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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)

DISCLOSEABLE TRANSACTION PROVISION OF FINANCIAL ASSISTANCE

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The Board would like to announce that on 26 December 2022, the Loan Agreement was entered into between Yisheng (Tianjin) as the Lender and Shenzhen Dingxin as the Borrower, pursuant to which Yisheng (Tianjin) agreed to grant the Loan to the Borrower in the principal amount of RMB19,000,000 for a term of two years.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Loan granted to the Borrower exceed 5% but is less than 25%, the grant of the Loan constituted a discloseable transaction for the Company and was subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

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The principal terms of the Loan Agreement are set out below:

THE LOAN AGREEMENT

Date of Agreement	:	26 December 2022
Lender	:	Yisheng (Tianjin)
Borrower	:	Shenzhen Dingxin
Principal amount	:	RMB19,000,000
Interest rate	:	10% per annum
Default interest	:	In the event that the Borrower fails to repay the outstanding amount of the Loan, including any interest or other amounts due under the Loan Agreement, on the specified due date, the Borrower shall be liable to pay liquidated damages to the Lender at a rate of 0.3% per day on the outstanding amount, accruing daily from the due date until the date of full payment.
Term	:	From 26 December 2022 to 25 December 2024
Security	:	The Loan shall be unsecured
Repayment	:	The Borrower shall pay the annual interest in advance, no later than 26 December 2022 and 26 December 2023, respectively. The principal amount shall be repaid in full upon maturity.

FUNDING OF THE LOAN

The Group financed the Loan with the Group's general working capital.

INFORMATION ON THE BORROWER

The Borrower is a limited liability company established in the PRC and its principal activities include new energy business, engineering and construction business, provision of scientific research and technical services, technology promotion and application services, and technology intermediary services. As at the date of the Loan Agreement, the Borrower was wholly and beneficially owned by Mr. Jiang Jinbo. As at the date of this announcement, the Borrower is owned as to approximately 99% by Mr. Jiang Jinbo and as to approximately 1% by Mr. Wang Guodong. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Borrower and its ultimate beneficial owners are Independent Third Parties.

INFORMATION ON THE GROUP AND THE LENDER

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.

The Lender, Yisheng (Tianjin), is an indirect wholly-owned subsidiary of the Company.

REASONS FOR ENTERING INTO THE LOAN AGREEMENT

According to the “Huizhou Municipal Ecological Environment Protection 14th Five-Year Plan” 《惠州生態環境保護「十四五」規劃》 issued by the Huizhou Municipal People’s Government Office, the municipal government of Huizhou Municipality intends to establish a kitchen waste treatment project with a daily processing capacity of 600 tonnes, with a view to replacing the existing non-compliant operators in the region (the “**Kitchen Waste Treatment Project**”). In line with its strategic intention to increase investment in the environmental protection sector, and having assessed the Kitchen Waste Treatment Project as possessing strong long-term development potential, on 12 July 2022, Yisheng (Tianjin) and Shenzhen Dingxin entered into a cooperative investment management agreement (the “**Investment Agreement**”) with a view to securing the franchise rights in relation to the development of the Kitchen Waste Treatment Project. Pursuant to the Investment Agreement, the total investment amount shall be RMB57 million, of which (i) Yisheng (Tianjin) shall contribute RMB19 million and Shenzhen Dingxin shall contribute RMB38 million in the capital contribution ratio of 1:2 in respect of the Kitchen Waste Treatment Project. Pursuant to the terms of the Investment Agreement, Shenzhen Dingxin will be primarily responsible for, among others, liaising and coordinating with local government departments, industry stakeholders, and potential partners to expedite the approval and commencement of the Kitchen Waste Treatment Project, and Yisheng (Tianjin) would be responsible for the construction and day-to-day operation of the food waste treatment facility, ensuring compliance with applicable technical, environmental, and regulatory standards. The capital contribution of RMB19 million was made by Yisheng (Tianjin) to Shenzhen Dingxin in full on 19 July 2022 in accordance with the terms of the Investment Agreement.

Subsequently, due to financial reasons of the Huizhou Municipal Government, the Kitchen Waste Treatment Project had been put on hold, and the tender process had been postponed at the material time. In order to mitigate the investment risks and optimise the short-term yield of the Company's funds, the Yisheng (Tianjin) reached an agreement with Shenzhen Dingxin to convert Yisheng (Tianjin)'s capital contribution under the Investment Agreement into a loan extended to Shenzhen Dingxin. Pursuant to the terms of the Loan Agreement, Shenzhen Dingxin agreed to pay the annual interest in the amount of RMB1.9 million upfront in advance of each year during the term of the Loan. On the date of the Loan Agreement, Yisheng (Tianjin) had received an investment compensation of RMB800,000 and the full amount of the annual interest of RMB1.9 million. Taking into consideration the short-term capital efficiency of the loan arrangement and the potential to generate a higher yield on the Group's capital resources, the Group considered that the Loan Agreement was in the interests of Group as a whole. Based on the satisfactory findings of the due diligence conducted prior to entering into the Investment Agreement, the Company concluded that Shenzhen Dingxin possessed adequate repayment capability at the material time. More importantly, the arrangement also served to maintain the Group's strategic relationship with Shenzhen Dingxin, which was expected to contribute positively to the Group's future development in kitchen waste treatment projects of the Group in the event of the resumption of the Kitchen Waste Treatment Project or should any business opportunities in other kitchen waste projects arise. The Conversion (as defined below) was strategically designed for the mutual interests of both the Group and Shenzhen Dingxin. This approach not only enhances the Group's short-term capital efficiency with the interest receivables and investment compensation, but also preserves the collaborative relationship between the Group and Shenzhen Dingxin. By aligning financial interests and maintaining potential cooperation opportunities, the Conversion (as defined below) reinforces the relationship between the parties that is expected to yield long-term benefits should any business opportunities in the kitchen waste projects arise. Hence, the Company considered that terminating the Investment Agreement and proceeding with the loan arrangement under the Loan Agreement was in the best interest of the Group.

In light of the above, the Directors consider that the terms of the Loan Agreement are fair and reasonable and the entering into of the Loan Agreement is in the interests of the Company and its Shareholders as a whole.

STATUS OF THE LOAN

On the date of the Loan Agreement, the Borrower had paid the first tranche of interest in the sum of RMB1.9 million in accordance with the terms of the Loan Agreement. Subsequently, on 1 December 2023, Mr. Jiang Jinbo, on behalf of the Borrower, had paid a sum of RMB1.05 million as partial repayment of the principal amount and interest of the Loan. On 1 April 2024, Yisheng (Tianjin) entered into a debt offset agreement with the Borrower, pursuant to which both parties mutually agreed that the principal amount of RMB1.43 million under the Loan shall be offset in part against a corresponding amount owed by Yisheng (Tianjin) to the Borrower. However, Shenzhen Dingxin defaulted in repayment of the principal amount of the Loan on the Maturity Date. As at the date of this announcement, the total outstanding principal amount under the Loan amounted to approximately RMB16.8 million.

Since the grant of the Loan, the Company had regularly monitored the status of the Loan. The Company has constantly followed up on the recovery of the Loan for the purpose of safeguarding its assets, including negotiations with the Borrower for the settlement of the Loan and taking recovery actions against the Borrower by issue of demand letters in December 2024, March 2025 and June 2025. Given the status of the Loan, full impairment had been recognised in respect of the Loan as disclosed in the annual report of the Company for the year ended 31 March 2025. Nevertheless, the Company will continue to use its best endeavours to recover the Loan. As at the date of this announcement, Yisheng (Tianjin) had engaged a PRC lawyer and is in the course of conducting a public search to locate any assets owned by Shenzhen Dingxin and/or its shareholder in the PRC with a view to recovering the Dingxin Loan.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Loan granted to the Borrower exceed 5% but is less than 25%, the grant of the Loan constitutes a discloseable transaction for the Company and was subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

The Company is aware that this announcement in respect of the Loan Agreement entered into by the Group on 26 December 2022 constituted a late announcement under the Listing Rules. The Company regrets the delay and omission of such disclosure.

At the material time when the Investment Agreement was entered into, all of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Investment Agreement did not exceed 5%. Hence, the entering into of the Investment Agreement did not constitute a notifiable transaction for the Company under the Listing Rules. At the material time when the Loan Agreement was entered into, due to the fact that (i) the Loan was made by Yisheng (Tianjin) by way of conversion of its capital contribution under the Investment Agreement (the “**Conversion**”); (ii) no actual payment of fund was transferred from Yisheng (Tianjin) to Shenzhen Dingxin under the Loan Agreement; and (iii) the entering into of the Investment Agreement itself did not constitute a notifiable transaction on the part of the Company under the Listing Rules, the then director of Yisheng (Tianjin) and the then chief legal officer of the Group misinterpreted the Conversion to be integrally linked to and forming part of the Investment Agreement. As such, they were not aware of the implications of the Conversion as a separate transaction under the Listing Rules, and thus did not inform the company secretary of the Company in relation to the Conversion, nor draw the attention of the Directors on the disclosure requirements under Chapter 14 of the Listing Rules.

REMEDIAL ACTIONS

The Company deeply regrets its non-compliance with the Listing Rules, but it would like to stress that such non-compliance was inadvertent and unintentional. The Company has no intention to withhold any information relating to the Loan from disclosure to the public. It is always the intention of the Company to fully comply with the Listing Rules. To prevent similar incidents in the future, the Company has implemented the following remedial actions:

1. the Directors have instructed the management of the Group to take all necessary measures to examine the existing loan portfolio of the Group and will work closely with them to ensure that all loans are in full compliance with the Listing Rules. Upon completion of the review of the existing loan portfolio of the Group in September 2025, save as disclosed otherwise in this announcement, the management of the Group had not entered into any other loan that constitutes a notifiable transaction under Chapter 14 of the Listing Rules;
2. the Company will arrange to (i) convene regular departmental meetings to monitor potential notifiable transactions every month; (ii) appoint an independent internal control consultant to conduct an internal review (the “**Review**”) on (a) the key deficiency in the internal control process in granting the Loan; (b) the loan management process of the Group; and (c) the Group’s internal procedures in respect of the relevant regulatory compliance under Chapter 14 of the Listing Rules for the period commencing from 1 April 2022 to 31 March 2025, which covers the period during which the Loan was extended, with an aim to enhance the internal controls and procedures of the Group and strengthen the reporting system between the Board and different departments of the Group based on the findings of the

Review; and (iii) provide guidance materials on compliance matters to the Directors, senior management and the financial staff of the Group every year to reinforce their awareness and knowledge of the Listing Rules. On 24 October 2025, an external professional adviser engaged by the Company has provided the first set of guidance materials and conducted an intensive and in-depth four-hour training session for the Directors and senior management of the Company including members of the legal and finance departments in Hong Kong and Mainland China. The guidance materials and training provided to the Directors, senior management, the legal and compliance staff and the financial staff of the Group specifically covered the following topics:

- (a) detailed explanations of the rule requirements under Chapters 14 and 14A of the Listing Rules including discussion of the FAQs and listing decisions published by the Stock Exchange;
 - (b) obligations of the directors in respect of notifiable transactions and connected transaction under Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and
 - (c) the provisions governing provision of loans under the Listing Rules; and
3. the Company will seek advice from its legal advisers as and when necessary in relation to the regulatory and compliance matters under the Listing Rules, particularly those concerning continuing obligations, notifiable and connected transactions.

The Board is of the view that the defined scope and period of the Review are appropriately calibrated to address any deficiencies in the Company's internal control framework, particularly in relation to provision of financial assistance. By focusing on the relevant processes and compliance mechanisms, the Review is expected to provide feasible insights and recommendations that will strengthen the Company's internal controls and mitigate the risk of recurrence of similar non-compliance incidents in the future. The Review is expected to be completed within three months from the date of this announcement. The Company will update the Shareholders and its potential investors the key findings of the Review as and when appropriate. The Board and senior management of the Group are now fully aware of the relevant requirements under the Listing Rules and will ensure that the Company will comply with the relevant Listing Rules in order to avoid the recurrence of similar events in the future.

DEFINITIONS

In this announcement, the following expressions have the following meanings:

“Board”	The board of Directors
“Borrower”/ “Shenzhen Dingxin”	Dalian Dingxin Holding Group Co., Ltd (大連鼎新控股集團有限公司) (formerly known as Shenzhen Dingxin Holding Group Co., Ltd.* (深圳市鼎新控股集團有限公司))
“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)
“Directors”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	party(ies) who is/are independent of and not connected with the Company and its connected person(s) (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the loan in the principal amount of RMB19,000,000 granted by the Lender to the Borrower under the Loan Agreement
“Loan Agreement”	the loan agreement dated 26 December 2022 entered into between Yisheng (Tianjin) and the Borrower in respect of the Loan
“PRC”	People’s Republic of China, for the purpose of this announcement, does not include Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Maturity Date”	the date falling two years from 26 December 2022, being 25 December 2024
“Yisheng (Tianjin)”/ “Lender”	宜升(天津)環境技術有限公司 (Yisheng (Tianjin) Environmental Technology Co., Ltd.*), an indirect wholly-owned subsidiary of the Company

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

Hong Kong, 18 November 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.

* for identification purpose only