This summary aims to give you an overview of the information contained in this prospectus. As it is a summary, it does not contain all the information that may be important to you. You should read the whole document before you decide to invest in Offer Shares.

There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed "Risk Factors" in this prospectus. You should read that section carefully before you decide to invest in the Offer Shares.

OVERVIEW

We are a leading supplier of lighting products in China. According to the Report on the Development of China's Lighting Industry during the Past Twenty Years dated 15 March 2010 which was subsequently updated on 12 April 2010 (the "**CALI Report**"), published by the China Association of Lighting Industry ("**CALI**"), we are the largest domestic lighting brand supplier and rank second amongst all lighting brand suppliers in China, based on revenue in 2009. We design, develop, produce, market and sell a variety of lighting products, with a strong focus on energy-saving products, through the following product segments:

- *Luminaire products.*[1] A luminaire is generally considered to be a complete lighting unit that consists of a lighting fixture, a lamp (namely the light source such as a light bulb or tube) and a lighting electronics appliance (e.g. a ballast). Our luminaire products are sold as complete lighting units or units without lamps, based on the needs of our end customers;
- *Lamp products.*[2] Our lamp products primarily consist of a range of light bulbs and tubes for compact fluorescent lamps (namely energy-saving lamps), HID lamps, fluorescent lamps, halogen lamps and LED lamps; and
- *Lighting electronics products.*[3] Our lighting electronics products primarily consist of electronic transformers, electronic and inductive ballasts for fluorescent and HID lamps, and HID ballast boxes.

The following table sets forth our revenue by product segment, after inter-segment elimination, and as a percentage of total revenue for the periods indicated.

	Year ended 31 December					
	2007		2008		2009	
	Revenue (US$'000)	% of total revenue	Revenue (US$'000)	% of total revenue	Revenue (US$'000)	% of total revenue
Luminaire products	90,143	69.3%	152,965	59.7%	153,799	50.3%
Lamp products	24,407	18.8%	79,947	31.1%	118,048	38.6%
Lighting electronics products	15,518	11.9%	23,503	9.2%	33,923	11.1%
Total revenue	130,068	100.0%	256,415	100.0%	305,770	100.0%

As at 31 December 2009, our products were sold through a nationwide sales network of 36 exclusive regional distributors and 2,461 NVC outlets covering 31 provinces, municipalities and autonomous regions in China.

Notes:

(1) Among our luminaires, T4/T5 battens and LED lighting products are energy-saving products while spotlights, downlights, lighting louvers and floodlights are not, according to CALI's definition. A T4/T5 batten is a complete lighting unit that consists of a fluorescent lamp, a supporting lighting fixture and an electronic ballast, and based on the Company's understanding, is energy-saving under CALI's definition.

(2) According to CALI's definition, other than halogen lamps, all products under our lamp products segment, including compact fluorescent lamps, HID lamps, fluorescent lamps, and LED lamps, are energy-saving products.

(3) According to CALI's definition, our lighting electronics products primarily consist of electronic ballasts, which are energy-saving products, and three other categories of non-energy-saving products, namely inductive ballasts, ballast boxes for HID appliances and electronic transformers for halogen appliances.

According to CALI, we are a leading supplier of energy-saving lighting products in China, as reflected by the following market positions[4]:

- we are the largest producer of energy-saving lamps in China based on production volume in 2008;
- we are the largest producer of T4/T5 battens in China based on production volume in 2008; and
- we are the largest electronic ballast producer in China based on production volume in 2008.

Our sales of energy-saving lighting products experienced rapid growth in recent years. In 2007, 2008 and 2009, our sales of energy-saving lighting products totalled US$48.8 million, US$119.1 million, and US$183.8 million, respectively, representing 37.5%, 46.4% and 60.1%, respectively, of our total revenue for these periods with a CAGR of 94.1%. In March 2010, we were recognised as the "Merit Green Enterprise" of the "CAPITAL Entrepreneur Green Enterprise Awards 2010" organized by CAPITAL Entrepreneur Magazine. As environmental consciousness increases in China and elsewhere around the world, we expect the demand for energy-saving lighting products to increase significantly.

Energy-saving lighting products generally include (i) lamp products that are more energy efficient compared to incandescent light bulbs and (ii) lighting products which support the use of energy-saving lamp products. The compact fluorescent lamp (CFL) is one of the most common types of energy-saving lamp products. Different countries and regions adopt a variety of standards for energy-saving lighting products for different purposes based on criteria such as lifespan and energy efficiency. CALI defines energy-saving lighting products in China as typically consisting of compact fluorescent lamps, fluorescent lamps and supporting lighting fixtures, LED lamps, HID lamps, and electronic ballasts. CALI's standard for energy-saving lighting products is based on the standards adopted by the Standardization Administration of the PRC (國家標準化管理委員會), an organization authorized by the State Council of the PRC to establish quality and/or safety standards for a variety of products. CALI's standard is in line with the list of lighting products approved to be labelled as energy-saving lighting products as published by the China Quality Certification Centre (中國質量認證中心), as well as the measures published by the National Development and Reform Commission and the Ministry of Finance of the PRC defining the scope of energy-saving products that are eligible for government subsidies. Please see the section headed "Industry Overview — The PRC Energy-Saving Lighting Industry — Scope of Energy-saving Lighting Products in China" for further details.

(4) As at the Latest Practicable Date, the 2008 figures for the market positions in different product categories had not been updated into 2009 figures by CALI.

The following table sets forth our revenue by energy-saving and non-energy-saving products:

	Year ended 31 December					
	2007		2008		2009	
	Revenue (US$'000)	% of Total Revenue	Revenue (US$'000)	% of Total Revenue	Revenue (US$'000)	% of Total Revenue
Energy-saving products	48,783	37.5%	119,072	46.4%	183,810	60.1%
Light tubes for CFL	—	—	25,994	10.1%	59,062	19.3%
T4/T5 battens[1]	28,079	21.6%	46,059	18.0%	51,226	16.8%
Compact fluorescent lamps (CFL)	14,062	10.8%	34,488	13.4%	43,876	14.4%
Electronic ballasts	317	0.3%	1,059	0.4%	17,501	5.7%
HID lamps	3,672	2.8%	5,038	2.0%	4,195	1.4%
Fluorescent lamps	2,350	1.8%	3,559	1.4%	3,461	1.1%
LED products	296	0.2%	2,330	0.9%	2,510	0.8%
HID street lighting products	7	—	545	0.2%	1,979	0.6%
Non energy-saving products	81,285	62.5%	137,343	53.6%	121,960	39.9%
Total revenue	130,068		256,415		305,770	

Note:

(1) A T4/T5 batten is a complete lighting unit that consists of a fluorescent lamp, a supporting lighting fixture and an electronic ballast, and based on the Company's understanding, is energy-saving under CALI's definition.

For further information on the financial performance and profit margins of our energy-saving and non-energy-saving products, please see the section headed "Financial Information — Descriptions of Selected Components of Results of Operations".

We believe that our production efficiency and scale in energy-saving lighting, combined with our brand name and distribution network, will enable us to continue to strengthen our market position vis-a-vis domestic and international competitors in China and in the international lighting products industry.

We were founded in 1998 and have historically focused on marketing our NVC brand products for retail chains, department stores and office use. Today, our NVC brand products are sold to a wide range of end customers, including professional end customers (such as retail chains, department stores, offices, hotels and public infrastructure projects) and retail end customers (such as residential households). Capitalising on our experience and capabilities in lighting products, we now offer lighting solution services, through which we provide design services and customised products to meet the specific demands of our professional end customers, particularly for large-scale projects. We did not derive revenue from these solution services during the Track Record Period. We became the largest domestic supplier of lighting products for the construction projects associated with the Beijing 2008 Olympic Games, and were selected as a qualified lighting products supplier and a sponsor to the Guangzhou 2010 Asian Games. In 2009, we were recognised as "The Best Business Model of China in 21st Century" by the 21st Century Business Herald.

We believe that a successful brand is key to our development, as it enables us to distinguish ourselves from our competitors in the highly fragmented and competitive Chinese lighting products industry. Accordingly, since our establishment, we have focused on marketing lighting products under our own brand, NVC (雷士). We were among the earliest lighting product companies in China to market and sell products through branded outlets. This approach has helped to increase the awareness of our brand and products in a relatively short period of time. In 2009, our NVC brand was named as one of the "Most Popular Commercial Lighting Brands Among Chinese Designers in Year of 2009" (2009年最受中國設計師歡迎商業照明領袖品牌) by China Architecture Decoration Association (中國建築裝飾協會) and our 雷士 trademark was recognised as a "China Well-Known Trademark" (中國馳名商標) by the State Administration for Industry and Commerce of the PRC (國家工商行政管理局). We believe that our commitment to build the NVC brand has helped us maintain our pricing power, gain customer loyalty and expand our customer base.

Our products are primarily sold in the PRC and exported to over 40 countries around the world. In China, we sell substantially all of our NVC brand products on a wholesale basis to our exclusive regional distributors, which have the exclusive right to distribute our NVC brand products within a defined geographical region. Our distributors generally sell our products to end customers through NVC outlets (which are operated either directly by such distributors or by third party outlet operators), and sometimes directly to end customers for large-scale orders such as those involved in public infrastructure projects. Our largest export market was the United Kingdom in 2007 and the United States in 2008 and 2009. Sales in the United Kingdom accounted for approximately 4.0% of our total revenue in 2007, and sales in the United States accounted for approximately 5.3% and 12.1% of our total revenue in 2008 and 2009, respectively. In addition to our NVC brand products, we sell non-NVC brand products which primarily consist of products sold on an ODM basis to leading international and domestic brand manufacturers. In 2007, 2008 and 2009, the revenue derived from sales of non-NVC brand products accounted for 8.2%, 24.7% and 37.4% of our total revenue, respectively.

We have strong relationships with our exclusive regional distributors, to which we refer as our operating centres. They are managed through contractual agreements with terms covering, among other things, product exclusivity, performance targets and management of NVC outlets. We develop and implement policies and guidelines for our distributors in a number of respects. To help them comply with our policies and guidelines and meet their performance targets, we hold frequent meetings and work closely with them on various business and management decisions including the formulation of their own sales policies. Some of our management members and other employees hold key management positions in all of our distributors and work on-site at the offices of our distributors on a full-time basis to help manage their daily operations and sales activities. Our distributors have the primary responsibilities for managing the operations as well as the sales and marketing activities at the NVC outlets and ensuring compliance with our policies and guidelines. We also actively monitor compliance with such policies and guidelines through regular on-site visits to the NVC outlets.

We have five production centres in different regions of China, each with its own production focus. Our production centres are located in Huizhou City, Guangdong Province, Wanzhou District, Chongqing (both focusing on luminaire products), Jiangshan City, Zhejiang Province (focusing on lamp products) and Shanghai (focusing on lighting electronics products). We have more than 10 years of experience in manufacturing lighting products, which has allowed us to continuously refine our production process and improve our efficiency at each stage of production. Our Zhejiang production centres will be relocated to and new production facilities will be built at a new site. Our production volume is expected to increase further through these new production facilities, with a planned annual production capacity of 200 million units of energy-saving lamps.

We place great emphasis on our research and development efforts, which primarily consist of developing new products and updating our products with the latest technology. The goal of these efforts is to rapidly develop and roll out new products to meet the continuously changing demands and preferences of our end customers. We have two research and development centres, one is located in Huizhou City, Guangdong Province, which focuses on developing new product designs for our luminaire products, and the other is in Shanghai, which focuses on the research and development of energy-saving technology for lamp products and on research and development of lighting electronics products. We have developed 16 models of new energy-saving lighting products at our Shanghai research and development centre since its establishment in 2008. In December 2008, our "Wing" (翔) series of luminaire products, which was specially designed for the Beijing 2008 Olympic Games, was awarded the "Gold Prize" for design at the "China Red Star Design Award" organised by the China Industrial Design Association (中國工業設計協會), the Development Research Centre of the State Council (國務院發展研究中心) and the Beijing Industrial Design Centre (北京工業設計促進中心). We are also actively monitoring the technological and market development of LED-based lighting products, and have commenced our LED research efforts.

We have grown rapidly through a combination of organic growth and strategic acquisitions. In 2007, 2008 and 2009, our revenue totalled US$130.1 million, US$256.4 million and US$305.8 million, respectively; and our operating profit totalled US$14.8 million, US$39.5 million and US$43.8 million, respectively. We generated net profits of US$12.9 million, US$18.1 million and US$14.7 million in 2007, 2008 and 2009,

respectively. Our net profits in 2008 and 2009 were significantly affected by expenses (consisting of fair value changes of the embedded derivatives of the Preference Shares, fair value changes from warrants and interest expense on the Preference Shares) associated with the Preference Shares and warrant we issued to our pre-IPO investors, totaling US$19.3 million and US$23.5 million for 2008 and 2009, respectively. See "Financial Information — Factors affecting the comparability of our results of operations". The terms of the Preference Shares were modified by a waiver signed by SAIF and GS on 31 December 2009 which has resulted in the extinguishment of the liability components of the conversion features of the Preference Shares, and the recognition of the conversion feature as an equity component. As a result, there will be no fair value changes of the Preference Shares in 2010.

OUR COMPETITIVE STRENGTHS

We believe that the following strengths of our Company have enabled us to compete effectively in the market:

- market leadership in energy-saving and other lighting products;
- commitment to product quality with cost and scale advantages;
- leading brand recognition;
- wide-reaching distribution network and effective distribution model;
- responsive and demand-driven research and development capabilities;
- proven ability to acquire and integrate strategic targets; and
- experienced management team with proven track record.

OUR BUSINESS STRATEGIES

We aim to become the dominant leader in the PRC lighting products industry as well as a leading player in the global market. We intend to achieve this goal by implementing business strategies with the following key aspects:

- strengthen market leadership;
- increase brand penetration and build a "green" image;
- strengthen and expand domestic distribution channels;
- continue international expansion;
- enhance our research and development capabilities with a focus on energy-saving products; and
- selectively pursue acquisition and investment opportunities.

MAJOR EVENTS OF THE GROUP

Since our incorporation, the shareholding in our Company has experienced a number of changes, details of which are set out in the section headed "Our History and Structure". In addition, with a view to further strengthening our capital structure and expanding our business, we have entered into a series of Pre-IPO investments with SAIF and GS, and, during the Track Record Period, strategically acquired certain companies and assets, which include the acquisitions of the respective interests in World Through (and its subsidiaries) as well as Shanghai Arcata. Please see the paragraphs below and the sections headed "Our Business — Acquisition of World Through", "Our History and Structure — Pre-IPO Investment" and "Our History and Structure — Development of Our Business" for further details on the Pre-IPO investments and our acquisitions.

The table below sets forth the key events in our history and development.

Event	Description
Incorporation of our Company	• On 2 March 2006, Mr. Wu incorporated our Company in the BVI through Ms. Tang Wai Fong. • On 27 June 2006, our Company was beneficially owned as to 70% by Mr. Wu and 30% by Ms. Tang Wai Fong.
Changes in the shareholding of our Company	• During a period from 28 June 2006 to 1 October 2009, Ms. Tang Wai Fong transferred a portion of her interest in our Company to a number of Independent Third Party investors for personal funding purposes. Among the transferees, those who still remain as our beneficial Shareholders as at the date of this prospectus are Mr. Wu Kezhong, Mr. Zhu Jia and SCGC. • Mr. Wu transferred 50,000 common shares in our Company to Grandsun (an investment vehicle owned by Ms. Yip Chi Yu) to discharge a loan with a principal of US$2 million on 14 August 2006. Following the transfer, Ms. Yip Chi Yu has become, and as at the date of this prospectus still remains as, our beneficial Shareholder. • As a result of the issuance of Series A-1 Preference Shares to SAIF (and its affiliate) on 14 August 2006, SAIF became our second largest shareholder beneficially interested in 35.71% of our Company. Following the issuance of Series A-2 Preference Shares and Series B Preference Shares to SAIF on 27 August 2008, SAIF has become our largest Shareholder beneficially interested in 30.73% of our Company. • Following the issuance of Series B Preference Shares to GS on 27 August 2008, GS has become, and as at the date of this prospectus still remains as, our Shareholder. • As a result of the issue of common shares in our Company to Signkey as part of the consideration for the acquisition of World Through on 27 August 2008, Signkey (which is in turn 85% owned by Mr. Wu Jiannong) has become, and as at the date of this prospectus still remains as, our beneficial Shareholder. • Following the above changes in the shareholding of our Company, as at the date of this prospectus, we are beneficially owned as to 29.33% by Mr. Wu, 30.73% by SAIF, 14.75% by Signkey (which in turn is 85% owned by Mr. Wu Jiannong), 9.39% by GS, 7.74% by Ms. Tang Wai Fong, 4.80% by Mr. Wu Kezhong, 2.26% by Ms. Yip Chi Yu, 0.54% by SCGC and 0.45% by Mr. Zhu Jia.
Pre-IPO investment	• On 14 August 2006, SAIF (and its affiliate) subscribed for 555,556 Series A-1 Preference Shares for a consideration of US$22 million (with the interest of its affiliate subsequently transferred to SAIF). • In August 2008, SAIF exercised a warrant to purchase 97,125 Series A-2 Preference Shares for a consideration of US$5 million, and subscribed for 28,471 Series B Preference Shares for a consideration of US$5 million. • In August 2008, GS subscribed for 208,157 Series B Preference Shares for a consideration of US$36,555,556. • The Preference Shares will automatically be converted into Shares immediately upon completion of our Global Offering.

Event	Description
Major Acquisitions	• On 29 August 2008, we acquired World Through from Signkey, together with World Through's wholly-owned subsidiaries including Sunny, Jiangshan Phoebus and Zhangpu Phoebus for a cash consideration of US$49,314,000, plus an issue and allotment of 326,930 common shares in our Company to Signkey. • In February 2009, we acquired Shanghai Arcata, a producer of electronic ballasts in Shanghai, China for an aggregate consideration of approximately RMB17.3 million from Shanghai Huihui Electronics Co., Ltd. and Mr. Hu Jack Jianli. No issuance of shares was involved in this acquisition.

Restructuring in connection with our Establishment

In late 2006, Huizhou NVC acquired substantially all of the business of NVC Industry (excluding its residential luminaire and lighting components business) for a consideration of approximately RMB130.1 million which was determined based on arm's length negotiations between the parties. The residential luminaire and lighting components businesses that used to be operated by NVC Industry were not transferred to Huizhou NVC and have since then been operated by Mr. Wu through his associates (as defined under the Listing Rules), other than members of our Group. Please see the section headed "Our History and Structure — Second Restructuring — (3) Asset Transfer from NVC Industry to Huizhou NVC and Development of Huizhou NVC" for details of the restructuring.

Pre-IPO Investment

With a view to further strengthening our capital structure and expanding our business, on 14 August 2006, we issued to SAIF 505,051 Series A-1 Preference Shares for a consideration of US$20 million and SAIF Tianjin 50,505 Series A-1 Preference Shares for a consideration of US$2 million, representing 32.46% and 3.246%, respectively, of our total issued and outstanding common shares on an as-converted basis immediately upon the completion of the Series A Investment. In connection with the above investment, we also agreed to issue to SAIF a warrant to purchase additional 97,125 Series A-2 Preference Shares at a price of US$51.48 per Share for an aggregate consideration of US$5 million. Funding received from the Series A Investment was used by the Company as working capital. On 25 October 2007, SAIF Tianjin transferred its entire interest in our Company to SAIF. In addition, on 27 August 2008, SAIF exercised the warrant described above by subscribing for 28,471 Series B Preference Shares for a consideration of US$5 million, and GS subscribed for 208,157 Series B Preference Shares for a consideration of US$36,555,556. All Preference Shares will automatically be converted into Shares on a one-for-one basis immediately upon completion of our Global Offering. Funding received from the Series B Investment was used for the acquisition of World Through. SAIF will become our single largest shareholder, holding 23.41% of our issued share capital immediately upon the completion of the Global Offering assuming no exercise of the Over-allotment Option and the options granted under the Pre-IPO Share Option Scheme. For further details of the pre-IPO investment, including a summary of the principal terms, please see the section headed "Our History and Structure — Pre-IPO Investment".

Major Acquisitions

Acquisition of World Through

In August 2008, with a view to increasing our capability in manufacturing energy-saving lamps, we acquired World Through (an investment holding company) from Signkey, together with World Through's wholly-owned subsidiaries including Sunny, Jiangshan Phoebus and Zhangpu Phoebus. These subsidiaries of World Through are engaged in manufacturing light tubes for energy-saving lamps and related products. This acquisition was financed with funding received from SAIF and GS as consideration for the Company's issuance of Series A-2 Preference Shares to SAIF and Series B Preference Shares to SAIF and GS. Please see the section headed "Our History and Structure — Development of Our Business — (6) Acquisition of World Through" for details of the acquisition. Prior to the acquisition, these subsidiaries of World Through (other than Zhangpu Phoebus) had been our suppliers of light tubes for energy-saving lamps. Following the acquisition, our gross profit margin for

energy saving lamps increased from 14.4% for the year ended 31 December 2008 to 21.6% for the year ended 31 December 2009. The revenue of Sunny, Jiangshan Phoebus and Zhangpu Phoebus accounted for 19.3% of the total revenue of the Group for the year ended 31 December 2009. Prior to the acquisition of World Through, we were not engaged in the production of light tubes for energy-saving lamps and we purchased light tubes from Independent Third Party suppliers. Light tubes produced by Sunny, Jiangshan Phoebus and Zhangpu Phoebus are currently supplied to Zhejiang NVC (our 51%-owned subsidiary) for further processing as well as our ODM customers.

Acquisition of Shanghai Arcata

In February 2009, we acquired Shanghai Arcata, a producer of electronic ballasts based in Shanghai, China, from Shanghai Huihui Electronics Co., Ltd. and Mr. Hu Jack Jianli, Independent Third Parties. Please see the section headed "Our History and Structure — Development of Our Business — (7) Acquisition of Shanghai Arcata" for details of the acquisition. Following the acquisition, our gross profit margin for electronic ballasts increased from 5.1% for the year ended 31 December 2008 to 16.0% for the year ended 31 December 2009. The revenue of Shanghai Arcata accounted for 5.5% of our total revenue for the year ended 31 December 2009. While we were also engaged in producing electronic ballasts prior to the acquisition of Shanghai Arcata, the production volume was very small and we purchased most of the electronic ballasts from Independent Third Party suppliers. After the acquisition of Shanghai Arcata, we only purchase a small portion of electronic ballasts we need from Independent Third Party suppliers and also sell electronic ballasts produced by Shanghai Arcata to our ODM customers.

In addition, our Directors are of the view that the acquisitions of World Through and Shanghai Arcata have significantly strengthened our production capacity for energy-saving lamp products and electronic ballast, and reduced our reliance on external suppliers, thereby enabling us to increase vertical integration in production and better control the quality of our products.

SALE OF SHARES IN THE GLOBAL OFFERING

Certain of our existing shareholders intend to sell their Shares under the Global Offering. Please see the section headed "Substantial Shareholders and Selling Shareholders" for further details. While we are not aware of any intentions of our existing shareholders to dispose of significant amounts of their Shares upon expiry of the relevant lock-up periods, we cannot assure you that they will not dispose of any Shares they own now or may own in the future. See "Risk Factors — Risks relating to the Global Offering — Any potential sale of Shares by our existing shareholders could have an adverse effect on our share price."

PRE-IPO SHARE OPTION SCHEME

In order to assist us in attracting, retaining and motivating our key employees and senior management, we adopted a Pre-IPO Share Option Scheme on 15 October 2006 as amended on 23 December 2009 and 24 March 2010, details of which are set out in Appendix VI headed "Statutory and General Information — Pre-IPO Share Option Scheme" to this prospectus.

As at the Latest Practicable Date, options to subscribe for an aggregate of 240,429,000 Shares have been granted to 43 grantees under the Pre-IPO Share Option Scheme. Assuming that all of the options granted under the Pre-IPO Share Option Scheme are exercised in full on the Listing Date, this would have a dilutive effect on the shareholdings of our Company of approximately 7.63% and a dilutive effect of approximately 7.63% on earnings per Share. Pursuant to the terms of the Pre-IPO Share Option Scheme, no grantee may exercise the outstanding options granted under the Pre-IPO Share Option Scheme prior to the end of the stabilisation period, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering. In addition, the grantee may only exercise the options under the Pre-IPO Share Option Scheme once during the period from the date of our formal application for listing to the date on which the price range of the Offer Price is determined on the condition that the total number of options exercised during such period by a particular grantee shall be on a pro-rata basis as determined by the Board with reference to the number of existing Shares to be offered pursuant to the Global Offering. No further options will be granted under the Pre-IPO Share Option Scheme after the Listing Date. We recorded share option expenses of US$320,000, US$148,000 and US$74,000 for the years ended 31 December 2007, 2008 and 2009, respectively and,

based on a preliminary assessment, expect to record a share option expense of approximately US$0.9 million for the year ending 31 December 2010. None of the grantees has exercised the options under the Pre-IPO Share Option Scheme during the period from the date of our formal application for listing to the Latest Practicable Date.

RISK FACTORS

There are certain risks involved in our operations. These risks can be categorised into (i) risks relating to our business; (ii) risks relating to the lighting products industry; (iii) risks relating to conducting business in the PRC; and (iv) risks relating to the Global Offering. A detailed discussion of the risk factors are set forth in the section headed "Risk Factors".

Risks Relating to Our Business

- We are currently principally reliant upon one brand, namely our NVC brand. If we fail to build and promote our brand image of our products, our business, result of operations and growth prospects would be materially and adversely affected.
- A distributor's failure to perform its obligations under its distribution agreement with us could disrupt our distribution network and undermine the management of NVC outlets located within an entire geographic area, which in turn could damage our reputation, market recognition and business prospects.
- We depend on a limited number of distributors for a high percentage of our revenue. As a result, the loss of, or the deterioration of relationship with, any of such distributors would significantly reduce our revenue and harm our results of operations.
- We rely on our distributors to manage the NVC outlets, which sell our products. Our brand image and business may be adversely affected if our distributors fail to adhere to, or fail to cause the third party outlet operators to adhere to, our policies and guidelines.
- We may fail to develop and implement our growth strategy or effectively manage our growth, which would in turn have a material and adverse effect on our business and result of operations.
- We depend on sales to a limited number of ODM customers, some of which are also our major competitors. As a result, the loss of, or the deterioration of relationship with, any of such customers would significantly reduce our revenue and adversely affect our results of operations.
- We depend on sales to a limited number of ODM customers, some of which are also our major competitors. As a result, the loss of, or the deterioration of relationship with, any of such customers may significantly reduce our revenue and adversely affect our results of operations.
- We may not be able to derive the desired benefits from our research and development efforts.
- Infringement of our intellectual property rights, counterfeiting or imitation of our products, may adversely affect our business, financial condition, results of operations and prospects.
- The failure to effectively manage the quality of the products manufactured by our trademark licensees and maintain our relationships with such licensees would have a material and adverse effect on our brand image, reputation and sales.
- We may not successfully protect our technical know-how, which may result in the loss of our competitive advantage.
- Assertions by third parties of infringement by us of their intellectual property rights could be time-consuming, result in significant costs and cause our operating results to suffer.
- Our success depends on the continuing efforts of our senior management team and other key personnel and on our ability to successfully attract, train and retain additional key personnel.

- Any significant damage to our production facilities could have a material adverse effect on our results of operations.
- We may not be able to accurately anticipate or respond in a timely manner to changes in continually evolving customer tastes and preferences for lighting products.
- Disruptions in the global financial markets could continue to have a material adverse impact on our results of operations, financial condition and cash flows.
- We face risks associated with the marketing and sale of our products internationally, and if we are not able to effectively manage these risks, our ability to expand our business abroad will be limited.
- We are dependent on our contract manufacturers, which in turn exposes us to risks associated with product quality, delivery schedules and production capacity availability.
- We rely on our suppliers for certain raw materials. Unfavourable fluctuations in the price and availability of raw materials could materially and adversely affect our cost of sales and profit margins.
- We are subject to certain risks associated with the transportation and warehousing of our products.
- We may undertake acquisitions, investments, joint ventures or other strategic alliances, which may have a material adverse effect on our ability to manage our business, and such undertakings may be unsuccessful.
- We rely on independent third party employment agencies to provide contract personnel for our production activities. We have limited control over these contract personnel and we may be liable for this employment agency's violation of the applicable PRC labour laws.
- We may experience shortage of labour, an increase in labour cost and be exposed to labour disputes, which would have a material and adverse effect on our business and result of operations.
- We may be exposed to product liability, property damage or personal injury claims or other damages or claims against us and our insurance may not be sufficient to cover all potential liabilities or losses.
- Defects in our products may cause us to incur warranty expenses, damage our reputation and cause our sales to decline.
- We are dependent on our ERP system and other information technology systems. A system failure or breakdown may cause interruptions of our business and operation.

Risks Relating to the Lighting Products Industry

- We operate in a highly competitive market. If we are unable to remain competitive, we will lose market share to our competitors as well as new entrants to our markets, and our financial performance would be materially and adversely affected.
- Our products are subject to the laws, regulations and industry standards of various jurisdictions. Failure to comply with these rules and standards or failure to make timely adjustment in response to the changes of such rules and standards would have a material and adverse effect on our business and result of operations.
- Failure to comply with environmental regulations may materially and adversely affect our business, financial conditions and results of operations.

Risks Relating to Conducting Business in the PRC

- Changes in the political and economic policies of the PRC government may adversely affect our business and results of operations and may result in our inability to sustain our growth and expansion plans.
- An adverse change in the economic condition in China may affect our business and future growth.

- Government control of currency conversion and future movements in foreign exchange rates may materially and adversely affect our financial condition and results of operations, and our ability to remit dividends.
- PRC regulations on investment and loans by offshore holding companies to PRC entities may delay or prevent us from using the proceeds of the Global Offering to make additional capital contributions or loans to our PRC subsidiaries.
- We sell our products in the overseas markets. Fluctuation in the value of RMB may have a material adverse effect on our business, financial condition and results of operations.
- We may be subject to PRC income taxes on our worldwide income, gains of selling our Shares and dividends payable by us to our foreign investors may be subject to withholding taxes under PRC tax laws.
- Currently, some of our PRC subsidiaries enjoy preferential enterprise income tax rates. Any change in our tax treatment in China may have a negative impact on our results of operations.
- PRC regulations relating to the establishment of offshore special purpose companies by PRC residents may subject our PRC resident shareholders to personal liability and limit our ability to acquire PRC companies or to inject capital into our PRC subsidiaries, limit our PRC subsidiaries' ability to distribute profits to us or otherwise materially and adversely affect us.
- The legal system of the PRC is still evolving, and there are inherent uncertainties which may affect the protection afforded to our business and our shareholders.
- Our business and results of operations may, directly or indirectly, be adversely affected by natural disasters, acts of war and the occurrence of epidemics.
- It may be difficult to effect service of process upon, or to enforce judgments obtained outside the PRC against, us, our Directors or our senior management members who reside in the PRC.

Risks Relating to the Global Offering

- There has been no prior market for our Shares, and the liquidity and market price of our Shares following the Global Offering may be volatile.
- Investors will experience immediate dilution to their attributable net tangible book value as the Offer Price of our Shares is higher than our net tangible book value per Share.
- Issuance of Shares pursuant to the Pre-IPO Share Option Scheme and the Share Option Scheme will result in dilution to your shareholding in our Company and dilution of the earnings per Share.
- Certain facts and statistics in this prospectus relating to the PRC, the Chinese economy and the lighting products industry derived from official government publications may not be reliable.
- Any potential sale of Shares by our existing shareholders could have an adverse effect on our share price.
- Forward-looking statements contained in this prospectus are subject to risks and uncertainties.
- We strongly caution you not to place any reliance on any information contained in press articles or other media regarding us and the Global Offering.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth, for the periods indicated, the selected financial data from our consolidated financial information. For more detailed information, see "Appendix I — Accountants' Report". Our consolidated financial statements have been prepared in accordance with IFRS.

Summary Consolidated Income Statement Data

	For the year ended 31 December					
	2007		2008		2009	
	Amount	% of the total revenue	Amount	% of the total revenue	Amount	% of the total revenue
	(US$'000)		(US$'000)		(US$'000)	
REVENUE	130,068	100.0%	256,415	100.0%	305,770	100.0%
Cost of sales	(99,172)	76.2%	(193,507)	75.5%	(221,740)	72.5%
GROSS PROFIT	30,896	23.8%	62,908	24.5%	84,030	27.5%
Other income and gains	2,444	1.9%	5,017	2.0%	7,659	2.5%
Selling and distribution costs	(11,810)	9.1%	(15,230)	5.9%	(20,654)	6.8%
Administrative expenses	(6,616)	5.1%	(12,497)	4.9%	(26,588)	8.7%
Other expenses	(164)	0.1%	(712)	0.3%	(633)	0.2%
OPERATING PROFIT	14,750	11.3%	39,486	15.4%	43,814	14.3%
Finance income	827	0.6%	622	0.2%	755	0.2%
Finance costs	(2,710)	2.1%	(5,030)	2.0%	(8,737)	2.9%
Net fair value loss on convertible redeemable preference shares and warrant	—	—	(14,946)	5.8%	(15,780)	5.2%
Share of profits and losses of associates	(45)	0.0%	39	0.0%	58	0.0%
PROFIT BEFORE TAX	12,822	9.9%	20,171	7.9%	20,110	6.6%
Income tax (charge)/credit	54	0.0%	(2,103)	0.8%	(5,420)	1.8%
PROFIT FOR THE YEAR	12,876	9.9%	18,068	7.0%	14,690	4.8%
Other comprehensive income						
Exchange differences on translating foreign operations	3,980	3.1%	4,986	1.9%	128	0.0%
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	16,856	13.0%	23,054	9.0%	14,818	4.8%
Profit for the year attributable to:						
Owners of the Company	12,850		17,949		12,843	
Minority interests	26		119		1,847	
	12,876	9.9%	18,068	7.0%	14,690	4.8%
Total comprehensive income attributable to:						
Owners of the Company	16,830		22,953		12,971	
Minority interests	26		101		1,847	
	16,856	13.0%	23,054	9.0%	14,818	4.8%

Summary Consolidated Balance Sheet Data

	As at 31 December		
	2007	2008	2009
	(US$'000)	(US$'000)	(US$'000)
Total current assets	55,485	147,907	187,346
Total non-current assets	66,463	150,790	168,368
Total assets	121,948	298,697	355,714
Total current liabilities	36,649	108,100	105,934
Total non-current liabilities	32,703	85,264	82,062
Total Liabilities	69,352	193,364	187,996
Net current assets	18,836	39,807	81,412
EQUITY			
Equity attributable to owners of the Company	51,018	103,654	164,192
Minority interests	1,578	1,679	3,526
Total equity	52,596	105,333	167,718

Summary Consolidated Cash Flow Data

	For the year ended 31 December		
	2007	2008	2009
	(US$'000)	(US$'000)	(US$'000)
Net cash flows from/(used in) operating activities	(56)	14,057	42,073
Net cash flows used in investing activities	(2,738)	(36,766)	(25,048)
Net cash flows from financing activities	6,318	32,459	4,849
Net increase in cash and cash equivalents	3,524	9,750	21,874
Cash and cash equivalents at beginning of year	8,599	11,603	22,085
Effect of foreign exchange rate changes, net	(520)	732	75
Cash and cash equivalents at the end of year	11,603	22,085	44,034

PROFIT FORECAST FOR THE SIX MONTHS ENDING 30 JUNE 2010

Forecast consolidated profit attributable to owners of the Company[(1)(2)]	not less than US$17.4 million (approximately HK$135.1 million)
Unaudited pro forma forecast earnings per Share[(2)(3)]	0.64 US cents (approximately 4.97 HK cents)

Notes:

(1) The forecast consolidated profit attributable to owners of the Company for the six months ending 30 June 2010 is extracted from the paragraph headed "Profit Forecast for the Six Months Ending 30 June 2010" in the section headed "Financial Information". The bases and assumptions on which the above profit forecast has been prepared are summarised in Appendix III to this prospectus. We have undertaken to the Hong Kong Stock Exchange that our interim report for the six months ending 30 June 2010 will be audited pursuant to Rule 11.18 of the Listing Rules.

(2) Solely for your convenience, the above US dollar/cent amounts are converted into Hong Kong dollar/cent amounts at the exchange rate of HK$1.00 to US$0.12877. You should not construe such conversion as a representation that the US dollar/cent amounts could actually be converted into Hong Kong dollar/cent amounts at the rate indicated, or at all.

(3) The calculation of the unaudited pro forma forecast earnings per Share is based on the forecast consolidated profit attributable to owners of the Company for the six months ending 30 June 2010, adjusted for interest expenses accrued for convertible redeemable preference shares as these preference shares shall be converted into ordinary shares of the Company upon the listing of the Company, and on the assumptions that the Company had been listed since 1 January 2010 and a total of 2,910,152,000 Shares were in issue during the six months ending 30 June 2010.

OFFERING STATISTICS

	Based on an Offer Price of HK$2.03 per share	Based on an Offer Price of HK$2.90 per share
Our Company's capitalisation upon completion of the Global Offering[1]	HK$5,907.6 million	HK$8,439.4 million
Unaudited pro forma adjusted net tangible asset per Share[2]	US$0.087 (HK$0.68)	US$0.112 (HK$0.87)

Notes:

(1) The calculation of market capitalisation is based on 2,910,152,000 Shares, assuming no exercise of the Over-allotment Option and the options granted under the Pre-IPO Share Option Scheme.

(2) The unaudited pro forma adjusted consolidated net tangible asset value per Share is calculated after making the adjustments referred to in Appendix II "Unaudited Pro Forma Financial Information" in this prospectus and on the basis of a total of 2,910,152,000 Shares expected to be in issue following the completion of the Global Offering. This calculation assumes an Offer Price of HK$2.03 or HK$2.90 per Share and that the Over-allotment Option and the options granted under the Pre-IPO Share Option Scheme will not be exercised.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$1,645.7 million, after deducting the underwriting fees and expenses payable by us in the Global Offering, assuming no exercise of the Over-allotment Option and assuming an Offer Price of HK$2.465 per Share, being the midpoint of the offer price range stated in this prospectus. We intend to use these net proceeds for the following purposes:

- approximately 30%, or HK$493.7 million, will be used for our expansion plans, both in the PRC and the international markets. Such plans include potential selective acquisitions, alliances, joint ventures and other strategic investments in areas such as including development of industrial luminaire and energy-saving lamp products that either supplement our existing business or fit into our long-term strategy. As at the Latest Practicable Date, the Directors confirm that the Company has not entered into any agreement or negotiations nor do we have any definite plans at present in relation to any acquisition;
- approximately 25%, or HK$411.4 million, will be used for the continual implementation of our branding strategies and enhancement of our sales network (particularly in overseas markets), including financing our brand building, marketing and promotional initiatives, as well as expanding our domestic sales network by increasing the number of NVC outlets (to over 3,000 by 31 December 2010) and expanding our overseas sales network (including Europe, North America and South America), as well as enhancing and upgrading specialisation among the exclusive regional distributors and the NVC outlets;
- approximately 25%, or HK$411.4 million, will be used for capital expenditures, including (i) building additional production lines and improving existing facilities or adding new facilities to increase annual production capacity of approximately 60% and 15%, respectively, for our lighting electronic products and light tubes for energy-saving lamps; and (ii) increasing annual production capacity of approximately 25% for our luminaire products;
- approximately 10%, or HK$164.6 million, will be used for enhancing our research and development efforts, including developing new products, improving our technologies and efficiency during our production process with a focus on energy-saving lighting products such as LED and HID; and
- the remaining net proceeds of up to approximately 10% or HK$164.6 million, for working capital and other general corporate purposes.

If the Offer Price is set at the high end of the price range, we estimate that the aggregate net proceeds to be received by us from the Global Offering will be approximately HK$1,937.0 million. If the Offer Price is set at the low end of the price range, we estimate that the aggregate net proceeds to be received by us from the Global Offering will be approximately HK$1,354.5 million. In the event that the Over-allotment Option is exercised in full, we will receive additional net proceeds ranging from approximately HK$203.1 million (assuming an Offer

Price of HK$2.03 per Share, being the low end of the Offer Price range) to HK$290.1 million (assuming an Offer Price of HK$2.90 per Share, being the high end of the Offer Price range). The above allocation of the net proceeds will be adjusted on a pro rata basis, in the event that the Offer Price is fixed at a higher or lower level compared to the mid point of the proposed Offer Price range.

To the extent that the net proceeds are not immediately applied to the above purposes and to the extent permitted by applicable law and regulation, we intend to deposit the net proceeds into short-term demand deposits and/or money market instruments under the name of our Company or our subsidiaries.

We estimate that the net proceeds to be received by the Base Offering Selling Shareholders from the Global Offering will be approximately HK$80.0 million (assuming the same mid-point of the proposed Offer Price range), after deducting the underwriting fees and commission (including any discretionary incentive fee which may be payable by the Base Offering Selling Shareholders to the Joint Global Coordinators) payable by the Base Offering Selling Shareholders in relation to the Global Offering and assuming the Over-allotment Option is not exercised. In the event that the Over-allotment Option is exercised in full, the Over-allotment Selling Shareholders will receive additional net proceeds ranging from approximately HK$10.7 million (assuming an Offer Price of HK$2.03 per Share, being the low end of the proposed Offer Price range) to HK$15.3 million (assuming an Offer Price of HK$2.90 per Share, being the high end of the proposed Offer Price range). We will not receive any of the net proceeds from the sale of the Sale Shares by the Over-allotment Selling Shareholders in the Global Offering or as a result of the exercise of the Over-allotment Option.

DIVIDEND POLICY

We did not declare or pay any dividend during the years ended 31 December 2007, 2008 and 2009. Subject to the relevant law and our Articles of Association, we, through a general meeting, may declare dividends in any currency but no dividend shall be declared in excess of the amount recommended by our Board. Our Articles of Association provide that dividends may be declared and paid out of our profit, realised or unrealised, or from any reserve set aside from profits which our Directors determine is no longer needed. With the sanction of an ordinary resolution, dividend may also be declared and paid out of a share premium account or any other fund or account which can be authorised for this purpose in accordance with the Cayman Companies Law.

Future dividend payment will also depend upon the availability of dividends received from our subsidiaries in the PRC. PRC laws require that dividends be paid only out of the net profit calculated according to PRC accounting principles, which differ in many aspects from generally accepted accounting principles in other jurisdictions. The PRC laws also require foreign investment enterprises to set aside part of their net profit as statutory reserves, which are not available for distribution as cash dividends. Distributions from our subsidiaries in the PRC may also be restricted if they incur debts or losses or in accordance with any restrictive covenants in bank credit facilities, convertible bond instruments or other agreements that we or our subsidiaries in the PRC may enter into in the future.

The amount of dividend eventually declared and distributed to our Shareholders will also depend upon our earnings and financial performance, operating requirements, then capital commitments and requirements and other conditions that our Directors may deem relevant or appropriate.