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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)

INSIDE INFORMATION RECEIPT OF WRIT OF SUMMONS

This announcement is made by New Concepts Holdings Limited (the “Company”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

RECEIPT OF WRIT OF SUMMONS

Reference is made to the announcement of the Company dated 3 October 2017 in relation to the issue of the 6.5% convertible bond due 2022 in the aggregate principal amount of US\$5,000,000 (the “Convertible Bonds”) by the Company to Forest Water Environmental Engineering Company Limited, a limited company incorporated in Taiwan and listed on the Taiwan Stock Exchange (stock code: 8473) (the “Plaintiff”). As set out in the annual reports of the Company for the years ended 31 March 2020 and 31 March 2019, the suspension of the trading of the Company’s shares during the period from 3 July 2018 to 15 February 2019 constituted an event of default under the terms of the Convertible Bonds which entitled the Plaintiff to redeem all or some of the Convertible Bonds at its discretion, and the Company had been negotiating with the Plaintiff on the settlement arrangement about the repayment for outstanding principal and interests. During the course of negotiation, the Company had not paid the interest under the Convertible Bonds to the Plaintiff.

On 22 October 2020, the Company received a writ of summons dated 16 October 2020 (the “Writ”) with a statement of claim issued by the High Court of Hong Kong, wherein the Plaintiff sought, among others, the following orders against the Company (as defendant):

- (1) a sum of US\$6,572,708 (as the aggregate of the principal amount of US\$5,000,000 and interest of US\$1,572,708 under the Convertible Bonds), with daily interest of US\$1,667;
- (2) costs; and
- (3) further or other relief as the Court sees fit.

The Company is in the course of seeking legal advice and will issue announcement on the further development on the aforesaid matters as and when required in accordance with the Listing Rules.

Shareholders and/or investors are advised to exercise caution when dealing in the Company’s securities.

New Concepts Holdings Limited
Zhu Yongjun
Chairman and Executive Director

Hong Kong, 22 October 2020

As at the date of this announcement, the executive Directors are Mr. Zhu Yongjun and Mr. Lee Tsi Fun Nicholas; the non-executive Directors are 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.