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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**

**CONNECTED TRANSACTIONS**

#### **THE PLEDGE AGREEMENTS**

Reference is made to the announcement of the Company dated 6 November 2014 in relation to (among other agreements) certain pledge agreements entered into by Mr Wu Changjiang, purportedly on behalf of NVC China, as security for loans taken out by Wu Ji and Lei Li Jie separately (collectively, the “*Pledge Agreements*”).

The Company continues to seek legal advice in relation to the implications of the Pledge Agreements (and other agreements referred to in the announcement dated 6 November 2014), including their legal validity. Investigations are also continuing as to the relationship (if any) between Wu Ji and Lei Li Jie (on the one hand) and Mr Wu Changjiang and the Company (on the other hand).

In the interim, the Company is making this update announcement to inform its shareholders about the details of the Pledge Agreements, in the event that the Pledge Agreements are determined to be legally valid and to be connected transactions. The Company has not come to the conclusion that the Pledge Agreements are valid and enforceable.

The Company is considering possible legal actions which may be taken by NVC China and the Company in order to protect their interests (including actions against Mr Wu Changjiang and/or any of the relevant banks).

#### **LISTING RULES IMPLICATIONS**

As Mr Wu Changjiang was a Director of the Company at the time the Pledge

Agreements were entered into and was a Director of the Company within the last 12 months, Mr Wu Changjiang and his associates were at the material time, and are, connected persons of the Company under Chapter 14A of the Listing Rules. The Company has reason to believe that Wu Ji and/or Lei Li Jie may be associates of Mr Wu Changjiang, and may potentially be connected persons of the Company. If these companies are connected persons of the Company, then the provision of any pledges in support of loans taken out by Wu Ji and/or Lei Li Jie would constitute financial assistance by the Company to a connected person and would hence be connected transactions of the Company under Chapter 14A.24(4) of the Listing Rules.

As the highest of the applicable Percentage Ratios in respect of the provision of the pledges under the Pledge Agreements is more than 0.1% but less than 5%, the transactions under the Pledge Agreements could potentially be subject to the reporting, announcement and annual review requirements, but exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **CONNECTED TRANSACTION UNDER THE PLEDGE AGREEMENT**

### **Principal Terms of the Pledge Agreements**

#### **The pledge agreement dated 16 May 2014 (“*Pledge Agreement 1*”)**

Date of the Agreement: 16 May 2014

Parties: NVC China and Minsheng Chongqing

Pledge: Pursuant to Pledge Agreement 1, NVC China purportedly agrees to pledge RMB20.5 million, deposited with Minsheng Chongqing in a separate account, as security for the underlying loan facility taken out by Wu Ji.

The Company repeats its earlier statement that it is still seeking legal advice in relation to the legal validity of Pledge Agreement 1.

Underlying loan agreement: A RMB20 million loan agreement dated 16 May 2014 between Minsheng Chongqing as the lender and Wu Ji as the borrower for a term of 5 months.

#### **The pledge agreement dated 31 December 2013 (“*Pledge Agreement 2*”)**

Date of the Agreement: 31 December 2013

Parties: NVC China and ICBC Nanping

Pledge: Pursuant to Pledge Agreement 2, NVC China purportedly agrees to provide a pledge, as security for the underlying loan facility taken out by Lei Li Jie.

The Company repeats its earlier statement that it is still seeking legal advice in relation to the legal validity of Pledge Agreement 2.

Underlying loan agreement: A RMB30 million loan agreement dated 31 December 2013 between ICBC Nanping as the lender and Lei Li Jie as the borrower for a term of 12 months.

**The pledge agreement dated 3 July 2014 (“Pledge Agreement 3”)**

Date of the Agreement: 3 July 2014

Parties: NVC China and Minsheng Chongqing

Pledge: Pursuant to Pledge Agreement 3, NVC China purportedly agrees to pledge RMB52 million, deposited with Minsheng Chongqing in a separate account, as security for the underlying loan facility taken out by Lei Li Jie.

The Company repeats its earlier statement that it is still seeking legal advice in relation to the legal validity of Pledge Agreement 3.

Underlying loan agreement: A RMB50 million loan agreement dated 3 July 2014 between Minsheng Chongqing as the lender and Lei Li Jie as the borrower for a term of 6 months.

**The pledge agreement dated 22 July 2014 (“Pledge Agreement 4”)**

Date of the Agreement: 22 July 2014

Parties: NVC China and Minsheng Chongqing

Pledge: Pursuant to Pledge Agreement 4, NVC China purportedly agrees to pledge RMB35 million, deposited with Minsheng Chongqing in a separate account, as security for the underlying loan facility taken out by Lei Li Jie.

The Company repeats its earlier statement that it is still seeking legal advice in relation to the legal validity of Pledge Agreement 4.

Underlying loan agreement: A RMB34.1 million loan agreement dated 22 July 2014 between Minsheng Chongqing as the lender and Lei Li Jie as the borrower for a term of 6 months.

#### **The pledge agreement dated 4 August 2014 (“Pledge Agreement 5”)**

Date of the Agreement: 4 August 2014

Parties: NVC China and Minsheng Chongqing

Pledge: Pursuant to Pledge Agreement 5, NVC China purportedly agrees to pledge RMB35 million, deposited with Minsheng Chongqing in a separate account, as security for the underlying loan facility taken out by Lei Li Jie.

The Company repeats its earlier statement that it is still seeking legal advice in relation to the legal validity of Pledge Agreement 5.

Underlying loan agreements: A RMB34.1 million loan agreement dated 4 August 2014 between Minsheng Chongqing as the lender and Lei Li Jie as the borrower for a term of 6 months.

#### **The view of the Board on the Pledge Agreements**

The Company would like to re-iterate that the entering into of the Pledge Agreements (and other agreements referred to in the announcement dated 6 November 2014), by Mr Wu Changjiang purportedly on behalf of NVC China, was not carried out with the knowledge of the current Board. To date, Mr Wu Changjiang has not provided the Board with a proper explanation for this. Accordingly, the Board is not aware of a

fair and reasonable justification for the purported entering into of these 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 Company is continuing to seek legal advice in relation to the legal and other implications arising from the Pledge Agreements (and other agreements referred to in the announcement dated 6 November 2014). In particular, it is considering the possibility that these agreements are not legally valid or enforceable by the relevant banks. The Company is considering possible legal actions which may be taken by NVC China and the Company in order to protect their interests (including actions against Mr Wu Changjiang and/or any of the relevant banks).

## **INFORMATION OF THE COMPANY AND THE COUNTERPARTIES**

The Company is a leading supplier of lighting products in China. It designs, develops, produces, markets and sells a variety of lighting products, with a strong focus on energy-saving products.

NVC China is incorporated in the PRC and is a wholly owned subsidiary of the Company. NVC China is principally engaged in research, development, production and sales of lighting lamps, luminaire products, kitchen, bathroom and other household appliances, LED products, series of application and explosion-proof lamps and appliances as well as relevant accessories, comprehensive wiring and network equipment, etc.

Wu Ji is incorporated in the PRC. At the time of entering into Pledge Agreement 1, it is believed that Wu Ji's sole executive director and legal representative was Ms Wu Lian, the wife of Mr Wu Changjiang. On that basis, it is possible that Wu Ji was an associate of Mr Wu Changjiang under the Listing Rules and a connected person of the Company at the material time.

Lei Li Jie is incorporated in the PRC and was owned by immediate family members of Mr Wu Changjiang in 2011. It is possible that it remains connected with Mr Wu Changjiang.

The Company is still in the process of confirming the nature of the relationship (if any) between Wu Ji and Lei Li Jie (on the one hand) and Mr Wu Changjiang and the Company (on the other hand).

## **LISTING RULES IMPLICATIONS**

As Mr Wu Changjiang was a Director of the Company at the time the Pledge Agreements were entered into and was a Director of the Company within the last 12 months, Mr Wu Changjiang and his associates were at the material time, and are,

connected persons of the Company under Chapter 14A of the Listing Rules. The Company has reason to believe that Wu Ji and/or Lei Li Jie may be associates of Mr Wu Changjiang and may potentially be connected persons of the Company. If these companies are connected persons of the Company, then the provision of any pledges in support of loans taken out by Wu Ji and/or Lei Li Jie would constitute financial assistance by the Company to a connected person and would hence be connected transactions of the Company under Chapter 14A.24(4) of the Listing Rules.

As the highest of the applicable Percentage Ratios in respect of the provision of the pledges under the Pledge Agreements is more than 0.1% but less than 5%, the transactions under the Pledge Agreements could potentially be subject to the reporting, announcement and annual review requirements, but are exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **DEFINITIONS**

“Board”	the board of directors of the Company
“China” or “PRC”	the People’s Republic of China, which for the purpose of this announcement, shall not include Hong Kong Special Administrative Region, Macau Special Administrative Region or Taiwan
“Company”	NVC Lighting Holding Limited
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“ICBC Nanping”	Industrial and Commercial Bank of China Limited Chongqing Nanping Sub-branch* (中國工商銀行股份有限公司南坪支行)
“Lei Li Jie”	Chongqing Lei Li Jie Industrial Development Co., Ltd. * (重慶雷立捷實業發展有限公司), a limited liability company incorporated in the PRC which may potentially be associated with Mr Wu Changjiang
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Minsheng Chongqing”	China Minsheng Banking Corp., Ltd. Chongqing Branch* (中國民生銀行股份有限公司重慶分行)
“NVC China”	NVC Lighting (China) Co., Ltd. * (雷士照明(中國)有限公司), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Company
“RMB”	the lawful currency of China
“Wu Ji”	Chongqing Wu Ji Real Estate Development Co., Ltd. * (重慶無極房地產開發有限公司), a limited liability company incorporated in the PRC which may potentially be associated with Mr Wu Changjiang

*\* denotes English translation of the name of a Chinese company or entity and is provided for identification purposes only*

By Order of the Board

**NVC LIGHTING HOLDING LIMITED**  
**Wang Donglei**  
*Chairman*

Hong Kong, 19 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