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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)

**UPDATE ON TERMINATION OF THE DISCLOSEABLE TRANSACTION
OF ACQUISITION OF 49% EQUITY INTEREST IN
PT DEMPO SUMBER ENERGI;
DISPOSAL OF 100% EQUITY INTEREST IN STAND ASCENT LIMITED
AND FORMATION OF JOINT VENTURE COMPANY**

THE DISPOSAL AGREEMENT

On 29 June 2018 (after trading hours), Progressive Merit (a wholly-owned subsidiary of the Company), Fujian Jiahe; Mr. Xu, Mr. Muhamad, Mr. Kok, Mr. Joifadi and Mr. Angga entered into the Disposal Agreement, pursuant to which Progressive Merit agreed to sell and Fujian Jiahe agreed to purchase 100% equity interest in Stand Ascent (a company indirectly wholly-owned by the Company through Progressive Merit) at the consideration ranges from approximately US\$5.32 million to approximately US\$7.73 million.

Upon completion of the Disposal Agreement, Stand Ascent will cease to be a subsidiary of the Company and its financial results will no longer be consolidated into the financial statements of the Group.

THE COOPERATION AGREEMENT

On 4 July 2018 (after trading hours), the Company and Fujian Jiahe entered into the Cooperation Agreement, pursuant to which the parties thereto agreed to establish the JV Company for the purpose of developing certain hydropower projects in Indonesia. The registered capital of the JV Company shall not exceed RMB50 million, among which the Company and Fujian Jiahe shall contribute 10% and 90%, respectively.

LISTING RULES IMPLICATIONS

As the respective applicable percentage ratios in respect of the Disposal Agreement and the Cooperation Agreement as calculated under Rule 14.07 of the Listing Rules are all less than 5%, the transaction contemplated under each of the Disposal Agreement and the Cooperation Agreement is fully exempt from the reporting, announcement and shareholders' approval requirement under Chapter 14 of the Listing Rules.

BACKGROUND

Termination of the DSE Acquisition Agreement

Reference is made to the Company's announcements dated 23 March 2016, 6 April 2016, 30 May 2016, 21 September 2016, 24 April 2017 and 20 October 2017.

As disclosed in the aforesaid announcements, on 23 March 2016, Stand Ascent, a company wholly-owned by Progressive Merit which is in turn wholly-owned by the Company, entered into the DSE Acquisition Agreement with Mr. Xu, Mr. Muhamad and DSE Company, pursuant to which Stand Ascent agreed to acquire 49% equity interest in DSE Company from Mr. Xu at the consideration of approximately US\$7.3 million. After signing of the DSE Acquisition Agreement, Stand Ascent had paid a deposit (the "**DSE Deposit**") of US\$2.92 million to Mr. Xu, and Mr. Xu had transferred 28,420 Class A Shares (representing 49% of the equity interest in DSE Company) to Stand Ascent as security for completion of the DSE Acquisition Agreement.

As certain conditions precedent under the DSE Acquisition Agreement were not fulfilled over time, the parties thereunder agreed to terminate the DSE Acquisition Agreement and entered into the Termination Deed and the Novation Deed on 20 October 2017.

Pursuant to the Termination Deed, Mr. Xu and Mr. Muhamad unconditionally and irrevocably agreed, on a joint and several basis, (i) to refund the DSE Deposit to Stand Ascent together with a deposit interest (the "**DSE Deposit Interest**") at 10% per annum on the DSE Deposit since 23 March 2016 up to the full repayment date of the DSE Deposit in three tranches of US\$0.62 million, US\$0.60 million and US\$1.70 million by 31 January 2018, 31 March 2018 and 30 June 2018, respectively; and (ii) to guarantee DSE Company shall repay to Stand Ascent or its designated party its indebtedness (the "**DSE Indebtedness**") of approximately US\$1.51 million owed to Stand Ascent and its associated companies as of the date of this announcement. Stand Ascent also agreed that, upon full payment of the DSE Deposit, the DSE Deposit Interest and the DSE Indebtedness, it shall transfer the 28,420 Class A Shares which were registered under its name to Mr. Xu or his designated party.

Pursuant to the Novation Deed, the parties agreed that Stand Ascent shall novate its rights and obligations under the DSE Joint Venture Agreement to Mr. Xu.

As at the date of this announcement, Mr. Xu and Mr. Muhamad have not yet repaid the DSE Deposit and the DSE Deposit Interest to Stand Ascent and DSE Company has not repaid the DSE Indebtedness to Stand Ascent. On the other hand, Stand Ascent has not returned the 28,420 Class A Shares to Mr. Xu and remains as the registered owner of such Class A Shares.

As at the date of this announcement, DSE Company is owned as to 49%, 41%, 7% and 3% by Stand Ascent, Mr. Muhamad, Mr. Kok and Mr. Joifadi, respectively.

Termination of the SPM Acquisition Agreements

The Board would like to announce that on 23 August 2016, Stand Ascent entered into SPM Acquisition Agreement I with Mr. Xu, Mr. Muhamad and SPM Company, pursuant to which Stand Ascent agreed to acquire 80% equity interest in SPM Company from Mr. Xu and Mr. Muhamad at the maximum consideration of approximately US\$4.6 million. Thereafter on 26 April 2018, Stand Ascent and Mr. Muhamad entered into the SPM Acquisition Agreement II, pursuant to which Stand Ascent agreed to further acquire 5% equity interest in SPM Company from Mr. Muhamad at the consideration of approximately US\$180,000.

After signing of the SPM Acquisition Agreements, Stand Ascent had paid a deposit (the “**SPM Deposit**”) of US\$3.52 million to Mr. Xu and Mr. Muhamad, and Mr. Xu and Mr. Muhamad had transferred 85% equity interest in SPM Company to Stand Ascent as security for completion of the SPM Acquisition Agreements.

Since certain conditions precedent under the SPM Acquisition Agreements were not yet fulfilled over time, the parties thereunder intend to terminate the SPM Acquisition Agreements.

As at the date of this announcement, Mr. Xu and Mr. Muhamad have not yet repaid the SPM Deposit to Stand Ascent, and SPM Company has incurred an indebtedness (the “**SPM Indebtedness**”) of approximately US\$370,000 to Stand Ascent and its associated companies. On the other hand, Stand Ascent has not returned 85% equity interest SPM Company to Mr. Xu and Mr. Muhamad and remains as the registered owner of such equity interest.

As at the date of this announcement, SPM Company is owned as to 85%, 5%, 5% and 5% by Stand Ascent, Mr. Xu, Mr. Muhamad and Mr. Angga, respectively.

THE DISPOSAL AGREEMENT

During the parties' negotiation on the termination process of the DSE Acquisition Agreement and the SPM Acquisition Agreements, Fujian Jiahe expressed its interest in Stand Ascent's investment in DSE Company and SPM Company and intend to acquire 100% equity interest in Stand Ascent from Progressive Merit, a wholly-owned subsidiary of the Company and the sole shareholder of Stand Ascent. After further negotiation, Progressive Merit, Fujian Jiahe and the parties to the DSE Acquisition Agreement and the SPM Acquisition Agreements reached consensus and entered into the Disposal Agreement on 29 June 2018. The principal terms of the Disposal Agreement are as follows:

Date: 29 June 2018 (after trading hours)

Parties: vendor: Progressive Merit;
purchaser: Fujian Jiahe;
guarantors: Mr. Xu, Mr. Muhamad, Mr. Kok, Mr. Joifadi and Mr. Angga

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of Fujian Jiahe, Fujian Jiahe's ultimate beneficial owner (ie. Mr. Zi), Mr. Xu, Mr. Muhamad, Mr. Kok, Mr. Joifadi and Mr. Angga is a third party independent from the Company and its connected persons (as defined under the Listing Rules).

Asset to be disposed of:

Pursuant to the Disposal Agreement, Progressive Merit agreed to sell and Fujian Jiahe agreed to purchase 100% equity interest in Stand Ascent.

Consideration:

The consideration for the sale of 100% equity interest in Stand Ascent is solely comprised of the aggregate value of 49% equity interest in DSE Company (together with the DSE Indebtedness) and 85% equity interest in SPM Company (together with the SPM Indebtedness), which will range from approximately US\$5.32 million to approximately US\$7.73 million. The consideration shall be settled in cash, the breakdown and payment manner of which is as follows:

(a) DSE Company

US\$2.205 million of the consideration represents the value of the 49% equity interest held by Stand Ascent and the DSE Indebtedness, among which:

(i) a refundable deposit of US\$1 million was paid by Fujian Jiahe to Stand Ascent;

- (ii) within 30 days upon DSE Company having completed the relevant procedures or obtained the relevant licenses for its projects without any defects, and completed requisition of all the lands in relation to its hydropower project(s), Fujian Jiahe shall pay a further sum of US\$984,500 to Progressive Merit, being 90% of the remaining amount (i.e. 90% x (US\$2.205 million – US\$1 million));
- (iii) Upon completion of (ii) above and in the absence of breach of the Disposal Agreement by the parties, if Fujian Jiahe fails to complete the financing closing requirement as set out in the power purchase agreement entered into between the DSE Company and PLN before 30 September 2018, Fujian Jiahe shall pay the remaining amount of US\$220,500 on the said deadline of 30 September 2018 or within 30 days from the date when the financial closing work is completed.

(b) SPM Company

The value of the 85% equity interest in SPM Company (“**SPM Value**”) shall be determined by the lower of (i) the tariff of the electricity to be sold by SPM Company to PLN under the power purchase agreement(s) (the “**SPM Power Purchase Agreement(s)**”) to be entered between the said parties (the SPM Value shall range from approximately US\$3.12 million to US\$5.53 million pursuant to the range of electricity unit price which may be offered by PLN); or (ii) the valuation of the SPM Value assessed by a valuer jointly appointed by Fujian Jiahe and Progressive Merit. The payment of the value of the 85% equity interest in SPM Company shall be carried out in the following manner:

- (i) Fujian Jiahe shall pay a refundable deposit of US\$500,000 within 1 business day from the date of the Disposal Agreement (or such later date as agreed by Fujian Jiahe and Progressive Merit in writing);
- (ii) Upon SPM Company having completed the relevant procedures or obtained the relevant licenses for its projects without any defects, completed requisition of all the lands in relation to its projects, and having entered into the SPM Power Purchase Agreement(s), Fujian Jiahe shall pay 50% of the SPM Value after deducting the refundable deposit of US\$500,000 within 5 business days from the signing date of the SPM Power Purchase Agreement(s); and
- (iii) the remaining amount (being the SPM Value deducting (i) and (ii) above) shall be paid by Fujian Jiahe within 5 business days after PLN has officially started buying electricity from SPM Company.

If the price of electricity to be sold by SPM Company under the SPM Power Purchase Agreements is lower than US\$0.079 per pWh, Fujian Jiahe shall have the rights to terminate the Disposal Agreement and Progressive Merit shall return all the paid consideration to Fujian Jiahe.

Basis of consideration:

The consideration was determined after arm's length negotiations between the parties to the Disposal Agreement.

Conditions Precedent:

Completion of the Disposal Agreement is conditional upon the fulfillment (or waiver by Fujian Jiahe) of, among others, the following conditions precedent:

- (a) the representations, warrants and undertakings made by Progressive Merit and the guarantors in the Disposal Agreement remains correct, accurate and not misleading in all aspects;
- (b) the Termination Deed and the Novation Deed are effectively terminated and cease to have any legal effect;
- (c) Fujian Jiahe having completed the due diligence on the assets, debt, finances, operations and affairs of Stand Ascend, DSE Company and SPM Company and is satisfactory with the results (subject to the absolute discretion of Fujian Jiahe); and Fujian Jiahe having received a legal opinion issued by an Indonesian law firm appointed by it and is satisfactory with such opinion, the content of which shall include and confirm that Stand Ascend is the beneficial owner of 49% equity interest in DSE Company and 85% equity interest in SPM Company;
- (d) prior to payment of the 2nd installment for the value of SPM Company, SPM Company having completed entering into the SPM Power Purchase Agreements on or before 31 October 2018 (or such other date as agreed by Fujian Jiahe in writing);
- (e) Fujian Jiahe having obtained a complete and satisfactory due diligence report (subject to the absolute discretion of Fujian Jiahe) on the feasibility study report of the "Indonesia Plta Pahae Julu Hydropower Station Engineering Investigation and Design Contract" of SPM Company; and
- (f) Progressive Merit having terminated all the previous shareholder agreements entered by it and arrange Fujian Jiahe to re-enter new shareholders agreement(s) which terms and conditions shall cover, including but not limited to, future working capital injection plan(s), project investment(s), shareholder dividends, etc.

If the above conditions are not fulfilled (or waived by Fujian Jiahe) in full, Fujian Jiahe may require for the return of the then paid SPM Value, and Stand Ascend shall transfer its 85% equity interest in SPM Company back to Progressive Merit or its designated party.

Upon completion of the Disposal Agreement, Stand Ascent will cease to be a subsidiary of the Company and its financial results will no longer be consolidated into the financial statements of the Group.

THE COOPERATION AGREEMENT

On 4 July 2018 (after trading hours), the Company and Fujian Jiahe entered into the Cooperation Agreement. The principal terms of the Cooperation Agreement are set out as follows:

Date: 4 July 2018 (after trading hours)

Parties: the Company;
Fujian Jiahe; and
Mr. Zi

Purpose of the JV Company:

The purpose of the JV company is for the investment of hydropower plants in Indonesia.

Capital contribution:

The proposed share capital of the JV Company shall not exceed RMB50 million, among which the Company and Fujian Jiahe shall contribute 10% and 90%, respectively.

Responsibilities of the investors:

Fujian Jiahe shall be responsible for financing the projects to be invested and developed by the JV Company (such as by way of provision of shareholder's loan) and the Company shall be responsible for providing technical support to the JV Company.

Pursuant to the requirement of PLN, the developer shall provide relevant qualification documents and complete the government procedures within the prescribed timeframe before commencing and developing the hydropower projects in Indonesia.

Since the JV Company has not yet been established, Progressive Merits (or its designated party) shall be responsible for preparing the qualification documents and completing the government procedure, and the costs and expenses incurred therefrom shall be borne by the JV Company and guaranteed by Mr. Zi. If Progressive Merit needs to fulfil any financing needs for the provision of qualification documents or completion of the government procedures, Fujian Jiahe and Mr. Zi shall be responsible for accommodating such financing needs, and the rights and titles obtained shall belong to the funding provider. Fujian Jiahe and Mr. Zi shall also be responsible for any direct economic loss suffered by Progressive Merit arise from their delay or failure to fulfil such financing needs.

In order to protect the interest of Progressive Merit from any direct economic loss which may cause by breach of the Cooperation Agreement by Fujian Jiahe and Mr. Zi, Fujian Jiahe shall deposit an amount of RMB20 million to the bank account designated by Progressive Merit within 3 days from the date of the Cooperation Agreement. Progressive Merit may reimburse its direct economic loss cause by the breach of Fujian Jiahe and Mr. Zi from the security deposit.

INFORMATION OF THE GROUP AND THE PARTIES TO THE DISPOSAL AGREEMENT AND THE COOPERATION AGREEMENT

The Group is principally engaged in construction works and environmental protection.

Progressive Merit is a company incorporated in the British Virgin Islands which is wholly-owned by the Company. It is an investment holding company.

Fujian Jiahe is a company incorporated in the PRC. It principally engages in production of power supply equipment, hydro and power plants.

Mr. Zi is a PRC citizen and the controlling shareholder of Fujian Jiahe.

Mr. Xu is a PRC citizen. He owns 5% equity interest in SPM Company as at the date of this announcement.

Mr. Muhammad is an Indonesian citizen. He owns 41% equity interest in DSE Company and 5% equity interest in SPM Company as at the date of this announcement.

Mr. Kok is an Indonesian citizen. He owns 7% equity interest in DSE Company as at the date of this announcement.

Mr. Joifadi is an Indonesian citizen. He owns 3% equity interest in DSE Company as at the date of this announcement.

Mr. Angga is an Indonesian citizen. He owns 5% equity interest in SPM Company as at the date of this announcement.

INFORMATION OF STAND ASCENT

Stand Ascent is a company incorporated in Hong Kong which is wholly-owned by the Company through Progressive Merit. It is an investment holding company and its only assets are the 49% equity interest in DSE Company and the 85% equity interest in SPM Company.

The audited financial information of Stand Ascent from 30 October 2015 (date of incorporation) to 31 March 2017 is set out as follows:

HK\$'000

Revenue	—
Loss before taxation	(1,564)
Loss after taxation	<u>(1,564)</u>

As at 31 March 2018, the unaudited net liabilities of Stand Ascent was approximately HK\$803,000.

FINANCIAL EFFECT OF THE DISPOSAL AGREEMENT

Assuming the consideration is fixed at the low end of US\$5.32 million, the Company is expected to record a loss of approximately US\$3.38 million upon completion of the Disposal Agreement after deducting the aggregate of the DSE Deposit and DSE Indebtedness of US\$4.43 million, SPM Deposit and SPM Indebtedness of US\$3.89 million and the aggregate advances to Mr. Xu and Mr. Muhammad amounting to approximately US\$377,000.

Assuming the consideration is fixed at the high end of US\$7.73 million, the Company is expected to record a loss of approximately US\$967,000 upon completion of the Disposal Agreement after deducting the aggregate of the DSE Deposit and DSE Indebtedness of US\$4.43 million, SPM Deposit and SPM Indebtedness of US\$3.89 million and the aggregate advances to Mr. Xu and Mr. Muhammad amounting to approximately US\$370,000.

The proceeds from the Disposal Agreement is intended to be used for internal working capital purpose.

As a measure to mitigate the Company's above said loss, Mr. Xu and Mr. Muhammad executed a deed of undertaking in favour of the Company on 6 July 2018, pursuant to which Mr. Xu and Mr. Muhammad undertook to let the Company have the first priority to receive the proceeds from the disposal of their interests in DSE Company, SPM Company other Indonesian companies which also engage in hydropower plant operation, so as to make up the shortfall of the above-mentioned loss resulting from the Disposal Agreement and to pay interest at 10% per annum on US\$8,697 million, being the aggregate of the DSE Deposit and DSE Indebtedness of US\$4.43 million, SPM Deposit and SPM Indebtedness of US\$3.89 million and advances to Mr. Xu and Mr. Muhammad of approximately US\$370,000 since the relevant inception dates.

REASONS FOR AND BENEFITS OF ENTERING INTO THE DISPOSAL AGREEMENT AND THE COOPERATION AGREEMENT

The Company terminated the acquisition of DSE Company and SPM Company through entering the Disposal Agreement since, among others, conditions precedent for such acquisition had long been not fulfilled. Due to the anticipated capital involvement, the Company considers it would be the best interest to recover the outstanding balances by entering into the Disposal Agreement.

Indonesia has an energy mix which is dominated by fossil fuels, and its government has planned for various new sources renewable energy (mainly geothermal and hydro). Despite the long procession of time involved, the Group considered the hydro development investment may anticipate higher return compared to that in the mainland China.

As such, the Directors (including independent non-executive Directors) consider that the transaction contemplated under the Disposal Agreement can eventually resolve the previous long-unresolved matters in the hydropower plants of DSM Company and SPM Company. On the other hand, the Group can reduce its exposure and leverage its commitment to the joint venture under the Cooperation Agreement and enables to ride on the increased demand in Indonesian energy sector.

In light of the aforesaid, the Directors believe that the terms of each of the Disposal Agreement and the Cooperation Agreement and the respective transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the respective applicable percentage ratios in respect of the Disposal Agreement and the Cooperation Agreement as calculated under Rule 14.07 of the Listing Rules are all less than 5%, the transaction contemplated under each of the Disposal Agreement and the Cooperation Agreement is fully exempt from the reporting, announcement and shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“Class A Shares”	the Class A Shares of DSE Company
“Company”	New Concepts Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange (stock code: 2221)
“Cooperation Agreement”	the cooperation agreement dated 4 July 2018 entered into between the Company and Fujian Jiahe in relation to the establishment of the JV Company
“Director(s)”	the director(s) of the Company
“Disposal Agreement”	the disposal agreement dated 29 June 2018 entered into among Progressive Merit, Fujian Jiahe, Mr. Xu, Mr. Muhamad, Mr. Kok, Mr. Joifadi and Mr. Angga in relation to the sale of 100% equity interest in Stand Ascent by Progressive Merit to Fujian Jiahe, as amended and supplemented by the supplemental disposal agreement thereto which is entered into among the parties to the disposal agreement on 6 July 2018
“DSE Acquisition Agreement”	the formal share purchase agreement dated 23 March 2016 and entered into among Stand Ascent, Mr. Xu, Mr. Muhamad and DSE Company in relation to the acquisition of 49% equity interest in DSE Company by Stand Ascent from Mr. Xu
“DSE Company”	PT. Dempo Sumber Energi, a company incorporated under the laws of Indonesia which is owned as to 49%, 41%, 7% and 3% by Stand Ascent, Mr. Muhamad, Mr. Kok and Mr. Joifadi as at the date of this announcement
“DSE Joint Venture Agreement”	the joint venture agreement to be entered into among the shareholders of DSE Company in relations to the rights and obligations of the shareholders of DSE Company
“DSE Novation Deed”	the deed of novation dated 20 October 2017 entered into among Stand Ascent, Mr. Xu, Mr. Muhamad and DSE Company in relation to the novation of the rights and obligation of Stand Ascent under the DSE Joint Venture Agreement to Mr. Xu

“DSE Termination Deed”	the deed of termination and indemnification dated 20 October 2017 entered into among Stand Ascent, Mr. Xu, Mr. Muhamad and DSE Company in relation to termination of the DSE Acquisition Agreement
“Fujian Jiahe”	福建佳和能源有限公司 (Fujian Jiahe Energy Company Limited*), a company incorporated in the PRC
“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
“Indonesia”	the Republic of Indonesia
“JV Company”	the joint venture company to be established pursuant to the Cooperation Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Angga”	Mr. Angga Septian, an Indonesian citizen
“Mr. Joifadi”	Mr. Joifadi, an Indonesian citizen
“Mr. Kok”	Mr. Kok Tjik, an Indonesian citizen
“Mr. Muhamad”	Mr. Muhamad Yamin Kahar, an Indonesian citizen
“Mr. Xu”	Mr. Xu Peng, a PRC citizen
“Mr. Zi”	Mr. Zi Fenggao, a PRC citizen and the controlling shareholder of Fujian Jiahe
“PLN”	PT Perusahaan Listrik Negara, an Indonesia state-owned power utility company
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Progressive Merit”	Progressive Merit Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company

“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.1 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“SPM Acquisition Agreement I”	the formal share purchase agreement dated 23 August 2016 and entered into among Stand Ascent, Mr. Xu, Mr. Muhamad and SPM Company in relation to the acquisition of 80% equity interest in SPM Company by Stand Ascent from Mr. Xu and Mr. Muhamad
“SPM Acquisition Agreement II”	the formal share purchase agreement dated 26 April 2018 entered into between Stand Ascent and Mr. Muhamad in relation to the further acquisition of 5% equity interest in SPM Company by Stand Ascent from Mr. Muhamad
“SPM Acquisition Agreements”	SPM Agreement I and SPM Agreement II
“SPM Company”	PT. Sumatera Pembangkit Mandiri, a company incorporated under the laws of Indonesia which is owned as to 85%, 5%, 5% and 5% by Stand Ascent, Mr. Muhamad, Mr. Xu and Mr. Angga as at the date of this announcement
“Stand Ascent”	Stand Ascent Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company as a the date of this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	US Dollar, the lawful currency of the United States of America

By Order of the Board
New Concepts Holdings Limited
Cai Jianwen
Executive Director

Hong Kong, 6 July 2018

As at the date of this announcement, the executive Directors are Mr. Zhu Yongjun, Ms. Qin Shulan and Mr. Cai Jianwen; the non-executive Director is Dr. Zhang Lihui; and the independent non-executive Directors are Mr. Lo Chun Chiu, Adrian, Dr. Tong Ka Lok and Mr. Choy Wai Shek, Raymond, MH, JP.

* *For identification purpose only*