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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)

UPDATE ON DISCLOSEABLE TRANSACTION AGREEMENT IN RELATION TO THE DEVELOPMENT OF URBAN BIOMASS BIOREFINING AND CARBON SEQUESTRATION PROJECT IN THE PRC

References are made to the announcements (the “**Announcements**”) of the Company dated 24 June 2025 and 4 August 2025, in relation to, among other things, the agreement in relation to the development of a urban biomass biorefining and carbon sequestration project in the PRC. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

The Board wishes to provide the Shareholders and potential investors of the Company with an update on the development of the Project.

UPDATE ON THE DEVELOPMENT OF THE URBAN BIOMASS BIOREFINING AND CARBON SEQUESTRATION PROJECT

As disclosed in the Announcements, the Company entered into the Agreement with the Haimen Economic and Technological Development Zone on 24 June 2025. Under the terms of the Agreement, the Company will invest USD3.6 million (approximately HK\$28.35 million) to establish and operate the Project through the Project Company. The Haimen Economic and Technological Development Zone has committed to providing infrastructure support and assisting the Project Company in securing the exclusive operating right, acquiring the Project Land, and obtaining necessary approvals, permits, and government subsidies. The effectiveness of the Agreement is conditional upon the Company’s lawful acquisition of the exclusive operating right for the Project.

To implement of the Agreement, Nanjing Yisheng Environmental Technology Co., Limited* 宜升(南京)環境技術有限公司 (the “**Nanjing Yisheng**”), an indirect wholly-owned subsidiary of the Company, was awarded the service operating agreement through a public tender process. This agreement granted Nanjing Yisheng the right to procure and dispose of food waste (including kitchen waste, household food waste, and other food waste) within Haimen District, Nantong City, Jiangsu Province, the PRC (the “**Service Operating Agreement**”).

SERVICE OPERATING AGREEMENT

Pursuant to the Service Operating Agreement, the Project is required to establish a food waste (kitchen waste) recycling and utilization facility with a designed processing capacity of 200 tons per day. During the service operation period, Nanjing Yisheng shall bear all costs, responsibilities, and risks including but not limited to those arising from investment, construction, operation, maintenance, upgrading and any other expenses arising from the Project. The principal terms of the Service Operating Agreement are set out below:

Date and time:

25 March 2026 (after the trading hours of the Stock Exchange)

Parties:

- (i) The Haimen District Urban Management Bureau of Nantong City (the “**HDUMB (Nantong)**”); and
- (ii) Nanjing Yisheng

Scope of the service: The service rights to procure and dispose of food waste within the Haimen District, Nantong City, the PRC.

Service Model: 1. The Project adopts an innovative model of Supplier-Driven Ecological Recycling and Reuse. Under this model, HDUMB (Nantong), as the procurer, is exempt from the payment of food waste disposal fees to Nanjing Yisheng, the supplier and the operator. The food waste collected by Nanjing Yisheng will be processed and converted into three high-value products including used cooking oil, organic solid material and biologically-derived carbon source from high-strength wastewater. These outputs will be commercialized, thereby generating both environmental and economic benefits, while simultaneously promoting sustainable resource utilization and advancing circular economy practices.

2. The successful bidder shall formally enter into a Service Operating Agreement with the Haimen District Urban Management Bureau of Nantong City. The Project will proceed on a Build-Own-Operate model.

Term of Service Operating Rights:	The kitchen waste collection and disposal services in the main urban area of Haimen District will last for 18 years and 6 months (from 20 June, 2033, to 31 December, 2051), while the services in areas outside the main urban area of Haimen District will be last for 25 years (from 1 January, 2027, to 31 December, 2051).
Extension of Duration:	For any extension of the service operation period upon expiration, the HDUMB (Nantong) shall conduct a thorough assessment in accordance with relevant regulations, and the evaluation results will serve as one of the bases for determining whether to continue operations. The service operation period may be extended upon approval by the People's Government of Haimen District, Nantong City.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, HDUMB (Nantong) is an Independent Third Party. HDUMB (Nantong) is a division-level department of the municipal government that operates under the Municipal Comprehensive Administrative Law Enforcement Bureau. Its main responsibilities include (i) exercising overall authority in urban management and coordinating city affairs; (ii) supervising city appearance, environmental sanitation, and waste collection; (iii) organising the construction, maintenance, and administration of municipal public facilities; and (iv) assisting in the implementation and enforcement of urban planning at the operational level.

As of the date of this announcement, the Company has not yet engaged any contractor for the construction of the kitchen waste recycling and utilization facility. Following the execution of the Service Operating Agreement, the Project Company shall be duly established within one month.

The Company will make further announcement(s) to inform the Shareholders and potential investors of the Company on the development of the Project as and when appropriate in accordance with the Listing Rules.

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

Hong Kong, 25 March 2026

* *the English translation of Chinese names or words in this announcement, where indicated, is included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

As at the date of this announcement, the executive Directors are Mr. Zhu Yongjun and Mr. Pan Yimin; and the independent non-executive Directors are Ms. Du Yun, Mr. Lo Chun Chiu, Adrian, Dr. Tong Ka Lok and Mr. Choy Wai Shek, Raymond, MH, JP.