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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 10 January 2023, the New Loan Agreement was 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 Agreement, ETC Finance granted a mortgage loan in the principal sum of HK\$49,000,000 to the Customers for a term of 12 months.

Before entering into of the New Loan Agreement, ETC Finance has entered into the Previous Loan Agreement with Customer A for granting a mortgage loan in the principal sum of HK\$30,000,000 to Customer A for a term of 12 months. Part of the loan proceed from the New Loan has been used to fully settle the outstanding principal of the Previous Loan on 10 January 2023.

LISTING RULES IMPLICATIONS

As certain of the applicable percentage ratios in respect of the New Loan are more than 5% but less than 25% under Rule 14.07 of the Listing Rules, the grant of the New 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 LOAN

The Board is pleased to announce that on 10 January 2023, the New Loan Agreement was 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 Agreement, ETC Finance granted a mortgage loan in the principal sum of HK\$49,000,000 to the Customers for a term of 12 months. The principal terms of the New Loan Agreement are set out below:

NEW LOAN AGREEMENT

Date of agreement	:	10 January 2023
Lender	:	ETC Finance
Borrowers	:	The Customers
Principal	:	HK\$49,000,000
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 ten industrial properties located in Kwai Chung with valuation conducted by an independent professional property valuer on 2 December 2022 and 12 December 2022 respectively, in aggregate amount of HK\$76,300,000

PROVISION OF THE PREVIOUS LOAN

Before entering into of the New Loan Agreement, ETC Finance has entered into the Previous Loan Agreement with Customer A for granting a mortgage loan in the principal sum of HK\$30,000,000 to Customer A for a term of 12 months. The principal terms of the Previous Loan Agreement are set out as follows:

PREVIOUS LOAN AGREEMENT

Date of the agreement	: 11 January 2022
Lender	: ETC Finance
Borrower	: Customer A
Principal	: HK\$30,000,000
Interest rate	: 9.0% 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 six industrial properties located in Kwai Chung with valuation conducted by an independent professional property valuer on 14 December 2021 in aggregate amount of HK\$47,300,000

The outstanding principal of the Previous Loan has been fully settled by part of the loan proceed from the New Loan on 10 January 2023.

FUNDING OF THE NEW LOAN

The Group will finance the New Loan with its general working capital. Part of the loan proceed from the New Loan has been used to fully settle the outstanding principal of the Previous Loan on 10 January 2023.

INFORMATION ON THE CREDIT RISK RELATING TO THE NEW LOAN

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

INFORMATION ON THE CUSTOMERS

Customer A

Customer A is an individual, the mother of Customer C, one of the directors and shareholders 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 company incorporated in Hong Kong and its principal activity is property investment. Customer A and Customer C are the directors and shareholders of Customer B. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Customer B and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Listing Rules). There are no previous business relationships between the Company and Customer B.

Customer C

Customer C is an individual, the son of Customer A and one of the directors and shareholders of Customer B. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Customer C is a third party independent of the Company and its connected persons (as defined under the Listing Rules). There are no previous business relationships between the Company and Customer C.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE NEW LOAN AGREEMENT

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

The terms of the New Loan Agreement (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 the view that a stable revenue and cashflow stream from interest income for the Group is expected to be generated from the New Loan. The Directors consider and believe that the terms of the New Loan Agreement are fair and reasonable and the entering into of the New Loan Agreement is in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As certain of the applicable percentage ratios in respect of the New Loan are more than 5% but less than 25% under Rule 14.07 of the Listing Rules, the grant of the New 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”	Ms. Ma Heung Yung, the borrower under the Previous Loan Agreement and one of the borrowers under the New Loan Agreement
“Customer B”	Eminent Creation Limited, a company incorporated in Hong Kong and one of the borrowers under the New Loan Agreement
“Customer C”	Mr. Tsang Ting Fung Thomas, one of the borrowers under the New Loan Agreement
“Customers”	Customer A, Customer B and Customer C
“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
“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 Loan”	the mortgage loan in the principal sum of HK\$49,000,000 granted by ETC Finance to the Customers pursuant to the New Loan Agreement

“New Loan Agreement”	the loan agreement dated 10 January 2023 entered into between ETC Finance and the Customers, particulars of which are stated in the section headed “New Loan Agreement” in this announcement
“Previous Loan”	the mortgage loan in the principal sum of HK\$30,000,000 granted by ETC Finance to Customer A pursuant to Previous Loan Agreement
“Previous Loan Agreement”	the loan agreement dated 11 January 2022 entered into between ETC Finance and Customer A, particulars of which are stated in the section headed “Previous Loan Agreement” 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, 10 January 2023

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, Ms. Chen Ka Chee and Mr. Yu Wai Man as executive directors and Mr. Cheung Chun Kwok, Mr. Kwan Kai Kin, Kenneth and Mr. Ho Yau Ming as independent non-executive directors.