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NVC International Holdings Limited
雷士國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2222)

(1) PROPOSED SHARE CONSOLIDATION; AND
(2) PROPOSED CHANGE IN BOARD LOT SIZE

THE PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every ten (10) Existing Shares of par value of US\$0.0000001 each in the issued and unissued share capital of the Company be consolidated into one (1) Consolidated Share of par value of US\$0.000001 each.

The Share Consolidation is conditional upon, among other things, the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation.

THE PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in board lots of 20,000 Existing Shares. It is proposed that, subject to and conditional upon the Share Consolidation becoming effective, the board lot size for trading on the Stock Exchange be changed from 20,000 Existing Shares to 10,000 Consolidated Shares.

GENERAL

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Share Consolidation. A circular containing, among other things, further details of the Share Consolidation, the Change in Board Lot Size and the notice of the EGM is expected to be despatched to the Shareholders on or before Monday, 9 October 2023.

Shareholders and potential investors of the Company should take note that the Share Consolidation is conditional upon the fulfilment of certain conditions set out in this announcement and the Change in Board Lot Size is conditional upon the Share Consolidation becoming effective. Therefore, the Share Consolidation and the Change in Board Lot Size may or may not proceed.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

THE PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every ten (10) Existing Shares of par value of US\$0.0000001 each in the issued and unissued share capital of the Company be consolidated into one (1) Consolidated Share of par value of US\$0.000001 each.

Effects of the Share Consolidation

As at the date of this announcement, the authorised share capital of the Company is US\$50,000 divided into 500,000,000,000 Shares of par value of US\$0.0000001 each, and there are 5,072,736,779 Existing Shares in issue which are fully paid or credited as fully paid. Assuming no further Shares will be issued from the date of this announcement up to the date of the EGM, upon the Share Consolidation becoming effective, there will be 507,273,677 Consolidated Shares in issue which are fully paid or credited as fully paid. The authorised share capital of the Company will be US\$50,000 divided into 50,000,000,000 Consolidated Shares of par value of US\$0.000001 each.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other.

The Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Existing Shares as at the date of this announcement.

Other than the expenses to be incurred in relation to the Share Consolidation and the payment to be made to Shareholders in relation to fractional Consolidated Shares to which they would otherwise be entitled as mentioned in the paragraph headed “Entitlement of Fractional Consolidated Shares” below, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save for any fractional Consolidated Shares to which Shareholders would otherwise be entitled. The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Company.

Conditions of the Share Consolidation

The implementation of the Share Consolidation is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation;
- (ii) the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective; and
- (iii) the compliance with all relevant procedures and requirements and the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required (if any) under the applicable laws of Cayman Islands and the Listing Rules to effect the Share Consolidation.

Subject to the fulfilment of the conditions of the Share Consolidation, the effective date of the Share Consolidation is expected to be on Friday, 27 October 2023.

As at the date of this announcement, none of the above conditions have been fulfilled.

Listing Application

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becomes effective, the Consolidated Shares in issue will not be listed or dealt on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in board lots of 20,000 Existing Shares. It is proposed that, subject to and conditional upon the Share Consolidation becoming effective, the board lot size for trading on the Stock Exchange be changed from 20,000 Existing Shares to 10,000 Consolidated Shares.

Based on the closing price of HK\$0.086 per Existing Share (equivalent to the theoretical closing price of HK\$0.86 per Consolidated Share) as at the date of this announcement, (i) the market value of each board lot of 20,000 Existing Shares is HK\$1,720; (ii) the market value of each board lot of 20,000 Consolidated Shares would be HK\$17,200, assuming the Share Consolidation had become effective; and (iii) the estimated market value of each board lot of 10,000 Consolidated Shares would be HK\$8,600 on the assumption that the Change in Board Lot Size had also become effective.

The Change in Board Lot Size will not result in any change in the relative rights of the Shareholders.

REASONS FOR THE SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 1 October 2020 (the “**Guide**”) has further stated that (i) market price of the shares at a level less than HK\$0.1 will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules, and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000.

In view of the prevailing trading prices of the Existing Shares, the Board proposes to implement the Share Consolidation. Based on the closing price of the Existing Shares of HK\$0.086 on the date of this announcement and the current board lot size of 20,000 Existing Shares, the board lot value of the Existing Shares is HK\$1,720. The Share Consolidation and the Change in Board Lot Size will reduce the number of new board lots and increase the value of each new board lot. After the Share Consolidation and the Change in Board Lot Size have become effective, and based on the closing price of the Existing Shares as at the date of this announcement, the theoretical market board lot value will be HK\$8,600. As such, the Board considers that the Share Consolidation and Change in Board Lot Size will enable the Company to comply with the trading requirements under the Listing Rules and reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge minimum transaction costs for each securities trade. With a corresponding upward adjustment in the trading price of the Consolidated Shares, the Board believes that investment in the Consolidated Shares would become more attractive to a broader range of investors, thereby improving the liquidity of the Consolidated Shares and further broadening the Shareholder base of the Company.

Although the Share Consolidation and the Change in Board Lot Size may lead to the creation of odd lots of Shares owned by the Shareholders, the Company will designate an agent to stand in the market to provide matching services for odd lots of Shares for a period of not less than three weeks, which is expected to effectively alleviate the difficulties caused by the creation of odd lots of Shares.

Accordingly, the Board is of the view that the Share Consolidation and the Change in Board Lot Size are beneficial to and in the interest of the Company and the Shareholders as a whole.

When considering the Share Consolidation and the Change in Board Lot Size, the Board has taken into account the business plan of the Company for the next 12 months. As at the date of this announcement, the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Consolidation, and save that the Company is under negotiation with Elec-Tech International (H.K.) Company Limited, a substantial shareholder of the Company, in respect of the placing of 179,507,254 new Shares to such Shareholder per its requisition as disclosed in the announcement of the Company dated 15 September 2023, the Company did not have any concrete plan to conduct any fund-raising activities in the next 12 months. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund-raising exercises when suitable fund-raising and/or investment opportunities arise in order to support, among others, working capital requirements and future development of the Group. The Company will make further announcement(s) in this regard in accordance with the Listing Rules as and when appropriate.

OTHER ARRANGEMENTS

Entitlement of Fractional Consolidated Shares

Fractional Consolidated Shares (if any) will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Shareholders who are concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser and may wish to consider the possibility of buying or selling the Existing Shares in a number sufficient to make up an entitlement to receive a whole number of Consolidated Shares.

Odd lots arrangement and matching services

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company will appoint a securities firm as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Details of the odd lots arrangement will be set out in the circular to be despatched to the Shareholders.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

Exchange of certificates for Consolidated Shares

Subject to the Share Consolidation becoming effective, which is currently expected to be Friday, 27 October 2023, Shareholders may on or after Friday, 27 October 2023 and until Monday, 4 December 2023 (both days inclusive), submit their existing share certificates in orange colour for the Existing Shares to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for exchange for new share certificates in yellow colour for the Consolidated Shares at the expense of the Company.

Shareholders should note that after the prescribed time for free exchange of new share certificates, a fee of HK\$2.5 (or such higher amount as may from time to time be allowed by the Stock Exchange) will be payable by the Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever the number of certificates cancelled/issued is higher.

After 4:10 p.m. on Thursday, 30 November 2023, trading will only be in Consolidated Shares, the share certificates of which will be issued in yellow colour. Existing share certificates in orange colour for the Existing Shares will remain valid and effective as documents of title and may be exchanged for certificates for Consolidated Shares at any time, but will cease to be valid for delivery, trading and settlement purposes.

EXPECTED TIMETABLE

The expected timetable for the Share Consolidation and Change in Board Lot Size is set out below. The expected timetable is subject to the results of the EGM and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this announcement refer to Hong Kong local times and dates.

Despatch date of circular with notice of
the EGM On or before Monday, 9 October 2023

Latest time for lodging transfers of Shares in
order to qualify for attendance and
voting at the EGM. 4:30 p.m. on
Tuesday, 17 October 2023

Register of members closes
(both days inclusive) Wednesday, 18 October 2023 to
Wednesday, 25 October 2023

Latest time for lodging forms of proxy for the EGM. 10:30 a.m. on
Monday, 23 October 2023

Date and time of the EGM 10:30 a.m. on
Wednesday, 25 October 2023

Publication of the announcement of the results of
the EGM Wednesday, 25 October 2023

**The following events are conditional on the fulfillment of the conditions for the
implementation of the Share Consolidation as set out in this announcement.**

Effective date of the Share Consolidation Friday, 27 October 2023

First day of free exchange of existing share
certificates for new share certificates for
Consolidated Shares Friday, 27 October 2023

Dealing in the Consolidated Shares commences 9:00 a.m. on
Friday, 27 October 2023

Original counter for trading in the Existing Shares in
board lots of 20,000 Existing Shares
(in the form of existing share certificates)
temporarily closes 9:00 a.m. on
Friday, 27 October 2023

Temporary counter for trading in the Consolidated
Shares in board lots of 2,000 Consolidated Shares
(in the form of existing share certificates) opens 9:00 a.m. on
Friday, 27 October 2023

Original counter for trading in the Consolidated
Shares in new board lots of 10,000 Consolidated
Shares (in the form of new share certificates for
the Consolidated Shares) re-opens. 9:00 a.m. on
Friday, 10 November 2023

Parallel trading in the Consolidated Shares
(in the form of new share certificates for the
Consolidated Shares and existing share
certificates) commences 9:00 a.m. on
Friday, 10 November 2023

Designated broker starts to stand in the market to
provide matching services for odd lots of
the Consolidated Shares 9:00 a.m. on
Friday, 10 November 2023

Designated broker ceases to stand in the market
to provide matching services for odd lots of
the Consolidated Shares 4:00 p.m. on
Thursday, 30 November 2023

Temporary counter for trading in the Consolidated
Shares in board lots of 2,000 Consolidated Shares
(in the form of existing share certificates) closes 4:10 p.m. on
Thursday, 30 November 2023

Parallel trading in the Consolidated Shares
(in the form of new share certificates for the
Consolidated Shares and existing share
certificates) ends 4:10 p.m. on
Thursday, 30 November 2023

Last day for free exchange of existing share
certificates for new share certificates for the
Consolidated Shares Monday, 4 December 2023

GENERAL

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Share Consolidation. A circular containing, among other things, further details of the Share Consolidation, the Change in Board Lot Size and the notice of the EGM is expected to be despatched to the Shareholders on or before Monday, 9 October 2023.

In order to determine the list of Shareholders who are entitled to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 18 October 2023 to Wednesday, 25 October 2023 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Tuesday, 17 October 2023.

Shareholders and potential investors of the Company should take note that the Share Consolidation is conditional upon the fulfilment of certain conditions set out in this announcement and the Change in Board Lot Size is conditional upon the Share Consolidation becoming effective. Therefore, the Share Consolidation and the Change in Board Lot Size may or may not proceed.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions shall have the following meanings:

| | |
|--------------------------------|--|
| “Board” | the board of Directors |
| “CCASS” | the Central Clearing and Settlement System established and operated by HKSCC |
| “CCASS Operational Procedures” | the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time |
| “Change in Board Lot Size” | the proposed change in board lot size of the Shares for trading on the Stock Exchange from 20,000 Existing Shares to 10,000 Consolidated Shares |
| “Company” | NVC International Holdings Limited (雷士國際控股有限公司) (formerly known as NVC Lighting Holding Limited (雷士照明控股有限公司)), a company incorporated in the British Virgin Islands on 2 March 2006 and subsequently redomiciled to the Cayman Islands on 30 March 2010 as an exempted company with limited liability under the laws of the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange |
| “Consolidated Share(s)” | ordinary share(s) of US\$0.000001 each in the share capital of the Company immediately after the Share Consolidation becoming effective |
| “Director(s)” | the director(s) of the Company |

| | |
|--------------------------|--|
| “EGM” | the extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, approve the Share Consolidation |
| “Existing Share(s)” | ordinary share(s) of US\$0.0000001 each in the existing share capital of the Company before the Share Consolidation becomes effective |
| “General Rules of CCASS” | the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollar, the lawful currency of Hong Kong |
| “HKSCC” | Hong Kong Securities Clearing Company Limited |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Share Consolidation” | the proposed consolidation of every ten (10) issued and unissued Existing Shares in the share capital of the Company into one (1) Consolidated Share |
| “Share(s)” | the Existing Share(s) or as the context may require, the Consolidated Share(s) |
| “Shareholder(s)” | holder(s) of Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |

“US\$”

United States dollar, the lawful currency of the United States of America

By Order of the Board
NVC International Holdings Limited
WANG Donglei
Chairman

Hong Kong, 18 September 2023

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

Executive Directors:

WANG Donglei
CHAN Kim Yung, Eva
XIAO Yu
CAO Qin
WANG Keven Dun

Non-executive Director:

YE Yong

Independent Non-executive Directors:

LEE Kong Wai, Conway
WANG Xuexian
CHEN Hong