will be no corporate gifts to be handed out to the Shareholders at the 2021 AGM; and
- (iv) no refreshments or drinks will be served at the 2021 AGM.

To the extent permitted under law, the Company reserves the right to deny entry into the 2021 AGM venue or require any person to leave the 2021 AGM venue so as to ensure the safety of the attendees at the 2021 AGM.

The Company does not in any way wish to diminish the opportunity available to the Shareholders to exercise their rights and to vote, but is conscious of the pressing need to protect the Shareholders from possible exposure to the COVID-19 pandemic. For the health and safety of the Shareholders, the Company would like to encourage the Shareholders to exercise their right to vote at the 2021 AGM by appointing the Chairman of the 2021 AGM as their proxy instead of attending the 2021 AGM in person. Physical attendance is not necessary for the purpose of exercising Shareholders’ rights. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the 2021 AGM or any adjournment thereof should they subsequently so wish.

The form of proxy is enclosed to this circular for the Shareholders who opt to receive physical circulars. Alternatively, the form of proxy can be downloaded from the “Investor Relations” section of the Company’s website at [www.trio-ieg.com](http://www.trio-ieg.com). If you are not a registered Shareholder (if your shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

Completed form of proxy must be returned to the Company’s Share Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2021 AGM or any adjournment thereof.

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## **PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING**

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If the Shareholders choosing not to attend the 2021 AGM in person have any questions about the relevant resolutions, or about the Company or any matters for communication with the Board, they are welcome to contact the Company through the company secretary of the Company whose contact details are as follows:

Telephone: (852) 2765 8787

Facsimile: (852) 2764 9142/(852) 2334 5762

Email: [rubywan@trio-ieg.com](mailto:rubywan@trio-ieg.com)

If Shareholders have any questions relating to the 2021 AGM, please contact Tricor Investor Services Limited, the Company's share registrar as follows:

Tricor Investor Services Limited

Address: Level 54, Hopewell Centre

183 Queen's Road East

Hong Kong

Telephone: (852) 2980 1333

Facsimile: (852) 2810 8185

Email: [is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com)

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“2021 AGM”	the annual general meeting of the Company to be held at Room 4-5, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 24 May 2021 at 2:30 p.m. (or adjournment thereof) to consider and, if thought fit, approve the resolutions contained in the notice convening the 2021 AGM, which is set out on pages 17 to 22 of this circular
“Articles”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”	Trio Industrial Electronics Group Limited, a company incorporated in Hong Kong on 15 April 2016 with limited liability and the issued Shares of which are listed on the Stock Exchange (stock code: 1710)
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules and unless the context otherwise required, refers to Trio Industrial Electronics Holding Limited, Nawk Investment Inc., LLT Investment Inc., Proactive Investment Inc., Grand Energy Investment Limited, King Fung Nominees Limited, Mr. Kwan Tak Sum Stanley, Mr. Tai Leung Lam and Mr. Lai Yiu Wah, and Mr. Joseph Mac Carthy
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

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## DEFINITIONS

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“Independent Auditor”	the independent auditor of the Company
“Issue Mandate”	the general and unconditional mandate proposed to be granted at the 2021 AGM to the Directors to allot, issue and deal with the Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of passing the relevant resolution for approving the issue mandate
“Latest Practicable Date”	14 April 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Member(s)” or “Shareholder(s)”	holder(s) of the Share(s)
“Nomination Committee”	the nomination committee of the Board
“PRC”	the People’s Republic of China and, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted at the 2021 AGM to the Directors to repurchase such number of Shares not excluding 10% of the aggregate number of the issued Shares as at the date of passing the relevant resolution granting the mandate
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of the Company
“Share Option”	an option to subscribe for Shares to be granted pursuant to the terms of the Share Option Scheme
“Share Option Scheme”	the share option scheme as adopted by the Company on 27 October 2017
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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## DEFINITIONS

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“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs as amended, supplemented or otherwise modified from time to time and administrated by the Securities and Futures Commission of Hong Kong
“Trio Engineering”	Trio Engineering Company Limited (致豐工程有限公司), previously known as Trio Engineering Company Limited (志豐工程有限公司), a company incorporated under the laws of Hong Kong with limited liability on 16 September 1983, a direct wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent

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LETTER FROM THE BOARD

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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)**

*Executive Directors:*

Mr. Lai Yiu Wah (*Chairman*)  
Mr. Tai Leung Lam (*Chief executive officer*)  
Mr. Joseph Mac Carthy

*Registered office and principal place  
of business in Hong Kong:*

Block J, 5/F, Phase II, Kaiser Estate  
51 Man Yue Street  
Hung Hom, Kowloon  
Hong Kong

*Independent Non-executive Directors:*

Mr. Fung Chun Chung  
Mr. Cheung Kin Wing  
Mr. Wong Raymond Fook Lam

20 April 2021

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR**  
**(1) GRANTING OF GENERAL MANDATES TO**  
**ISSUE AND REPURCHASE SHARES;**  
**(2) EXTENSION OF ISSUE MANDATE;**  
**(3) RE-ELECTION OF RETIRING DIRECTORS;**  
**(4) DECLARATION OF FINAL DIVIDEND;**  
**(5) RE-APPOINTMENT OF INDEPENDENT AUDITOR;**  
**(6) PROPOSED AMENDMENT TO SHARE OPTION SCHEME;**  
**AND**  
**NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the 2021 AGM for, among other matters, (i) the granting of the Issue Mandate; (ii) the granting of the Repurchase Mandate; (iii) the extension of the Issue Mandate by adding to it the number of Shares repurchased by the Company under the Repurchase Mandate; (iv) the re-election of the retiring Directors; (v) declaration of final dividend; (vi) the re-appointment of Independent Auditor; and (vii) the proposed amendments to the Share Option Scheme and to give the Shareholders notice of the 2021 AGM at which the ordinary resolutions as set out in the notice of the 2021 AGM will be proposed.

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## LETTER FROM THE BOARD

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### 2. GRANTING OF THE ISSUE MANDATE AND THE REPURCHASE MANDATE

At the 2021 AGM, the Directors propose to seek the approval of the Shareholders to grant to the Directors the Issue Mandate and the Repurchase Mandate.

#### Issue Mandate

The Company's existing mandate to issue Shares was approved by the Shareholder at the annual general meeting of the Company held on 29 May 2020. Unless otherwise renewed, the existing mandate to issue Shares will lapse at the conclusion of the 2021 AGM.

An ordinary resolution will be proposed at the 2021 AGM to grant the Issue Mandate to the Directors. Based on 1,000,000,000 issued Shares as at the Latest Practicable Date and assuming that no further Shares are issued and no Shares are repurchased and cancelled after the Latest Practicable Date and up to the date of the 2021 AGM, the Directors will be able to allot, issue and deal with up to a total of 200,000,000 Shares, representing 20% of the number of Shares in issue, if the Issue Mandate is granted at the 2021 AGM, which will remain in effect until the earliest of (i) the conclusion of the next annual general meeting; (ii) the expiration of the period within which the next annual general meeting is required to be held by the Articles or the Companies Ordinance; and (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

#### Repurchase Mandate

An ordinary resolution will be proposed at the 2021 AGM to grant the Repurchase Mandate to the Directors. The Repurchase Mandate, if granted, will be effective until whichever is the earliest of (i) the conclusion of the next annual general meeting; (ii) the expiration of the period within which the next annual general meeting is required to be held by the Articles or the Companies Ordinance; and (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all the requisite information required under the Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate at the 2021 AGM.

### 3. EXTENSION OF ISSUE MANDATE

Subject to the passing of the ordinary resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the 2021 AGM to extend the Issue Mandate by the addition to the aggregate number of the issued Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Issue Mandate of an amount representing the aggregate number of the Shares repurchased by the Company pursuant to the Repurchase Mandate, provided that such extended amount shall not exceed 10% of the aggregate number of the issued Shares as at the date of passing the resolution for approving the Issue Mandate.

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## LETTER FROM THE BOARD

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### 4. RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the Board comprises three executive Directors, namely Mr. Lai Yiu Wah, Mr. Tai Leung Lam and Mr. Joseph Mac Carthy, and three independent non-executive Directors, namely Mr. Fung Chun Chung, Mr. Cheung Kin Wing and Mr. Wong Raymond Fook Lam.

Pursuant to article 120(a) of the Articles, subject to article 120(e), at each annual general meeting, one-third of the Directors (excluding those Director(s) who are not subject to the rotation requirement under the Articles) or, if their number is not three or a multiple of three the number which is nearest to and is at least one-third, shall retire from office by rotation. A retiring Director shall be eligible for re-election.

Pursuant to article 120(e) of the Articles, any Director who holds the position as an executive Director shall not be subject to the retirement-rotation requirement of the Article.

Pursuant to the A.4.2 of the CG Code, all the Directors (no matter executive or independent non-executive Directors) including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Mr. Joseph Mac Carthy and Mr. Wong Raymond Fook Lam will retire pursuant to article 120(a) of the Articles. Mr. Joseph Mac Carthy and Mr. Wong Raymond Fook Lam, each being eligible, offer themselves for re-election as Directors at the forthcoming 2021 AGM.

The Nomination Committee has assessed and reviewed the annual written confirmation of independence from Mr. Wong Raymond Fook Lam, an independent non-executive Director, based on the independence criteria as set out in Rule 3.13 of the Listing Rules have confirmed that he remains independent. Upon the nomination of the Nomination Committee, the Board has recommended that all the retiring Directors, namely, Mr. Joseph Mac Carthy and Mr. Wong Raymond Fook Lam stand for re-election as Directors at the 2021 AGM in accordance with the Articles.

The biographical details of the retiring Directors who are standing for re-election at the 2021 AGM are set out in Appendix II to this circular in accordance with the relevant requirements of the Listing Rules.

### 5. DECLARATION OF FINAL DIVIDEND

The Board has proposed a final dividend of HK1.2 cents per ordinary share for the year ended 31 December 2020. Subject to the approval of the Shareholders at the 2021 AGM, the proposed final dividend will be payable on Monday, 5 July 2021 to the Shareholders whose names appear on the register of members of the Company on Wednesday, 16 June 2021.

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## LETTER FROM THE BOARD

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### 6. RE-APPOINTMENT OF INDEPENDENT AUDITOR

PricewaterhouseCoopers, which has audited the consolidated financial statements of the Company for the year ended 31 December 2020, will retire as the Independent Auditor at the 2021 AGM and, being eligible, offers itself for re-appointment. The Board proposes to re-appoint PricewaterhouseCoopers as the Independent Auditor in respect of the audited consolidated financial statements of the Group for the year ending 31 December 2021 and to authorise the Board to fix its remuneration.

### 7. PROPOSED AMENDMENT TO SHARE OPTION SCHEME

#### Background

The Share Option Scheme was conditionally approved and adopted by written resolutions of then Shareholder on 27 October 2017. Apart from the Share Option Scheme, the Company has no other share option scheme currently in force.

As at the Latest Practicable Date, no Share Option has been granted and remained outstanding under the Share Option Scheme. As at the Latest Practicable Date, the total number of shares available for issue upon exercise of the Share Options to be granted under the Share Option Scheme was 70,000,000 Shares, representing 7% of the total number of issued Share as at the Latest Practicable Date.

The purpose of the Share Option Scheme is to provide incentives, recognise and acknowledge the contributions that eligible participants of the Share Option Scheme (the “**Eligible Participants**”) have made or may make to the Group. In order to better achieve the purpose of and to enhance the flexibility of the Share Option Scheme, the Board has considered the rules of the Share Option Scheme and proposes that an amendment be made to the rules of the Share Option Scheme as follows (the “**Proposed Amendment**”):

#### Proposed Amendment

Clause 9.2 of the rules of the Share Option Scheme as set out below will be deleted in its entirety:

~~“The Grantee shall not exercise any Option within a period of three years after the date grant of such Option. After the expiry of the three years’ period and subject to the Grantee remaining an Eligible Participant, the Grantee may exercise part or all his Option pursuant to the Scheme.”~~

Apart from the above Proposed Amendment, all other existing terms of the Share Option Scheme will remain unchanged. The Board considers that the Proposed Amendment complies with all relevant requirements of Chapter 17 of the Listing Rules.

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## LETTER FROM THE BOARD

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### Reasons for the Proposed Amendment to Share Option Scheme

Under the current rules of the Share Option Scheme, a grantee of the Share Option must not exercise any Share Option granted to him/her within a period of three years after the date of grant of such Share Option. The Directors consider that the Proposed Amendment will enhance the flexibility of the Eligible Participants to exercise the Share Options granted to them, better serve the purpose of the Share Option Scheme, provide incentive to the Eligible Participants for their contribution to the Group and allow the Company to retain employees more effectively in order to support the long-term stable growth of the Group. Thus, the Directors consider that the Proposed Amendment is in the best interest of the Company and its Shareholders as a whole.

The Directors proposes that Proposed Amendment shall apply to the Share Options to be granted under the Share Option Scheme with effect from the date of passing the ordinary resolution by Shareholders at the 2021 AGM.

### Listing Rules Implications

Pursuant to note (2) to Rule 17.03(18) of the Listing Rules and the rules of Share Option Scheme, any alterations to the terms and conditions of the Share Option Scheme which are of a material nature or any change to the terms of Share Options granted must be approved by the Shareholders, unless the alterations take effect automatically under the existing terms of the Share Option Scheme. As the Proposed Amendment will not take effect automatically under the existing terms of the Share Option Scheme, and it is considered to be material in nature, the Proposed Amendment is subject to approval by the Shareholders at the 2021 AGM and shall become effective on the date of the Shareholders passing the resolution at the 2021 AGM.

As at the Latest Practicable Date, no Shareholder is required to abstain from voting in favour of the resolution approving the Proposed Amendment at the 2021 AGM to be convened by the Company.

### 8. 2021 AGM AND PROXY ARRANGEMENT

A notice convening the 2021 AGM to be held at Room 4 – 5, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 24 May 2021 at 2:30 p.m. is set out on pages 17 to 22 of this circular. Ordinary resolutions will be proposed at the 2021 AGM to approve, among other things, (i) the Issue Mandate, (ii) the Repurchase Mandate, (iii) the extension of the Issue Mandate by the addition thereto of the aggregate number of Shares repurchased by the Company pursuant to the Repurchase Mandate, (iv) the re-election of the retiring Directors, (v) declaration of final dividend, (vi) the re-appointment of the Independent Auditor, and (vii) the Proposed Amendment to the Share Option Scheme.

A form of proxy for use in connection with the 2021 AGM is enclosed with this circular and such form of proxy is also published on the respective websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.trio-ieg.com](http://www.trio-ieg.com). If you are not able to attend the 2021 AGM but wish to exercise your right as a Shareholder, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the share registrar of the Company, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the 2021 AGM or its adjournment. Completion and return of the form of proxy will not preclude any Shareholder from attending and voting in person at the 2021 AGM or its adjournment. If the Shareholder attends and votes at the 2021 AGM, the authority of your proxy will be revoked.

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## LETTER FROM THE BOARD

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### 9. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all proposed resolutions set out in the notice convening the 2021 AGM shall be voted on by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### 10. RECOMMENDATION

The Directors believe that the proposals for (i) the granting of the Issue Mandate and the Repurchase Mandate; (ii) the extension of the Issue Mandate; (iii) the re-election of retiring Directors; (iv) declaration of final dividend; (v) the re-appointment of the Independent Auditor, and (vi) the Proposed Amendment to the Share Option Scheme are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the relevant resolutions to be proposed convening the 2021 AGM as set out in the notice of the 2021 AGM on pages 17 to 22 of this circular.

### 11. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### 12. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular, namely Appendix I – Explanatory Statement on the Repurchase Mandate; and Appendix II – Biographical Details of the Retiring Directors.

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,  
On behalf of the Board  
**Trio Industrial Electronics Group Limited**  
**Lai Yiu Wah**  
*Chairman and Executive Director*

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## **APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE**

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This appendix serves as an explanatory statement, as required by Rule 10.06 of the Listing Rules, to provide requisite information to Shareholders for consideration of the proposed grant of the Repurchase Mandate.

### **1. SHARE CAPITAL**

As at the Latest Practicable Date, there were a total of 1,000,000,000 issued Shares. Subject to the passing of the ordinary resolution for the approval of the Repurchase Mandate and assuming that no further Shares are issued and no Shares are repurchased and cancelled after the Latest Practicable Date and up to the date of the 2021 AGM, the Directors would be authorised to repurchase up to a maximum of 100,000,000 Shares, representing 10% of the issued Shares as at the date of passing of the resolution to approve the Repurchase Mandate. The Repurchase Mandate will remain in effect until the earliest of: (i) the conclusion of the next annual general meeting; (ii) the expiration of the period within which the next annual general meeting is required to be held by the Articles or applicable law of Hong Kong; or (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting of the Company.

### **2. REASONS FOR REPURCHASES**

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net assets value per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.

### **3. FUNDING OF REPURCHASES**

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company's available cash flow or working capital facilities which will be funds legally available under the Companies Ordinance, the Listing Rules, and the Articles for such purpose.

### **4. IMPACT ON WORKING CAPITAL OR GEARING POSITION**

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and gearing position of the Company compared with those as at 31 December 2020, being the date of its latest published audited consolidated financial statements. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

**5. SHARE PRICES**

The highest and lowest market prices at which the Shares were traded on the Stock Exchange during each of the previous 12 months preceding the Latest Practicable Date were as follows:

	<b>Trade Prices</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
2020		
April	0.235	0.173
May	0.220	0.159
June	0.205	0.160
July	0.179	0.151
August	0.174	0.150
September	0.174	0.160
October	0.195	0.162
November	0.195	0.171
December	0.209	0.185
2021		
January	0.200	0.172
February	0.188	0.165
March	0.197	0.165
April (up to the Latest Practicable Date)	0.192	0.186

**6. DIRECTORS' UNDERTAKING**

The Directors have undertaken to the Stock Exchange that so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable law of Hong Kong and the Articles.

**7. EFFECT OF TAKEOVER CODE AND MINIMUM PUBLIC HOLDING**

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such an increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Trio Industrial Electronics Holding Limited ("**Trio Holding**") held 725,000,000 Shares, representing 72.5% of the issued share capital of the Company.

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**APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE**

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In the event that the Directors exercise the proposed Repurchase Mandate in full and assuming that there is no change in the issued share capital of the Company and the number of Shares held by Trio Holding remains unchanged, the interests of Trio Holding in the issued share capital of the Company would be increased to approximately 80.6% and such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in a requirement of the above Shareholder, or any other persons to make a general offer under the Takeovers Code or the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25% as required by the Listing Rules. The Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any repurchase made pursuant to the Repurchase Mandate.

**8. SHARES REPURCHASE MADE BY THE COMPANY**

The Company had not repurchased any of its Shares (whether on the Stock Exchange or otherwise) during the previous six months immediately prior to the Latest Practicable Date.

**9. DISCLOSURE OF INTEREST OF DIRECTORS AND CORE CONNECTED PERSON**

None of the Directors nor, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective close associates has any present intention, in the event that the proposed Repurchase Mandate approved by the Shareholders, to sell Shares to the Company.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders at the 2021 AGM.

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## APPENDIX II      BIOGRAPHICAL DETAILS OF THE RETIRING DIRECTORS

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The biographical details of the Directors who will retire from office at the 2021 AGM and being eligible, will offer themselves for re-election at the 2021 AGM, are set out below:

Save as disclosed below, each of the following retiring Directors proposed for the re-election:

- (a) does not hold any other directorship in listed public companies in the last three years;
- (b) does not have any interest or short position in any shares, underlying shares or debentures of the Company or any of its associated corporations required to be disclosed pursuant to Part XV of the SFO; and
- (c) does not hold any other positions with the Company or any of its subsidiaries nor does he has any other relationship with any Directors, senior management, substantial shareholder or controlling shareholder of the Company.

In addition, there are no other matters that need to be brought to the attention of the Shareholders nor there is other information required to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules in respect of each of the following retiring Directors proposed to be re-elected at the 2021 AGM.

### **DIRECTORS CANDIDATES:**

#### **Executive Director**

**Mr. Joseph Mac Carthy**, aged 55, is the Executive Director of the Company and was appointed as Head of Sales and Technical in November 2020. He is managing the operations in Europe, covering sales and marketing all over the world. Mr. Mac Carthy joined the Group since March 1996 and was appointed as a Director on 15 April 2016. He joined the Group as a consultant in March 1996 and has been a director of Trio Engineering since October 2003. He is a director of certain subsidiaries of the Company. Before joining the Group, Mr. Mac Carthy worked in different companies engaging in related industries. Mr. Mac Carthy has been in the industry of design engineering for electronic and magnetic products for over 30 years.

In 1985, Mr. Mac Carthy obtained a national certificate in electronic engineering from Waterford Institute of Technology in Ireland.

As at the Latest Practicable Date, Mr. Mac Carthy was deemed to be interested in 725,000,000 Shares pursuant to the SFO. Mr. Mac Carthy has entered into a service contract with the Company for a term of three years commencing from 1 February 2020. Mr. Mac Carthy is entitled to a remuneration of HK\$310,000 per month, allowance and discretionary bonus which is determined by arm's length negotiation between Mr. Mac Carthy and the Company and with reference to his duties and responsibilities. The amount of the remuneration has been approved by the Board and the Remuneration Committee.

**Independent Non-executive Director**

**Mr. Wong Raymond Fook Lam (黃福霖)**, aged 66, is the Independent Non-executive Director appointed on 10 February 2017, and is the chairman of the Remuneration Committee and a member of each of the Audit Committee, the Nomination Committee and the Risk Management Committee. Mr. Wong has approximately 31 years of experience in financial management, treasury, internal control and investment in the commercial field.

Mr. Wong was an independent non-executive director of Wenzhou Kangning Hospital Co., Ltd., a company listed on the Stock Exchange (stock code: 2120), from April 2015 to June 2016. From January 1997 to June 2007 and from July 2009 to December 2016, Mr. Wong served as an executive director of SOCAM Development Limited (“SOCAM”), a company listed on the Stock Exchange (stock code: 983) and a member of the Shui On Group, a group principally engaged in property development and construction in Hong Kong and the PRC. He also took up the role of chief financial officer from July 2009 to December 2016 and assumed the role of managing director of SOCAM from July 2013 to December 2016. During his tenure with SOCAM, he was primarily responsible for financial, treasury and legal and secretarial functions, corporate restructuring, mergers and acquisitions, investment decisions, investor relationships and corporate governance matters. In March 2007, Mr. Wong was appointed an executive director of China Central Properties Ltd., an affiliated company of SOCAM, which was listed on the London Stock Exchange. Following the privatisation of China Central Properties Ltd. in June 2009, he rejoined SOCAM. From 1992 to 1995, Mr. Wong served as the finance director of the Shui On Group.

Mr. Wong obtained a diploma in accountancy from the City of London Polytechnic (now known as London Metropolitan University) in June 1976. He is a Fellow of The Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants.

Mr. Wong has entered into a letter of appointment with the Company for a term of three years commencing from 1 February 2020, pursuant to which Mr. Wong is entitled to a director’s fee of HK\$20,000 per month which is determined by arm’s length negotiation between Mr. Wong and the Company and with reference to his duties and responsibilities. The amount of the remuneration has been approved by the Board and the Remuneration Committee.

The Board would consider to enhance its diversity with different expertise when appointing or re-electing an independent non-executive Director. Mr. Wong has confirmed his independence pursuant to Rule 3.13 of the Listing Rules and possess extensive experience in the field of financial management, treasury, internal control and investment. The Board considers Mr. Wong is independent and can bring further contributions to the Board and its diversity.

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## NOTICE OF ANNUAL GENERAL MEETING

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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)**

**NOTICE IS HEREBY GIVEN** that an annual general meeting (the “**AGM**”) of Trio Industrial Electronics Group Limited (the “**Company**”) will be held at Room 4 – 5, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 24 May 2021 at 2:30 p.m. for the following purposes:

### ORDINARY RESOLUTIONS

1. To consider and adopt the audited consolidated financial statements of the Company and the reports of the directors of the Company (the “**Directors**”) and independent auditor of the Company (the “**Independent Auditor**”) for the year ended 31 December 2020;
2. To declare a final dividend of HK1.2 cents per Share for the year ended 31 December 2020;
- 3(a). (i) To re-elect Mr. Joseph Mac Carthy as an executive Director;  
  
(ii) To re-elect Mr. Wong Raymond Fook Lam as an independent non-executive Director;
- 3(b). To authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration;
4. To re-appoint PricewaterhouseCoopers as the Independent Auditor to hold office in respect of the audited consolidated financial statements for the year ending 31 December 2021 and to authorise the Board to fix its remuneration;

As special businesses to consider and, if thought fit, pass with or without modification, the following resolutions as ordinary resolutions:

5. “**THAT**
  - (a) subject to paragraph (b) of this Resolution below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares of the Company (the “**Shares**”), to grant rights to subscribe for, or convert any security into, additional Shares (including the issue of any securities convertible into Shares, issue of any Shares pursuant to the Share Option Scheme (as defined below) or grant options, warrants or similar rights to subscribe for any Shares) and to make or

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grant offers, agreements and options which might require the exercise of such powers either during or after the Relevant Period be and is hereby generally and unconditionally approved;

- (b) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any outstanding rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into Shares; (iii) any option scheme or similar arrangement for the time being adopted by the Company for the grant or issue of Shares, or rights or options (and the exercise thereof) to acquire Shares; or (iv) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association of the Company (the “**Articles**”) in force from time to time;

shall not exceed the aggregate of:

- (aa) 20% of the aggregate number of Shares as at the date of the passing of this Resolution (subject to adjustment in the case of any subsequent consolidation or subdivision of Shares); and
- (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company (the “**Shareholders**”)) the number of Shares purchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10% of the aggregate number of Shares as at the date of the passing of this Resolution) (subject to adjustment in the case of any subsequent consolidation or subdivision of Shares),

and the authority pursuant to paragraph (a) of this Resolution above shall be limited accordingly; and

- (c) for the purposes of this Resolution:

“**Relevant Period**” means the period from the date of the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable law of Hong Kong to be held; and

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- (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this Resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong); and

“**Share Option Scheme**” means the share option scheme adopted by the Company on 27 October 2017.”

6. “**THAT**

- (a) subject to paragraph (b) of this Resolution below, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**Commission**”) and the Stock Exchange, subject to and in accordance with the rules and regulations of the Commission, the Stock Exchange, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and all other applicable laws in this regard, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of the Shares which may be purchased by the Company pursuant to the approval in paragraph (a) of this Resolution above during the Relevant Period (as defined below) shall not exceed 10% of the aggregate number of the issued Shares as at the date of the passing of this Resolution and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly; and

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(c) for the purpose of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or the applicable law of Hong Kong to be held; and
  - (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this Resolution.”
7. “**THAT** subject to the passing of Resolutions no. 5 and 6 set out in the notice convening the AGM (the “**Notice**”), the authority of the Directors pursuant to Resolution no. 5 set out in the Notice be and is hereby approved to extend to cover such amount representing the aggregate number of the issued Shares repurchased pursuant to the authority granted pursuant to Resolution no. 6 set out in the Notice.”
8. “**THAT**
- (a) the proposed deletion of clause 9.2 of the rules of the Share Option Scheme (a copy of the Share Option Scheme rules has been produced to the AGM and for the purposes of identification marked “A” and initialed by the chairman of the AGM) as set out in the paragraph headed “7. PROPOSED AMENDMENT TO SHARE OPTION SCHEME – Proposed Amendment” in the Letter from the Board in the circular to the Shareholders dated 20 April 2021 (the “**Proposed Amendment**”) be and is hereby approved;
  - (b) the Proposed Amendment referred to in paragraph (a) above shall apply to the share options to be granted under the Share Option Scheme with effect from the date of the AGM; and
  - (c) any one Director (or, in case of execution of documents under seal, any two Directors, or a Director and the company secretary of the Company) be and is hereby authorised to do all such acts and execute such documents as may be necessary, desirable or expedient in order to give full effect to the Proposed Amendment referred to in paragraph (a) above.”

On behalf of the Board  
**Trio Industrial Electronics Group Limited**  
**Lai Yiu Wah**  
*Chairman and Executive Director*

Hong Kong, 20 April 2021

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*Notes:*

- 1 Any member of the Company entitled to attend and vote at the AGM is entitled to appoint another person as his proxy to attend and, on a poll, vote on his behalf. A proxy need not be a member of the Company but must attend the AGM to represent the member.
- 2 In order to be valid, the form of proxy completed in accordance with the instructions set out therein, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of that power or authority) must be deposited to the Company's share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
- 3 In case of joint holders of any Share, any one of such joint holders may vote at the AGM, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the meeting, either personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such Share shall be accepted to the exclusion of the vote of the other joint registered holders.
- 4 The register of members of the Company will be closed from Monday, 17 May 2021 to Monday, 24 May 2021, both days inclusive, during which period no transfer of Shares will be effected in order to determine the entitlement to attend and vote at the AGM. All transfer documents accompanied by the relevant Share certificates, must be lodged with the Company's share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 14 May 2021 for such purpose.
- 5 In order to ascertain the entitlement to the final dividend, the register of members of the Company will be closed from Friday, 11 June 2021 to Wednesday, 16 June 2021, both days inclusive. In order to qualify for the final dividend, all transfer documents accompanied by the relevant Share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 10 June 2021.

### PRECAUTIONARY MEASURES FOR THE AGM

With the outbreak and spreading of Coronavirus Disease 2019 (the "COVID-19") pandemic and recent requirements for prevention and control of its spreading, the Company will implement the following precautionary measures to safeguard the health and safety of the Shareholders, staff and other attendees who might be attending the AGM in person:

- (i) mandatory screening of body temperatures will be conducted on every Shareholder, proxy and other attendee at the entrance of the AGM venue. Any person with a body temperature of over 37.4 degrees Celsius will be denied entry into the AGM venue or be required to leave the AGM venue;
- (ii) every attendee is required to wear surgical face masks before they are permitted to attend, and throughout their attendance of the AGM at all times, and they are encouraged to maintain a safe distance between seats;
- (iii) there will be no corporate gifts to be handed out to the Shareholders at the AGM; and
- (iv) no refreshments or drinks will be served at the AGM.

To the extent permitted under law, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue so as to ensure the safety of the attendees at the AGM.

The Company does not in any way wish to diminish the opportunity available to the Shareholders to exercise their rights and to vote, but is conscious of the pressing need to protect the Shareholders from possible exposure to the COVID-19 pandemic. For the health and safety of the Shareholders, the Company would like to encourage the Shareholders to exercise their right to vote at the AGM by appointing the Chairman of the AGM as their proxy instead of attending the AGM in person. Physical attendance is not necessary for the purpose of exercising Shareholders' rights. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the AGM or any adjournment thereof should they subsequently so wish.

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The form of proxy can be downloaded from the “Investor Relations” section of the Company’s website at [www.trio-ieg.com](http://www.trio-ieg.com) and the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk). If you are not a registered Shareholder (if your shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

If the Shareholders choosing not to attend the AGM in person have any questions about the relevant resolutions, or about the Company or any matters for communication with the Board, they are welcome to contact the Company through the company secretary of the Company whose contact details are as follows:

Telephone: (852) 2765 8787  
Facsimile: (852) 2764 9142/(852) 2334 5762  
Email: [rubywan@trio-ieg.com](mailto:rubywan@trio-ieg.com)

If Shareholders have any questions relating to the AGM, please contact Tricor Investor Services Limited, the Company’s share registrar as follows:

Tricor Investor Services Limited  
Address: Level 54, Hopewell Centre  
183 Queen’s Road East  
Hong Kong  
Telephone: (852) 2980 1333  
Facsimile: (852) 2810 8185  
Email: [is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com)

*As at the date of this notice, the Board of Directors of the Company comprises Mr. Lai Yiu Wah, Mr. Tai Leung Lam and Mr. Joseph Mac Carthy as Executive Directors, Mr. Fung Chun Chung, Mr. Cheung Kin Wing and Mr. Wong Raymond Fook Lam as Independent non-executive Directors.*