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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Neo-Neon Holdings Limited**, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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: 1868)

PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES, RE-ELECTION OF DIRECTORS, PROPOSED ADOPTION OF THE 2016 SHARE OPTION SCHEME AND TERMINATION OF THE 2006 SHARE OPTION SCHEME AND NOTICE OF ANNUAL GENERAL MEETING

A letter from the board of directors of Neo-Neon Holdings Limited (the "Company") is set out on pages 5 to 11 of this circular. A notice convening the annual general meeting of the Company, to be held at Unit 806-810, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Friday, 13 May 2016 at 10:00 a.m. is set out on pages 30 to 33 of this circular.

A form of proxy for the AGM is enclosed with this document. Whether or not you are able to attend the AGM, 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 Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

12 April 2016

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

"2006 Share Option Scheme"	the share option scheme adopted by the Company on 20 November 2006, the principal terms of which are summarized under Appendix VII of the prospectus of the Company dated 4 December 2006
"2015 Annual Report"	the annual report of the Company for the year ended 31 December 2015
"2016 Share Option Scheme"	the share option scheme proposed to be adopted by the Shareholders at the AGM
"Adoption Date"	13 May 2016, being the date of adoption of the 2016 Share Option Scheme by the Shareholders, subject to the 2016 Share Option Scheme being unconditional
"AGM"	the annual general meeting of the Company to be convened and held at Unit 806-810, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Friday, 13 May 2016 at 10:00 a.m., or where the context so admits, any adjournment thereof
"American Lighting"	means American Lighting, Inc., a Delaware corporation and an indirectly wholly-owned subsidiary of the Company
"Articles of Association", or "Articles"	the articles of association of the Company adopted on 20 November 2006
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"close associate(s)"	has the meaning ascribed to it under the Listing Rules
"Companies Law"	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time

"Company"	Neo-Neon Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on main board of the Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"core connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	director(s) of the Company
"Eligible Entity"	any substantial shareholders or holding companies (as defined in the Companies Ordinance) of the Company and any of their respective subsidiaries, and any entity (including associated company) in which any substantial shareholders or holding companies of the Company or any of their respective subsidiaries holds any equity interest
"Eligible Person"	means any of the following persons: (a) an Executive, any full-time or part-time employee, or a person for the time being seconded to work full-time or part-time for any member of the Group or of an Eligible Entity; (b) a director or proposed director (including an independent non-executive director) of any member of the Group or of an Eligible Entity; (c) a direct or indirect shareholder of any member of the Group; (d) a supplier of goods or services to any member of the Group or of an Eligible Entity; (e) a customer, consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of the Group or of an Eligible Entity; (f) a person or entity that provides design, research, development or other support or any advisory, consultancy, professional or other services to any member of the Group or of an Eligible Entity; and (g) an associate of any of the foregoing persons
"Executive"	any executive director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in any member of the Group

"Extension Mandate"	a general and unconditional mandate proposed to be granted to the Directors to the effect that the aggregate nominal value of the Shares which may be allotted and issued under the Issue Mandate may be extended by an addition of an amount representing the aggregate nominal value of Shares repurchased under the Repurchase Mandate
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Issue Mandate"	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with unissued Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing the relevant resolution at the AGM
"Latest Practicable Date"	7 April 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Option"	in relation to the 2016 Share Option Scheme, an option to subscribe for Shares granted pursuant to the 2016 Share Option Scheme and for the time being subsisting
"Option Period"	in respect of any particular Option, the period commencing immediately after the Business Day on which the Option is deemed to be granted and accepted in accordance with the 2016 Share Option Scheme and expiring on a date to be determined and notified by the Directors to each grantee provided that such period shall not exceed the period of 10 years from the date of the grant of a particular Option but subject to the provisions for early termination thereof contained in the 2016 Share Option Scheme

"Repurchase Mandate"	general and unconditional mandate proposed to be granted to the Directors at the AGM to repurchase such number of issued and fully paid Shares of up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolutions granting such mandate
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.1 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsidiary Share Incentive Plan"	means American Lighting's share incentive plan adopted by the Shareholders on 2 April 2015
"substantial shareholders"	has the meaning ascribed to it under the Listing Rules
"Takeovers Code"	the Codes on Takeovers and Mergers
"THTF ES"	THTF Energy Saving Holdings Limited, a substantial shareholder of the Company
"Tsinghua Tongfang"	同方股份有限公司 (Tsinghua Tongfang Co., Ltd*), a joint stock limited company incorporated in the PRC, whose shares are listed and traded on the Shanghai Stock Exchange (stock code: 600100)
"HK$" and "cents"	Hong Kong dollars and cents, the lawful currency of Hong Kong
"%"	per cent.

* *for identification purpose*



Neo-Neon Holdings Limited
同方友友控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1868)

Executive Directors:
Mr. Fan Xin *(chairman)*
Mr. Wang Liang Hai
Mr. Seah Han Leong
Mr. Pan Jin

Non-executive Director:
Mr. Liu Wei Dong

Independent Non-executive Directors:
Mr. Fan Ren Da Anthony
Mr. Liu Tian Min
Ms. Li Ming Qi

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 806-810,
Bank of America Tower,
12 Harcourt Road,
Central, Hong Kong

12 April 2016

To the Shareholders and, for information only, optionholders of the Company

Dear Sir or Madam,

PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES
AND
TO REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
PROPOSED ADOPTION OF THE 2016 SHARE OPTION SCHEME
AND
TERMINATION OF THE 2006 SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The primary purpose of this circular is to provide you with information regarding the proposed grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate (collectively the "**Mandates**"), the re-election of the relevant Directors, the proposed adoption of the 2016 Share Option Scheme and the termination of the 2006 Share Option Scheme and to seek your approval of the resolutions to these matters at the AGM.

ISSUE MANDATE

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise the powers of the Company to allot, issue and deal with unissued Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing of the relevant resolution at the AGM. As at the Latest Practicable Date, a total of 1,939,319,694 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Issue Mandate to issue a maximum of 387,863,938 Shares.

REPURCHASE MANDATE

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to repurchase, on the Stock Exchange, or on any other stock exchange on which the Shares may be listed, Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing of the relevant resolution at the AGM. Subject to the passing of the proposed resolution granting the Repurchase Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 193,931,969 Shares.

Under the Listing Rules, the Company is required to give to its Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the AGM. An explanatory statement for such purpose is set out in Appendix I to this circular.

EXTENSION MANDATE

In addition, an ordinary resolution will also be proposed at the AGM to extend the Issue Mandate by an addition of an amount representing the aggregate nominal value of Shares repurchased under the Repurchase Mandate.

The Repurchase Mandate and the Issue Mandate would expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company; or (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or the applicable laws of Cayman Islands to be held; or (c) revocation or variation by an ordinary resolution of the Shareholders of the Company in a general meeting prior to the next annual general meeting of the Company.

RE-ELECTION OF DIRECTORS

According to Article 87(1) of the Articles of Association, one-third of the Directors for the time being shall retire from office by rotation at every annual general meeting of the Company. According to Article 87(2), the retiring Director shall be eligible for re-election.

In addition, according to Article 86(3) of the Articles of Association, any Director appointed by the Board either to fill a casual vacancy on the Board or as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.

In accordance with Article 87(1) of the Articles of Association, Mr. Seah Han Leong, Mr. Pan Jin and Mr. Liu Tian Min shall retire by rotation at the AGM and, being eligible, will offer himself for re-election at the AGM.

In accordance with Article 86(3) of the Articles of Association, Mr. Fan Xin will retire at the AGM and, being eligible, will offer himself for re-elections at the AGM.

Each of the independent non-executive Directors of the Company, has confirmed independence with reference to the factors set out in Rule 3.13 of the Listing Rules. The nomination committee of the Company is also responsible for, inter alia, assessing the independence of independent non-executive Directors. The nomination committee assessed and reviewed the individual independent non-executive Director's annual confirmation of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules, and affirmed that all independent non-executive Directors including remained independent.

Details of the above-mentioned Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

PROPOSAL FOR ADOPTION OF THE 2016 SHARE OPTION SCHEME AND TERMINATION OF THE 2006 SHARE OPTION SCHEME

2006 Share Option Scheme

The 2006 Share Option Scheme was adopted on 20 November 2006 and will remain in force for a period of ten years from that date.

Upon the adoption, the total number of Shares which may be issued upon exercise of all options to be granted under the 2006 Share Option Scheme shall not in aggregate exceed 76,000,000 Shares, representing 10% of the total number of Shares in issue as at the date of adoption of the 2006 Share Option Scheme. On 10 August 2012, such scheme mandate limit was refreshed to 94,244,069 Shares.

Since the adoption of the 2006 Share Option Scheme, a total of 120,415,500 options have been granted, among which 3,460,000 options have been exercised, 1,388,000 options have been cancelled, and 82,567,500 options have lapsed.

As at the Latest Practicable Date, a total of 50,371,069 Shares (representing 2.6% of the issued share capital of the Company as at the Latest Practicable Date) may be issued upon exercise of all options which may be granted under the 2006 Share Option Scheme and a total of 33,000,000 Shares (representing 1.7% of the issued share capital of the Company as at the Latest Practicable Date) may be issued upon exercise of all options which had been granted and yet to be exercised under the 2006 Share Option Scheme.

The Board proposes the adoption of the 2016 Share Option Scheme and the termination of the 2006 Share Option Scheme for the approval of the Shareholders at the AGM.

Upon termination of the 2006 Share Option Scheme, no further option may be granted under the 2006 Share Option Scheme but any options granted prior to such termination but not yet exercised shall continue to be valid and exercisable in accordance with the 2006 Share Option Scheme.

2016 Share Option Scheme

The Board proposes to adopt the 2016 Share Option Scheme to enable the continuity of share option scheme of the Company. As such, at the AGM, an ordinary resolution will be proposed for the Company to approve and adopt the 2016 Share Option Scheme, subject to the Stock Exchange granting approval for the listing of and dealing in the shares to be issued and allotted pursuant to the exercise of Options in accordance with the terms and conditions of the 2016 Share Option Scheme.

The purpose of the 2016 Share Option Scheme is to motivate Eligible Persons to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such Eligible Persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group.

As at the Latest Practicable Date, the number of issued share capital of the Company is 1,939,319,694 Shares. Assuming that there is no further change in the number of issued shares of the Company between the period from the Latest Practicable Date to the Adoption Date, the number of Shares which may be issued pursuant to the 2016 Share Option Scheme on the Adoption Date will be 193,931,969 Shares, representing 10% of the issued share capital of the Company as at the Adoption Date.

The Directors consider that it is not appropriate to state the value of all Options that can be granted pursuant to the 2016 Share Option Scheme as if they had been granted on the Latest Practicable Date as a number of variables which are crucial for the calculation of the Option value have not been determined. Such variables include but are not limited to the exercise price, exercise period, lock-up period (if any). The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful to Shareholders.

None of the Directors is trustee of the 2016 Share Option Scheme or has a direct or indirect interest in the trustee.

With respect to the operation of the 2016 Share Option Scheme, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules.

Conditions precedent of the 2016 Share Option Scheme

The 2016 Share Option Scheme is conditional upon:

(a) the approval and adoption of the 2016 Share Option Scheme by the Shareholders; and

(b) the Listing Committee of the Stock Exchange granting approval of the listing of and permission to deal in the Shares which may be issued by the Company pursuant to the exercise of Options in accordance with the terms of the 2016 Share Option Scheme

If the above conditions are not satisfied within two calendar months after the Adoption Date, (i) the 2016 Share Option Scheme will forthwith terminate; (ii) no Options could be granted pursuant to the 2016 Share Option Scheme; and (iii) no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the 2016 Share Option Scheme or any Option.

Subject to the obtaining of Shareholders' approval with respect to the adoption of the 2016 Share Option Scheme at the AGM, the total number of Shares which may be issued upon exercise of all Options to be granted under the 2016 Share Option Scheme and any other schemes of the Company must not in aggregate exceed 10 per cent. of the Shares in issue as at the Adoption Date unless the Company obtains a fresh approval from Shareholders to renew the 10 per cent. limit on the basis that the maximum number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the 2016 Scheme Option Scheme and any other schemes of the Company shall not exceed 30 per cent of the Shares in issue from time to time.

A summary of the principal terms of the 2016 Share Option Scheme which is proposed to be approved and adopted by the Company at the AGM as set out in the Appendix III to this circular. A copy of the rules of the 2016 Share Option Scheme is available for inspection at the Company's principal place of business in Hong Kong at Unit 806-810, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong during normal business hours from the date hereof up to and including the date of the AGM.

Application for listing

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the 193,931,969 Shares, which may be issued pursuant to the exercise of the Options granted under the 2016 Share Option Scheme.

ANNUAL GENERAL MEETING

The 2015 Annual Report incorporating the audited financial statements of the Group for the year ended 31 December 2015 are despatched to the Shareholders together with this circular.

Set out on pages 30 to 33 of this circular is a notice convening the AGM for the Shareholders to consider and, if appropriate, to approve the ordinary resolutions relating to, among other things, the Repurchase Mandate, the Issue Mandate, the extension of the Issue Mandate, re-election of retiring Directors and the proposed adoption of the 2016 Share Option Scheme and the termination of the 2006 Share Option Scheme.

As at the Latest Practicable Date, and to the best knowledge, belief and information of the Directors having made all reasonable enquiries, no Shareholder is required under the Listing Rules to abstain from voting on the resolution regarding the proposed adoption of the 2016 Share Option Scheme at the AGM.

A form of proxy for use at the AGM is enclosed herewith. If you are not able to attend and/or vote at the AGM in person, you are requested to complete the form of proxy and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

VOTING BY POLL

Pursuant to Rule 13.39 of the Listing Rules, any votes of the Shareholders at a general meeting must be taken by poll. Therefore, the chairman of the AGM will demand a poll for each and every resolution put forward at the AGM pursuant to the Articles of Association. The Company will appoint scrutineers to handle vote-taking procedures at the AGM. The results of the poll will be published on the websites of the Stock Exchange and the Company as soon as possible in accordance with Rule 13.39 of the Listing Rules.

As a good corporate governance practice, the retiring Directors who are Shareholders will abstain from voting on their re-election at the AGM.

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.

RECOMMENDATION

The Board considers that the grant of the Repurchase Mandate, the Issue Mandate, the Extension Mandate, the re-election of retiring Directors, the proposed adoption of the 2016 Share Option Scheme and the termination of the 2006 Share Option Scheme are all in the best interests of the Company and the Shareholders. Accordingly, the Board recommends the Shareholders to vote in favour of all the relevant resolutions to be proposed at the AGM.

ADDITIONAL INFORMATION

Your attention is also drawn to Appendices I, II and III to this circular.

Yours faithfully,
For and on behalf of the Board of
Neo-Neon Holdings Limited
Fan Xin
Chairman

This Appendix serves as an explanatory statement, as required under Rule 10.06(1)(b) of the Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the Repurchase Mandate.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their own Shares on the Stock Exchange subject to certain restrictions.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,939,319,694 Shares. On the basis of no further new Shares will be issued or repurchased up to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 193,931,969 Shares, representing 10% of the Shares in issue at the date of the AGM.

3. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets of the Company and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

4. FUNDING OF REPURCHASES

In purchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association and the applicable laws and regulations of the Cayman Islands and the Listing Rules. Repurchases will be made out of funds of the Company legally permitted to be utilized in this connection, including the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorized by its Articles of Association and subject to the provisions of the Companies Law, out of capital, and in the case of any premium payable on the repurchase, out of profits of the Company or from sums standing to the credit of the share premium account, or, if so authorized by the Articles of Association and subject to the provisions of the Companies Law, out of capital of the Company.

There may be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited financial statement of the Company for the year ended 31 December 2015 in the event that the Repurchase Mandate is to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the previous twelve months immediately prior to the Latest Practicable Date were as follows:

	Share Prices (per Share)	
	Highest	**Lowest**
	HK$	*HK$*
2015		
April	1.53	1.03
May	1.86	1.21
June	1.98	1.28
July	1.37	0.79
August	1.19	0.93
September	1.18	1.00
October	1.15	1.02
November	1.24	1.04
December	1.22	0.98
2016		
January	1.40	0.92
February	1.11	0.98
March	1.15	1.00
April (up to the Latest Practicable Date)	1.08	1.03

6. UNDERTAKING

None of the Directors, to the best of their knowledge having made all reasonable enquiries, their close associates has any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate pursuant to the proposed resolution in accordance with the Listing Rules, the applicable laws of Cayman Islands and the Articles of Association.

7. CONNECTED PERSON

To the best of the Directors' knowledge having made all reasonable enquiries, no core connected person has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved or exercised.

8. TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases when the Company exercises its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge of the Directors, the controlling shareholders of the Company, namely THTF ES, Resuccess Investments Limited and Tsinghua Tongfang (the "Controlling Shareholders"), together exercise and/or control the exercise of approximately 69.68% voting rights in the general meeting of the Company.

In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, the direct and indirect shareholding of the Controlling Shareholders in the Company would increase to approximately 77.42% of the issued share capital of the Company. Such increase will not give rise to an obligation to make a mandatory offer under Rule 26 or Rule 32 of the Takeovers Code.

The Directors will not exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

9. SHARE REPURCHASE MADE BY THE COMPANY

The Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

1. LIST OF CANDIDATES

The biographical details of the Directors eligible for re-election at the AGM are set out below:

Executive Directors

Mr. Fan Xin (范新)

Mr. Fan Xin (范新), aged 55, was appointed as an executive Director and the chairman of the Board on 9 October 2015. He graduated with a master's degree in thermal engineering (熱能工程) from Tsinghua University in 1988. Mr. Fan is currently the president of Tsinghua Tongfang (stock code: 600100), a company listed on Shanghai Stock Exchange. Mr. Fan joined the Beijing Tsinghua Artificial Environmental Engineering Co. (北京清華人工環境工程公司) in 1993 and served as a senior engineer and the manager of a branch company. In 1997, this company was restructured with some other companies held by Tsinghua University and formed Tsinghua Tongfang. Tsinghua Tongfang has been listed on the Shanghai Stock Exchange since 27 June 1997. Mr. Fan served as the general manager of Tongfang Artificial Environment Co., Ltd. (同方人工環境有限公司), which is under Tsinghua Tongfang, during the period from 2000 to 2012. He became the vice president of Tsinghua Tongfang in 2012 and was promoted as the president of Tsinghua Tongfang in 2013. Since May 2013, Mr. Fan acted as a director of Tsinghua Tongfang and since September 2012, he acted as a director of THTF ES, the controlling shareholder of the Company. Mr. Fan has been a non-executive director of Technovator International Limited (stock code: 1206), a company listed on the Stock Exchange since March 2014.

Save as disclosed above, as at the Latest Practicable Date, Mr. Fan did not hold any office of directorships in other listed public companies in the last three years, and he has no relationship with any of the Directors, senior management or substantial shareholders or controlling shareholders of the Company.

Mr. Fan has entered into a service contract with the Company for an initial term of three years commencing from 9 October 2015 and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other. Mr. Fan is entitled to a salary of HK$300,000 per annum. His emoluments are determined by the Board with reference to his qualification and experience, as well as the responsibilities to be undertaken.

Mr. Fan was not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, Mr. Fan has no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of Shareholders.

Mr. Seah Han Leong (謝漢良)

Mr. Seah Han Leong (謝漢良), aged 53, was appointed as an executive Director on 25 August 2014, the president and the chief executive officer of the Company on 26 August 2014, and he is responsible for the day-to-day operations and international business of the Company. He is also the president of THTF Lighting Group Limited (同方照明產業集團有限公司), a wholly-owned subsidiary of the Company. He is also a founder, an executive director and chief operating officer of Technovator International Limited ("Technovator"), is responsible for the day-today operations and general management of Technovator and its subsidiaries. He was appointed as a director of Technovator on 25 May 2005 and was re-designated as an executive director of Technovator on 12 April 2011. Technovator is a company listed on the Main Board of the Stock Exchange (stock code: 1206). Mr. Seah received a certificate for attending the INSEAD-T.A.C. Management Development Programme from INSEAD Fontainebleau, France in 2003 and Technician Diploma in Electronics and Communication Engineering from Singapore Polytechnic in 1984. Prior to founding Technovator, Mr. Seah joined Honeywell Southeast Asia in 1990 and worked in various sales management positions covering different countries. In 1994, he was transferred to Honeywell China Inc. and his last position with Honeywell was the sales manager covering the Greater China market. He was also the managing director of TAC Controls Asia Pte Ltd from 1998 to 2005. Mr. Seah was recognized as the key personnel of the Asia Pacific management team of TAC Controls Asia Pte Ltd. He received various awards including Winners Club Award by Honeywell Asia Pacific Inc. and President's Club Award by Honeywell Inc. Mr. Seah was admitted as ordinary member of the Singapore Institute of Directors on 18 April 2012.

Save as disclosed above, as at the Latest Practicable Date, Mr. Seah did not hold any office of directorships in other listed public companies in the last three years, and he has no relationship with any of the Directors, senior management or substantial shareholders or controlling shareholders of the Company.

Mr. Seah has entered into a service contract with the Company for an initial term of three years commencing from 25 August 2014 and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other. Mr. Seah is entitled to a salary of HK$250,000 per annum. His emoluments are determined by the Board with reference to his qualification and experience, as well as the responsibilities to be undertaken.

As at the Latest Practicable Date, Mr. Seah was interested in (1) 1,500,000 Shares of the Company within the meaning of Part XV of the SFO that may be issued to him upon the exercise of the share option granted to him on 15 May 2015 under the 2006 Share Option Scheme and (2) 363 shares of American Lighting which may be issued to him upon the exercise of the share options granted to him on 30 June 2015 under the Subsidiary Share Incentive Plan. Save as disclosed, Mr. Seah was not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, Mr. Seah has no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of Shareholders.

Mr. Pan Jin (潘晉)

Mr. Pan Jin (潘晉), aged 54, was appointed as an executive Director on 25 August 2014 and the vice president of the Company on 26 August 2014, and he is responsible for the investment, property management and the science park development business of the Company. He is also the vice president of THTF Lighting Group Limited (同方照明產業集團有限公司), a wholly-owned subsidiary of the Company. He was awarded a PhD of Engineering from Tsinghua University. Since 2003, Mr. Pan has served as deputy general manager and general manager of the Investment Development Department of Tsinghua Tongfang, and the assistant president of Tsinghua Tongfang and the general manager of the Investment Development Department. Mr. Pan is also a director of Tongfang Guoxin Electronics Co., Ltd. (stock code: 002049), which is listed on Shenzhen Stock Exchange in China. Mr. Pan acted as a non-executive director of Tai Shing International (Holdings) Limited (stock code: 8103), listed on the GEM of the Stock Exchange from 22 October 2010 to 28 October 2015.

Save as disclosed above, as at the Latest Practicable Date, Mr. Pan did not hold any office of directorships in other listed public companies in the last three years, and he has no relationship with any of the Directors, senior management or substantial shareholders or controlling shareholders of the Company.

Mr. Pan has entered into a service contract with the Company for an initial term of three years commencing from 25 August 2014 and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other. Mr. Pan is entitled to a salary of HK$250,000 per annum. His emoluments are determined by the Board with reference to his qualification and experience, as well as the responsibilities to be undertaken.

As at the Latest Practicable Date, Mr. Pan was interested in (1) 1,500,000 Shares of the Company within the meaning of Part XV of the SFO that may be issued to him upon the exercise of the share option granted to him on 15 May 2015 under the 2006 Share Option Scheme and (2) 363 shares of American Lighting which may be issued to him upon the exercise of the share options granted to him on 30 June 2015 under the Subsidiary Share Incentive Plan. Save as disclosed, he was not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, Mr. Pan has no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of Shareholders.

Independent Non-Executive Directors

Mr. Liu Tian Min (劉天民)

Mr. Liu Tian Min (劉天民), aged 54, was appointed as an independent non-executive Director on 25 August 2014. He is the managing partner of SB China Venture Capital Limited, non-executive director of Technovator International Limited (stock code: 1206) and the independent director of Taiwan Wax Company, Ltd. (stock code: 1742). Mr. Liu served as vice president of Tsinghua Tongfang and the general manager of digital TV system group from 2003 to 2009. Technovator International Limited is listed on the Main Board of Stock Exchange, and Taiwan Wax Company, Ltd. is listed on Taiwan Stock Exchange.

Save as disclosed above, as at the Latest Practicable Date, Mr. Liu did not hold any office of directorships in other listed public companies in the last three years, and he has no relationship with any of the Directors, senior management or substantial shareholders or controlling shareholders of the Company.

Mr. Liu has entered into a service contract with the Company for an initial term of three years commencing from 25 August 2014 and will continue thereafter until terminated by not less than two months' notice in writing served by either party on the other. Mr. Liu is entitled to a salary of HK$240,000 per annum. His emoluments are determined by the Board with reference to his qualification and experience, as well as the responsibilities to be undertaken.

As at the Latest Practicable Date, Mr. Liu was interested in 600,000 Shares of the Company within the meaning of Part XV of the SFO that may be issued to him upon the exercise of the share option granted to him on 15 May 2015 under the 2006 Share Option Scheme. Save as disclosed, Mr. Liu was not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, Mr. Liu has no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of Shareholders.

2. PROCEDURES FOR NOMINATION OF DIRECTORS BY THE SHAREHOLDERS

Procedures for nomination of Directors by the Shareholders

In the event that a Shareholder has the intention to propose a person for election as a Director on the general meeting, such Shareholder may lodge a notice in written for such purpose to the Company's office in Hong Kong addressed to "the Board" or "the Company Secretary". To serve the purpose of notifying the Shareholders of such nominations by the Company, the written notice(s) shall contain: (i) a notice that states the full name of such Shareholder proposing and his/her indication on nominating a person for election as a Director, the name and the biography of such person being nominated pursuant to the Rule 13.51(2) of the Listing Rules, which is signed by such Shareholder; and (ii) a notice that states clearly such person being nominated is willing to offer himself/herself for election, which is signed by him/her. The length of period, during which such notice(s) are given, shall be the seven (7) day period following the despatch of the notice of the general meeting appointed for such election (or such other period for the lodgment of notice(s) as may be determined by the Directors from time to time, provided that such other period shall be at least seven (7) days, commence no earlier than the day after the despatch of the notice of the general meeting and no later than seven (7) days prior to the date appointed for such general meeting).

Procedures for Shareholders to convene an extraordinary general meeting

According to the Articles of the Company, if a Shareholder holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings of the Company has an intention to nominate a person for election, such Shareholder may at any time, by written requisition, together with the aforesaid notice(s) to the Board or the company secretary of the Company require an extraordinary general meeting to be called by the Board for the consideration of such nomination. An extraordinary general meeting shall be held within two (2) months after the deposit of such requisition.

The following is a summary of the principal terms of the 2016 Share Option Scheme proposed to be approved at the AGM:

1. PURPOSE

The purpose of the 2016 Share Option Scheme is to motivate Eligible Persons to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such Eligible Persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of Executive, to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

2. CONDITIONS OF THE 2016 SHARE OPTION SCHEME

The 2016 Share Option Scheme is conditional upon:

(a) the approval and adoption of the 2016 Share Option Scheme by the Shareholders; and

(b) the Listing Committee of the Stock Exchange granting approval of the listing of and permission to deal in the Shares which may be issued by the Company pursuant to the exercise of Options in accordance with the terms of the 2016 Share Option Scheme.

If the above conditions are not satisfied within two calendar months after the Adoption Date, (i) the 2016 Share Option Scheme will forthwith terminate; (ii) no Options could be granted pursuant to the 2016 Share Option Scheme; and (iii) no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the 2016 Share Option Scheme or any Option.

3. WHO MAY JOIN

The Board may, at its absolute discretion, offer Options to subscribe for such number of Shares in accordance with the terms set out in the 2016 Share Option Scheme to the Eligible Persons.

4. MAXIMUM NUMBER OF SHARES

The maximum number of Shares which may be issued upon exercise of all options to be granted under the 2016 Share Option Scheme and any other schemes of our Group shall not in aggregate exceed 193,931,969 Shares (representing approximately 10% of the total number of Shares in issue as at the Adoption Date) (the "Scheme Mandate Limit") provided that:

(a) The Company may at any time as the Board may think fit seek approval from the Shareholders to refresh the Scheme Mandate Limit, save that the maximum number of Shares which may be issued upon exercise of all options to be granted under the Scheme and any other schemes of our Company shall not exceed 10% of the Shares in issue as at the date of approval by the Shareholders in general meeting where the Scheme Mandate Limit is refreshed;

(b) The Company may seek separate approval from the Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit, provided that the Options in excess of the Scheme Mandate Limit are granted only to the Eligible Person specified by the Company before such approval is obtained; and

(c) The maximum number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the 2016 Share Option Scheme, the 2006 Share Option Scheme and any other options granted and yet to be exercised under any other scheme shall not exceed 30% of the Shares in issue from time to time. No options may be granted under the 2016 Share Option Scheme, the 2006 Share Option Scheme and any other share option scheme of the Company if this will result in such limit being exceeded.

5. MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

No Option may be granted to any one person such that the total number of Shares issued and to be issued upon exercise of Options granted and to be granted to that person in any 12-month period up to the date of the latest grant exceeds 1% of the Shares in issue from time to time. Where any further grant of Options to such an Eligible Person would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to such Eligible Person (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant shall be separately approved by the Shareholders in general meeting with such Eligible Person and his close associates (or his associates if such Eligible Person is a connected person) abstaining from voting.

6. OFFER AND GRANT OF OPTIONS

Subject to the terms of the 2016 Share Option Scheme, the Board shall be entitled at any time within 10 years from the adoption date to offer the grant of an Option to any Eligible Person as the Board may in its absolute discretion select to subscribe at the subscription price for such number of Shares as the Board may (subject to the terms of the 2016 Share Option Scheme) determine (provided the same shall be a board lot for dealing in the Shares on the Stock Exchange or an integral multiple thereof).

Subject to the provisions of the Listing Rules, the Board may in its absolute discretion when offering the grant of an Option impose any conditions, restrictions or limitations in relation thereto in addition to those set forth in the 2016 Share Option Scheme as the Board may think fit (to be stated in the letter containing the offer of the grant of the Option) including (without prejudice to the generality of the foregoing) qualifying and/or continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by the Company and/or the grantee, the satisfactory performance or maintenance by the grantee of certain conditions or obligations or the time or period when the right to exercise the Option in respect of all or some of the Option Shares shall vest provided that such terms or conditions shall not be inconsistent with any other terms or conditions of this Scheme. For the avoidance of doubt, subject to such terms and conditions as the Board may determine as aforesaid (including such terms and conditions in relation to their vesting, exercise or otherwise) there is no minimum period for which an Option must be held before it can be exercised and no performance target which need to be achieved by the grantee before the Option can be exercised.

7. GRANTING OPTIONS TO CONNECTED PERSONS

(a) Any Options to be granted to a Director, chief executive officer or substantial shareholder of the Company or any of their respective associates must first be approved by the independent non-executive Directors (excluding any independent non-executive Director who or whose associate is the proposed grantee of the Options).

(b) Without prejudice to the generality of the sub-paragraph (a) above, if any Options to be granted to a substantial shareholder or independent non-executive Director of the Company, or any of their respective associates, would result in the total number of Shares issued and to be issued upon exercise of all the Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the period of 12 months up to and including the date of the grant:

(i) representing in aggregate over 0.1% of the Shares in issue; and

(ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK$5 million,

such further grant of Options must be approved by the Shareholders in general meeting and subject to the issue of a circular by the Company to its Shareholders. The grantee, his associates and all core connected persons of the Company must abstain from voting in favour at such general meeting shall abstain from voting in favor at such general meeting, and any vote taken at such meeting must be taken on a poll.

8. RESTRICTION ON THE TIME OF GRANT OF OPTIONS

The Board shall not grant any Option under the 2016 Share Option Scheme after inside information has come to the Company's knowledge until such inside information has been announced pursuant to the requirements of the Listing Rules. In particular, no Options shall be granted during the period commencing one month immediately preceding the earlier of the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period and the deadline for the Company to publish an announcement of its results for any year, half-year, quarterly or any other interim period, and ending on the date of the results announcements.

9. OFFER PERIOD AND NUMBER ACCEPTED

An offer of the grant of an Option shall remain open for acceptance by the Eligible Person concerned for a period of 28 days from the offer date provided that no such grant of an Option may be accepted after the expiry of the effective period of the 2016 Share Option Scheme. An Option shall be deemed to have been granted and accepted by the Eligible Person and to have taken effect when the duplicate offer letter comprising acceptance of the offer of the Option duly signed by the grantee together with a remittance in favor of the Company of HK$1.0 by way of consideration for the grant thereof is received by the Company on or before the date upon which an offer of an Option must be accepted by the relevant Eligible Person, being a date not later than 28 days after the offer date. Such remittance shall in no circumstances be refundable.

Any offer of the grant of an Option may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted in respect of board lots for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer letter comprising acceptance of the offer of the Option. To the extent that the offer of the grant of an Option is not accepted by the acceptance Date, it will be deemed to have been irrevocably declined.

10. AMOUNT PAYABLE FOR OPTIONS

The amount payable on acceptance of an Option is HK$1.0.

11. EXERCISE PRICE

The subscription price in respect of any particular Option shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant Option (and shall be stated in the letter containing the offer of the grant of the Option) but the subscription price shall not be less than whichever is the highest of:

(a) the nominal value of a Share;

(b) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a Business Day; and

(c) the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant.

12. EXERCISE OF OPTION

(a) An Option shall be exercised in whole or in part (but if in part only, in respect of a board lot or any integral multiple thereof) within the Option Period in the manner as set out in the 2016 Share Option Scheme by the grantee (or his legal personal representative(s)) by giving notice in writing to the Company stating that the Option is thereby exercised and specifying the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given. Within 30 days after receipt of the notice and, where appropriate, receipt of a certificate from the auditors pursuant to the 2016 Share Option Scheme, the Company shall accordingly allot and issue the relevant number of Shares to the grantee (or his legal personal representative(s)) credited as fully paid with effect from (but excluding) the relevant exercise date and issue to the grantee (or his legal personal representative(s)) share certificate(s) in respect of the Shares so allotted.

(b) The exercise of any Option may be subject to a vesting schedule to be determined by the Board in its absolute discretion, which shall be specified in the offer letter.

(c) Subject as hereinafter provided:

(i) in the event that the grantee dies or becomes permanently disabled before exercising an Option (or exercising it in full), he (or his legal representative(s)) may exercise the Option up to the grantees entitlement (to the extent not already exercised) within a period of 12 months following his death or permanent disability or such longer period as the Board may determine;

(ii) in the event that the grantee ceases to be an Executive for any reason (including his employing company ceasing to be a member of the Group) other than his death, permanent disability, retirement pursuant to such retirement scheme applicable to the Group at the relevant time or the transfer of his employment to an affiliate company or the termination of his employment with the relevant member of the Group by resignation or termination on the ground of misconduct, the Option (to the extent not already exercised) shall lapse on the date of cessation of such employment and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such cessation;

(iii) if a general offer is made to all holders of Shares and such offer becomes or is declared unconditional (in the case of a takeover offer) or is approved by the requisite majorities at the relevant meetings of Shareholders of the Company (in the case of a scheme of arrangement), the grantee shall be entitled to exercise the Option (to the extent not already exercised) at any time (in the case of a takeover offer) within one month after the date on which the offer becomes or is declared unconditional or (in the case of a scheme of arrangement) prior to such time and date as shall be notified by the Company;

(iv) if a compromise or arrangement between the Company and its members or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company, the Company shall give notice thereof to the grantees who have Options unexercised at the same time as it dispatches notices to all members or creditors of the Company summoning the meeting to consider such a compromise or arrangement and thereupon each grantee (or his legal representatives or receiver) may until the expiry of the earlier of:

(1) the Option Period;

(2) the period of two months from the date of such notice; or

(3) the date on which such compromise or arrangement is sanctioned by the court, exercise in whole or in part his Option.

(v) in the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it dispatches such notice to each member of the Company give notice thereof to all grantees and thereupon, each grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his options at any time not later than two Business Days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the grantee credited as fully paid.

13. LIFE OF SHARE OPTION SCHEME

Subject to the terms of the 2016 Share Option Scheme, the 2016 Share Option Scheme shall be valid and effective for a period of 10 years from the Adoption Date, after which no further options will be granted or offered but the provisions of the 2016 Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any subsisting Options granted prior to the expiry of the 10-years period or otherwise as may be required in accordance with the provisions of the 2016 Share Option Scheme.

14. LAPSE OF OPTION

An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

(a) the expiry of the Option Period;

(b) the expiry of any of the period referred to paragraphs related to exercise of Option;

(c) subject to the period mentioned in paragraph 12(v) of "Exercise of Option" above, the date of the commencement of the winding-up of the Company;

(d) there is an unsatisfied judgement, order or award outstanding against the grantee or the Board has reason to believe that the grantee is unable to pay or to have no reasonable prospect of being able to pay his/its debts;

(e) there are circumstances which entitle any person to take any action, appoint any person, commence proceedings or obtain any order of the type mentioned in the 2016 Share Option Scheme; or

(f) a bankruptcy order has been made against any director or shareholder of the grantee (being a corporation) in any jurisdiction.

15. ADJUSTMENT

In the event of any alteration in the capital structure of the Company whilst any Option may become or remains exercisable, whether by way of capitalisation issue, rights issue, open offer, consolidation, sub-division or reduction of share capital of the Company, such corresponding alterations (if any) shall be made in the number of Shares subject to any outstanding Options and/or the subscription price per Share of each outstanding Option as the auditors of the Company or an independent financial adviser shall certify in writing to the Board to be in their/his opinion fair and reasonable in compliance with Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance issued by the Stock Exchange and any future guidance and interpretation of the Listing Rules issued by the Stock Exchange from time to time and the note thereto. The capacity of the auditors of the Company or the approved independent financial adviser, as the case may be, in this paragraph is that of experts and not arbitrators and their certificate shall, in absence of manifest error, be final and conclusive and binding on the Company and the grantees.

Any such alterations will be made on the basis that a grantee shall have the same proportion of the issued share capital of the Company for which any grantee of an Option is entitled to subscribe pursuant to the Options held by him before such alteration and the aggregate subscription price payable on full exercise of any Option is to remain as nearly as possible the same (and in any event not greater than) as it was before such event. No such alteration will be made the effect of which would be to enable a Share to be issued at less than its nominal value. The issue of securities as consideration in a transaction is not to be regarded as a circumstance requiring any such alterations.

16. CANCELLATION OF OPTIONS NOT EXERCISED

The Board shall be entitled for the following causes to cancel any Option in whole or in part by giving notice in writing to the grantee stating that such Option is thereby cancelled with effect from the date specified in such notice (the "Cancellation Date"):

(a) the grantee commits or permits or attempts to commit or permit a breach of the restriction on transferability of Option or any terms or conditions attached to the grant of the Option;

(b) the grantee makes a written request to the Board for the Option to be cancelled; or

(c) if the grantee has, in the opinion of the Board, conducted himself in any manner whatsoever to the detriment of or prejudicial to the interests of our Company or its subsidiary.

The Option shall be deemed to have been cancelled with effect from the Cancellation Date in respect of any part of the Option which has not been exercised as at the Cancellation Date. No compensation shall be payable upon any such cancellation, provided that the Board shall be entitled in its discretion to pay such compensation to the grantee in such manner as it may consider appropriate in any particular case.

17. RANKING OF SHARES

The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the Articles of Association and the laws of the Cayman Islands from time to time and shall rank pari passu in all respects with the then existing fully paid Shares in issue commencing from (i) the Allotment Date or, (ii) if the Allotment Date falls on a day when the register of members of the Company is closed, the first date of the reopening of the register of members.

Accordingly it will entitle the holders to participate in all dividends or other distributions paid or made on or after (i) the Allotment Date or, (ii) if that Allotment Date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members, other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefore shall be before the Allotment Date.

A Share issued upon the exercise of an Option shall not carry rights until the registration of the grantee (or any other person) as the holder thereof.

18. TERMINATION

The Company may by resolution in general meeting at any time terminate the operation of the 2016 Share Option Scheme. Upon termination of the 2016 Share Option Scheme as aforesaid, no further Options shall be offered but the provisions of the 2016 Share Option Scheme shall remain in force and effect in all other respects. All Options granted prior to such termination and not then exercised shall continue to be valid and exercisable subject to and in accordance with the 2016 Share Option Scheme.

19. TRANSFERABILITY

An Option shall be personal to the grantee and shall not be assignable and no grantee shall in way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour any third party over or in relation to any Option or attempt so to do (save that the grantee may nominate a nominee in whose name the Shares issued pursuant to the 2016 Share Option Scheme may be registered). Any breach of the foregoing shall entitle the Company to cancel any outstanding Option or part thereof granted to such grantee.

20. AMENDMENT

The 2016 Share Option Scheme may be altered in any respect by a resolution of the Board except that following shall not be carried out except with the prior sanction of an ordinary resolution of the Shareholders of the Company in general meeting, provided always that the amended terms of the 2016 Share Option Scheme shall comply with the applicable requirements of the Listing Rules: (i) any material alteration to its terms and conditions or any change to the terms of Options granted (except where the alterations take effect under the existing terms of the 2016 Share Option Scheme); (ii) any alteration to the provisions of the 2016 Share Option Scheme in relation to the matters set out in Rule 17.03 of the Listing Rules to the advantage of grantee; (iii) any alteration to the aforesaid termination provisions and (iv) any change to the authority of the Board of any person or committee delegated by the Board to administer the day-to-day running of the 2016 Share Option Scheme.

Neo-Neon Holdings Limited
同方友友控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1868)

NOTICE IS HEREBY GIVEN THAT an annual general meeting (the "AGM") of Neo-Neon Holdings Limited (the "Company") will be held at Unit 806-810, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Friday, 13 May 2016 at 10:00 a.m., to transact the following businesses:

1. To receive and consider the audited financial statements and the reports of the Directors and auditors of the Company and its subsidiaries for the year ended 31 December 2015.

2. (i) To re-elect Mr. Fan Xin as an executive director ("Director") of the Company;

   (ii) To re-elect Mr. Seah Han Leong as an executive Director;

   (iii) To re-elect Mr. Pan Jin as an executive Director;

   (iv) To re-elect Mr. Liu Tian Min as an independent non-executive Director;

   (v) To authorize the board of Directors (the "Board") to fix the remuneration of the Directors.

3. To re-appoint KPMG as auditors and to authorize the Board to fix their remuneration.

4. As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

   (A) "**THAT**:

      (a) subject to the following provisions of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company (the "Shares"), and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate nominal amount of the share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of the conversion rights attaching to any convertible securities issued by the Company; (iii) the exercise of warrants to subscribe for Shares; (iv) the exercise of options granted under any share option scheme or similar arrangement for the time being adopted by the Company; or (v) an issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company (the "Articles of Association"); shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

(d) for the purpose of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law of the Cayman Islands to be held; or

(iii) the date on which such mandate is revoked or varied by an ordinary resolution of the shareholders in general meeting.

"Rights Issue" means an offer of Shares or issue of options, warrants or other securities giving the right to subscribe for Shares, open for a period fixed by the Directors to the holders of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company)."

(B) "**THAT**:

(a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the Shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") or any other stock exchange on which Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or those of any other recognised stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

(b) the aggregate nominal amount of Shares to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

(c) for the purpose of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law of the Cayman Islands to be held; or

(iii) the date on which such mandate is revoked or varied by an ordinary resolution of the shareholders in general meeting."

(C) "**THAT** conditional upon resolutions numbered 4(A) and 4(B) above being passed, the unconditional general mandate granted to the Directors to allot, issue and deal with additional Shares and to make or grant offers, agreements, and options which might require the exercise of such powers pursuant to resolution numbered 4(A) above be and is hereby extended by the addition thereto an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution numbered 4(B) above, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution."

5. "**THAT**

(a) conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the shares (the "Shares") in the capital of the Company falling to be issued pursuant to the share option scheme (the "2016 Share Option Scheme"), the terms of which are set out in the full version of the 2016 Share Option Scheme which has been produced to this meeting and signed by the chairman of this meeting for the purpose of identification, the rules of the 2016 Share Option Scheme be and are hereby approved and adopted and the Directors of the Company be and are hereby authorized to grant options and to allot, issue and deal with Shares pursuant to the exercise of any option granted thereunder and to take all such steps as they may consider necessary or expedient to implement the 2016 Share Option Scheme; and

(b) the 2006 share option scheme of the Company which was adopted on 20 November 2006 be terminated with effect from the date on which the 2016 Share Option Scheme becoming unconditional and effective."

By Order of the Board
Neo-Neon Holdings Limited
Fan Xin
Chairman

Hong Kong, 12 April 2016

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 Level 22, Hopewell Centre, 183 Queen's Road East, 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 AGM.

4. The register of members of the Company will be closed from Wednesday, 11 May 2016 to Friday, 13 May 2016, 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 AGM, 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 Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 10 May 2016. The record date for the determination of the entitlement to attend and vote at the AGM will be Friday, 13 May 2016.

5. A circular containing, inter alia, details of the proposed general mandates to issue and repurchase Shares of the Company and information of the retiring Directors who are proposed to be re-elected at the AGM, will be despatched to shareholders of the Company together with the annual report of the Company for the year ended 31 December 2015.