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NEW CONCEPTS HOLDINGS LIMITED

創業集團（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2221)

SUBSCRIPTIONS OF NEW SHARES UNDER GENERAL MANDATE

SUBSCRIPTIONS OF NEW SHARES UNDER GENERAL MANDATE

On 29 July 2025 (after trading hours of the Stock Exchange), the Company entered into the Subscription Agreements with the Subscribers, pursuant to which the Subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 221,500,000 Subscription Shares at the Subscription Price of HK\$0.10 per Subscription Share.

Assuming that there will be no change in the issued share capital of the Company (other than the allotment and issue of the Subscription Shares) between the date of this announcement and the Completion, the 221,500,000 Subscription Shares represent (i) approximately 13.79% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 12.12% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

The Subscription Price of HK\$0.10 per Subscription Share represents (i) a premium of approximately 44.93% over the closing price of HK\$0.069 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements; and (ii) a premium of approximately 44.93% over the average closing price of approximately HK\$0.069 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreements.

GENERAL

Subject to the Completion, it is expected that the gross proceeds and net proceeds from the Subscriptions will be approximately HK\$22,150,000 and HK\$22,020,000, respectively. On such basis, the net price raised per Subscription Share upon Completion will be approximately HK\$0.099. The Subscription Shares will be allotted and issued under the General Mandate granted to the Directors by a resolution of the Shareholders passed at the AGM.

Since the Completion is subject to the fulfillment of the conditions as set out in the Subscription Agreements, the Subscriptions may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that on 29 July 2025 (after trading hours of the Stock Exchange), the Company entered into the Subscription Agreements with the Subscribers, pursuant to which the Subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 221,500,000 Subscription Shares at the Subscription Price of HK\$0.10 per Subscription Share.

THE SUBSCRIPTION AGREEMENTS

The Subscription Agreement 1

Date: 29 July 2025

Parties: (i) the Company, as the issuer; and
(ii) the Subscriber 1 — Shen Ding, as the subscriber.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, the Subscriber 1 is a merchant and an Independent Third Party.

Pursuant to the terms and conditions of the Subscription Agreement 1, the Subscriber 1 has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 35,000,000 Subscription Shares at the Subscription Price of HK\$0.10 per Subscription Share for a cash consideration of HK\$3,500,000.

Assuming that there will be no change in the issued share capital of the Company (other than the allotment and issue of the Subscription Shares) between the date of this announcement and the Completion, the 35,000,000 Subscription Shares represent (i) approximately 2.18% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 1.92% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

The Subscription Agreement 2

Date: 29 July 2025

Parties: (iii) the Company, as the issuer; and
(iv) the Subscriber 2 — Zhao Sumei, as the subscriber.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, the Subscriber 2 is a merchant and an Independent Third Party.

Pursuant to the terms and conditions of the Subscription Agreement 2, the Subscriber 2 has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 75,000,000 Subscription Shares at the Subscription Price of HK\$0.10 per Subscription Share for a cash consideration of HK\$7,500,000.

Assuming that there will be no change in the issued share capital of the Company (other than the allotment and issue of the Subscription Shares) between the date of this announcement and the Completion, the 75,000,000 Subscription Shares represent (i) approximately 4.67% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 4.10% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

The Subscription Agreement 3

Date: 29 July 2025

Parties: (v) the Company, as the issuer; and
(vi) the Subscriber 3 — Huang Zhijun, as the subscriber.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, the Subscriber 3 is a merchant and an Independent Third Party.

Pursuant to the terms and conditions of the Subscription Agreement 3, the Subscriber 3 has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 75,000,000 Subscription Shares at the Subscription Price of HK\$0.10 per Subscription Share for a cash consideration of HK\$7,500,000.

Assuming that there will be no change in the issued share capital of the Company (other than the allotment and issue of the Subscription Shares) between the date of this announcement and the Completion, the 75,000,000 Subscription Shares represent (i) approximately 4.67% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 4.10% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

The Subscription Agreement 4

Date: 29 July 2025

Parties: (vii) the Company, as the issuer; and

(viii) the Subscriber 4 — Zhang Hongbing, as the subscriber.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, the Subscriber 4 is a merchant and an Independent Third Party.

Pursuant to the terms and conditions of the Subscription Agreement 4, the Subscriber 4 has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 36,500,000 Subscription Shares at the Subscription Price of HK\$0.10 per Subscription Share for a cash consideration of HK\$3,650,000.

Assuming that there will be no change in the issued share capital of the Company (other than the allotment and issue of the Subscription Shares) between the date of this announcement and the Completion, the 36,500,000 Subscription Shares represent (i) approximately 2.27% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 2.00% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Subscribers is independent of each other.

Subscription Shares

Assuming that there will be no change in the issued share capital of the Company (other than the allotment and issue of the Subscription Shares) between the date of this announcement and the Completion, the 221,500,000 Subscription Shares represent (i) approximately 13.79% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 12.12% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. The aggregate nominal value of the Subscription Shares is HK\$22,150,000.

PRINCIPAL TERMS OF THE SUBSCRIPTION

Apart from the identities of the Subscribers and the number of the Subscription Shares to be subscribed for by each of the Subscribers set out above, the terms of each of the Subscription Agreements are the same. Set out below are the principal terms of the Subscription Agreements.

Subscription Price

The Subscription Price of HK\$0.10 per Subscription Share represents (i) a premium of approximately 44.93% over the closing price of HK\$0.069 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement; and (ii) a premium of approximately 44.93% over the average closing price of approximately HK\$0.069 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreements.

The net Subscription Price, after deduction of relevant expenses, is estimated to be approximately HK\$0.099 per Subscription Share.

The Subscription Price was arrived at after arm's length negotiation between the Company and the Subscribers after taking into account (i) the current market condition; (ii) the prevailing market prices of the Shares; (iii) the par value of the Shares; and (iv) financial position of the Group. The Directors consider that the Subscription Price and the terms of the Subscription Agreements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Condition precedent of the Subscription Agreements

Completion shall be subject to and conditional upon, among others, the following:

- (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares; and
- (ii) all necessary consent and approvals required to be obtained by the Company in respect of the Subscriptions and the transactions contemplated thereunder having been obtained.

None of the conditions above is capable of being waived. In the event the conditions above are not fulfilled on or before 22 August 2025 (or such other time and date as may be agreed by the Company and the Subscriber), all obligations and liabilities of the parties to the relevant Subscription Agreements shall cease and determine and neither party thereto shall have any claim against the other, save for any antecedent breach of the terms thereof.

The Subscription Agreements are not inter-conditional to each other.

Ranking of Subscription Shares

The Subscription Shares, when issued and fully paid, shall rank *pari passu* in all respects among themselves and with the Shares in issue on the date of such allotment and issue.

Completion

Completion of the Subscriptions shall take place on the third Business Day after the fulfilment of the conditions set out above (or such other date and time as may be agreed between the Company and the respective Subscriber).

GENERAL MANDATE TO ALLOT AND ISSUE THE SUBSCRIPTION SHARES

The Subscription Shares will be allotted and issued under the General Mandate to allot, issue and deal with Shares granted to the Directors by resolution of the Shareholders passed at the AGM subject to the limit of up to 20% of the then issued share capital of the Company as at the date of the AGM.

Under the General Mandate, the Company is authorised to issue up to 321,226,426 new Shares. Up to the date of this announcement, no new Share has been issued under the General Mandate. The 221,500,000 Subscription Shares to be allotted and issued will utilise approximately 68.95% of the General Mandate. Accordingly, the allotment and issue of the Subscription Shares is not subject to further approval of the Shareholders.

APPLICATIONS FOR LISTING OF THE SUBSCRIPTION SHARES

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Subscription Shares.

Since the Completion is subject to the fulfillment of the conditions as set out in the Subscription Agreements, the Subscriptions may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS AND USE OF PROCEEDS

The Group is principally engaged in (i) the provision of foundation works, civil engineering contractual service and general building works in Hong Kong; and (ii) environmental protection projects including kitchen waste treatment related business, development and management of environmental protection industrial park and new energy materials in the PRC and Hong Kong.

Subject to completion of the Subscriptions, it is expected that the maximum gross proceeds and net proceeds from the Subscriptions will be approximately HK\$22,150,000 and HK\$22,020,000, respectively. On such basis, the maximum net price raised per Subscription Share upon completion of the Subscriptions will be approximately HK\$0.099. The net proceeds from the Subscriptions are intended to be used as to (i) approximately HK\$13.2 million for the repayment of the Group's overdue lease payables and other outstanding bond payables and lease payables which will become due within three months from the date of this announcement; and (ii) as to approximately HK\$8.8 million for the general working capital of the Group.

The Directors consider that the issue of the Subscription Shares represents an opportunity for the Company to strengthen its financial position, reduce its liabilities, and to raise additional funds for the Group's general working capital needs. The Directors believe that the Subscriptions reflect the confidence from the Subscribers towards the long-term and sustainable development of the Company and the proceeds to be generated from the Subscriptions will increase the financial flexibility of the Group.

The Directors have also considered other ways of fund raising such as debt financing, bank borrowing, rights issue or open offer. As regards to debt financing and bank borrowing, having considered that it would increase the gearing level of the Group and the interest expenses and finance costs would impose additional financial burden to the Group's future cash flow, the Board considers that such fund raising method is currently not the most appropriate method to the Group. As regards to the viability of a rights issue or an open offer, the Directors consider that the rights issue or open offer would incur higher legal cost and the cost for the preparation of the documents and the process would be relatively time consuming.

By reasons of the above, the Directors (including the independent non-executive Directors) consider that the terms of each of the Subscription Agreements (including the Subscription Price) are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

EQUITY FUND-RAISING ACTIVITIES BY THE COMPANY IN THE PAST TWELVE MONTHS PRIOR TO THE DATE OF THIS ANNOUNCEMENT

The Company has not raised any funds by issuing equity securities during the 12 months immediately before the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquires, the existing shareholding structure of the Company and the effect on the shareholding structure of the Company immediately upon completion of the Subscriptions (assuming that there is no other change in the issued share capital of the Company between the date of this announcement and completion of the Subscriptions) are set out below:

Shareholders	As at the date of this announcement		Immediately upon Completion	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Directors				
Mr. Zhu Yongjun ("Mr. Zhu") (Note 1)	86,772,000	5.40	86,772,000	4.75
Mr. Pan Yimin ("Mr. Pan") (Note 2)	500,000	0.03	500,000	0.02
Dr. Tong Ka Lok ("Dr. Tong") (Note 3)	480,000	0.03	480,000	0.02
Mr. Choy Wai Shek, Raymond, MH. JP. ("Mr. Choy") (Note 4)	1,200,000	0.08	1,200,000	0.07
Public Shareholders				
Subscribers	—	—	221,500,000	12.12
Other public Shareholders	<u>1,517,180,134</u>	<u>94.46</u>	<u>1,517,180,134</u>	<u>83.01</u>
Total	<u>1,606,132,134</u>	<u>100.00</u>	<u>1,827,632,134</u>	<u>100.00</u>

Notes:

1. Among the 86,772,000 Shares, 77,000,000 Shares are beneficially held by Jumbo Grand Enterprise Development Limited ("Jumbo Grand") and 4,372,000 Shares are beneficially by Excellent Point Asia Limited ("Excellent Point"). Mr. Zhu owns 100% of the issued voting shares of Jumbo Grand and Excellent Point. As such, Mr. Zhu is deemed or taken to be interested in all the Shares which are beneficially owned by Jumbo Grand and Excellent Point for the purpose of the SFO.
2. As at the date of this announcement, Mr. Pan is an executive Director.
3. As at the date of this announcement, Dr. Tong is an independent non-executive Director.
4. As at the date of this announcement, Mr. Choy is an independent non-executive Director.
5. Certain percentage figures in the above table are subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“AGM”	the annual general meeting of the Company held on 16 August 2024
“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day (not being a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	New Concepts Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2221)
“Completion”	completion of the Subscriptions in accordance with the terms and conditions of the respective Subscription Agreements
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person or company and its ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is/are not connected person(s) (as defined in the Listing Rules) of the Company and is/are third party(ies) independent of the Company and its connected person(s) in accordance with the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber 1”	Ms. Shen Ding, being an Independent Third Party and the subscriber under the Subscription Agreement 1
“Subscriber 2”	Ms. Zhao Sumei, being an Independent Third Party and the subscriber under the Subscription Agreement 2
“Subscriber 3”	Mr. Huang Zhijun, being an Independent Third Party and the subscriber under the Subscription Agreement 3
“Subscriber 4”	Ms. Zhang Hongbing, being an Independent Third Party and the subscriber under the Subscription Agreement 4
“Subscribers”	Subscriber 1, Subscriber 2, Subscriber 3 and Subscriber 4, collectively
“Subscription 1”	the subscription for 35,000,000 new Shares by Subscriber 1 at the Subscription Price pursuant to the terms and conditions of the Subscription Agreement 1
“Subscription 2”	the subscription for 75,000,000 new Shares by Subscriber 2 at the Subscription Price pursuant to the terms and conditions of the Subscription Agreement 2
“Subscription 3”	the subscription for 75,000,000 new Shares by Subscriber 3 at the Subscription Price pursuant to the terms and conditions of the Subscription Agreement 3
“Subscription 4”	the subscription for 36,500,000 new Shares by Subscriber 4 at the Subscription Price pursuant to the terms and conditions of the Subscription Agreement 4
“Subscription Agreement 1”	the conditional subscription agreement dated 29 July 2025 and entered into between the Company and Subscriber 1 in respect of the Subscription 1
“Subscription Agreement 2”	the conditional subscription agreement dated 29 July 2025 and entered into between the Company and Subscriber 2 in respect of the Subscription 2

“Subscription Agreement 3”	the conditional subscription agreement dated 29 July 2025 and entered into between the Company and Subscriber 3 in respect of the Subscription 3
“Subscription Agreement 4”	the conditional subscription agreement dated 29 July 2025 and entered into between the Company and Subscriber 4 in respect of the Subscription 4
“Subscription Agreements”	the Subscription Agreement 1, the Subscription Agreement 2, the Subscription Agreement 3 and the Subscription Agreement 4, collectively
“Subscription Price”	HK\$0.10 per Subscription Share
“Subscription Shares”	an aggregate of 221,500,000 new Shares to be allotted and issued by the Company to the Subscribers under the Subscriptions and each a “ Subscription Share ”
“Subscriptions”	the Subscription 1, the Subscription 2, the Subscription 3 and the Subscription 4, collectively
“%”	per cent

* *the English translation of Chinese names or words in this announcement, where indicated, is included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

By order of the Board
New Concepts Holdings Limited
Zhu Yongjun
Chairman and Executive Director

Hong Kong, 29 July 2025

As at the date of this announcement, the executive Directors are Mr. Zhu Yongjun and Mr. Pan Yimin; and the independent non-executive Directors are Ms. Du Yun, Mr. Lo Chun Chiu, Adrian, Dr. Tong Ka Lok and Mr. Choy Wai Shek, Raymond, MH, JP.