



Press Release

[For immediate release]

**New Concepts Acquires Hefei Feifan Bio Technology Co., Ltd.
For Approximately HK\$15.5 Million
To Further Expand Food Waste Treatment Business**

(24 January 2017, Hong Kong) **New Concepts Holdings Limited** (“New Concepts” or the “Company”, together with its subsidiaries known as the “Group”; Stock Code: 2221.HK) is pleased to announce that Fancy Ascent Limited, an indirect wholly-owned subsidiary of the Company, has entered into an agreement with Fu Li Biotechnology Corporation to acquire 80% equity interest in Hefei Feifan Bio Technology Co., Ltd. (the “Target Company”) at the consideration of US\$2 million (equivalent to approximately HK\$15.515 million), thereby further expanding its food waste treatment business.

The Target Company is principally engaged in food waste treatment business with registered capital of US\$10 million (equivalent to approximately HK\$77.58 million). Pursuant to the agreement, Fancy Ascent Limited conditionally agreed to make the capital injection of US\$10 million (equivalent to approximately HK\$77.58 million) into the Target Company. In addition, the Creditor will convert all the debts owed to it by the Target Company by injecting capital of an amount of US\$10 million (equivalent to approximately HK\$77.58 million) into the Target Company.

According to the “Plan for Establishing Facilities for Innocuous Treatment of Municipal Solid Waste under the Thirteen Five-Year Plan (Draft)”, the National Development and Reform Commission and the Ministry of Housing and Urban-Rural Development target to achieve 100% garbage disposal rate in municipalities and provincial capitals by 2020. Moreover, they will promote simultaneous treatment of food waste and other organic biodegradable waste and raise the country’s processing capacity to 40,000 tons per day by the end of the Thirteen Five-Year Plan period.

Mr. Zhu Yongjun, Chairman of New Concepts, commented, “There is great potential for food waste treatment business to grow. We are highly confident about this business and determined to drive its growth. The completion of acquisition of the Target Company will help the Company to further increase its share in China’s food waste treatment industry and reinforce its market



leadership. Underpinned by robust demand for environmental services, supportive government policies and the growth momentum of the Chinese economy, the Company will vigorously expand its environmental business in China and make it a new driver for the Group, thereby contributing its efforts to drive the development of environmental industry in China and ensure its sustainable development.”

~End~

About New Concepts Holdings Limited

New Concepts Holdings Limited was listed on the main board of Hong Kong Stock Exchange on 19 September 2014. The main businesses for the Group are foundation project, civil engineering project and general building project.

For more information, please visit the corporate website on:

<http://www.primeworld-china.com/> .

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