TRIGIANT GROUP LIMITED
俊 知 集 團 有 限 公 司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1300)

(1) DISCLOSEABLE AND CONNECTED TRANSACTION — ACQUISITION OF THE REMAINING 40% INTEREST IN A NON-WHOLLY-OWNED SUBSIDIARY AND ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE; (2) APPLICATION OF WHITEWASH WAIVER; AND (3) RESUMPTION OF TRADING

The Board is pleased to announce that after trading hours on 30 March 2017, the Purchaser, a wholly-owned subsidiary of the Company, the Vendor and the Warrantors entered into the SP Agreement pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Sale Shares at a Consideration for the Acquisition is RMB377,434,849 (equivalent to approximately HK$425,672,000), which shall be settled partly as to RMB140,095,440 (equivalent to approximately HK$158,000,000) in cash and partly as to RMB237,339,409 (equivalent to approximately HK$267,672,000) by the allotment and issue, credited as fully paid, of 228,000,000 Consideration Shares to the Vendor at Completion. The Sale Shares represent 40% of issued shares of the Target Company and as at the date of this announcement, the Target Company is owned as to 60% by the Purchaser and as to 40% by the Vendor.

* *For identification purpose only*

The 228,000,000 Consideration Shares represent (i) approximately 14.58% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 12.73% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares (assuming that there is no other change to the share capital of the Company prior to Completion). The issue price of approximately HK$1.174 per Consideration Share represents (1) a discount of approximately 0.51% to the closing price of HK$1.18 per Share as quoted on the Stock Exchange on the Last Trading Day; (2) a discount of approximately 0.68% to the average closing price of HK$1.182 per Share as quoted on the Stock Exchange for the 5 consecutive trading days of the Shares immediately prior to the Last Trading Day; and (3) equivalent to the average closing price of HK$1.174 per Share as quoted on the Stock Exchange for the 5 consecutive trading days of the Shares immediately prior to and including the Last Trading Day. The Consideration Shares will be issued under the Specific Mandate.

The principal asset of the Target Group is its 87.5% equity interest in Trigiant Optic-Electric, a limited liability company established in the PRC, which is principally engaged in research and development, manufacturing and sale of optical fibre cables, special cable series, electronic components and communication equipment. As at the date of this announcement, Trigiant Optic-Electric is owned as to 87.5% by a wholly-owned subsidiary of the Target Company and as to 12.5% by the Group, and hence the aggregate effective interest of the Company in Trigiant Optic-Electric is 65%. Upon Completion, each member of the Target Group will become a wholly-owned subsidiary of the Company.

IMPLICATIONS UNDER THE LISTING RULES

The Purchaser's existing 60% interest in the Target Company was acquired by the Purchaser under the Previous Acquisition in 2014. The Previous Acquisition constituted a discloseable transaction of the Company pursuant to Chapter 14 of the Listing Rules and the Company has complied with the relevant applicable Listing Rules requirements in respect of the Previous Acquisition.

The Acquisition contemplated under the Agreement constitutes a discloseable transaction for the Company under the Listing Rules and is therefore subject to notification and announcement requirements of Chapter 14 of the Listing Rules.

In view of the fact that the Vendor is a substantial shareholder of the Company holding 200,000,000 Shares, representing 12.79% of the issued share capital of the Company as at the date of this announcement, the Vendor is a connected person of the Company and accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Given that the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Acquisition exceeds 5% but is less than 25% and the Consideration is more than HK$10,000,000, the Acquisition, including the grant of the Specific Mandate, is subject to the reporting, announcement and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

TAKEOVERS CODE IMPLICATIONS

As at the date of this announcement, (1) the Mr. Qian Concert Group (comprising Mr. Qian, Abraholme, Trigiant Investments, Mr. Jiang, Neala Holdings and Atrium Noble), taken together, directly or indirectly, hold 622,392,000 Shares, representing approximately 39.81% of the existing issued share capital of the Company; and (2) the Vendor holds 200,000,000 Shares, representing approximately 12.79% of the existing issued share capital of the Company.

Upon Completion at which a total of 228,000,000 Consideration Shares will be issued to the Vendor and assuming that there is no other change to the issued share capital of the Company from the date of this announcement and up to Completion, (i) the Vendor will in aggregate hold 428,000,000 Shares, representing approximately 23.89% of the issued share capital of the Company as enlarged by the issue of the Consideration Shares; and (ii) the shareholding percentage of the Mr. Qian Concert Group (comprising Mr. Qian, Abraholme, Trigiant Investments, Mr. Jiang, Neala Holdings and Atrium Noble) in the Company will be diluted to approximately 34.74%. As a result, as each of (i) the Vendor and (ii) the Mr. Qian Concert Group will be owning more than 20% or more of the voting rights of the Company and is thus an associated company (as defined in the Takeovers Code) of the Company and hence, under the definition of "acting in concert" under the Takeovers Code, the Vendor and the Mr. Qian Concert Group would be presumed to be acting in concert with each other.

The allotment and issue of the Consideration Shares to the Vendor would have the effect of increasing the Vendor's shareholding in the Company from 12.79% to 23.89%, and as a result of the Vendor being presumed to be acting in concert with the Mr Qian Concert Group, the aggregate voting rights of the Vendor together with the Mr. Qian Concert Group and parties acting in concert with each of them in the Company would become 58.63% (assuming that there is no other change to the issued share capital of the Company from the date of this announcement and up to Completion). Such increase of the Vendor's and the Mr. Qian Concert Group's collective holding of voting rights of the Company would therefore trigger an obligation of the Vendor, together with the Mr. Qian Concert Group, and parties acting in concert with each of them, to make a mandatory general offer for all the issued Shares not already owned by them and parties acting in concert with them under Rule 26 of the Takeovers Code, unless the Whitewash Waiver is granted by the Executive and the Whitewash Waiver is approved by the Independent Shareholders. Such conditions precedent are not capable of being waived by any party to the SP Agreement. The Vendor will make an application to the Executive for the Whitewash Waiver. The Whitewash Waiver, if granted, would be subject to, among other things, the approval of the Independent Shareholders at the EGM by way of poll. As the Vendor, together with the Mr. Qian Concert Group and parties acting in concert with each of them, do not have any plan to make a general offer in respect of the Shares, in the event that the Whitewash Waiver is not granted by the Executive or the Whitewash Waiver not having been approved by the Independent Shareholders, the SP Agreement will lapse and the Acquisition will not proceed.

Each of the Vendor and the Mr. Qian Concert Group has confirmed that it and parties acting in concert with it have not acquired or disposed of or entered into any agreement or arrangement to acquire or dispose of, voting rights in the Company in the 6 months prior to and up to and including the date of this announcement.

GENERAL

The Independent Board Committee comprising all of the non-executive Directors has been established to advise and provide recommendation to the Independent Shareholders on the SP Agreement and the transactions contemplated thereunder and the Whitewash Waiver and to advise the Independent Shareholders on how to vote. In this connection, the Company will appoint an Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the SP Agreement and the Acquisition, including the grant of the Specific Mandate, and the Whitewash Waiver are fair and reasonable and are in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders on how to vote.

The EGM will be convened for the purpose of, among other matters, considering, and if thought fit, approving the Acquisition and the grant of the Specific Mandate and the Whitewash Waiver. A circular containing, among other things, (i) details of the SP Agreement and the transactions contemplated thereunder and other information as required to be disclosed under the Listing Rules and the Takeovers Code; (ii) details of the application for the Whitewash Waiver; (iii) the recommendation from the Independent Board Committee to the Independent Shareholders in relation to the SP Agreement and the transactions contemplated thereunder and the Whitewash Waiver; (iv) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (v) a notice of the EGM, is expected to be despatched to the Shareholders on or before 26 April 2017.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares has been halted with effect from 9:00 a.m. on 31 March 2017 pending the issue of this announcement. Application has been made for the resumption of trading in the Shares with effect from 9:00 a.m. on 6 April 2017.

WARNING

Shareholders and potential investors should note that the Acquisition is subject to the fulfilment of a number of conditions, and accordingly, the transactions contemplated thereunder may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the securities of the Company.

The Board wishes to announce that after trading hours on 30 March 2017, the Purchaser, a wholly-owned subsidiary of the Company, the Vendor and the Warrantors entered into the SP Agreement, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the Sale Shares upon and subject to the terms and conditions of the SP Agreement. Major terms of the SP Agreement are set out below.

THE SP AGREEMENT

Date

30 March 2017

Parties

(1) the Purchaser, a wholly-owned subsidiary of the Company;

(2) the Vendor; and

(3) the Warrantors, being all the shareholders of the Vendor.

The Vendor is a company incorporated in the BVI with limited liability which is principally engaged in investment holding. The Vendor is owned by the Warrantors as to 40% by Mr. Zhu Xujin, who is also its sole director, and as to 30% by Mr. Shao Yijun and 30% by Mr. Zhao Ting. The Vendor currently holds approximately 12.79% of the issued share capital of the Company as at the date of this announcement and is thus a substantial shareholder of the Company. Accordingly, the Vendor is a connected person of the Company under the Listing Rules.

Assets to be acquired

The Purchaser conditionally agreed to purchase and the Vendor conditionally agreed to sell the Sale Shares free from all encumbrances together with all rights now or thereafter attaching thereto, including all dividends or distributions which may be paid, declared or made in respect thereof at any time on or after the Completion Date. The Sale Shares represent 40% of the issued shares of the Target Company.

The Group acquired 60% of the issued shares of the Target Company under the Previous Acquisition. Further particulars of the Previous Acquisition, the Target Company and the Target Group are set out in the section headed ''Information on the Target Group'' below.

Consideration

The Consideration for the Acquisition is RMB377,434,849 (equivalent to approximately HK$425,672,000), which shall be settled in the following manner:

(a) as to RMB140,095,440 (equivalent to HK$158,000,000) in cash; and

(b) as to RMB237,339,409 (equivalent to approximately HK$267,672,000) by the allotment and issue, credited as fully paid, of 228,000,000 Consideration Shares to the Vendor at Completion.

The Group plans to fund the cash portion of the Consideration by its internal resources.

The 228,000,000 Consideration Shares represent (i) approximately 14.58% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 12.73% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares (assuming that there is no other change to the share capital of the Company prior to Completion).

The issue price of approximately HK$1.174 per Consideration Share represents:

(1) a discount of approximately 0.51% to the closing price of HK$1.18 per Share as quoted on the Stock Exchange on the Last Trading Day, being the date of the SP Agreement;

(2) a discount of approximately 0.68% to the average closing price of HK$1.182 per Share as quoted on the Stock Exchange for the 5 consecutive trading days of the Shares immediately prior to the Last Trading Day; and

(3) equivalent to the average closing price of HK$1.174 per Share as quoted on the Stock Exchange for the 5 consecutive trading days of the Shares immediately prior to and including the Last Trading Day.

The Consideration Shares will be issued under the Specific Mandate to be granted to the Directors by the Shareholders at the EGM.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares. The Consideration Shares to be allotted and issued shall rank pari passu among themselves and with all Shares in issue on the Completion Date.

The Consideration was arrived at after arm's length negotiation between the parties to the SP Agreement on normal commercial terms with reference to (i) the audited profit after tax of Trigiant Optic-Electric for the year ended 31 December 2016; (ii) the effective interest of 35% in Trigiant Optic-Electric to be acquired by the Group under the Acquisition; (iii) the exchange loss recorded by the Target Company in relation to its investments in Trigiant Optic-Electric for the year ended 31 December 2016; (iv) the business development and future prospects of the Target Group; and (v) the reasons as set out in the paragraph headed "Reasons for and benefits of the Acquisition" below.

Conditions precedent

Completion shall be conditional upon the following conditions precedent:

(1) the Independent Shareholders having passed the necessary resolution approving the transactions contemplated under the SP Agreement and the allotment and issue of the Consideration Shares including the Specific Mandate at the EGM;

(2) the Independent Shareholders having passed the necessary resolution approving the Whitewash Waiver at the EGM;

(3) the Executive having granted the Whitewash Waiver and the satisfaction of any condition attached to the Whitewash Waiver granted, and the Whitewash Waiver not being revoked;

(4) the Stock Exchange having granted the approval for the listing of, and permission to deal in, the Consideration Shares, and such approval not being revoked;

(5) the compliance with the applicable requirements under the Listing Rules by the Company;

(6) all such waivers, consents or other documents (if any) as the Vendor may require in relation to the completion of the transactions contemplated under the SP Agreement having been obtained; and

(7) the representations, warranties and undertakings given by the Vendor and the Warrantors to the Purchaser remain true, accurate and not misleading.

The Company may waive the condition precedent (7) above by written notice to the Vendor. Save as aforesaid, none of the conditions precedent is capable of being waived by any party to the SP Agreement.

It is confirmed that in relation to condition precedent (6) above, no such waivers, consents, approvals, authorisations or grant other than the Whitewash Waiver were contemplated as at the date of this announcement.

If the conditions precedent above cannot be fulfilled (or waived, where applicable) on or before 4:00 p.m. on 30 September 2017, the SP Agreement shall terminate (save and except certain provisions, including confidentiality and announcements, notices and governing law) and the obligations of the parties to proceed with Completion shall cease and terminate and no party shall have any claim against or liability to the other party with respect to any matter referred to in the SP Agreement save for any antecedent breaches of the SP Agreement.

Completion

Completion shall take place on a day within 5 Business Days after the last outstanding condition precedent is fulfilled or waived (other than the conditions precedent(s) which is/are only capable of being fulfilled at Completion) or such other date as the Company and the Vendor shall agree in writing.

Guarantee of the Warrantors

Under the SP Agreement, the Warrantors have irrevocably, and unconditionally, as primary obligors, undertaken and guaranteed, as the Vendor's guarantors the full, prompt, complete and due performance by the Vendor of all and any of its obligations under the SP Agreement.

INFORMATION ON THE TARGET GROUP

The Target Company is a company incorporated in the BVI with limited liability which is principally engaged in investment holding.

The Company, through the Purchaser, is interested in 60% of the equity interest in the Target Company. As disclosed in the announcement of the Company dated 12 December 2014, the Purchaser acquired a total of 60% of the issued shares of the Target Company at a consideration of RMB219,109,680 which was satisfied by the allotment and issue, credited as fully paid, of 200,000,000 Shares to the Vendor. The Previous Acquisition constituted a discloseable transaction of the Company pursuant to Chapter 14 of the Listing Rules and the Company has complied with the relevant applicable Listing Rules requirements in respect of the Previous Acquisition. Completion of the Previous Acquisition took place on 30 December 2014. Since 30 December 2014, each member of the Target Group has become a non-wholly-owned subsidiary of the Company and the financial results of the Target Group has been consolidated into the consolidated financial statements of the Company. As at the date of this announcement, the remaining 40% of the issued shares of the Target Company are owned by the Vendor.

The principal asset of the Target Company is Trigiant Optic-Electric, a limited liability company established in the PRC which is principally engaged in research and development, manufacturing and sale of optical fibre cables, special cable series, electronic components and communication equipment. As at the date of this announcement, Trigiant Optic-Electric is owned as to 87.5% by the Target Company and as to 12.5% by the Group. Taking into account the 60% stake in the Target Company as held by the Group, the effective interest of the Company in Trigiant Optic-Electric is 65%.

Since its incorporation on 1 March 2010, Trigiant Optic-Electric has obtained various awards and certificates of recognition. It has also obtained the respective Certificate for Management System in the areas of quality management, environmental management and employee health and safety issued by TL Certification Centre under the China Academy of Telecommunication Research of the Ministry of Industry and Information Technology of the PRC. Trigiant Optic-Electric has registered a total of 22 patents in the PRC and has established solid growth in its optical fibre cable business in the PRC during the past few years.

The Company's audited consolidated financial results for the year ended 31 December 2016 were published on 27 March 2017. Such audited financial results included the results of the Target Group for the same period.

Set out below is a summary of certain financial information of the Target Group for the year ended 31 December 2015 and the year ended 31 December 2016 comprised in the Company's audited consolidated financial statements for the respective periods:

	For the year ended 31 December 2015 *RMB'000* *approximately*	**For the year ended 31 December 2016** *RMB'000* *approximately*
Profit before taxation	97,956	111,512
Profit for the year attributable to owners of the Target Company	71,565	80,674

As at 31 December 2016, the total asset value and net asset value (excluding non-controlling interest) of the Target Group were approximately RMB747.1 million and RMB337.2 million respectively.

Upon Completion, each member of the Target Group shall become a wholly-owned subsidiary of the Company and the financial results of the Target Group will continue to be consolidated with those of the Group.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in research, development and sales of feeder cable series, optical fibre cable series and related products, flame-retardant flexible cable series, new-type electronic components and other accessories for mobile communications and telecommunications transmission.

The Group has established itself based on the solid foundation of its expertise in manufacturing and sales of feeder cable series. Since its inception, the Group has dedicated its effort to broaden its market segments and customer base within the telecommunication industry. In this regard, the Group acquired a controlling stake in the Target Group at the end of 2014 to further broaden the Group's product portfolio within the telecommunication industry.

Since 30 December 2014, the financial results of the Target Group has been consolidated into the consolidated financial statements of the Company and the Target Group has provided the Group with continuous positive contribution. As a result, the Group's optical fibre cable product business has progressed significantly, becoming a major momentum for the Group's business growth.

Over the recent several years, the PRC has witnessed a fast growth in the broadband network coverage and it is expected that investments in the network construction will continue to rise, amongst which investments in the 4G network and the broadband network will take a dominant role.

In view of the historical performance of the Target Group through Trigiant Optic-Electiric, taking into account the Group's optical quality products and services and given the Group's stable and long-term collaboration with the three major telecommunications operators in the PRC, the Directors are of the view that the Acquisition will provide a prime opportunity for the Group to continue to develop its optical fibre cable product business segment which will lay a solid foundation for the long-term development of this business and give a positive impact to the operations, financial results and profitability of the Group.

The terms of the SP Agreement were determined after arm's length negotiations between the parties thereto. In light of the reasons above, the Directors (other than the non-executive Director and the independent non-executive Directors whose views will be formed after taking into account the advice of the Independent Board Committee and the Independent Financial Adviser) are of the view that the Acquisition and the terms of the SP Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

CHANGES IN SHAREHOLDING STRUCTURE

The following table illustrates the shareholding structure of the Company as at the date of this announcement and immediately following Completion (assuming that there is no change in the issued share capital of the Company from the date of this announcement and up to Completion other than the issue of the Consideration Shares):

Shareholders	**Immediately before Completion**		**Immediately after Completion**	
	Number of Shares	*Approximate %*	*Number of Shares*	*Approximate %*
Mr. Qian Concert Group				
Mr. Qian and his associates *(Note 1)*	523,021,750	33.45	523,021,750	29.19
Mr. Jiang *(Note 2)*	60,000	0.00	60,000	0.00
Neala Holdings	51,641,330	3.30	51,641,330	2.88
Atrium Noble	47,668,920	3.05	47,668,920	2.66
Subtotal	622,392,000	39.81	622,392,000	34.74
The Vendor *(Note 3)*	200,000,000	12.79	428,000,000	23.89
Eternal Asia (HK) Limited *(Note 4)*	292,876,000	18.73	292,876,000	16.35
Public Shareholders	448,232,000	28.67	448,232,000	25.02
Total	1,563,500,000	100.00	1,791,500,000	100.00

Notes:

1. Of these Shares: (a) 6,582,000 Shares are held by Mr. Qian; (b) 250,000 Shares are held by Abraholme; and (c) 516,189,750 Shares are held by Trigiant Investments. Mr. Qian is an executive Director and the Chairman of the Board.

2. Mr. Jiang is an executive Director and the Group Chief Executive Officer.

3. These Shares are held by the Vendor, which is owned by the Warrantors as to 40% by Mr. Zhu Xujun, 30% by Mr. Shao Yijun and 30% by Mr. Zhao Ting.

4. Based on the notices of disclosure of interests dated 20 October 2016 of Eternal Asia (HK) Limited, Shenzhen Eternal Asia Supply Chain Management Ltd.*, Shenzhen Eternal Asia Investment Holding Limited* and Mr. Zhou Guohui each filed with the Stock Exchange, Eternal Asia (HK) Limited is a company wholly owned by Shenzhen Eternal Asia Supply Chain Management Ltd*, which in turn is owned as to 36.54% by Shenzhen Eternal Asia Investment Holding Limited*, which in turn is wholly owned by Mr. Zhou Guohui.

5. As at the date of this announcement, the Company has share options granted under its share option scheme entitling the holders thereof to subscribe for an aggregate of 71,600,000 Shares, of which share options entitling the holders thereof to subscribe for an aggregate of 3,200,000 Shares are held by certain members of the Mr. Qian Concert Group and their close relatives.

6. Certain of the figures set out in this table have been subject to rounding adjustments. Accordingly, figures shown as totals herein may not be an arithmetic aggregation of the figures preceding them.

IMPLICATIONS UNDER THE LISTING RULES

The Purchaser's existing 60% interest in the Target Company was acquired by the Purchaser under the Previous Acquisition in 2014. The Previous Acquisition constituted a discloseable transaction of the Company pursuant to Chapter 14 of the Listing Rules and the Company has complied with the relevant applicable Listing Rules requirements in respect of the Previous Acquisition.

The Acquisition contemplated under the Agreement constitutes a discloseable transaction for the Company under the Listing Rules and is therefore subject to notification and announcement requirements of Chapter 14 of the Listing Rules.

In view of the fact that the Vendor is a substantial shareholder of the Company holding 200,000,000 Shares, representing 12.79% of the issued share capital of the Company as at the date of this announcement, the Vendor is a connected person of the Company and accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Given that the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Acquisition exceeds 5% but is less than 25% and the Consideration is more than HK$10,000,000, the Acquisition, including the grant of the Specific Mandate, is subject to the reporting, announcement and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

None of the Directors had material interests in the transactions contemplated under the Acquisition and accordingly, no Director was required to abstain on the resolutions at the Board meeting held to approve the Agreement and the transactions contemplated thereunder.

TAKEOVERS CODE IMPLICATIONS

Application for the Whitewash Waiver

As at the date of this announcement, (1) the Mr. Qian Concert Group (comprising Mr. Qian, Abraholme, Trigiant Investments, Mr. Jiang, Neala Holdings and Atrium Noble), taken together, directly or indirectly, hold 622,392,000 Shares, representing approximately 39.81% of the existing issued share capital of the Company; and (2) the Vendor holds 200,000,000 Shares, representing approximately 12.79% of the existing issued share capital of the Company.

Upon Completion at which a total of 228,000,000 Consideration Shares will be issued to the Vendor and assuming that there is no other change to the issued share capital of the Company from the date of this announcement and up to Completion, (i) the Vendor will in aggregate hold 428,000,000 Shares, representing approximately 23.89% of the issued share capital of the Company as enlarged by the issue of the Consideration Shares; and (ii) the shareholding percentage of the Mr. Qian Concert Group (comprising Mr. Qian, Abraholme, Trigiant Investments, Mr. Jiang, Neala Holdings and Atrium Noble) in the Company will be diluted to approximately 34.74%. As a result, as each of (i) the Vendor and (ii) the Mr. Qian Concert Group will be owning more than 20% or more of the voting rights of the Company and is thus an associated company (as defined in the Takeovers Code) of the Company and hence, under the definition of "acting in concert" under the Takeovers Code, the Vendor and the Mr. Qian Concert Group would be presumed to be acting in concert with each other.

The allotment and issue of the Consideration Shares to the Vendor would have the effect of increasing the Vendor's shareholding in the Company from 12.79% to 23.89%, and as a result of the Vendor being presumed to be acting in concert with the Mr Qian Concert Group, the aggregate voting rights of the Vendor together with the Mr. Qian Concert Group and parties acting in concert with each of them in the Company would become 58.63% (assuming that there is no other change to the issued share capital of the Company from the date of this announcement and up to Completion). Such increase of Vendor's and the Mr. Qian Concert Group's collective holding of voting rights of the Company would therefore trigger an obligation of the Vendor, together with the Mr. Qian Concert Group, and parties acting in concert with each of them, to make a mandatory general offer for all the issued Shares not already owned by them and parties acting in concert with them under Rule 26 of the Takeovers Code, unless the Whitewash Waiver is granted by the Executive and the Whitewash Waiver is approved by the Independent Shareholders. Such conditions precedent are not capable of being waived by any party to the SP Agreement. The Vendor will make an application to the Executive for the Whitewash Waiver. The Whitewash Waiver, if granted, would be subject to, among other things, the approval of the Independent Shareholders at the EGM by way of poll. As the Vendor, together with the Mr. Qian Concert Group and parties acting in concert with each of them, do not have any plan to make a general offer in respect of the Shares, in the event that the Whitewash Waiver is not granted by the Executive or the Whitewash Waiver not having been approved by the Independent Shareholders, the SP Agreement will lapse and the Acquisition will not proceed.

If the Whitewash Waiver is approved by the Independent Shareholders, the voting rights of the Company held by the Vendor, the Mr. Qian Concert Group, and parties acting in concert with each of them upon the allotment and issue of the Consideration Shares will exceed 50% of the voting rights of the Company. The Mr. Qian Concert Group and/or the Vendor may further increase their holdings of voting rights of the Company without incurring any further obligations under Rule 26 of the Takeovers Code to make a general offer. Nonetheless, any member of the Vendor together with the Mr. Qian Concert Group and parties acting in concert with each of them (1) who acquires, whether by a series of transactions over a period of time or not, 30% or more of the voting rights of the Company would still trigger an obligation to make a general offer under Rule 26 of the Takeovers Code; and (2) who holds not less than 30% but not more than 50% of the voting rights of the Company and that such member acquires additional voting rights and such acquisition has the effect of increasing that member's holding of voting rights of the Company by more than 2% from the lowest percentage holding of that member in the 12 month period ending on and inclusive of the date of the relevant acquisition would still trigger an obligation to make a general offer under Rule 26 of the Takeovers Code.

The view and recommendation of the Independent Financial Adviser in respect of the SP Agreement and the Acquisition, including the grant of the Specific Mandate, and the Whitewash Waiver will be set out in a circular to be issued by the Company to Shareholders as required by the Takeovers Code and the Listing Rules.

As at the date of this announcement, the Company does not believe that the Acquisition, including the grant of the Specific Mandate, and the Whitewash Waiver will give rise to any concerns in relation to compliance with other applicable rules or regulations (including the Listing Rules) other than those as set out in this announcement. If a concern should arise after the release of this announcement, the Company will endeavour to resolve the matter to the satisfaction of the relevant authority as soon as possible but in any event before the despatch of the whitewash circular. The Company notes that the Executive may not grant the Whitewash Waiver if the Acquisition, including the grant of the Specific Mandate, and the Whitewash Waiver do not comply with other applicable rules and regulations.

Dealings and interest held in the Company's securities by the Vendor and parties acting in concert with it (for this purpose, excluding the Mr. Qian Concert Group and parties acting in concert with it)

As at the date of this announcement, the Vendor has confirmed that:

(i) neither the Vendor nor parties acting in concert with it has received an irrevocable commitment from anyone to vote for the Acquisition and/or the Whitewash Waiver;

(ii) save for the proposed allotment and issue of the Consideration Shares under the Acquisition, neither the Vendor nor parties acting in concert with it holds any convertible securities, warrants or options of the Company;

(iii) neither the Vendor nor parties acting in concert with it has entered into outstanding derivative in respect of securities in the Company;

(iv) there are no arrangements (whether by way of option, indemnity or otherwise) in relation to the Shares, shares of the Vendor and shares of the Mr. Qian Concert Group members (which are corporations) and which might be material to the Acquisition and/or the Whitewash Waiver;

(v) there are no agreements or arrangements to which the Vendor or any of the parties acting in concert with it is a party which relate to the circumstances in which any of them may or may not invoke or seek to invoke a pre-condition or a condition to the Acquisition and/or the Whitewash Waiver (save as the conditions precedent to the SP Agreement); and

(vi) there are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Vendor or parties acting in concert with it has borrowed or lent, save for any borrowed shares which have been either on-lent or sold.

The Vendor has confirmed that it or parties acting in concert with it have not acquired or disposed of or entered into any agreement or arrangement to acquire or dispose of, voting rights in the Company in the six months prior to and up to and including the date of this announcement.

Dealings and interest held in the Company's securities by the Mr. Qian Concert Group and parties acting in concert with them (for this purpose, excluding the Vendor and parties acting in concert with it)

As at the date of this announcement, the Mr. Qian Concert Group (comprising Mr. Qian, Abraholme, Trigiant Investments, Mr. Jiang, Neala Holdings and Atrium Noble) has confirmed that:

(i) neither the Mr. Qian Concert Group nor parties acting in concert with them has received an irrevocable commitment from anyone to vote for the Acquisition and/or the Whitewash Waiver;

(ii) save for the share options entitling the holders thereof to subscribe for an aggregate of 3,200,000 Shares which are held by certain members of the Mr. Qian Concert Group and their close relatives, neither the Mr. Qian Concert Group nor parties acting in concert with them holds any convertible securities, warrants or options of the Company;

(iii) neither the Mr. Qian Concert Group nor parties acting in concert with them has entered into outstanding derivative in respect of securities in the Company;

(iv) there are no arrangements (whether by way of option, indemnity or otherwise) in relation to the Shares, shares of the Mr. Qian Concert Group members (which are corporations) and shares of the Vendor and which might be material to the Acquisition and/or the Whitewash Waiver;

(v) there are no agreements or arrangements to which the Mr. Qian Concert Group or any of the parties acting in concert with them is a party which relate to the circumstances in which any of them may or may not invoke or seek to invoke a pre-condition or a condition to the Acquisition and/or the Whitewash Waiver (save as the conditions precedent to the SP Agreement); and

(vi) there are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Mr. Qian Concert Group or parties acting in concert with them has borrowed or lent, save for any borrowed shares which have been either on-lent or sold.

The Mr. Qian Concert Group has confirmed that they or parties acting in concert with them have not acquired or disposed of or entered into any agreement or arrangement to acquire or dispose of, voting rights in the Company in the six months prior to and up to and including the date of this announcement.

GENERAL

The Independent Board Committee comprising all of the non-executive Directors has been established to advise and provide recommendation to the Independent Shareholders on the SP Agreement and the transactions contemplated thereunder and the Whitewash Waiver and to advise the Independent Shareholders on how to vote. In this connection, the Company will appoint an Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the SP Agreement and the Acquisition, including the grant of the Specific Mandate, and the Whitewash Waiver are fair and reasonable and are in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders on how to vote.

The EGM will be convened for the purpose of, among other matters, considering, and if thought fit, approving the Acquisition and the grant of the Specific Mandate and the Whitewash Waiver. A circular containing, among other things, (i) details of the SP Agreement and the transactions contemplated thereunder and other information as required to be disclosed under the Listing Rules and the Takeovers Code; (ii) details of the application for the Whitewash Waiver; (iii) the recommendation from the Independent Board Committee to the Independent Shareholders in relation to the SP Agreement and the transactions contemplated thereunder and the Whitewash Waiver; (iv) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (v) a notice of the EGM, is expected to be despatched to the Shareholders on or before 26 April 2017.

To the best knowledge of the Directors, save for the Mr. Qian Concert Group and the Vendor and parties acting in concert with each of them and their respective associates, which are required to abstain from voting on the resolutions to be proposed at the EGM, no Shareholder had a material interest in the Acquisition and the Whitewash Waiver and no other Shareholder would be required to abstain from voting at the EGM in respect of the resolutions relating to the Acquisition and the Whitewash Waiver.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares has been halted with effect from 9:00 a.m. on 31 March 2017 pending the issue of this announcement. Application has been made for the resumption of trading in the Shares with effect from 9:00 a.m. on 6 April 2017.

WARNING

Shareholders and potential investors should note that the Acquisition is subject to the fulfilment of a number of conditions, and accordingly, the transactions contemplated thereunder may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the securities of the Company.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

"Abraholme"	Abraholme International Limited, a company incorporated in the BVI which is wholly owned by Mr. Qian
"acting in concert"	has the meaning as ascribed to it under the Takeovers Code
"Acquisition"	the acquisition of the Sale Shares by the Purchaser from the Vendor pursuant to the SP Agreement
"associate"	has the meaning ascribed to it in the Listing Rules

"Atrium Noble"	Atrium Noble Limited, a company incorporated in the BVI and controlled by Mr. Sun Jinrong, a brother-in-law of Mr. Qian and a director of a subsidiary of the Company. Atrium Noble is owned as to 50% by Mr. Sun Jinrong, the sole director of Atrium Noble, 29.17% by Mr. Dai Xiaolin, a director of a subsidiary of the Company, and 20.83% by Mr. Yu Daxiong, the supervisor of a subsidiary of the Company. As at the date of this announcement, Atrium Noble is the holder of 47,668,920 Shares
"Board"	the board of Directors
"Business Day"	a day (excluding Saturday and any day on which a tropical cyclone warning no.8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a "black" rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business
"BVI"	British Virgin Islands
"Company"	Trigiant Group Limited, a company incorporated in the Cayman Islands with limited liability whose Shares are listed on the Main Board of the Stock Exchange
"Completion"	completion of the Acquisition
"connected person"	has the meaning ascribed to it in the Listing Rules
"Consideration"	the aggregate consideration payable by the Company for the Sale Shares under the SP Agreement
"Consideration Shares"	means 228,000,000 Shares to be allotted and issued, credited as fully paid, by the Company to the Vendor upon Completion as part of the Consideration pursuant to the SP Agreement
"controlling shareholder"	has the meaning ascribed to it in the Listing Rules
"Director(s)"	the director(s) of the Company
"EGM"	an extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Acquisition including the grant of the Specific Mandate and the Whitewash Waiver

"Executive"	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any delegate of the Executive Director, as defined in the Takeovers Code
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Board Committee"	an independent committee of the Board (which comprises all the non-executive Directors) established to advise the Independent Shareholders with regard to the SP Agreement and the transactions contemplated thereunder and the Whitewash Waiver
"Independent Financial Adviser"	an independent financial adviser to be appointed for the purpose of advising the Independent Board Committee and the Independent Shareholders as to the SP Agreement and the transactions contemplated thereunder and the Whitewash Waiver
"Independent Shareholders"	Shareholders other than (i) the Mr. Qian Concert Group and the Vendor and parties acting in concert with each of them; and (ii) those who are involved in or interested in the Acquisition and/or the Whitewash Waiver, and their respective concert parties and associates
"Independent Third Party"	third party independent of the Company and the connected persons of the Company
"Last Trading Day"	30 March 2017, being the last full trading day immediately prior to the date of the SP Agreement
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Mr. Jiang"	Mr. Jiang Wei, an executive Director and the Group Chief Executive Officer
"Mr. Qian"	Mr. Qian Lirong, an executive Director and the Chairman of the Board
"Mr. Qian Concert Group"	Mr. Qian, Abraholme, Trigiant Investments, Mr. Jiang, Neala Holdings and Atrium Noble

"Neala Holdings"	Neala Holdings Limited, a company incorporated in the BVI and controlled by and controlled by Mr. Shen Xinren, a brother-in-law of Mr. Qian and a director of a subsidiary of the Company. Neala Holdings is owned as to 57.69% by Mr. Shen Xinren, the sole director of Neala Holdings, and 42.31% by Mr. Sun Xuelin, an uncle of Mr. Qian and a director of a subsidiary of the Company. As at the date of this announcement, Neala Holdings is the holder of 51,641,330 Shares
"PRC"	the People's Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"Previous Acquisition"	The acquisition of 60% of the issued shares of the Target Company by Purchaser from the Vendor, further particulars of which are set out in the announcement of the Company dated 12 December 2014
"Purchaser"	Trigiant Holdings Limited, a wholly-owned subsidiary of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"SP Agreement"	the agreement dated 30 March 2017 entered into between the Purchaser, the Vendor and the Warrantors in relation to the Acquisition
"Sale Shares"	112 shares of the Target Company, representing 40% of the issued share capital of the Target Company as at the date of this announcement and at Completion
"Share(s)"	ordinary shares of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Shares
"Specific Mandate"	the specific mandate to be sought from the Independent Shareholders at the EGM to grant the authority to the Board for the allotment and issue of the Consideration Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Code on Takeovers and Mergers
"Target Company"	Jiang Mei Limited, a company incorporated in the BVI with limited liability
"Target Group"	Target Company and its subsidiaries

"Trigiant Investments"	Trigiant Investments Limited, a company incorporated in the BVI and owned as to 91.79% by Abraholme, and 8.21% by Headwell International Limited, a company owned as to 32% by Mr. Jiang, 28% by Mr. Xia Jie, 24% by Mr. Jiang Xinhong, and 16% by Mr. Sun Huxing
"Trigiant Optic-Electric"	江蘇俊知光電通信有限公司 (in English for identification purpose only, Jiangsu Trigiant Optic-Electric Communication Co., Ltd.), a limited liability company established in the PRC and owned as to 87.5% by a wholly-owned subsidiary of the Target Company and as to 12.5% by the Group as at the date of this announcement
"Vendor"	Easy Beauty Limited, a company incorporated in the BVI with limited liability
"Warranties"	means the representations, warranties and undertakings given by the Vendor and the Warrantors pursuant to the SP Agreement
"Warrantors"	Mr. Zhu Xujin, Mr. Shao Yijun and Mr. Zhao Ting, being all the shareholders of the Vendor
"Whitewash Waiver"	waiver as may be granted by the Executive under Note 1 on dispensation from Rule 26 of the Takeovers Code in favour of the Vendor and parties acting in concert with it in respect of their obligations to make a general offer to acquire the issued Shares (excluding the issued Shares which are owned or agreed to be acquired by the Vendor, the Mr. Qian Concert Group and parties acting in concert with each of them) in accordance with the Takeovers Code as a result of the allotment and issue of the Consideration Shares to the Vendor under the Acquisition
"%"	per cent.

In this announcement, for the purpose of illustration only, amounts quoted in RMB have been converted into HK$ at the rate of RMB1 to HK$0.88668. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

On behalf of the Board
Trigiant Group Limited
Qian Lirong
Chairman

Hong Kong, 5 April 2017

As at the date of this announcement, the Board comprises the following members:

Executive Directors:	Mr. Qian Lirong *(Chairman)* Mr. Jiang Wei *(Group chief executive officer)*
Non-executive Director:	Dr. Fung Kwan Hung
Independent non-executive Directors:	Professor Jin Xiaofeng Mr. Poon Yick Pang Philip Mr. Ng Wai Hung Ms. Jia Lina
Alternate Director to Mr. Qian Lirong:	Mr. Qian Chenhui

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Mr. Qian Concert Group, the Vendor and their respective parties acting in concert with them) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Mr. Qian Concert Group, the Vendor and their respective parties acting in concert with them) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the sole director of the Vendor is Mr. Zhu Xujin.

The sole director of the Vendor and the shareholders of the Vendor jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Group and the Mr. Qian Concert Group and parties acting in concert with them (excluding, for this purpose, the Vendor and parties acting in concert with it other than the Mr. Qian Concert Group)) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Directors, the Mr. Qian Concert Group members which are individuals and the directors of the Mr. Qian Concert Group members which are corporations) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the directors of Trigiant Investments Limited are Mr. Qian Lirong and Mr. Jiang Wei; the sole director of Abraholme International Limited is Mr. Qian Lirong; the sole director of Atrium Noble Limited is Mr. Sun Jinrong; and the sole director of Neala Holdings Limited is Mr. Shen Xinren.

Mr. Qian Lirong, Mr. Jiang Wei, the directors of Trigiant Investments Limited, the sole director of Abraholme International Limited, the sole director of Atrium Noble Limited, the sole director of Neala Holdings Limited, and the shareholders of each of Trigiant Investments Limited, Abraholme International Limited, Atrium Noble Limited and Neala Holdings Limited jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Group and the Vendor and parties acting in concert with it (excluding, for this purpose, the Mr. Qian Concert Group and parties acting in concert with them other than the Vendor)) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Directors and the sole director of the Vendor) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.