

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement and make no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



HONGGUANG LIGHTING HOLDINGS COMPANY LIMITED

宏 光 照 明 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6908)

VOLUNTARY ANNOUNCEMENT STRATEGIC COOPERATION AGREEMENT

This is an announcement made by HongGuang Lighting Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to keep shareholders and potential investors of the Company informed of the latest business development of the Group.

The board (the “**Board**”) of the directors (the “**Directors**”) of the Company is pleased to announce that on 11 June 2021, 珠海宏光半導體有限公司 (Zhuhai HongGuang Semiconductor Company Limited*) (“**Zhuhai HongGuang**”), a wholly-owned subsidiary of the Company, entered into a strategic cooperation agreement (the “**Strategic Cooperation Agreement**”) with a subsidiary of one of the Group’s existing customers, a listed semiconductor group and being one of the largest players in its market (the “**Cooperating Party**”, together with Zhuhai HongGuang, the “**Parties**”) to start their strategic cooperation for a term of three years. The abovementioned listed semiconductor group is a semiconductor corporation engaged in the research and development of its own patented chips and light-emitting diode (“**LED**”), applying in different solutions for various electronic products. Furthermore, the listed semiconductor group is also a leading global innovator of LED and Mini LED products and technologies using Gallium Nitride (“**GaN**”) – substrate technology, the new generation semiconductors materials.

THE STRATEGIC COOPERATION AGREEMENT

Under the Strategic Cooperation Agreement, the Parties will establish an all-round cooperation relationship covering the areas of research and development, business development, patents registration, customer services and productivity sharing, in particular, Mini LED* and semiconductors, including:

- (i) the Parties will jointly conduct research and development activities in technological solutions used in various fields such as mobile communications, television, vehicles, smart homes, traffic signals, and lighting;

* *Mini LED is a new technology that combines the advantages of traditional LED and OLED, including smaller size, higher contrast and dynamic range and more intense colors.*

- (ii) the Cooperating Party officially recognises Zhuhai HongGuang as its strategic cooperation partner and agrees to give its priority and support to Zhuhai HongGuang in its OEM operations for one of its brands (the “**Brand**”) in the People’s Republic of China (the “**PRC**”);
- (iii) the Parties will cooperate as core strategic cooperation partners. Zhuhai HongGuang will be responsible for the design of the products in accordance with the Cooperating Party’s requirements, manufacturing, technical support and after-sales service, and the Parties will jointly conduct marketing of the products; and
- (iv) the Parties will jointly carry out activities relating to patent protection, including sharing of market information, evaluating products in the market and issuing warnings and/or taking necessary actions for any infringement of patents.

REASONS FOR AND BENEFITS OF ENTERING INTO THE STRATEGIC COOPERATION AGREEMENT

The Group is engaged in the design, development, manufacturing, subcontracting service and sales of LED beads, LED lighting products and fast charging products in the PRC. LED is a semiconductor light source that emits light when current flows through it.

Pursuant to the terms of the Strategic Cooperation Agreement, the Parties will pool their respective advantages to each other which will create a synergy effect that will benefit the Parties. The Directors take the view that through the cooperation with a global LED and semiconductor group under the Strategic Cooperation Agreement, the existing business of the Group will be further strengthened. From the business perspective, the Group is recognised as a strategic cooperation partner by the Cooperation Party for the Brand and the products and will be directly benefited from the business opportunities arising from such business cooperation. The Strategic Cooperation Agreement also benefits the Group from the research and development perspective. As disclosed in the Company’s latest annual report, the Group recognises the immense value of research and development and will continue to dedicate efforts on research and development. Under the Strategic Cooperation Agreement, the Group is given the opportunity to work with the Cooperating Party in conducting research and development activities in different kinds of semiconductor including LED applying in different electronic products. Such opportunity will allow the Group to explore the application of its existing expertise in the LED and semiconductor industry in different kinds of semiconductor including LED applying in different electronic products or expand such application to different areas of innovative technology, so that the Group’s product portfolio is more comprehensive with new products offering to meet the clients’ evolving needs. The strengthening of the Group’s ability in research and development will also allow the Group to develop and expand its LED and semiconductor design and development business when opportunities come.

The Board believes that the cooperation under the Strategic Cooperation Agreement would enable the Parties to leverage on their respective technology strength, resources and expertise and provide a growth opportunity to the Group’s business, which is beneficial to the Company and its shareholders in long run.

In light of the above, the Board is of the view that the transactions contemplated under the Strategic Cooperation Agreement are in the usual course of business of the Company and the terms of the Strategic Cooperation Agreement are based on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATION

The Strategic Cooperation Agreement and the transactions contemplated thereunder do not constitute any notifiable transaction of the Company under Chapter 14 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), nor constitute any connected transactions under Chapter 14A of the Listing Rules.

To the best of the Directors’ knowledge, information and belief and having made reasonable enquiries, the Cooperating Party and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

** for identification purpose only*

By order of the Board
HongGuang Lighting Holdings Company Limited
Zhao Yi Wen
Chairman and Executive Director

Hong Kong, 11 June 2021

As at the date of this announcement, the executive Directors are Mr. Zhao Yi Wen, Mr. Lin Qi Jian and Mr. Chan Wing Kin; the non-executive Director is Mr. Chiu Kwai San; and the independent non-executive Directors are Professor Chow Wai Shing, Tommy, Mr. Wu Wing Kuen, B.B.S. and Mr. Chan Chung Kik, Lewis.

If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.