

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **Neo-Neon Holdings Limited**

**真明麗控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1868)**

### **DISCLOSEABLE TRANSACTION ACQUISITION OF 50% ISSUED SHARE CAPITAL OF TIVOLI**

The Board is pleased to announce that on 8 May 2014, after trading hours, the Purchasers and the Vendor entered into the Acquisition Agreement, pursuant to which the Purchasers have agreed to acquire and the Vendor has agreed to sell 50% issued share capital of Tivoli at a consideration of US\$3,000,000 (equivalent to approximately HK\$23,271,000).

As the relevant percentage ratios in respect of the transaction contemplated under the Acquisition Agreement exceed 5% but are less than 25%, the transaction contemplated under the Acquisition Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

As disclosed in the joint announcement of the Company and the Subscriber dated 25 March 2014, an issue of 1,000 million Company's shares to the Subscriber was proposed by the Company and the Subscriber has made an application for a whitewash waiver under Rule 26.1 of the Takeovers Code. Pursuant to Rule 4 of the Takeovers Code, the entering into of the Acquisition Agreement is a frustrating action and is subject to the approval of the Shareholders in general meeting. The Subscriber has consented in writing to the entering into of the Acquisition Agreement and the Company has applied for a waiver from the Executive from the requirement for the Company to obtain the Shareholders' approval for the entering into of the Acquisition Agreement in a general meeting of the Company pursuant to Note 1 to Rule 4 of the Takeovers Code.

### **THE ACQUISITION AGREEMENT**

The Board is pleased to announce that on 8 May 2014, after trading hours, the Purchasers and the Vendor entered into the Acquisition Agreement, pursuant to which the Purchasers have agreed to acquire and the Vendor has agreed to sell 50% issued share capital of Tivoli at a consideration of US\$3,000,000 (equivalent to approximately HK\$23,271,000).

The material terms of the Acquisition Agreement are summarised below:

Date: 8 May 2014 (after trading hours)

Parties: (i) Purchasers: Neo-Neon LED USA Holdings Limited  
American Lighting Inc.  
Both of which are wholly-owned subsidiaries of the Company

(ii) Vendor: Targetti Poulsen USA Inc.

### **Assets to be acquired**

Pursuant to the Acquisition Agreement, the Purchasers have agreed to acquire and the Vendor has agreed to sell the Sale Shares, representing 50% issued share capital of Tivoli. As at the date of this announcement, Tivoli is a jointly controlled entity owned by the Company and the Vendor. Upon the completion of the Acquisition Agreement, Tivoli will become a wholly-owned subsidiary of the Company.

### **Consideration**

Pursuant to the Acquisition Agreement, the consideration for the Sales Shares to be acquired by the Purchasers is US\$3,000,000 (equivalent to approximately HK\$23,271,000), which will be paid by the Purchasers to the Vendor in cash upon signing of the Acquisition Agreement. The consideration was negotiated on an arm's length basis between the Purchasers and the Vendor with reference to the net assets value of Tivoli.

### **INFORMATION ON TIVOLI**

Tivoli is engaged in the trading of lighting products. As at the date of this announcement, each of the Vendor and the Company owns 50% of issued share capital of Tivoli.

### **Financial information**

The audited net assets value of Tivoli as at 31 December 2013 was US\$5,556,506 (equivalent to approximately HK\$43,101,817). The audited net loss of Tivoli before and after taxation for the year ended 31 December 2013 was US\$839,979 (equivalent to approximately HK\$6,515,717). The audited net profit of Tivoli before and after taxation for the year ended 31 December 2012 was US\$787,265 (equivalent to approximately HK\$6,106,815).

### **INFORMATION ON THE PARTIES TO THE ACQUISITION AGREEMENT AND THE GROUP**

The Vendor was founded in 1928 with its headquarters in the USA. It offered interior and exterior architectural lighting products and developed in response to specific functional and aesthetic challenges from customers. Save for being the jointly controlled entity partner of the Group in Tivoli, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

The Purchasers are wholly-owned subsidiaries of the Company. The principal activity of the Group consists of the research and development, manufacture of and trading in decorative lighting, LED general lighting and entertainment lighting products.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

Tivoli is principally engaged in the trading of lighting products. The Acquisition will enable the Company to consolidate its distribution business of the Group's LED products in the USA and enhance the profitability of the Company after the completion of the Acquisition. The Directors consider that the Acquisition is in the interest of the Company and its Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As the relevant percentage ratios in respect of the transaction contemplated under the Acquisition Agreement exceed 5% but are less than 25%, the transaction contemplated under the Acquisition Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

## **IMPLICATIONS UNDER RULE 4 OF THE TAKEOVERS CODE**

As disclosed in the joint announcement of the Company and the Subscriber dated 25 March 2014, an issue of 1,000 million Company's shares to the Subscriber was proposed by the Company and the Subscriber has made an application for a whitewash waiver under Rule 26.1 of the Takeovers Code. Pursuant to Rule 4 of the Takeovers Code, the entering into of the Acquisition Agreement is a frustrating action and is subject to the approval of the Shareholders in general meeting. The Subscriber has consented in writing to the entering into of the Acquisition Agreement and the Company has applied for a waiver from the Executive from the requirement for the Company to obtain the Shareholders' approval for the entering into of the Acquisition Agreement in a general meeting of the Company pursuant to Note 1 to Rule 4 of the Takeovers Code.

## **DEFINITIONS**

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

- “Acquisition” : the Acquisition of 50% issued share capital of Tivoli
- “Acquisition Agreement” : the agreement dated 8 May 2014 entered into by the Purchasers and the Vendor, in relation to the Acquisition
- “American Lighting” : American Lighting Inc., a Delaware corporation, is a wholly-owned subsidiary of the Company
- “Board” : the board of Directors
- “Company” : Neo-Neon Holdings Limited (Stock Code: 1868), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
- “Directors” : the directors of the Company
- “Executive” : the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
- “Group” : the Company and each of its subsidiaries

“HK\$”	: Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	: the Rules Governing the Listing of Securities on the Stock Exchange
“NNLUHL”	: Neo-Neon LED USA Holdings Limited, a company incorporated in the British Virgins Islands with limited liabilities, a wholly-owned subsidiary of the Company
“Purchasers”	: NNLUHL and American Lighting
“Sale Shares”	: 2,500,000 shares of Tivoli, representing 50% issued share capital of Tivoli, among which 2,450,000 shares are being acquired by American Lighting and another 50,000 shares are being acquired by NNLUHL
“SFC”	: the Securities and Futures Commission of Hong Kong
“Shareholder(s)”	: holder(s) of the share(s) of the Company
“Stock Exchange”	: The Stock Exchange of Hong Kong Limited
“Subscriber”	: THTF Energy-Saving Holdings Limited, a company incorporated in the Cayman Islands, the subscriber of the 1,000 million Company’s shares as stated in the Company’s announcement dated 25 March 2014
“Takeovers Code”	: the Hong Kong Code on Takeovers and Mergers (as amended and supplemented from time to time)
“Tivoli”	: Tivoli, LLC., a company incorporated in the USA with limited liability
“US\$”	: US dollars, the lawful currency of the USA
“USA”	: the United States of America
“Vendor”	: Targetti Poulsen USA Inc., a company incorporated in the USA

By order of the Board  
**Neo-Neon Holdings Limited**  
**Chan Cheung**  
*Company Secretary*

Hong Kong, 8 May 2014

*For the purpose of this announcement, the conversion of US\$ into HK\$ is based on the approximate exchange rate of HK\$7.757 to US\$1 for illustration purpose only.*

*As at the date of this announcement, the executive Directors of the Company are Mr. Ben FAN (Chairman), Ms. Michelle WONG and Mr. FAN Pong Yang and the independent non-executive Directors are Mr. WONG Kon Man, Jason, Mr. WENG Shih Yuan, Ms. LIU Shengping and Mr. SUEN Man Tak, Stephen.*