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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)

SUPPLEMENTAL DEED TO THE SUBSCRIPTION AGREEMENT FOR THE SUBSCRIPTION AND ISSUE OF SHARES UNDER GENERAL MANDATE

Reference is made to the Company's announcement dated 25 July 2016 (the "**Announcement**") and the Company's announcement dated 4 August 2016 in relation to, among others, the Subscription and issue of Subscription Shares under the General Mandate. Capitalised terms herein shall bear the same meanings as defined in the Announcement unless otherwise stated.

SUPPLEMENTAL DEED TO THE SUBSCRIPTION AGREEMENT

On 10 August 2016 (after trading hours of the Stock Exchange), the Company and the Subscribers entered into a supplemental deed to the Subscription Agreement (the "**Supplemental Deed**") in relation to the revision of certain provisions in the Subscription Agreement, details of which are set forth below.

Restrictions on further issue of Shares

As disclosed in the Announcement, there was an undertaking made by the Company under the Subscription Agreement in relation to the restrictions on further issue of Shares, pursuant to which, the Company undertakes to each of CEF Concept and Go Million that during the period from the date of the Subscription Agreement and to the date on which the shareholding of each of CEF Concept and/or Go Million, together with each of their respective Associates is below 5% of the total number of Shares in issue, the Company will not take any of the following actions without prior unanimous approval from all members of the Board:

- (a) allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe for (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Share(s) or any interests in Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to Shares or interest in Shares; or
- (b) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in (a) above; or
- (c) announce any intention to enter into or effect any such transaction described in (a) or (b) above.

Pursuant to the Supplemental Deed, the above undertaking has been revoked.

Indemnity given by the Company

As disclosed in the Announcement, there was an undertaking made by the Company under the Subscription Agreement to indemnify the Indemnified Parties against certain costs, expenses and losses, details of which were set forth in the section headed “Indemnity given by the Company” in the Announcement. Pursuant to the Supplemental Deed, such undertaking was amended and replaced by the following:

The Company undertakes to indemnify and hold harmless each of the Subscribers and each of their respective agents, subsidiaries, affiliated or associated companies, their respective directors, officers, employees and agents including, but not limited to, the directors, officers, employees and controlling persons, as the case may be, of each of CEF Concept and Go Million and each of their respective Associates (and shall include partners of such Associates) (the “**Indemnified Parties**”) against all or any costs, expenses (including legal fees as they are properly and reasonably incurred), fees, claims, actions, liabilities, demands, proceedings or judgments (including, but not limited to, all such losses, costs, charges or expenses suffered or incurred in disputing or defending any costs, fees, claims, actions, liabilities, demands, proceedings or judgments) (the “**Proceedings**”) and/or in establishing its rights to be indemnified in accordance with the terms of the Subscription Agreement (as amended and supplemented by the Supplemental Deed) and/or in seeking advice in relation to any Proceedings brought or established or threatened to be brought or established against any of the Indemnified Parties by any governmental agency, regulatory body or other person:

- (i) directly or indirectly arising out of or in connection with or based on (a) any breach or alleged breach of any of the representations, warranties and undertakings provided by the Company and the obligations of the Company contained in the Subscription Agreement (as amended and supplemented by the Supplemental Deed); or (b) other than those which arise primarily from the fraudulent acts, gross negligence or willful default of CEF Concept and Go Million or any person acting on their behalf as determined by final judgment of a court of competent jurisdiction, any breach or alleged breach of any applicable laws or regulations of any jurisdiction arising out of or in connection with the execution of the Subscription Agreement (as amended and supplemented by the Supplemental Deed) and performance of the transactions contemplated therein; and
- (ii) directly or indirectly arising out of or in connection with the execution of the Subscription Agreement (as amended and supplemented by the Supplemental Deed) and the performance of the transactions contemplated therein.

THE INDEMNITY AND UNDERTAKINGS TO BE PROVIDED BY SUBSTANTIAL SHAREHOLDERS

In connection with the Supplemental Deed, each of Jumbo Grand and Simple Gain, together with their respective ultimate beneficial owners, and the Subscribers have agreed to amend certain provisions of the Jumbo Grand's Deed of Indemnity and Undertakings and the Simple Gain's Deed of Undertakings to be executed at or before completion of the Subscription in the following manner:

Additional Undertaking to be provided by Jumbo Grand and Mr. Zhu Yongjun

Each of Jumbo Grand and Mr. Zhu Yongjun shall undertake jointly and severally to each of the Subscribers under the Jumbo Grand's Deed of Indemnity and Undertakings to be executed at or before completion of the Subscription that, in the event that during the period of time from the date of the Jumbo Grand's Deed of Indemnity and Undertakings to the Completion Date, and after completion of the Subscription, from the Completion Date up to the earlier of (i) the second anniversary of the Completion Date; and (ii) the date on which the shareholding of each of the Subscribers, together with each of their respective Associates falls below 5% of the total number of Shares in issue, if the Company shall take any of the following action:

- (a) allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe for (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Share(s) or any interests in Shares or any securities convertible into or exercisable or exchangeable for or capable of being redesignated as Shares as or substantially similar to Shares or interest in Shares, in each case at a price (the "**New Issue Price**") per Share which is less than the Subscription Price or the consideration (the "**Consideration Received per Share**") per Share receivable upon conversion, exchange, subscription or redesignation is less than the Subscription Price; or
- (b) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in (a) above; or
- (c) announce any intention to enter into or effect any such transaction described in (a) and (b) above,

Jumbo Grand and Mr. Zhu Yongjun shall forthwith pay to each of the Subscribers an amount equals to the multiple of (1) the respective Subscription Shares to be allotted and issued or allotted and issued to each of the Subscribers and (2) the shortfall between the New Issue Price or the Consideration Received per Share (as the case may be) and the Subscription Price.

Such additional undertakings shall not be applicable to the following transactions conducted by the Company:

- (a) issue and allotment of Shares pursuant to the terms of any employee share option scheme adopted by the Company from time to time; or
- (b) any bonus issue or scrip dividend or similar arrangements which provide for the allotment of Shares in lieu of the whole or part of a dividend on Shares of the Company to the Shareholders on a pro rata basis.

Undertaking in relation to the amendment of the constitutional document of the Company

As disclosed in the Announcement, each of Jumbo Grand and Simple Gain and their respective ultimate beneficial owners shall undertake to, subject always to the Listing Rules, procure the Company to amend the constitution document of the Company to incorporate the provision in respect of the restrictions on further issue of Shares by the Company under the Subscription Agreement.

The above undertaking will not be made by Jumbo Grand and Simple Gain and their respective ultimate beneficial owners.

Save as disclosed above and certain amendments to the terms of the Subscription Agreement in relation to the payment of fees, commissions and expenses, all provisions of the Subscription Agreement, the Jumbo Grand's Deed of Indemnity and Undertakings and the Simple Gain's Deed of Undertakings remain unchanged and in full force and effect.

REASONS FOR ENTERING INTO THE SUPPLEMENTAL DEED

In order to allow the Company to enjoy greater flexibility on new issue of Shares, the Company has negotiated with the Subscribers to amend the terms of the Subscription Agreement. The amendments to the Subscription Agreement, the Jumbo Grand's Deed of Indemnity and Undertakings and the Simple Gain's Deed of Undertakings can also avoid subsequent procedures for alternation of the Company's articles of associations which may incur considerable costs and time. As such, the Directors consider that the amendments to the Subscription Agreement pursuant to the Supplemental Deed are in the best interests of the Company and the Shareholders as a whole.

The Subscription is subject to the satisfaction and/or waiver of the conditions precedent to the Subscription Agreement (as amended and supplemented by the Supplemental Deed), which may or may not be completed. Shareholders and potential investors are advised to exercise caution when dealing in Shares.

By Order of the Board
New Concepts Holdings Limited
Cai Jianwen
Executive Director

Hong Kong, 10 August 2016

As at the date of this announcement, the executive Directors are Mr. Zhu Yongjun, Mr. Chu Shu Cheong, Mr. Kwan Man Hay, Ms. Qin Shulan and Mr. Cai Jianwen; the non-executive Director is Mr. Lam Kwei Mo; and the independent non-executive Directors are Mr. Lo Chun Chiu, Adrian, Dr. Tong Ka Lok and Mr. Choy Wai Shek, Raymond, MH, JP.