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NOVA Group Holdings Limited

諾發集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1360)

INSIDE INFORMATION WAIVER OF INTERESTS UNDER FACTORING LOAN ARRANGEMENTS

This announcement is made by NOVA Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (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).

Reference is made to the announcements of the Company dated 9 July 2021, 16 September 2021, 22 November 2021, 14 December 2021, 28 February 2022 and 21 March 2022 in relation to the Group’s provision of factoring loans to various credit factoring customers located in Shanghai.

WAIVER OF INTERESTS

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, (i) at the request of the aforesaid customers as well as two other credit factoring customers (which are also third parties independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company) all located in Shanghai (“**Customer(s)**”), whose business operations and cashflows have been negatively affected as a result of the COVID-19 outbreak and the ensuing city-wide lockdown in Shanghai; and (ii) in response to the Shanghai government’s call to alleviate the operating pressure of, and to provide support for resumption of production and business of, the enterprises, with view to navigating through challenges amid the COVID-19 pandemic with collective effort, the Group has, on 17 June 2022, after negotiation between the parties, agreed in writing to

grant waiver of three-month interests to the Customers (which have respectively entered into recourse revolving factoring loan arrangements with the Group during the period from July 2021 to March 2022 in the aggregate principal amount of RMB192.7 million (equivalent to approximately HK\$226.7 million)). In this relation, the interests waived in question amount to approximately RMB4.37 million (equivalent to approximately HK\$5.14 million), in aggregate, for the period from April to June 2022. Such waiver shall be granted to the Customer conditional upon such Customer having settled the outstanding interests as at 31 March 2022 due and owing by such Customer to the Group in full by 21 June 2022 (which has been fulfilled on 21 June 2022).

REASONS FOR THE WAIVER OF INTERESTS

As a result of the COVID-19 outbreak and the ensuing city-wide lockdown in Shanghai, business operations and cashflows of the Customers have been negatively affected. With view to maintaining business relationship with each of the Customers and having confidence in the Customers' repayment ability based on the good credit history of such Customers, the Group has agreed to grant the Customers the aforesaid waiver of interests. Such waiver is granted in response to and in line with the Shanghai government's call to alleviate the operating pressure of, and to provide support for resumption of production and business of, the enterprises, with view to navigating through challenges amid the COVID-19 pandemic with collective effort. The Board considers that such waiver would not give rise to any material adverse impact on the Group's financial performance and business operation.

Translation of Renminbi into Hong Kong dollars is based on the exchange rate of HK\$1 = RMB0.84987.

By Order of the Board
NOVA Group Holdings Limited
Deng Zhonglin
Chairman and Chief Executive Officer

Hong Kong, 22 June 2022

As at the date of this announcement, the Board comprises Mr. Deng Zhonglin and Mr. Wong Yuk Lun Alan as executive Directors; Ms. Huang Chian Sandy as non-executive Director; and Mr. Choi Hung Fai, Mr. Tsang Wing Ki and Dr. Wong Kong Tin, JP as independent non-executive Directors.