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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 THE DISCLOSEABLE AND
CONNECTED TRANSACTION SETTLEMENT AGREEMENT
IN RELATION TO 51% OF THE ISSUED SHARE CAPITAL
IN CLEAR INDUSTRY COMPANY LIMITED**

Reference is made to the announcements (the “**Announcements**”) of the Company dated 28 May 2020, 29 July 2020, 5 November 2020, 1 December 2020 and 7 May 2021, in relation to, among others, the Settlement Agreement entered into among the Purchaser (an indirect wholly-owned subsidiary of the Company), the Vendor, the Warrantor and the Target Company on 28 May 2020 (as amended and supplemented by the 1st supplemental agreement dated 5 November 2020, the 2nd supplemental agreement dated 1 December 2020 and the 3rd supplemental agreement dated 7 May 2021). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless the context requires otherwise.

As disclosed in the Announcements, pursuant to the Settlement Agreement (as amended and supplemented by the supplemental agreements), the Purchaser conditionally agreed to return the Sale Shares (representing 51% of the equity interest in the Target Company) and the Vendor agreed to repay to the Purchaser the Cash Refund in the total amount of RMB36 million by installments and dispose the Consideration Shares to a transferee(s) who is not the Company, the Purchaser or any of their respective connected persons, and arrange the relevant proceeds to the bank account designated by the Purchaser.

As disclosed in the 2023 annual report of the Company, the Group received the Cash Refund in full during the year ended 31 March 2023. Further, in June 2023, the Group obtained a judgement from the People Court in Shanghai, and the court ordered that the Warrantor should pay the Group the penalty charges of approximately RMB140,000. Such penalty charges, net of court's expenses, were received in full by the Group in November 2023.

As such, the outstanding Cash Refund and relevant charges thereto were fully settled.

DISPOSAL OF CONSIDERATION SHARES

On 23 November 2023, the Purchaser has entered into an agreement (the “**Agreement**”) with Mr. Wong Yiu Sang (the “**Agent**”), a Hong Kong citizen and an independent third party of the Company, the Vendor and the Warrantor, pursuant to which the Consideration Shares to be deposited into a securities account maintained by the Agent. Such Agent will, within 12 months from the date of the Agreement (or other dates as agreed by both parties), to dispose the Consideration Shares to any transferee(s) who is not the Company, the Purchaser or any of their respective connected persons, and arrange the relevant proceeds to the bank account designated by the Purchaser. The Purchaser shall pay the Agent a nominal amount of HK\$1 as consideration. As at the date of this announcement, the Consideration Shares were deposited to the securities account maintained by such Agent.

RETURN OF SECURITY

Subsequent to the settlement of the Cash Refund and the signing of the Agreement, the Group released the share charge of 51% equity interest in the Vendor, being the security to the Settlement Agreement, to the Warrantor and/or its representative on 23 November 2023.

The Company shall make further announcement as when necessary upon disposal of the Consideration Shares and keep the Shareholders and the investors abreast of the latest information regarding such disposal.

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

Hong Kong, 23 November 2023

As at the date of this announcement, the executive Directors are Mr. Zhu Yongjun, Mr. Pan Yimin and Mr. Lee Tsi Fun Nicholas; the non-executive Directors are Mr. Sui Guangyi, Mr. Lin Jiakuang and Dr. Ge Xiaolin; 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.