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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)

(1) PROPOSED SHARE CONSOLIDATION;
(2) PROPOSED CHANGE IN BOARD LOT SIZE;
(3) REQUISITION BY SHAREHOLDER
FOR REMOVAL OF DIRECTORS; AND
(4) NOTICE OF EXTRAORDINARY GENERAL MEETING

A letter from the Board is set out on pages 6 to 17 of this circular.

A notice convening the EGM to be held at Salon IV, M/F, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong at 10:30 a.m. on Wednesday, 25 October 2023 is set out on pages EGM-1 to EGM-3 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 or postponement 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 or postponement 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.

9 October 2023

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DEFINITIONS

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

“Articles of Association”	the articles of association of the Company currently in force
“Business Day”	any day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“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
“Close associate”	has the meaning ascribed to it 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
“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
“Core connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

DEFINITIONS

“EGM”	the extraordinary general meeting of the Company to be convened and held at Salon IV, M/F, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong at 10:30 a.m. on Wednesday, 25 October 2023 to consider and, if thought fit, approve the Share Consolidation and the Removal of Directors
“ETI”	Elec-Tech International (H.K.) Company Limited, a substantial shareholder of the Company holding an aggregate of 740,346,000 Shares, representing approximately 14.59% of the total issued Shares as at the Latest Practicable Date
“Existing Share(s)”	ordinary share(s) of USD0.0000001 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
“Investigation”	has the meaning defined in the section headed “6. REQUISITION BY SHAREHOLDER FOR REMOVAL OF DIRECTORS” in this circular
“Latest Practicable Date”	6 October 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)
“Mr. CHEN”	Mr. CHEN Hong, an independent non-executive Director

DEFINITIONS

“Mr. WANG”	Mr. WANG Donglei, chairman of the Board and an executive Director
“Nomination Committee”	the nomination committee of the Board
“Notice of EGM”	the notice convening the EGM set out on pages EGM-1 to EGM-3 of this circular
“PRC”	the People’s Republic of China
“Removal of Directors”	the removal of Mr. WANG and Mr. CHEN as Directors as proposed in the Requisition Letter
“Requisition Letter”	the requisition letter issued by ETI to the Company on 5 September 2023 in respect of, among others, the requisitions for the Board to convene an extraordinary general meeting of the Company for the purpose of considering and, if thought fit, passing the resolutions in respect of the Removal of Directors
“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
“%”	per cent

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 circular 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 circular.

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

EXPECTED TIMETABLE

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

LETTER FROM THE BOARD



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

Non-Executive Director:

YE Yong

Independent Non-Executive Directors:

LEE Kong Wai, Conway
WANG Xuexian
CHEN Hong

Registered Office:

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

Principal 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

Hong Kong, 9 October 2023

To the Shareholders:

Dear Sir or Madam,

**(1) PROPOSED SHARE CONSOLIDATION;
(2) PROPOSED CHANGE IN BOARD LOT SIZE;
(3) REQUISITION BY SHAREHOLDER
FOR REMOVAL OF DIRECTORS; AND
(4) NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

References are made to (i) the announcement of the Company dated 18 September 2023 in relation to, among other matters, the Share Consolidation and the Change in Board Lot Size; (ii) the announcement of the Company dated 31 July 2023 in relation to the Investigation against Mr. WANG; and (iii) the announcement of the Company dated 15 September 2023 in relation to the Requisition Letter. The purpose of this circular is to provide you with more information regarding (i) the Share Consolidation and the Change in Board Lot Size; (ii) the requisition for the Removal of Directors; and (iii) recommendations from the Board in relation to the aforesaid matters, and to give you the Notice of EGM. Shareholders are advised to read this circular thoroughly and carefully before deciding how to vote on those resolutions.

LETTER FROM THE BOARD

2. 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 Latest Practicable Date the authorised share capital of the Company was US\$50,000 divided into 500,000,000,000 Shares of par value of US\$0.0000001 each, and there were 5,072,736,779 Existing Shares in issue which were fully paid or credited as fully paid. Assuming no further Shares will be issued from the Latest Practicable Date 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 had 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 Latest Practicable Date.

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

LETTER FROM THE BOARD

- (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, being the second Business Day immediately after the date of the EGM.

As at the Latest Practicable Date, none of the above conditions has 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.

3. PROPOSED CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, the Existing Shares were 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.

LETTER FROM THE BOARD

Based on the closing price of HK\$0.083 per Existing Share (equivalent to the theoretical closing price of HK\$0.83 per Consolidated Share) as at the Latest Practicable Date, (i) the market value of each board lot of 20,000 Existing Shares is HK\$1,660; (ii) the market value of each board lot of 20,000 Consolidated Shares would be HK\$16,600, 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\$8,300 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.

4. 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 the 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\$0.083 on the Latest Practicable Date and the current board lot size of 20,000 Existing Shares, the board lot value of the Existing Shares is HK\$1,660. 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 Latest Practicable Date, the theoretical market board lot value will be HK\$8,300. 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.

LETTER FROM THE BOARD

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 has designated 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. Please refer to the paragraph headed “Odd lots arrangement and matching services” below for details.

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 Latest Practicable Date, the Company had 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 ETI in respect of the placing of 179,507,254 new Shares to ETI (the “**Proposed Placing**”) per the Requisition Letter 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. ETI has proposed the specific terms for the Proposed Placing to the Company. It is currently expected that an extraordinary general meeting of the Company will be held prior to 30 November 2023 for the independent Shareholders to consider and, if thought fit, approve the Proposed Placing. The Company will make further announcement(s) in this regard in accordance with the Listing Rules as and when appropriate.

5. 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.

LETTER FROM THE BOARD

Odd lots arrangement and matching services

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company has appointed Computershare Hong Kong Investor Services Limited 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, during the period from Friday, 10 November 2023 to Thursday, 30 November 2023 (both dates inclusive). Shareholders who wish to take advantage of this facility should contact Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or at telephone number: (852) 2862 8555 during office hours (i.e. 9:00 a.m. to 6:00 p.m.) of such period. Shareholders who would like to match odd lots are recommended to make an appointment in advance by dialling the telephone number of Computershare Hong Kong Investor Services Limited set out above.

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 any Business Day during the period from Friday, 27 October 2023 to 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.

LETTER FROM THE BOARD

6. REQUISITION BY SHAREHOLDER FOR REMOVAL OF DIRECTORS

On 5 September 2023, the Company received the Requisition Letter from ETI. As stipulated in the Requisition Letter, ETI is a registered Shareholder holding an aggregate of 740,346,000 Shares, representing approximately 14.59% of the total issued Shares as of the date of the Requisition Letter and the Latest Practicable Date. ETI requested the Board to convene an extraordinary general meeting of the Company for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

Resolution 1

“THAT Mr. WANG be and is hereby removed from his positions as the chairman of the Board and an executive Director with immediate effect upon the passing of this resolution.”

Resolution 2

“THAT Mr. CHEN be and is hereby removed from his position as an independent non-executive Director with immediate effect upon the passing of this resolution.”

Relevant Provisions under the Articles of Association

Pursuant to article 58 of the Articles of Association, any one or more Shareholder(s) holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition and to add resolutions to the agenda of a general meeting; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may convene a physical meeting at only one location which will be the principal meeting place, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Pursuant to article 83(5) of the Articles of Association, the Shareholders may, at any general meeting convened and held in accordance with the Articles of Association, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything to the contrary in the Articles of Association or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement).

LETTER FROM THE BOARD

Regarding resolution 1, ETI alleged that Mr. WANG shall be removed from his positions as the chairman of the Board and an executive Director since he does not have the character and integrity to be a director of a listed company as a result of the Investigation and high consumption restriction orders imposed by a PRC court on him.

Mr. WANG started to serve as a director and the chairman of the board of directors of Elec-Tech International Co., Ltd.* (安徽德豪潤達電氣股份有限公司) (“**Elec-Tech**”) in 2001. Mr. WANG resigned as the chairman of the board of directors of Elec-Tech in October 2018 and resigned as a director of Elec-Tech in May 2021. Mr. WANG had held shares of Elec-Tech through Wuhu Dehao Investment Co., Ltd.* (蕪湖德豪投資有限公司) (“**Wuhu Dehao**”) until March 2021 and had been the *de facto* controller of Elec-Tech since the listing of Elec-Tech on the Shenzhen Stock Exchange in 2014 until March 2021. Mr. WANG owns 90% of the equity interests in Wuhu Dehao. Wuhu Dehao owned 100% of the equity interests in Bengbu Elec-Tech Investment Co. Ltd.* (蚌埠德豪投資有限公司) (“**Bengbu Elec-Tech**”) upon its incorporation. Mr. WANG has been the *de facto* controller of Bengbu Elec-Tech. ETI is a wholly-owned subsidiary of Elec-Tech.

From 2011 and 2013, Elec-Tech, Wuhu Dehao, a shareholder of Elec-Tech at that time, and the Bengbu Municipal People’s Government entered into a series of agreements for providing government subsidies to Elec-Tech for the investment in LED project in Bengbu City. In February 2014, Wuhu Dehao established Bengbu Elec-Tech as its wholly-owned subsidiary. From November 2015 to April 2018, Bengbu Elec-Tech received a total sum of RMB240 million governmental subsidies (the “**Funds**”) from the Bengbu Municipal People’s Government.

Bengbu Elec-Tech intended to use such Funds in the private placement of Elec-Tech (the “**Private Placement**”). However, the Private Placement was not approved by the China Securities Regulatory Commission (the “**CSRC**”) until April 2017. Therefore, prior to obtaining the CSRC approval on the Private Placement, Bengbu Elec-Tech, in the name of itself, entered into written loan contracts and lent the Funds to third party borrowers in the form of interest-bearing short-term loans to make most efficient use of the idle Funds. The grant of such external loans was approved by the executive director of Bengbu Elec-Tech at the time. The loan contracts were stamped with the official seal of Bengbu Elec-Tech in accordance with the PRC law. Mr. WANG did not receive any personal benefits from those loans. By the time when Elec-Tech is about to carry out its Private Placement, all the borrowed Funds had been fully repaid to Bengbu Elec-Tech, together with interests.

In 2017, Bengbu Elec-Tech used the Funds and the related interests in the Private Placement of Elec-Tech as the guarantee funds for the investors participating in the Private Placement, and the proceeds raised from the Private Placement were primarily used for the construction of the LED project of Elec-Tech.

* For identification purposes only

LETTER FROM THE BOARD

The Gaoxin District Branch of Bengbu Public Security Bureau has been conducting an investigation against Mr. WANG since July 2022 (the “**Investigation**”) as a result of the accusation by staff of Bengbu Elec-Tech in June 2022 regarding Mr. WANG’s alleged temporary change of the use of the Funds (the “**Accusation**”).

Mr. WANG has informed the Company that:

- (i) as of the Latest Practicable Date, the Investigation has not been concluded yet and the Gaoxin District Branch of Bengbu Public Security Bureau has not reached a conclusion that the Accusation is true;
- (ii) Mr. WANG has received a legal opinion from his PRC counsel that he had fully complied with the PRC law in the use of the RMB240 million subsidies and had not committed any criminal act. A criminal prosecution case should not be established against him;
- (iii) the Gaoxin District Branch of Bengbu Public Security Bureau has not taken any enforcement measures against him; and
- (iv) his PRC counsel is actively communicating with the Gaoxin District Branch of Bengbu Public Security Bureau to have this case dismissed as soon as possible.

As disclosed in the announcement of the Company dated 19 March 2021, the Beijing No.2 Intermediate People’s Court entered a judgment against Mr. WANG in relation to a debt dispute in 2018. As a result of such judgment, the Beijing No.2 Intermediate People’s Court has also imposed high consumption restriction orders on Mr. WANG since January 2021. Mr. WANG is in the process of applying for the discharge of the high consumption restriction orders.

Taking into consideration of the Requisition Letter and the information provided by Mr. WANG, the Board and the Nomination Committee (excluding the Director concerned) are of the view that Mr. WANG could still discharge his director’s duties and is suitable to act as an executive Director for the following reasons:

- (i) as of the Latest Practicable Date, the Investigation has not been concluded yet and Mr. WANG has not been convicted of any crime by any PRC court;
- (ii) Mr. WANG has received a legal opinion from his PRC counsel that he had fully complied with the PRC law in the use of the RMB240 million subsidies and had not committed any criminal act. According to that legal opinion, a criminal prosecution case should not be established against Mr. WANG; and

LETTER FROM THE BOARD

- (iii) the Investigation and the high consumption restriction orders have not prevented or restricted Mr. WANG from performing his day-to-day duty as an executive Director.

Regarding resolution 2, ETI alleged that Mr. CHEN shall be removed from his position as an independent non-executive Director since he does not meet the independence requirements as set out in Rule 3.13 of the Listing Rules. Mr. CHEN represented Wuhu Dehao as an attorney from April 2022 to June 2022 (the “**Service Period**”) in a legal proceeding (the “**Legal Proceeding**”) against Bengbu Investment Group Co., Ltd.* (蚌埠投資集團有限公司), a state-owned company. Mr. WANG owns 90% equity interests in Wuhu Dehao. Under Rule 1.01 of the Listing Rules, since Wuhu Dehao is a close associate of Mr. WANG and Mr. WANG is a Director, Wuhu Dehao is a core connected person of the Company. Accordingly, Mr. CHEN’s provision of legal services to Wuhu Dehao during the Service Period falls into the ambit of Rule 3.13(3) of the Listing Rules.

Taking into consideration of the Requisition Letter and Mr. CHEN’s role in providing legal services to Wuhu Dehao during the Service Period, the Board and the Nomination Committee (excluding the Director concerned) are of the view that Mr. CHEN is still independent and suitable to act as an independent non-executive Director for the following reasons:

- (a) Mr. CHEN has only provided legal services in one single case to a close associate of Mr. WANG, but he did not directly provide legal services to the Company or its subsidiaries. Mr. CHEN has confirmed he has not provided any other legal services to Mr. WANG or any of his close associate;
- (b) the Service Period is short, i.e. from April 2022 to June 2022, and it has been more than a year since the end of the Service Period;
- (c) the agreed legal fee for the provision of legal services to Wuhu Dehao in the Legal Proceeding is only RMB50,000. Mr. CHEN only had limited economic interest in the Legal Proceeding; and
- (d) Mr. CHEN has actively participated in the Board meetings and relevant Board committee’s meetings since his appointment as an independent non-executive Director in December 2021, and has contributed his constructive advice and legal expertise to the Board.

* For identification purposes only

LETTER FROM THE BOARD

7. EGM

The EGM will be convened and held at Salon IV, M/F, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong at 10:30 a.m. on Wednesday, 25 October 2023 to consider and, if thought fit, to pass the ordinary resolutions approving the Share Consolidation and the Removal of Directors. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder was required to abstain in respect of the resolutions to be proposed at the EGM.

The Notice of the EGM is set out on pages EGM-1 to EGM-3 of this circular.

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 or postponement thereof (as the case maybe) (i.e. not later than 10:30 a.m. on Monday, 23 October 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.

8. 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 Wednesday, 18 October 2023 to Wednesday, 25 October 2023 (both days inclusive), during which period no transfer of shares of the Company 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.

9. RECOMMENDATIONS

The Directors consider that the Share Consolidation and Change in Board Lot Size are in the best interests of the Group and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution approving the Share Consolidation to be proposed at the EGM.

LETTER FROM THE BOARD

For the reasons set out in the section headed “6. REQUISITION BY SHAREHOLDER FOR REMOVAL OF DIRECTORS” above, the Directors recommend the Shareholders to vote against the ordinary resolutions in respect of the Removal of Directors to be proposed at the EGM.

10. 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 or this circular misleading.

11. WARNING

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 circular 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.

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

NOTICE OF EGM



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 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 IV, M/F, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong at 10:30 a.m. on Wednesday, 25 October 2023 for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company. Unless otherwise defined, capitalised terms used herein shall have the same meanings as ascribed to them in the circular of the Company dated 9 October 2023 (the “**Circular**”).

ORDINARY RESOLUTIONS

1. “**THAT** Mr. WANG Donglei be and is hereby removed from his positions as the chairman of the Board and an executive Director with immediate effect upon the passing of this resolution.”
2. “**THAT** Mr. CHEN Hong be and is hereby removed from his position as an independent non-executive Director with immediate effect upon the passing of this resolution.”

NOTICE OF EGM

3. “**THAT** subject to and conditional upon the fulfilment of all the conditions set out in the section headed “Conditions of the Share Consolidation” (the “**Conditions**”) in the Circular (a copy of which is tabled at the meeting and marked “A” and signed by the chairman of the meeting for identification purpose), with effect from the second Business Day (as defined in the Circular) immediately following the date on which this resolution is passed:
- (a) every ten (10) issued and unissued ordinary shares with a par value of US\$0.0000001 each in the authorised and issued share capital of the Company be consolidated into one (1) ordinary share with a par value of US\$0.0000001 each (the “**Consolidated Shares**”) (the “**Share Consolidation**”), such Consolidated Share(s) shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of the shares contained in the memorandum of association and articles of association of the Company;
 - (b) following the Share Consolidation, the directors of the Company (the “**Directors**”) be and are hereby authorised to make arrangements for the settlement and disposal of fractional entitlements, if any, arising from or in connection therewith and, in particular (but without prejudice to the generality of the foregoing), by aggregating any fractional entitlements arising as a result thereof and selling the same for the benefit of the Company in such manner and on such terms as the Directors may think fit; and
 - (c) any one of the Directors be and is hereby authorised to do all such acts and things and sign, execute and deliver all documents (including affixing the common seal of the Company if appropriate) he/she in his/her absolute discretion considers necessary, desirable or expedient to give effect to, implement and complete the Share Consolidation and the transactions contemplated thereunder.”

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

Hong Kong, 9 October 2023

Notes:

1. The 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 poll results will be published on the respective websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.

NOTICE OF EGM

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 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 EGM (i.e. not later than 10:30 a.m. on Monday, 23 October 2023) or any adjournment or postponement thereof (as the case maybe). 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 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 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 Tuesday, 17 October 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

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 8:00 a.m. on the date of the EGM, the EGM will be adjourned or postponed in accordance with the memorandum and articles of association of the Company. 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 or postponed meeting.
7. References to time and dates in this notice are to Hong Kong time and dates.