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)

EXCEEDED OF ANNUAL CAP OF CONTINUING CONNECTED TRANSACTION IN RELATION TO DEPOSIT SERVICE AGREEMENT

EXCEEDED THE ANNUAL CAP FOR THE YEAR ENDING 31 DECEMBER 2025 UNDER THE DEPOSIT SERVICE AGREEMENT

Reference is made to the announcement of the Company dated 9 December 2024 in relation to, among other things, the continuing connected transactions under the Deposit Service Agreement in relation to the provision of the Deposit Service by the Finance Company to the Qualified Group Members for a term from 1 January 2025 to 31 December 2027.

It has come to the attention of the Company that the actual maximum daily closing balance of deposits had exceeded the Annual Cap for the year ending 31 December 2025 during the period from 11 February 2025 to 2 March 2025, with the highest maximum daily closing balance of deposits amounting to RMB39,494,388.77 during the period from 11 February 2025 to 13 February 2025 (i.e. the Actual Maximum Daily Closing Balance).

IMPLICATIONS UNDER THE LISTING RULES

The Actual Maximum Daily Closing Balance had exceeded the Annual Cap of RMB37,000,000 for the year ending 31 December 2025. As the highest applicable percentage ratios for the Actual Maximum Daily Closing Balance had exceeded 5%, the transactions under the Deposit Service Agreement therefore constituted continuing connected transactions of the Company which would be subject to the reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. As a result, the Company has failed to re-comply with the announcement and independent shareholders' approval requirements before the Annual Cap was exceeded under Chapter 14A of the Listing Rules.

Since 3 March 2025 and up to the date of this announcement, the actual maximum daily closing balance of deposits did not exceed the Annual Cap under the Deposit Service Agreement. The Company had taken additional measures to prevent the reoccurrence of similar breaches of the Listing Rules in the future. For details, please refer to the paragraph headed "Measures Adopted by the Company to Ensure Future Compliance with the Listing Rules" in this announcement.

INTRODUCTION

Reference is made to the Announcement in relation to, among other things, the continuing connected transactions under the Deposit Service Agreement in relation to the provision of the Deposit Services by the Finance Company to the Qualified Group Members for a term from 1 January 2025 to 31 December 2027.

DEPOSIT SERVICE AGREEMENT

As disclosed in the Announcement, on 9 December 2024, the Company and the Finance Company entered into the Deposit Service Agreement, pursuant to which the Finance Company shall provide the Deposit Service to the Qualified Group Members during the term of the Deposit Service Agreement.

As stated in the Announcement, the Finance Company and the Qualified Group Members will execute separate agreement(s) to effect the Deposit Service. Other terms and conditions of the Deposit Service as a whole shall also not be less favourable than those offered by (i) major commercial banks of the PRC and (ii) the Finance Company to any other members of the CNNC Group, and shall be on normal commercial terms.

The Annual Cap, being the maximum daily closing balance of deposits under the Deposit Service Agreement, is RMB37,000,000 for each of the three years ending 31 December 2027.

EXCEEDED THE ANNUAL CAP FOR THE YEAR ENDING 31 DECEMBER 2025 UNDER THE DEPOSIT SERVICE AGREEMENT

It has come to the attention of the Company that the actual maximum daily closing balance of deposits had exceeded the Annual Cap for the year ending 31 December 2025 during the period from 11 February 2025 to 2 March 2025, with the highest maximum daily closing balance of deposits amounting to RMB39,494,388.77 during the period from 11 February 2025 to 13 February 2025 (i.e. the Actual Maximum Daily Closing Balance) ("**Exceeding of Annual Cap**").

The Board, including the independent non-executive Directors, considers that the deposits made in relation to the Exceeding of Annual Cap were conducted on normal commercial terms and in the ordinary and usual course of business of the Group.

REASONS FOR EXCEEDING OF ANNUAL CAP

The Exceeding of Annual Cap was an isolated incident due to an unintentional inadvertent oversight of a fixed term deposit of RMB36 million placed by a Qualified Group Member when another Qualified Group Member was organizing and making adjustment to its current deposits with the Finance Company, which results from the insufficient coordination amongst the various entities of the Qualified Group Members. The omission was spotted by the relevant staff on 3 March 2025 when the Group obtained the monthly report from the Finance Company on the status of the Group's deposits in February 2025, and the excess amount of the deposits was immediately drawn down on the same date.

The Directors confirm that since 3 March 2025 and up to the date of this announcement, there had been no recurrence of similar incidents of exceeding of Annual Cap under the Deposit Service Agreement. The Company had since then tightened its internal control procedure by strengthening the training arrangement to the Directors, senior management and the finance department on the Listing Rules requirements of connected transactions, and implemented additional measures to ensure compliance with the Listing Rules going forward. For details, please refer to the paragraph headed "Measures Adopted by the Company to Ensure Future Compliance with the Listing Rules" in this announcement.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Tongfang is a controlling shareholder of the Company by virtue of its direct 100% interest in Resuccess Investments Limited, which in turn holds approximately 64.81% of the total issued share capital of the Company, and is therefore a connected person of the Company. CNNC is directly and indirectly interested in approximately 31.66% of the shares of Tongfang, whereas the Finance Company is a non-wholly owned subsidiary of CNNC, which is directly and indirectly interested in 83.74% of the equity interest in the Finance Company. Therefore, the Finance Company is a connected person of the Company.

Accordingly, the provision of Deposit Service by the Finance Company to the Qualified Group Members pursuant to the Deposit Service Agreement constitutes continuing connected transactions of the Company under Chapter 14A of Listing Rules.

The Actual Maximum Daily Closing Balance had exceeded the Annual Cap of RMB37,000,000 for the year ending 31 December 2025 for a total of 20 days from 11 February 2025 to 2 March 2025. As the highest applicable percentage ratios for the Actual Maximum Daily Closing Balance had exceeded 5%, the transactions under the Deposit Service Agreement therefore constituted continuing connected transactions of the Company which would be subject to the reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. As a result, the Company has failed to re-comply with the announcement and independent shareholders' approval requirements before the Annual Cap was exceeded under Chapter 14A of the Listing Rules.

MEASURES ADOPTED BY THE COMPANY TO ENSURE FUTURE COMPLIANCE WITH THE LISTING RULES

In order to avoid any recurrence of similar events in the future and to improve the Company's compliance with the applicable Listing Rules requirements going forward, the Company has taken the following steps to further strengthen its internal monitoring procedures:

1. The Company has arranged training(s) to the Directors, the senior management and the finance department on the compliance requirements of connected transactions under Chapter 14A of the Listing Rules, to reinforce their understanding and awareness of the importance of compliance with the Listing Rules.

2. The Company has increased the frequency of reminding the relevant staff to observe and follow the Company's internal control policies and implementation procedures of connected transactions, and require the finance staff to report the status of compliance with the Annual Caps and records of the daily closing balance of the deposits to the Directors on a regular basis.

3. The finance department has increased the frequency of inspection and review of the closing balance of the deposits, and has prepared forecast on the fluctuation of the closing balances of the deposits after taking into account any new deposits proposed to be made. The finance department has been required to report promptly to the relevant senior management members of the Company and the Directors (if necessary) once it is estimated that the Annual Cap will be exceeded for consideration of the appropriate follow up actions (e.g. to increase the Annual Caps).

4. The senior management members of the Company has enhanced the coordination among the Qualified Group Members and the supervision over the actual daily closing balance of the deposits on a more regular basis. For example, if the actual daily closing balance of the deposits of all of the Qualified Group Members approaches the relevant annual cap at any time, the matter shall promptly be escalated to the Board, which will decide the appropriate measure to be taken, including but not limited to revising the relevant annual cap and seeking approval from the independent shareholders in accordance with the requirements of the Listing Rules, if necessary.

Having considered the factors contributing to the Exceeding of Annual Cap, and in light of the implementation of the aforementioned further internal control measures, the Directors are of the view that the enhanced internal control measures are overall adequate and effective to prevent the occurrence of similar incidents in the future. Accordingly, the Directors consider that the annual caps in respect of the Deposit Service for the years ending 31 December 2026 and 31 December 2027 shall remain unchanged and do not need to be revised. Therefore, the Company does not intend to dispatch a circular or convene any general meeting in this regard.

INFORMATION OF THE PARTIES

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.

Information of the Finance Company

The Finance Company is a non-bank financial institution established with the approval of the People's Bank of China and is currently under the regulation of the National Financial Regulatory Administration and the People's Bank of China. The scope of business covered by the financial license currently held by the Finance Company includes: (1) absorbing deposits from member units; (2) providing loans to member units; (3) discounting bills to member units; (4) handling fund settlement and collection and payment for member units; (5) providing entrusted loans, bond underwriting, non-financing guarantees, financial advisory services, credit certification, and consulting and agency services for member units; (6) engaging in interbank lending; (7) handling bill acceptance for member units; (8) engaging in investments in fixed-income securities.

As at the date of this announcement, the Finance Company is a non-wholly owned subsidiary of CNNC, which is directly and indirectly interested in 83.74% of the equity interest in the Finance Company. 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* (國務院國有資產監督管理委員會).

DEFINITIONS

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

"Actual Maximum Daily Closing Balance"	the highest maximum daily closing balance of the deposits placed by the Qualified Group Members with the Finance Company amounting to RMB39,494,388.77 for the period from 11 February 2025 to 13 February 2025
"Announcement"	the announcement of the Company dated 9 December 2024 in relation to, among others, the continuing connected transactions of entering into of the Deposit Service Agreement
"Annual Cap"	the annual cap of the Deposit Service, being RMB37,000,000 for each of the three years ending 31 December 2027
"Board"	the board of Directors
"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
"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》)
"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)
"Deposit Service"	the deposit service provided to the Group by the Finance Company pursuant to the Deposit Service Agreement
"Deposit Service Agreement"	the deposit service agreement dated 9 December 2024 entered into between the Company and the Finance Company, pursuant to which the Finance Company shall provide the Deposit Service to the Qualified Group Members during the term of the Deposit Service Agreement
"Director(s)"	the director(s) of the Company

"Finance Company"	China Nuclear Finance Company Limited (中核財務有限責任公司), a limited liability company established in the PRC, which is a non-wholly owned subsidiary of CNNC
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
"PRC" or "China"	the People's Republic of China, which for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Qualified Group Members"	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》)
"RMB"	Renminbi, the lawful currency of the PRC
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Tongfang"	Tongfang Co., Ltd (同方股份有限公司), a company established under the laws of the PRC
"%"	per cent.

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

Hong Kong, 12 May 2026

As at the date of this announcement, the executive Directors are Ms. Zhang Yuanyuan and Mr. Lian Chenwei; the non-executive Directors are Mr. Kong Lingqi and Ms. Liu Wenjing; the independent non-executive Directors are Dr. Li Xuejin, Ms. Li Ming Qi and Ms. Yang Juan.