New Century Group Hong Kong Limited
新世紀集團香港有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 234)

DISCLOSEABLE TRANSACTION
PROVISION OF FINANCIAL ASSISTANCE

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The Board is pleased to announce that on 3 December 2021, the New Loan Agreement was entered into between ETC Finance, an indirect non-wholly owned subsidiary of the Company, as lender, and the Customers, as borrowers. Pursuant to the New Loan Agreement, ETC Finance granted a mortgage loan in the principal sum of HK$9,750,000 to the Customers for a term of 24 months.

Before entering into of the New Loan Agreement, ETC Finance has entered into the Previous Loan Agreement in the principal sum of HK$8,000,000 and the Other Existing Loan Agreements in the aggregate principal sum of HK$11,600,000 with the Customers respectively for a term of 12 months. The loan proceed from the New Loan has been partly used to settle all the outstanding principal of the Previous Loan Agreement on 3 December 2021.

LISTING RULES IMPLICATIONS

The grant of the New Loan requires aggregation with the Other Existing Loans under Rule 14.22 of the Listing Rules. As one of the applicable percentage ratios in respect of the New Loan and the Other Existing Loans in aggregate is more than 5% but less than 25% under Rule 14.07 of the Listing Rules, the grant of the New Loan and the Other Existing Loans constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

* *For identification purpose only*

PROVISION OF THE NEW LOAN

The Board is pleased to announce that on 3 December 2021, the New Loan Agreement was entered into between ETC Finance, an indirect non-wholly owned subsidiary of the Company, as lender, and the Customers, as borrowers. Pursuant to the New Loan Agreement, ETC Finance granted a mortgage loan in the principal sum of HK$9,750,000 to the Customers for a term of 24 months. The principal terms of the New Loan Agreement are set out below:

NEW LOAN AGREEMENT

Date of agreement	:	3 December 2021
Lender	:	ETC Finance
Borrowers	:	The Customers
Principal	:	HK$9,750,000
Interest rate	:	8% per annum
Repayment	:	Interest repayable by 24 monthly instalments with the principal repayable at the last instalment
Prepayment	:	The borrowers may prepay to the lender all outstanding balance of the loan together with interest accrued by giving prior one month written notice to the lender
Security	:	A first legal charge in favour of the lender over a residential property located in Lam Tin (the “Property”), with valuation conducted by an independent professional property valuer on 24 November 2021 with an amount of approximately HK$12,500,000

PROVISION OF THE PREVIOUS LOAN AND THE OTHER EXISTING LOANS

Before entering into of the New Loan Agreement, ETC Finance has entered into the Previous Loan Agreement in the principal sum of HK$8,000,000 and the Other Existing Loan Agreements in the aggregate principal sum of HK$11,600,000 with the Customers respectively for a term of 12 months. The principal terms of the Previous Loan Agreement and the Other Existing Loan Agreements are set out as follows:

PREVIOUS LOAN AGREEMENT

Loan Agreement A

Date of the agreement	:	18 June 2021
Lender	:	ETC Finance
Borrowers	:	The Customers
Principal	:	HK$8,000,000
Interest rate	:	9.5% per annum
Repayment	:	Interest repayable by 12 monthly instalments with the principal repayable at the last instalment
Prepayment	:	The borrowers may prepay to the lender all outstanding balance of the loan together with interest accrued by giving prior one month written notice to the lender
Security	:	A first legal charge in favour of the lender over the Property, with valuation conducted by an independent professional property valuer on 24 May 2021, with an amount of approximately HK$12,500,000

The outstanding principal of the Previous Loan Agreement has been fully settled by the loan proceed drawn down under the New Loan Agreement on 3 December 2021.

OTHER EXISTING LOAN AGREEMENTS

Loan Agreement B

Date of the agreement	:	18 June 2021
Lender	:	ETC Finance
Borrowers	:	The Customers
Principal	:	HK$8,100,000
Interest rate	:	9.5% per annum

Repayment	:	Interest repayable by 12 monthly instalments with the principal repayable at the last instalment
Prepayment	:	The borrowers may prepay to the lender all outstanding balance of the loan together with interest accrued by giving prior one month written notice to the lender
Security	:	A first legal charge in favour of the lender over two industrial properties located in Kwun Tong, with valuation conducted by an independent professional property valuer on 28 April 2021, with the aggregate amount of approximately HK$11,600,000

Loan Agreement C

Date of the agreement	:	18 June 2021
Lender	:	ETC Finance
Borrowers	:	The Customers
Principal	:	HK$3,500,000
Interest rate	:	9.5% per annum
Repayment	:	Interest repayable by 12 monthly instalments with the principal repayable at the last instalment
Prepayment	:	The borrowers may prepay to the lender all outstanding balance of the loan together with interest accrued by giving prior one month written notice to the lender
Security	:	A first legal charge in favour of the lender over an industrial property located in Kwun Tong, with valuation conducted by an independent professional property valuer on 28 April 2021, with an amount of approximately HK$5,000,000

FUNDING OF THE NEW LOAN

The Group will finance the New Loan with its general working capital. The loan proceed from the New Loan has been partly used to settle all the outstanding principal of the Previous Loan Agreement on 3 December 2021.

INFORMATION ON THE CREDIT RISK RELATING TO THE NEW LOAN

The grant of the New Loan was based on the collateral provided by the Customers, the credit assessments on the financial strength and repayment ability of the Customers, together with the relatively short term nature of the New Loan. After taking into account all such factors, the Directors consider that the risks involved in the New Loan are relatively low and manageable.

INFORMATION ON THE CUSTOMERS

Customer A

Customer A is a merchant, the spouse of Customer B and a repeated customer of ETC Finance, with no default record. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Customer A is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

Customer B

Customer B is a housewife, the spouse of Customer A and a repeated customer of ETC Finance, with no default record. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Customer B is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

REASONS FOR AND BENEFITS OF ENTERING INTO THE NEW LOAN AGREEMENT

The principal activities of the Group comprise money lending, cruise ship charter services, property investments and securities trading.

The terms of the New Loan Agreement (including the interest rate) were negotiated on an arm's length basis between ETC Finance and the Customers based on the credit policy of ETC Finance. Taking into account the financial background and repayment ability of the Customers, the Directors are of view that a stable revenue and cashflow stream from interest income is expected to be generated from the New Loan. The Directors consider and believe that the terms of the New Loan Agreement are fair and reasonable and the entering into of the New Loan Agreement are in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

The grant of the New Loan requires aggregation with the Other Existing Loans under Rule 14.22 of the Listing Rules. As one of the applicable percentage ratios in respect of the New Loan and the Other Existing Loans is more than 5% but less than 25% under Rule 14.07 of the Listing Rules, the grant of the New Loan and the Other Existing Loans constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the following meanings:

"Board"	The board of Directors
"Company"	New Century Group Hong Kong Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the main board of the Stock Exchange with stock code 234
"Customer A"	Mr. Chui Loi, one of the borrowers under the New Loan Agreement, the Previous Loan Agreement and the Other Existing Loan Agreements
"Customer B"	Ms. Lau Lai Fun, one of the borrowers under the New Loan Agreement, the Previous Loan Agreement and the Other Existing Loan Agreements
"Customers"	Customer A and Customer B, collectively
"Directors"	the directors of the Company
"ETC Finance"	ETC Finance Limited, a company incorporated in Hong Kong with limited liability with money lenders licence registered under Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong), and an indirect non-wholly owned subsidiary of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Loan Agreement A"	the loan agreement dated 18 June 2021 entered into between ETC Finance and the Customers, particulars of which are stated in the section headed "Loan Agreement A" in this announcement
"Loan Agreement B"	the loan agreement dated 18 June 2021 entered into between ETC Finance and the Customers, particulars of which are stated in the section headed "Loan Agreement B" in this announcement
"Loan Agreement C"	the loan agreement dated 18 June 2021 entered into between ETC Finance and the Customers, particulars of which are stated in the section headed "Loan Agreement C" in this announcement

"New Loan"	the mortgage loan in the principal sum of HK$9,750,000 granted by ETC Finance to the Customers pursuant to New Loan Agreement
"New Loan Agreement"	the loan agreement dated 3 December 2021 entered into between ETC Finance and the Customers, particulars of which are stated in the section headed "New Loan Agreement" in this announcement
"Other Existing Loans"	the mortgage loans in the principal sum of HK$8,100,000 and HK$3,500,000 granted by ETC Finance to the Customers pursuant to Loan Agreement B and Loan Agreement C, respectively
"Other Existing Loan Agreements"	Loan Agreement B and Loan Agreement C
"Previous Loan"	the mortgage loan in the principal sum of HK$8,000,000 granted by ETC Finance to the Customers pursuant to Loan Agreement A
"Previous Loan Agreement"	Loan Agreement A
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"%"	per cent.

On behalf of the Board
Ng Wee Keat
Chairman

Hong Kong, 3 December 2021

As at the date of this announcement, the Board comprises Mr. Ng Wee Keat (Chairman), Ms. Sio Ion Kuan (Deputy Chairman), Ms. Ng Siew Lang, Linda (Chief Operating Officer), Ms. Lilian Ng, Ms. Chen Ka Chee and Mr. Yu Wai Man as executive directors and Mr. Cheung Chun Kwok, Mr. Kwan Kai Kin, Kenneth and Mr. Ho Yau Ming as independent non-executive directors.