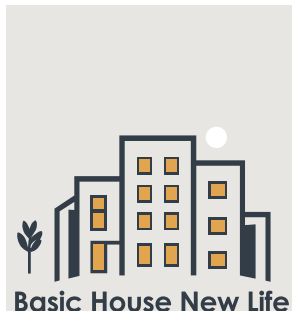


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Basic House New Life Group Limited
簡樸新生活集團有限公司
(formerly known as AL Group Limited 利駿集團(香港)有限公司)
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8360)

**DISCLOSEABLE TRANSACTIONS
IN RELATION TO
ACQUISITIONS OF PROPERTIES IN HONG KONG**

THE ACQUISITIONS

On 6 March 2025 (after trading hours), the Purchaser (an indirect wholly-owned subsidiary of the Company) entered into:

- (i) the Provisional Agreement A with the Vendor A and the Agent, pursuant to which the Purchaser agreed to purchase, and the Vendor A agreed to sell, the Property A at the Consideration A in cash; and
- (ii) the Provisional Agreement B with the Vendor B and the Agent, pursuant to which the Purchaser agreed to purchase, and the Vendor B agreed to sell, the Property B at the Consideration B in cash.

GEM LISTING RULES IMPLICATIONS

As the highest of the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules in respect of each of the Acquisitions exceeds 5% but is less than 25%, each of the Acquisitions constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

The Acquisitions may or may not proceed subject to various factors including, among others, the entering into of a formal agreement between the Purchaser and the respective Vendor A and Vendor B. Shareholders and potential investors of the Company are therefore advised to exercise caution when dealing in the Shares.

INTRODUCTION

On 6 March 2025 (after trading hours), the Purchaser (an indirect wholly-owned subsidiary of the Company) entered into:

- (i) the Provisional Agreement A with the Vendor A and the Agent, pursuant to which the Purchaser agreed to purchase, and the Vendor A agreed to sell, the Property A at the Consideration A in cash; and
- (ii) the Provisional Agreement B with the Vendor B and the Agent, pursuant to which the Purchaser agreed to purchase, and the Vendor B agreed to sell, the Property B at the Consideration B in cash.

THE PROVISIONAL AGREEMENT A

The principal terms of the Provisional Agreement A are set out below:

Date

6 March 2025 (after trading hours)

Parties

- (1) the Purchaser;
- (2) the Vendor A; and
- (3) the Agent

Assets to be acquired

The Property A is a residential property with a saleable area of approximately 628 sq. ft. situated at 5th Floor, No. 75 Prince Edward Road West, Kowloon, Hong Kong.

As at the date of this announcement, the Property A is in vacant possession and is not subject to any lease or tenancy agreement.

The Consideration

The Consideration A is HK\$2,900,000 (equivalent to approximately HK\$4617.8 per square foot based on a saleable area of approximately 628 sq. ft.), payable by the Purchaser to the Vendor A in the following manner:

- (a) HK\$145,000 has been paid as an initial deposit upon signing of the Provisional Agreement A;
- (b) HK\$145,000 as a further deposit will be payable upon signing of the formal agreement for the sale and purchase of the Property A on or before 19 March 2025; and
- (c) the remaining balance in the sum of HK\$2,610,000 will be payable in full on the Completion Date.

The Consideration A was arrived at after arm's length negotiation between the Purchaser and the Vendor A and determined with reference to, among others, the prevailing market conditions and the appraised capital value of the Property A of HK\$3,000,000 as at 4 March 2025 (the "**Appraised Value A**") based on the valuation of the Property A conducted by Helios Appraisals and Advisory Limited, an independent property valuer (the "**Independent Valuer**"), adopting the direct comparison approach.

The Consideration A will be funded by the internal resources of the Group.

Given that the Consideration A is below the Appraised Value A, the Directors consider that the Consideration A is fair and reasonable.

Stamp duty

All ad valorem stamp duty will be borne by the Purchaser.

Formal agreement

A formal agreement for the sale and purchase of the Property A is expected to be signed by the Purchaser and the Vendor A on or before 19 March 2025.

Completion

Completion of the Acquisition A is expected to take place on the Completion Date, upon which the Property A will be sold to the Purchaser on an “as is” basis and the Vendor will deliver vacant possession of the Property A to the Purchaser.

Commission

Pursuant to the Provisional Agreement A, the Agent is entitled to receive a commission in the amount of HK\$29,000 (being 1.0% of the Consideration A) from each of the Purchaser and the Vendor A on the Completion Date.

THE PROVISIONAL AGREEMENT B

The principal terms of the Provisional Agreement B are set out below:

Date

6 March 2025 (after trading hours)

Parties

- (1) the Purchaser;
- (2) the Vendor B; and
- (3) the Agent

Assets to be acquired

The Property B is a residential property with a saleable area of approximately 592 sq. ft. situated at 3rd Floor, Section C of Lot No. 732 in DD450, Tsuen Wan, New Territories, Hong Kong.

As at the date of this announcement, the Property B is in vacant possession and is not subject to any lease or tenancy agreement.

The Consideration B

The Consideration B is HK\$2,400,000 (equivalent to approximately HK\$4,054.1 per square foot based on a saleable area of approximately 592 sq. ft.), payable by the Purchaser to the Vendor B in the following manner:

- (a) HK\$120,000 has been paid as an initial deposit upon signing of the Provisional Agreement B;
- (b) HK\$120,000 as a further deposit will be payable upon signing of the formal agreement for the sale and purchase of the Property B on or before 19 March 2025; and
- (c) the remaining balance in the sum of HK\$2,160,000 will be payable in full on the Completion Date.

The Consideration B was arrived at after arm's length negotiation between the Purchaser and the Vendor B and determined with reference to, among others, the prevailing market conditions and the appraised capital value of the Property B of HK\$2,500,000 as at 4 March 2025 (the "**Appraised Value B**") based on the preliminary valuation of the Property B conducted by the Independent Valuer adopting the direct comparison approach.

The Consideration B will be funded by the internal resources of the Group.

Given that the Consideration B is below the Appraised Value B, the Directors consider that the Consideration B is fair and reasonable.

Stamp duty

All ad valorem stamp duty will be borne by the Purchaser.

Formal agreement

A formal agreement for the sale and purchase of the Property B is expected to be signed by the Purchaser and the Vendor B on or before 19 March 2025.

Completion

Completion of the Acquisition B will take place on the Completion Date, upon which the Property B will be sold to the Purchaser on an "as is" basis and the Vendor will deliver vacant possession of the Property B to the Purchaser.

Commission

Pursuant to the Provisional Agreement B, the Agent is entitled to receive a commission in the amount of HK\$24,000 (being 1.0% of the Consideration B) from each of the Purchaser and the Vendor B on the Completion Date.

INFORMATION ON THE PARTIES

The Vendor A

The Vendor A is an Independent Third Party and the registered owner of the Property A procured by the Agent on the open market.

The Vendor B

The Vendor B is an Independent Third Party and the registered owner of the Property B procured by the Agent on the open market.

The Purchaser

The Purchaser, being an indirect wholly-owned subsidiary of the Company, is a company incorporated in Hong Kong with limited liability and principally engaged in investment holding.

The Agent

The Agent is a company incorporated in Hong Kong with limited liability and operates property agencies in Hong Kong. The Agent and its ultimate beneficial owner(s) are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE ACQUISITIONS

The Company is a company incorporated in the Cayman Islands with limited liability and the principal activity of the Company is investment holding. The Group is principally engaged in the provision of interior design and fit out solutions as well as overall project management in Hong Kong.

As disclosed in the announcement of the Company dated 22 October 2024, one of the Company's business development strategies is to expand its business by entering into the real estate and the Basic Housing Units (簡樸房) rental and related management services market to provide more comprehensive service solutions. Given the current property market conditions, the Board believes that the Acquisitions present a valuable opportunity for the Group to acquire the Properties at a reasonable price. Following the completion of the Acquisitions, the Company intends to renovate the Properties to meet the required standards as "Basic Housing Units" and subsequently offer them for rent so as to generate stable rental income for the Group.

The Directors consider that the Acquisitions are conducted in the ordinary and usual course of business of the Group and the terms of each of the Provisional Agreement A and the Provisional Agreement B are on normal commercial terms, fair and reasonable and the entering into of each of the Provisional Agreement A and the Provisional Agreement B is in the interests of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As the highest of the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules in respect of each of the Acquisitions exceeds 5% but is less than 25%, each of the Acquisitions constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

The Acquisitions may or may not proceed subject to various factors including, among others, the entering into of a formal agreement between the Purchaser and the respective Vendor A and Vendor B. Shareholders and potential investors of the Company are therefore advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

| | |
|---------------------|--|
| “Acquisitions” | comprising the Acquisition A and the Acquisition B |
| “Acquisition A” | the acquisition of the Property A pursuant to the terms of the Provisional Agreement A |
| “Acquisition B” | the acquisition of the Property B pursuant to the terms of the Provisional Agreement B |
| “Agent” | Vast Prosperity Investment Limited, a company incorporated in Hong Kong with limited liability |
| “Board” | board of Directors |
| “Company” | Basic House New Life Group Limited (formerly known as AL Group Limited) (Stock Code: 8360), a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM |
| “Completion Date” | the date on which the completion of each of the Acquisition A and the Acquisition B shall take place on or before 30 May 2025 |
| “Consideration A” | HK\$2,900,000, being the cash consideration for the Acquisition A pursuant to the Provisional Agreement A |
| “Consideration B” | HK\$2,400,000, being the cash consideration for the Acquisition B pursuant to the Provisional Agreement B |
| “Director(s)” | director(s) of the Company |
| “GEM” | GEM of the Stock Exchange |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM as amended from time to time |
| “Group” | the Company and its subsidiaries |

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|--------------------------------|--|
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | Hong Kong Special Administrative Region of the PRC |
| “Independent Third Party(ies)” | third party(ies) independent of the Company and its connected persons (as defined in the GEM Listing Rules) |
| “PRC” | the People’s Republic of China |
| “Properties” | comprising the Property A and the Property B |
| “Property A” | the residential property situated at 5th Floor, No. 75 Prince Edward Road West, Kowloon, Hong Kong with a saleable area of approximately 628 sq. ft. |
| “Property B” | the residential property situated at 3rd Floor, Section C of Lot No. 732 in DD450, Tsuen Wan, New Territories, Hong Kong with a saleable area of approximately 592 sq. ft. |
| “Provisional Agreement A” | the provisional sale and purchase agreement dated 6 March 2025 entered into among the Purchaser, the Vendor A and the Agent in respect of the Acquisition A |
| “Provisional Agreement B” | the provisional sale and purchase agreement dated 6 March 2025 entered into among the Purchaser, the Vendor B and the Agent in respect of the Acquisition B |
| “Purchaser” | Golden Decoration and Design Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company |
| “Share(s)” | ordinary share(s) with par value of HK\$0.1 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the shares of the Company |
| “sq. ft.” | square feet |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |

“Vendor A” Mr. Wong Yee To, a Hong Kong resident

“Vendor B” Mr. Lui Hung Lun, a Hong Kong resident

“%” per cent.

By order of the Board
Basic House New Life Group Limited
Chan Hung Kai
Chairman and Executive Director

Hong Kong, 6 March 2025

As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Chan Hung Kai (Chairman) and Mr. Chung Kar Ho Carol; and three independent non-executive Directors, namely, Mr. Tam Chak Chi, Ms. Lau Ho Kwan and Mr. Tang Chi Chiu.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the date of its publication and on the website of the Company at www.basicnewlife.com.