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

DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF PROPERTY IN HONG KONG

THE ACQUISITION

On 14 March 2026, the Purchaser (an indirect wholly-owned subsidiary of the Company), the Vendors and the Agent entered into the Provisional Agreement, pursuant to which the Purchaser agreed to purchase, and the Vendors agreed to sell, the Property at the Consideration of HK$5,000,000 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 the Acquisition exceeds 5% but is less than 25%, the Acquisition constituted a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

Shareholders and potential investors of the Company should be aware that the transactions contemplated under the Provisional Agreement may or may not proceed. Accordingly, Shareholders and potential investors of the Company are advised to exercise caution when they deal in the securities of the Company.

INTRODUCTION

On 14 March 2026, the Purchaser (an indirect wholly-owned subsidiary of the Company), the Vendors and the Agent entered into the Provisional Agreement, pursuant to which the Purchaser agreed to purchase, and the Vendors agreed to sell, the Property at the Consideration of HK$5,000,000 in cash.

THE PROVISIONAL AGREEMENT

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

Date

14 March 2026

Parties

(1) the Purchaser;

(2) the Vendors; and

(3) the Agent.

Assets to be acquired

The Property is a residential property with a saleable area of approximately 665 sq. ft. situated at Flat 7, 6th Floor, Man Fai Building, No. 41 Man Yuen Street, Kowloon, Hong Kong.

The Property shall be sold to the Purchaser on an "as is" basis. As at the date of this announcement, the Property is in vacant possession and is not subject to any lease or tenancy agreement.

The Consideration

The Consideration is HK$5,000,000 (which is equivalent to approximately HK$7,518.8 per sq.ft. based on a saleable area of approximately 665 sq. ft.), payable by the Purchaser to the Vendors (or the Vendors' solicitors as a stakeholder, as the case may be) in the following manner:

(a) HK$300,000 has been paid as an initial deposit upon signing of the Provisional Agreement;

(b) HK$200,000 as a further deposit shall be payable upon signing of the formal agreement for the sale and purchase of the Property on or before 27 March 2026; and

(c) the remaining balance in the sum of HK$4,500,000 shall be payable in full on the Completion Date.

The initial deposit and the further deposit payable under (a) and (b) above shall be paid to the Vendors' solicitors as stakeholder who may release the same to the Vendors provided that the balance of the purchase price is sufficient to discharge the mortgage against the Property.

The Consideration was arrived at after arm's length negotiation between the Purchaser and the Vendors and determined with reference to, among others, (i) the indicative market value of the Property at not less than HK$5,150,000 as at 14 March 2026 appraised by an independent valuer using market approach; (ii) the recent transactions of comparable properties in the vicinity of the Property; and (iii) the prevailing property market conditions. The Consideration will be funded by the internal resources of the Group.

Stamp duty

All ad valorem stamp duty will be borne by the Purchaser. Each party shall pay its own legal costs.

Agent's commission

The Agent shall be entitled to receive a commission in the amount of HK$100,000 from the Purchaser on the Completion Date.

Formal agreement

A formal agreement for the sale and purchase of the Property is expected to be signed by the Purchaser and the Vendors on or before 27 March 2026.

Completion

Completion of the Acquisition is expected to take place on the Completion Date, upon which the Vendors shall deliver vacant possession of the Property to the Purchaser and free from any encumbrances.

INFORMATION ON THE PARTIES

The Vendors

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Vendors is a Hong Kong resident and an Independent Third Party.

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 principally engaged in real estate activities in Hong Kong. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Agent and its ultimate beneficial owners is an Independent Third Party.

REASONS FOR AND BENEFITS OF THE ACQUISITION

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 and securities investment in Hong Kong.

Since late 2024, the Company has been pursuing its business development strategies regarding business expansion by entering into the real estate and the "Basic Housing Units" rental and related management services market through property acquisitions, subleasing, or partnerships, in order to broaden the scope of its business offerings. The Directors consider that the Acquisition is in line with the Group's business development strategies.

The Hong Kong residential property market has shown signs of recovery, with residential prices having bottomed out in mid-2025 and exhibiting upward momentum thereafter. In view of the emerging upcycle with prevailing favourable pricing, the Directors are of the view that the Acquisition presents an attractive opportunity for the Group to acquire the Property with strong potential for capital appreciation. The Directors believe that the Acquisition will position the Group to capitalise on the market upturn and enhance the Group's asset base.

The Directors consider that the Acquisition is conducted in the ordinary and usual course of business of the Group and the terms of the Provisional Agreement are on normal commercial terms, fair and reasonable and the entering into of the Provisional Agreement 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 the Acquisition exceeds 5% but is less than 25%, the Acquisition constituted a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

Shareholders and potential investors of the Company should be aware that the transactions contemplated under the Provisional Agreement may or may not proceed. Accordingly, Shareholders and potential investors of the Company are advised to exercise caution when they deal in the securities of the Company.

DEFINITIONS

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

"Acquisition"	the acquisition of the Property pursuant to the terms of the Provisional Agreement
"Agent"	Wah On Estate Agent Company Limited
"Board"	board of Directors
"Company"	Basic House New Life 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 the Acquisition shall take place on or before 27 May 2026
"Consideration"	HK$5,000,000, being the cash consideration for the Acquisition pursuant to the Provisional Agreement
"Director(s)"	director(s) of the Company
"GEM"	GEM of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM as amended from time to time
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party"	third party independent of the Company and its connected persons (as defined in the GEM Listing Rules)
"Property"	the residential property situated at Flat 7, 6th Floor, Man Fai Building, No. 41 Man Yuen Street, Kowloon, Hong Kong
"Provisional Agreement"	the provisional sale and purchase agreement dated 14 March 2026 entered into among the Purchaser, the Vendors and the Agent in respect of the Acquisition

"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
"sq. ft."	square feet
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Vendors"	Mr. Chung To Chau and Ms. Chung Shou Kuen, the registered owners of the Property
"%"	per cent.

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

Hong Kong, 17 March 2026

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.