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**CHINA SILVER TECHNOLOGY HOLDINGS LIMITED**  
**中華銀科技控股有限公司**

*(formerly known as 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)*

**(Stock Code: 515)**

**DISCLOSEABLE TRANSACTION –**  
**JOINT VENTURE AGREEMENT ON PCB MANUFACTURING**

The Board is pleased to announce that on 7 July 2023, Listco Subsidiary (a 100%-owned subsidiary of the Company) entered into the JV Agreement with the JV Partner in relation to the joint establishment, investment and management in the JV Company for the purposes of engaging in the JV Project in the PRC. Pursuant to the JV Agreement, the JV Company shall have a registered capital of RMB10 million upon establishment which shall be contributed as to 51% (RMB5.1 million) by Listco Subsidiary and 49% (RMB4.9 million) by the JV Partner in cash.

As one or more of the applicable percentage ratios calculated pursuant to the Listing Rules in respect of the total commitment of the Company to the JV Company under the JV Agreement are more than 5% but less than 25%, the entering into of the JV Agreement constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **INTRODUCTION**

The Board is pleased to announce that on 7 July 2023, Listco Subsidiary (a 100%-owned subsidiary of the Company) entered into the JV Agreement with the JV Partner in relation to the joint establishment, investment and management in the JV Company for the purposes of engaging in the JV Project in the PRC. Pursuant to the JV Agreement, the JV Company shall have a registered capital of RMB10 million upon establishment which shall be contributed as to 51% (RMB5.1 million) by Listco Subsidiary and 49% (RMB4.9 million) by the JV Partner in cash.

## **THE JV AGREEMENT**

The principal terms of the JV Agreement are summarized as follows:

### **Date**

7 July 2023

### **The JV Parties**

- (1) The Listco Subsidiary; and
- (2) The JV Partner.

The Listco Subsidiary is a 100%-owned subsidiary of the Company and a limited liability company established under the laws of the PRC whose scope of business includes the manufacturing, wholesale and retail of electronic components and materials for electronic uses, technology research, import and export of goods and technology, domestic trade and property management.

The JV Partner is a limited liability company established under the laws of the PRC with a registered capital of HK\$20.85 million whose scope of business includes the manufacturing and processing of printed circuit boards (“PCBs”). Based on the information provided by the JV Partner, its registered capital is legally and beneficially owned as to 76% by Yung Ping Fai, 20% by Cheang Pui Ian and 4% by Ricky Wong Po Mun. To the best knowledge, information and belief of the Directors after making all reasonable enquiries, (i) each of the JV Partner and its ultimate beneficial owners is a third party independent of and not connected with the Company, its connected persons and associates; and (ii) there is no material loan arrangement (and neither was there any such arrangement in the past twelve months) between (a) the business counterparty, its directors and legal representatives and any ultimate beneficial owner(s) of the business counterparty who can exert influence on this transaction and (b) the Company, any connected person at the Company’s level, and/or any connected person at the subsidiary level (to the extent that such subsidiary/subsidiaries is/are involved in this transaction).

### **The JV Company**

The JV Company shall be newly established as a limited liability company under the laws of the PRC with the company name of “Zhongshan Tat Chun Huiying Electronics Co., Ltd.” (中山市達進匯盈電子有限公司). The scope of business of the JV Company is expected to include the manufacturing, wholesale and retail of electronic components and materials for electronic uses, import and export of goods and technology, and domestic trade.

### **Investment commitment and capital contribution of JV Company**

Pursuant to the JV Agreement, the JV Company shall have a registered capital of RMB10 million upon establishment which shall be contributed as to 51% (RMB5.1 million) by Listco Subsidiary and 49% (RMB4.9 million) by the JV Partner in cash. The Group expects to consolidate the financial statements of the JV Company as a subsidiary of the Group.

The capital contribution to be made by the Company to the JV Company was arrived at after arm’s length negotiation between the JV Parties with reference to the JV Parties’ respective equity proportions and the parties’ assessment on the working capital requirements of the JV Company at the project establishment stage. The capital contribution to be made by the Group to the JV Company is expected to be funded by the internal resources of the Group.

## **Board composition of JV Company**

Under the JV Agreement, the management of the business and affairs of the JV Company will rest with the board of directors of the JV Company. Under the terms of the JV Agreement, the board of directors of the JV Company shall consist of five directors, of which Listco Subsidiary shall be entitled to nominate three. The chairman, financial controller and general manager of the JV Company shall be nominated by Listco Subsidiary.

## **Term**

The JV Agreement shall take effect upon signing, and will continue in full force and effect until terminated on liquidation, force majeure events or serious breach or non-performance of material terms of the JV Agreement.

## **DETAILS OF THE JV PROJECT**

The JV Project involves a collaboration of the two JV Parties as regards technical know-how on PCB products, especially multi-layered PCBs, with the view to improving production efficiency and reducing production cost, and the pooling of new customer orders (especially in respect of high-end, high-precision and/or high-value added products) to be produced under the joint efforts of the JV Parties using the Target Company as the operating platform. Under the terms of the JV Agreement, the JV Partner agreed: (a) to contribute technical know-how and technical personnel to the JV Company; and (b) not to entice employees, customers or business connections of the Company, utilize information obtained during the course of the cooperation or do any act which may compete with, or otherwise prejudice the interest of, the Company. In addition, the JV Company will give a right of first refusal to the Group when selecting new manufacturing premises, manufacturing partner or service provider.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE JV AGREEMENT**

The Company is an investment holding company, whose major operating subsidiaries are principally engaged in the manufacturing and trading of light emitting diode (“LED”) lighting, and single-sided, double-sided and multi-layered PCBs.

According to the JV Partner, it possesses the technical know-how of modernized manufacturing processes of PCBs with the view to improving production efficiency and reducing production cost. In addition, both the Group and the JV Partner has a solid customer base which has the potential of generating more new purchase orders, especially in respect of high-end, high-precision and/or high-value added products, through the joint efforts of the JV Parties. Taking into consideration the respective experience of the Group and the JV Partner, the JV Parties decided to join forces and establish the JV Company as the new operating platform to carry out the JV Project.

The formation of the JV Company is a strategic move to signify the Group’s commitment to adapt for high-end product manufacturing, which is hoped to broaden the Group’s income stream and to benefit the Shareholders in the long run. For the reasons explained above, the Directors (including the independent non-executive Directors) are of the view that the terms of the JV Agreement, which were arrived at after arm’s length negotiations between the JV Parties, are on normal commercial terms, fair and reasonable and in the interests of the Company and its Shareholders as a whole. No Director considers himself/herself to have any material interest in the transactions contemplated by the JV Agreement calling for the need for him/her to abstain from voting on the Board’s decision on the signing of the JV Agreement.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios calculated pursuant to the Listing Rules in respect of the total commitment of the Company to the JV Company under the JV Agreement are more than 5% but less than 25%, the entering into of the JV Agreement constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

The following terms have the following meanings in this announcement unless the context otherwise requires:

“associate(s)”	having the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Company”	China Silver Technology Holdings Limited (formerly known as TC Orient Lighting Holdings Limited), a company incorporated in Cayman Islands with limited liability and whose Shares are listed on the Main Board of the Stock Exchange with stock code 515
“connected person(s)”	having the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JV Agreement”	the joint venture agreement dated 7 July 2023 entered into between the JV Parties in relation to the formation, joint investment and management of the JV Company
“JV Company”	Zhongshan Tat Chun Huiying Electronics Co., Ltd. (中山市達進匯盈電子有限公司), a company established by under the laws of the PRC with limited liability and the joint venture company for holding and operating the JV Project as contemplated under the JV Agreement
“JV Parties”	collectively, Listco Subsidiary and the JV Partner
“JV Partner”	Shunde District Foshan City Finenet Printed Circuit Board Co. Ltd. (佛山市順德區匯達電路板有限公司), a company established under the laws of the PRC with limited liability

“JV Project”	the joint venture project as described in the section headed “Details of the JV Project” of this announcement proposed to be undertaken by the JV Parties using the JV Company as the operating platform after the signing of the JV Agreement
“Listco Subsidiary”	Guangdong Tat Chun Electronic Technology Co., Ltd. (廣東達進電子科技有限公司), a 100%-owned subsidiary of the Company and a company established under the laws of the PRC with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board  
**China Silver Technology Holdings Limited**  
**Lai Yubin**  
*Chairman*

Hong Kong, 7 July 2023

*As at the date hereof, the Board comprises Mr. Kong Chan Fai (Vice-Chairman), Mr. Xu Ming (Chief Executive Officer), Mr. Zeng Yongguang, Mr. Guo Jun Hao and Ms. Liang Jiaxin as executive Directors; Mr. Lai Yubin (Chairman) and Mr. Wei Xiaomin as non-executive Directors; and Mr. Wong Kwok On, Mr. Bonathan Wai Ka Cheung, Dr. Loke Yu (alias Loke Hoi Lam) and Ms. Qiu Yumei as independent non-executive Directors.*