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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 PROFIT WARNING

This announcement is made by New Concepts Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “Board”) of directors (the “Directors”) of the Company wishes to inform the shareholders of the Company (the “Shareholders”) and the potential investors that, based on the latest preliminary review and assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2022 (the “Period”), the Group is expected to record an increase in loss of not less than HK\$6.5 million as compared with the loss of approximately HK\$4.00 million for the six months ended 30 September 2021 (the “Corresponding Period”). The expected increase in loss was primarily attributable to, among other factors, the following reasons:

- (i) an exchange loss of approximately HK\$19.8 million arising from the depreciation of the Renminbi against Hong Kong dollars in the Period as compared to the exchange gain of approximately HK\$7.0 million in the Corresponding Period;
- (ii) Decrease in amortisation of share option expenses of approximately HK\$1 million for the Period as compared approximately HK\$5.3 million in Corresponding Period;

- (iii) Continuous cost-tightening measures over the expenditure in construction business, particularly decrease in rental and other repair and maintenance expenses for an aggregate amount of approximately HK\$6.3 million;
- (iv) Decrease in finance costs of approximately HK\$8 million along with the continuous decrease in the Group's overall borrowing level for both periods; and
- (v) Taxation charges of approximately HK\$1 million arising from deferred tax as a result of the construction profit of Xuancheng Plant as compared to the taxation credit of approximately HK\$2.8 million in the Corresponding Period, of which approximately HK\$2.7 million was arising in Taiyuan Plant which was disposed in Corresponding Period.

The information contained in this announcement is only based on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group for the Period as well as the information currently available to the Board, which may be subject to further adjustments after further internal review by the Board and review by the audit committee of the Company. Details of the financial performance of the Group for the Period will be included in the interim results announcement of the Company.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 15 November 2022

As at the date of this announcement, 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.