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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 Board refers to the announcement of the Company dated 6 November 2014, in relation to (among other things) certain pledge and guarantee agreements entered into by Mr. Wu Changjiang, purportedly on behalf of NVC China (defined below), as security for loans taken out by other parties.

The Company is making this update announcement, in relation to a Pledge Agreement (defined below) and certain Sales Transactions (defined below), the underlying transactions of which could be (in respect of the Pledge Agreement) and are (in respect of the Sales Transactions) connected transactions of the Company.

THE PLEDGE AGREEMENT

The Pledge Agreement was entered into by Mr. Wu Changjiang, purportedly on behalf of NVC China, in relation to a loan facility taken out by a PRC company, Jiang Te (defined below). Pursuant to the Pledge Agreement, NVC China purportedly agreed to provide a pledge amount of RMB100 million as security for the loan facility taken out by Jiang Te.

The Company's ongoing investigations have indicated that Jiang Te was a connected person of the Company. Accordingly, the Pledge Agreement could be a connected transaction of the Company, if it were determined to be legally valid.

The Company continues to obtain legal advice in relation to the implications of the pledge agreements entered into by Mr. Wu Changjiang purportedly on behalf of NVC China (including the Pledge Agreement), and including as to their legal validity. In addition, NVC China is presently taking legal steps in the PRC against Mr. Wu Changjiang and others, and the Company is considering the possibility of taking further legal actions, to protect its interests. Please refer to the Company's announcement dated 14 April 2015.

In the interim, the Company is making this update announcement to inform its shareholders about the details of the Pledge Agreement, in the event that the Pledge Agreement is determined to be legally valid and to be a connected transaction of the Company.

THE SALES TRANSACTIONS

From 2009 to 2013, Huizhou NVC (defined below) authorised a PRC company, Shang Yang (defined below) as its agent, to sell its professional engineering products for large-scale projects in Chongqing. According to the financial records obtained by Huizhou NVC, as at the date of this announcement, the aggregate purchases made by Shang Yang from Huizhou NVC amounted to approximately RMB48 million.

In connection with the above arrangement, Huizhou NVC and Shang Yang entered into the Sales Agency Agreement (defined below) in or around January 2011. Pursuant to the Sales Agency Agreement, Huizhou NVC agreed to authorise Shang Yang as its agent to sell its professional engineering products for large-scale projects in Chongqing for the year of 2011. Apart from the Sales Agency Agreement, no other written agreements between Huizhou NVC and Shang Yang relating to other sales arrangements have been located.

The Company's ongoing investigations have indicated that Shang Yang was owned as to 48% by Ms. Wu Lian, Mr. Wu Changjiang's wife, from January 2009 to November 2014. Accordingly, at the time the Sales Transactions were entered into, Shang Yang was an associate of Mr. Wu Changjiang and a connected person of the Company under the Listing Rules. The Sales Transactions are therefore connected transactions of the Company.

The Company is making this update announcement to inform its shareholders about the details of the Sales Transactions.

LISTING RULES IMPLICATIONS

Mr. Wu Changjiang was a Director at the time when the Pledge Agreement and the Sales Transactions were entered into, and he was also a Director within the past 12 months. As a result, 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. Accordingly, in the event that the Pledge Agreement is determined to be legally valid, the pledge that NVC China purportedly agreed to provide, as security for the underlying loan facility taken out by Jiang Te, would constitute a connected transaction of the Company under the Listing Rules. The Sales Transactions constitute connected transactions of the Company under the Listing Rules.

As the highest of the applicable percentage ratios in respect of the provision of the pledge under the Pledge Agreement and the Sales Transactions, respectively, was more than 0.1% but less than 5%, the transactions under the Pledge Agreement and the Sales Transactions are subject to the reporting and announcement requirements, but exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

THE PLEDGE AGREEMENT

Principal Terms of the Pledge Agreement

Time of entering into the agreement: 18 June 2014

Parties: NVC China and ICBC Nanping

Pledge: Pursuant to the Pledge Agreement, NVC China purportedly agrees to provide a pledge amount of RMB100 million as security for the underlying loan facility taken out by Jiang Te.

The Company repeats its earlier statement that it continues to obtain legal advice in relation to the legal validity of the Pledge Agreement.

Underlying loan agreement: A RMB100 million loan agreement dated 18 June 2014 between ICBC Nanping as the lender and Jiang Te as the borrower for a term of 12 months.

The Board's view on the Pledge Agreement

The Board refers to the announcement of the Company dated 6 November 2014, in relation to certain pledge agreements entered into by Mr. Wu Changjiang, purportedly on behalf of NVC China, as security for loans taken out by other parties including Jiang Te.

The Board would like to reiterate that the entering into of the Pledge Agreement (and the other pledge agreements referred to in the announcement dated 6 November 2014) were not carried out with the knowledge of the current Board. Accordingly, the Board is not presently aware of a fair and reasonable justification for the purported entering into of these agreements, nor has Mr. Wu Changjiang provided the Board with a proper explanation which indicates that these purported pledge agreements (including the Pledge Agreement) are in the interests of the Company or its shareholders as a whole.

The Company continues to obtain legal advice in relation to the implications of the pledge agreements entered into by Mr. Wu Changjiang purportedly on behalf of NVC China (including the Pledge Agreement), and including as to their legal validity. In addition, NVC China is presently taking legal steps in the PRC against Mr. Wu Changjiang and others, and the Company is considering the possibility of taking further legal actions, to protect its interests. Please refer to the Company's announcement dated 14 April 2015. In the event that the Pledge Agreement is determined to be legally valid, the pledge that NVC China purportedly agreed to provide, as security for the underlying loan facility taken out by Jiang Te, would constitute a connected transaction of the Company under the Listing Rules.

THE SALES TRANSACTIONS

From 2009 to 2013, Huizhou NVC authorised a PRC company, Shang Yang as its agent, to sell its professional engineering products for large-scale projects in Chongqing. According to the financial records obtained by Huizhou NVC, as at the date of this announcement, the aggregate purchases made by Shang Yang from Huizhou NVC amounted to approximately RMB48 million.

In connection with the above arrangement, Huizhou NVC and Shang Yang entered into the Sales Agency Agreement in or around January 2011, the principal terms of which are set out below. Apart from the Sales Agency Agreement, no other written agreements between Huizhou NVC and Shang Yang relating to other sales arrangements have been located.

Principal Terms of the Sales Agency Agreement

Time of entering into the agreement: in or around January 2011

Parties: Huizhou NVC and Shang Yang

Sales agency: Pursuant to the Sales Agency Agreement, Huizhou NVC authorises Shang Yang as its agent to sell its professional engineering products for large-scale projects in Chongqing. The sales target was originally set as RMB60 million.

Authorised Period: From 1 January 2011 to 31 December 2011

The Board's view on the Sales Transactions

The Company's ongoing investigations have indicated that Shang Yang was owned as to 48% by Ms. Wu Lian, Mr. Wu Changjiang's wife, from January 2009 to November 2014. Accordingly, at the time the Sales Transactions were entered into, Shang Yang was an associate of Mr. Wu Changjiang and a connected person of the Company under the Listing Rules.

At the time of entering into the Sales Transactions, Mr. Wu Changjiang did not disclose to the Board that Shang Yang was a connected person of the Company. In any event, the then-directors of the Company (excluding Mr. Wu Changjiang) did not have cause to believe that the Sales Agency Agreement was not entered into in the ordinary and usual course of the Group's business, and that the terms of the Sales Agency Agreement were not on normal commercial terms, fair and reasonable and in the interests of the Group and the shareholders of the Company as a whole. Having made all reasonable enquiries, the Board believes that the Group did not enter into any further transactions with Shang Yang after the year of 2013.

INFORMATION ON 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 was 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.

Huizhou NVC is incorporated in the PRC and is a wholly-owned subsidiary of the Company. Huizhou NVC 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.

Jiang Te is incorporated in the PRC and was owned as to 51% by En Wei Xi, a connected person of the Company, from May 2009 to September 2014. Accordingly, Jiang Te is a connected person of the Company under the Listing Rules. Jiang Te is principally engaged in surface processing of metallic and non-metallic materials.

Shang Yang is incorporated in the PRC and was owned as to 48% by Ms. Wu Lian, Mr. Wu Changjiang's wife, from January 2009 to November 2014. Accordingly, Shang Yang is an associate of Mr. Wu Changjiang and a connected person of the Company under the Listing Rules. Shang Yang is principally engaged in design and installment of lighting projects and the sales of lighting equipment.

LISTING RULES IMPLICATIONS

Mr. Wu Changjiang was a Director at the time when the Pledge Agreement and the Sales Transactions were entered into, and he was also a Director within the past 12

months. As a result, 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. Accordingly, in the event that the Pledge Agreement is determined to be legally valid, the pledge that NVC China purportedly agreed to provide, as security for the underlying loan facility taken out by Jiang Te, would constitute a connected transaction of the Company under the Listing Rules. The Sales Transactions constitute connected transactions of the Company under the Listing Rules.

As the highest of the applicable percentage ratios in respect of the provision of the pledge under the Pledge Agreement and the Sales Transactions, respectively, was more than 0.1% but less than 5%, the transactions under the Pledge Agreement and the Sales Transactions are subject to the reporting and announcement requirements, but exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

DEFINITIONS

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“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 to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“En Wei Xi”	Chongqing En Wei Xi Industrial Development Co., Ltd.* (重慶恩緯西實業發展有限公司), a limited liability company incorporated in the PRC and owned as to 40% by Mr. Wu Xianming, Mr. Wu Changjiang’s father-in-law, and therefore a connected person of the Company
“Group”	the Company and its subsidiaries
“Huizhou NVC”	Huizhou NVC Lighting Technology Co., Ltd., a limited liability company incorporated in the PRC and a wholly-owned subsidiary 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), an independent third party of the Company
“Jiang Te”	Chongqing Jiang Te Surface Processing Co., Ltd.* (重慶江特表面處理有限公司), a limited liability company incorporated in the PRC and owned as to 51% by En Wei Xi from May 2009 to September 2014, and therefore a connected person of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“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
“Pledge Agreement”	the pledge agreement entered into between NVC China and ICBC Nanping on 18 June 2014, pursuant to which NVC China purportedly agrees to provide a pledge amount of RMB100 million as security for the underlying loan facility taken out by Jiang Te
“RMB”	Renminbi, the lawful currency of the PRC
“Sales Agency Agreement”	the sales agency agreement entered into between Huizhou NVC and Shang Yang in or around January 2011, pursuant to which Huizhou NVC authorises Shang Yang as its agent to sell its professional engineering products for large-scale projects in Chongqing
“Sales Transactions”	the sales transactions entered into between Huizhou NVC and Shang Yang from 2009 to 2013, including the Sales Agency Agreement
“Shang Yang”	Chongqing Shang Yang Lighting Engineering Co., Ltd.* (重慶尚陽照明工程有限公司), a limited liability company incorporated in the PRC and owned as to 48% by Ms. Wu Lian, Mr. Wu Changjiang’s wife from January 2009 to November 2014, and therefore a connected person of the Company

** 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, 13 May 2015

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

Executive Directors:

WANG Donglei

WANG Dongming

XIAO Yu

XIONG Jie

Non-executive Directors:

LIN Ho-Ping

ZHU Hai

LI Wei

Independent Non-executive Directors:

LEE Kong Wai, Conway

WU Ling

WANG Xuexian

WEI Hongxiong