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雷士照明控股有限公司

**NVC LIGHTING HOLDING LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 2222)**

**ANNOUNCEMENT**

NVC Lighting Holding Limited (the “Company”) makes this announcement pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

**Further updates**

The board of directors of the Company (the “Board”) refers to its announcement dated 27 October 2014, in which the Board stated that the legal representative of NVC Lighting (China) Co., Ltd (“NVC China”) had recently been changed from Mr. Wu Changjiang (“Mr. Wu”) to Mr. Wang Donglei. Following this change, NVC China has been able to obtain information and records from its banks, including copies of various guarantee and pledge agreements, and transfer slips.

As a result, the Company has been able to progress its investigations and is now making this further announcement to update its shareholders on the latest developments.

*Bank account and pledge agreements*

The Company’s ongoing investigations have indicated that approximately RMB 230 million kept in NVC China’s bank account with the Chongqing branch of a PRC bank (the “First Bank”) was withdrawn at or around the end of August 2014, pursuant to the purported pledge agreements stated below, without the the knowledge of the current Board.

In addition the Company’s investigations have indicated that Mr. Wu also entered into three pledge agreements purportedly on behalf of NVC China, with the First Bank.

Details of the three purported pledge agreements are set out below:

- Pledge agreement purportedly entered into on 31 December 2013, as security for a loan apparently granted by the First Bank to 重慶雷立捷實業發展有限公司 on the same day, involving a loan amount of RMB 30 million;
- Pledge agreement purportedly entered into on 17 June 2014, as security for a loan apparently granted by the First Bank to 重慶華標燈具製造有限公司 on the same day, involving a loan amount of RMB 100 million; and
- Pledge agreement purportedly entered into on 18 June 2014, as security for a loan apparently granted by the First Bank to 重慶江特表面處理有限公司 on the same day, involving a loan amount of RMB 100 million.

The Board has only recently become aware, as a result of the ongoing investigations, of these purported pledge agreements. The entering into of these pledge agreements, purportedly on behalf of NVC China, was carried out without the knowledge of the current Board.

*Bank accounts and further pledge agreements with another bank*

The Company's ongoing investigations have further indicated that approximately RMB 165 million kept in NVC China's bank accounts with the Chongqing branch of another bank (the "Second Bank") was withdrawn at or around the end of August 2014, pursuant to the purported pledge agreements stated below, without the knowledge of the current Board.

In addition the Company's investigations have indicated that Mr Wu also entered into five pledge agreements purportedly on behalf of NVC China, with the Second Bank. Details of the five purported pledge agreements are set out below:

- Pledge agreement purportedly entered into on 2 September 2013, as security for a loan apparently granted by the Second Bank to 重慶華標燈具製造有限公司 on 30 August 2013, involving a loan amount of RMB 28 million;
- Pledge agreement purportedly entered into on 16 May 2014 as security for a loan apparently granted by the Second Bank to 重慶無極房地產開發有限公司 on the same day, involving a loan amount of RMB 20 million;
- Pledge agreement purportedly entered into on 3 July 2014 as security for a loan apparently granted by the Second Bank to 重慶雷立捷實業發展有限公司 on

the same day, involving a loan amount of RMB 50 million;

- Pledge agreement purportedly entered into on 22 July 2014 as security for a loan apparently granted by the Second Bank to 重慶雷立捷實業發展有限公司 on the same day, involving a loan amount of RMB 34.1 million; and
- Pledge agreement purportedly entered into on 4 August 2014 as security for a loan apparently granted by the Second Bank to 重慶雷立捷實業發展有限公司 on the same day, involving a loan amount of RMB 34.1 million.

The Board has only recently become aware, as a result of the ongoing investigations, of these purported pledge agreements. The entering into of these pledge agreements, purportedly on behalf of NVC China, was carried out without the knowledge of the current Board.

*Bank account and guarantee agreement with a further bank*

Separately, the Company's ongoing investigations have also indicated that approximately RMB 53 million in funds held in NVC China's bank account with the Chongqing branch of another PRC bank (the "Third Bank") have recently been frozen, pursuant to a PRC court order issued in connection with a guarantee agreement that Mr. Wu had allegedly concluded, purportedly on behalf of the Company, with the Third Bank on 7 March 2014. The guarantee agreement purportedly guarantees a loan apparently made by the Third Bank to 重慶華標燈具製造有限公司 on the same day, involving a loan amount of RMB 80 million.

The Board has only recently become aware, as a result of its ongoing investigations, of this purported guarantee agreement. The entering into of the guarantee agreement, purportedly on behalf of NVC China, was carried out without the knowledge of the current Board.

*Withdrawal from a further bank account*

The Company's earlier announcements dated 10 September 2014 and 8 October 2014 noted that Mr. Wu had entered into certain guarantees, purportedly on behalf of NVC China, with the Bank of China Limited Chongqing Da Du Kou Division ("BOC Da Du Kou"). Pursuant to these guarantee agreements, NVC China purportedly agreed to charge funds, deposited in a separate bank account with BOC Da Du Kou, as a guarantee for several underlying loan facilities.

The Company's ongoing investigations have now indicated that approximately RMB 154 million held in the separate bank account with BOC Da Du Kou was withdrawn

in October 2014. This was done without the knowledge of the current Board.

*Actions taken or to be taken*

The Company is taking urgent steps to obtain more details on the circumstances in which the above funds were withdrawn or frozen, the circumstances under which the above pledge and guarantee agreements were entered into, and is also obtaining legal advice to protect its interests. In addition, the Company is investigating the relationship (if any) between 重慶雷立捷實業發展有限公司, 重慶華標燈具製造有限公司, 重慶江特表面處理有限公司 and 重慶無極房地產開發有限公司, and the Company, its former or present directors and/or its major shareholders.

The Board is not aware of a fair and reasonable justification for the purported entering into of the pledge and guarantee agreements, nor has the Board been provided with a proper explanation which indicates that these purported agreements are in the interests of the Company or its shareholders as a whole.

The Board is seeking legal advice in relation to the legal and other implications arising from the pledge and guarantee agreements. In particular, it is considering the possibility that the pledge and guarantee agreements are not legally valid and/or enforceable by the relevant banks.

The Company is concurrently conducting further investigations to determine if other bank accounts of the Company have been similarly affected.

The Company had noted in its earlier announcements that the Board had established an independent investigations committee to conduct internal investigations. The investigations committee is presently considering the option of engaging an independent third party firm, through its legal advisers, to undertake a review of the potential financial impact that may arise from the above matters and from its investigations.

The Company will issue another announcement when further material information becomes available.

**Wanzhou factory**

The Company's announcements dated 14 and 28 August 2014 previously stated that the Company's Wanzhou factory had been temporarily suspended since 8 August 2014, due to Mr. Wu's refusal to relinquish control of the factory.

On 3 November 2014, the Company regained physical control of the Wanzhou factory and the Board presently expects the factory to resume production in the near future.

**Investigation into Mr Wu's alleged misappropriation**

The Huizhou Public Security Bureau has recently informed NVC China that it is undertaking a criminal investigation into Mr Wu, in relation to potential misappropriation of assets.

The Company does not currently have additional information in relation to the status of this investigation, but will update its shareholders on any new material information, when it is in a position to do so.

### **Suspension of Trading**

Trading in the shares of the Company was suspended with effect from 9:00 a.m. on 11 August 2014 and will remain suspended until further announcement in relation to inside information of the Company.

By Order of the Board

**NVC LIGHTING HOLDING LIMITED**

**Wang Donglei**

*Chairman*

Hong Kong, 6 November 2014

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

*Executive Directors:*

WANG Dongming

XIAO Yu

XIONG Jie

*Non-executive Directors:*

LIN Ho-Ping

ZHU Hai

WANG Donglei

LI Wei

*Independent Non-executive Directors:*

WANG Jinsui

LEE Kong Wai, Conway

WU Ling

WANG Xuexian

WEI Hongxiong