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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

PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 25 January 2022, ETC Finance, an indirect non-wholly owned subsidiary of the Company, as lender, entered into New Loan Agreement X with Customer A as borrower and with Customer B and Customer C as guarantors, pursuant to which, ETC Finance agreed to grant a mortgage loan in the principal sum of HK\$12,800,000 to Customer A for a term of 36 months. On the same date, ETC Finance, as lender, also entered into New Loan Agreement Y with Customer B as borrower and with Customer A and Customer C as guarantors, pursuant to which, ETC Finance agreed to grant a mortgage loan in a principal sum of HK\$9,600,000 to Customer B for a term of 36 months.

Before the entering into of the New Loan Agreements, ETC Finance has entered into the Existing Loan Agreements with Customer C and Customer D for granting four mortgage loans in the aggregate principal sum of HK\$24,100,000 to Customer C and Customer D for a term of 36 months.

LISTING RULES IMPLICATIONS

As each of the Customers is associated with each other (details of their relationship are set out in the section headed “Information on the Customers” in this announcement), the grant of the New Loans and the Existing Loans shall be aggregated under Rule 14.22 of the Listing Rules. As one of the applicable percentage ratios in respect of the New Loans and the Existing Loans is more than 5% but less than 25% under Rule 14.07 of the Listing Rules, the grant of the New Loans and the 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 LOANS

The Board is pleased to announce that on 25 January 2022, ETC Finance, an indirect non-wholly owned subsidiary of the Company, as lender, entered into New Loan Agreement X with Customer A as borrower and with Customer B and Customer C as guarantors, pursuant to which, ETC Finance agreed to grant a mortgage loan in the principal sum of HK\$12,800,000 to Customer A for a term of 36 months. On the same date, ETC Finance, as lender, also entered into New Loan Agreement Y with Customer B as borrower and with Customer A and Customer C as guarantors, pursuant to which, ETC Finance agreed to grant a mortgage loan in a principal sum of HK\$9,600,000 to Customer B for a term of 36 months. The principal terms of the New Loan Agreements are set out below:

NEW LOAN AGREEMENTS

New Loan Agreement X

Date of agreement	: 25 January 2022
Lender	: ETC Finance
Borrower	: Customer A
Guarantors	: Customer B and Customer C
Principal	: HK\$12,800,000
Interest rate	: 8.25% per annum
Repayment	: Interest repayable by 36 monthly instalments with the principal repayable at the last instalment
Prepayment	: The borrower 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 Tin Wan with valuation conducted by an independent professional property valuer on 17 December 2021 with an amount of approximately HK\$17,600,000

New Loan Agreement Y

Date of agreement	: 25 January 2022
Lender	: ETC Finance
Borrower	: Customer B
Guarantors	: Customer A and Customer C
Principal	: HK\$9,600,000
Interest rate	: 8.25% per annum
Repayment	: Interest repayable by 36 monthly instalments with the principal repayable at the last instalment
Prepayment	: The borrower 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 Tin Wan with valuation conducted by an independent professional property valuer on 17 December 2021 with an amount of approximately HK\$13,500,000

PROVISION OF THE EXISTING LOANS

Before the entering into of the New Loan Agreements, ETC Finance has entered into the Existing Loan Agreements with Customer C and Customer D for granting four mortgage loans in the aggregate principal sum of HK\$24,100,000 to Customer C and Customer D for a term of 36 months. The principal terms of the Existing Loan Agreements are set out as follows:

EXISTING LOAN AGREEMENTS

Existing Loan Agreement A

Date of agreement	: 8 December 2021
Lender	: ETC Finance
Borrowers	: Customer C and Customer D
Principal	: HK\$5,420,000

Interest rate : 8% per annum

Repayment : Interest repayable by 36 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 Causeway Bay with valuation conducted by an independent professional property valuer on 18 November 2021 with an amount of approximately HK\$6,900,000

Existing Loan Agreement B

Date of agreement : 8 December 2021

Lender : ETC Finance

Borrowers : Customer C and Customer D

Principal : HK\$5,000,000

Interest rate : 8% per annum

Repayment : Interest repayable by 36 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 Causeway Bay with valuation conducted by an independent professional property valuer on 18 November 2021 with an amount of approximately HK\$6,500,000

Existing Loan Agreement C

Date of agreement	: 8 December 2021
Lender	: ETC Finance
Borrowers	: Customer C and Customer D
Principal	: HK\$3,540,000
Interest rate	: 8% per annum
Repayment	: Interest repayable by 36 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 Causeway Bay with valuation conducted by an independent professional property valuer on 18 November 2021 with an amount of approximately HK\$4,500,000

Existing Loan Agreement D

Date of agreement	: 8 December 2021
Lender	: ETC Finance
Borrowers	: Customer C and Customer D
Principal	: HK\$10,140,000
Interest rate	: 8% per annum
Repayment	: Interest repayable by 36 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 three residential properties located in Tsuen Wan with valuation conducted by an independent professional property valuer on 18 November 2021 with an amount of approximately HK\$13,100,000

FUNDING OF THE NEW LOANS

The Group will finance the New Loans with its general working capital.

INFORMATION ON THE CREDIT RISK RELATING TO THE NEW LOANS

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

INFORMATION ON THE CUSTOMERS

Customer A

Customer A is a company incorporated in Hong Kong and its principal activity is investment holding and one of the guarantors under New Loan Agreement Y. Customer C is the sole director and the ultimate beneficial owner of Customer A. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Customer A and its ultimate beneficial owner is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

Customer B

Customer B is a company incorporated in Hong Kong and its principal activity is investment holding and one of the guarantors under New Loan Agreement X. Customer C is the sole director and the ultimate beneficial owner of Customer B. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Customer B and its ultimate beneficial owner is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

Customer C

Customer C is an individual, the spouse of Customer D, the sole director and the ultimate beneficial owner of Customer A and Customer B, one of the borrowers under Existing Loan Agreements, one of the guarantors under New Loan Agreements 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 enquiries, Customer C is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

Customer D

Customer D is an individual, the spouse of Customer C, one of the borrowers under Existing Loan Agreements 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 enquiries, Customer D is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE NEW LOAN AGREEMENTS

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

The terms of the New Loan Agreements (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 for the Group is expected to be generated from the New Loans. The Directors consider and believe that the terms of the New Loan Agreements are fair and reasonable and the entering into the New Loan Agreements is in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As each of the Customers is associated with each other (details of their relationship are set out in the section headed "Information on the Customers" in this announcement), the grant of the New Loans and the Existing Loans shall be aggregated under Rule 14.22 of the Listing Rules. As one of the applicable percentage ratios in respect of the New Loans and the Existing Loans is more than 5% but less than 25% under Rule 14.07 of the Listing Rules, the grant of the New 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
"Customers"	Customer A, Customer B, Customer C and Customer D
"Customer A"	Mega Harvest (HK) Limited, a company incorporated in Hong Kong, the borrower under New Loan Agreement X and one of the guarantors under New Loan Agreement Y

“Customer B”	Sky Luck Industrial Limited, a company incorporated in Hong Kong, the borrower under New Loan Agreement Y and one of the guarantors under New Loan Agreement X
“Customer C”	Mr. Chan Ka Yung, one of the borrowers under the Existing Loan Agreements and one of the guarantors under the New Loan Agreements
“Customer D”	Ms. Wu Guo Qin, one of the borrowers under the Existing Loan Agreements
“Directors”	the directors of the Company
“ETC Finance”	ETC Finance Limited, a company incorporated in Hong Kong with limited liability and with money lenders licence registered under Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong), which is an indirect non-wholly owned subsidiary of the Company
“Existing Loans”	four mortgage loans in the aggregate principal sum of HK\$24,100,000 granted by ETC Finance to Customer C and Customer D pursuant to Existing Loan Agreement A, Existing Loan Agreement B, Existing Loan Agreement C and Existing Loan Agreement D, respectively
“Existing Loan Agreements”	Existing Loan Agreement A, Existing Loan Agreement B, Existing Loan Agreement C and Existing Loan Agreement D
“Existing Loan Agreement A”	the loan agreement dated 8 December 2021 entered into between ETC Finance and Customer C and Customer D, particulars of which are stated in the section headed “Existing Loan Agreement A” in this announcement
“Existing Loan Agreement B”	the loan agreement dated 8 December 2021 entered into between ETC Finance and Customer C and Customer D, particulars of which are stated in the section headed “Existing Loan Agreement B” in this announcement
“Existing Loan Agreement C”	the loan agreement dated 8 December 2021 entered into between ETC Finance and Customer C and Customer D, particulars of which are stated in the section headed “Existing Loan Agreement C” in this announcement
“Existing Loan Agreement D”	the loan agreement dated 8 December 2021 entered into between ETC Finance and Customer C and Customer D, particulars of which are stated in the section headed “Existing Loan Agreement D” in this announcement

“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
“New Loans”	two mortgage loans in the principal sum of HK\$12,800,000 and HK\$9,600,000 granted by ETC Finance to Customer A and Customer B pursuant to New Loan Agreement X and New Loan Agreement Y, respectively
“New Loan Agreements”	New Loan Agreement X and New Loan Agreement Y
“New Loan Agreement X”	the loan agreement dated 25 January 2022 entered into between ETC Finance and Customer A, particulars of which are stated in the section headed “New Loan Agreement X” in this announcement
“New Loan Agreement Y”	the loan agreement dated 25 January 2022 entered into between ETC Finance and Customer B, particulars of which are stated in the section headed “New Loan Agreement Y” in this announcement
“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, 25 January 2022

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.