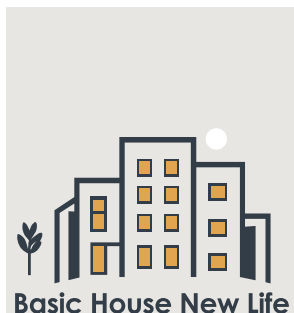


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Basic House New Life Group Limited

簡樸新生活集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8360)

VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING IN RELATION TO PROPOSED TRANSACTION

This announcement is made by Basic House New Life Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to provide the shareholders and potential investors of the Company with the latest business development of the Group.

THE MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company is pleased to announce that, on 17 July 2026 (after trading hours), the Company entered into a memorandum of understanding (the “**MOU**”) with Co-Living LPF (the “**Vendor**”) (acting by its general partner) and DT Inc. Limited (the “**Target Company**”), pursuant to which the Company (either directly or through a designated affiliate) intends to subscribe for or acquire certain equity interests in the Target Company by way of capital injection or equity transfer (the “**Proposed Transaction**”). The consideration, payment structure and commercial terms for the Proposed Transaction will be further negotiated in good faith and determined under a legally binding formal agreement (the “**Definitive Agreement**”) between the parties.

Pursuant to the MOU, the Vendor shall grant to the Company an exclusive right to discuss, negotiate and finalise the Definitive Agreement for a period of three (3) months from the date of the MOU (or such longer period as the parties thereto may otherwise agree in writing) (the “**Exclusivity Period**”). During such period, the Company shall be entitled to carry out due diligence review of the assets, liabilities, business, financial, legal and other affairs of the Target Company. During the Exclusivity Period, the Vendor shall not, and shall procure that the Target Company and its directors, officers, employees, representatives and agents will not, directly or indirectly, solicit, initiate, encourage, negotiate, or enter into any agreement or arrangement with any person or entity (other than the Company or its designated affiliate) with respect to, among other things, the sale, transfer, disposition, allotment or subscription of any equity interest or shares of the Target Company.

The MOU shall terminate upon (i) expiry of the Exclusivity Period (unless otherwise extended by the parties thereto in writing); or (ii) entering into of the Definitive Agreement; or (iii) the results of the due diligence review having been not satisfactory to the Company and the Company having given three (3) days prior notice in writing to the Vendor to terminate the MOU, whichever is earliest.

The MOU shall create no legal and binding obligations on the parties thereto, save for certain provisions including but not limited to the exclusivity, confidentiality, termination and governing law.

INFORMATION OF THE TARGET COMPANY AND THE VENDOR

The Target Company

The Target Company is a company incorporated in Hong Kong with limited liability. As at the date of this announcement, the Vendor is the legal and beneficial owner of the entire issued share capital of the Target Company.

The Target Company is principally engaged in the provision of student accommodation leasing and management services in Hong Kong. Currently, the Target Company manages a leased portfolio of over 200 student bed spaces. These co-living units are strategically distributed across regional hubs well-connected to major university campuses in Hong Kong, primarily concentrated on Hong Kong Island (specifically Wan Chai), with a strategic presence in the New Territories East and Kowloon Central and South.

The Vendor

The Vendor is a limited partnership fund registered in Hong Kong, the investment scope of which primarily includes investing in equity or debt instruments of Hong Kong companies in real estate related industry, including but not limited to accommodation, leasing or property sales. Its general partner is Hong Kong Plus Inc. Limited, a company incorporated in Hong Kong with limited liability. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Vendor, its general partner, and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF ENTERING INTO THE MOU AND THE PROPOSED TRANSACTION

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. The Group also engages in the Basic Housing Units business, which comprises real estate leasing and related management services.

The Directors consider that the Proposed Transaction represents a strategic opportunity for the Group to deepen and scale its market presence in the Basic Housing Units business by devoting more resources thereto, which aligns with the Group's long-term business development strategy. The Target Company has established a recognised brand presence, a proven operating track record, a stable student tenant base and referral network. The Proposed Transaction, if materialised, will enable the Group to gain immediate access to a resilient student rental demand segment with high occupancy visibility. By integrating its core expertise and capabilities in interior design, fit-out and maintenance with the Target Company's operational footprint, the Group is well-positioned to ensure regulatory compliance under the prevailing Basic Housing Units regime while unlocking tangible synergies arising therefrom. This synergistic integration, achieved by capturing student accommodation demand, will serve as a key driver to support and accelerate the expansion of the Basic Housing Units business of the Group.

The Board believes that the Proposed Transaction, if materialised, will benefit the long-term development of the Group, strengthen its recurring income base, and enhance long-term shareholder value.

GENERAL

The Proposed Transaction, if materialised, may constitute a notifiable transaction of the Company under the Rules Governing the Listing of Securities on GEM (the "**GEM Listing Rules**") of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Further announcement(s) will be made by the Company as and when appropriate in compliance with the GEM Listing Rules.

The Board wishes to emphasise that no definitive agreement in relation to the Proposed Transaction has been entered into by the Group as at the date of this announcement. As such, the Proposed Transaction may or may not materialise. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Basic House New Life Group Limited
Chung Kar Ho Carol
Executive Director

Hong Kong, 17 July 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.