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**New Century Group Hong Kong Limited**  
**新世紀集團香港有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 234)**

**DISCLOSEABLE TRANSACTION**  
**PROVISION OF FINANCIAL ASSISTANCE**

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The Board is pleased to announce that on 28 July 2022, the New Loan Agreements were entered into between ETC Finance, an indirect non-wholly owned subsidiary of the Company, as lender, and the Customers, as borrowers. Pursuant to the New Loan Agreements, ETC Finance agreed to grant two mortgage loans in the aggregate principal sum of HK\$12,270,000 to the Customers for a term of 12 months.

Before the entering into of the New Loan Agreements, ETC Finance has entered into with the Customers the Previous Loan Agreements for granting two mortgage loans in the aggregate principal sum of HK\$11,600,000 for a term of 12 months and the Existing Loan Agreement for granting a mortgage loan in the principal sum of HK\$9,750,000 for a term of 24 months to the Customers, respectively.

**LISTING RULES IMPLICATIONS**

The grant of the New Loans requires aggregation with the Existing Loan under Rule 14.22 of the Listing Rules. As one of the applicable percentage ratios in respect of the New Loans and the Existing Loan in aggregate is more than 5% but less than 25% under Rule 14.07 of the Listing Rules, the grant of the New Loans and the Existing Loan constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

*\* For identification purpose only*

## **PROVISION OF THE NEW LOANS**

The Board is pleased to announce that on 28 July 2022, the New Loan Agreements were entered into between ETC Finance, an indirect non-wholly owned subsidiary of the Company, as lender, and the Customers, as borrowers. Pursuant to the New Loan Agreements, ETC Finance agreed to grant two mortgage loans in the aggregate principal sum of HK\$12,270,000 to the Customers for a term of 12 months. The principal terms of the New Loan Agreements are set out below:

### **NEW LOAN AGREEMENTS**

#### **New Loan Agreement A**

Date of agreement	:	28 July 2022
Lender	:	ETC Finance
Borrower	:	The Customers
Principal	:	HK\$8,600,000
Interest rate	:	9% per annum
Repayment	:	Interest repayable by 12 monthly instalments with the principal repayable at the last instalment
Prepayment	:	The borrower may prepay to the lender all outstanding balance of the loan together with interest accrued by giving prior one month written notice to the lender
Security	:	A first legal charge in favour of the lender over two industrial properties located in Kwun Tong with valuation conducted by an independent professional property valuer on 14 July 2022 in aggregate amount of HK\$11,600,000

## **New Loan Agreement B**

Date of agreement	: 28 July 2022
Lender	: ETC Finance
Borrower	: The Customers
Principal	: HK\$3,670,000
Interest rate	: 9% per annum
Repayment	: Interest repayable by 12 monthly instalments with the principal repayable at the last instalment
Prepayment	: The borrower may prepay to the lender all outstanding balance of the loan together with interest accrued by giving prior one month written notice to the lender
Security	: A first legal charge in favour of the lender over an industrial property located in Kwun Tong with valuation conducted by an independent professional property valuer on 14 July 2022 in amount of HK\$5,000,000

## **PROVISION OF THE PREVIOUS LOANS AND THE EXISTING LOAN**

Before the entering into of the New Loan Agreements, ETC Finance has entered into with the Customers the Previous Loan Agreements for granting two mortgage loans in the aggregate principal sum of HK\$11,600,000 for a term of 12 months and the Existing Loan Agreement for granting a mortgage loan in the principal sum of HK\$9,750,000 for a term of 24 months to the Customers, respectively. The principal terms of the Previous Loan Agreements and the Existing Loan Agreement are set out as follows:

### **PREVIOUS LOAN AGREEMENTS**

#### **Previous Loan Agreement A**

Date of agreement	: 18 June 2021
Lender	: ETC Finance
Borrowers	: The Customers
Principal	: HK\$8,100,000

Interest rate	: 9.5% per annum
Repayment	: Interest repayable by 12 monthly instalments with the principal repayable at the last instalment
Prepayment	: The borrowers may prepay to the lender all outstanding balance of the loan together with interest accrued by giving prior one month written notice to the lender
Security	: A first legal charge in favour of the lender over two industrial properties located in Kwun Tong with valuation conducted by an independent professional property valuer on 28 April 2021 in aggregate amount of HK\$11,600,000

The outstanding principal of the Previous Loan Agreement A has been fully settled by the loan proceeds drawn down under the New Loan Agreement A on 28 July 2022.

### **Previous Loan Agreement B**

Date of agreement	: 18 June 2021
Lender	: ETC Finance
Borrowers	: The Customers
Principal	: HK\$3,500,000
Interest rate	: 9.5% per annum
Repayment	: Interest repayable by 12 monthly instalments with the principal repayable at the last instalment
Prepayment	: The borrowers may prepay to the lender all outstanding balance of the loan together with interest accrued by giving prior one month written notice to the lender
Security	: A first legal charge in favour of the lender over an industrial property located in Kwun Tong with valuation conducted by an independent professional property valuer on 28 April 2021 in amount of HK\$5,000,000

The outstanding principal of the Previous Loan Agreement B has been fully settled by the loan proceeds drawn down under the New Loan Agreement B on 28 July 2022.

## **Existing Loan Agreement**

Date of agreement	: 3 December 2021
Lender	: ETC Finance
Borrowers	: The Customers
Principal	: HK\$9,750,000
Interest rate	: 8% per annum
Repayment	: Interest repayable by 24 monthly instalments with the principal repayable at the last instalment
Prepayment	: The borrowers may prepay to the lender all outstanding balance of the loan together with interest accrued by giving prior one month written notice to the lender
Security	: A first legal charge in favour of the lender over a residential property located in Lam Tin with valuation conducted by an independent professional property valuer on 24 November 2021 in amount of HK\$12,500,000

## **FUNDING OF THE NEW LOANS**

The Group will finance the New Loans with its general working capital. The loan proceeds from the New Loans have been partly used to settle all the outstanding principals of the Previous Loans on 28 July 2022.

## **INFORMATION ON THE CREDIT RISK RELATING TO THE NEW LOANS**

The grant of the New Loans was based on the collaterals provided by the Customers, the credit assessments on the financial strength and repayment ability of the Customers, together with the relatively short term nature of the New Loans. After taking into account all such factors, the Directors consider that the risks involved in the New Loans are relatively low and manageable.

## **INFORMATION ON THE CUSTOMERS**

### **Customer A**

Customer A is a merchant, the spouse of Customer B and a repeated customer of ETC Finance with no default record. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Customer A is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

## **Customer B**

Customer B is a housewife, the spouse of Customer A and a repeated customer of ETC Finance with no default record. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Customer B is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

## **REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE NEW LOAN AGREEMENTS**

The principal activities of the Group comprise money lending, cruise ship charter services, property investments and securities trading.

The terms of the New Loan Agreements (including the interest rate) were negotiated on an arm's length basis between ETC Finance and the Customers based on the credit policy of ETC Finance. Taking into account the financial background and repayment ability of the Customers, the Directors are of view that a stable revenue and cashflow stream from interest income for the Group is expected to be generated from the New Loans. The Directors consider and believe that the terms of the New Loan Agreements are fair and reasonable and the entering into of the New Loan Agreements is in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

The grant of the New Loans requires aggregation with the Existing Loan under Rule 14.22 of the Listing Rules. As one of the applicable percentage ratios in respect of the New Loans and the Existing Loan in aggregate is more than 5% but less than 25% under Rule 14.07 of the Listing Rules, the grant of the New Loans and the Existing Loan constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

## **DEFINITIONS**

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

“Board”	The board of Directors
“Company”	New Century Group Hong Kong Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the main board of the Stock Exchange with stock code 234
“Customer A”	Mr. Chui Loi, one of the borrowers under the New Loan Agreements, the Previous Loan Agreements and the Existing Loan Agreement

“Customer B”	Ms. Lau Lai Fun, one of the borrowers under the New Loan Agreements, the Previous Loan Agreements and the Existing Loan Agreement
“Customers”	Customer A and Customer B
“Directors”	the directors of the Company
“ETC Finance”	ETC Finance Limited, a company incorporated in Hong Kong with limited liability and with money lenders licence registered under Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong), which is an indirect non-wholly owned subsidiary of the Company
“Existing Loan”	a mortgage loan in the principal sum of HK\$9,750,000 granted by ETC Finance to the Customers pursuant to Existing Loan Agreement
“Existing Loan Agreement”	the loan agreement dated 3 December 2021 entered into between ETC Finance and the Customers, particulars of which are stated in the section headed “Existing Loan Agreement” in this announcement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Loans”	two mortgage loans in the principal sum of HK\$8,600,000 and HK\$3,670,000 granted by ETC Finance to the Customers pursuant to New Loan Agreement A and New Loan Agreement B, respectively
“New Loan Agreements”	New Loan Agreement A and New Loan Agreement B
“New Loan Agreement A”	the loan agreement dated 28 July 2022 entered into between ETC Finance and the Customers, particulars of which are stated in the section headed “New Loan Agreement A” in this announcement
“New Loan Agreement B”	the loan agreement dated 28 July 2022 entered into between ETC Finance and the Customers, particulars of which are stated in the section headed “New Loan Agreement B” in this announcement

“Previous Loans”	two mortgage loans in the principal sum of HK\$8,100,000 and HK\$3,500,000 granted by ETC Finance to the Customers pursuant to Previous Loan Agreement A and Previous Loan Agreement B, respectively
“Previous Loan Agreements”	Previous Loan Agreement A and Previous Loan Agreement B
“Previous Loan Agreement A”	the loan agreement dated 18 June 2021 entered into between ETC Finance and the Customers, particulars of which are stated in the section headed “Previous Loan Agreement A” in this announcement
“Previous Loan Agreement B”	the loan agreement dated 18 June 2021 entered into between ETC Finance and the Customers, particulars of which are stated in the section headed “Previous Loan Agreement B” in this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

On behalf of the Board  
**Ng Wee Keat**  
*Chairman*

Hong Kong, 28 July 2022

*As at the date of this announcement, the Board comprises Mr. Ng Wee Keat (Chairman), Ms. Sio Ion Kuan (Deputy Chairman), Ms. Ng Siew Lang, Linda (Chief Operating Officer), Ms. Lilian Ng and Ms. Chen Ka Chee as executive directors and Mr. Cheung Chun Kwok, Mr. Kwan Kai Kin, Kenneth and Mr. Ho Yau Ming as independent non-executive directors.*