
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **New Concepts Holdings Limited**, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscription for the securities of **New Concepts Holdings Limited**.



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)

**ISSUE OF NEW SHARES UNDER SPECIFIC MANDATE
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A letter from the Board is set out from pages 3 to 13 of this circular.

A notice convening the EGM to be held by way of electronic means via the Tricor e-Meeting System at <https://spot-meeting.tricor.hk> for EGM at 10:00 a.m. on Wednesday, 8 March 2023, is set out from pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Such form of proxy is also published on the website of the Stock Exchange at www.hkexnews.hk. Whether or not you propose to attend the meeting, you are requested to read the notice of EGM and to complete the form of proxy enclosed in this circular in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the Tricor e-Meeting System at <https://spot-meeting.tricor.hk> by using the username and password provided on the notification letter sent by the Company as soon as possible and in any event not later than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the proxy form shall not preclude you from subsequently attending and voting by way of electronic means at the meeting should you so wish.

16 February 2023

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Board”	the board of Directors
“business day”	a day (other than a Saturday or Sunday or public holiday) on which banks are open in Hong Kong for general commercial business
“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)
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be held by way of electronic means via the Tricor e-Meeting System at https://spot-meeting.tricor.hk for EGM at 10:00 a.m. on 8 March 2023 for the purpose of considering, and if thought fit, approving the Subscription, the grant of the Specific Mandate and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	13 February 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China, which for the purpose of this circular excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Specific Mandate”	the specific mandate to be granted to the Directors by the Shareholders at the EGM to allot, issue and deal in the Subscription Shares

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Yuan Heng Group International Co., Limited (元亨集團國際有限公司), a company incorporated in Hong Kong with limited liability and the subscriber under the Subscription Agreement
“Subscription”	subscription of the Subscription Shares by the Subscriber at the Subscription Price
“Subscription Agreement”	the subscription agreement dated 19 January 2023 entered into between the Company and the Subscriber in respect of the Subscription
“Subscription Price”	HK\$0.380 per Subscription Share
“Subscription Shares”	an aggregate of 136,800,000 new Shares to be allotted and issued by the Company to the Subscriber
“%”	per cent.



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)

Executive Directors:

Mr. Zhu Yongjun (*Chairman of the Board*)
Mr. Pan Yimin
Mr. Lee Tsi Fun Nicholas

Registered office:

Windward 3
Regatta Office Park, P.O. Box 1350
Grand Cayman, KY-1108
Cayman Islands

Non-executive Directors:

Mr. Sui Guangyi (*Honorary chairman*)
Dr. Ge Xiaolin
Dr. Zhang Lihui

*Headquarter, head office and
principal place of business in Hong Kong:*

Office B, 3/F
Kingston International Centre
19 Wang Chiu Road
Kowloon Bay
Hong Kong

Independent non-executive Directors:

Mr. Lo Chun Chiu, Adrian
Dr. Tong Ka Lok
Mr. Choy Wai Shek, Raymond, *MH, JP*

16 February 2023

To the Shareholders

Dear Sir/Madam,

**ISSUE OF NEW SHARES UNDER SPECIFIC MANDATE
AND
NOTICE OF EGM**

INTRODUCTION

Reference is made to the announcement of the Company dated 19 January 2023 in relation to the Subscription.

LETTER FROM THE BOARD

THE SUBSCRIPTION AGREEMENT

The principal terms of the Subscription Agreement are set out as follows:

Date : 19 January 2023

Parties : The Company (as issuer); and
The Subscriber.

The Subscription

Pursuant to the Subscription Agreement, the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for 136,800,000 Subscription Shares at the Subscription Price of HK\$0.380 per Subscription Share to be paid by cash on or before the completion date of the Subscription Agreement.

The Subscription Shares

The 136,800,000 Subscription Shares under the Subscription represent (i) approximately 10.00% of the issued share capital of the Company as at the Latest Practicable Date; and (ii) approximately 9.09% of the issued share capital as enlarged by the allotment and issue of the Subscription Shares, assuming that there will be no further change in the number of issued Shares from the Latest Practicable Date up to the completion of the Subscription. The Subscription Shares have an aggregate nominal value of HK\$13,680,000 and market value of HK\$60,192,000 based on the closing price of HK\$0.440 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement.

Ranking of the Subscription Shares

The Subscription Shares, when allotted, issued and fully paid, will be free of all encumbrances and rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Subscription Shares.

The Subscription Price

The Subscription Price of HK\$0.380 per Subscription Share represents:

- (i) a discount of approximately 3.80% to the closing price of HK\$0.395 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 13.64% to the closing price of HK\$0.440 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement;

LETTER FROM THE BOARD

- (iii) a discount of approximately 11.01% to the average closing price of approximately HK\$0.427 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreement; and
- (iv) a premium of approximately 86.27% over the unaudited net asset value of the Group per Share of approximately HK\$0.204 as at 30 September 2022 calculated based on the consolidated unaudited net assets of the Group of approximately HK\$279,237,000 as at 30 September 2022 as extracted from the interim report of the Company for the six months ended 30 September 2022 and 1,367,594,134 Shares in issue as at the Latest Practicable Date.

The Subscription Price was determined with reference to the prevailing market price and liquidity of the Shares and was negotiated on an arm's length basis between the Company and the Subscriber. The Directors are of the view that the Subscription Price is in the interests of the Company and the Shareholders as a whole and is fair and reasonable having taken into account that (i) the closing Share price has been fluctuating in the past 12 months, in particular, it had followed a general decreasing trend from around HK\$0.50 per Share in mid-December 2022 to around HK\$0.420 when the Subscription Agreement was negotiated and concluded; (ii) the Subscription Price is within the price range of the closing prices of the Shares in the past 12 months; and (iii) the general market sentiment has been stagnant with the Hang Seng Index falling from around 25,000 points in mid-February 2022 to around 20,000 points in early January 2023 and given the Group's loss making position for the six months ended 30 September 2022, the discount can provide attraction to the Subscriber to invest in the Shares.

Conditions precedent

Completion of the Subscription is conditional upon:

- (i) the listing of and permission to deal in the Subscription Shares on the Main Board of the Stock Exchange being granted by the Stock Exchange; and
- (ii) the passing of a resolution by the Shareholders' approving the Subscription Agreement and the grant of the Specific Mandate to the Directors to allot, issue and deal in the relevant Subscription Shares.

None of the conditions precedent above are waivable. If the above conditions are not fulfilled on or before 27 March 2023 (or such other date as the parties to the Subscription Agreement may agree in writing), the obligations and liabilities of the Subscriber and the Company under the Subscription Agreement shall cease and terminate, and the Subscriber and the Company shall be released from all rights and obligations save for any antecedent breach thereof.

As at the Latest Practicable Date, none of the conditions precedent to the Subscription Agreement had been fulfilled.

LETTER FROM THE BOARD

Completion of the Subscription

Completion of the Subscription shall take place on the 3rd business day (or such other date as the parties to the Subscription Agreement may agree in writing) after the conditions precedent are satisfied.

APPLICATION FOR LISTING

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

THE SPECIFIC MANDATE

The Subscription Shares will be allotted and issued under the Specific Mandate to be approved by way of ordinary resolution by the Shareholders at the EGM.

INFORMATION ON THE SUBSCRIBER

The Subscriber is a company incorporated in Hong Kong with limited liability which is primarily engaged in investment holding. The Subscriber is wholly and directly owned by Mr. Lin Jiakuang (林家匡先生), a PRC citizen who, to the best knowledge and information of the Directors, is a merchant with over 10 years of experience in commercial banking, finance-leasing and equity and assets investments. He is the director and shareholder of a few investment and asset management companies in the PRC. Leveraging on his past investment and corporate background, the Subscriber has business connections and network of investors of different industry background. The Subscriber was introduced to the Company by the Company's non-executive Director, Mr. Sui Guangyi, in around July 2022.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Subscriber and its ultimate beneficial owner are third parties independent of, and not connected with the Company and its connected persons.

INFORMATION ON THE GROUP

The Group is principally engaged in (i) construction works in Hong Kong; and (ii) environmental protection.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

Reference is made to the announcement of the Company dated 22 November 2022 with regard to the formation of a joint venture (the "**JV Company**") engaging in the production of graphite-based related anode materials. The JV Company was established in November 2022 and is owned as to 51% by the Group and 49% by an independent investor (the "**Investor**"). Pursuant to the relevant joint venture agreement (the "**JV Agreement**"), both the Group and the Investor shall contribute their respective share of the registered capital of the JV Company (the Group: RMB34,986,000; the Investor: RMB33,614,000) in full within 18 months upon completion of the business registration of the JV Company. As at the

LETTER FROM THE BOARD

Latest Practicable Date, the Group had satisfied its capital injection obligation in full to satisfy the immediate funding need of the JV Company for business and operation; while the Investor had contributed to the JV Company by way of sharing of its knowledge and technology know-how on the graphite-based related anode materials and graphene technology. Pursuant to the JV Agreement, the Investor undertook that, amongst others, the JV Company shall have the exclusive priority right of use for the technical achievements researched and developed by the Investor and the JV Company's first production line for lithium battery anode materials will be completed and commence production within 6 months after establishment of the JV Company. Moreover, the Investor shall contribute its share of the registered capital of the JV Company in full within 18 months upon completion of business registration of the JV Company.

Since establishment, the JV Company has been actively preparing for its upcoming business and operation, including but not limited to recruiting staff, entering into lease agreement for factory site, procuring equipment for set-up of production lines, identifying suitable suppliers for raw materials and processing samples to recognised laboratory testing center and potential customers for inspection and testings. Based on its existing production plan, the JV Company is expected to commence production of graphite-based related anode materials in late March 2023 to meet its estimated production scale of anode materials of 10,000 tonnes by the end of 2023. Based on the current estimate of the Company, the Group would not be required to inject further funding into the JV Company in the coming 12 months. Nevertheless, the JV Company may require further funding through capital injection and/or loans from its shareholder(s) so as to further expand its production scale in the long run.

In addition, the Group has been discussing with potential business partner(s) on future business opportunities in relation to possible application of graphite-based related anode materials in graphene technology. Certain feasibility studies and exchange of products testings have been initiated since December 2022. The feasibility studies revealed that modified graphite anode materials can be produced through chemical reaction process during which the energy released can facilitate the counteraction between the chemical forces and the van der Waals forces (a distance dependent interaction atoms or molecules) whereby the van der Waals forces will be weakened to achieve delamination. As such, batteries using such graphene technology could enhance the conductive nature and therefore effectively improve its capacity, charging performance as well as lengthen the life cycle. Graphite-based related anode materials can be applied in rechargeable batteries, including lithium-ion batteries, storage batteries and batteries for digital products, and for use in many applications including portable electronics products, electric vehicles as well as stationary applications for providing uninterruptable power supply. Quality and performance of the modified graphite anode materials will be further tested and enhanced, and the discussions between the Group and its potential business partner(s) are ongoing. As such, it is expected that the Group shall be required to devote more resources on the relevant business development.

LETTER FROM THE BOARD

In the past decade, the PRC government has been promoting the application of new energy and technological and market development of related materials. It is expected that energy conservation and environmental protection will become the focus of all industries, generating massive market demand for related materials and products.

The Group has been engaging in the environmental protection business for many years. The anode materials of the JV Company as well as the development of application in graphene technology are both environmental-friendly that would reduce energy consumption and enhance battery efficiency. In addition, the Group's kitchen waste treatment process includes the generation of methane gas which can be converted as electricity and the anode materials of the JV Company can be used as energy storage facilities. On the other hand, the Group can make use of its expertise in wastage and water treatment which is also required during the production of anode materials as well as graphite-based related materials.

In light of the above, the Company considers that the formation of the JV Company and the development of the graphene technology business would be an alternative and an excellent opportunity for the Group to expand its environmental protection business portfolio.

The gross proceeds from the Subscription will be HK\$51,984,000. The net proceeds from the Subscription will be approximately HK\$51,784,000. The net Subscription Price per Subscription Share after deducting the relevant fees and expenses is approximately HK\$0.379 per Share. The funds to be raised under the Subscription are intended to be applied as to:

- (i) approximately HK\$45,200,000 for developing the graphene technology related business of the Group (among which approximately HK\$42,200,000 will be used for purchase of new graphene technology equipment and approximately HK\$3,000,000 will be used for other related set-up costs); and
- (ii) approximately HK\$6,584,000 as the Group's general working capital for payment of staff expenses, office rentals and other daily expenses etc. of the Group's administrative offices which amount to approximately HK\$2.2 million per month.

The Company has considered other equity fund raising exercises such as rights issue and open offer. As these two fund raising exercises will involve the issue of listing documents and other application and administrative procedures, they would likely to require longer time (normally around 2 to 3 months) to complete and would require additional administrative costs (e.g. printing and mailing costs), higher costs of hiring professional parties and possible underwriting expenses which may sum up to approximately HK\$2.0 million to HK\$2.3 million. Therefore, both of rights issue and open offer were not chosen. Moreover, taking into account (i) the Group's loss making position for the six months ended 30 September 2022; (ii) the effective interest ranging from approximately 5.0% to 10.1% of the Group's existing borrowings; and (iii) the global interest rate surge, the Directors expect that any new bank borrowings would likely to be subject to lengthy negotiations with the lenders and will further increase the interest burden of the Group.

LETTER FROM THE BOARD

The Directors consider the Subscription to be an appropriate means of fund raising for the Company given that (i) the capital and shareholders bases of the Company can be broadened by introducing a new investor with vast investment experience in the PRC. Previously, the Subscriber has introduced downstream business partner to the JV Company through his business network; (ii) the Subscription is relatively less time consuming as it could normally be completed within 2 months as compared to around 2 to 3 months of rights issue and open offer, and can be conducted at lower cost of approximately HK\$200,000 as compared to approximately HK\$2.0 million to HK\$2.3 million of rights issue and open offer; and (iii) there is material uncertainty on whether possible rights issue and open offer can be fully subscribed. As balanced by these foreseeable factors, the Directors consider the shareholding dilution effect of the Subscription to the existing Shareholders of approximately 6.88 percentage point to be acceptable.

The Directors also consider that the terms of the Subscription Agreement are fair and reasonable and are on normal commercial terms, and the Subscription is in the interests of the Company and the Shareholders as a whole.

Completion of the Subscription is subject to the satisfaction of the conditions precedent to the Subscription Agreement. As such, the Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares. If in doubt, Shareholders and potential investors are recommended to consult their professional adviser(s).

CHANGES TO THE COMPANY'S SHAREHOLDING STRUCTURE UPON COMPLETION OF THE SUBSCRIPTION

The table below sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately after completion of the Subscription:

Shareholders	As at the Latest Practicable Date		Immediately after completion of the Subscription	
	Number of Shares	% of shareholding	Number of Shares	% of shareholding
Hong Kong Toprich Investment Limited (Note 1)	156,740,000	11.46	156,740,000	10.42
Jumbo Grand Enterprise Development Limited (Note 2)	77,000,000	5.63	77,000,000	5.12
Prosper Power Group Limited (Note 3)	76,500,000	5.59	76,500,000	5.09
Mr. Zhu Yongjun (Note 4)	4,900,000	0.36	4,900,000	0.32
Mr. Sui Guangyi (Note 4)	16,204,000	1.18	16,204,000	1.07
Dr. Zhang Lihui (Note 4)	96,000	0.01	96,000	0.01
Mr. Choy Wai Shek, Raymond, MH, JP (Note 4)	700,000	0.05	700,000	0.05
Dr. Tong Ka Kok (Note 4)	480,000	0.04	480,000	0.03
The Subscriber	—	—	136,800,000	9.09
Other public Shareholders	<u>1,034,974,134</u>	<u>75.68</u>	<u>1,034,974,134</u>	<u>68.80</u>
Total	<u>1,367,594,134</u>	<u>100.00</u>	<u>1,504,394,134</u>	<u>100.00</u>

LETTER FROM THE BOARD

Notes:

1. Hong Kong Toprich Investment Limited (“**Toprich**”) is indirectly wholly-owned by China Investment Fund Company Limited, a company incorporated in the Cayman Islands with limited liability with its shares listed on the Stock Exchange (Stock code: 612).
2. Jumbo Grand Enterprise Development Limited is wholly-owned by Mr. Zhu Yongjun (Chairman of the Board and an executive Director).
3. Prosper Power Group Limited is owned as to 75% by Mr. Chu Shu Cheong, the founder of the Group and the director of the Company’s major subsidiary, New Concepts Foundation Limited.
4. Directors of the Company.
5. The percentage figures included in this table are subject to rounding adjustment.

FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

Save as disclosed below, the Company has not conducted any fund raising activities involving the issue of equity securities during the past 12 months from the Latest Practicable Date:

Date of announcement	Fund raising activities	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
16 November 2022 and 2 December 2022	Placing of 98,000,000 new Shares at HK\$0.385 per Share through placing agent which was completed on 2 December 2022	Approximately HK\$36.97 million	(i) approximately HK\$35.30 million as the initial investment cost for potential kitchen waste treatment and other environmental protection related projects; and	(i) Fully applied as intended
			(ii) approximately HK\$1.67 million as general working capital of the Group	(ii) The amount is expected to be fully applied by June 2023
19 October 2022 and 28 October 2022	Issue of 129,624,000 new Shares at HK\$0.27 per Share to Toprich. The subscription was completed on 28 October 2022	Approximately HK\$34.99 million	(i) approximately HK\$25.0 million for repayment of the interest-bearing liabilities of the Group; and	(i) Fully applied as intended
			(ii) approximately HK\$9.99 million as general working capital of the Group	(ii) Approximately HK\$5.70 million was applied as intended. The rest of the net proceeds are expected to be fully applied by June 2023

LETTER FROM THE BOARD

Date of announcement	Fund raising activities	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
28 March 2022 and 21 April 2022	Issue of 185,748,000 new Shares at HK\$0.40 per Share to 6 subscribers. The subscription was completed on 21 April 2022	Approximately HK\$74.30 million	<ul style="list-style-type: none"> (i) approximately HK\$32.92 million as the initial investment cost for the kitchen waste treatment project in Dunhua; (ii) approximately HK\$39.0 million as the initial investment cost for potential kitchen waste treatment and other environmental protection related projects; and (iii) approximately HK\$2.28 million as general working capital of the Group 	Except for the proposed initial investment cost of HK\$25.46 million for the kitchen waste treatment project in Dunhua which is expected to be applied during the financial years ending 31 March 2023 and 2024, the rest of the net proceeds were fully applied as intended

GENERAL

None of the Directors has a material interest in the Subscription Agreement and hence no Director was required to abstain from voting on the Board resolution approving the Subscription Agreement.

The Subscription is subject to the Shareholders' approval at the EGM. All Subscription Shares will be allotted and issued under the Specific Mandate which is also subject to the Shareholders' approval at the EGM.

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

EGM

A notice convening the EGM of the Company to be held by way of electronic means via the Tricor e-Meeting System at <https://spot-meeting.tricor.hk> for EGM at 10:00 a.m. on Wednesday, 8 March 2023, is set out from pages EGM-1 to EGM-3 of this circular. Ordinary resolution will be proposed at the EGM for the purpose of considering and, if thought fit, approving the Subscription, the grant of the Specific Mandate and the transactions contemplated thereunder. Voting on ordinary resolution to be proposed at the EGM will be taken by way of poll and an announcement will be made by the Company after

LETTER FROM THE BOARD

the EGM on the result of the EGM with respect to whether or not the proposed ordinary resolution have been passed by the Shareholders. As at the Latest Practicable Date, no Shareholder had material interest in the Subscription and therefore no Shareholder will be required to abstain from voting on the relevant resolution and the grant of the requisite Specific Mandate at the EGM.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you propose to attend the meeting, you are requested to read the notice of EGM and to complete the form of proxy enclosed in this circular in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the Tricor e-Meeting System at <https://spot-meeting.tricor.hk> by using the username and password provided on the notification letter sent by the Company as soon as possible and in any event not later than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the proxy form shall not preclude you from subsequently attending and voting by way of electronic means at the meeting should you so wish. Registered Shareholders are requested to provide a valid email address of his/her/its proxy (except for the appointment of the chairman of the EGM) for the proxy to receive the username and password, together with relevant instructions to participate online via the Tricor e-Meeting System which can be accessed from any location with access to internet via smartphone, tablet device or computer. If your proxy has not received the login details by email by 4:00 p.m. on Tuesday, 7 March 2023, you should contact the Company's Hong Kong branch share registrar and transfer office for the necessary arrangements.

Registered Shareholders will be able to attend the EGM, vote and submit questions online via the Tricor e-Meeting System at <https://spot-meeting.tricor.hk> by using the username and password provided on the notification letter sent by the Company. Non-registered Shareholders whose Shares are held in the Central Clearing and Settlement System through banks, brokers, custodians or Hong Kong Securities Clearing Company Limited may also be able to attend the EGM, vote and submit questions online. In this regard, they should consult directly with their banks, brokers or custodians (as the case may be) for the necessary arrangements.

If any Shareholder has any question on the arrangements of the EGM, please contact Tricor Investor Services Limited, the Company's Hong Kong branch share registrar and transfer office, at the following:

Address:	17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
Email:	is-enquiries@hk.tricorglobal.com
Telephone:	(852) 2980-1333 from 9:00 a.m. to 5:00 p.m. (Monday to Friday, excluding Hong Kong public holidays).

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 3 March 2023 to Wednesday, 8 March 2023, both days inclusive, during which period no transfer of Shares will be registered, in order to determine the entitlement to attend and vote at the EGM. In order to be entitled to attend and vote at the EGM, unregistered Shareholders should ensure that all transfers of Shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged for registration with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Thursday, 2 March 2023 for registration.

RECOMMENDATION

The Directors (including the independent non-executive Directors) are of the view that the Subscription is fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors) recommend the Shareholders to vote in favour of the ordinary resolution as set out in the notice of the EGM.

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



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “EGM”) of New Concepts Holdings Limited (the “Company”) will be held by way of electronic means via the Tricor e-Meeting System at <https://spot-emeeting.tricor.hk> for EGM on Wednesday, 8 March 2023 at 10:00 a.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT:**

- (a) the subscription agreement entered into between the subscriber (as subscriber) and the Company (as issuer) on 19 January 2023 (the “**Subscription Agreement**”) in relation to the subscription of an aggregate of 136,800,000 subscription shares (the “**Subscription Shares**”) at the subscription price of HK\$0.380 per share, copies of which have been produced to the EGM and initialled by the chairman of the EGM for the purpose of identification, and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;
- (b) the directors of the Company be and are hereby granted a specific mandate to exercise all the powers of the Company to allot and issue the Subscription Shares, subject to and in accordance with the terms and conditions set out in the Subscription Agreement;
- (c) any one director of the Company, or any two directors of the Company if the affixation of the common seal is necessary, be and is/are hereby authorised for and on behalf of the Company to sign and execute such documents and do all such acts and things which in their opinion may be necessary, desirable or expedient to carry out or give effect to the Subscription Agreement and transactions contemplated thereunder (including the allotment and issue of the Subscription Shares pursuant thereto), and to agree to any non-material amendments to the Subscription Agreement and any other agreements made in relation thereto to the extent permitted by the Rules Governing the Listing of Securities on the Stock

NOTICE OF EGM

Exchange of Hong Kong Limited and the applicable laws and in the interests of the Company and its shareholders.”

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

Hong Kong, 16 February 2023

Notes:

1. Registered Shareholders are requested to provide a valid email address of his/her/its proxy (except for the appointment of the chairman of the EGM) for the proxy to receive the username and password, together with relevant instructions to participate online via the Tricor e-Meeting System. If your proxy has not received the login details by email by 4:00 p.m. on Tuesday, 7 March 2023, you should contact the Company’s Hong Kong branch share registrar and transfer office for the necessary arrangements.

Registered Shareholders will be able to attend the EGM, vote and submit questions online via the Tricor e-Meeting System at <https://spot-emeeting.tricor.hk> by using the username and password provided on the notification letter sent by the Company. Non-registered Shareholders whose Shares are held in the Central Clearing and Settlement System through banks, brokers, custodians or Hong Kong Securities Clearing Company Limited may also be able to attend the EGM, vote and submit questions online. In this regard, they should consult directly with their banks, brokers or custodians (as the case may be) for the necessary arrangements.

If any Shareholder has any question on the arrangements of the EGM, please contact Tricor Investor Services Limited, the Company’s Hong Kong branch share registrar and transfer office, at the following:

Address: 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
Email: is-enquiries@hk.tricorglobal.com
Telephone: (852) 2980-1333 from 9:00 a.m. to 5:00 p.m. (Monday to Friday, excluding Hong Kong public holidays).

2. In the case of joint holders of a share of the Company, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the share of the Company.

NOTICE OF EGM

3. A form of proxy for use at the EGM is enclosed. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, with the Company at the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the Tricor e-Meeting System at <https://spot-meeting.tricor.hk> by using the username and password provided on the notification letter sent by the Company not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of a form of proxy will not preclude a member from subsequently attending and voting by way of electronic means at the EGM should he so wish.
4. The register of members of the Company will be closed from Friday, 3 March 2023 to Wednesday, 8 March 2023, both days inclusive, during which period no transfer of shares of the Company will be registered, in order to determine the entitlement to attend and vote at the EGM. To ascertain the entitlements to attend and vote at the EGM, unregistered holders of the shares of the Company should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Thursday, 2 March 2023 for registration.
5. Any vote of members (attending by person or by proxy) at the EGM shall be taken by poll.

As at the date of this notice, the executive Directors are Mr. Zhu Yongjun, Mr. Pan Yimin and Mr. Lee Tsi Fun Nicholas; the non-executive Directors are Mr. Sui Guangyi, Dr. Ge Xiaolin and Dr. Zhang Lihui; and the independent non-executive Directors are Mr. Lo Chun Chiu, Adrian, Dr. Tong Ka Lok and Mr. Choy Wai Shek, Raymond, MH, JP.