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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)**

# VOLUNTARY ANNOUNCEMENT
# BOARD APPROVAL FOR EXERCISE OF THE SHARE REPURCHASE MANDATE

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

Reference is made to the general mandate granted to the board (the "**Board**") of directors (the "**Directors**") of the Company to repurchase ordinary shares of HK$0.1 each in the share capital of the Company (the "**Shares**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") of not exceeding 10% of the number of the issued shares of the Company as at the date of the annual general meeting of the Company held on 13 May 2016 (the "**AGM**") (i.e. 193,931,969 Shares) (the "**Share Repurchase Mandate**"). The exercise of the Share Repurchase Mandate is subject to the terms and conditions set out in the explanatory statement for repurchase of Shares (the "**Explanatory Statement**") contained in the circular of the Company despatched to the shareholders of the Company (the "**Shareholders**") dated 12 April 2016. The Share Repurchase Mandate will lapse at the conclusion of the next annual general meeting or such an earlier date (the "**Expiration Date**") as set out in the notice of the AGM despatched to the Shareholders dated 12 April 2016.

The Company is pleased to announce that the Board has an intention and has approved the exercise of the Share Repurchase Mandate by the Company to utilise an amount of up to HK$20 million to repurchase on the Stock Exchange for up to 193,931,969 number of Shares at such time and price as determined by the Board pursuant to the Share Repurchase Mandate until the Expiration Date, provided that no such repurchase will be made at any time after inside information has come to the knowledge of the Company until the information is made publicly available.

The Board considers that the value of the Shares in the capital market does not reflect their intrinsic value, while the Group has sufficient and strong financial resources. The Board also believes that the Company's strong financial position will enable it to exercise the Share Repurchase Mandate while maintaining sufficient financial resources for the continued growth of the Group's operations. In addition, the Board believes that the intention to exercise the Share Repurchase Mandate reflects the confidence of the Board and the management team in the growth prospects of the Group and considers the exercise of the Share Repurchase Mandate is in the best interest of the Company and the Shareholders.

The Directors will only exercise the power of the Company to make repurchases of Shares pursuant to the Share Repurchase Mandate in accordance with the articles of association of the Company, the Listing Rules, the Code on Takeovers and Mergers (the "**Takeovers Code**"), the Code on Share Buy-backs, the applicable laws of Cayman Islands and all other applicable laws and regulations which the Company is subject to. The Board has not present intention to repurchase shares that will trigger the obligations under the Takeovers Code to make a mandatory offer and will ensure that the Company continues to satisfy the minimum public float requirement under the Listing Rules before and after any repurchase pursuant to the Share Repurchase Mandate.

As at the date of this announcement, so far as the Company is aware after making all reasonable enquiries, none of the core connected persons (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company, or has undertaken not to do so.

As of the date of this announcement, the Company has not made any share repurchases pursuant to the Share Repurchase Mandate. Shareholders and potential investors should note that the exercise of the Share Repurchase Mandate by the Company will be subject to the market conditions and at the absolute discretion of the Board. Shareholders and potential investors of the Company are reminded that under the Share Repurchase Mandate, the Company has the right but not the obligation to repurchase the Shares. Accordingly, there is no assurance of the timing, quantity or price of any shares repurchases. Shareholders and potential investors should exercise caution when dealing in the Shares.

By order of the Board
**Neo-Neon Holdings Limited**
**Huang Yu**
*Chairman*

Hong Kong, 19 August 2016

*As at the date of this announcement, the executive Director of the Company is Mr. SEAH Han Leong; non-executive Directors are Mr. HUANG Yu (Chairman), Mr. WANG Liang Hai and Mr. LIU Wei Dong; independent non-executive Directors are Mr. FAN, Ren Da Anthony, Mr. LIU Tian Min and Ms. LI Ming Qi.*