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NVC 雷士照明
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)

DISCLOSEABLE TRANSACTION
SUBSCRIPTION OF FUND INTEREST

THE SUBSCRIPTION AGREEMENT AND LIMITED PARTNERSHIP AGREEMENT

The Board is pleased to announce that on 21 April 2017 (after trading hours), the Company and the General Partner entered into the Subscription Agreement and Limited Partnership Agreement, pursuant to which the Company has applied to subscribe for the Interest with a committed Capital Contribution of USD30 million to the Fund.

Reference is also made to the Initial Limited Partnership Agreement dated 6 March 2017, pursuant to which the General Partner and the Company (as a Limited Partner) have formed the Limited Partnership and the Company has agreed to contribute a USD1.00 capital contribution to the Limited Partnership (the “First Contribution”).

LISTING RULES IMPLICATIONS

Pursuant to Rule 14.22 of the Listing Rules, the Subscription will be aggregated with the First Contribution which was completed within a 12-month period as a single series of transactions. As certain applicable percentage ratio for the Subscription and the First Contribution exceeds 5% but is less than 25%, the Subscription and the First Contribution constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules. Accordingly, the Subscription and the First Contribution are subject to the notification and announcement requirements under the Listing Rules.

SUBSCRIPTION AGREEMENT

The principal terms of the Subscription Agreement are as follows:

Date: 21 April 2017

Subscriber: the Company.

Pursuant to the Subscription Agreement, the Company has applied to subscribe for the Interest with a committed Capital Contribution of USD30 million (the “Commitment”) to the Fund in accordance with the Limited Partnership Agreement. The Commitment shall be made on the date and time specified on the notice issued by the General Partner pursuant to the Limited Partnership Agreement provided that the time of contribution of the Commitment should not be earlier than 12 p.m. on the tenth (10th) Business Day after the giving of notice regarding the payment of the Commitment.

The Commitment was determined after arm’s length negotiations between the General Partner and the Company with reference to (i) the preliminary intended purpose of the Fund; (ii) the target partnership size of the Fund; and (iii) the expected duration of the Fund. The Commitment will be funded by internal resources of the Group.

By entering into the Subscription Agreement, the Company shall (a) irrevocably subscribe for and covenant to purchase from the Fund an Interest as a Limited Partner in the Fund with a capital commitment in the amount equal to the amount set forth in the Subscription Agreement, (b) covenant to become a Limited Partner of the Fund upon acceptance and (c) covenant to be bound by the terms and provisions of the Limited Partnership Agreement and this Subscription Agreement, in each case on and after the date of the Limited Partnership Agreement and of the Subscription Agreement.

As at the date of this announcement, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the General Partner and its ultimate beneficial owner(s) are Independent Third Parties.

PRINCIPAL TERMS OF THE LIMITED PARTNERSHIP AGREEMENT

Date

21 April 2017

Parties

- (1) the General Partner; and
- (2) the Company, as a Limited Partner.

As at the date of this announcement, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the General Partner and its ultimate beneficial owner(s) are Independent Third Parties.

Capital Contribution

(1) Capital Contribution by the General Partner

The General Partner and/or its affiliate(s) will make commitments to the Limited Partnership that is no less than the equivalent of USD10,000 in aggregate as of the Initial Closing Date.

(2) *Capital Contribution by the Company*

The commitment of Capital Contribution of the Company as a Limited Partner is set forth on the Subscription Agreement.

Business Scope of the Limited Partnership

The purpose of the activities to be conducted by the Limited Partnership (the “Partnership Business”) is primarily to achieve long-term capital appreciation, through (i) principally investing in shares of private companies related to the lighting, energy saving, environmental friendly industries or private equity funds, either managed by the General Partner or other investment manager related to the lighting, energy saving, environmental friendly industries; and (ii) when the appropriate investment listed in (i) above has not been made and with the aim of improving the rate of return, investing in fixed income securities, debt instruments and loans globally.

Term of the Limited Partnership

The term of the Limited Partnership commenced upon the date of filing of the statement by the General Partner in accordance with the Act with the Cayman Islands Registrar of Exempted Limited Partnerships and shall continue in full force and effect until commencement of winding up of the Limited Partnership, on or around the third (3rd) anniversary of the Initial Closing Date; provided, however, that the General Partner shall have the right, in its sole discretion, to extend the term of the Limited Partnership for a two-year period.

Distributions and Liability

Subject to the provision of the Limited Partnership Agreement, investment proceeds attributable to any Portfolio Investment shall be distributed by the General Partner as soon as practicable within 90 days after receipt of such investment proceeds by the Limited Partnership. Investment proceeds attributable to any such Portfolio Investment shall be apportioned among the Partners, including the General Partner, in proportion to their Sharing Percentages with respect to such Portfolio Investment at such time. Except as otherwise provided in the Limited Partnership Agreement, the amount apportioned to the General Partner shall be distributed to the General Partner, and 100% of the amount apportioned to each Limited Partner shall be distributed to such Limited Partner.

Except as explicitly provided in the Act or as explicitly provided elsewhere in the Limited Partnership Agreement, no Limited Partner shall be liable for any debts, liabilities, contracts or obligations of the Limited Partnership whatsoever.

Management of the Limited Partnership

The General Partner shall have the exclusive right and shall dedicate sufficient time and resources to manage and control the Limited Partnership. Except as otherwise specifically provided in the Limited Partnership Agreement, the General Partner shall have the right to perform all actions necessary, convenient or incidental to the accomplishment of the purposes and authorized acts of the Limited Partnership, including but not limited:

- (a) To direct the formulation of investment policies and strategies for the Limited Partnership;
- (b) To investigate, select, negotiate, structure, purchase, invest in, hold, pledge, exchange, transfer and sell or otherwise dispose of Portfolio Investments;

- (c) To monitor the performance of Portfolio Investments, to designate members of the board of directors of Portfolio Companies or to obtain equivalent representation, to exercise all rights, powers, privileges and other incidents of ownership or possession with respect to Portfolio Investments and to take whatever action, including steps to influence key management decisions of Portfolio Companies and voting shares of capital stock or other ownership interests issued by such Portfolio Companies as may be necessary or advisable as determined by the General Partner in its discretion;
- (d) To form subsidiaries in connection with the Partnership Business;
- (e) To form alternative investment vehicles, holding vehicles and other vehicles pursuant to the Limited Partnership Agreement;
- (f) To enter into any kind of activity and to enter into, perform and carry out contracts of any kind necessary to, in connection with, or incidental to the accomplishment of the purposes of the Limited Partnership;
- (g) To open, maintain and close bank accounts and draw checks or other orders for the payment of money and open, maintain and close brokerage, money market fund and similar accounts;
- (h) To hire, for usual and customary payments and expenses, consultants, brokers, attorneys, accountants and such other agents for the Limited Partnership as it may deem necessary or advisable, and authorize any such agent to act for and on behalf of the Limited Partnership;
- (i) To purchase insurance policies on behalf of the General Partner and the Limited Partnership, including for director and officer liability and other liabilities of the General Partner and the Limited Partnership;
- (j) To pay all expenses of the Limited Partnership and the General Partner in accordance with the Limited Partnership Agreement;
- (k) To take any and all other actions which are determined by the General Partner to be necessary, convenient or incidental to the conduct of the Partnership Business.

Management Fee

For each of the following periods: (i) the period commencing from the Initial Closing Date to 30 June 2017 and (ii) each three-month period thereafter during the term of the Partnership (each, a “Management Fee Period”), the General Partner and its affiliate shall be entitled to be paid (out of the assets of the Limited Partnership), quarterly in arrears, a management fee (the “Management Fee”), equal to 1% per annum of the Net Asset Value of the Limited Partnership as of the last Business Day of such Management Fee Period. The Management Fee for each Management Fee Period shall be payable on the last Business Day of such Management Fee Period.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

The purpose of the activities to be conducted by the Limited Partnership is primarily to achieve long-term capital appreciation, through principally investing in shares of private companies related to the lighting, energy saving, environmental friendly industries or private equity funds, either managed by the General Partner or other investment manager related to the lighting, energy saving, environmental friendly industries. The Directors are of the view that, through the Limited Partnership, the Company will be able to benefit from a wealth of attractive investment opportunities in the lighting, energy saving, environmental friendly industries and achieving economies of scale and synergies. This can also enhance the Company's ability to grow organically through the effective use of resources which will save capital expenditure and optimise cash management, thus improving the overall competitiveness of the Company. It is contemplated that the Limited Partnership will be a new source of profit for the Company.

The Directors are of the view that the terms of the Subscription Agreement, the Initial Limited Partnership Agreement, the Limited Partnership Agreement are normal commercial terms, fair and reasonable and in the interests of the Company's shareholders as a whole.

INFORMATION ON THE PARTIES

The Company

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.

General Partner

The General Partner is an exempted company incorporated in the Cayman Islands with limited liability and is the general partner of the Fund pursuant to the Limited Partnership Agreement. It is principally engaged in the management of the Fund. Its overall responsibility includes the management, control and operation of the businesses and affairs of the Fund.

LISTING RULES IMPLICATIONS

Pursuant to Rule 14.22 of the Listing Rules, the Subscription will be aggregated with the First Contribution which was completed within a 12-month period as a single series of transactions. As certain applicable percentage ratio for the Subscription and the First Contribution exceeds 5% but is less than 25%, the Subscription and the First Contribution constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules. Accordingly, the Subscription and the First Contribution are subject to the notification and announcement requirements under the Listing Rules.

DEFINITIONS

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| “Act” | Cayman Islands Exempted Limited Partnership Law, as amended, modified or re-enacted from time to time |
| “Board” | the board of Directors |

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| “Business Day” | any day except a Saturday, Sunday or other day on which commercial banks in the PRC, Hong Kong or Cayman Islands are required or authorized by law to close |
| “Capital Contribution” | with respect to any Partner, the amount of money in US dollars contributed to the Limited Partnership by such Partner (or its predecessors in interest) with respect to the Interest held by such Partner |
| “Company” | NVC Lighting Holding Limited, a company incorporated in the British Virgin Islands on 2 March 2006 and subsequently redomiciled to the Cayman Islands on 30 March 2010 as an exempted company with limited liability under the laws of the Cayman Islands |
| “Directors” | the directors of the Company |
| “Entity” | any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative, association or other entity, regardless of whether it has a separate legal personality |
| “General Partner” | Guoyuan Asset Management (Asia) Limited, an exempted company incorporated in the Cayman Islands with limited liability |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Independent Third Party(ies)” | a third party independent of and not connected with the Company and its subsidiaries and connected persons |
| “Initial Closing Date” | the first date on which the General Partner, on behalf of the Limited Partnership, accepts Subscription Agreement |
| “Initial Limited Partnership Agreement” | the initial exempted limited partnership agreement entered into between the General Partner and the Company on 6 March 2017 and amended and restated in entirety by the Limited Partnership Agreement |
| “Interest” | the partnership interest owned by a Partner in the Limited Partnership at any particular time, including the right of such Partner to any and all benefits to which such Partner may be entitled as provided in the Limited Partnership Agreement, together with the obligations of such Partner to comply with all terms and provisions of the Limited Partnership Agreement |
| “Limited Partner(s)” | each of the persons listed from time to time as a limited partner in the Register, in each such person’s capacity as a limited partner of the Limited Partnership |

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| “Limited Partnership” or “Fund” | Guoyuan China Growth Investment Fund LP (國元中國成長投資基金有限合夥), a exempted limited partnership established in accordance to Initial Limited Partnership Agreement and continued under the Limited Partnership Agreement, pursuant to the Act |
| “Limited Partnership Agreement” | the amended and restated agreement of exempted limited partnership dated 21 April 2017 and entered into by and among the General Partner and the Company |
| “Listing Rules” | the Rules Governing the Listing of Securities on the The Stock Exchange of Hong Kong Limited |
| “Net Asset Value of the Partnership” | the net asset value of the Limited Partnership which shall be calculated by adding together the value of all the assets of the Limited Partnership and deducting therefrom the total liabilities of the Limited Partnership, all determined as provided in the Limited Partnership Agreement or otherwise by or on behalf of the General Partner in good faith in accordance with the relevant generally accepted accounting principles or standards consistently applied by the Limited Partnership under the accrual method of accounting or as otherwise specified in the Limited Partnership Agreement |
| “Partner(s)” | the General Partner and/or the Limited Partner(s) |
| “PRC” | the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC |
| “Portfolio Company” | an Entity, the Securities of which are held, directly or indirectly, by the Limited Partnership from time to time |
| “Portfolio Investment” | an investment in a Portfolio Company |
| “Register” | the register of limited partnership interests maintained by the General Partner at its ordinary place of business |
| “Securities” | the securities and investments of every kind and nature and rights and options with respect thereto, including stock, notes, bonds, contracts, derivatives, evidences of indebtedness and other business interests of every type, including interests in any Entity |
| “Sharing Percentage” | with respect to any Limited Partner and any Portfolio Investment, a fraction, expressed as a percentage, the numerator of which is the aggregate amount of the Capital Contributions of such Limited Partner with respect to such Portfolio Investment and the denominator of which is the aggregate amount of the Capital Contributions of all of the Partners with respect to such Portfolio Investment, and with respect to the General Partner and any Portfolio Investment, 100% minus the aggregate Sharing Percentages of the Limited Partners in respect of such Portfolio Investment |

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| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subscription” | the subscription of Interest by the Company pursuant to the Subscription Agreement |
| “Subscription Agreement” | the subscription agreement entered by the Company pursuant to which the Company has agreed to purchase an Interest |
| “%” | per cent |

By Order of the Board
NVC LIGHTING HOLDING LIMITED
Wang Donglei
Chairman

Hong Kong, 21 April 2017

As at the date of this announcement, the Board consists of the following Directors:

Executive Directors:

WANG Donglei
WANG Dongming
XIAO Yu
WANG Keven Dun

Non-executive Directors:

LI Huating
LI Wei
YANG Jianwen

Independent Non-executive Directors:

LEE Kong Wai, Conway
WANG Xuexian
WEI Hongxiong
SU Ling