THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **Neo-Neon Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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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)

(1) CONTINUING CONNECTED TRANSACTIONS AND MAJOR TRANSACTION – PROVISION OF LOANS AND (2) NOTICE OF EGM

Independent Financial Adviser

MESSIS 大有融資

A letter from the Board is set out on pages 4 to 15 of this circular.

A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on page 16 of this circular. A letter from Messis Capital Limited, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 17 to 30 of this circular.

A notice convening the EGM to be held at Unit 3405, 34/F., 118 Connaught Road West, Hong Kong on Monday, 19 January 2026 at 11:00 a.m. is set out on pages 37 to 38 of this circular.

A form of proxy for the EGM is enclosed with this document. Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

19 December 2025

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

"2023 Loan Agreement"	the maximum amount loan agreement dated 3 January 2023 entered into between the Company, Tongfang Science Park and Tongfang, pursuant to which the Lender shall provide revolving loans of not exceeding RMB400,000,000 to Tongfang during the term of agreement
"2025 Loan Agreement"	the maximum amount loan agreement dated 21 October 2025 entered into between the Company, Tongfang Science Park and Tongfang, pursuant to which the Lender shall provide revolving loans of not exceeding RMB600,000,000 to Tongfang during the term of agreement
"Annual Cap"	the annual cap for the Provision of Loans, being RMB600,000,000 for each year during the term of the 2025 Loan Agreement
"associate(s)"	has the same meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Business Days"	a calendar day excluding Saturday, Sunday or all statutory holidays in the PRC
"CNNC Group"	CNNC, its subsidiaries and other companies fulling with the scope of section 3 of the Measures for the Administration of Finance Companies of Enterprise Groups* (《企業集團財務公司管理辦法》)
"CNNC"	China National Nuclear Corporation* (中國核工業集團有限公司), a company established under the laws of the PRC
"Company"	Neo-Neon Holdings Limited, 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 (Stock Code: 1868)
"connected person"	has the same meaning ascribed to it under the Listing Rules
"continuing connected transaction"	has the same meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the same meaning ascribed to it under the Listing Rules
"Director(s)"	the directors of the Company

"EGM"	extraordinary general meeting of the Company to be convened to consider, and if thought fit, approve, among other things, the 2025 Loan Agreement, the proposed Annual Cap and the transactions contemplated thereunder
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	an independent board committee established by the Company, comprising all of the independent non-executive Directors, namely Ms. Li Ming Qi, Ms. Yang Juan and Dr. Li Xuejin, for the purpose of advising the Independent Shareholders in respect of the terms of the 2025 Loan Agreement (including the proposed Annual Cap) and the transactions contemplated thereunder
"Independent Financial Adviser"	Messis Capital Limited, a licensed corporation permitted to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2025 Loan Agreement (including the proposed Annual Cap) and the transactions contemplated thereunder
"Independent Shareholders"	Shareholders other than CNNC and its associates
"Independent Third Party(ies)"	third party(ies) which is/are independent of and not connected with the Company and its connected persons and not otherwise a connected person of the Company
"Latest Practicable Date"	15 December 2025, being the latest practicable date for ascertaining certain information in this circular
"Lender"	collectively, the Company and Tongfang Science Park
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC" or "China"	the People's Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purposes of this circular only
"Provision of Loans"	the revolving loan facilities to be provided to Tongfang by the Lender pursuant to the 2025 Loan Agreement

"Resuccess"	Resuccess Investments Limited, a controlling shareholder of the Company directly holding 1,357,442,690 Shares (representing approximately 64.81% of the Company's issued share capital) as at the Latest Practicable Date
"RMB"	Renminbi, the lawful currency of the PRC
"SASAC"	State-owned Assets Supervision and Administration Commission of the State Council* (國務院國有資產監督管理委員會)
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and supplemented from time to time
"Share(s)"	the ordinary share(s) of HK$0.10 each in the share capital of the Company
"Shareholder(s)"	the holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"Tongfang"	Tongfang Co., Ltd (同方股份有限公司), a company established under the laws of the PRC, the ultimate holding company of the Company
"Tongfang Science Park"	Guangdong Tongfang Science Park Company Limited* (廣東同方科技園有限公司), a company established under the laws of the PRC and a wholly owned subsidiary of the Company
"%"	per cent.

* *for identification purpose only*

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)

Executive Directors:
Ms. Zhang Yuanyuan *(Chairperson)*
Mr. Lian Chenwei

Non-executive Directors:
Mr. Kong Lingqi
Ms. Liu Wenjing

Independent non-executive Directors:
Ms. LI Ming Qi
Ms. Yang Juan
Dr. Li Xuejin

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

Head office and principal place of business in Hong Kong:
Unit 3405, 34th Floor
118 Connaught Road West
Hong Kong

19 December 2025

To the Shareholders

Dear Sir or Madam,

(1) CONTINUING CONNECTED TRANSACTIONS AND MAJOR TRANSACTION – PROVISION OF LOANS AND (2) NOTICE OF EGM

INTRODUCTION

On 3 January 2023, the Company, Tongfang Science Park and Tongfang entered into the 2023 Loan Agreement. As the loan and the annual caps under the 2023 Loan Agreement will expire on 12 March 2026, on 21 October 2025 (after trading hours), the Company, Tongfang Science Park and Tongfang entered into the 2025 Loan Agreement, pursuant to which the Company and Tongfang Science Park will provide revolving loan(s) of not exceeding RMB600,000,000 to Tongfang during the term of the 2025 Loan Agreement commencing from 13 March 2026 to 12 March 2029 for a term of 3 years.

2025 LOAN AGREEMENT

The principal terms of the 2025 Loan Agreement are set out below:

Date:	21 October 2025
Parties:	(1) the Company and (2) Tongfang Science Park (together, as the Lender); and (3) Tongfang (as the Borrower)
Cap amount of loans:	Not exceeding RMB600,000,000
Use of loans:	All amounts borrowed by Tongfang under the 2025 Loan Agreement shall be used for the daily operating expenses, research and development expenses, and replenishment of working capital required by Tongfang's legitimate business activities, which includes goods procurement and payment of employee salaries, social insurance, welfare benefits and taxes. The loan(s) shall not be used for any other purposes without the Lender's written consent.
Term:	From 13 March 2026 to 12 March 2029 for a term of 3 years
Reborrowing:	Tongfang may reborrow any amount which has been repaid to the Lender in accordance with the terms of the 2025 Loan Agreement, provided that the aggregate outstanding principal amount of all loan(s) shall not exceed RMB600,000,000 at any time during the term of the 2025 Loan Agreement.
Interest rates:	The interest rates to be charged by the Lender shall be determined by negotiation between the Lender and Tongfang and shall not be lower than (i) the loan prime rate promulgated by the People's Bank of China from time to time; (ii) the interest rates offered by the major commercial banks in the PRC; and (iii) the interest rates offered by the Lender to other independent third parties (if any), for the same type of loans with the same terms. The interest shall accrue daily from the actual drawdown date and up to 20 December of each calendar year and shall be payable annually after such date but no later than 31 December of the same year.
Repayment:	The repayment date for each loan advanced by the Lender to Tongfang under the 2025 Loan Agreement shall be set out on a receipt of loan separately signed by the parties and such date shall fall within the term of the 2025 Loan Agreement.

	Tongfang may, at any time after a loan has been advanced and prior to its agreed repayment date, pre-repay such loan in whole or in part together with all interest accrued thereon.
Default interest rate:	0.01% per day on the default amount, which shall accrue from the due date of payment to the date of actual payment.
Other terms:	The Lender has the sole discretion to make a decision whether to provide the loan requested by Tongfang pursuant to the 2025 Loan Agreement.
Conditions precedent:	The compliance with all requirements under the Listing Rules, including but not limited to the approval by the Independent Shareholders of the 2025 Loan Agreement and the transactions contemplated thereunder at the EGM.
Collateral:	The Lender has the right to request for collateral, mortgage, pledge, guarantee or any other security to the extent permitted by the applicable laws when the Group finds it necessary.

PROCEDURES AND MECHANISM FOR GRANTING LOANS TO TONGFANG

Set out below is the key procedures and mechanism for granting each loan to Tongfang under the 2025 Loan Agreement:

(1) when Tongfang makes a borrowing request, the accounting department of the Company will request Tongfang to provide a detailed breakdown summary for expected usage and timeline for utilizing the loan to be granted. By doing this, the accounting department of the Company will be able to assess the financing needs of Tongfang and monitor the actual usage of the loan through quarterly check of actual usage reports and payment evidences prepared by Tongfang (such as bank transfer record, payment slip and/or invoice) and regular communication with Tongfang;

(2) before a loan is granted, a meeting will be convened among the operational management of the Company (the "**Operational Management Meeting**") , comprising of the Company's executive Directors, chief financial officer and general managers of several operation departments, to assess and review the funding needs of the Group while taking into consideration of (a) the existing business operation and development of the Group; (b) the potential investments plan of the Group; (c) the potential expansion of the existing business of the Group; (d) any change in tendency of the overall economic environment; and (e) the working capital forecast prepared by the accounting department of the Company considering the factors (a) to (d) above before each loan is granted. The Operational Management Meeting will confirm to grant the loan if the Company is able to maintain sufficient working capital for the term of the loan to be granted after taking into account the effect of fully lent out of such loan. The Company will put its funding needs as first priority and exercise its rights under the 2025 Loan Agreement not to provide any loan to Tongfang should a funding need is identified.

Further, assessment on the financial position and creditworthiness of Tongfang will be conducted through the review of, among others, (a) the repayment record of Tongfang in assessing whether repayments have been made punctually and the creditworthiness of Tongfang; (b) the financial statements of Tongfang to assess its financial position, especially the net asset value, ensuring that it continuously covers RMB600,000,000; and (c) the public disclosures of Tongfang (including but not limited to board resolutions and any announcements that may indicate a potentially significant business change);

(3) with regard to the interest rates to be charged, the accounting department of the Company will collect (i) the loan prime rate promulgated by the People's Bank of China; (ii) the interest rates offered by at least three major commercial banks in the PRC, for example, Shanghai Pudong Development Bank, Agricultural Bank of China and Ping An Bank; and (iii) the interest rates offered by the Lender to other independent third parties, which shall be derived from the Group's internal records kept by the finance department of the Company. After the collection of relevant interest rates, the accounting department of the Company will choose the highest interest rate to negotiate with Tongfang to determine the best interest rate to be charged. Such interest rates will set the bottom line for the loans in the negotiation process.

In addition, the accounting department of the Company will also assess other factors, such as any non-compliance of terms of the 2025 Loan Agreement by Tongfang (such as late repayment) or material adverse changes in the financial performance or position of Tongfang (the "**Adverse Impact Events**"). In the case that no such Adverse Impact Events occurs, the interest rate will be the highest of the aforesaid three interest rates. In case of occurrence of any of such Adverse Impact Events and Tongfang was able to rectify the non-compliance of terms of the 2025 Loan Agreements within a reasonable short period (i.e. within 5 business days), the Company will consider to continue to provide loans to Tongfang with an additional margin of 5% on top of the highest of the aforesaid three interest rates (i.e. the interest rate will be 105% of the highest of the aforesaid three interest rates). In determining such additional margin of 5%, the Board has considered that (i) Tongfang is required to rectify the Adverse Impact Events within a short period of 5 business days; and (ii) the margin is set higher than current one-year loan prime rate of 3.00% as published by the People's Bank of China, the Company therefore considers it is a reasonable and deterrent rate to govern the performance of Tongfang;

(4) with regard to the security for the loans, the necessity of requesting a security will be assessed during the Operational Management Meeting reviewing (a) Tongfang's non-compliance of terms of the 2025 Loan Agreement (such as late repayment) and whether immediate remedy action has been taken; and (b) recent public disclosures of Tongfang to identify any material changes in the financial performance or position of Tongfang. Upon the occurrence of any of Adverse Impact Events, the Operational Management Meeting will request securities (such as equity investments and/or properties of Tongfang with a loan-to-value ratio of approximately 70%) for the loans to be granted. During the process of monitoring the financial situation of Tongfang, if there is any indication that an Adverse Impact Event will occur, the Company will discuss with Tongfang about the situation promptly. Therefore, the Board considers such arrangement is fair and reasonable and is appropriate measure to safeguard the Company's assets;

(5) after the loan is granted, the accounting department and legal department of the Company will keep trace of (i) Tongfang's repayment record; and (ii) public disclosures of Tongfang including but not limited to the financial statements, board resolutions and announcements. In addition, the designated staff of accounting department of the Company will conduct checks of actual usage reports evidenced by relevant payment records on a quarterly basis to ensure the actual usage of the loans are consistent with the 2025 Loan Agreement. Should any material adverse change or any Adverse Impact Events be identified, the Company will exercise its rights under the 2025 Loan Agreement to request security for the loan or immediate repayment of the loan; and

(6) once the loan is confirmed, a receipt shall be signed setting out all the borrowing details, including but not limited to the amount and the repayment date of each tranche of loans.

Having considered the above factors and in particular that (i) the interest rates charged to Tongfang are no less favourable than those quoted on the People's Bank of China and offered by the major commercial banks within the PRC, as well as interest rates offered to other independent third parties; (ii) there is no late repayment record of Tongfang; (iii) there are sufficient measures in place in order to assess Tongfang's financial position as well as the recoverability of the loan before and after granting such loan(s); and (iv) the Group has the right to decide whether to provide loan(s) to Tongfang and the 2025 Loan Agreement does not impose any obligation to the Group to provide loan(s) to Tongfang, the Group may provide loan(s) to Tongfang when it, from time to time, thinks fit and appropriate for the benefit of the Group, the Board is of the view that the interest rate charged is fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

HISTORICAL TRANSACTION AMOUNTS

In April 2023, a loan with a total principal amount of RMB400,000,000, with the due date of 12 March 2026, was granted to Tongfang at an interest rate of 3.65% per annum pursuant to the terms of the 2023 Loan Agreement. Such loan remained outstanding till the date of the 2025 Loan Agreement and is expected to remain outstanding till 12 March 2026. As of the Latest Practicable Date, Tongfang has been settling the interests on time and there has been no late repayments.

ANNUAL CAP AND BASIS OF DETERMINATION

It is stipulated in the 2025 Loan Agreement that the maximum daily balance of the outstanding loan(s) advanced to Tongfang by the Lender for each year during the term of the 2025 Loan Agreement will be RMB600,000,000 respectively. Such maximum daily amount is applicable for each day during the relevant year, and such maximum daily amount is calculated on an individual basis as outstanding at the end of each day during the relevant year covering the daily outstanding loan amount incurred on the days before.

The Annual Cap is determined based on arm's length negotiations between the Lender and Tongfang, having considered, among others, the following factors and assumptions: (i) the historical transaction amounts of RMB400,000,000 under the 2023 Loan Agreement as reference; (ii) the cash and cash equivalent of the Group as at 30 June 2025 amounting to RMB607,762,000, and when Tongfang repays the loan amount of RMB400,000,000 to the Lender upon the expiration of the 2023 Loan Agreement, it is expected that the cash and cash equivalent of the Group will amount to over RMB1 billion. The proposed Annual Cap will only represent approximately 60% of the Company's then cash and cash equivalents; and (iii) with the remaining cash of approximately RMB400 million after full utilization of the Annual Cap, the Group will be able to retain enough cash resources for its business operations for at least the next twelve months.

The Board is of the view that the increase in the proposed Annual Cap is fair and reasonable after considering the following factors:

(i) the annual cap of RMB400 million under the 2023 Loan Agreement has been fully utilized by Tongfang with no record of late interest payments and no adverse impact on the Group's business operations or financial position;

(ii) it is expected that the Group's cash and cash equivalents will increase from approximately RMB681 million as at 30 June 2022 (being the latest available financial statements of the Group as at the signing date of the 2023 Loan Agreement) to over RMB1 billion immediately prior to the 2025 Loan Agreement becoming effective;

(iii) it is expected that Tongfang will not default on its repayment obligations under the 2023 Loan Agreement and the 2025 Loan Agreement, as the annual cap of RMB600 million is relatively small compared to the size of its asset base, representing not more than 5% of its total assets and net assets attributable to the owners of the company as at 30 September 2025, respectively; and

(iv) the Company has not been able to identify any other appropriate and attractive options to use the idle cash: (a) the three-year fixed-term deposits in major commercial banks in the PRC is much lower than the interest rates under the 2025 Loan Agreement; (b) the Company faces significant challenges in expanding its business scale through technology development and market penetration as the lighting industry has matured; (c) due to uncertainties in the external trade environment, such as tariff-related factors, the Company has adopted a prudent approach to outbound investment and business expansion and has not identified any suitable investment projects; (d) the Company's existing production facilities are largely sufficient to meet current operational needs. The Board believes that any indiscriminate expansion of production or research and development scale would not only fail to deliver corresponding returns but could also result in inefficient capital allocation and heightened pressure on profitability due to the rigidity of rising fixed costs.

REASON FOR AND BENEFITS OF ENTERING INTO THE 2025 LOAN AGREEMENT

Since 2025, heightened international geopolitical tensions, a slowdown in global economic growth, and persistent inflationary pressures have led the Group to adopt a more prudent approach towards major investments and business expansion. In view of the Group's robust financial position and healthy cash reserves, the Company intends to seize appropriate opportunities to enhance shareholder returns. The Company has considered around three potential projects regarding nuclear technology application but as the Group has adopted a prudent approach towards significant investments and business expansion given the unstable overall economic environment, the Company has not been able to identify any appropriate and attractive business opportunities.

The terms of the 2025 Loan Agreement were negotiated on an arm's length basis between the Lender and Tongfang based on, among other things, the financing needs of Tongfang and the Company's assessment on the financial position and creditworthiness of Tongfang. Tongfang, as a company whose shares are listed on the Shanghai Stock Exchange and is ultimately controlled by the SASAC, had a large asset base and in particular total assets and net assets attributable to the owners of the company were approximately RMB50.1 billion and RMB16.2 billion respectively as of 30 September 2025. The Annual Cap of RMB600 million represented approximately 1.2% of its total assets and 3.7% of its net assets attributable to the owners of the company as of 30 September 2025. In comparison, the Annual Cap was relatively small against the size of Tongfang's asset base. Besides, Tongfang had not defaulted in its repayment obligation under the 2023 Loan Agreement. Furthermore, the Group noted that an independent credit rating agency issued a credit rating report on Tongfang on 29 July 2025, assigning it an AAA credit rating, which reflects the agency's assessment of Tongfang's strong financial position, sound risk management practices and stable outlook. Pursuant to the terms of the 2025 Loan Agreement, the Lender 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.

Under the 2023 Loan Agreement, Tongfang withdrew a loan of RMB400,000,000 in one lump sum and such loan remained outstanding till 12 March 2026. When Tongfang repays such loan back to the Lender, it is expected that the cash and cash equivalent of the Group will amount to over RMB1 billion. The prevailing interest rate of three-year fixed-term deposits in major commercial banks in the PRC is 1.25% which is much lower than the interest rates under the 2025 Loan Agreement (which would not be lower than the one-year loan prime rate of 3.00% as published by the People's Bank of China as at the date of the 2025 Loan Agreement). As such, the Group is expected to generate higher interest income from its idle cash by lending out under the 2025 Loan Agreement rather than deposit it into the banks in the PRC. Given that the Company has not identified any appropriate and attractive business opportunities at the current stage, the 2025 Loan Agreement is considered to be a profitable way for the Group to manage its idle cash. The 2025 Loan Agreement increases both the interest income and the profits of the Group and the Provision of Loans is considered to be a good investment opportunity for the Group.

In view of the above reasons and benefits, despite the transactions contemplated under the 2025 Loan Agreement are not in the ordinary and usual course of business of the Company, they are on normal commercial terms or better, the Board are of the view that the terms of the 2025 Loan Agreement and the Annual Cap are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

None of the Directors has any material interests in the transactions contemplated under the 2025 Loan Agreement and no Director is required to abstain from voting on the Board resolution approving the 2025 Loan Agreement.

INTERNAL CONTROL MEASURES

In order to properly mitigate the risks associated with the Provision of Loans, the Group will continue to implement the following internal control and risk management measures:

(1) the senior management of the Company will conduct continuous monitoring of the operations of the 2025 Loan Agreement through maintaining regular communication and active interaction with Tongfang and will regularly assess the financial position of Tongfang to ensure its repayment ability. The designated staff of the Company will continue to regularly monitor and review the public disclosure made by Tongfang (as a public company) and identify any potential breach of the terms of the 2025 Loan Agreement.

The Lender can demand the repayment of any outstanding loans in the event of any breach of the terms of the 2025 Loan Agreement by Tongfang, including the loan amounts under the 2025 Loan Agreement were used by Tongfang for purposes other than working capital, the occurrence of an event that may have a material adverse effect on the rights of the Lender as the lender;

(2) before Tongfang withdraws a loan from the Lender, analysis and assessment will be conducted by the accounting department of the Company via collecting (i) the loan prime rate promulgated by the People's Bank of China; (ii) the interest rates offered by at least three major commercial banks in the PRC; and (iii) the interest rates offered by the Lender to other independent third parties (if any). With all the interest rates mentioned above collected, the Company will negotiate with Tongfang on the best interest rates to be charged. Such interest rates will set the bottom line for the loans in the negotiation process;

(3) the designated staff of the accounting department of the Company will closely monitor the aggregated outstanding loan balances and report the latest status to the chief financial officer of the Company on a monthly basis to ensure that it does not exceed the Annual Cap;

(4) the chief financial officer of the Company will report to the Board on half-yearly basis in relation to the transaction status, including the utilisation rate of the Annual Cap;

(5) the Company will set an alert alarm when the outstanding loan balance is about to reach the Annual Cap. In case that the aggregated principal amount of the loans is expected to exceed the Annual Cap, the Company could timely re-comply with the requirements under Chapter 14A of the Listing Rules;

(6) the audit committee of the Company will scrutinise the implementation and enforcement of the transactions under the 2025 Loan Agreement. If the Company's audit committee is of the view and decides that it would be in the Company's interests not to provide further loans to Tongfang, the Group will take appropriate steps to implement its decision, and in such case, any material findings in the risk assessment reports, the views of the Company's audit committee on the loans under the 2025 Loan Agreement (including its views on how the terms of the 2025 Loan Agreement have been complied with) and its decisions on matters in relation thereto will be disclosed in the Company's annual reports;

(7) the legal department of the Company will conduct quarterly random checks to review and assess whether the transactions contemplated under the 2025 Loan Agreement are conducted on normal commercial terms and in accordance with the terms set out in the 2025 Loan Agreement;

(8) the Company's external auditors will conduct an annual review of the transactions under the 2025 Loan Agreement to ensure that the transactions amounts are within the Annual Cap and the transactions are in accordance with the terms set out in the 2025 Loan Agreement; and

(9) the Company's independent non-executive Directors will conduct annual reviews of the status of the transactions under the 2025 Loan Agreement to ensure that the Company has complied with its internal approval process, the terms of the 2025 Loan Agreement and the relevant requirements under the Listing Rules.

Through the implementation of the aforesaid internal control measures, the Directors are of the opinions that there are sufficient internal control measures in place to secure the Provision of Loans to be conducted under the 2025 Loan Agreement will be on normal commercial terms, and will not prejudice the interests of the Company and its Shareholders as a whole.

FINANCIAL EFFECT OF THE 2025 LOAN AGREEMENT

Interest income is expected to be generated from the Provision of Loans. However, given that the interest income is expected to only represent a small proportion of the Group's earnings, the Company anticipates that the interest income to be earned from the Provision of Loans will not have any material impact on its corresponding earnings, assets and liabilities.

IMPLICATION UNDER THE LISTING RULES

Tongfang is a controlling shareholder of the Company by virtue of its direct 100% interest in Resuccess, which in turn holds approximately 64.81% of the total issued share capital of the Company as at the Latest Practicable Date, and is therefore a connected person of the Company.

Accordingly, the Provision of Loans by the Lender to Tongfang pursuant to the 2025 Loan Agreement constitutes continuing connected transactions of the Company under Chapter 14A of Listing Rules. As one or more of the applicable percentage ratios (other than the profits ratio) of the Annual Cap exceed 5%, the 2025 Loan Agreement and the transactions contemplated thereunder are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in relation to the Provision of Loans under the 2025 Loan Agreement exceed 25%, the Provision of Loans constitutes major transaction of the Company and is subject to the relevant major transaction requirements under Chapter 14 of the Listing Rules.

An Independent Board Committee has been established to advise the Independent Shareholders on the terms and the proposed Annual Cap of the 2025 Loan Agreement and the transactions contemplated thereunder. The Company has appointed Messis Capital Limited as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

In accordance with the Listing Rules, any Shareholder with a material interest in the 2025 Loan Agreement and its close associate(s) must abstain from voting on the relevant resolution(s) at the EGM. As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, CNNC and its associates (including Tongfang) controlled or were entitled to exercise control over the voting rights in respect of their 1,357,442,690 Shares, representing approximately 64.81% of the issued share capital of the Company, and are required to abstain from voting on the relevant resolutions to be proposed at the EGM. Accordingly, CNNC and its associates (including Tongfang) will abstain from voting on the resolution in respect of the 2025 Loan Agreement to be put forward at the EGM.

Save as the aforesaid, as at the Latest Practicable Date, the Directors are not aware of any other Shareholders who are required to abstain from voting on the resolution(s) in respect of the 2025 Loan Agreement to be put forward at the EGM.

GENERAL INFORMATION

1. Information of the Company

The Company is a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange and the Taiwan depositary receipts of which are listed on the Taiwan Stock Exchange. The Group is principally engaged in the businesses of manufacture and trading of lighting products and provision of lighting solution.

2. Information of Tongfang Science Park

Tongfang Science Park is a company established under the laws of the PRC and a subsidiary of the Company. Tongfang Science Park is principally engaged in the businesses of manufacture and trading of lighting products.

3. Information of Tongfang

Tongfang is a limited liability company established in the PRC on 25 June 1997, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600100). Tongfang is mainly engaged in the businesses of digital information industry, civil nuclear technology industry and energy saving and environmental protection industry. As at the Latest Practicable Date, Tongfang is controlled as to approximately 31.66% by CNNC. CNNC is principally engaged in research and development, construction, production and operation in the fields of nuclear power, nuclear fuel cycle, nuclear applications, environmental protection and nuclear engineering, as well as international cooperation, imports and exports. CNNC is ultimately and beneficially owned by the SASAC.

EGM

The Company will convene the EGM at Unit 3405, 34/F., 118 Connaught Road West, Hong Kong on Monday, 19 January 2026 at 11:00 a.m., at which resolution will be proposed for the purposes of considering and, if thought fit, approving the 2025 Loan Agreement, the transactions contemplated thereunder and the Annual Cap. The notice of the EGM is set out on pages 37 to 38 of this circular.

A form of proxy for use at the EGM is enclosed. Whether or not you are able to attend the EGM or any adjournment thereof (as the case may be) in person, please complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the EGM or any adjourned meeting should you so wish.

RECORD DATE

The record date (being the last date of registration of any transfer of Shares given there will be no closure of register of members) for the purpose of determining the entitlements of the Shareholders to attend and vote at the EGM will be on Monday, 19 January 2026. In order to qualify for the aforesaid entitlements, all transfers must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, by no later than 4:30 p.m. on Tuesday, 13 January 2026.

RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on page 16 of this circular which contains the recommendation of the Independent Board Committee to the Independent Shareholders regarding the resolution to approve the 2025 Loan Agreement, the transactions contemplated thereunder and the Annual Cap; (ii) the letter from Messis Capital Limited, the Independent Financial Adviser, set out on pages 17 to 30 of this circular which contains its advice (together with the principal factors and reasons considered in arriving at such advice) to the Independent Board Committee and the Independent Shareholders in respect of the fairness and reasonableness of the terms of the 2025 Loan Agreement, the transactions contemplated thereunder and the Annual Cap; and (iii) additional information set out in the appendices to this circular.

The Independent Board Committee, having taken into account the advice (together with the principal factors and reasons considered in arriving at such advice) of Messis Capital Limited, the Independent Financial Adviser, considers that despite the transaction contemplated under the 2025 loan Agreement are not in the ordinary and usual course of business of the Group, the terms of the 2025 Loan Agreement, the transactions contemplated thereunder and the Annual Cap are fair and reasonable, on normal commercial terms or better, and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM in respect of the 2025 Loan Agreement, the transactions contemplated thereunder and the Annual Cap.

The Board considers that despite the transaction contemplated under the 2025 loan Agreement are not in the ordinary and usual course of business of the Group, the terms of the 2025 Loan Agreement, the transactions contemplated thereunder and the Annual Cap are fair and reasonable; on normal commercial terms or better; and in the interests of the Company and the Shareholders as a whole.

The Board also considers that the resolution proposed in the notice of EGM are in the best interests of the Company and the Shareholders as a whole and therefore recommend you to vote in favour of all the relevant resolution to be proposed at the EGM.

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

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)

19 December 2025

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS AND MAJOR TRANSACTION

PROVISION OF LOANS

We refer to the circular of the Company dated 19 December 2025 (the "**Circular**") to the Shareholders, of which this letter forms part. Capitalised terms defined in the Circular bear the same meanings in this letter unless the context otherwise requires.

We have been appointed as the members of the Independent Board Committee to consider and advise the Independent Shareholders in respect of the terms of the 2025 Loan Agreement, the transactions contemplated thereunder and the Annual Cap, details of which are set out in the Circular.

We wish to draw your attention to the letter from the Board and the letter of advice from the Independent Financial Adviser set out on pages 4 to 15 and pages 17 to 30 of the Circular respectively.

Having taken into account the advice (together with the principal factors and reasons considered in arriving at such advice) of Messis Capital Limited, the Independent Financial Adviser, we consider that although the entering into of the 2025 Loan Agreement is not conducted in the ordinary and usual course of the business of the Group, the 2025 Loan Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and are in the interests of the Company and its Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM in respect of the 2025 Loan Agreement, the transactions contemplated thereunder and the Annual Cap.

Yours faithfully,
Ms. Li Ming Qi, Ms. Yang Juan and
Dr. Li Xuejin
Independent Board Committee

The following is the letter of advice from the Independent Financial Adviser, Messis Capital Limited, to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.

MESSIS 大有融資

19 December 2025

Dear Sir/Madam,

CONTINUING CONNECTED TRANSACTIONS AND MAJOR TRANSACTION – PROVISION OF LOANS

INTRODUCTION

We, Messis Capital Limited, refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the continuing connected transactions in relation to the proposed provision of loans, details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular of the Company dated 19 December 2025 issued to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular, unless otherwise specified.

As disclosed in the "Letter from the Board", that, on 21 October 2025, the Company, Tongfang Science Park and Tongfang entered into the 2025 Loan Agreement, pursuant to which the Lender will provide revolving loans of not exceeding RMB600 million to Tongfang from 13 March 2026 to 12 March 2029.

As at the Latest Practicable Date, Tongfang is a controlling shareholder of the Company by virtue of its direct 100% interest in Resuccess Investments Limited and, in aggregate, hold 64.81% of the total issued share capital of the Company, and is therefore a connected person of the Company.

The provision of loans by the Lender to Tongfang pursuant to the 2025 Loan Agreement constitutes continuing connected transactions of the Company and not subject to exemption under Chapter 14A of Listing Rules therefore the transactions contemplated thereunder are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders (i) as to whether the terms of the 2025 Loan Agreement and the proposed Annual Cap are on normal commercial term, fair and reasonable, in the interests of the Company and the Independent Shareholders as a whole; and (ii) how to vote.

OUR INDEPENDENCE

As of the Latest Practicable Date, we did not have any relationship with or interest in the Company and any other parties that could reasonably be regarded as relevant to our independence. During the past two years, we have not been appointed as an independent financial adviser for the Company. Apart from normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser, no arrangement exists whereby we will receive any fees or benefits from the Company or any other parties that could reasonably be regarded as relevant to our independence and we are independent from the Company pursuant to Rule 13.84 of the Listing Rules.

BASIS OF OUR OPINION

In formulating our opinion and recommendation, we have considered, among other things, (i) the 2025 Loan Agreement, (ii) the Company's annual reports for the financial years ended 31 December 2024 ("**FYE2024**") and 31 December 2023 ("**FYE2023**"); (iii) the Company's interim report for the six months ended 30 June 2025 ("**6M2025**"), (iv) Tongfang's annual report for FYE2024, interim report for 6M2025 and quarterly report for the nine months ended 30 September 2025 ("**9M2025**"); (v) the relevant announcements; and (vi) other information as set out in the Circular. We have also relied on all relevant information, opinions and facts supplied and represented by the management of the Company.

We have assumed that all such information, opinions, facts and representations contained or referred to in the Circular, for which the Company is fully responsible, were true and accurate in all material respects as of the date hereof and may be relied upon. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us and the Company has confirmed that no material facts have been withheld or omitted from the information provided and referred to in the Circular, which would make any statement therein misleading. We have reviewed sufficient information currently available to reach an informed view so as to provide a reasonable basis for our recommendation. We have not, however, carried out independent verification of the information and the representations provided by the management of the Company, nor have we conducted any in-depth investigation into the businesses, affairs, operations, financial position or future prospects of the Company or any of its subsidiaries.

This letter is issued to the Independent Board Committee and the Independent Shareholders solely in connection with the transactions and except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purpose without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In considering whether the terms of the continuing connected transactions are fair and reasonable so far as the Independent Shareholders are concerned, we have taken into account the principal factors and reasons set out below:

1. Background information

The Group engaged principally in manufacture and trading of lighting products and the provision of lighting solutions.

	FYE		6M	
	Audited		Unaudited	
RMB000	**2023**	**2024**	**2024**	**2025**
Revenue	786,110	746,140	294,390	290,081
Gross profit	345,870	322,068	132,782	121,926
Profit/(Loss) for the period	27,675	37,918	11,763	4,887
Total assets	1,816,881	1,887,801	1,809,207	1,851,998
Total liabilities	254,231	271,404	229,579	240,605
Net assets	1,562,650	1,616,397	1,579,628	1,611,393

Revenue decreased from approximately RMB294.4 million for the six months ended 30 June 2024 ("**6M2024**") to approximately RMB290.1 million for 6M2025. The decrease in order resulting from the continuously weak overall market demand under global inflationary pressures, sluggish economic growth and declining consumer purchasing power. Revenue decreased from approximately RMB786.1 million for FYE2023 to approximately RMB746.1 million for FYE2024. The decrease was mainly attributable to the decrease in order resulting from reduced consumer purchasing power and demand under continued inflation and global economic slowdown.

Gross profit decreased to approximately RMB121.9 million for 6M2025 from approximately RMB132.8 million for 6M2024, mainly due to the increase in material costs. Gross profit decreased to approximately RMB322.1 million for FYE2024 from approximately RMB345.9 million for FYE2023 mainly due to the decline in orders.

Other income, gains and losses, net increased to approximately RMB36.2 million for 6M2025 approximately RMB25.9 million for 6M2024, mainly due to increase government grants and increase in gains on disposal of financial assets. Other income, gains and losses, net increased to approximately RMB56.3 million for FYE2024 from approximately RMB51.2 million for FYE2023, mainly due to the increase in interest income of approximately RMB6.7 million.

Administrative expenses mainly comprised of staff costs, directors remuneration, depreciation charge and professional and legal fees. The administrative expenses increased from approximately RMB46.1 million for 6M2024 to approximately RMB46.4 million for 6M2025. The administrative expenses decreased to approximately RMB97.2 million for FYE2024 from approximately RMB131.7 million for FYE2023, which was mainly attributable to the decrease in management service fees and provision for litigation.

The Group recorded a profit attributable to shareholders of the Company decreased to approximately RMB4.9 million for 6M2025 from approximately RMB11.6 million for 6M2024, primarily due to the decrease in gross profit and the increase in operating expenses. The Group recorded profit attributable to owners of the parent increased to approximately RMB37.2 million for FYE2024 from approximately RMB26.8 million for FYE2023, primarily due to enhanced cost control and optimized operational efficiency.

The Group had gearing ratio representing the ratio of total lease liabilities to total equity of 1.7% as of 6M2025 compared to FYE2024 of 2.0%. Such decrease was mainly caused by the decrease in lease liabilities of RMB5.6 million for the period. The Group had current ratio of 7.0 as of 6M2025 compared to 6.3 as of FYE2024. The Group generated free cash flow from operating activities of approximately RMB77.6 million for FYE2024 compared to RMB107.5 million for FYE2023. The Group had cash and cash equivalents of approximately RMB607.8 million as of 6M2025, RMB607.2 million as of FYE2024, RMB498.1 million as of FYE2023.

We note that the Company had no outstanding bank borrowings as of 6M2025, FYE2024 or FYE2023. The current ratio and the amount of free cash generated from operating activities for FYE2024 and FYE2023 suggested the Company was in a strong liquidity position.

As disclosed, the Directors are satisfied after due and careful consideration that the Group will have sufficient working capital for its present requirements for at least the next twelve months from the date of this Circular despite the transactions contemplated under the 2025 Loan Agreement.

It is noted that for 6M2025, 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 decline in both gross profit and net profit of the Company.

In this connection, we note that the Company will implement plans to address the decline in financial performance. 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. 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.

Tongfang's financial standing

Tongfang is a limited liability company established in the PRC on 25 June 1997, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600100). Tongfang is mainly engaged in the businesses of digital information industry, civil nuclear technology industry and energy saving and environmental protection industry. Tongfang is controlled as to approximately 31.66% by CNNC. CNNC is principally engaged in research and development, construction, production and operation in the fields of nuclear power, nuclear fuel cycle, nuclear applications, environmental protection and nuclear engineering, as well as international cooperation, imports and exports. CNNC is ultimately and beneficially owned by the State-owned Assets Supervision and Administration Commission of the State Council.

According to interim report for 6M2025 of Tongfang, it recorded a decrease in revenue to approximately RMB5.7 billion for 6M2025 from approximately RMB6.3 billion for 6M2024. This was primarily due to the disposal of its computer hardware business in the previous year, resulting in a change in the scope of consolidation. Excluding the computer hardware business, revenue for 6M2024 would be approximately RMB5.259 billion, representing a 7.75% increase in revenue for the current period. Loss was approximately RMB250.6 million for 6M2025 compared to loss of approximately RMB518.9 million for 6M2024. This loss was primarily due to Tongfang's security and smart energy businesses, which remained in the project investment phase for 6M2025 and did not meet the revenue recognition requirements, resulting in a temporary loss. For 9M2025 Tongfang reported revenue of approximately RMB8.4 billion and profit of approximately RMB197.5 million.

Total assets were approximately RMB50.1 billion as of 9M2025, approximately RMB51.2 billion as of 6M2025 and approximately RMB51.5 billion as of FYE2024. Net assets were approximately RMB20.8 billion as of 9M2025, approximately RMB21.8 billion as of 6M2025 and approximately RMB21.6 billion as of FYE2024. The debt to asset ratio was approximately 58.4% as of 9M2025, approximately 57.47% as of 6M2025 compared to 57.96% as of FYE2024. The current ratio was approximately 1.5 as of 9M2025, approximately 1.2 as of 6M2025 and approximately 1.4 as of FYE2024.

2. Major terms of the 2025 Loan Agreement

Date:	21 October 2025
Parties:	(1) the Company and (2) Tongfang Science Park (together, as the Lender); and (3) Tongfang (as the Borrower)
Cap amount of loans:	Not exceeding RMB600 million (the "**Cap Amount**")
Use of loans:	All amounts borrowed by Tongfang under the 2025 Loan Agreement shall be used as working capital for the business operation of Tongfang, which includes goods procurement, payment of employee salaries, social insurance, welfare benefits and taxes, and shall not be used for any other purposes without the Company's written consent.
Term:	From 13 March 2026 to 12 March 2029 for a term of 3 years
Reborrowing:	Tongfang may reborrow any amount which has been repaid to the Lender in accordance with the terms of the 2025 Loan Agreement, provided that the aggregate outstanding principal amount of all loan(s) shall not exceed the Cap Amount at any time during the term of the 2025 Loan Agreement.
Interest rates:	The interest rates to be charged by the Lender shall be determined by negotiation between the Lender and Tongfang and shall not be lower than (i) the loan prime rate promulgated by the People's Bank of China from time to time; (ii) the interest rates offered by the major commercial banks in the PRC; and (iii) the interest rates offered by the Lender to other independent third parties (if any), for the same type and terms of loans. The interest shall accrue daily from the loan disbursement date and be settled annually on 20 December of each year.
Repayment:	The repayment date for each loan advanced by the Lender to Tongfang under the 2025 Loan Agreement shall be set out on a receipt of loan separately signed by the parties and such date shall fall within the term of the 2025 Loan Agreement. Tongfang may, at any time after a loan has been advanced and prior to its agreed repayment date, pre-repay such loan in whole or in part together with all interest accrued thereon.

Default interest rate:	0.01% per day on the default amount, which shall accrue from the due date of payment to the date of actual payment.
Other terms:	The Lender has the sole discretion to make a decision whether to provide the loan requested by Tongfang pursuant to the 2025 Loan Agreement.
Collateral:	Lender has the right to request for collateral, mortgage, pledge, guarantee or any other security to the extent permitted by the applicable laws when the Group finds it necessary

3. Reasons for the transaction

It is noted that by entering into the 2025 Loan Agreement, the Group intended to increase the rate of return of its cash and cash equivalents for the purposes of increasing both the interest income and the profits of the Group. The terms of the 2025 Loan Agreement were negotiated on an arm's length basis between the Lender and Tongfang based on, among other things, the working capital requirement of the Company, the financing needs of Tongfang and the Company's assessment on the financial position and creditworthiness of Tongfang. Pursuant to the terms of the 2025 Loan Agreement, the Lender keeps the sole discretion to make its decision 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 loan has provided the Group the opportunities to earn additional interest income on idle cash resources from time to time. In view of the above reasons and benefits, despite the transactions contemplated under the 2025 Loan Agreement are not in the ordinary and usual course of business of the Company, the Board (excluding the independent non-executive Directors whose views will be set out in the letter from the Independent Board Committee) are of the view that the terms of the 2025 Loan Agreement and the Annual Cap are fair and reasonable and are in the interests of the Company and the Independent Shareholders as a whole.

Competitive interest rate for idle cash

The interest rates for the provision of loans to Tongfang shall be determined by negotiation between the Lender and Tongfang and shall not be lower than (i) the loan prime rate promulgated by the People's Bank of China ("**PBOC**") from time to time; (ii) the interest rates offered by the major commercial banks in the PRC; and (iii) the interest rates offered by the Lender to other independent third parties (if any), for the same type of loans.

We note that the prevailing interest rate of three-year fixed-term deposits in major commercial banks in the PRC namely Bank of China Ltd, China Construction Bank Ltd and Industrial and Commercial Bank of China Ltd of 1.25% per annum while the one-year loan prime rate is 3.00% as published by PBOC as of date of the 2025 Loan Agreement. The comparison to prevailing interest rate of deposits with major commercial banks is relevant when considering to earn a return on idle cash as such together with provision of loans to third parties and investing in profitable projects are some of the common methods to manage idle cash. As informed by the Company no lending to third party has been made since the previous arrangement and up to the date of this Circular. Further, the Company has not identified any significant investment at the current stage. Having considered the above, the 2025 Loan Agreement will enable the Group to increase the rate of return of its idle cash by generating higher interest income and will be a profitable way for the Group to manage its idle cash. We note the one-year loan prime rate published by PBOC has continued to drop since early 2023. The arrangement therefore allows the Group to lock in interest income at a relatively higher rate in case the prevailing market interest rate continues to drop in future.

We note that Tongfang issued various bonds in aggregate of RMB2.2 billion in 2024 namely corporate bonds on 19 January 2024 with outstanding principal of RMB1.2 billion at interest rate of 3.50% per annum maturing in around three years; on 25 October 2024 with outstanding principal of RMB500 million at interest rate of 2.90% per annum maturing in around three years; on 3 December 2024 with outstanding principal of RMB500 million at interest rate of 2.8% per annum maturing in around three years. In comparison, the Company granted a loan with a total principal amount of RMB400 million to Tongfang at an interest rate of 3.65% per annum pursuant to the terms of the previous loan agreement and earned a relatively higher return than the investors invested in the above bonds. We note that the Company had demonstrated the provision of loans to Tongfang was a way to earn competitive return on its idle cash when compared to the investors investing in those bonds issued by Tongfang.

Pursuant to the terms of the 2025 Loan Agreement, the Lender has the sole discretion to make its decision whether or not to provide loans to Tongfang per its borrowing requests. We consider such arrangement fair and reasonable as the Group has flexibility to maintain sufficient cash resources for its operation and development by taking into account of (i) its ongoing business development and operational expenses and (ii) its investments and/or expansion of the existing business, while having the opportunity to earn additional interest income from idle cash from time to time.

Having considered the above, and in particular the mechanism to ensure Lender earn a competitive interest rate on the loan provided to Tongfang, we concur with the view of the Directors that the 2025 Loan Agreement is fair and reasonable in the interests of the Company and the Independent Shareholders as a whole.

Tongfang's credibility

As explained previously, Tongfang was established in the PRC on 25 June 1997 and the shares of which are listed on the Shanghai Stock Exchange. Tongfang is ultimately controlled by the State-owned Assets Supervision and Administration Commission of the State Council. Tongfang had a large asset base and in particular total assets were approximately RMB50.1 billion as of 9M2025, approximately RMB51.2 billion as of 6M2025 and approximately RMB51.5 billion as of FYE2024. Net assets were approximately RMB20.8 billion as of 9M2025, approximately RMB21.8 billion as of 6M2025 and approximately RMB21.6 billion as of FYE2024. Cash and cash equivalents were approximately RMB6.1 billion as of 9M2025, approximately RMB5.3 billion as of 6M2025 and RMB6.2 billion as of FYE2024. The Cap Amount of RMB600 million represented approximately 1.2% of its total assets, 2.9% of its net assets and 9.84% of its cash and cash equivalents as of 9M2025. In comparison, the Cap Amount was relatively small against the size of Tongfang's asset base.

According to the Company, Tongfang had not defaulted in its repayment obligation under the previous loan agreement and it was not aware of any material default record for repayment for its bonds and borrowings. Based on the Company's annual and interim reports for FYE2023, FYE2024 & 6M2025, there were no findings of breach of terms of the previous loan agreement disclosed therein. We note that in annual reports for FYE2024 and FYE2023, the independent non-executive directors of the Company had reviewed the continuing connected transactions under the previous loan agreement and confirmed that these continuing connected transactions were entered into on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties, and in accordance with the relevant agreements governing them on terms that are fair and reasonable. We also note that the Company's auditors, issued their unmodified letters containing the findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 14A.56 of the Listing Rules. Based on Tongfang's annual, interim and quarterly reports, there was no disclosure of material breach of repayment obligation by Tongfang under the previous loan agreement. We have also reviewed records of review and assessment by management members of the Company and business operation and accounting departments of the Group such as reports monitoring outstanding loan amount and status of related interest payment to ensure outstanding loan amount was within the set annual cap and interest payment was calculated appropriately and there was no disclosure of material breach of repayment obligation by Tongfang under the previous loan agreement.

Further, Tongfang had successfully issued various corporate bonds in aggregate of RMB2.2 billion in 2024 as explained above, at interest rate ranged between 2.8% and 3.5% per annum which demonstrated the market's acknowledgement of the credibility of Tongfang under the circumstances. The long-term credit rating of Tongfang as provided by China Liane Credit Rating Company Limited in July 2025 was AAA indicating stable prospect. For comparison, the local currency bonds issued by Hong Kong Government within 3 years of maturity offered a yield between 3.25% per annum and 4.00% per annum as of end of 2024 according to AsianBondsOnline of the Asian Development Bank. Hong Kong Government was given credit ratings of Aa3 by Moody's and AA+ by S&P. As such, Tongfang appeared to have a strong financial credibility.

Established in July 2000 China Liane Credit Rating Company Limited is among the first batch of credit rating agencies registered and approved by the People's Bank of China and the China Securities Regulatory Commission according to public information. It is recognized by the National Development and Reform Commission and the China Banking and Insurance Regulatory Commission, and is qualified to conduct credit rating business. It is a member of the National Association of Financial Market Institutional Investors, the Insurance Asset Management Association of China, the Securities Association of China, and a council member of the Green Finance Committee of the China Finance Society.

Having considered the above namely, Tongfang's background, financial standing, credit rating and clean repayment record, it appears not to pose significant default risk in connection with the 2025 Loan Agreement at the current stage.

Unsecured lending

Notwithstanding the fact that the provision of loan to Tongfang will be made on unsecured basis, we note that Lender has the right to request for collateral, mortgage, pledge, guarantee or any other security to the extent permitted by the applicable laws when the Group finds it necessary such as identification of material adverse changes to the financial position of Tongfang under the terms of the 2025 Loan Agreement. The Company may add an additional margin of 5% on top of the interest rates in case of development of adverse events such as breaching terms of the 2025 Loan Agreement. Further, a default interest rate of 0.01% per day will be applied to the default amount, which shall accrue from the due date of default in payment to the date of actual payment. Despite the seemingly low default interest rate, we note that the default interest rate will be cumulative on daily basis which shall be a deterrent to default on repayment obligations over a long horizon.

Having considered the background of Tongfang, its large asset base and the clean repayment record, and Lender's right to request for collateral and impose additional interest rate if need be, we are of the view that the Company will be able to manage risk arising from unsecured lending to Tongfang and default on Tongfang's obligations under the 2025 Loan Agreement, if any.

The Cap Amount

RMB' million	FYE		
	2027	**2028**	**2029**
Cap Amount	600	600	600

We note that the terms of the 2025 Loan Agreement including the Cap Amount were negotiated on an arm's length basis between the Lender and Tongfang based on, among other things, the clean repayment record of Tongfang, the cash and cash equivalents position and working capital requirements of the Company, the operating expenses and working capital requirement of Tongfang and the Company's assessment on the financial position and creditworthiness of Tongfang. In this regard, we have obtained and reviewed the financial analysis of the basis of Cap Amount from the Company. We note that the Company had considered its working capital requirement for its business operations under full utilization of the Cap Amount and also the outlook of the lighting market together with the lack of significant investment opportunities in determination of the Cap Amount.

As explained, the Company maintained a strong liquidity position. The Company had no bank borrowings as of 6M2025, FYE2024 and FYE2023. The Company had current ratio of 7.0 as of 6M2025 and 6.3 as of FYE2024. The Company had cash and cash equivalents of approximately RMB607.8 million as of 6M2025, RMB607.2 million as of FYE2024, RMB498.1 million as of FYE2023. Further, the Company generated free cash flow from operating activities of approximately RMB77.6 million for FYE2024 and RMB107.5 million for FYE2023. Given the increase in cash and cash equivalents of the Company and the fact that it continued to generate cash inflow from operating activities suggested the Company's principal business had good cash generating ability and it enjoyed a strong liquidity position. Further, the lack of bank borrowings indicated that the Company had no requirement to finance its business operations by external credit facilities and no need to reserve cash for interest payments and therefore, allowed it to accumulate meaningful idle cash balance and through the 2025 Loan Agreement to earn interest income at competitive interest rate.

The Cap Amount represents 98.7% of the cash and cash equivalents, 32.4% of the total asset and 37.2% of net assets of the Company as of 6M2025. Given the loan of RMB400 million extended to Tongfang will be repaid on 12 March 2026 and for illustration purpose only, immediately upon repayment the cash and cash equivalents of the Company will be approximately RMB1 billion, being the sum of cash and cash equivalents as of 6M2025 and repayment of loan amount under previous loan agreement, and as such the Cap Amount will only represent approximately 60% of the Company's cash and cash equivalents. For comparison, the cap amount of the previous loan agreement represented approximately 58.7% of the cash and cash equivalents of the Company as of 30 June 2022. As such, the Cap Amount is reasonable as it increases in tandem with the increase in cash and cash equivalents of the Company when compared to the previous arrangement.

As disclosed, the Company having considered the working capital requirement it will have enough cash resources for its business operations under full utilization of Cap Amount for at least the next twelve months from the date of this Circular.

The Company was running a cash generating business for past few years as it continuously reported cash generated from operating activities and accumulated notable size of cash and cash equivalents over the years. As such, it had demonstrated its ability to operate efficiently without external credit facilities as it had no outstanding borrowings as of 6M2025, FYE2024 and FYE2023. The 2025 Loan Agreement will allow the Company to earn interest income at competitive interest rate and therefore, the size of the Cap Amount will allow it to maximize the income from such arrangement if it wishes to do so. The Lender is not obligated to provide loan to Tongfang under the terms of the 2025 Loan Agreement. The Lender has the sole discretion to make a decision whether or not to provide the loan requested by Tongfang pursuant to the 2025 Loan Agreement and therefore as a matter of priority reserves the cash for its business operations if need be. According to the Company, the Lender has right under terms of the 2025 Loan Agreement to request for repayment of the outstanding loan extended to Tongfang in the event of breach of terms of the 2025 Loan Agreement, occurrence of event that may cast material adverse effect on the Lender and in case Lender wants to reserve cash for its operations. As such, the Lender has the sole right to make a decision on the extent of the utilization of the Cap Amount and therefore manage the risk arising from lack of cash resources in case of need.

Having considered the above, in particular, the strong liquidity position of the Company and the flexibility to decide as to the size of loan to be provided to Tongfang or extent of the utilization of the Cap Amount after consideration of the working capital requirement of the Company, we concur with the view of the Directors that the Cap Amount is fair and reasonable.

INTERNAL CONTROL MEASURES

As disclosed, the Group will implement the following internal control and risk management measures in order to mitigate the risk arising from the 2025 Loan Agreement:

(1) the senior management of the Company will conduct continuous monitoring of the 2025 Loan Agreement through maintaining regular communication and active interaction with Tongfang and will regularly assess the public disclosure of financial position of Tongfang to ensure its repayment ability, and the Lender can demand the repayment of any outstanding loans in the event of any breach of the terms of the 2025 Loan Agreement by Tongfang, including the occurrence of an event that may have a material adverse effect on the rights of the Lender as the lender;

(2) before Tongfang withdraws a loan from the Lender, analysis and assessment will be conducted by the accounting department of the Company via collecting (i) the loan prime rate promulgated by the People's Bank of China; (ii) the interest rates offered by at least three major commercial banks in the PRC; and (iii) the interest rates offered by the Lender to other independent third parties (if any). With all the interest rates mentioned above collected, the Company will negotiate with Tongfang on the best interest rates to be charged. Such interest rates will set the bottom line for the loans in the negotiation process;

(3) the designated staff of the accounting department of the Company will closely monitor the aggregated outstanding loan balances and report the latest status to the chief financial officer of the Company on a monthly basis to ensure that it does not exceed the Cap Amount;

(4) the chief financial officer of the Company will report to the Board on half-yearly basis in relation to the transaction status, including the utilisation rate of the Cap Amount;

(5) the Company will set an alert alarm when the outstanding loan balance is about to reach the Cap Amount. In case that the aggregated principal amount of the loans is expected to exceed the Cap Amount, the Company could timely re-comply with the requirements under Chapter 14A of the Listing Rules;

(6) the audit committee of the Company will scrutinise the implementation and enforcement of the transactions under the 2025 Loan Agreement. If the Company's audit committee is of the view and decides that it would be in the Company's interests not to provide further loans to Tongfang, the Group will take appropriate steps to implement its decision, and in such case, any material findings in the risk assessment reports, the views of the Company's audit committee on the loans under the 2025 Loan Agreement (including its views on how the terms of the 2025 Loan Agreement have been complied with) and its decisions on matters in relation thereto will be disclosed in the Company's annual reports;

(7) the legal department of the Company will conduct regular random checks to review and assess whether the transactions contemplated under the 2025 Loan Agreement are conducted on normal commercial terms and in accordance with the terms set out in the 2025 Loan Agreement;

(8) the Company's external auditors will conduct an annual review of the transactions under the 2025 Loan Agreement to ensure that the transactions amounts are within the Annual Cap and the transactions are in accordance with the terms set out in the 2025 Loan Agreement; and

(9) the Company's independent non-executive Directors will conduct regular reviews of the status of the transactions under the 2025 Loan Agreement to ensure that the Company has complied with its internal approval process, the terms of the 2025 Loan Agreement and the relevant requirements under the Listing Rules.

Through the implementation of the aforesaid internal control measures, the Directors are of the opinions that there are sufficient internal control measures in place to secure the provision of loans to be conducted under the 2025 Loan Agreement will be on normal commercial terms, and will not prejudice the interests of the Company and its Shareholders as a whole.

We note the above procedures of the Company and in particular procedures needs to complete before granting loan to Tongfang including assessment of Tongfang's credibility, the negotiation of interest rate based on information from (i) the loan prime rate promulgated by the People's Bank of China; (ii) the interest rates offered by at least three major commercial banks in the PRC; and (iii) the interest rates offered by the Lender to other independent third parties (if any), and monitoring of Cap Amount to ensure outstanding loan amount extended to Tongfang falls within the limit. We also note that senior management member and various staff of accounting and legal departments of the Company will be involved in monitoring the 2025 Loan Agreement so as to ensure transactions will be conducted in accordance with the relevant terms therein. We concur with the Directors' view that there are sufficient internal, control measures in place to ensure the provision of loans under 2025 Loan Agreement will be on normal commercial terms.

It is noted that historical transactions under the previous loan agreement are not representative of future transactions to be conducted under the 2025 Loan Agreement. Nonetheless, we have obtained and reviewed documents of the internal control measures under the previous loan agreement in particular, the referencing interest rates namely, (i) the loan prime rate promulgated by the People's Bank of China; (ii) the interest rates offered by at least three major commercial banks in the PRC collected by the accounting department of the Company and (iii) records of review and assessment by relevant parties and departments of the Group such as reports monitoring outstanding loan amount and status of related interest payment to ensure outstanding loan amount was within the set annual cap and interest payment was calculated appropriately and note that the Company had followed the measures as stated previously.

RECOMMENDATION

Having taken the above principal factors and reasons, we considered that the 2025 Loan Agreement although not in the ordinary and usual course of business of the Group is on normal commercial terms or better, is fair and reasonable, and in the interests of the Company and the Independent Shareholders as a whole.

Accordingly, we advise the independent board committee of the Company to recommend and we recommend the Independent Shareholders to vote in favour of the resolutions to approve the 2025 Loan Agreement at the EGM.

Yours faithfully,
For and on behalf of
Messis Capital Limited

Angus Au-Yeung
Managing Director

Angus is a licensed person registered with the Securities and Futures Commission of Hong Kong to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulatory activities under the SFO and has over 20 years of experience in corporate finance industry.

1. CONSOLIDATED FINANCIAL STATEMENTS

Details of the financial information of the Group for each of the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and the six months period ended 30 June 2025 are disclosed in the following documents which have been published on both the website of the Stock Exchange (http://www.hkex.com.hk) and the website of the Company (http://www.neo-neon.com):

- interim report of the Group for the six months period ended 30 June 2025 published on 18 September 2025 (pages 39 to 70)
  (available on: https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0918/2025091800790.pdf)

- annual report of the Group for the year ended 31 December 2024 published on 28 April 2025 (pages 100 to 235)
  (available on: https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0428/2025042801653.pdf)

- annual report of the Group for the year ended 31 December 2023 published on 26 April 2024 (pages 101 to 247)
  (available on: https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0426/2024042601688.pdf)

- annual report of the Group for the year ended 31 December 2022 published on 25 April 2023 (pages 98 to 255)
  (available on: https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0425/2023042501101.pdf)

2. INDEBTEDNESS STATEMENT

As at the close of business on 31 October 2025, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this circular, the Group had the following indebtedness:

a) outstanding current interest-bearing bank borrowings of approximately RMB14.2 million, which were all unguaranteed but secured by trade receivables and inventories; and

b) current and non-current lease liabilities amounting to approximately RMB9.1 million and approximately RMB14.4 million, respectively, which were all unsecured and unguaranteed.

Save as aforesaid or as otherwise disclosed above, and apart from intra-group liabilities and normal trade payables, the Group did not have at the close of business on 31 October 2025 any other debt securities issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

The Directors are satisfied after due and careful consideration and taking into account the present internal financial resources available to the Group, the banking facilities presently available, the effect of the transactions contemplated under the 2025 Loan Agreement and in the absence of unforeseen circumstances, the Group will have sufficient working capital for its present requirements for at least the next twelve months from the date of this circular.

4. MATERIAL ADVERSE CHANGE

Reference is made to the profit warning announcement of the Company dated 15 August 2025, whereby it was disclosed that, among others, the Group expects to record a profit in the range of approximately RMB4.5 million to approximately RMB5.5 million for the six months ended 30 June 2025 as compared to the profit of approximately RMB11.8 million recorded for the corresponding period of 2024, which was mainly due to 1) decrease in gross profit as compared with the previous financial period, resulting from increase in material costs, which was caused by rise in tariffs and freight expenses, and 2) increase in selling and distribution expenses as compared with the previous financial period, resulting from increases in labor costs and sales expenses such as promotion expenses and warehouse expenses, which were caused by continuous inflation.

Save as disclosed above, the Directors confirm that, as at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited consolidated accounts of the Group were made up.

5. FINANCIAL AND TRADING 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.

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.

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 or this circular misleading.

2. DISCLOSURE OF INTEREST BY DIRECTORS

As at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interests 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 had been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code.

As at the Latest Practicable Date, each of Ms. Zhang Yuanyuan, Ms. Liu Wenjing and Mr. Kong Lingqi is an employee of Tongfang. Save as disclosed above, no Director or proposed Director was a director or employee of a company which has an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO.

As at the Latest Practicable Date, no Directors had any existing or proposed service contracts with the Company or any of its subsidiaries which is not determinable within one year without payment of compensation other than statutory compensation.

As at the Latest Practicable Date, none of the Directors had direct or indirect material interest in any assets which have been, since 31 December 2024 (being the date to which the latest published audited financial statements of the Company were made up), acquired or disposed of by or leased to or by or proposed to be acquired or disposed of by or leased to or by any member of the Group.

There is no contract or arrangement subsisting as at the Latest Practicable Date in which any of the Directors is materially interested and which is significant in relation to the business of the Group.

3. SUBSTANTIAL SHAREHOLDERS

So far as it is known to the Directors, as at the Latest Practicable Date, the following persons (not being a Director or chief executive of the Company) had an interest or short position in the Shares or the underlying Shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Name	Capacity	Number of Ordinary Share as at the Latest Practicable Date	Percentage of total issued share capital as at the Latest Practicable Date
Resuccess[(1)]	Beneficial owner	1,357,442,690	64.81%
Tongfang[(1)]	Interest of controlled corporation	1,357,442,690	64.81%
Vast Stone Limited[(2)]	Beneficial owner	177,227,723	8.46%
Daniel P.W. Li[(3)]	Interest of controlled corporation	177,227,723	8.46%

Notes:

(1) Resuccess directly holds 1,357,442,690 Shares in the Company. Tongfang holds the entire issued share capital of Resuccess. Therefore, Tongfang is deemed to be interested in all Shares held by Resuccess.

(2) Daniel P.W. Li holds the entire issued share capital of Vast Stone Limited and is therefore deemed to be interested in all 177,227,723 Shares held by Vast Stone Limited.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company are not aware of any other person or corporation having an interest or short position in the Shares and underlying Shares of the Company which would require to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

4. MATERIAL CONTRACTS

The Group has entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years preceding the date of this circular which is or may be material:

(1) the 2025 Loan Agreement; and

(2) the deposit service agreement dated 9 December 2024 entered into between the Company and China Nuclear Finance Company Limited (中核财務有限責任公司)(the "**Finance Company**"), pursuant to which the Finance Company shall provide the deposit service to the wholly-owned PRC subsidiaries of the Company and other companies which the Company owns the controlling shareholding and other PRC companies which will be consolidated into the financial statements of the Company which meet the requirement under section 3 of the Measures for the Administration of Finance Companies of Enterprise Groups* (《企業集團財務公司管理辦法》) during the term of the agreement.

5. LITIGATION AND CLAIMS

As at the Latest Practicable Date, the Group was not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against the Group.

6. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective associates had any personal interests in companies engaged in businesses, which compete or may compete with the Group.

7. GENERAL

The English text of this circular shall prevail over the Chinese text in case of inconsistency.

The company secretary of the Company is Mr. Ho Yuk Ming Hugo, who is an associate member of the Hong Kong Institute of Certified Public Accountants.

The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business in Hong Kong is at Unit 3405, 34th Floor, 118 Connaught Road West, Hong Kong. The transfer office of the Company is Tricor Investor Services Limited, 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong.

8. EXPERT AND CONSENT

The following are the qualifications of the expert who has been named in this circular or have given opinion or letter contained in this circular:

Name	Qualifications
Messis Capital Limited	A licensed corporation permitted to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)

As at the Latest Practicable Date, Messis Capital Limited has given and have not withdrawn its written consent to the issue of this circular with the inclusion therein of their letters and references to their names, in the form and context in which they are included.

As at the Latest Practicable date, Messis Capital Limited did not have any shareholding in any member of the Group and did not have the right to subscribe for or to nominate persons to subscribe for shares in any members of the Group.

As at the Latest Practicable Date, Messis Capital Limited did not have any interest, direct or indirect, in any assets which have been 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 since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Company were made up.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Electronic copies of the following documents are published on the website of the Stock Exchange (http://www.hkexnews.hk) and the website of the Company (http://www.neo-neon.com) for a period of 14 days from the date of this circular (both days inclusive):

(i) the 2025 Loan Agreement;

(ii) the letter from Messis Capital Limited, the Independent Financial Adviser, the text of which is set out in this circular; and

(iii) the written consent from Messis Capital Limited to in the section headed "8. Expert and Consent" in this appendix.

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)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the "**EGM**") of Neo-Neon Holdings Limited (the "**Company**") will be held at Unit 3405, 34/F., 118 Connaught Road West, Hong Kong on Monday, 19 January 2026 at 11:00 a.m., to transact the following businesses:

ORDINARY RESOLUTION

1. "**THAT**

   (a) the 2025 Loan Agreement (as defined in the circular of the Company dated 19 December 2025 (the "**Circular**")), the terms and the transactions contemplated thereunder (a copy of the agreement has been produced to the meeting and marked "A" and initialed by the chairperson of the meeting for the purposes of identification), together with the relevant proposed annual caps in relation to such transactions as set out in the Circular be and are hereby approved, confirmed and ratified; and

   (b) any director of the Company be and is hereby authorised to take any step and execute such other documents as they consider necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the 2025 Loan Agreement or the transactions contemplated thereunder."

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

Hong Kong, 19 December 2025

Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.

2. In the case of joint holders of shares in the Company, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s), seniority being determined by the order in which names stand in the register of members.

3. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorized in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or other person duly authorized, and must be deposited with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for holding of the EGM.

4. The register of members of the Company will be closed from Wednesday, 14 January 2026 to Monday, 19 January 2026, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the EGM, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's share registrars in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 13 January 2026. The record date for the determination of the entitlement to attend and vote at the EGM will be on Monday, 19 January 2026.

As at the date of this notice, 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 Ms. LI Ming Qi, Ms. YANG Juan and Dr. LI Xuejin.