

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

BExcellent Group Holdings Limited

精英匯集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1775)

DISCLOSEABLE TRANSACTION LEASE AGREEMENT

The Board hereby announces that on 19 December 2025, the Lessee, an indirect wholly-owned subsidiary of the Company, entered into the Lease Agreement with the Landlord, pursuant to which the Landlord agreed to lease and the Lessee agreed to take the Premises, for a term of four years and sixteen days commencing from 16 March 2026 to 31 March 2030 (both days inclusive) with an option to renew the lease for another three years commencing from 1 April 2030 to 31 March 2033 (both days inclusive).

Pursuant to HKFRS 16, the Premises leased under the Lease Agreement will be recognized as right-of-use assets, and the transaction contemplated under the Lease Agreement will be recognized by the Group as the acquisition of right-of-use assets of approximately HK\$23.1 million, which will constitute a one-off disclosable transaction of the Company under Chapter 14 of the Listing Rules.

As the applicable percentage ratios (as defined in the Listing Rules) in respect of the value of the right-of-use asset to be recognized by the Company in connection with the Lease Agreement pursuant to HKFRS 16 exceed 5% but are less than 25%, the transaction contemplated under the Lease Agreement constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

None of the Directors has a material interest in the transaction contemplated under the Lease Agreement and none of them has abstained from passing the relevant Board resolution.

1. BACKGROUND

The Board hereby announces that on 19 December 2025, the Lessee entered into the Lease Agreement with the Landlord, pursuant to which the Landlord agreed to lease and the Lessee agreed to take the Premises, for a term of four years and sixteen days commencing from 16 March 2026 to 31 March 2030 (both days inclusive).

2. THE LEASE AGREEMENT

The principal terms of the Lease Agreement are summarized as follows:

Date:	19 December 2025
Parties:	The Landlord and the Lessee
Term:	Four years and sixteen days commencing from 16 March 2026 to 31 March 2030 (both days inclusive) The Lessee is granted an option to renew the lease for another three years commencing from 1 April 2030 to 31 March 2033 (both days inclusive) by giving not more than five months and not less than 3 months prior written notice to the Landlord before the expiry of the original term.
Leased properties:	The Premises, with a total floor area of approximately 21,850 square feet
Usage:	The Premises shall be used for education purpose.
Rent:	The fixed monthly rent for the Premises is HK\$600,000.00 (exclusive of government rent, rates, management fees and air-conditioning charges).
Rent-free period:	3 months' rent-free period from (1) 1st April 2026 to 30th April 2026; (2) 1st April 2027 to 30th April 2027; and (3) 1st April 2028 and 30th April 2028. Accordingly, the total rent payable for the Premises for the original term (excluding the rent-free period) is HK\$27,309,677.42.
Payment terms:	The monthly rent and government rate for the Premises, which shall be funded by the internal resources of the Group, shall be payable by the Lessee to the Landlord in advance on the 1st day of each calendar month.
Security deposit:	A deposit of (i) HK\$1,800,000, equivalent to 3 months' rent; and (ii) a quarter's government rate is payable by the Lessee to the Landlord for the original term of the Lease Agreement.

Termination:

The Lease Agreement may be terminated before the expiry of the original term in the event of, amongst others, at the option of the Lessee which shall be exercised within 10 months from the commencement date of the lease (i.e. 16 March 2026), if the Lessee fails to apply for a “school” registration status in respect of the Premises under the Education Ordinance (Cap. 279 of the Laws of Hong Kong) within 9 months from 16 March 2026. Upon termination of the Lease Agreement, if the Lessee shall have paid all rent due and if there shall be no breach of any of the terms and conditions on the Lessee’s part to be observed and performed subject to forfeiture, the Landlord shall repay the deposit to the Lessee but without any interest thereon if made within 7 days. Otherwise, the Lessor may apply such deposit towards the arrears of rent, outstanding charges, or towards remedying damages.

3. INFORMATION OF THE PREMISES

As at the date of this announcement, the unaudited total value of the right-of-use assets to be recognized by the Group in respect of the lease of the Premises under the Lease Agreement amounted to approximately HK\$23.1 million. Shareholders should note that the aforesaid figure is unaudited and may be subject to adjustment in the future. The right-of-use assets represent the right to use the underlying leased assets over the lease term and the lease liability represents the Lessee’s obligation to make lease payments (i.e. the rent). The assets and the liability arising from the lease are initially measured on present value basis and calculated by discounting the non-cancellable lease payments under the Lease Agreement, using the Lessee’s incremental borrowing rate as the discount rate. Under HKFRS 16 and in the consolidated statement of comprehensive income of the Group, the Group shall recognise (i) depreciation charge over the life of the right-of-use assets, and (ii) interest expenses amortised from the lease liability over the lease term. The Group will apply for the registration as a school in respect of the Premises.

4. REASONS FOR AND BENEFITS OF THE LEASE AGREEMENT

The Board considers that entering into the Lease Agreement for the Premises is a strategic initiative that will significantly benefit the Group’s growth and market position. This decision is grounded in a clear blueprint designed to capture emerging opportunities, enhance our service portfolio, and deliver sustainable value. The key strategic benefits are expected as follows:

(i) **Leveraging Established Presence for Synergistic Growth:**

The Premises benefit immensely from their proximity to our established Yuen Long school campus centre, which has served the community with distinction for over 35 years. This strategic location allows the new site to leverage the existing centre’s teaching resources, operational expertise, and reputation. The district is also ideally situated to serve local communities with international backgrounds, providing a more spacious and strategic base to accommodate rising demand for high-quality education services in the Northern Metropolis. This expanded capacity offers students greater freedom in selecting their preferred elective subjects and curriculum pathways.

(ii) Deploying Advanced Infrastructure to Elevate Competitiveness:

The Premises, with its favourable layout and substantial floor area, are ideally suited for development into a state-of-the-art private day school offering international programmes. It will house libraries, international exam centres, multi-purposed classrooms and integrated AI experimental space. Crucially, in line with the Group's strategic investment, the centre will be equipped with cutting-edge STEAM (science, technology, engineering, arts and mathematics) and AI teaching technology and high-end learning platforms. This integrated approach is designed to deliver high-quality educational services and position the Group at the forefront of the private education sector by offering a comprehensive range of elective subjects and international recognised curricula.

(iii) Strategic Expansion to Capture Market Growth:

This move represents a targeted expansion of the Group's private secondary day school network. The new Yuen Long premises will operate in parallel with our recently enhanced Mong Kok school campus, which expanded by two floors to increase its capacity. Together, these initiatives form a core part of the Group's coordinated strategy to strengthen its footprint and capture the growing demand for premium private day school services offering internationally recognised curricula across key Hong Kong districts.

(iv) Offering a Premium and Flexible Educational Pathway:

The expansion is designed to meet demand for high-calibre senior secondary education with a global outlook. We plan to offer a blended curriculum pathway, including international programmes such as A-Levels and HKDSE, nurturing students with diverse perspectives and preparing them for admission to top-tier global universities (e.g. top 50 worldwide). This model provides families with greater curriculum choice and flexibility, supported by personalised study planning and portfolio enhancement services tailored to individual academic progression and personal development needs. These premium ancillary services, alongside our core day school and supplementary secondary education services, represent a significant value-added opportunity and are expected to be the key drivers of growth in revenue.

(v) Capitalizing on Policy-Driven Demand for Private Education:

The Group is strategically positioned to support and benefit from the Hong Kong SAR Government's policy to solidify the city's status as an international education hub. Our expansion directly addresses this policy-driven opportunity, aligning with initiatives designed to attract and serve families integrating into Hong Kong's dynamic education landscape. It is the mission of the newly developed space to foster students' core competitive strengths, thereby facilitating their entry into top-tier universities across the globe.

(vi) Delivering Tangible Scale and Enhancing Shareholder Value:

The completion of the Yuen Long and Mong Kok expansions is projected to increase the classroom capacity of the two schools, which operate private day school services alongside with private supplementary secondary education services by approximately 61%, from 856 as of 31 July 2025 to around 1,380. This significant scaling of operations underscores the transaction's role in driving measurable growth, improving operational leverage, and enhancing long-term shareholder value.

The Board is confident that leasing the Premises will be a catalyst for the Group's operational growth and service excellence. This strategic move not only captures immediate market opportunities but also lays a solid foundation for the Group's prosperous future, aligning with our commitment to driving sustainable returns for our shareholders.

The terms of the Lease Agreement, including but not limited to the consideration, were determined and arrived at after arm's length negotiation between the parties, considering, among others, the prevailing market rent of comparable properties and the suitability of the Premises as a school.

The Board (including the independent non-executive Directors), is of the view that (i) the terms of the Lease Agreement are fair and reasonable; (ii) the transaction under the Lease Agreement is conducted on normal commercial terms and in the ordinary and usual course of business of the Group; and (iii) the entering into of the Lease Agreement and the transaction thereunder are in the interests of the Group and the Shareholders as a whole.

5. IMPLICATIONS UNDER THE LISTING RULES

Pursuant to HKFRS 16, the Premises leased under the Lease Agreement will be recognized as right-of-use assets, and the transaction contemplated under the Lease Agreement will be recognized by the Group as the acquisition of right-of-use assets of approximately HK\$23.1 million, which will constitute a one-off disclosable transaction of the Company under Chapter 14 of the Listing Rules.

As the applicable percentage ratios (as defined in the Listing Rules) in respect of the value of the right-of-use asset to be recognized by the Company in connection with the Lease Agreement pursuant to HKFRS 16 exceed 5% but are less than 25%, the transaction contemplated under the Lease Agreement constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

None of the Directors has a material interest in the transaction contemplated under the Lease Agreement and none of them has abstained from passing the relevant Board resolution.

6. INFORMATION ABOUT THE PARTIES

The Group is principally engaged in the operation of private secondary day schools and the provision of private supplementary secondary school education services in Hong Kong. The Group also offers ancillary education services and products targeted at pre-school, kindergarten, primary and secondary school students and individuals pursuing further education/ other interest learning and/or personal development. The Lessee is an indirect wholly-owned subsidiary of the Company, its principal activity is the operation of day school services and supplementary secondary education services in Yuen Long.

The Landlord is a company incorporated in Hong Kong with limited liability and is principally engaged in real estate activities. The landlord is held as to approximately 28% in aggregate by Kwok Hing Kwan and Li Kwok Hung, being merchants, who together hold the largest shareholding in the Landlord. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Landlord and its ultimate beneficial owner(s) are Independent Third Parties.

7. DEFINITION

In this announcement, unless the context otherwise requires, the following expressions shall have the meanings set out below:

“Board”	board of Directors
“Company”	BExcellent Group Holdings Limited 精英匯集團控股有限公司 (Stock Code: 1775), a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Government”	the government of Hong Kong
“Group”	the Company and its subsidiaries from time to time
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“HKDSE”	Hong Kong Diploma of Secondary Education Examination

“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s) (if applicable) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons
“Landlord”	MILLION HILL DEVELOPMENT LIMITED 萬峰發展有限公司, a company incorporated in Hong Kong with limited liability, the landlord to the Lease Agreement and an Independent Third Party
“Lease Agreement”	the lease agreement dated 19 December 2025 entered into between the Lessee and the Landlord, pursuant to which the Landlord agreed to lease and the Lessee agreed to take the Premises, for a term of four years and sixteen days commencing from 16 March 2026 to 31 March 2030 (both days inclusive)
“Lessee”	JR (YL) LIMITED, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company, the lessee to the Lease Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
“Premises”	Shop G on Ground Floor and Cockloft, 1st Floor, 2nd Floor and 3rd Floor of Golden Hall Building, Nos. 49-63 Castle Peak Road, Yuen Long, New Territories, Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board
BExcellent Group Holdings Limited
Leung Ho Ki, June
Chairman and Executive Director

Hong Kong, 19 December 2025

As at the date of this announcement, the Company’s executive Directors are Ms. Leung Ho Ki, June (Chairman), Mr. Tam Wai Lung (Chief Executive Officer), Mr. Chan Tsz Ying, Wister and Mr. Li Man Wai; and the independent non-executive Directors are Mr. Kwan Chi Hong, Mr. Li Kai Sing, and Mr. Tai Kwok Leung, Alexander.