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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)

DISCLOSEABLE TRANSACTION ACQUISITION OF EQUIPMENT

On 19 January 2015, the Subsidiary, a wholly-owned subsidiary of the Company entered into the Agreements with the Supplier, pursuant to which the Subsidiary will acquire from the Supplier the Equipment for an aggregate consideration of EUR2.4 million (equivalent to approximately HK\$22.05 million).

As one or more of the applicable percentage ratios in relation to the Acquisition exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

On 19 January 2015, the Company entered into the Agreements with the Supplier, pursuant to which the Company will acquire from the Supplier the Equipment for an aggregate consideration of EUR2.4 million (equivalent to approximately HK\$22.05 million).

THE ACQUISITION

Date of the Agreements

19 January 2015

Parties

- (1) the Subsidiary, a wholly-owned subsidiary of the Group; and
- (2) the Supplier, a machinery trading company established in Hong Kong, which is not related to the suppliers and their respective ultimate beneficial owners in the announcements of the Company on 6 November 2014 and 27 November 2014.

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

Subject matter

Pursuant to the Agreements, the Subsidiary will acquire the Equipment, which comprises two sets of foundation crane, from the Supplier.

The Equipment will be deliverable in or about the period from January 2015 to February 2015.

Consideration and payment terms

The Consideration for the Acquisition is EUR2.4 million (equivalent to approximately HK\$22.05 million and was arrived at after arm's length negotiations between the parties with reference to the purchase prices of similar equipment in the open market.

After signing of the Agreements by the Subsidiary, 10% of the Consideration as non-refundable down payment will be payable by the Subsidiary before 31 January 2015, and 90% of the Consideration will be payable by the Subsidiary upon the delivery of the Equipment.

The Consideration is to be fully satisfied by the Net Proceeds from the Share Offer and internal resources, which amounts to approximately HK\$8.35 million and HK\$13.70 million respectively.

Reasons for the Acquisition

The Group is principally engaged in foundation, civil engineering and general building works in Hong Kong. The Equipment is being purchased for the foundation work projects of the Group.

Given that the Acquisition was made under normal commercial terms and in the ordinary course business of the Group, and that the consideration was reached after arm's length negotiations with reference to the prevailing market prices of similar equipment, the Directors are of the view that the terms of the Acquisition are fair and reasonable and that the Acquisition is in the interests of the Company and its shareholders as a whole.

Use of Net Proceeds from Initial Public Offering

Based on the latest management accounts of the Company as at 31 December 2014, the Net Proceeds from the Share Offer received by the Company were approximately HK\$62.63 million, after deduction of the underwriting fees and commission and expenses. Pursuant to the prospectus of the Company dated 4 September 2014 (the "**Prospectus**"), the Company intends to utilize approximately 82% or approximately HK\$51.35 million of the Net Proceeds for the acquisition of additional machinery and equipment for foundation works.

As at the date of this announcement, the Company utilized approximately a total of HK\$43.00 million from the Net Proceeds for acquisition of equipment as stated in the announcements of the Company on 6 November 2014 and 27 November 2014 and acquisition of additional equipment and machinery for its foundation work projects.

The Directors confirm that the settlement of Consideration by the Net Proceeds from the Share Offer is consistent with the use of the Net Proceeds as stated in the Prospectus.

The Directors also confirm that the Net Proceeds from the Share Offer that has not been applied and utilized immediately has been placed on the short-term demand deposits with authorized financial institutions or licensed banks in Hong Kong as at the date of this announcement.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios in relation to the Acquisition exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms have the meanings set out below:

“Acquisition”	the acquisition of the Equipment pursuant to the terms of the Agreements
“Agreements”	the agreements dated 19 January 2015 entered into between the Subsidiary and the Supplier in relation to the Acquisition
“Board”	the board of Directors of the Company
“Company”	New Concepts Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration for the Acquisition of EUR2.4 million (equivalent to approximately HK\$22.05 million) payable by the Subsidiary to the Supplier pursuant to the Agreements
“Director(s)”	the director(s) of the Company
“Equipment”	foundation work machines to be supplied by the Supplier under the Agreements
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Net Proceeds”	the net proceeds from the Share Offer
“Share Offer”	the Public Offer and the Placing as defined in the prospectus dated 4 September 2014
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subsidiary”	New Concepts Foundation Limited, a company incorporated in Hong Kong and is a wholly-owned subsidiary of the Company
“Supplier”	a machinery trading company established in Hong Kong, which is independent of, non-connected and non-associated with the suppliers and their respective ultimate beneficial owners of the acquisition of equipment as stated in the announcements on 6 November 2014 and 27 November 2014
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By order of the Board
New Concepts Holdings Limited
CHU Shu Cheong
Chairman

Hong Kong, 19 January 2015

As at the date of this announcement, the executive Directors are Mr. Chu Shu Cheong, Mr. Kwan Man Hay, Mr. So Kin Shing and Ms. Lai Mun Yee; the non-executive Director is Dr. Huen Wai Kei; and the independent non-executive Directors are Mr. Lo Chun Chiu, Adrian, Dr. Tong Ka Lok and Mr. Choy Wai Shek, Raymond, MH, JP.

For the purpose of this announcement and for illustration only, the following exchange rate is adopted:

EUR 1 = HK\$9.19