Neo-Neon Holdings Limited
同方友友控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1868)

PROFIT WARNING

The announcement is made by Neo-Neon Holdings Limited (the "**Company**", together with its subsidiaries, collectively the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the "**Board**") of the Company wishes to inform the shareholders and potential investors of the Company that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2019 and information currently available to the Board, the Group expects that the loss attributable to owners of the Company for the year ended 31 December 2019 will be approximately RMB22 million compared to a profit of RMB145.8 million attributable to owners of the Company for year ended 31 December 2018. Such loss was primarily due to a net one-off gain of approximately RMB186 million recorded for the year ended 31 December 2018 from government grant of approximately RMB230 million for demolishment of old factory plants with a loss of approximately RMB44 million which did not recur in the year ended 31 December 2019.

As the Company is still in the process of finalising the annual results of the Group for the year ended 31 December 2019, the information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the unaudited consolidated management accounts of the Group, which have not been confirmed, reviewed or audited by the Company's auditors and may be subject to adjustment. Detailed financial information of the Group will be disclosed in the annual results announcement of the Group for the year ended 31 December 2019 which is expected to be published by the Company within the timeframe as stipulated under the Listing Rules.

Shareholders and potential investors of the Company are advised to exercise caution in dealing in the securities of the Company.

By order of the Board
Neo-Neon Holdings Limited
Gao Zhi
Executive Director

Hong Kong, 18 March 2020

As at the date of this announcement, the executive Director of the Company are Mr. GAO Zhi and Mr. Daniel P.W.LI; non-executive Directors are Mr. SEAH Han Leong and Mr. ZHOU Hai Ying; the independent non-executive Directors are Mr. FAN, Ren Da Anthony, Mr. LIU Tian Min and Ms. LI Ming Qi.