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NVC LIGHTING HOLDING LIMITED  
雷士照明控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 2222)**

**SALE OF EXISTING SHARES BY CERTAIN SHAREHOLDERS, ENTRY  
INTO THE STRATEGIC COOPERATION AGREEMENT OF SALES  
NETWORK WITH SCHNEIDER ELECTRIC (CHINA) CO., LTD. AND THE  
NON-EXERCISE OF THE RIGHT OF FIRST REFUSAL**

The Board has been informed by certain shareholders (consisting of NVC Inc. (a substantial shareholder of the Company which is beneficially owned by Mr. Wu), SB Asia Investment Fund II L.P., Signkey Group Limited, GS Direct, L.L.C., Mr. YAN Andrew Y and Mr. LIN Ho-Ping) (collectively, the “Sellers”), that on 21 July 2011, the Sellers entered into separate share purchase agreements with the Buyer under which the Sellers agreed to sell, and the Buyer agreed to purchase, 288,371,000 Shares in aggregate.

As at the date of the share purchase agreements, NVC Inc. held 576,734,000 Shares representing approximately 18.42% of the total issued share capital of the Company, SB Asia Investment Fund II L.P. held 681,152,000 Shares representing approximately 21.75% of the total issued share capital of the Company, Signkey Group Limited held 333,321,000 Shares representing approximately 10.64% of the total issued share capital of the Company, GS Direct, L.L.C. held 208,157,000 Shares representing approximately 6.65% of the total issued share capital of the Company, Mr. YAN Andrew Y held 13,108,500 Shares representing approximately 0.42% of the total issued share capital of the Company and Mr. LIN Ho-Ping held 13,108,500 Shares representing approximately 0.42% of the total issued share capital of the Company. Upon completion of the sale of 288,371,000 Shares by the Sellers to the Buyer, NVC Inc. will hold 480,126,000 Shares representing approximately 15.33% of the total issued share capital of the Company, SB Asia Investment Fund II L.P. will hold 578,711,000 Shares representing approximately 18.48% of the total issued share capital of the Company, Signkey Group Limited will hold 283,191,000 Shares representing approximately 9.04% of the total issued share capital of the Company, GS Direct, L.L.C. will hold 176,851,000 Shares representing approximately 5.65% of the total issued share capital of the Company, Mr. YAN Andrew Y will hold

9,165,500 Shares representing approximately 0.29% of the total issued share capital of the Company and Mr. LIN Ho-Ping will hold 9,165,500 Shares representing approximately 0.29% of the total issued share capital of the Company.

The Board is also pleased to announce on a voluntary basis that on 21 July 2011, the Company entered into a strategic cooperation agreement of sales network with Schneider Electric (China) Co., Ltd. (“SEC”) (the “Cooperation Agreement”).

In addition, on 6 July 2011, Mr. Wu notified the Company that Enlin intended to dispose of certain assets to a subsidiary of Schneider Electric SA. As disclosed in the prospectus of the Company dated 7 May 2010, Mr. Wu entered into a non-competition undertaking with the Company and granted to the Company, among others, a right of first refusal regarding Enlin or any interest therein. On 21 July 2011, the Board declined to exercise the right of first refusal to acquire those assets of Enlin and the independent non-executive Directors concurred with the Board’s decision.

As Enlin is a connected person of the Company, the non-exercise of the right of first refusal to acquire certain assets of Enlin will be treated as a connected transaction of the Company under Rules 14A.68 and 14A.70(3) of the Listing Rules. As each of the applicable percentage ratios is less than 5%, the non-exercise of the right of first refusal is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempted from the independent shareholders’ approval requirement.

## **I. The Sale of Shares by Certain Shareholders**

The Board has been informed by certain shareholders (consisting of NVC Inc. (a substantial shareholder of the Company which is beneficially owned by Mr. Wu), SB Asia Investment Fund II L.P., Signkey Group Limited, GS Direct, L.L.C., Mr. YAN Andrew Y and Mr. LIN Ho-Ping), that on 21 July 2011, the Sellers entered into separate share purchase agreements with the Buyer under which the Sellers agreed to sell, and the Buyer agreed to purchase, 288,371,000 Shares in aggregate.

### **1. The Sale**

Pursuant to six separate share purchase agreements each dated 21 July 2011, the Sellers agreed to sell, and the Buyer agreed to purchase, 288,371,000 Shares in aggregate (the “Sale”).

The Company is not a party to the share purchase agreements.

### **2. Number of Sale Shares**

The Sale Shares represent approximately 9.2% of the total issued share capital of the Company.

### **3. Sale Price**

The Sale Price is HK\$4.42 per Sale Share.

### **4. Shareholding structure before and after the Sale**

As at the date of the share purchase agreements, NVC Inc. held 576,734,000 Shares representing approximately 18.42% of the total issued share capital of the Company, SB Asia Investment Fund II L.P. held 681,152,000 Shares representing approximately 21.75% of the total issued share capital of the Company, Signkey Group Limited held 333,321,000 Shares representing approximately 10.64% of the total issued share capital of the Company, GS Direct, L.L.C. held 208,157,000 Shares representing approximately 6.65% of the total issued share capital of the Company, Mr. YAN Andrew Y held 13,108,500 Shares representing approximately 0.42% of the total issued share capital of the Company and Mr. LIN Ho-Ping held 13,108,500 Shares representing approximately 0.42% of the total issued share capital of the Company. Upon completion of the sale of 288,371,000 Shares by the Sellers to the Buyer, NVC Inc. will hold 480,126,000 Shares representing approximately 15.33% of the total issued share capital of the Company, SB Asia Investment Fund II L.P. will hold 578,711,000 Shares representing approximately 18.48% of the total issued share capital of the Company, Signkey Group Limited will hold 283,191,000 Shares representing approximately 9.04% of the total issued share capital of the Company, GS Direct, L.L.C. will hold 176,851,000 Shares representing approximately 5.65% of the total issued share capital of the Company, Mr. YAN Andrew Y will hold 9,165,500 Shares representing approximately 0.29% of the total issued share capital of the Company and Mr. LIN Ho-Ping will hold 9,165,500 Shares representing approximately 0.29% of the total issued share capital of the Company.

The above is disclosed by the Company pursuant to Rule 13.09 of the Listing Rules.

## **II. Strategic Cooperation Agreement of Sales Network with SEC**

The Board is pleased to announce on a voluntary basis that on 21 July 2011, the Company entered into the Cooperation Agreement with SEC.

Pursuant to the Cooperation Agreement, the Company grants to SEC and its Affiliates the exclusive right to have access to, share and use the Company's sales network for the promotion, marketing, sale and distribution of certain electric products under the Schneider Electric brand in China during the term of the Cooperation Agreement. SEC will help the Company on project sales in the PRC and the parties will discuss separate cooperation agreement(s) in connection with these efforts. The term of the Cooperation Agreement is ten years commencing from the date of the Cooperation Agreement, subject to termination if certain grounds arise.

Schneider Electric is a global specialist in energy management listed on NYSE Euronext with operations in more than 100 countries and offers integrated solutions across energy and infrastructure, industrial processes, building automation, data centers/networks, as well as residential applications. Schneider Electric's 110,000 plus employees achieved sales of 20 billion euros in 2010.

## **III. Non-exercise of The Right of First Refusal**

## **1. Introduction**

Reference is made to the prospectus of the Company dated 7 May 2010 in which it was disclosed that Mr. Wu entered into a non-competition undertaking with the Company and granted to the Company, among others, a right of first refusal, regarding Enlin or any interest therein.

## **2. Subject Matter**

On 6 July 2011, Mr. Wu notified the Company that Enlin intended to dispose of certain assets related to the business of wiring devices, intelligent systems and other low voltage products to a subsidiary of Schneider Electric SA for a total consideration of RMB380 million and that the Company had a right of first refusal. On 21 July 2011, the Board declined to exercise the right of first refusal to acquire those assets of Enlin after taking into account the growth prospects of Enlin and the consideration proposed by a subsidiary of Schneider Electric SA. Separately, the independent non-executive directors concurred with the Company's decision not to exercise the right of first refusal to acquire those assets of Enlin. It is noted that Mr. Wu put the Board on notice that Enlin is his associate and therefore, he should be regarded as interested in the transaction and shall abstain from voting.

## **3. Other Information**

The Company is a leading supplier of lighting products in China. It designs, develops, produces, markets and sells a variety of lighting products, with a strong focus on energy-saving products.

Enlin is a company incorporated in the PRC and is owned as to 99% by 惠州恩林電器有限公司 (Huizhou Enlin Electronics Co., Ltd.\*) in which Ms. Chen Min, Mr. Wu's mother-in-law, holds a 36.2% equity interest. Accordingly, Enlin is an associate of Mr. Wu under the Listing Rules and a connected person of the Company. Enlin is principally engaged in the design, development, production, marketing and sale of ancillary products and components such as lighting switches.

The book value (based on unaudited management accounts) as at 31 December 2010 of the assets that Enlin intends to dispose of is approximately RMB87.72 million. The net profit before tax (based on unaudited management accounts) for the years ended 31 December 2009 and 2010 attributable to the assets that Enlin intends to dispose of are approximately RMB17.65million and RMB21.18 million, respectively. The net profit after tax (based on unaudited management accounts) for the years ended 31 December 2009 and 2010 attributable to the assets that Enlin intends to dispose of are approximately RMB15.00 million and RMB18.00 million, respectively.

## **4. Listing Rules Implications**

As Enlin is a connected person of the Company, the non-exercise of the right of first refusal to acquire certain assets of Enlin will be treated as a connected transaction of the Company under Rules 14A.68 and 14A.70(3) of the Listing Rules. As each of the applicable percentage ratios is less than 5%, the non-exercise of the right of first

refusal is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempted from the independent shareholders' approval requirement.

#### **IV Definitions**

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

“Affiliate(s)”	in relation to a person, any person that controls, is controlled by, or is under common control with, that person, whether through ownership of voting shares or other voting interests or otherwise. For purposes of this definition, “control” includes the ability to elect a majority of the directors or equivalent officers and “common control” in relation to two or more persons means that each of those persons is under the direct or indirect control of the same person or persons
“associate”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Buyer”	Schneider Electric Asia Pacific Limited
“China” or “PRC”	the People’s Republic of China, but for the purpose of this announcement only, excludes Hong Kong SAR, Macau SAR and Taiwan
“Company”	NVC Lighting Holding Limited 雷士照明控股有限公司, a company incorporated in the Cayman Islands with limited liability and whose Shares are listed on The Stock Exchange of Hong Kong Limited
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Cooperation Agreement”	the strategic cooperation agreement of sales network between the Company and Schneider Electric (China) Co., Ltd. dated 21 July 2011
“Director(s)”	director(s) of the Company, whose names are set out at the end of the announcement
“Enlin”	重慶恩林電器有限公司 (Chongqing Enlin Electronics Co., Ltd.*), a limited liability company incorporated in the PRC and an associate of Mr. Wu and thus a connected person of the Company
“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

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr. Wu”	Mr. Wu Changjiang (吳長江), chairman, chief executive officer and an executive Director of the Company
“RMB”	Renminbi, the lawful currency of China
“Sale”	has the meaning given to it in paragraph I 1 herein
“Sale Price”	HK\$4.42 per Sale Share
“Sale Shares”	288,371,000 existing Shares beneficially owned by the Sellers and sold to the Buyer pursuant to the Sale
“SEC”	Schneider Electric (China) Co., Ltd.
“Sellers”	NVC Inc. (a substantial shareholder of the Company which is beneficially owned by Mr. Wu), SB Asia Investment Fund II L.P., Signkey Group Limited, GS Direct, L.L.C., Mr. YAN Andrew Y and Mr. LIN Ho-Ping
“Share(s)”	ordinary share(s) of US\$0.0000001 each in the share capital of the Company
“substantial shareholder”	has the meaning ascribed thereto under the Listing Rules

*\* denotes English translation of the name of a Chinese company or entity and is provided for identification purposes only.*

By Order of the Board  
**NVC Lighting Holding Limited**  
**WU Changjiang**  
*Chairman*

Hong Kong, 22 July 2011

As at the date of this announcement, the directors of the Company are:

Executive Directors:

WU Changjiang

MU Yu

Non-executive Directors:

XIA Lei

YAN Andrew Y

LIN Ho-Ping

HUI Ming Yunn, Stephanie

Independent non-executive Directors:  
Alan Russell POWRIE  
Karel Robert DEN DAAS  
WANG Jinsui