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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in NVC International Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)**

**CONNECTED TRANSACTION IN RELATION TO THE SUBSCRIPTION  
OF SHARES UNDER SPECIFIC MANDATE  
AND  
NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

**Independent Financial Adviser  
to the Independent Board Committee and Independent Shareholders**



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A letter from the Board is set out on pages 5 to 16 of this circular. A letter from the Independent Board Committee is set out on pages 17 to 18 of this circular. A letter from Gram Capital containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 19 to 31 of this circular.

A notice convening the EGM to be held at Salon III, M/F, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong at 10:30 a.m. on Wednesday, 29 November 2023 is set out on pages EGM-1 to EGM-2 of this circular.

A form of proxy for use at the EGM (as defined herein) is enclosed with this circular. Whether or not you propose to attend the EGM, you are requested to complete the accompanying form of proxy for use at the EGM in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so desire.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.nvc-international.com>).

References to time and dates in this circular are to Hong Kong time and dates.

14 November 2023

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## DEFINITIONS

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*In this circular, the following expressions shall have the meanings set out below unless the context requires otherwise:*

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Announcement”	the announcement of the Company dated 10 October 2023 in relation to, among others, the specific terms for the Proposed Subscription
“Board”	the board of Directors
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“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
“Completion”	the completion of the Proposed Subscription pursuant to the terms and conditions of the Subscription Agreement
“Completion Date”	the date on which the Completion shall take place, which shall be two business days following the written notice from the Company to the Subscriber notifying the satisfaction of the conditions precedent, or such other date as agreed in writing between the Company and the Subscriber
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Consolidated Share(s)”	ordinary share(s) of US\$0.000001 each in the share capital of the Company immediately after the Share Consolidation
“Director(s)”	the director(s) of the Company

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## DEFINITIONS

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“EGM”	the extraordinary general meeting of the Company to be convened and held at Salon III, M/F, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong at 10:30 a.m. on Wednesday, 29 November 2023 to consider and, if thought fit, approve, among others, the Subscription Agreement, the transaction contemplated thereunder and the grant of the Specific Mandate to allot and issue the Subscription Shares
“ETI” or “Subscriber”	Elec-Tech International (H.K.) Company Limited, a substantial shareholder of the Company holding an aggregate of 74,034,600 Shares
“ETIC”	Elec-Tech International Co., Ltd.* (安徽德豪潤達電氣股份有限公司)(formerly known as Elec-Tech International Co., Ltd.* (廣東德豪潤達電氣股份有限公司)), a PRC incorporated company whose shares are currently listed on the Shenzhen Stock Exchange and is a substantial shareholder of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors
“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to the Independent Board Committee and Independent Shareholders in respect of the Proposed Subscription
“Independent Shareholders”	Shareholder(s) other than those who are required under the Listing Rules to abstain from voting on the resolution(s) to be proposed at the EGM
“Last Trading Day”	10 October 2023, being the last full trading day in the Shares prior to the Announcement

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## DEFINITIONS

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“Latest Practicable Date”	6 November 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
“Long Stop Date”	the date upon the expiry of six (6) months from the date of the Subscription Agreement, or such other date as the parties may agree in writing
“Original Share(s)”	ordinary share(s) of USD0.0000001 each in the share capital of the Company before the Share Consolidation becomes effective
“Proposed Subscription”	the subscription of an aggregate of 179,507,254 Original Shares (which was adjusted proportionally to 17,950,725 Consolidated Shares as a result of the Share Consolidation) by the Subscriber in accordance with the terms and conditions of the Subscription Agreement
“Share(s)”	the Consolidated Share(s) or as the context may require, the Original Share(s)
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Original Shares in the share capital of the Company into one (1) Consolidated Share, which has been approved by the Shareholders at the extraordinary general meeting of the Company held on 25 October 2023
“Shareholder(s)”	holder(s) of Share(s)
“Specific Mandate”	the specific mandate to be sought from the Independent Shareholders at the EGM and to be granted to the Board for the allotment and issue of the Subscription Shares, which will be valid until the expiry date of six (6) months from the date of the EGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the subscription agreement proposed by ETI which sets out the specific terms for the Proposed Subscription

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## DEFINITIONS

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“Subscription Price”	HK\$0.083 per Subscription Share, which was adjusted proportionally to HK\$0.83 per Subscription Share as a result of the Share Consolidation
“Subscription Shares”	an aggregate of 179,507,254 Original Shares (which was adjusted proportionally to 17,950,725 Consolidated Shares as a result of the Share Consolidation) to be subscribed by the Subscriber pursuant to the Subscription Agreement, each a Subscription Share
“US\$”	United States dollar, the lawful currency of the United States of America
“%”	per cent

\* *for identification purpose only*

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## LETTER FROM THE BOARD

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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)**

*Executive Directors:*

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

*Registered office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

*Non-Executive Director:*

YE Yong

*Principle place of business*

*in Hong Kong:*

Unit 705, 7/F., Building 20E,  
Phase 3, Hong Kong Science Park,  
Pak Shek Kok,  
New Territories,  
Hong Kong

*Independent Non-Executive Directors:*

LEE Kong Wai, Conway  
WANG Xuexian  
CHEN Hong

Hong Kong, 14 November 2023

*To the Shareholders*

Dear Sir or Madam,

### **CONNECTED TRANSACTION IN RELATION TO THE SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE AND NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

#### **1. INTRODUCTION**

Reference is made to the announcement of the Company dated 15 September 2023, in relation to, among others, a requisition letter from ETI which requests the removal of Mr. WANG Donglei and Mr. CHEN Hong as Directors and the Proposed Subscription. The resolutions in relation to the removal of Mr. WANG Donglei and Mr. CHEN Hong have been considered at the extraordinary general meeting of the Company held on 25 October 2023. Reference is also made to the Announcement in relation to, among others, the specific terms for the Proposed Subscription. The Subscription Agreement will be entered into between the Company and ETI after obtaining the approval by the Independent Shareholders on the Proposed Subscription at the EGM.

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## LETTER FROM THE BOARD

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This circular sets out, among others, (i) details of the Subscription Agreement and the transaction contemplated thereunder (including the Specific Mandate); (ii) a letter from the Independent Board Committee containing its opinion and recommendation to the Independent Shareholders in respect of the Subscription Agreement and the transaction contemplated thereunder; (iii) a letter of advice from Gram Capital to the Independent Board Committee and the Independent Shareholders in respect of the Proposed Subscription; and (iv) a notice of the EGM.

### 2. THE PROPOSED SUBSCRIPTION

The principal terms of the Subscription Agreement are set out below:

<b>Parties</b>	The Company (as the issuer) and ETI (as the subscriber)
<b>Date</b>	The Subscription Agreement is expected to be entered into between the Company and ETI on the date of the EGM if the Proposed Subscription is approved by the Independent Shareholders at the EGM.
<b>Number of Subscription Shares</b>	179,507,254 Original Shares (which was adjusted proportionally to 17,950,725 Consolidated Shares as a result of the Share Consolidation), representing (i) approximately 3.5% of the total number of issued Shares as at the date of the Announcement; and (ii) approximately 3.4% of the total number of issued Shares as enlarged by the allotment and issue of the Subscription Shares immediately upon the Completion, assuming that there will be no other changes in the total number of issued Shares between the date of this circular and the allotment and issue of the Subscription Shares.

Based on the closing price of the Shares of HK\$0.083 per Share on the Last Trading Day, the Subscription Shares have a market value of HK\$14,899,102.08 and an aggregate nominal value of US\$17.95.

The Subscription Shares will be allotted and issued under the Specific Mandate.

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## LETTER FROM THE BOARD

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### **Subscription price**

The Subscription Price is HK\$0.083 per Subscription Share (which was adjusted proportionally to HK\$0.83 per Subscription Share as a result of the Share Consolidation), and the aggregate Subscription Price of all Subscription Shares of HK\$14,899,101.75 payable by the Subscriber shall be payable in cash upon the Completion.

The Subscription Price represents:

- (i) the same as the closing price of HK\$0.083 per Share as quoted on the Stock Exchange on 10 October 2023, the date of the Announcement;
- (ii) a premium of 2.2% to the average closing price of HK\$0.0812 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Announcement; and
- (iii) a discount of approximately 88.3% to the unaudited consolidated net asset value per Share of approximately HK\$7.10 (based on the unaudited net asset value of the Group of approximately US\$461.9 million (equivalent to approximately HK\$3,602.5 million based on the exchange rate of HK\$7.8: US\$1.00) as at 30 June 2023 as disclosed in the 2023 interim report of the Company and 507,273,677 issued Shares as at the Latest Practicable Date).

The net Subscription Price (after deduction of all professional fees and other expenses), is estimated to be approximately HK\$0.077 per Subscription Share, which was adjusted proportionally to HK\$0.77 per Subscription Share as a result of the Share Consolidation.

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## LETTER FROM THE BOARD

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The Subscription Price was proposed by ETI with reference to the subscription price provided in the subscription agreement entered by the Company and Canopy Capital Limited, a company wholly-owned by Mr. WANG Keven Dun (an executive Director of the Company), on 9 July 2023. Please refer to the circular of the Company dated 4 August 2023 for details of the terms of the subscription agreement with Canopy Capital Limited.

With regard to the discount between the Subscription Price and the Company's consolidated net asset value per Share, since (a) the Subscription Price represents the same as the closing price of HK\$0.083 per Share as quoted on the Stock Exchange on the date of the Announcement, (b) the Subscription Price represents a premium of 2.2% to the average closing price of HK\$0.0812 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Announcement, (c) the Shares have been generally traded at a significant discount to the Company's consolidated net asset value per Share in the last 5 years, and (d) the trading liquidity of the Shares is low, the Board considered that when assessing the Subscription Price, it would be more appropriate to make reference to the prevailing market price of the Shares, which reflected the market value of the Shares traded on the Stock Exchange instead of making reference to the net asset value per Share, and the Subscription Price is fair and reasonable.

**Share Consolidation or Split** If any Share consolidation or split occurs prior to the Completion, the aforementioned number of Subscription Shares and the Subscription Price shall be adjusted proportionally in accordance with the relevant share consolidation or split, while maintaining the aggregate Subscription Price unchanged.

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## LETTER FROM THE BOARD

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Reference is made to the circular of the Company dated 9 October 2023 in relation to, among others, the proposed consolidation of every ten (10) issued and unissued Original Shares in the share capital of the Company into one (1) Consolidated Share. Since the Company has obtained the Shareholders' approval on the Share Consolidation at the extraordinary general meeting of the Company held on 25 October 2023, the number of the Subscription Shares will be adjusted proportionally to 17,950,725 and the Subscription Price will be adjusted proportionally to HK\$0.83 per Subscription Share.

**Ranking of the Subscription Shares**

The Subscription Shares, when allotted and issued, shall rank *pari passu* in all respects among themselves and with the existing Shares in issue.

**Conditions Precedent**

The Completion is conditional upon the following conditions being fulfilled:

- (i) the Independent Shareholders having passed at the EGM the resolution to approve the Subscription Agreement, the transaction contemplated thereunder and the grant of the Specific Mandate for the allotment and issuance of the Subscription Shares;
- (ii) the Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in, the Subscription Shares and such approval and permission remaining in full force and effect;
- (iii) there having been no breach of any terms of the Subscription Agreement by the Company and the Subscriber in any material respect; and
- (iv) no regulatory authority having implemented or enacted any legislation, regulations or decrees to prohibit the Proposed Subscription, and no courts with competent jurisdiction having issued any order or injunction prohibiting or preventing the Proposed Subscription.

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## LETTER FROM THE BOARD

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The above conditions precedent have not been fulfilled as at the Latest Practicable Date. In the event that the Completion does not take place on or before the Long Stop Date, the Company and the Subscriber shall negotiate with a view to agreeing on a subsequent date for the Completion. If the Company and the Subscriber are unable to agree on a subsequent date for the Completion, either the Company or the Subscriber shall be entitled to terminate the Subscription Agreement by written notice to the other party, upon which all rights and obligations of the parties to the Subscription Agreement shall terminate, save for any rights and obligations accrued prior to such termination.

### **Information on the Parties**

#### ***The Company***

The Company is a leading supplier of lighting products in the international market. It designs, develops, produces, markets and sells a variety of lighting products, with a strong focus on energy-saving products, under the NVC brand and third-party brands.

#### ***The Subscriber***

ETI is a wholly-owned subsidiary of ETIC, which is primarily engaged in small household appliances and LED packaging business. ETI is a substantial shareholder of the Company holding an aggregate of 74,034,600 Shares, representing approximately 14.59% of the total issued Shares as at the Latest Practicable Date. ETIC is a PRC incorporated company whose shares are currently listed on the Shenzhen Stock Exchange.

### **3. REASONS FOR AND BENEFITS OF THE PROPOSED SUBSCRIPTION**

ETI has proposed to subscribe the Subscription Shares to increase its shareholding in the Company. The terms of the Subscription Agreement proposed by ETI are generally consistent with the subscription agreement entered between the Company and Canopy Capital Limited, a company wholly-owned by Mr. WANG Keven Dun (an executive Director of the Company), on 9 July 2023.

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## LETTER FROM THE BOARD

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The Board considers that the Subscription Price is fair and reasonable but does not think the Proposed Subscription will serve the best interests of the Company and its shareholders as a whole for the following reasons:

- a) the gross proceeds from the Proposed Subscription will be only approximately HK\$14.9 million due to a relatively small number of the Subscription Shares. It is estimated that the total costs to be incurred for the preparation of the information disclosure documents, engagement of professional parties and holding of the EGM will be around HK\$1 million, representing around 6.7% of the gross proceeds from the Proposed Subscription; and
- b) the Company has recently raised net proceeds of approximately HK\$69.2 million by issuing 845,456,130 Original Shares to Canopy Capital Limited in August 2023. Taking into account the level of cash and cash equivalent of the Company as of 30 June 2023, the net proceeds received from Canopy Capital Limited and the current project progress, it is estimated that currently no additional funds need to be raised by issuing new Shares for the implementation of the Company's overseas business development and expansion and implementation of global ERP and warehouse system, which will unnecessarily dilute the shareholding of the existing Shareholders.

Other than increasing the Company's general working capital, the Board is not aware that there is any material advantage of the Proposed Subscription for the Company.

#### **4. USE OF PROCEEDS**

It is expected that the gross proceeds of the Proposed Subscription will be approximately HK\$14.9 million. The net proceeds of the Proposed Subscription, after the deduction of all professional fees and other expenses, is estimated to be approximately HK\$13.9 million. If the Proposed Subscription will proceed, the Company intends to use all the net proceeds to supplement the general working capital of the Group and to the extent that the net proceeds are not immediately applied for the general working capital needs, the Company will invest the net proceeds in short-term and interest-bearing bank deposits with qualified financial institutions.

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## LETTER FROM THE BOARD

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### 5. FUND RAISING ACTIVITIES BY THE COMPANY IN THE PAST TWELVE MONTHS

On 9 July 2023, the Company and Canopy Capital Limited entered into a subscription agreement, pursuant to which Canopy Capital Limited conditionally agreed to subscribe and the Company conditionally agreed to allocate and issue a total of 845,456,130 Original Shares at the subscription price of HK\$0.083 per Share. The subscription has been completed and net proceeds of approximately HK\$69.2 million after deducting the professional fee and related expenses, have been received by the Company. As at 30 September 2023, HK\$1.6 million of the net proceeds has been used for the overseas business development and expansion and HK\$0.4 million of the net proceeds has been used for implementation of global ERP and warehouse system. The unutilized proceeds for overseas business development and expansion and general working capital are HK\$61.0 million and HK\$6.2 million, respectively. Depending on actual business needs, it is estimated that the unutilized net proceeds will be fully utilized in accordance with its intended purposes within the next two years.

Save as disclosed above, the Company has not conducted any other fund-raising activities involving the issue of its equity securities in the 12 months immediately preceding the date of the Announcement.

Pursuant to Rule 7.27B of the Listing Rules, a listed issuer may not undertake a rights issue, open offer or specific mandate placings that would result in a theoretical dilution effect of 25% or more (on its own or when aggregated within a 12-month period), unless the Stock Exchange is satisfied that there are exceptional circumstances. Given that the Subscription Agreement will only be entered into after obtaining the Independent Shareholders' approval, the closing price on the date of agreement involving the Proposed Subscription under note 1(b) to Rule 7.27B is yet to be determined. It is currently expected that the Subscription Agreement will be entered into between the Company and ETI on the date of the EGM if the Proposed Subscription is approved by the Independent Shareholders at the EGM, provided that such date of agreement would not result in a cumulative dilution effect of 25% or more, unless the Company could demonstrate that there are exceptional circumstances.

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## LETTER FROM THE BOARD

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### 6. CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the Latest Practicable Date, and (ii) immediately following the Completion, assuming that there will be no other changes in the total number of issued Shares between the Latest Practicable Date and the date of the Completion, is set out below:

Shareholders	As at the Latest Practicable Date		Immediately following the Completion	
	Number of Shares	Approximate Percentage (Note 4)	Number of Shares	Approximate Percentage (Note 4)
Canopy Capital Limited (Note 1)	84,545,613	16.67%	84,545,613	16.10%
ETI (Note 2)	74,034,600	14.59%	91,985,325	17.51%
SU Lixin	64,935,064	12.80%	64,935,064	12.36%
Rising Wealth Limited (Note 3)	63,840,000	12.58%	63,840,000	12.15%
Public Shareholders	<u>219,918,400</u>	<u>43.35%</u>	<u>219,918,400</u>	<u>41.87%</u>
Total	<u>507,273,677</u>	<u>100%</u>	<u>525,224,402</u>	<u>100%</u>

*Notes:*

1. As Canopy Capital Limited is wholly-owned by Mr. WANG Keven Dun, Mr. WANG Keven Dun is deemed to be interested in the Shares held by Canopy Capital Limited.
2. As ETI is a wholly-owned subsidiary of ETIC, ETIC is deemed to be interested in the Shares held by ETI.
3. As Rising Wealth Limited is wholly-owned by Ms. ZHAO Yu, Ms. ZHAO Yu is deemed to be interested in the Shares held by Rising Wealth Limited.
4. Certain percentage figures in this table have been subject to rounding adjustments to the nearest 2 decimal places. Accordingly, the aggregate of the percentage figures in the above table may not add up to 100%.

### 7. APPLICATION FOR LISTING

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares after the entering of the Subscription Agreement.

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## **LETTER FROM THE BOARD**

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### **8. LISTING RULES IMPLICATIONS**

As at the Latest Practicable Date, ETI is a substantial shareholder of the Company, and is therefore a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Proposed Subscription will constitute a connected transaction of the Company and will be subject to the reporting, announcement, circular and Independent Shareholder's approval requirements under Chapter 14A of the Listing Rules. None of the Directors was considered as having any material interest in the Subscription Agreement and the transaction contemplated thereunder. Hence, none of the Directors was required to abstain from voting on the relevant Board resolutions of the Company in relation to the Subscription Agreement and the transaction contemplated thereunder.

### **9. ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders as to whether the terms of the Subscription Agreement are on normal commercial terms or better and fair and reasonable, whether the Proposed Subscription is in the interests of the Company and its shareholders as a whole, whether the Proposed Subscription is in the ordinary and usual course of business of the Group and how to vote at the EGM. Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

### **10. EGM**

The EGM will be convened and held to consider and, if thought fit, to pass the ordinary resolution approving the Subscription Agreement, the transaction contemplated thereunder and the grant of the Specific Mandate for the allotment and issue of the Subscription Shares. As at the Latest Practicable Date, ETI holds an aggregate of 74,034,600 Shares and is required to abstain from voting on the resolution in relation to the Subscription Agreement, the transaction contemplated thereunder and the grant of the Specific Mandate for the allotment and issue of the Subscription Shares at the EGM. Save for ETI, to the best of the knowledge, information and belief of the Directors, no other Shareholder has a material interest in the Proposed Subscription and will be required to abstain from voting on the resolution in relation to the Subscription Agreement, the transaction contemplated thereunder and the grant of the Specific Mandate for the allotment and issue of the Subscription Shares at the EGM.

The notice of the EGM is set out on pages EGM-1 to EGM-2 of this circular.

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## LETTER FROM THE BOARD

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A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.nvc-international.com>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof (as the case maybe) (i.e. not later than 10:30 a.m. on Monday, 27 November 2023). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM in person if you so wish and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

### **11. CLOSURE OF REGISTER OF MEMBERS**

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 Thursday, 23 November 2023 to Wednesday, 29 November 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 Wednesday, 22 November 2023. Shareholders whose names appear on the register of the Shareholders of the Company on Wednesday, 29 November 2023 will be entitled to attend and vote at the EGM.

### **12. RECOMMENDATION**

Your attention is drawn to: (i) the letter from the Independent Board Committee set out on pages 17 to 18 of this circular, containing its recommendation to the Independent Shareholders in respect of the Subscription Agreement and the transaction contemplated thereunder, (ii) the letter from Gram Capital set out on pages 19 to 31 of this circular, containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the Proposed Subscription and (iii) additional information of the Group set out in the appendix I to this circular.

The Directors (including the members of the Independent Board Committee, whose views are set out in the letter from the Independent Board Committee) consider that the Subscription Price is fair and reasonable but do not think the Proposed Subscription will serve the best interests of the Company and its shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote against the resolution to be proposed at the EGM.

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## LETTER FROM THE BOARD

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The entering of the Subscription Agreement will be subject to the approval on the Proposed Subscription by the Independent Shareholders. Completion of the Proposed Subscription is subject to the satisfaction of the conditions precedent in the Subscription Agreement, and the Proposed Subscriptions may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Yours faithfully,

By Order of the Board

**NVC International Holdings Limited**

**WANG Donglei**

*Chairman*

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LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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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)**

14 November 2023

*To the Independent Shareholders*

Dear Sir or Madam,

**CONNECTED TRANSACTION IN RELATION TO  
THE SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE**

We refer to the circular issued by the Company dated 14 November 2023 (the “**Circular**”) of which this letter forms a part. Capitalized terms defined in the Circular shall have the same meanings as those used in this letter unless the context otherwise requires.

We have been appointed as the members of the Independent Board Committee to advise the Independent Shareholders as to whether the terms and conditions of the Subscription Agreement are on normal commercial terms or better and fair and reasonable, whether the Proposed Subscription is in the interests of the Company and its shareholders as a whole, whether the Proposed Subscription is in the ordinary and usual course of business of the Group and how to vote at the EGM. Gram Capital has been appointed as the Independent Financial Adviser in this regard. The “Letter from Gram Capital” containing their recommendation and the principal factors they have taken into account in arriving at their recommendation is set out on pages 19 to 31 of the Circular.

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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Independent Shareholders are recommended to read the “Letter from the Board” and the “Letter from Gram Capital” contained in the Circular as well as the additional information set out in the appendix I to the Circular. Having considered the terms of the Proposed Subscription, the advice from Gram Capital and other information set out in the Circular, we consider that the terms and conditions of the Subscription Agreement (including the Subscription Price) are fair and reasonable and on normal commercial terms (although not in the ordinary and usual course of business of the Group), but the Proposed Subscription is not in the best interests of the Company and its shareholders as a whole for the following reasons:

- a) the gross proceeds from the Proposed Subscription will be only approximately HK\$14.9 million due to a relatively small number of the Subscription Shares. It is estimated that the total costs to be incurred for the preparation of the information disclosure documents, engagement of professional parties and holding of the EGM will be around HK\$1 million, representing around 6.7% of the gross proceeds from the Proposed Subscription; and
- b) the Company has recently raised net proceeds of approximately HK\$69.2 million by issuing 845,456,130 Original Shares to Canopy Capital Limited in August 2023. Taking into account the level of cash and cash equivalent of the Company as of 30 June 2023, the net proceeds received from Canopy Capital Limited and the current project progress, it is estimated that currently no additional funds need to be raised by issuing new Shares for the implementation of the Company’s overseas business development and expansion and implementation of global ERP and warehouse system, which will unnecessarily dilute the shareholding of the existing Shareholders.

Accordingly, we recommend that the Independent Shareholders vote against the resolution in relation to the Subscription Agreement, the transaction contemplated thereunder and the Specific Mandate at the EGM.

Yours faithfully,

For and on behalf of the Independent Board Committee of  
**NVC International Holdings Limited**

**LEE Kong Wai, Conway**  
*Independent Non-Executive  
Director*

**WANG Xuexian**  
*Independent Non-Executive  
Director*

**CHEN Hong**  
*Independent Non-Executive  
Director*

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## LETTER FROM GRAM CAPITAL

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*Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Proposed Subscription for the purpose of inclusion in this circular.*



Room 1209, 12/F.  
Nan Fung Tower  
88 Connaught Road Central/  
173 Des Voeux Road Central  
Hong Kong

14 November 2023

*To: The independent board committee and the independent shareholders  
of NVC International Holdings Limited*

Dear Sir/Madam,

### **CONNECTED TRANSACTION IN RELATION TO SUBSCRIPTION OF SHARES BY CONNECTED PERSON**

#### **INTRODUCTION**

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Proposed Subscription, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 14 November 2023 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

Reference is made to the announcement of the Company dated 15 September 2023 in relation to the requisition letter received from ETI, where ETI requested the Board to convene an extraordinary general meeting for the purpose of considering and, if thought fit, passing relevant resolutions including the Proposed Subscription by ETI. ETI has further proposed the specific terms for the Subscription Agreement to the Company. The Subscription Agreement will be entered into between the Company and ETI after obtaining the approval by the independent Shareholders on the Proposed Subscription at the EGM.

With reference to the Board Letter, the Proposed Subscription will constitute connected transaction of the Company under the Listing Rules, which is subject to the reporting, announcement, circular and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

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## LETTER FROM GRAM CAPITAL

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The Independent Board Committee comprising Mr. LEE Kong Wai, Conway, Mr. WANG Xuexian and Mr. CHEN Hong (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Subscription Agreement are on normal commercial terms or better and are fair and reasonable; (ii) whether the Proposed Subscription is conducted in the ordinary and usual course of the business of the Group and is in the interests of the Company and the Shareholders as a whole; and (iii) how the Independent Shareholders should vote in respect of the resolution to approve the Subscription Agreement and transactions contemplated thereunder at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

### **INDEPENDENCE**

During the past two years immediately preceding the Latest Practicable Date, Gram Capital was engaged as independent financial adviser in respect of (i) continuing connected transaction as set out in the Company's circular dated 10 December 2021; and (ii) connected transaction as set out in the Company's circular dated 4 August 2023. Notwithstanding the aforesaid engagements, we were not aware of any relationship or interest between Gram Capital and the Company or any other parties during the past two years immediately preceding the Latest Practicable Date that could be reasonably regarded as a hindrance to Gram Capital's independence to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders.

### **BASIS OF OUR OPINION**

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Proposed Subscription. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

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## LETTER FROM GRAM CAPITAL

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The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, the Subscriber or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Proposed Subscription. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources and such sources are reliable.

### **PRINCIPAL FACTORS AND REASONS CONSIDERED**

In arriving at our opinion in respect of the Proposed Subscription, we have taken into consideration the following principal factors and reasons:

#### **1. Background of and reasons for the Proposed Subscription**

##### **Information on the Company**

With reference to the Board Letter, the Company is a leading supplier of lighting products in the international market. It designs, develops, produces, markets and sells a variety of lighting products, with a strong focus on energy-saving products, under the NVC brand and third-party brands.

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## LETTER FROM GRAM CAPITAL

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Set out below are the audited consolidated financial information of the Group for the two years ended 31 December 2022 as extracted from the Company’s annual report for the year ended 31 December 2022 (the “**2022 Annual Report**”):

	<b>For the year ended 31 December 2022 RMB’000</b>	<b>For the year ended 31 December 2021 RMB’000</b>	<b>Year-on-year change %</b>
Revenue	1,888,447	2,374,947	(20.48)
– from PRC market	118,197	251,503	(53.00)
– from international markets	1,770,250	2,123,444	(16.63)
Gross profit	431,452	662,432	(34.87)
(Loss)/profit for the year	(37,484)	33,466	N/A

As depicted from the table above, the Group’s revenue decreased by approximately 20.48% from approximately RMB2,375 million for the year ended 31 December 2021 (“**FY2021**”) to approximately RMB1,888 million for the year ended 31 December 2022 (“**FY2022**”). With reference to the 2022 Annual Report, (i) decrease in the Group’s revenue from PRC market was mainly due to operation suspension of a subsidiary of the Company because of lockdown measures in Shanghai in 2022; and (ii) decrease in the Group’s revenue from international markets was mainly due to weak demand resulted from serious inflation issues and weak economy in international markets.

The Group recorded loss of approximately RMB37 million for FY2022 as compared to profit of approximately RMB33 million for FY2021. With reference to 2022 Annual Report, such change was mainly due to (i) the aforesaid decrease in the Group’s revenue which led to decrease in the Group’s gross profit from FY2021 to FY2022; (ii) other losses for FY2022; and (iii) impairment losses in respect of interests in associates for FY2022, as partially offset by (i) reduction in administrative and other expenses from FY2021 to FY2022; and (ii) share of positive results of associates for FY2022.

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## LETTER FROM GRAM CAPITAL

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According to the Company’s announcement dated 18 August 2023, the Group changed its presentation currency from RMB to US\$ for the preparation of its consolidated financial information for the six months ended 30 June 2023 (“**1H2023**”). Set out below is the unaudited consolidated financial information of the Group for 1H2023 (with restated comparative figures) as extracted from the Company’s interim report for 1H2023 (the “**2023 Interim Report**”):

	<b>For the six months ended 30 June 2023</b>	<b>For the six months ended 30 June 2022</b>	<b>Year-on-year change</b>
	<i>US\$’000</i>	<i>US\$’000</i> (restated)	<i>%</i>
Revenue	119,034	160,374	(25.78)
– from PRC market	6,673	7,016	(4.89)
– from international markets	112,361	153,358	(26.73)
Gross profit	32,690	37,498	(12.82)
Profit for the period	1,823	27	6,651.85

As depicted from the table above, the Group’s revenue decreased by approximately 25.78% from approximately US\$160 million for the six months ended 30 June 2022 (“**1H2022**”) to approximately US\$119 million for 1H2023. With reference to the 2023 Interim Report, (i) decrease in the Group’s revenue from PRC market was mainly due to increasingly fierce competition from other competitors; and (ii) decrease in the Group’s revenue from international markets was mainly due to weak demand resulted from serious inflation issues and weak economy in international markets.

The Group recorded profit of approximately US\$2 million for 1H2023, represented a substantial increase of approximately 66 times as compared to approximately US\$27,000 for 1H2022. With reference to the 2023 Interim Report, such increase was mainly due to (i) turnaround from other losses for 1H2022 to other gains for 1H2023; and (ii) decrease in other expenses, as partially offset by decrease in the Group’s revenue which led to decrease in the Group’s gross profit.

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## LETTER FROM GRAM CAPITAL

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With reference to 2023 Interim Report, with continued downturn in economic environment, demand in consumer market has declined as a whole, and competitive pressure in terminal market has further increased. While ensuring the sales of lighting business, the Group will vigorously promote the development of non-lighting business. It is of particular importance for the Group to reduce product costs to enhance competitiveness of its products. The Group has been adjusting its procurement strategy. In addition, the Group will continue to optimise management structure and integrate overseas business. Based on the Group's business in United States of America and United Kingdom, it will continue to strengthen business in the Middle East and Southeast Asia markets, while promoting developed cost-effective products and intelligent products to different overseas markets. The Group will proactively improve its brand image to enhance its brand awareness in international markets.

### **Information on Subscriber**

With reference to the Board Letter, the Subscriber is a wholly-owned subsidiary of ETIC, which is primarily engaged in small household appliances and LED packaging business. ETIC is a PRC incorporated company whose shares are currently listed on the Shenzhen Stock Exchange. The Subscriber is a substantial shareholder of the Company holding an aggregate of 74,034,600 Shares, representing approximately 14.59% of the total issued Shares as at the Latest Practicable Date. Therefore, the Subscriber is a connected person of the Company under Chapter 14A of the Listing Rules.

### **Reasons for and benefits of the Proposed Subscription**

With reference to the Board Letter, ETI proposed to subscribe the Subscription Shares to increase its shareholding in the Company. The terms of the Subscription Agreement proposed by ETI are generally consistent with the subscription agreement entered between the Company and Canopy Capital Limited, a company wholly-owned by Mr. WANG Keven Dun (an executive Director), on 9 July 2023.

The Board considers that the Subscription Price is fair and reasonable but does not think the Proposed Subscription will serve the best interests of the Company and its shareholders as a whole for the following reasons:

- (i) the gross proceeds from the Proposed Subscription will be only approximately HK\$14.9 million due to a relatively small number of the Subscription Shares. It is estimated that the total costs to be incurred for the preparation of the information disclosure documents, engagement of professional parties and holding of the EGM will be around HK\$1 million, representing around 6.7% of the gross proceeds from the Proposed Subscription; and

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## LETTER FROM GRAM CAPITAL

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- (ii) the Company has recently raised net proceeds of approximately HK\$69.2 million by issuing 845,456,130 Original Shares (equivalent to 84,545,613 Consolidated Shares) to Canopy Capital Limited in August 2023. Taking into account the level of cash and cash equivalent of the Company as of 30 June 2023, the net proceeds received from Canopy Capital Limited and the current project progress, it is estimated that currently no additional funds need (the “**Additional Funds Need**”) to be raised by issuing new Shares for the implementation of the Company’s overseas business development and expansion and implementation of global ERP and warehouse system.

### *Use of proceeds*

With reference to the Board Letter, it is expected that the gross proceeds of the Proposed Subscription will be approximately HK\$14.9 million. The net proceeds of the Proposed Subscription, after the deduction of all professional fees and other expenses, is estimated to be approximately HK\$13.9 million (the “**Net Proceeds**”). If the Proposed Subscription will proceed, the Company intends to use all the Net Proceeds to supplement the general working capital of the Group and to the extent that the Net Proceeds are not immediately applied for the general working capital needs, the Company will invest the Net Proceeds in short-term and interest-bearing bank deposits with qualified financial institutions.

Although the Board considers that currently there is no Additional Funds Need, (i) the Subscription Price is fair and reasonable as analysed below; (ii) the Proposed Subscription will provide additional capital for the Group’s operation and/or business development, if and when necessary; and (iii) to the extent that the Net Proceeds are not immediately applied for the general working capital needs, the Company will invest the Net Proceeds in short-term and interest-bearing bank deposits with qualified financial institutions (upon our enquiry, the Directors advised us that the interest rates associated with the Group’s bank deposits ranged from 3.25% to 4.7% per annum for 1H2023).

Accordingly, we are of the view that although the Proposed Subscription is not conducted in the ordinary and usual course of business of the Group, it is in the interest of the Company and the Shareholders as a whole.

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## LETTER FROM GRAM CAPITAL

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### 2. Principal terms of the Subscription Agreement

Set out below are the summarised terms of the Subscription Agreement, details of which are set out under the section headed “2. THE PROPOSED SUBSCRIPTION” of the Board Letter.

#### **Parties**

The Company (as the issuer) and ETI (as the Subscriber)

#### **Expected agreement date**

The Subscription Agreement is expected to be entered into between the Company and ETI on the date of the EGM if the Proposed Subscription is approved by the Independent Shareholders at the EGM.

#### **Number of Subscription Shares:**

17,950,725 Consolidated Shares (adjusted as a result of the Share Consolidation), which represent (i) approximately 3.5% of the total number of issued Shares as at the Latest Practicable Date; and (ii) approximately 3.4% of the total number of issued Shares as enlarged by the allotment and issue of the Subscription Shares immediately upon the Completion, assuming that there will be no other change in the total number of issued Shares between the Latest Practicable Date and the allotment and issue of the Subscription Shares.

#### **Subscription Price:**

The Subscription Price is HK\$0.83 (adjusted as a result of the Share Consolidation) per Subscription Share, which represents:

- (i) a premium of approximately 15.28% over the closing price of HK\$0.72 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) the same as the equivalent closing price of HK\$0.83 per Share based on the closing price of HK\$0.083 per Original Share as quoted on the Stock Exchange on the Last Trading Day;

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## LETTER FROM GRAM CAPITAL

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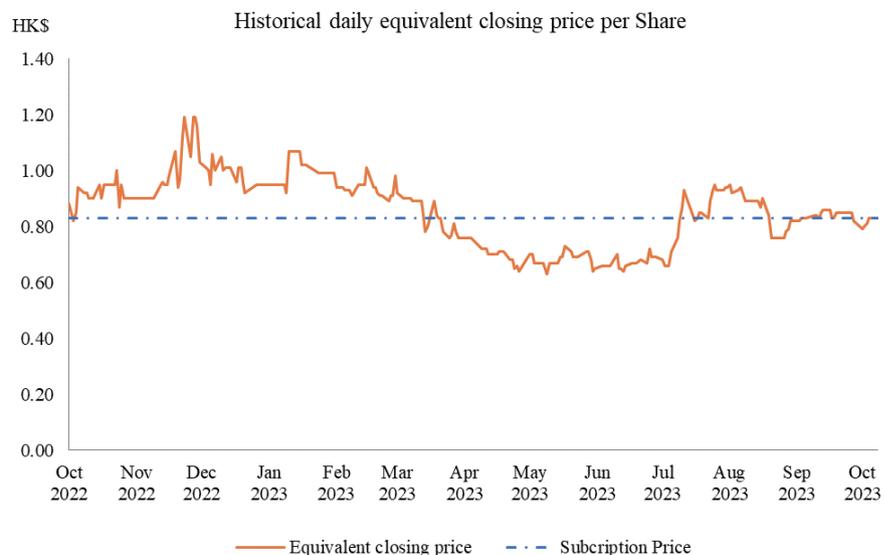
- (iii) a premium of approximately 2.2% over the average equivalent closing price of approximately HK\$0.812 per Share based on the average closing price of approximately HK\$0.0812 per Original Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of Announcement (the “**5 Days Premium**”); and
- (iv) a discount of approximately 88.31% to the unaudited consolidated net asset value per Share of approximately HK\$7.10 (the “**NAV per Share**”) (based on the unaudited net asset value of the Group of approximately US\$461.9 million as at 30 June 2023 and the exchange rate of HK\$7.8:US\$1) and 507,273,677 issued Shares as at the Latest Practicable Date).

### *Analysis on the Subscription Price*

In order to assess the fairness and reasonableness of the Subscription Price, we conducted the following analysis:

#### **a) Share price performance**

Set out below is a chart showing the movement of the equivalent closing prices of the Shares during the period from 3 October 2022 to Last Trading Day, being a period of approximately one year up to the Last Trading Day (the “**Shares Review Period**”), to illustrate the general trend and level of movement of the equivalent closing prices of the Shares:



Source: the Stock Exchange's website

Note: The historical equivalent closing prices of Shares were based on historical closing prices of the Original Shares and assuming the Share Consolidation was effective since the beginning of the Shares Review Period.

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## LETTER FROM GRAM CAPITAL

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During the Shares Review Period, the highest and lowest equivalent closing prices of Shares as quoted on the Stock Exchange were HK\$1.19 recorded on 25 November 2022, 29 November 2022 and 30 November 2022; and HK\$0.63 recorded on 11 May 2023 respectively. The Subscription Price falls within the aforesaid equivalent closing price range.

During the Shares Review Period, the equivalent closing price of the Shares increased from HK\$0.88 on 3 October 2022 to HK\$1.19 on 25 November 2022. Subsequently, the equivalent closing price of Shares formed a general downward trend until it reached its trough of HK\$0.63 on 11 May 2023. Thereafter, the equivalent closing price of the Shares (i) fluctuated between HK\$0.64 and HK\$0.73 up to 6 July 2023; (ii) surged to HK\$0.95 on the 3 August 2023; and (iii) fluctuated between HK\$0.76 and HK\$0.94 from 4 August 2023 up to the Last Trading Day.

In addition, during the period from 29 August 2023 (being the date of publication of the Group's interim results for 1H2023) to the Last Trading Day, the highest and lowest equivalent closing prices of Shares as quoted on the Stock Exchange were HK\$0.86 recorded on 15 September 2023 and 18 September 2023 and HK\$0.78 recorded on 29 August 2023, represented discounts of approximately 87.89% and approximately 89.02% respectively (the "**Historical NAV Discount Range**") to the NAV per Share. The Subscription Price represents a discount of approximately 88.31% (the "**Subscription Price NAV Discount**") to the NAV per Share. We noted that Subscription Price NAV Discount falls within the Historical NAV Discount Range which indicated that the Shares were traded at deep discounts to the NAV per Share as at 30 June 2023 from the date of publication of the Group's interim results for 1H2023 up to the Last Trading Day.

### ***b) Comparables***

As part of our analysis, we also identified subscription of new ordinary shares listed on the Stock Exchange under specific mandate for cash consideration (excluding transactions involving restructuring) which were announced by Hong Kong listed companies during the six-month period (which is a commonly adopted review period to cover sufficient comparable transactions and demonstrate market practices during a period proximate and up to the Last Trading Day) from 10 April 2023 up to the Last Trading Day (the "**Comparables**"). We found 11 transactions which met the said criteria and they are exhaustive. Shareholders should note that the businesses, operations and prospects of the Company are not the same as the subject companies of the Comparables.

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## LETTER FROM GRAM CAPITAL

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Company name (Stock code)	Date of announcement	Premium/(discount) of the subscription price over/to the closing price per share on the last full trading day prior to the announcement/ agreement in relation to the respective subscription of new shares (%)	Premium/(discount) of the subscription price over/to the average closing price per share for the last five consecutive trading days immediately prior to the date of announcement/ agreement in relation to the respective subscription of new shares (%)
Renze Harvest International Limited (formerly known as Glory Sun Financial Group Limited) (1282)	20 April 2023	82.47 <i>(Note)</i>	67.46 <i>(Note)</i>
Sinohope Technology Holdings Limited (formerly known as New Huo Technology Holdings Limited) (1611)	26 April 2023	(9.57)	(11.79)
Energy International Investments Holdings Limited (353)	28 April 2023	(5.45)	(8.37)
China Silver Technology Holdings Limited (515)	9 June 2023	(4.76)	(5.66)
VPower Group International Holdings Limited (1608)	12 June 2023	2.44	3.96
Creative China Holdings Limited (8368)	19 June 2023	(17.69)	(17.37)
China Ruyi Holdings Limited (136)	4 July 2023	(17.53)	(16.84)
Summi (Group) Holdings Limited (756)	10 July 2023	(9.46)	(8.72)
NOIZ GROUP LIMITED (8163)	14 July 2023	21.35	20.27
Applied Development Holdings Limited (519)	26 July 2023	(17.07)	(19.24)
CT Vision S.L. (International) Holdings Limited (994)	30 July 2023	(11.11)	(10.31)
<b>Maximum (excluding outlier)</b>		21.35	20.27
<b>Minimum (excluding outlier)</b>		(17.69)	(19.24)
<b>Average (excluding outlier)</b>		(6.89)	(7.41)
<b>Proposed Subscription</b>	10 October 2023	<u>Nil</u>	<u>2.22</u>

*Source: the Stock Exchange's website*

*Note: The premium of relevant transaction was exceptionally high and considered to be an outlier.*

According to the above table, the subscription prices of the Comparables (excluding outlier) ranged from a discount of approximately 17.69% to a premium of approximately 21.35% (the “**LTD Discount/Premium Market Range**”), with an average discount of approximately 6.89% to the respective closing prices of the shares on the last full trading day prior to the announcement in relation to the respective subscription. The Subscription Price represented nil premium/discount to the equivalent closing price per Share as quoted on the Stock Exchange on the Last Trading Day.

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## LETTER FROM GRAM CAPITAL

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According to the above table, the subscription prices of the Comparables (excluding outlier) ranged from a discount of approximately 19.24% to a premium of approximately 20.27% (the “**5 Days Discount/Premium Market Range**”), with an average discount of approximately 7.41% to the respective average closing prices of the shares for the last five consecutive trading days immediately prior to the date of announcement in relation to the respective subscription. The 5 Days Premium falls within the 5 Days Discount/Premium Market Range.

Having considered the following factors, including:

- (i) the LTD Discount/Premium Market Range; and that the Subscription Price represented nil premium/discount to the equivalent closing price per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) that the 5 Days Premium falls within the 5 Days Discount/Premium Market Range;
- (iii) that the Subscription Price falls within the equivalent closing price range of the Shares during the Shares Review Period; and
- (iv) that the Subscription Price NAV Discount is within the Historical NAV Discounts Range which indicated that the Shares were traded at deep discounts to the NAV per Share as at 30 June 2023 from the date of publication of the Group’s interim results for 1H2023 up to the Last Trading Day,

we are of the view that the Subscription Price is fair and reasonable.

Having considered the principal terms of the Proposed Subscription as set out above, we are of the view that the terms of the Proposed Subscription are on normal commercial terms and are fair and reasonable.

### **3. Possible dilution effect on the shareholding interests of the public Shareholders**

With reference to the shareholding table in the section headed “6. CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY” of the Board Letter, the shareholding interests of the public would be diluted by approximately 1.48 percentage points immediately upon Completion (the “**Dilution**”). Taking into account (i) the Proposed Subscription is in the interest of the Group and the Shareholders as a whole as aforementioned; and (ii) the terms of the Proposed Subscription being fair and reasonable, we are of the view that the Dilution is acceptable.

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## LETTER FROM GRAM CAPITAL

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### RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Proposed Subscription are on normal commercial terms or better and are fair and reasonable; and (ii) although the Proposed Subscription is not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Group and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Proposed Subscription and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

Yours faithfully,  
For and on behalf of  
**Gram Capital Limited**  
**Graham Lam**  
*Managing Director*

*Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 25 years of experience in investment banking industry.*

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein misleading.

## 2. DISCLOSURE OF INTERESTS

### Director and chief executive's interests and short positions in Shares, underlying Shares or debentures of the Company

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which are required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange, were as follows:

#### *Interests in the Shares of the Company*

Name of Director	Nature of interest	Number of Shares or underlying Shares	Approximate percentage of the total issued Shares <sup>(1)</sup>
Canopy Capital Limited	Beneficial owner	84,545,613 (L)	16.67%
WANG Keven Dun	Interest of corporation controlled by the substantial Shareholder	84,545,613 (L) <sup>(2)</sup>	16.67%
YE Yong	Beneficial owner	27,403,900 (L)	5.40%
	Spouse's interest	743,300 (L) <sup>(3)</sup>	0.15%

*Notes:*

- (1) The approximate percentage of the total issued Shares is calculated with reference to the Company's number of Shares in issue as at the Latest Practicable Date.
- (2) These Shares were held by Canopy Capital Limited. As Canopy Capital Limited is wholly-owned by Mr. WANG Keven Dun. Mr. WANG Keven Dun is deemed to be interested in these Shares.

(3) As these Shares are held by Ms. GAO Xia, the spouse of Mr. YE Yong, Mr. YE Yong is deemed to be interested in these Shares.

(4) (L) represents long position.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were notifiable to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

***Interests and short positions of substantial Shareholders in the Shares and underlying Shares***

As at the Latest Practicable Date, to the best knowledge of the Directors and chief executive of the Company, the following Shareholders (other than Directors or chief executive of the Company) had interests or short positions in the issued shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Shareholder	Nature of interest	Number of Shares or underlying Shares	Approximate percentage of the total issued Shares <sup>(1)</sup>
ETI	Beneficial owner	74,034,600 (L)	14.59%
ETIC	Interest of corporation controlled by the substantial shareholder	74,034,600 (L) <sup>(2)</sup>	14.59%
SU Lixin	Beneficial owner	64,935,064 (L)	12.80%
Rising Wealth Limited	Beneficial owner	63,840,000 (L) <sup>(3)</sup>	12.58%
ZHAO Yu	Interest of corporation controlled by the substantial Shareholder	63,840,000 (L) <sup>(4)</sup>	12.58%
Harbour Faith Enterprises Limited	Beneficial owner	36,991,100 (L)	7.29%
CHAN Sin Wa Carrie	Interest of corporation controlled by the substantial Shareholder	36,991,100 (L) <sup>(5)</sup>	7.29%

*Notes:*

- (1) The approximate percentage of the total issued Shares is calculated with reference to the Company's number of Shares in issue as at the Latest Practicable Date.
- (2) These Shares were held by ETI. As ETI is a wholly-owned subsidiary of ETIC, ETIC is deemed to be interested in all these Shares.
- (3) On 8 July 2021, Rising Wealth Limited reported its holding of 638,400,000 Shares since 3 August 2018 (the date of relevant event), which was adjusted to 63,840,000 after the Share Consolidation.
- (4) On 2 August 2021, Ms. ZHAO Yu reported her holding of 638,400,000 Shares since 3 August 2018 (the date of relevant event), which was adjusted to 63,840,000 after the Share Consolidation. These Shares were held by Rising Wealth Limited. As Rising Wealth Limited is wholly-owned by Ms. ZHAO Yu, Ms. ZHAO Yu is deemed to be interested in these Shares.
- (5) These Shares were held by Harbour Faith Enterprises Limited. As Harbour Faith Enterprises Limited is wholly-owned by Ms. CHAN Sin Wa Carrie. Ms. CHAN Sin Wa Carrie is deemed to be interested in these Shares.
- (6) (L) represents long position.

Save as disclosed above, as at the Latest Practicable Date, as far as the Directors were aware, no other person (other than the Directors and chief executive of the Company) or corporation had interests or short positions in the shares or underlying shares of the Company which were recorded in the register required to be kept under Section 336 of the SFO.

### 3. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date was, and as a result of the allotment and issue of the Subscription Shares will be, as follows:

**(a) As at the Latest Practicable Date**

Authorised		<i>US\$</i>
50,000,000,000	Share of US\$0.000001 each	50,000
Issued and fully paid		
507,273,677	Share of US\$0.000001 each	507.273677

**(b) Immediately following the allotment and issue of the Subscription Shares**

Authorised		US\$
50,000,000,000	Share of US\$0.000001 each	50,000
Issued and fully paid		
507,273,677	Share of US\$0.000001 each	507.273677
17,950,725	Subscription Shares to be allotted and issued under the Proposed Subscription of US\$0.000001 each	17.950725
<u>525,224,402</u>	<b>Share of US\$0.000001 each</b>	<u>525.224402</u>

All the Shares in issue are fully-paid and rank *pari passu* in all respects including all rights as to dividends, voting and return of capital.

As at the Latest Practicable Date, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

**4. DIRECTORS' COMPETING BUSINESS**

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors nor their respective close associates had any direct or indirect interests in any businesses that constitutes or may constitute a competing business of the Company.

**5. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, no Director had entered into any service contract or letter of appointment with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

**6. DIRECTORS' INTEREST IN ASSETS, CONTRACTS OR ARRANGEMENTS OF THE GROUP**

As at the Latest Practicable Date: (a) none of the Directors had any direct or indirect interest in any assets which have been, since 31 December 2022 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired, disposed of by, or leased to any member of the Group, or were proposed to be acquired, disposed of by, or leased to any member of the Group; and (b) none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group subsisting as at the Latest Practicable Date which was significant in relation to the business of the Group.

**7. QUALIFICATION OF EXPERT AND CONSENT**

The qualification of the expert who has given an opinion or advice in this circular is as follow:

<b>Name</b>	<b>Qualification</b>
Gram Capital Limited	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

As of the Latest Practicable Date, the expert mentioned above (i) has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter or opinion and the references to its name included herein in the form and context in which it is included; (ii) has no direct or indirect shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for shares in any member of the Group; and (iii) has no direct or indirect interests in any assets which have been, since 31 December 2022 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or which are proposed to be acquired or disposed of by or leased to any member of the Group.

**8. LITIGATION**

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or claims of material importance and, insofar as the Directors were aware, no litigation or claims of material importance was pending or threatened against any member of the Group.

**9. NO MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors confirm that there had been no material adverse change in the financial or trading position of the Company since 31 December 2022, the date to which the latest published audited consolidated financial statements of the Group were made up.

**10. MATERIAL CONTRACT**

In the two years immediately preceding the date of this circular and up to the Latest Practicable Date, the following contract, not being contract entered into in the ordinary course of business, was entered into by the Company or any of its subsidiaries which is or may be material:

- (a) the subscription agreement dated 9 July 2023 entered into between the Company and Canopy Capital Limited, pursuant to which Canopy Capital Limited conditionally agreed to subscribe and the Company conditionally agreed to allocate and issue a total of 845,456,130 Original Shares at the subscription price of HK\$0.083 per Share.

**11. DOCUMENTS ON DISPLAY**

A copy of each of the following documents will be available on display online on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.nvc-international.com>) for a period of 14 days from the date of this circular:

- (a) the letter from the Independent Board Committee dated 14 November 2023, the text of which is set out on pages 17 to 18 of this circular;
- (b) the letter from Gram Capital dated 14 November 2023, the text of which is set out on pages 19 to 31 of this circular;
- (c) the written consent referred to in the paragraph headed “Qualification of Expert and Consent” in this Appendix;
- (d) the Subscription Agreement; and
- (e) a copy of this circular.

**12. GENERAL INFORMATION**

- (a) The company secretary of the Company is Ms. KWOK Siu Ying Sarah, an associate member of The Hong Kong Chartered Governance Institute and an associate member of The Chartered Governance Institute in the United Kingdom.
- (b) The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111 Cayman Islands.
- (c) The head office and principal place of business in Hong Kong of the Company is Unit 705, 7/F., Building 20E, Phase 3, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong.
- (d) The principal share registrar and transfer office in the Cayman Islands of the Company is Suntera (Cayman) Limited, Suite 3204, Unit 2A, Block 3, Building D, P.O. Box 1586, Gardenia Court, Camana Bay, Grand Cayman, KY1-1100, Cayman Islands.
- (e) The branch share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

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## NOTICE OF THE EXTRAORDINARY GENERAL MEETING

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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)**

## NOTICE OF THE EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “EGM”) of NVC International Holdings Limited (the “Company”) will be held at Salon III, M/F, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong at 10:30 a.m. on Wednesday, 29 November 2023 for the purpose of considering and, if thought fit, passing the following resolution as ordinary resolution of the Company. Unless otherwise defined, capitalized terms used herein shall have the same meanings as ascribed to them in the circular of the Company dated 14 November 2023:

### **ORDINARY RESOLUTION**

1. To consider and approve the resolution in relation to the Proposed Subscription, further details of which are set out in the circular of the Company dated 14 November 2023:

**“THAT**

- (a) the subscription agreement (the “**Subscription Agreement**”) proposed by Elec-Tech International (H.K.) Company Limited (the “**Subscriber**”) and the transaction contemplated thereunder be and are hereby approved, confirmed and ratified, the specific mandate granted to the Board to allot and issue the Subscription Shares by the Company to the Subscriber pursuant to the Subscription Agreement which will be valid until the expiry date of six (6) months from the date of the EGM (the “**Specific Mandate**”) be and are hereby approved, and the Board be and is hereby authorised to allot and issue the Subscription Shares to the Subscriber pursuant to the Subscription Agreement; and
- (b) the Board be and is hereby authorised to do all such acts and things and sign all such documents and to take such steps as it considers necessary or expedient or desirable to give effect to the Subscription Agreement and the transaction contemplated thereunder, including the allotment and issue of the Subscription Shares under the Specific Mandate and to agree to such variation, amendment or waiver as are, in the opinion of the Board, in the interests of the Company.”

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

Hong Kong, 14 November 2023

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## NOTICE OF THE EXTRAORDINARY GENERAL MEETING

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*Notes:*

1. All resolutions at the EGM (except those relate to the procedural or administrative matters, which should be taken by a show of hands as the chairman of the EGM may decide, in good faith) will be taken by a poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the EGM is entitled to appoint a proxy (or more than one proxy if he/she is the holder of two or more shares) to attend and, on a poll, vote on his/her behalf. A proxy need not be a shareholder of the Company. If more than one proxy is so appointed, the form of proxy shall specify the number of shares in respect of which each such proxy is so appointed. In case of a poll every shareholder present in person or by proxy shall be entitled to one vote for each share held by him/her.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be lodged with the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof (as the case maybe) (for the EGM, i.e. not later than 10:30 a.m. on Monday, 27 November 2023). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the EGM and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Thursday, 23 November 2023 to Wednesday, 29 November 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 for registration with the Company’s Hong Kong branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 22 November 2023.
5. If any shareholder of the Company chooses not to attend the EGM in person but has any question about any resolution or about the Company, or has any matter for communication with the board of directors of the Company, he/she is welcome to send such question or matter in writing to the Company’s principal place of business in Hong Kong at Unit 705, 7/F., Building 20E, Phase 3, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong or fax at (852) 2865 1638. If any shareholder of the Company has any question relating to the EGM, please contact Computershare Hong Kong Investor Services Limited, the Company’s Hong Kong branch share registrar as follows:  
  
Computershare Hong Kong Investor Services Limited  
17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong  
Website: [www.computershare.com/hk/contact](http://www.computershare.com/hk/contact)  
Tel: (852) 2862 8555  
Fax: (852) 2865 0990
6. In case Typhoon Signal No. 8 or above is hoisted, or a Black Rainstorm Warning Signal or “extreme conditions caused by a super typhoon” announced by the government is/are in force in Hong Kong at or at any time after 12:00 noon on the date of the EGM, the EGM will be adjourned. The Company will post an announcement on its website (<http://www.nvc-international.com>) and the website of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) to notify shareholders of the Company of the date, time and place of the adjourned meeting.
7. References to time and dates in this notice are to Hong Kong time and dates.