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If you are in any doubt as to any aspect of this circular or as to the action you should take, 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 TC Orient Lighting Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee, or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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TC ORIENT LIGHTING HOLDINGS LIMITED
達進東方照明控股有限公司

(Incorporated in the Cayman Islands with limited liability)

website: www.tatchun.com

(Stock Code: 515)

MAJOR TRANSACTIONS:
DISPOSAL OF 51% ISSUED SHARE CAPITAL OF
ISU TC CO., LIMITED
AND
DISPOSAL OF PROPERTIES

A notice convening an extraordinary general meeting of TC Orient Lighting Holdings Limited to be held at 31/F, Aitken Vanson Centre, 61 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong on Friday, 20 July 2012 at 11:00 a.m. is set out on pages 39 to 41 of this circular. A form of proxy for use at the extraordinary general meeting is also accompanied with this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company at Tricor Investor Services Ltd. at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof (as the case may be). Completion and return of the accompanying proxy form will not preclude you from attending and voting in person at the meeting or any adjournment thereof (as the case may be) should you so wish.

29 June 2012

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DEFINITIONS

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

“Agreements”	together the Framework Agreement, the Share Purchase Agreement and the Real Properties Sale and Purchase Agreement
“Board”	the board of Directors
“Business Day”	any day which is not Saturday, Sunday or a day on which banks are authorised or required to close in the PRC
“Call Option”	the call option granted to the PRC Company pursuant to the Framework Agreement to allow the PRC Company to purchase the Properties subject to the entering into of a real properties sale and purchase agreement
“Company”	TC Orient Lighting Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms of the Share Purchase Agreement
“connected person”	has the meaning ascribed to this term under the Listing Rules
“Director(s)”	director(s) of the Company
“Disposals”	together, the Sale Shares Disposal and the Properties Disposal
“EGM”	the extraordinary general meeting to be convened on 20 July 2012 by the Company for the purpose of considering and, if thought fit, approving the Disposals
“Framework Agreement”	the agreement in respect of, among other things, the Sale Shares Disposal and the Properties Disposal dated 16 May 2012 and entered into between the Company and the Purchaser
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	independent third party(ies) who is (are) not a connected person(s) of the Company as defined in the Listing Rules and is (are) independent of the Company and its connected persons

DEFINITIONS

“Korea”	Republic of Korea
“Latest Practicable Date”	27 June 2012, being the latest practicable date for ascertaining certain information included in this circular
“LED”	abbreviation for light-emitting diode which is a semiconductor diode that emits incoherent narrow-spectrum light
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange
“MLB Business”	Multi-layered PCB business related to manufacturing, marketing, purchasing and sales of PCB(s) with 4 layers or more
“MOU”	the non-legally binding memorandum of understanding dated 26 September 2011 entered into between the Company and the Purchaser setting out the preliminary understanding in relation to the Disposals
“PCB(s)”	printed circuits boards, that custom specific circuitry, provides electrical connection among the electrical components that are mounted onto it
“PRC”	the People’s Republic of China but excluding, for the purposes of this circular, Hong Kong, the Macau Special Administrative Region and Taiwan
“PRC Company”	廣東達進電子科技有限公司 (transliterated as Guangdong Tat Chun Electronic Technology Co., Ltd.#), a company established under the laws of the PRC with limited liability and as at the Latest Practicable Date, has a registered capital of HK\$231,676,502, which is wholly and beneficially owned by the Company
“Properties”	the properties located in 中山市三角鎮高平村 (transliterated as Zhongshan City, Sanjiao Town, Gaoping Village#) owned by Zhongshan Tat Chun
“Properties Disposal”	Properties to be disposed by Zhongshan Tat Chun to the PRC Company pursuant to the Real Property Sale and Purchase Agreement

DEFINITIONS

“Purchaser”	Isupetasys Co., Ltd, a corporation duly organized and existing under the laws of the Republic of Korea and the shares of which are listed on the Korean Stock Exchange
“Real Property Sale and Purchase Agreement”	the conditional agreement dated 16 May 2012 and entered into between Zhongshan Tat Chun and the PRC Company in relation to the Properties Disposal
“Remaining Group”	the Company and its subsidiaries immediately upon the Completion
“Remaining Shares”	49% of the entire issued share capital of the Target continued to be held by the Company after the Completion
“Reorganisation”	the reorganisation of the corporate structure of the PRC Company such that immediately following the completion of the Reorganisation, the PRC Company will be wholly and beneficially owned by the Target
“Sale Shares”	5,100 ordinary shares of HK\$1.00 each in the share capital of the Target
“Sale Shares Disposal”	disposal of the Sale Shares to the Purchaser by the Company pursuant to the Share Purchase Agreement
“Shares(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Share Purchase Agreement”	the conditional agreement dated 16 May 2012 and entered into between the Company and the Purchaser in relation to the Sale Shares Disposal
“Shareholder(s)”	holder(s) of Share(s)
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	ISU TC Co., Limited, a company incorporated in Hong Kong and is wholly and beneficially owned by the Company
“Target Group”	The Target and the PRC Company
“Valuation Report”	the valuation report on the Properties issued by DTZ Debenham Tie Leung Limited on 29 June 2012

DEFINITIONS

“Zhongshan Tat Chun”	中山市達進電子有限公司 (Zhongshan Tat Chun Electronic Co., Ltd.#), a company established under the laws of the PRC with limited liability, which is wholly and beneficially owned by the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

The English transliteration of the Chinese names in this circular, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names.

For the purpose of this circular, unless otherwise indicated, conversion of RMB into HK\$ is calculated at the approximate exchange rate of RMB1.00 to HK\$1.23. This exchange rate is for illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be exchanged at this or any other rate at all.

LETTER FROM THE BOARD



TC ORIENT LIGHTING HOLDINGS LIMITED
達進東方照明控股有限公司

(Incorporated in the Cayman Islands with limited liability)

website: www.tatchun.com

(Stock Code: 515)

Executive Directors:

Mr. Yeung Hoi Shan (*Chairman*)

Mr. Kwok Tung Fai

Mr. Zhu Jianqin

Non-executive Directors:

Madam Li Jinxia

Mr. Yeung Tai Hoi

Independent non-executive Directors:

Mr. Cheung Sui Wing, Darius

Mr. Sung Lee Ming, Alfred

Mr. Wong Siu Fai, Albert

Mr. Fong Ping

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Principal place of business in Hong Kong:

31/F, Aitken Vanson Centre

61 Hoi Yuen Road

Kwun Tong, Kowloon

Hong Kong

29 June 2012

To the Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTIONS:
DISPOSAL OF 51% ISSUED SHARE CAPITAL OF
ISU TC CO., LIMITED
AND
DISPOSAL OF PROPERTIES**

INTRODUCTION

The Company announced that on 16 May 2012 (after trading hours), in accordance with the intention set out in the MOU, the Company as vendor entered into the Framework Agreement and the Share Purchase Agreement with the Purchaser, pursuant to which, amongst other things, the Company has agreed to dispose of and the Purchaser has agreed to acquire the Sale Shares, representing 51% of the entire issued share capital of the Target, at an initial consideration of HK\$141,567,154.86 subject to the adjustment to be made prior to the Completion based on the net asset value of the Target and the PRC Company after due diligence to be conducted by the Purchaser.

LETTER FROM THE BOARD

As part of the Framework Agreement, on the same date of the Framework Agreement, Zhongshan Tat Chun, a wholly-owned subsidiary of the Company, entered into the Real Property Sale and Purchase Agreement with the PRC Company, pursuant to which Zhongshan Tat Chun has agreed to dispose of and the PRC Company has agreed to acquire the Properties at an initial consideration of RMB83.9 million (equivalent to approximately HK\$102.3 million) which will be further adjusted to the market price as stated on the valuation report of the third party valuation agency to be appointed by the parties thereto.

The purposes of this circular are to provide you with: (i) further information regarding the Disposals; (ii) the financial information of the Group; (iii) the Valuation Report; and (iv) a notice to convene the EGM.

(A) FRAMEWORK AGREEMENT

Date: 16 May 2012

Parties: (i) the Company (as vendor)
(ii) the Purchaser (as purchaser)

The Purchaser is a company incorporated under the laws of Korea and a listed company in Korea and is principally engaged in the manufacturing of PCBs.

To the best of the Directors' knowledge, information and belief, after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) are Independent Third Parties.

Conditions Precedent of the Framework Agreement

The transfer of the Sale Shares under the Share Purchase Agreement and the transfer of the Properties under the Real Property Sale and Purchase Agreement as contemplated under the Framework Agreement shall be conditional upon and subject to the passing at the EGM to be convened and held of an ordinary resolution to approve the Share Purchase Agreement and the Real Property Sale and Purchase Agreement and the transactions contemplated thereby and all other consents and acts required under the Listing Rules having been obtained and completed. If the condition precedent of the Framework Agreement set out above has not been fulfilled, the parties thereto are entitled to terminate the Framework Agreement.

Notwithstanding anything contrary therein, if the PRC Company fails to procure 70% or more of the consideration of the Properties by borrowing from a financial institution using the Properties and/or equipment as collateral, the PRC Company shall be entitled to terminate the Real Property Sale and Purchase Agreement without any liability to Zhongshan Tat Chun pursuant to the Framework Agreement.

LETTER FROM THE BOARD

Principal terms of the Framework Agreement

The principal terms of the Framework Agreement mainly include the Sale Shares Disposal and the Properties Disposal. Details of the Disposals are listed out below.

Other terms of the Framework Agreement

Pursuant to the terms of the Framework Agreement, the Company has agreed to transfer the entire MLB Business currently conducted or managed by the Company and its affiliates to the Target Group (including all customers and employees necessary for the MLB Business currently on the payroll of the Company or its affiliates) prior to the Completion.

The Directors are of the view that before the Reorganization, the MLB business are conducted by both the PRC Company and Zhongshan Tat Chun. Upon the Disposals, the whole MLB Business will then be transferred to the PRC Company and Zhongshan Tat Chun will no longer conduct the MLB Business. The PCB segment of the Company will then focus on the business on the manufacturing, marketing, purchase and sales of single-sided and double-sided PCBs.

The Directors believed that such transfer of the high-end MLB Business to the PRC Company can achieve win-win position for both the Purchaser and the Company because on one hand, the Company has experience of PCB operation in the PRC and on the other hand, the Purchaser has more high-end technology and high-end customers. As such, it is expected that the transfer of the MLB Business to the PRC Company will then be beneficial to the Group and the Shareholders as a whole.

The Company shall enter into a shareholders' agreement with the Purchaser and the Target in relation to the operation of the Target Group.

The Company and/or its affiliates (except the Target Group) shall not engaged in any business, which might directly or indirectly compete with the MLB Business anywhere in the world without prior written consent by the Purchaser. For the avoidance of doubt, the Company's engaging in the single-sided and double-sided PCBs business do not fall within this restriction.

The Company shall be allowed to do marketing and sales of the MLB Business for commission on behalf of the Target Group with the Purchaser's prior approval provided that the Company shall not compete with the Target Group for sales or marketing of the MLB Business. The Company may be entitled to commission for new customers of the MLB Business.

LETTER FROM THE BOARD

(B) SALE SHARES DISPOSAL

SHARE PURCHASE AGREEMENT

Date: 16 May 2012

Parties: (i) the Company (as vendor)
(ii) the Purchaser (as purchaser)

Pursuant to the terms of the Framework Agreement, the Company will undergo the Reorganisation and the Company will transfer the entire equity interest of the PRC Company to the Target. As part of the Framework Agreement, the Company entered into the Share Purchase Agreement with the Purchaser pursuant to which the Company has agreed to dispose of and the Purchaser has agreed to acquire the Sale Shares, representing 51% of the entire issued share capital of the Target as at the date hereof.

Assets to be disposed of

The Sale Shares, representing 51% of the entire issued share capital of the Target.

As at the Latest Practicable Date, the Target is a wholly-owned subsidiary of the Company, which is principally engaged in investment holding.

Consideration for the Sale Shares Disposal

The initial consideration for the Sale Shares Disposal is HK\$141,567,154.86 subject to the adjustment to be made prior to the Completion based on the net asset value of the Target and the PRC Company after due diligence to be conducted by the Purchaser and shall be satisfied in the following manner:

- (a) within five (5) Business Days upon signing of the Share Purchase Agreement, the Purchaser shall pay HK\$14,156,715.48 to the Company in cash; and
- (b) the remaining balance of the consideration of HK\$127,410,439.38 (or the adjusted balance of the consideration) shall be paid in cash to the Company on the Completion provided that HK\$20,000,000 shall be set aside to a designated account under the name of the Target, which shall be later withdrawn by the Company within two years from the Completion and the Company shall have the right to withdraw HK\$5,000,000 for every six months if there is no liabilities in relation to the social insurance and housing contribution fund and other PRC taxes of the PRC company.

LETTER FROM THE BOARD

The final purchase price of the Sale Shares shall be 51% of the adjusted net asset value of the PRC Company as at 31 July 2012 minus HK\$2,550,000. The Purchaser will conduct an additional due diligence on the Target Group before the Completion. The scope of the due diligence will cover the balance sheet items for the period ended 31 July 2012, including accounts payables, accounts receivables, list of fixed assets, inventories and bank loan. The net asset value of the PRC Company will then be adjusted (if any) after mutual agreement between the Company and the Purchaser. It is expected that the due diligence will be completed by the end of August 2012. The basis of determining the adjustment of HK\$ 2,550,000 is based on approximately 2% of the initial consideration and such discount is given on the basis that the Purchaser will introduce and bring in more potential new customers with higher contribution margin to the Company later.

The purpose for setting aside the HK\$20,000,000 to a designated account under the name of the Target as mentioned above is for any possible liabilities that may arise in relation to the social insurance and housing contribution fund and other PRC taxes of the PRC Company. The Directors have sought the view of the PRC legal adviser and they are of the view that the risk of the above liabilities is considered to be low. The Directors agree with the view of the PRC legal adviser.

The consideration for the Sale Shares Disposal was arrived at after arm's length negotiations between the parties on normal commercial terms with reference to, among others, (i) the net asset value of the PRC Company; (ii) upon the Completion, the Target Group will cease to be subsidiaries of the Company and the Directors are of the view that the Sale Shares Disposal will result in a decrease in the management involvement and hence the costs to the Group. Further, after obtaining control of the Target Group by the Purchaser, the Purchaser will then transfer relevant technology for producing PCBs for high-end customers to the PRC Company and referring new PCBs customers to the Company; and (iii) the various factors set out in the section headed "Reasons and benefits for the Disposals" below. The Directors consider the terms and conditions of the Sale Shares Disposal are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions Precedent of the Share Purchase Agreement

Completion of the Sale Shares Disposal shall be conditional upon all the following conditions being fulfilled (or, where applicable, waived):

LETTER FROM THE BOARD

(i) *Conditions Precedent to the Purchaser's obligations*

- (a) the Company shall have performed and complied with all covenants, agreements and conditions required by the Share Purchase Agreement to be performed or complied with prior to or at the time of the Completion;
- (b) all of the representations and warranties made by the Company in the Share Purchase Agreement shall be true, accurate and correct at and as of the Completion;
- (c) the Company shall have obtained all government approval from the relevant authorities in connection with the Framework Agreement, the Share Purchase Agreement and the transactions contemplated thereby;
- (d) there shall not have occurred prior to the Completion: (i) any event or circumstance which results in or may be expected to result in a material adverse effect; or (ii) the legal inability of the Company to convey, assign and transfer the Sale Shares to the Purchaser;
- (e) there shall have been delivered to the Purchaser at the Completion a certificate executed by the Company certifying (i) that the representations and warranties of the Company in the Share Purchase Agreement are true at and as of the time of the Completion; and (ii) that certain conditions precedent on the part of the Purchaser's obligation have been fulfilled;
- (f) the Purchaser shall have received from reputable law firms to the Company legal opinion in respect of (i) the Target has been duly established and is validly existing under the law of the relevant jurisdiction; and (ii) the Target is the legal and beneficial holder of the entire equity interests in the PRC Company free and clear of any liens, mortgages, encumbrances and other restriction;
- (g) the Company shall have provided the Purchaser relevant corporate documents regarding the Target and the PRC Company;
- (h) the Purchaser shall have received the resignations of each director and office of the Target and the PRC Company;
- (i) The Company shall settle all current accounts including payment by the Company or its affiliates on behalf of the PRC Company, receipt by the Company or its affiliates on behalf of the PRC Company, purchasing activities by the Company or its affiliates on behalf of the Company and sales to the Company or its affiliates by the PRC Company. The current accounts receivable of the PRC Company from affiliates of the Company is approximately HK\$117 million as at 30 April 2012. When the Company settles all such current accounts receivable, the total consideration will then be reduced by the amount of these current accounts;

LETTER FROM THE BOARD

- (j) the Company shall have provided the Purchaser with a letter of undertaking regarding in-kind contributions, representing the plant and machinery contributed to the PRC Company by the Company as capital, made by the Company or its affiliates to the PRC Company;
- (k) no suit, action or other proceeding shall be pending or threatened before any court or governmental agency in which it is sought to restrain or prohibit or to obtain damages or other relief in connection with the Share Purchase Agreement;
- (l) the Company shall have executed an operation account management agreement with the Purchaser for the purpose of the withdrawal mechanism in relation to the amount of HK\$20,000,000 to be put in a designated account under the name of the Target for any possible liabilities that may arise in relation to the social insurance and housing contribution fund and other PRC taxes of the PRC Company and the details of which have not yet been agreed between the parties. It is expected that the agreement will be finalized by the end of August;
- (m) the Company shall have executed a shareholders' agreement with the Purchaser and the Target;
- (n) all authorisations, consents, waivers, government approvals or other actions or proceedings required to be obtained or taken by the Purchaser or the Company under the laws of any jurisdiction or under the Share Purchase Agreement in connection with the Share Purchase Agreement and other transactions contemplated thereby have been obtained;
- (o) the Company shall have obtained all consents and waivers from third parties in connection with the Share Purchase Agreement and other transactions contemplated thereby (if necessary);
- (p) the Purchaser shall have been satisfied with the results of a final due diligence review of the Target Group;
- (q) the passing by the board of directors of the Purchaser an ordinary resolution to approve the Share Purchase Agreement and the transactions contemplated thereby and all other consents and acts required under the Korean laws and regulations having been obtained and contemplated; and
- (r) the passing by the Shareholder's meeting of the Company at the EGM approving the Real Property Sale and Purchase Agreement and the transactions contemplated thereunder and all other consents and acts required under the Listing Rules having been obtained and completed.

The above conditions to the Purchaser's obligation may be waived by the Purchaser in writing. There is no intention for the Purchaser to waive any above conditions and condition (r) is not waivable. As at the Latest Practicable Date, none of the above conditions have been fulfilled.

LETTER FROM THE BOARD

(ii) Conditions Precedent to the Company's obligations

- (a) the Purchaser shall have performed and complied with all covenants, agreements and conditions required by the Share Purchase Agreement to be performed or complied with;
- (b) the passing of the relevant resolution(s) by the Shareholders at the EGM approving the Share Purchase Agreement and the transactions contemplated thereunder and all other consents and acts required under the Listing Rules having been obtained and completed;
- (c) all of the representation and warranties made by the Purchaser in the Share Purchase Agreement shall be true, accurate and correct in all material respects at and as of the Completion;
- (d) the Purchaser shall have obtained all governmental approval from relevant authorities in connection with the Framework Agreement, the Share Purchase Agreement and the transactions contemplated thereby;
- (e) there shall not have occurred prior to the Completion: (i) any event or circumstance which results in or may be expected to result in material adverse effect; or (ii) the legal inability of the Purchaser to purchase the Sale Shares from the Company;
- (f) there shall have been delivered to the Company a certificate executed by the Purchaser certifying (i) that the representations and warranties of the Purchaser in the Share Purchase Agreement are true at and as of the time of the Completion; and (ii) that certain conditions precedent on the part of the Company's obligation have been fulfilled; and
- (g) the Purchaser shall have provided the Company the relevant corporate documents.

The above conditions to the Company's obligations may be waived by the Company in writing. There is no intention for the Company to waive any above condition and condition (b) is not waivable. As at the Latest Practicable Date, none of the above conditions have been fulfilled.

If the conditions precedent on the part of the Purchaser's and the Company's obligations set out above have not been satisfied or waived at or before 4:00 p.m. (Hong Kong time) on 31 October 2012, or such later date as the parties may agree, the Share Purchase Agreement shall cease and determine (save and except certain clauses under the Share Purchase Agreement which will continue to have full force and effect) and neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof.

LETTER FROM THE BOARD

Completion of the Share Purchase Agreement

Completion shall take place on 31 August 2012 after the fulfilment (or waiver) of the conditions or such later date as may be agreed between the Company and the Purchaser.

Upon the Completion, the Company will still hold 49% of the entire issued share capital of the Target and the Target will cease to be a subsidiary of the Company. Given that the Company will still hold 49% of the entire issued share capital of the Target after the Completion, the Company will treat the Target as an associate company of the Company following the Completion. As at the Latest Practicable Date, the Company did not have any plan to dispose of the Remaining Shares.

(C) PROPERTIES DISPOSAL

REAL PROPERTY SALE AND PURCHASE AGREEMENT

Date: 16 May 2012

Parties: (i) Zhongshan Tat Chun (as vendor)
(ii) the PRC Company (as purchaser)

As part of the Framework Agreement, Zhongshan Tat Chun, an indirect wholly-owned subsidiary of the Company, entered into the Real Property Sale and Purchase Agreement with the PRC Company, pursuant to which Zhongshan Tat Chun has agreed to dispose of and the PRC Company has agreed to acquire the Properties.

Assets to be disposed

The Properties

Consideration of the Properties Disposal

The initial consideration of the Properties is RMB83.9 million (equivalent to approximately HK\$102.3 million) with reference to the unaudited net book value of approximately RMB83.9 million as at 31 December 2011. For reference, based on the Valuation Report, the market value of the Properties as at 31 May 2012 was RMB95.5 million. As the market prices have changed a lot since 31 December 2011, to better reflect the market value of the Properties, the parties agreed that the consideration of the Properties will be further adjusted to the market price. As such, a further valuation report will be made on or about 31 October 2012 by the third party valuation agency to be appointed by the parties thereto and the consideration will be further adjusted to the market price as stated on such valuation report. Further announcement will be made by the Company in relation to the final consideration of the Properties later. The reason for such adjustment mechanism is that the consideration will better reflect the market value of the Properties. The consideration of the Properties shall be settled in cash within 3 months of the Completion. The Directors are of the view that it is more appropriate for the consideration of the Properties to be settled within 3 months of the Completion because it will take time for the Purchaser on behalf of the PRC Company to obtain financing from financial institution for the purchase of the Properties.

LETTER FROM THE BOARD

The initial consideration for the Properties Disposal was arrived at after arm's length negotiations between the parties on normal commercial terms with reference to the unaudited net book value of approximately RMB 83.9 million (equivalent to approximately HK\$102.3 million) of the Properties as at 31 December 2011. The Directors consider the terms and conditions of the Properties Disposal are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions Precedent of the Real Property Sale and Purchase Agreement

Completion of the Real Property Sale and Purchase Agreement shall be conditional upon (i) the passing of the relevant resolution(s) by the Shareholders at the EGM approving the Real Property Sale and Purchase Agreement and the transactions contemplated thereunder and all other consents and acts required under the Listing Rules having been obtained and completed; and (ii) the PRC Company procures 70% or more of the consideration of the Properties by borrowing from a financial institution using the Properties and/or equipments as collateral.

The parties shall complete the transfer of the Properties within 3 months after the Completion.

Notwithstanding anything contrary therein, pursuant to the Framework Agreement and the Real Property Sale and Purchase Agreement, if the PRC Company fails to procure 70% or more of the consideration of the Properties by borrowing from a financial institution using the Properties and/or equipments as collateral, the PRC Company shall be entitled to terminate the Real Property Sale and Purchase Agreement without any liability to Zhongshan Tat Chun.

If the conditions precedent of the Real Property Sale and Purchase Agreement set out above have not been fulfilled, the PRC Company is entitled to terminate the Real Property Sale and Purchase Agreement. Accordingly, the Real Property Sale and Purchase Agreement may not be completed.

Call Option

After the Completion of the Share Purchase Agreement, the PRC Company will be managed mainly by the Purchaser. However, the new management team still needs some time to be familiar with the financial institutions and to obtain financing to support the acquisition of the Properties currently leased to the PRC Company by Zhongshan Tat Chun for production purpose. As such, pursuant to the Framework Agreement, the PRC Company shall have an option to purchase the Properties from Zhongshan Tat Chun for one year after the Completion. Upon the exercise of the Call Option, Zhongshan Tat Chun shall sell the Properties by entering into a real property sale and purchase agreement and the parties shall further negotiate in relation to the terms and conditions at the time when the PRC Company exercises the Call Option.

For the period from the Completion to the date on which the ownership of the Properties is transferred to the PRC Company as a result of the PRC Company's exercise of the Call Option, the PRC Company shall use the Properties in a continuous manner and the PRC Company shall pay Zhongshan Tat Chun at the prevailing market rent in relation to the leasing of the Properties. If the PRC Company does not exercise the Call Option within one year after the Completion, the PRC Company shall pay the prevailing market rate rent to Zhongshan Tat Chun for use of the Properties thereafter.

The Company will comply with the relevant Listing Rules upon the exercise of the Call Option.

LETTER FROM THE BOARD

INFORMATION ON THE PURCHASER

To the best of the Directors' knowledge, information and belief after having made all reasonable enquires, the Purchaser is a corporation incorporated in Korea and the shares of which are listed on the Korean Stock Exchange. The Purchaser is principally engaged in the manufacturing of PCBs. The Purchaser's products include multi-layer PCBs used in telecommunication systems, computers and military systems; inner layer via hole PCBs used in cellular phones, personal digital assistants, satellites, camcorders and others; build-up PCBs used in cellular phones, personal digital assistants and telecommunication systems; liquid crystal display PCBs designed for liquid crystal displays, mobile computers, consumer electronics and plasma display panels; chip-on-board PCBs applied in video systems and flash memory products, and rigid flexible PCBs used in notebook personal computers and camcorders.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquires, the Purchaser and its ultimate beneficial owner(s) are Independent Third Parties and as at the Latest Practicable Date, the Purchaser is not interested in any Shares and/or other securities of the Company.

INFORMATION OF THE TARGET GROUP AND THE PROPERTIES

The Target was a company incorporated in Hong Kong on 28 March 2012 with limited liability and is principally engaged in investment holding. As at the Latest Practicable Date and before the Completion, the Target is wholly and beneficially owned by the Company. After the Reorganisation, the Target is principally engaged in the business related to the manufacturing, marketing, purchase and sales of PCBs through the PRC Company. The Target has no major assets as at the Latest Practicable Date.

The PRC Company was established under the laws of the PRC on 7 November 2006 with limited liability and has a registered capital of HK\$231,676,502. The PRC Company is principally engaged in the business related to manufacturing, marketing, purchasing and sales of multi-layered PCBs. As at the Latest Practicable Date and before the Completion, the PRC Company is wholly and beneficially owned by the Company. After the Reorganisation, the Company will transfer the entire equity interest of the PRC Company to the Target and the PRC Company will become a wholly-owned subsidiary of the Target.

LETTER FROM THE BOARD

The following tables show the turnover, net profit before and after tax, net assets and total assets value of the PRC Company based on its unaudited financial statements prepared in accordance with generally accepted accounting principles in Hong Kong for the two financial years ended 31 December 2010 and 2011:

	For the year ended 31 December 2010			As at 31 December 2010	
	Turnover	Net profit	Net profit	Net assets	Total asset
		before tax	after tax		value
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
The PRC Company	223,717	12,134	10,567	274,752	502,218

	For the year ended 31 December 2011			As at 31 December 2011	
	Turnover	Net profit	Net profit	Net assets	Total asset
		before tax	after tax		value
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
The PRC Company	205,484	13,377	11,705	287,710	613,108

The share of revenue and profits of the PRC Company with respect of those of the existing PCB business of the Company are 23% and 29% respectively for the year ended 31 December 2011 while the share of production capacity of PRC company with respect to those of the existing PCB business of the Company is 13% for the year ended 31 December 2011. The Properties are located at Zhongshan City, Guangdong Province, the PRC and is owned by Zhongshan Tat Chun. The Properties mainly comprise PCB factory and other related premises and is currently rented to the PRC Company by Zhongshan Tat Chun. The Properties occupy a total site area of approximately 66,000 square meters and have gross floor area of approximately 52,412 square meters. The book value of the Properties as at 31 December 2011 amounts to approximately HK\$102.3 million.

REASONS AND BENEFITS FOR THE DISPOSALS

The Group is principally engaged in manufacturing and trading of board range of LED lighting and PCBs including single-sided PCBs, double-sided PCBs and multi-layered PCBs up to 12 layers.

In light of the rapid technology change in the PCB industry, the Company considers that it is in the interests of the Company and its Shareholders as a whole to have strategic alliance with other reputed PCB industry participants in the market because the Directors believe that the Purchaser will transfer relevant technology for producing PCBs for high-end customers to the PRC Company, contributing to higher gross margin level of the PRC Company. In addition, the Purchaser will refer new PCBs customers to the Company or vice versa. As such, the cooperation with the Purchaser will benefit both the Company and the Purchaser. Further, the Disposals will on one hand represent an opportunity to allow the Group to realise its investments in the PRC Company and the Properties and on the other hand allow the Group to establish joint venture relationship with the Purchaser, a listed company in Korea principally engaged in the PCB related industry. The current technology level of the Purchaser is higher than the Company and the Purchaser will deploy its management team to the PRC Company.

LETTER FROM THE BOARD

The management team will bring in new technology to the PRC Company and will thus improve its technical level and product quality. As such, the Company considers that the Disposals are beneficial to the Group. After the Disposals, the MLB Business will be transferred to the Target Group and the Company will only produce single and double layer PCBs mainly through Zhongshan Tat Chun.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Framework Agreement, the Share Purchase Agreement and the Real Property Sale and Purchase Agreement are on normal commercial terms, fair and reasonable and that the Disposals are in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECTS OF THE DISPOSALS AND USE OF PROCEEDS

Earnings

Based on the initial consideration for the Sale Shares Disposal of HK\$141,567,154.86, it is estimated that the Group will record an unaudited loss of approximately HK\$6,000,000, being the difference between the estimated net proceeds from the Sale Shares Disposal of HK\$135,567,154.86 (after deducting all relevant fees and expenses) and 51% of the unaudited net asset value of the PRC Company as at 30 September 2011 of approximately HK\$277,582,656.59 prepared in accordance with generally accepted accounting principles in Hong Kong. The net loss from the Sale Shares Disposal will be obtained from working capital of the Group. The net proceeds from the Sale Share Disposal will be used to settle all current accounts including payment by the Company or its affiliates on behalf of the PRC Company, receipt by the Company or its affiliates on behalf of the PRC Company, purchasing activities by the Company or its affiliates on behalf of the Company and sales to the Company or its affiliates by the PRC Company. The current accounts receivable of the PRC Company from affiliates of the Company is approximately HK\$117 million as at 30 April 2012.

Based on the initial consideration of the Properties Disposal of RMB83.9 million (equivalent to approximately HK\$102.3 million), it is estimated that the Group will record an unaudited loss of approximately HK\$21 million, being the difference between the estimate net proceeds from the Properties Disposal of HK\$81.3 million (after deducting all relevant fees and expenses) and the unaudited net book value of the Properties as at 31 December 2011 of approximately RMB83.9 million (equivalent to approximately HK\$102.3 million). It is estimated that the unaudited loss of approximately HK\$21 million will comprise of land appreciation tax of approximate HK\$ 5.6 million, business tax of approximate HK\$ 5.6 million, corporate income tax of approximate HK\$ 9.5 million, and other miscellaneous tax of approximate HK\$ 0.3 million. The net proceeds from the Properties Disposal will be used by Zhongshan Tat Chun to repay the loan of HK\$80 million borrowed from a bank and remove security charged on the Properties under the name of Zhongshan Tat Chun.

LETTER FROM THE BOARD

Assets and liabilities

After the Sale Shares Disposal, the Company's shareholding in the Target, which holds 100% in the PRC Company, will be reduced from 100% to 49% and thus the Target and the PRC Company will cease to be subsidiaries of the Company and become associate companies of the Company. As such, the assets and liabilities of the Target and the PRC Company will be deconsolidated from the Group's future financial statements. The Company will then account for the net assets and results of the Target and the PRC Company by equity accounting method. Because of the exclusion of the assets and liabilities of the Target and the PRC Company, the total assets and liabilities of the Group will be reduced.

Based on the initial consideration of the Properties Disposal of RMB83.9 million (equivalent to approximately HK\$102.3 million), it is estimated that the assets of the Group will be reduced by RMB83.9 million, being net book value of the Properties, and total liabilities of the Group will be reduced by HK\$80 million, being the bank loan.

LISTING RULES IMPLICATIONS

As the highest of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules for each of the Sales Shares Disposal and Properties Disposal is over 25% but less than 75%, the Disposals constitute major transactions on the part of the Company under Chapter 14 of the Listing Rules and are subject to, among others, the approval of the Shareholders by way of poll at the EGM. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, none of the Shareholders and its associates has a material interest in the transactions contemplated under the Agreements, accordingly no Shareholders is required to abstain from voting on the relevant resolution to be proposed at the EGM.

EGM

A notice convening the EGM to be held at 31/F, Aitken Vanson Centre, 61 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong on Friday, 20 July 2012 at 11:00 a.m. at which an ordinary resolution shall be proposed to the Shareholders to approve the Framework Agreement, the Share Purchase Agreement and the Real Property Sale and Purchase Agreement and the transactions contemplated thereunder is set out on pages 39 to 41 of this circular.

A form of proxy for use at the EGM is enclosed. If you are unable to attend the EGM in person, you are requested to complete and return the form of proxy to the Company's share registrar, Tricor Investor Services Limited, 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjourned meeting thereof (as the case may be) should you so wish.

The resolution approving the Framework Agreement, the Share Purchase Agreement and the Real Property Sale and Purchase Agreement and the transactions contemplated thereunder will be voted by way of a poll at the EGM.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors (including the independent non-executive Directors) are of the opinion that the terms of the Framework Agreement, the Share Purchase Agreement and the Real Property Sale and Purchase Agreement are fair and reasonable and the Disposals are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Framework Agreement, the Share Purchase Agreement and the Real Property Sale and Purchase Agreement and the transactions contemplated thereunder.

FURTHER INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

By order of the Board
TC Orient Lighting Holdings Limited
Yeung Hoi Shan
Chairman

1. THREE-YEAR FINANCIAL INFORMATION OF THE GROUP

Details of the financial information of the Group for each of the three years ended 31 December 2009, 2010 and 2011 are disclosed in the annual reports of the Company for the years ended 31 December 2009, 2010 and 2011 respectively. The annual reports are published on the website of the Stock Exchange (www.hkex.com.hk) and the website of the Company (www.tatchun.com).

Please also see below the hyperlinks to the said annual reports:

<http://www.hkexnews.hk/listedco/listconews/sehk/2012/0425/LTN20120425273.pdf>

<http://www.hkexnews.hk/listedco/listconews/sehk/2011/0419/LTN20110419381.pdf>

<http://www.hkexnews.hk/listedco/listconews/sehk/2010/0429/LTN20100429739.pdf>

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 30 April 2012, being the latest practicable date for the purpose of this statement of indebtedness, the Group had secured bank borrowings of approximately HK\$271,866,000 and unsecured bank borrowings of approximately HK\$64,427,000. In addition, the Group had outstanding at that date secured obligations under finance leases of approximately HK\$17,310,000.

Certain of the Group's bank borrowings and credit facilities were secured by the following assets of the Group:

- 1) buildings with a carrying value of approximately HK\$158,137,000;
- 2) plants and machineries with a carrying value of approximately HK\$13,530,000;
- 3) pledged bank deposits with a carrying value of approximately HK\$131,234,000; and
- 4) prepaid lease payments with a carrying value of approximately HK\$21,715,000.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Group did not have outstanding at the close of business on 30 April 2012 any loan capital issued, and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

Foreign currency amounts have been translated into Hong Kong dollars at the approximate exchange rates prevailing at the close of business on 30 April 2012.

3. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the present available financial resources, including funds internally generated from operation, the banking and other facilities presently available and the estimated net proceed from the Disposals, the Remaining Group will have sufficient working capital for its business for the next twelve (12) months from the date of this circular in the absence of unforeseen circumstances.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2011 (being the date to which the latest published audited consolidated financial statements of the Group were made up).

5. FINANCIAL AND TRADING PROSPECTS OF THE REMAINING GROUP

The Remaining Group will be principally engaged in manufacturing and trading of board range of LED lighting and PCBs including single-sided PCBs, double-sided PCBs.

Looking ahead, the LED industry will continue to boom in the year 2012 given rapid urbanization in China and the favourable policies announced by the Chinese government. While we expect the market share of LED lights will be further expanded after the implementation of the ban on incandescent lamp, the LED light industry is experiencing organic growth under the promotion of “Twelve Five-year Plan” and “10 Cities 10,000 Lamps” policies. According to the Ministry of Science and Technology, it is expected that the penetration rate of LED lighting will reach over 25% in 2015, with total production value of RMB 500 billion in the industry. While the government has announced the subsidy of 30% on LED lamp projects, we strongly believe that there will be plenty of room for LED street lamp and interior lamp markets to grow at a rapid pace.

The expected growth of the LED road lamp business is also statistically supported by GLII (高工產業研究院LED產業研究所). According to the GLII (高工產業研究院LED產業研究所) report, the installation of LED road lamps in 2011 amounted to 530,000, which increased by 51% while comparing to the same period in 2010; and the forecast for 2012 is amounting to 850,000. With the encouraging statistics given, securing optimal LED road lamp installation contracts with the various provincial governments in China will be the Group’s major focus.

In order to maintain the competitiveness and enlarging the market share in the LED lighting market, the Group will keep diversifying product mix to work on the commercial LED lighting projects in addition to government projects. Such commercial projects include interior lighting projects, landscape lighting projects and lamp renovations etc. Given the recognition from NDRC and provincial governments, we believe that we can further secure more projects in the coming years by leveraging on our high quality LED products through our proven technology and research capability.

The Remaining Group will be principally engaged in manufacturing and trading of broad range of LED Lighting and PCBs, including single-sided PCBs and double-sided PCBs. The Group aims to co-operate with a strong strategic partner in the PCB business by cross-referring new PCBs customers. The current technology level of the Purchaser is higher than the Company and the Purchaser will deploy its management team to the PRC Company. The management team of the Purchaser will bring in new technology to the PRC Company and will thus improve its technical level and product quality. As such, it is expected that the Remaining Group will be benefited in the future.

Looking ahead, we will maximize our development efforts in both LED and PCB businesses and strive for the highest return in the coming years.

The following is the text of the letter and valuation certificate received from DTZ Debenham Tie Leung Limited, an independent property valuer, in connection with its opinion of market values of the Properties held in the PRC as at 31 May 2012 prepared for the purpose of incorporation in this circular.



16th Floor
Jardine House
1 Connaught Place
Central
Hong Kong

29 June 2012

The Directors
TC Orient Lighting Holdings Limited
31/F, Aitken Vanson Centre
61 Hoi Yuen Road
Kwun Tong
Kowloon
Hong Kong

Dear Sirs,

- Re: (1) A plot of land and one 2-storey building adjoining the south boundary of the (“Property 2”) on the west side of Gaoping Avenue at Gaoping Village, Sanjiao Town, Zhongshan, Guangdong Province, the PRC (“Property 1”)
- (2) A plot of land and four 5-6 storey buildings adjoining the north boundary of the (“Property 1”) on the west side of Gaoping Avenue at Gaoping Village, Sanjiao Town, Zhongshan, Guangdong Province, the PRC (“Property 2”)

Property 1 and Property 2 are contiguous to each other

INSTRUCTIONS, PURPOSE & DATE OF VALUATION

We refer to the instruction of TC Orient Lighting Holdings Limited (the “Company”) for us to value the captioned Properties held by 中山市達進電子有限公司 (Zhongshan Tat Chun Electronic Co., Ltd.#) (“Zhongshan Tat Chun”) in the People’s Republic of China (the “PRC”). As advised by the Company, Zhongshan Tat Chun acquired the Properties in 2006; 廣東達進電子科技有限公司 (Guangdong Tat Chun Electronic Technology Co., Ltd.#) (“PRC Company”) has carried subsequent renovation works to the Properties. Zhongshan Tat Chun and PRC Company are wholly and beneficially owned by the Company (together referred as the “Group”). We can confirm that we have carried out inspection, made relevant enquiries and obtained such further information as we considered necessary for the purpose of providing you with our opinion of the market value of the Properties as at 31 May 2012 (the “date of valuation”).

DEFINITION OF MARKET VALUE

Our valuation of the Properties represents its market value which in accordance with The HKIS Valuation Standards on Properties (First Edition 2005) published by the Hong Kong Institute of Surveyors is defined as “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

VALUATION ASSUMPTION

Our valuations of the Properties exclude an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangement, special considerations or concessions granted by anyone associated with the sale, or any element of special value.

In the course of our valuation of the Properties situated in the PRC, we have assumed that transferable land use rights in respect of the Property for its specific term at nominal annual land use fees have been granted and that any premium payable has already been fully paid. We have relied on the information and advice given by the Company and the opinion of the Company’s PRC legal adviser, Beijing DeHeng Law Offices, regarding the titles to the Properties and the interests in the Properties. In valuing the Properties, we have assumed that the owners have enforceable title to the Properties and have free and uninterrupted rights to use, occupy or assign the Properties for the whole of the unexpired term as granted.

No allowance has been made in our valuation of the Properties for any charges, mortgages or amounts owing on the Properties nor any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Properties are free from encumbrances, restrictions and outgoings of onerous nature which could affect their values.

We have valued the whole interest in the Properties.

METHOD OF VALUATION

In valuing the Property held for owner-occupation in the PRC, we have valued it on vacant possession basis by “Depreciated Replacement Costs (“DRC”) Approach”. DRC Approach is a method where the value of a property is derived by adding together the market value of the land in its existing use and the current gross replacement costs of the improvements, less allowances for physical deterioration and all relevant forms of obsolescence.

We have valued the land on an assumption of sale with the benefit of vacant possession and by making reference to comparable sales evidence as available in the relevant market. The term gross replacement cost is defined as the estimated cost of erecting the building or a modern substitute building having the same area as the existing building at prices current at the relevant date. This figure includes fees and finance charges payable during the construction period and other associated expenses directly related to the construction of the building. The DRC Approach generally furnishes a reliable indication of value for Properties with specific nature and design of buildings, in the absence of identifiable market sales comparables. The DRC Approach is subject to adequate potential profitability of the business.

Zhongshan Tat Chun acquired the Properties in 2006; PRC Company has carried subsequent renovation works to the Properties. As advised by the Company, the book cost of the said renovation works are belonging to and on the accounts of PRC Company. As specially instructed by the Company, in the course of our valuation, we have deducted the net book cost of the subsequent renovation works done by PRC Company to the Properties.

In valuing the Properties, we have complied with the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and The HKIS Valuation Standards on Properties (First Edition 2005) published by the Hong Kong Institute of Surveyors.

SOURCE OF INFORMATION

We have relied to a very considerable extent on the information given by the Company and the opinion of the Company's PRC legal adviser as to the PRC laws. We have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, year of completion, identification of the Properties, particulars of occupancy, construction cost, site and floor areas and all other relevant matters.

Dimension, measurements and areas included in this valuation report are based on the information provided to us and are therefore only approximation. We have had no reason to doubt the truth and accuracy of the information provided to us by Company which is material to the valuation. We were also advised that no material facts have been omitted from the information supplied.

We would point out that the copies of documents provided to us are mainly compiled in Chinese characters and the transliteration into English represents our understanding of the contents. We would therefore advise the Company to make reference to the original Chinese edition of the documents and consult your legal adviser regarding the legality and interpretation of these documents.

TITLE INVESTIGATION

We have been provided by the Company with copies or extracts of documents. However, we have not searched the original documents to verify ownership or to ascertain any amendments. All documents have been used for reference only and all dimensions, measurements and areas are approximate.

SITE INSPECTION

Our DTZ Guangzhou Office valuer Xu Zi Juan, under the supervision of He Zhao Xuan who is a China Real Estate Appraiser, have inspected the exterior and, wherever possible, the interior of the Properties on 6 June 2012. However, no structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not, however, able to report whether the Properties is free of rot, infestation or any other structural defects. No tests were carried out to any of the services. Moreover, we have not carried out any investigations to determine the suitability of the soil conditions and the services etc. for any future development. Our valuation is prepared on the assumption that these aspects are satisfactory and that no extraordinary costs or delays will be incurred during the construction period.

We have not been able to carry out detailed on-site measurements to verify the site and floor areas of the Properties and we have assumed that the areas shown on the copies of documents handed to us are correct.

CURRENCY

Unless otherwise stated, all sums stated in our valuation are in Renminbi, the official currency of the PRC. The exchange rate adopted for the net book cost is approximately HK\$1=RMB0.8158.

We attach herewith our valuation certificate.

Yours faithfully,
for and on behalf of
DTZ Debenham Tie Leung Limited
Philip C Y Tsang
Registered Professional Surveyor (General Practice)
Registered China Real Estate Appraiser
MSc, MRICS, MHKIS
Director

Note: Mr. Philip C Y Tsang is a Registered Professional Surveyor (General Practice) who has over 19 years' experience in the valuation of properties in the PRC.

The English transliteration of the Chinese names, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names.

VALUATION CERTIFICATE

Properties held by the Group for owner-occupation in the PRC

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 May 2012
(1) A plot of land and one 2-storey building adjoining the south boundary of the ("Property 2") on the west side of Gaoping Avenue at Gaoping Village, Sanjiao Town, Zhongshan, Guangdong Province, the PRC ("Property 1")	<p>Property 1 and Property 2 are two contiguous Properties.</p> <p>Property 1 Property 1 comprises one plot of land and one 2-storey industrial building (partly 3-storey) completed in 2002.</p> <p>Property 1 has a total site area of 39,333.00 sq m and a total gross floor area of approximately 35,173.90 sq m.</p> <p>The land use rights of Property 1 have been granted for a term due to expire on 16 July 2048 for industrial use.</p>	<p>PRC Company is currently occupying the Properties under an internal lease for a term from 1 January 2007 at a current fixed monthly rent of RMB300,000, exclusive of management fee. In the course of our valuation, we have disregarded the said internal lease and assumed owner-occupy basis.</p>	<p>RMB95,500,000 (Please see note 1)</p>
(2) A plot of land and four 5-6 storey buildings adjoining the north boundary of the ("Property 1") on the west side of Gaoping Avenue at Gaoping Village, Sanjiao Town, Zhongshan, Guangdong Province, the PRC ("Property 2")	<p>Property 2 Property 2 comprises one plot of land and one 5-storey dormitory, two 6-storey dormitories and one 1-storey (partly 2-storey) canteen completed in 2002.</p> <p>Property 2 comprises a site area of 26,666.70 sq m and a total gross floor area of approximately 17,238.53 sq m.</p> <p>The land use rights of Property 2 have been granted for a term due to expire on 4 August 2048 for industrial use.</p>	<p>The Properties are located at Gaoping Village, Sanjiao Town, Zhongshan in Guangdong Province, which is in rural area of Zhongshan. Developments nearby are mainly industrial and residential development. According to the information from the Company, the Properties are planned for industrial use; there is no environmental issues and litigation dispute; there is no plan for renovation or change the use of the Properties.</p>	

Notes:

- (1) Zhongshan Tat Chun acquired the Properties in 2006; PRC Company has carried subsequent renovation works to the Properties. As advised by the Company, the book cost of the said renovation works are belong to and on the accounts of PRC Company. As specially instructed by the Company, in the course of our valuation, we have deducted the net book cost, approximately HK\$30,800,000 (equivalent to RMB25,100,000), of the subsequent renovation works done by PRC Company to the Properties.
- (2) According to two Certificates for the Use of State-owned Land issued by the People's Government of Zhongshan Municipal, the land use rights of Property 1 and Property 2, with a total site area of 65,999.70 sq m, have been granted to Zhongshan Tat Chun:—

Property	Certificate No.	Location	Uses	Date of Expiry	Site Area (sq m)
1	(2008)040474	Gaoping Village, Sanjiao Town, Zhongshan	Industrial	16 July 2048	39,333.00
2	(2008)040453	Gaoping Village, Sanjiao Town, Zhongshan	Industrial	4 August 2048	26,666.70
Total:					<u>65,999.70</u>

- (3) According to two Real Estate Title Certificates issued by the People's Government of Guangdong Province, building ownerships of Property 1 and Property 2 have been vested in Zhongshan Tat Chun:—

Property	Certificate No.	Location	Uses	Gross Floor Area (sq m)
1	C7109280	Gaoping Village, Sanjiao Town, Zhongshan	Industrial	35,173.90
2	C6719100	Gaoping Village, Sanjiao Town, Zhongshan	Industrial ancillary facilities	17,238.53
Total:				<u>52,412.43</u>

- (4) According to two Certificates of Other Parties' Right in Real Estate issued by the People's Government of Zhongshan Province, the land use rights and building ownerships of Property 1 and Property 2 have been pledged to 澳門國際銀行股份有限公司 Macau International Bank Stock Company Limited[#]:—

Property	Certificate No.	Registration Date	Loan Amount (HK\$)
1	0111000181	6 January 2011	61,200,000
2	0110021722	3 December 2010	34,800,000
			<u>96,000,000</u>

As advised by the Company, the current outstanding loan amount is about HK\$80,000,000.

- (5) According to Business Licence No. 002670 dated 8 November 2001, Zhongshan Tat Chun has been established with a registered capital of HK\$50,000,000 for a valid operation period from 8 November 2001 to 7 November 2021.
- (6) According to the PRC legal opinion:—
- (i) Zhongshan Tat Chun has legal land use rights of the Properties, and can freely occupy, use, transfer, lease, or mortgage the land use rights of the Properties;
 - (ii) Zhongshan Tat Chun is the sole legal owner of the Properties, and can freely occupy, use, transfer, lease, or mortgage the Properties;
 - (iii) The lease contract between Zhongshan Tat Chun and PRC Company is legal, valid and binding under PRC laws; and
 - (iv) The Properties are pledged to a bank and registered legally.
- (7) The status of title and grant of major approvals and licences in accordance with the information provided by the Company and the opinion of the PRC legal adviser are as follows:—

Certificate for the Use of State-owned Land	Yes
Real Estate Title Certificate	Yes
Certificate of Other Parties' Right in Real Estate	Yes
Business Licence	Yes

1. 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.

2. DISCLOSURE OF INTERESTS

(a) Directors' interests and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of the Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, were as follows:

Interests in Shares of the Company

Name of Director	Long position/ short position	Capacity	Number of issued shares held	Approximate percentage of the issued share capital of the Company (%)
Mr. Yeung Hoi Shan	Long position	Beneficial owner	157,700,000	35.640
Mr. Zhu Jianqin	Long position	Beneficial owner	14,037,803	3.173
Mr Kwok Tung Fai	Long position	Beneficial owner	12,000	0.003
Madam Li Jinxia	Long position	Beneficial owner	1,300,000	0.294
Mr. Yeung Tai Hoi	Long position	Beneficial owner	320,000	0.072
Mr. Cheung Sui Wing, Darius	Long position	Beneficial owner	220,000	0.050
Mr. Wong Siu Fai, Albert	Long position	Beneficial owner	260,000	0.059

Interests in the share options of the Company

Name of Director	Date of grant	Exercise price	Exercise period (both dates inclusive)	Share options outstanding as at the Latest Practicable Date	Approximate percentage of the issued share capital of the Company (%)
Mr. Yeung Hoi Shan	29 September 2009	HK\$1.07	29 September 2009 to 28 September 2015	2,400,000	0.542
Mr. Yeung Hoi Shan	2 September 2011	HK\$2.11	3 March 2012 to 1 September 2021	2,300,000	0.520
Mr. Zhu Jianqin	29 September 2009	HK\$1.07	29 September 2009 to 28 September 2015	600,000	0.136
Mr. Zhu Jianqin	2 September 2011	HK\$2.11	3 March 2012 to 1 September 2021	2,300,000	0.520
Mr. Kwok Tung Fai (Note)	14 July 2010	HK\$1.50	14 July 2010 to 13 July 2020	240,000	0.054
Mr. Kwok Tung Fai (Note)	2 September 2011	HK\$2.11	3 March 2012 to 1 September 2021	500,000	0.113
Madam Li Jinxia	29 September 2009	HK\$1.07	29 September 2009 to 28 September 2015	700,000	0.158
Madam Li Jinxia	2 September 2011	HK\$2.11	3 March 2012 to 1 September 2021	4,000,000	0.904
Mr. Yeung Tai Hoi	29 September 2009	HK\$1.07	29 September 2009 to 28 September 2015	80,000	0.018
Mr. Yeung Tai Hoi	2 September 2011	HK\$2.11	3 March 2012 to 1 September 2021	4,000,000	0.904

Name of Director	Date of grant	Exercise price	Exercise period (both dates inclusive)	Share options outstanding as at the Latest Practicable Date	Approximate percentage of the issued share capital of the Company (%)
Mr. Cheung Sui Wing, Darius	29 September 2009	HK\$1.07	29 September 2009 to 28 September 2015	80,000	0.018
Mr. Cheung Sui Wing, Darius	14 July 2010	HK\$1.50	14 July 2010 to 13 July 2020	140,000	0.032
Mr. Cheung Sui Wing, Darius	2 September 2011	HK\$2.11	3 March 2012 to 1 September 2021	200,000	0.045
Mr. Wong Siu Fai, Albert	29 September 2009	HK\$1.07	29 September 2009 to 28 September 2015	140,000	0.032
Mr. Wong Siu Fai, Albert	14 July 2010	HK\$1.50	14 July 2010 to 13 July 2020	200,000	0.045
Mr. Wong Siu Fai, Albert	2 September 2011	HK\$2.11	3 March 2012 to 1 September 2021	200,000	0.045

Note: Mr. Kwok Tung Fai has been appointed as an executive director of the Company with effect from 1 April 2012.

Save as disclosed herein, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) where were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

(b) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO and substantial Shareholders

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Interests in the Shares

Name of Shareholder	Long position/ short position	Capacity in which Shares were held	Number of issued Shares	Approximate percentage of the issued share capital of the Company (%)
Zhao Man Qi (<i>Note</i>)	Long position	Interest of spouse	157,700,000	35.640

Interests in the Share options of the Company

Name of Substantial Shareholder	Date of grant	Exercise price	Exercise period (both dates inclusive)	Share options outstanding as at the Latest Practicable Date	Approximate percentage of the issued share capital of the Company (%)
Ms. Zhao Man Qi (<i>Note</i>)	29 September 2009	HK\$1.07	29 September 2009 to 28 September 2015	2,400,000	0.542
Ms. Zhao Man Qi (<i>Note</i>)	2 September 2011	HK\$2.11	3 March 2012 to 1 September 2021	2,300,000	0.520

Note: Ms. Zhao Man Qi, being the spouse of Mr. Yeung Hoi Shan, is deemed to be interested in these Shares under SFO.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

3. DIRECTORS' SERVICE CONTRACTS

- (1) Mr. Zhu Jianqin entered into a service contract with the Company for a term of two years from 7 September 2010, with an option to renew at the expiry of the two-year term but is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the articles of association of the Company. The director's fee of Mr. Zhu Jianqin is RMB960,000 per annum. His remuneration is recommended by remuneration committee and approved by the Board.
- (2) Mr. Yeung Hoi Shan entered into a service contract with the Company for a term of two years from 12 June 2012, determinable by either party by giving three months' prior written notice but is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the articles of association of the Company. The director's fee of Mr. Yeung Hoi Shan is HK\$2,868,000 per annum. His remuneration is recommended by remuneration committee and approved by the Board.
- (3) Mr. Kwok Tung Fai entered into a service contract with the Company for a term of two years from 1 April 2012, determinable by either party by giving three months' prior written notice but is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the articles of association of the Company. The director's fee of Mr. Kwok Tung Fai is HK\$1,320,000 for the period from 1 April 2012 to 31 March 2013, and HK\$1,440,000 for the period from 1 April 2013 to 31 March 2014. His remuneration is recommended by remuneration committee and approved by the Board.

Save as disclosed above, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

4. EXPERTS AND CONSENTS

The following are the qualifications of the experts who have given opinions, letters or advice which are contained in this circular:

Name	Qualification
DTZ Debenham Tie Leung Limited (the “ Valuer ”)	Independent property valuer
Beijing Deheng Law Offices (the “ Deheng ”)	PRC legal adviser

Each of the Valuer and Deheng has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter(s) and report(s) and references to its names in the form and context in which they respectively appear.

As at the Latest Practicable Date, none of the Valuer and Deheng did not have any interest in the share capital of any member of the Group nor any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

5. LITIGATION

On 18 May 2012, the Company received a notice of arbitration which was filed by 江蘇芯光照明有限公司(KEN Lighting Limited) (“**KEN Lighting**”) and Mr. Geng Bo (“**Mr. Geng**”), as applicants (the “**Applicants**”) against TC (BVI) Limited and 達進東方照明(深圳)有限公司 (TC Orient Lighting (Shenzhen) Limited[#]), both are subsidiaries of the Company, as respondents (the “**Respondents**”) for the claim of compensation for breach of the agreement made between the Applicants and the Respondents in September 2010. The Applicants claim, (i) damages in the sum of RMB1,700,000 to KEN Lighting; (ii) damages in the sum of RMB1,700,000 to Mr. Geng; (iii) bonus in the sum of RMB39,800,000 to be given to Mr. Geng; (iv) legal counsel fees incurred by the Applicants in the sum of RMB400,000 to be borne by the Respondents; and (v) the costs of the arbitration to be borne by the Respondents. The arbitration was still in progress up to the Latest Practicable Date.

The Company has sought the legal advice from its PRC legal advisor and they are of the view that the claims in item (i) and (iii) listed above are not reasonable and do not have any sufficient legal ground. The claim in item (ii) listed above is far much higher than the damages incurred and it is possible that the arbitral tribunal may reduce the amount accordingly. As such, the Directors are of the view that the arbitration referred above will not have material adverse effect on the operations and financial position of the Group.

Save as disclosed above, as at the Latest Practicable Date, neither the Company nor any of its subsidiaries were engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened by or against the Company or any of its subsidiaries.

6. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors nor their respective associates had any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

7. DIRECTORS' AND EXPERTS' INTERESTS IN ASSETS/CONTRACTS AND OTHER INTERESTS

- (a) None of the Directors, the Valuer and Deheng had any direct or indirect interests in any asset which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 December 2011, the date to which the latest published audited financial statements of the Group were made up.
- (b) As at the Latest Practicable Date, none of the Directors, the Valuer and Deheng was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group.

8. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by the members of the Group within the two years immediately preceding the date of this circular and are or may be material:

- (a) the Framework Agreement;
- (b) the Share Purchase Agreement;
- (c) the Real Property Sale and Purchase Agreement;
- (d) the conditional placing and subscription agreement dated 13 January 2011 entered into amongst the Company, Guotai Junan Securities (Hong Kong) Limited, and Mr. Yeung Hoi Shan in relation to the placing of up to an aggregate of 60,000,000 existing placing shares to the placees and the subscription of up to 60,000,000 new shares by the subscriber at the subscription price of HK\$3.79 per share;
- (e) the sale and purchase agreement entered into amongst Mr. Yeung Hoi Shan, BOCI Asia Limited, and Kingsway Financial Services Group Limited on 18 October 2010 in relation to the disposal of 24,000,000 shares of the Company;
- (f) the cooperation agreement dated 27 July 2010 entered into between the Company and AV Concept Holdings Limited in relation to the formation of a strategic alliance relationship between the two companies;

- (g) the service agreement dated 22 June 2010 entered into between the Company and Polaris Securities Co., Ltd. in relation to the engagement of Polaris Securities Co., Ltd. to provide financial advisory service to the Company and to act as the lead underwriter in relation to the listing of Taiwan depositary receipts;
- (h) the subscription agreements dated 20 May 2010 entered into amongst the Company, Golden Summit Finance Limited, Nature Trails Services Limited, and Shikumen Capital Management Limited in relation to the issue of the one-and-half-year 2.5% coupon convertible bonds in principal amount of up to HK\$40 million to the subscribers; and
- (i) the conditional warrant subscription agreement dated 20 May 2010 entered into amongst the Company and six individual and/or corporate investors in relation to the subscription of a total of 8,000,000 warrants by the warrant subscribers for a period of twelve months commencing from the date of issue of the warrants.

9. MISCELLANEOUS

- (a) The Company's Hong Kong share registrar and transfer office of the Company is Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (b) The company secretary of the Company is Mr. Kwok Tung Fai who is an associate member of Hong Kong Institute of Certified Public Accountants and a fellow member of The Chartered Association of Certified Accountants.
- (c) The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (d) The English text of this circular shall prevail over the Chinese text.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (Saturdays and public holidays excepted) at the head office of the Company at 31/F, Aitken Vanson Centre, 61 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong from the date of this circular up to and including the date of the EGM:

- (a) the memorandum and articles of association of the Company;
- (b) the service contracts referred to in the paragraph headed "Directors' service contracts" in this Appendix;
- (c) the material contracts referred to in the paragraph headed "Material contracts" in this Appendix;
- (d) the Valuation Report, the text of which is set out on pages 23 to 29 in this circular;

- (e) the written consent of the experts referred to in the paragraph headed “Experts and consents” in this Appendix;
- (f) the annual reports of the Company and its subsidiaries for the two financial years ended 31 December 2010 and 31 December 2011; and
- (g) this circular.

NOTICE OF EGM



TC ORIENT LIGHTING HOLDINGS LIMITED 達進東方照明控股有限公司

(Incorporated in the Cayman Islands with limited liability)

website: www.tatchun.com

(Stock Code: 515)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of TC Orient Lighting Holdings Limited (the “**Company**”) will be held at 31/F, Aitken Vanson Centre, 61 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong on Friday, 20 July 2012 at 11:00 a.m. for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT**

- (a) the framework agreement (the “**Framework Agreement**”) (a copy of which has been produced to this meeting marked “A” and signed by the chairman of this meeting for the purpose of identification) dated 16 May 2012 and entered into between the Company as vendor and Isupetasys Co., Ltd. (the “**Purchaser**”) as purchaser in relation to (i) the disposal by the Company of the 51% issued share capital of ISU TC Co., Ltd. (the “**Target**”) for an aggregate consideration of HKD141, 567, 154.86 subject to the adjustment to be made prior to completion based on the net asset value of the Target and 廣東達進電子科技有限公司 (transliteration as Guangdong Tat Chun Electronic Technology Co., Ltd#, the “**PRC Company**”) after the final due diligence to be conducted by the Purchaser and (ii) the disposal by the Company of the properties (the “**Properties**”) located in 中山市三角鎮高平村 (transliteration as Zhongshan City, Sanjiao Town, Gaoping Village#) at an initial consideration of RMB 83.9 million (equivalent to approximately HK\$102.3 million) which will be further adjusted to the market price as stated on the valuation report of the third party valuation agency to be appointed by the parties thereto and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (b) the share sale and purchase agreement (the “**Share Purchase Agreement**”) (a copy of which has been produced to this meeting marked “B” and signed by the chairman of this meeting for the purpose of identification) dated 16 May 2012 and entered into between the Company as vendor and the Purchaser as purchaser in relation to the disposal by the Company of the 51% issued share capital of the Target for an aggregate consideration of HKD141,567,154.86 subject to the adjustment to be made prior to completion based on the net asset value of the Target and the PRC Company after the due diligence to be conducted by the Purchaser and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;

NOTICE OF EGM

- (c) the real property sale and purchase agreement (the “**Real Property Sale and Purchase Agreement**”, together with the Framework Agreement and the Share Purchase Agreement, the “**Agreements**”) (a copy of which has been produced to this meeting marked “C” and signed by the chairman of this meeting for the purpose of identification) dated 16 May 2012 and entered into between 中山市達進電子有限公司 (transliteration as Zhongshan Tat Chun Electronic Co., Ltd.#) (“**Zhongshan Tat Chun**”), as vendor and the PRC Company as purchaser in relation to the disposal by Zhongshan Tat Chun of the Properties at an initial consideration of RMB 83.9 million (equivalent to approximately HK\$102.3 million) which will be further adjusted to the market price as stated on the valuation report of the third party valuation agency to be appointed by the parties thereto and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (d) any one of more directors of the Company be and are hereby authorised to do all such things and execute all such documents as they consider necessary or expedient for the purposes of giving effect to the Agreements and the implementation of all transactions contemplated thereby.”

By order of the Board
TC Orient Lighting Holdings Limited
Yeung Hoi Shan
Chairman

The English transliteration of the Chinese names in this circular, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names.

Hong Kong, 29 June 2012

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place of business
in Hong Kong:*
31/F, Aitken Vanson Centre,
61 Hoi Yuen Road,
Kwun Tong, Kowloon,
Hong Kong

NOTICE OF EGM

Notes:

1. A member entitled to attend and vote at the EGM is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the EGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. Whether or not you intend to attend the EGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the EGM or any adjournment thereof, should he so wish.
3. In order to be valid, the form of proxy, together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof.
4. In the case of joint holders of shares, any one of such holders may vote at the EGM, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holder are present at the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
5. The voting on the resolution will be conducted by way of poll.