Neo-Neon Holdings Limited
同方友友控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 01868)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

INTERIM RESULTS

The Board of Directors of Neo-Neon Holdings Limited is pleased to announce the unaudited interim results of the Group for the six months ended 30 June 2025 (the "**Period**"), together with the unaudited comparative figures for the six months ended 30 June 2024. These results for the Period have been reviewed by the Audit Committee, comprising solely the independent non-executive Directors.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

		Six months ended 30 June	
	Notes	**2025**	2024
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
REVENUE	4	**290,081**	294,390
Cost of sales		**(168,155)**	(161,608)
Gross profit		**121,926**	132,782
Other income, gains and losses, net	5	**36,195**	25,873
(Provision)/reversal of provision of impairment, net		**(458)**	1,712
Selling and distribution expenses		**(106,399)**	(98,749)
Administrative expenses		**(46,379)**	(46,134)
Finance costs	6	**(567)**	(690)
PROFIT BEFORE TAX	7	**4,318**	14,794
Income tax credit/(expense)	8	**569**	(3,031)
PROFIT FOR THE PERIOD		**4,887**	11,763

	Note	**Six months ended 30 June** **2025** *RMB'000* **(Unaudited)**	2024 *RMB'000* (Unaudited)
Attributable to:			
Shareholders of the Company		**4,945**	11,610
Non-controlling interests		**(58)**	153
		4,887	11,763
EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	10		
Basic and diluted		**RMB0.24 cent**	RMB0.55 cent

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	**4,887**	11,763
OTHER COMPREHENSIVE INCOME/(LOSS):		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods – Exchange differences on translation of the financial statements of subsidiaries	**12,852**	(5,196)
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods – Exchange differences on translation of the financial statements of the Company	**(22,743)**	10,411
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD, NET OF INCOME TAX	**(9,891)**	5,215
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD	**(5,004)**	16,978
Attributable to:		
Shareholders of the Company	**(4,970)**	16,769
Non-controlling interests	**(34)**	209
	(5,004)	16,978

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	**30 June 2025** *RMB'000* **(Unaudited)**	31 December 2024 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**15,071**	15,952
Investment properties		**160,579**	157,165
Right-of-use assets		**27,071**	32,639
Goodwill		**91,035**	91,413
Other intangible assets		**18,226**	21,792
Financial assets at fair value through profit or loss		**126,000**	134,900
Deferred tax assets		**28,428**	27,919
Total non-current assets		**466,410**	481,780
CURRENT ASSETS			
Inventories		**161,986**	143,231
Trade and bills receivables	11	**86,225**	106,915
Loan receivable from a third party	12	**82,168**	111,743
Loan receivable from the ultimate holding company	13	**407,746**	400,406
Prepayments, other receivables and other assets		**26,250**	20,790
Financial assets at fair value through profit or loss		**10,159**	12,263
Income tax recoverable		**3,292**	2,140
Restricted cash		**–**	1,319
Cash and cash equivalents		**607,762**	607,214
Total current assets		**1,385,588**	1,406,021
CURRENT LIABILITIES			
Trade payables	14	**58,624**	77,239
Other payables and accruals		**92,761**	99,423
Income tax payable		**937**	1,399
Provision		**34,759**	34,046
Lease liabilities		**10,773**	11,173
Total current liabilities		**197,854**	223,280
NET CURRENT ASSETS		**1,187,734**	1,182,741
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,654,144**	1,664,521

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT LIABILITIES		
Lease liabilities	**16,653**	21,897
Deferred tax liabilities	**26,098**	26,227
Total non-current liabilities	**42,751**	48,124
Net assets	**1,611,393**	1,616,397
EQUITY		
Equity attributable to shareholders of the Company		
Issued capital	**185,672**	185,672
Reserves	**1,415,205**	1,420,175
	1,600,877	1,605,847
Non-controlling interests	**10,516**	10,550
Total equity	**1,611,393**	1,616,397

NOTES

30 June 2025

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with the applicable disclosure requirements of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and Hong Kong Accounting Standard 34 *Interim Financial Reporting* ("**HKAS 34**") as issued by the Hong Kong Institute of Certified Public Accountants.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's consolidated financial statements for the year ended 31 December 2024.

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this interim condensed consolidated financial information are consistent with those applied in the preparation of the Company's consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period's financial information:

Amendments to HKAS 21	*Lack of Exchangeability*

The adoption of the above amendment did not have any impact on the Group's results of operation and financial position.

3. OPERATING SEGMENT INFORMATION

No operating segment information is presented as the Group's revenue and reported results during the six months ended 30 June 2025 and 2024, and the Group's total assets as at the end of each of these reporting periods were derived from one single operating segment, i.e., manufacturing, sale and trading of lighting products.

Geographical information

(a) Revenue from external customers

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
North America	**283,833**	289,535
Europe	**2,444**	2,732
The PRC	**1,137**	169
Asia (excluding the PRC)	**2,667**	1,954
Total revenue	**290,081**	294,390

The revenue information above is based on the location of the customers.

(b) Non-current assets

	30 June	31 December
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
USA	**127,188**	135,301
The PRC	**106,171**	108,606
Other countries	**78,623**	75,054
Total non-current assets	**311,982**	318,961

The non-current asset information of continuing operations above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

4. REVENUE

The Group's revenue for each of the six months ended 30 June 2025 and 2024 wholly represented revenue from contracts with customers. The revenue was derived from sale of lighting products, which is recognised at a point in time and the disaggregated revenue information by geographical market, based on the locations of the customers, is disclosed in note 3 to the interim financial information.

5. OTHER INCOME, GAINS AND LOSSES, NET

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Other income		
Bank interest income	**8,705**	9,573
Other interest income	**7,863**	6,963
Dividend income of financial assets at fair value through profit or loss ("**FVTPL**")	**920**	1,347
Government grants*	**3,799**	162
Gross rental income	**5,067**	5,217
Others	**876**	3,155
	27,230	26,417
Gains and losses, net		
Gain on disposal of items of property, plant and equipment, net	**–**	140
Fair value (loss)/gain of financial assets at FVTPL, net	**(5,721)**	483
Fair value gain/(loss) of investment properties, net	**5,378**	(1,979)
Gains on disposal of financial assets at FVTPL, net	**6,192**	–
Foreign exchange differences, net	**3,116**	812
	8,965	(544)
Total other income, gains and losses, net	**36,195**	25,873

* There are no unfulfilled conditions or contingencies relating to the grants.

6. FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Interest on lease liabilities	**475**	629
Amortisation of bank facility costs	**92**	61
	567	690

7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold	**166,196**	161,085
Depreciation of property, plant and equipment	**3,046**	3,737
Depreciation of right-of-use assets	**5,263**	5,276
Lease payments not included in the measurement of lease liabilities	**34**	57
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties	**172**	245
Provision/(reversal) of impairment losses of financial assets, net:		
Trade and bills receivables	**467**	252
Other receivables	**(9)**	1,058
Loan receivable from the ultimate holding company	**–**	(3,022)
	458	(1,712)
Write-down of inventories to net realisable value	**1,098**	948

8. INCOME TAX (CREDIT)/EXPENSE

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current – Hong Kong		
Charge for the period	**16**	228
(Over)/underprovision in prior periods	**(285)**	37
Current – Elsewhere		
Charge for the period	**47**	3,407
Underprovision in prior periods	**45**	–
Deferred tax	**(392)**	(641)
Total tax (credit)/expense for the period	**(569)**	3,031

Note:

Applicable income tax rates

A summary of applicable income tax rates of the jurisdictions in which the Group has operations during the Period is as follows:

	Six months ended 30 June	
	2025	2024
	%	%
Hong Kong	**16.5**	16.5
USA	**28**	28
The PRC	**25**	25
Vietnam	**20**	20

9. DIVIDENDS

The directors of the Company did not recommend the payment of an interim dividend for the six months ended 30 June 2025 (Six months ended 30 June 2024: Nil).

10. EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the period attributable to shareholders of the Company of HK$4,945,000 (Six months ended 30 June 2024: HK$11,610,000), and the weighted average number of ordinary shares of 2,094,465,417 (Six months ended 30 June 2024: 2,094,465,417) outstanding during the period.

No adjustment has been made to the basic earnings per share amounts presented for each of the six months ended 30 June 2025 and 2024 because the exercise price of the share options of a subsidiary of the Company outstanding during these periods was higher than the fair value of the subsidiary's share.

11. TRADE AND BILLS RECEIVABLES

	30 June 2025 *RMB'000* **(Unaudited)**	31 December 2024 *RMB'000* (Audited)
Trade receivables	**91,295**	111,570
Bills receivables	**7**	98
Less: Provision for impairment losses	**(5,077)**	(4,753)
	86,225	106,915

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2025 *RMB'000* **(Unaudited)**	31 December 2024 *RMB'000* (Audited)
Within 1 month	**42,732**	46,070
1 to 2 months	**26,177**	45,914
2 to 3 months	**6,032**	6,541
3 to 6 months	**5,259**	2,330
Over 6 months	**6,025**	6,060
Total	**86,225**	106,915

12. LOAN RECEIVABLE FROM A THIRD PARTY

	30 June 2025 *RMB'000* **(Unaudited)**	31 December 2024 *RMB'000* (Audited)
Loan receivable from a third party	**117,223**	147,339
Less: Impairment allowance	**(35,055)**	(35,596)
	82,168	111,743

This loan receivable represented the money lent to a customer by Tongfang Finance Limited, a subsidiary of the Company which is principally engaged in money lending business. The loan receivable bore interest rate at 8% p.a. (31 December 2024: 8% p.a.) and was overdue since 2020. The loan receivable amounting to RMB117,223,000 (31 December 2024: RMB147,339,000) was secured by certain properties, listed securities, private equities and other investments of the borrower and personal guarantees. The balance is classified as a financial asset at amortised cost. Management performs continuous assessment on the recoverability of the loan receivable.

12. LOAN RECEIVABLE FROM A THIRD PARTY (continued)

Management has performed credit risk assessment by performing background search on the borrower, financial analysis on the companies for which the borrower has pledged, the equity shares and property search on pledged properties.

13. LOAN RECEIVABLE FROM THE ULTIMATE HOLDING COMPANY

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Loan principal amount	**400,000**	400,000
Interest receivable	**7,746**	406
	407,746	400,406

The loan receivable from the ultimate holding company represents (i) the revolving loan to Tsinghua Tongfang Co., Limited with a total principal amount of RMB400 million (31 December 2024: RMB400 million), which is unsecured, interest-bearing at 3.65% per annum and repayable on demand; and (ii) interest receivable of approximately RMB7,746,000 (31 December 2024: RMB406,000).

14. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 month	**38,307**	56,622
1 to 3 months	**14,374**	9,193
3 to 6 months	**4,385**	9,854
6 months to 1 year	**176**	495
Over 1 year	**1,382**	1,075
	58,624	77,239

15. EVENT AFTER THE REPORTING PERIOD

As at date of this announcement, the Group has no significant event after the reporting period.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The total revenue for the Period was approximately RMB290.1 million, which represented a decrease of approximately RMB4.3 million as compared to approximately RMB294.4 million for the six months ended 30 June 2024. Such decrease was mainly attributable to the decrease in order resulting from the continuously weak overall market demand under global inflationary pressures, sluggish economic growth and declining consumer purchasing power.

Cost of goods sold

For the Period, the cost of goods sold was approximately RMB168.2 million, representing an increase of approximately RMB6.6 million over cost of goods sold of approximately RMB161.6 million for the six months ended 30 June 2024, primarily due to the increase in material costs caused by the rise in tariffs and freight expense.

Gross profit and gross profit margin

For the Period, the Group recorded a gross profit of approximately RMB121.9 million, representing a decrease of RMB10.9 million over the gross profit of approximately RMB132.8 million for the six months ended 30 June 2024, mainly due to the increase in material costs.

For the Period, the Group recorded a gross profit margin of approximately 42.0%, representing a decrease of 3.1% over a gross profit margin of approximately 45.1% for the six months ended 30 June 2024. The reason for such increase is mainly attributable to the decrease in revenue and the increase in material costs caused by the rise in tariffs and freight expense.

Other income, gains and losses, net

For the Period, the Group recorded other income, gains and losses, net of approximately RMB36.2 million, representing an increase of approximately RMB10.3 million over the other income, gains and losses, net of RMB25.9 million for the six months ended 30 June 2024, mainly due to the increase in government grants of approximately RMB3.6 million and the increase in gains on disposal of financial assets of approximately RMB6.2 million.

Provision/(reversal) for impairment, net

For the Period, the net amount of impairment provision was approximately RMB0.5 million, representing an increase of approximately RMB2.2 million over impairment reversal of approximately RMB1.7 million for the six months ended 30 June 2024, mainly because an impairment reversal of loan to Tsinghua Tongfang Co., Ltd. of approximately RMB3.0 million was made for the six months ended 30 June 2024.

Operating expenses

For the Period, total operating expenses were approximately RMB152.8 million, representing an increase of approximately RMB7.9 million over approximately RMB144.9 million for the six months ended 30 June 2024, mainly attributable to an increase in labor costs and sales expenses such as promotion expenses and warehouse expenses caused by the continuous inflation.

Finance costs

The finance costs for the Period was approximately RMB0.6 million, representing a decrease of RMB0.1 million from RMB0.7 million for the six months ended 30 June 2024.

Taxation

For the Period, tax credit of approximately RMB0.6 million (six months ended 30 June 2024: tax charge of RMB3.0 million). This decline was mainly due to a decrease in tax charge for the Period of approximately RMB3.6 million.

Profit attributable to shareholders of the company

For the Period, the Group recorded a profit attributable to shareholders of the company of approximately RMB4.9 million, representing a decrease of approximately RMB6.7 million over a profit attributable to the shareholders of the company of approximately RMB11.6 million for the six months ended 30 June 2024, primarily due to the decrease in gross profit and the increase in operating expenses.

Financial Resources and Liquidity and Gearing Ratio

The Group maintained a stable financial position. As at 30 June 2025, the Group had cash and cash equivalents of approximately RMB607.8 million. The gearing ratio representing the ratio of total lease liabilities to total equity of the Group was 1.7% as at 30 June 2025 (31 December 2024: 2.0%). Such decrease was mainly caused by the decrease in lease liabilities of RMB5.6 million for the Period.

Assets and liabilities

As at 30 June 2025, the Group recorded total assets of approximately RMB1,852.0 million (31 December 2024: RMB1,887.8 million) and total liabilities of approximately RMB240.6 million (31 December 2024: RMB271.4 million).

As at 30 June 2025, the Group's current assets and non-current assets were approximately RMB1,385.6 million (31 December 2024: RMB1,406.0 million) and approximately RMB466.4 million (31 December 2024: RMB481.8 million), respectively. The decrease in current assets and non-current assets was mainly due to the decrease in assets such as the loan receivable from a third party and the value of financial assets.

As at 30 June 2025, the Group's current liabilities and non-current liabilities were approximately RMB197.9 million (31 December 2024: RMB223.3 million) and approximately RMB42.8 million (31 December 2024: RMB48.1 million), respectively. The decrease in current liabilities and non-current liabilities was mainly attributable to the decrease in liabilities such as trade payables and lease liabilities.

Foreign Currency Risk

Several subsidiaries of the Company have sales and purchases denominated in currencies other than the functional currency of the respective entity, which expose the Group to foreign currency risk. The Group currently does not have a foreign currency hedging policy to eliminate the currency exposures. However, the management monitors the related foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Charges on Assets

As at 30 June 2025, the Group pledged certain of its trade receivables and inventories with an aggregate carrying value of approximately RMB164.9 million (31 December 2024: RMB160.1 million) to secure bank credit facilities granted to the Group.

Capital Commitments

As at 30 June 2025, the Group had no capital expenditure contracted for but not provided in the financial statements (31 December 2024: Nil).

Contingent Liabilities

During the Period, certain subsidiaries of the Company are parties to various legal claims in their ordinary course of businesses. In the opinion of the Directors, these claims would not have a significant impact on the Group's results and financial position.

Capital Structure

As at 30 June 2025, the issued share capital of the Company was RMB185,672,000 (equivalent to approximately HK$209,447,000) (31 December 2024: RMB185,672,000 (equivalent to HK$209,447,000)), divided into 2,094,465,417 ordinary shares of HK$0.10 each.

Deposit Service provided by Finance Company

On 9 December 2024, the Company and China Nuclear Finance Company Limited*(中核財務有限責任公司) ("**Finance Company**") entered into a deposit service agreement (the "**Deposit Service Agreement**"), pursuant to which the Finance Company shall provide the deposit service to the qualified group members during the term of the Deposit Service Agreement commencing from the 1 January 2025 to 31 December 2027 with the maximum daily deposit balance of RMB37,000,000 of the deposits placed with the Finance Company by the Group. The provision of deposit service by the Finance Company to the qualified members of the Group pursuant to the Deposit Service Agreement constitutes continuing connected transactions of the Company under Chapter 14A of Listing Rules. As the applicable percentage ratios (other than the profits ratio) of the annual cap are all less than 5%, the deposit service is subject to the reporting, announcement and annual review but exempted from independent shareholders' approval requirements under Chapter 14A of the Listing Rules

As at 30 June 2025, the Group has placed a total of RMB33.1 million with Finance Company at interest rates ranged from 0.62% to 1.49% per annum pursuant to the terms of the Deposit Service Agreement.

Provision of Revolving Loan to Tongfang

On 3 January 2023, the Company and Guangdong Tongfang Science Park Company Limited* (廣東同方科技園有限公司) (as lenders) and Tsinghua Tongfang Co., Ltd.* (同方股份有限公司) (as borrower, "**Tongfang**") entered into a loan agreement (the "**Loan Agreement**"), pursuant to which the lender(s) will provide revolving loans of not exceeding RMB400,000,000 to Tongfang during the term of the Loan Agreement commencing from 13 March 2023 to 12 March 2026. The Loan Agreement was approved by the independent shareholders at the extraordinary general meeting held on 10 March 2023.

Pursuant to the terms of the Loan Agreement, the lender(s) keeps the sole discretion to make its decision on whether or not to provide loans to Tongfang per its borrowing requests, as such the Group has flexibility to maintain sufficient cash resources for its operation and development while the provision of loans has provided the Group the opportunities to earn additional interest income from idle cash resources from time to time.

During 2023, the lenders had granted a loan to Tongfang with a total principal amount of RMB400 million at an interest rate of 3.65% per annum pursuant to the terms of the Loan Agreement. Such loan remained outstanding through the period ended 30 June 2025.

Loan to an Individual

References are made to the announcements dated 6 April 2018, 9 July 2020 and 27 October 2023 in relation to the repayment framework agreement (the "**Repayment Framework Agreement**") entered into between Mr. Wang Lifeng as the borrower and his spouse and Tongfang Finance Limited (同方財務有限公司, "**Tongfang Finance**") as the lender. As Mr. Wang Lifeng failed to make the repayments when they were due, Tongfang Finance has taken legal actions against Mr. Wang Lifeng and his spouse. As at 30 June 2025, a total of HK$69.2 million has been successfully recovered and the net carrying amount of outstanding principal and accrued interest due from Mr. Wang Lifeng amounts to HK$90.1 million. The Company will continue to make its best effort in obtaining repayment from Mr. Wang Lifeng for the outstanding amount, while actively seeking to liquidate or repossess the collaterals to repay the outstanding amount.

Material Acquisition, Disposal and Significant Investment

There were no significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures during the Period, nor was there any plan authorized by the Board for other material investments or additions of capital assets during the Period.

Interim Dividend

The Board resolved not to declare any dividend for the Period (six months ended 30 June 2024: Nil).

BUSINESS REVIEW

Overview and Prospects

In the first half of 2025, the international geopolitical situation became increasingly complicated with intensifying geopolitical rivalries, leading to a slowdown in global economic growth under multiple pressures. Inflation remained stubbornly high, tariff barriers were escalating, and trade partnerships were restructured amid dynamic changes. Against this backdrop, the supply chain system underwent systematic and prudent adjustments, with a key focus on the flexible management of procurement and supply cycle. These adversely impacted the purchasing power of consumers and enthusiasm for procurement, resulting in a significant contraction in market demand for non-essential goods.

During the Period, the operations of the Company were affected to a certain extent, with a slight year-on-year decrease in revenue. The combined ripple effects of increased tariff costs and inflation led to rising operating expenses such as raw material procurement, logistics and transportation and labor costs, which directly resulted in a year-on-year decline in both gross profit and net profit of the Company.

The Company will prioritize its overall strategic vision and plan for development from a long-term perspective. On the one hand, it will proactively develop solutions to address trade frictions and tariff barriers, and prepare in advance for risk prevention and response. On the other hand, it will continue to engage in marketing innovation, actively expand distribution channels, and strengthen coordination and integration with upstream and downstream enterprises in the domestic industrial chain to achieve resource sharing and complementary advantages. At the same time, the Company will strive to ensure efficient and smooth logistics operations to reduce operating costs and improve operational efficiency. Through these measures, the Company will continue to enhance its risk resilience in international operations in the complex and dynamic market environment, ensuring steady development and creating greater value for shareholders.

In the second half of the year, the Company will plan ahead and strive to develop differentiated products through effective market demand research in order to gain a greater market share.

Sales and Distribution

Lighting Segment

During the Period, the Group took efforts in distribution and marketing, cultivating the new sales team and promoting the new brand of lighting products. The Group proactively made deployment in brand establishment and sales channel in the world’s fastest growing markets and brought to its customers better sales services in energy-saving technologies and solutions.

Research and Development ("R&D")

The Group's R&D efforts were driven towards product design, new product development and production efficiency improvement in order to reduce the overall production cost.

Employees and Remuneration Policy

As at 30 June 2025, the Group's total number of employees was approximately 495 (31 December 2024: 453). The basic remunerations of the employees are determined with reference to the industry remuneration benchmark, the employees' experience and their performance. Salaries of employees are maintained at a competitive level and are reviewed annually, with close reference to the relevant labour market and economic situation. The Directors' remuneration is determined based on a variety of factors such as market conditions and responsibilities assumed by each Director. Apart from the basic remuneration and statutory benefits required by laws, the Group provides discretionary bonus based upon the Group's results and the individual performance of the staff.

CORPORATE GOVERNANCE CODE

The Company is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organization which is open and accountable to the Shareholders.

Under the code provision C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not have a separate chairman and a chief executive officer and Ms. Zhang Yuanyuan holds both positions. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company as non-executive Directors and independent non-executive Directors form the majority of the Board, with five out of seven of the Directors being non-executive Directors and independent non-executive Directors. The Board believes that vesting the roles of both chairman and chief executive officer in the same person can facilitate execution of the Company's business strategies and boost effectiveness of its operation. The Board will review the current structure from time to time and shall make necessary arrangements when the Board considers appropriate.

Save as disclosed above, throughout the Period, the Company complied with the code provisions and, where appropriate, adopted the recommended best practices as set out in the Corporate Governance Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has also adopted the Model Code set out in Appendix C3 of the Listing Rules throughout the Period as its code of conduct regarding securities transactions by the Directors. Having made specific enquiry with all Directors, they confirmed that they have complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the Period.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares) during the Period.

As at 30 June 2025, the number of treasury shares held by the Company is nil.

AUDIT COMMITTEE REVIEW

The unaudited interim financial information of the Group for the Period has been reviewed by the Company's Audit Committee.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.neo-neon.com). The interim report for the Period containing all the information required by Appendix D2 to the Listing Rules will be available on the aforesaid websites in the due course.

DEFINITIONS

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

"Audit Committee"	the audit committee of the Company
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Board"	the board of directors of the Company
"BVI"	British Virgin Islands
"China" or "PRC"	the People's Republic of China, excluding for the purpose of this announcement, Hong Kong, Macau and Taiwan

"Company"	Neo-Neon Holdings Limited (stock code: 1868), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange, and the depositary receipts of which are listed on the Taiwan Stock Exchange
"Corporate Governance Code"	the code on corporate governance practices contained in Appendix C1 to the Listing Rules
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"HK$" and "HK cents"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"Hong Kong"	The Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange
"Model Code"	the model code for securities transactions by directors of listed issuers as set out in Appendix C3 of the Listing Rules
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	share(s) of HK$0.1 each in the share capital of the Company
"Shareholder(s)"	the shareholder(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it in sections 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)

"%"	per cent
"*"	for identification purpose only

By order of the Board
Neo-Neon Holdings Limited
Zhang Yuanyuan
Chairperson

Hong Kong, 22 August 2025

As at the date of this announcement, the executive Directors are Ms. ZHANG Yuanyuan and Mr. LIAN Chenwei; the non-executive Directors are Mr. KONG Lingqi and Ms. LIU Wenjing; the independent non-executive Directors are Dr. LI Xuejin, Ms. YANG Juan and Ms. LI Ming Qi.