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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)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 JULY 2026

The board (the "**Board**") of directors (the "**Directors**") of BExcellent Group Holdings Limited (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the year ended 31 July 2026, which have been reviewed by the Company's Audit Committee. Unless specified otherwise, (i) capitalised terms used herein shall have the same meanings as used in the immediately preceding annual report of the Company; and (ii) where appropriate, numerical figures or percentages presented herein shall be approximate figures and percentages (as the case may be).

FINANCIAL HIGHLIGHTS

Summary of the results of the Group for the financial year ended 31 July 2026 compared to that of the year ended 31 July 2025 is as follows:

- The Group's revenue increased by 43.9% from HK$193.2 million to HK$278.0 million.
- The Group recorded a profit of HK$20.4 million, compared with a loss of HK$24.5 million in 2025.
- Group EBITDA* was HK$24.9 million, compared with the Group negative EBITDA of HK$18.8 million in 2025.
- Profit attributable to owners of the Company was HK$17.9 million, compared with a loss of HK$24.4 million in 2025.
- Basic earnings per share were 3.37 HK cents, compared with a basic loss per share 4.80 HK cents in 2025.

As at 31 July 2026, the Group had cash and cash equivalents of HK$86.0 million (2025: HK$86.7 million).

The Board has recommended the payment of a final dividend of 1.69 HK cents per share for the year ended 31 July 2026 (2025: nil).

* EBITDA refers to profit (loss) for the year excluding interest expenses on bank loans, income tax credit (expense), depreciation of property, plant and equipment and amortisation of intangible assets.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 July 2026

	Notes	**2026** ***HK$'000***	2025 *HK$'000*
Revenue	*3*	**278,022**	193,169
Other income	*4*	**11,420**	12,197
Other gains (losses) – net	*4*	**6,451**	(5,260)
Staff costs	*5*	**(117,340)**	(85,702)
Tutor service fees		**(39,268)**	(39,431)
Short-term lease and low-value lease payments		**(7,013)**	(10,191)
Advertising and promotion expenses		**(6,207)**	(8,275)
Printing and other operating expenses		**(78,277)**	(61,625)
Depreciation and amortisation expenses		**(25,855)**	(18,729)
Reversal of impairment loss on financial assets		**424**	1,146
Operating profit (loss)		**22,357**	(22,701)
Finance costs	*6*	**(5,034)**	(3,622)
Share of profits of associates		**1,084**	1,988
Profit (loss) before tax	*7*	**18,407**	(24,335)
Income tax credit (expense)	*8*	**1,989**	(190)
Profit (loss) for the year		**20,396**	(24,525)
Other comprehensive expense			
Item that may be reclassified subsequently to profit or loss			
• Exchange difference arising on translation of financial statements of foreign operations		**(778)**	(265)
Item that will not be reclassified subsequently to profit or loss:			
• Change in the fair value of equity investment at fair value through other comprehensive income		**—**	(16)
Other comprehensive expense for the year		**(778)**	(281)
Total comprehensive income (expense) for the year		**19,618**	(24,806)
Profit (loss) attributable to			
• Owners of the Company		**17,873**	(24,375)
• Non-controlling interests		**2,523**	(150)
		20,396	(24,525)
Total comprehensive income (expense) for the year attributable to			
• Owners of the Company		**17,245**	(24,656)
• Non-controlling interests		**2,373**	(150)
		19,618	(24,806)
Earnings (loss) per share (expressed in HK cents per share):			
• Basic earnings (loss) per share	*9*	**3.37**	(4.80)
• Diluted earnings (loss) per share	*9*	**3.37**	(4.80)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 July 2026

	Notes	**2026**	2025
		HK$'000	*HK$'000*
Non-current assets			
Property, plant and equipment		**10,779**	7,760
Right-of-use assets		**55,341**	22,102
Investment property		**10,400**	10,700
Intangible assets		**6,328**	6,718
Interests in associates		**8,331**	7,943
Financial assets at fair value through other comprehensive income		**—**	—
Deferred tax assets		**9,623**	4,378
Deposits and other receivables	*12*	**11,872**	1,248
		112,674	60,849
Current assets			
Accounts receivables	*11*	**9,513**	4,938
Deposits, prepayments and other receivables	*12*	**27,896**	24,294
Financial assets at fair value through profit or loss		**13,022**	15,346
Cash and cash equivalents		**85,985**	86,685
		136,416	131,263
Current Liabilities			
Other payables	*13*	**25,128**	19,319
Contract liabilities		**35,249**	52,352
Income tax payable		**3,341**	420
Borrowings		**77,914**	78,758
Lease liabilities		**21,736**	7,322
		163,368	158,171
Net current liabilities		**(26,952)**	(26,908)
Total assets less current liabilities		**85,722**	33,941

	Notes	**2026**	2025
		HK$'000	*HK$'000*
Non-current liabilities			
Other payables	*13*	**1,485**	475
Deferred tax liabilities		**57**	12
Lease liabilities		**23,489**	4,204
		25,031	4,691
Net assets		**60,691**	29,250
Equity			
Share capital		**136,705**	124,135
Reserve		**(79,122)**	(96,367)
Equity attributable to owners of the Company		**57,583**	27,768
Non-controlling interests		**3,108**	1,482
Total equity		**60,691**	29,250

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

1. CORPORATE INFORMATION AND BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

Corporate information

BExcellent Group Holdings Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and listed (the "Listing") on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 13 July 2018. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (together "the Group") are principally engaged in the provision of private supplementary secondary school education services, the operation of private secondary day schools, provision of school services and offer ancillary education services and products in Hong Kong and Chinese Mainland. The ultimate holding company is Beacon Enterprise Limited, a company incorporated in the British Virgin Islands with limited liability.

These consolidated financial statements are presented in thousands of Hong Kong dollar ("HK$'000"), unless otherwise stated.

Basis of preparation

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). These consolidated financial statements also include applicable disclosure required by the Rules Governing the Listing of Securities on the Stock Exchange.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

As at 31 July 2026, the Group had total net current liabilities of approximately HK$26,952,000 (including bank loans of HK$73,751,000 that are not repayable within one year but contain a repayment on demand clause), while the Group had cash and cash equivalents of approximately HK$85,985,000 only.

In preparing the consolidated financial statements of the Group, the directors of the Company have reviewed the Group's cash flow projections covering a period of not less than twelve months from 31 July 2026 and have given careful consideration to the Group's future liquidity, performance and available resources, including but not limited to:

(i) out of the bank borrowings of HK$77,914,000, bank borrowings that are not repayable within one year from the end of the reporting period but contain a repayment on demand clause and shown under current liabilities amounted to HK$73,751,000. The directors of the Company believe that it is not probable that the banks will exercise their discretionary right to demand immediate payment.

The secured bank loans of HK$4,991,000 which were secured by the investment property of the Group of HK$10,400,000 and corporate guarantee given by the Company. Its repayment is expected to be fully recovered through the realisation of these assets when the repayment on demand clause be exercised. The unsecured bank loans of HK$72,923,000 were 100% guaranteed by the Hong Kong Government and by certain controlling shareholders of the Company; and

(ii) the Group is expected to generate adequate cash flow to maintain its operation.

The directors of the Company consider that the Group will have sufficient working capital to meet its financial obligations as and when they fall due within the next twelve months from 31 July 2026. Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis.

2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Application of amendments to HKFRS Accounting Standards

In the current year, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are effective for the Group's financial year beginning on 1 August 2025.

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standards in the current year has had no material effect on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRS Accounting Standards issued but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

HKFRS 18	Presentation and Disclosure in Financial Statements[2]
HKFRS 20	Regulatory Assets and Regulatory Liabilities[4]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[1]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[1]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[1]
Amendments to HKAS 28	Fair Value Option for Investments in Associates and Joint Ventures[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency[2]
Amendments to AG5	AG5 (Revised) Merger Accounting for Common Control Combinations[3]

[1] Effective for annual periods beginning on or after 1 January 2026.

[2] Effective for annual periods beginning on or after 1 January 2027.

[3] Effective for annual periods beginning on or after 1 January 2028.

[4] Effective for annual periods beginning on or after 1 January 2029.

[5] Effective for annual periods beginning on or after a date to be determined.

The directors of the Company anticipate that, except as described below, the application of the above new and amendments to HKFRS Accounting Standards will have no material impact on the results and the financial position of the Group.

HKFRS 18 – Presentation and Disclosure in Financial Statements

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and will replace HKAS 1 Presentation of Financial Statements. HKFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss, provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and the consequential amendments to other HKFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the HKFRS 18 is not expected to have material impact on the financial position and performance of the Group but is expected to affect the presentation of the statement of profit or loss and other comprehensive income and statement of cash flows and disclosures in the future financial statements.

3. REVENUE AND SEGMENT INFORMATION

The executive Directors are the Group's chief operating decision-makers ("CODM"). Management has determined the operating segments based on the information reviewed by the CODM for the purposes of allocating resources and assessing performance.

The CODM consider the business by nature of business activities and assess the performance of private supplementary secondary school education services, private secondary day school services, school services and ancillary education services and products. Ancillary education services and products mainly represent (i) consultancy services including school selection and application, assessment and test preparation, course selection, interview training, and career planning under brands Beacon Childhood Education (遵理兒童教育), Beacon Education Technology (遵理教育科技), Beacon Education Consultancy (遵理教育諮詢), 1% Group Education (壹伙教育), Advance Bestway (遵理進途), and Ascent Prep; (ii) IELTS courses under our "Beacon BExcellent" brand; (iii) mock examination and assessment services; (iv) other education services including VIP self-study services, the BTEC Level 3 Certificate in Enterprise and Entrepreneurship and the new BTEC Level 5 Higher National Diploma in Business (RQF) under "Beacon CAPE" (遵理持續教育) brand, products including but not limited to online course scheduling and management services, as well as online retail and education business under "Beacon Living" (遵理生活) and "CourseZ" brands respectively. The CODM consider that the Group operates and is managed as a single operating segment.

In the following table, revenue recognised during the year is disaggregated by major products/service lines and timing of revenue recognition.

	2026	2025
	HK$'000	*HK$'000*
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregates by major products or services lines		
– Private supplementary secondary school education services	**116,922**	100,643
– Private secondary day school services	**23,675**	16,261
– School services	**70,004**	45,563
– Ancillary education services and products	**67,421**	30,702
	278,022	193,169
Timing of revenue recognition:		
– Over time	**270,137**	185,920
– At a point in time	**7,885**	7,249
Total revenue from contracts with customers	**278,022**	193,169

All unsatisfied contracts of the Group are related to education service contracts and those contracts are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Geographical information

The Group's operations are mainly located in Hong Kong and Chinese Mainland.

Information about the Group's revenue from external customers is presented based on the location of the customers. Information about the Group's non-current assets, excluding deposits and other receivables, financial assets at FVTPL, financial assets at FVTOCI and deferred tax asset, is presented based on the geographical location of the assets.

	Revenue from external customers		**Non-current assets**	
	2026	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**170,376**	150,235	**86,389**	48,912
Chinese Mainland	**107,646**	42,934	**4,790**	6,311
	278,022	193,169	**91,179**	55,223

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group is as follows:

	2026	2025
	HK$'000	*HK$'000*
Customer A *(note)*	**29,001**	22,382

Note:

Revenue from this customer is related to school services.

4. OTHER INCOME AND OTHER GAINS (LOSSES) - NET

		2026	2025
		HK$'000	*HK$'000*
Other income			
–	Advertising income	**4,883**	6,004
–	IT service income	**4,126**	3,409
–	Interest income	**234**	435
–	Rental income from investment property	**586**	1,023
–	Dividend income from financial assets at fair value through profit or loss	**624**	513
–	Government subsidies *(note)*	**41**	429
–	Sundry income	**926**	384
		11,420	12,197
Other gains (losses) - net			
–	Fair value gain (loss) on financial assets at fair value through profit or loss - listed equity securities	**2,248**	(5,804)
–	Fair value gain on financial assets at fair value through profit or loss - contingent consideration receivables	**1,803**	4,237
–	Decrease in fair value of investment property	**(300)**	(3,900)
–	Exchange differences – net	**2,700**	207
		6,451	(5,260)

Note:

During the year ended 31 July 2026, the Group recognised government grants of HK$41,000 in respect of Small and Medium-Sized Enterprises Export Marketing Fund provided by the Government of the Hong Kong Special Administrative Region for participating in virtual exhibitions (2025: HK$429,000 in respect of Green Lifestyle Local Tour Incentive Scheme). There are no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

5. STAFF COSTS (INCLUDING DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS)

	2026	2025
	HK$'000	*HK$'000*
Directors' and Chief Executive's emoluments		
– fees	**—**	—
– salaries, allowances and other benefits	**7,611**	7,616
– discretionary bonuses	**1,100**	—
– contributions to retirement benefits scheme	**72**	72
	8,783	7,688
Other staff costs		
– salaries, allowances and other benefits	**103,251**	74,439
– contributions to retirement benefits scheme	**5,306**	3,575
	108,557	78,014
Total staff costs	**117,340**	85,702

Note:

(a) Pension costs – defined contribution retirement plans

The Group participates in a Mandatory Provident Fund scheme (the "MPF Scheme") in accordance with the Mandatory Provident Fund Scheme Ordinance of Hong Kong. Under the rules of the MPF Scheme, the employer and its employees in Hong Kong are each required to contribute 5% of the employees' gross earnings with a ceiling of HK$1,500 per month to the MPF Scheme.

Contributions to the MPF Scheme are fully and immediately vested in the employees once the contributions are made by the Group. There are no contributions forfeited by the Group on behalf of its employees who leave the plan prior to vesting fully in such contribution. Hence, there are no forfeited contributions which may be used by the Group to reduce the existing level of contributions as described in paragraph 26(2) of Appendix D2 of the Listing Rules.

(b) Five highest paid individuals

The emoluments payable to the five highest paid individuals (including 2 directors (2025: 3 directors)) are as follows:

	2026	2025
	HK$'000	*HK$'000*
Basic salaries, housing allowances, other allowances and benefits in kind	**10,762**	8,682
Contributions to retirement benefits scheme	**90**	89
	10,852	8,771

The five individuals whose emoluments were the highest in the Group included 2 directors (2025: 3 directors) for the year ended 31 July 2026. The emoluments of the remaining individuals fell within the following band:

	2026	2025
	Number of individuals	Number of individuals
HK$1,000,001 – HK$1,500,000	**—**	1
HK$1,500,001 – HK$2,000,000	**3**	1

During the year ended 31 July 2026 and 2025, no bonus and no emolument were paid by the Group to any of the Directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

6. FINANCE COSTS

	2026	2025
	HK$'000	*HK$'000*
Interest expenses on lease liabilities	**2,771**	1,164
Interest expenses on bank loans	**2,263**	2,458
	5,034	3,622

7. PROFIT (LOSS) BEFORE TAX

	2026	2025
	HK$'000	*HK$'000*
Profit (loss) before tax has been arrived at after charging:		
Remuneration to the Company's auditor		
– audit and audit-related services	**630**	630
– non-audit services	**14**	14
Remuneration to other auditors		
– audit and audit-related services	**259**	244
– non-audit services	**70**	53
Impairment loss on accounts receivables	**250**	74
Impairment loss on property, plant and equipment	**—**	143
Reversal of impairment loss on other receivables	**(674)**	(1,220)
Depreciation of property, plant and equipment	**3,614**	2,502
Amortisation of intangible assets	**602**	564

8. INCOME TAX (CREDIT) EXPENSE

The amounts of income tax (credit) expense charged to the consolidated statement of profit or loss and other comprehensive income represent:

	2026	2025
	HK$'000	*HK$'000*
Current tax:		
– provision for current year	**3,115**	105
– under (over) provision in prior years	**96**	(109)
	3,211	(4)
Deferred tax	**(5,200)**	194
	(1,989)	190

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other Group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

Under the Law of the People's Republic of China ("the PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of certain Chinese Mainland subsidiaries is 25% for the year ended 31 July 2026 (2025: 25%).

Under relevant PRC EIT Law, for Chinese Mainland enterprises that qualified as small and low profit enterprise are entitled to a preferential income tax rate of 5% for annual taxable income not greater than RMB3,000,000. No PRC EIT has been provided as the Group had no assessable profits for the year ended 31 July 2025.

9. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is calculated by dividing the profit (loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2026	2025
Profit (loss) attributable to owners of the Company *(HK$'000)*	**17,873**	(24,375)
Weighted average number of shares in issue *(thousand shares)*	**530,578**	507,632
Basic earnings (loss) per share attributable to owners of the Company *(HK cents)*	**3.37**	(4.80)

Basic and diluted earnings (loss) per share for the year ended 31 July 2026 and 2025 are the same since the potential shares from options are anti-dilutive. The computation of diluted earnings per share does not assume the exercise of the Company's shares from options because the exercise price of those options was higher than the average market price for shares for both years ended 31 July 2026 and 2025.

10. DIVIDENDS

No interim dividend was declared for the year ended 31 July 2026 (2025: nil). Subsequent to the end of the reporting period, the Board has recommended a final dividend of 1.69 HK cents per ordinary share, amounting to approximately HK$9,008,000 in aggregate, to be paid out of the share premium account, subject to the approval of the Shareholders at the forthcoming annual general meeting. The proposed final dividend has not been recognised as a liability as at 31 July 2026.

11. ACCOUNTS RECEIVABLES

	2026	2025
	HK$'000	*HK$'000*
Accounts receivables	**9,980**	5,155
Less: Allowance for impairment	**(467)**	(217)
	9,513	4,938

There is no credit period granted as the service fees from private supplementary secondary school education services and private secondary day school services are normally received in advance through settlement in cash, cheque or credit cards. As at 31 July 2026 and 2025, the ageing analysis of the accounts receivables based on invoice date were as follows:

	2026	2025
	HK$'000	*HK$'000*
1 – 30 days	**6,310**	3,084
31 – 60 days	**854**	529
Over 60 days	**2,349**	1,325
	9,513	4,938

The Group applies the HKFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for all accounts receivables. To measure the ECL, accounts receivables have been grouped based on shared credit risk characteristics and the days past due.

The ECL rates are based on the past repayment history and the historical credit losses experience. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The ECL provided on a collective basis is insignificant as there has been no history of material default from accounts receivables.

12. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	NOTES	**2026**	2025
		HK$'000	*HK$'000*
Other receivables	*(i)*	**16,606**	13,280
Deposits and prepayments	*(ii)*	**23,334**	13,108
		39,940	26,388
Less: allowance for impairment		**(172)**	(846)
		39,768	25,542
Less: non-current portion		**(11,872)**	(1,248)
Deposits, prepayments and other receivables – current portion		**27,896**	24,294

Notes:

(i) As at 31 July 2026, other receivables of HK$2,073,000 (2025: HK$2,473,000) represent amounts due from tutors which arise from variable expenses incurred by the Group on behalf of the tutors. Allowance for impairment of HK$9,000 (2025: HK$846,000) has been made.

As at 31 July 2026, other receivable includes an amount of HK$3,583,000 (2025: nil) represent compensation receivable from Mr. Cheng Hong Fu and Ms. Ng Mei Yee in relation to the acquisition of Ottorino. Allowance for impairment of HK$52,000 (2025: nil) has been made.

As at 31 July 2026, other receivable includes an amount of HK$4,895,000 (2025: HK$4,508,000) represent advertising and IT services receivables from customers. Allowance for impairment of HK$111,000 (2025: nil) has been made.

(ii) Deposits and prepayments mainly represent deposits for utilities, rental deposits, building management fees, prepayments for service fees, renovation, licence fees, advertising and others.

As at 31 July 2026, deposits of HK$8,375,000 (2025: HK$8,730,000), prepayments of HK$3,971,000 (2025: HK$3,130,000) and other receivables of HK$15,550,000 (2025: HK$12,434,000) are expected to be recovered within one year.

The carrying amount of the Group's other receivables and deposits was denominated in Hong Kong dollar.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above.

13. OTHER PAYABLES

	NOTES	**2026**	2025
		HK$'000	*HK$'000*
Other payables	*(i)*	**22,527**	17,395
Provision of reinstatement cost	*(ii)*	**4,086**	2,399
		26,613	19,794
Less: non-current portion		**(1,485)**	(475)
		25,128	19,319

Notes:

(i) Other payables mainly represent accrued staff costs, printing expenses, and advertising expenses, etc.

(ii) Included in other payables is a current portion of provision of reinstatement cost of HK$2,601,000 (2025: HK$1,924,000). Movement of provision of reinstatement cost is as follows:

	2026	2025
	HK$'000	*HK$'000*
Balance as at beginning of the year	**2,399**	2,549
Additions	**1,687**	268
Utilisation	**—**	(418)
Balance as at closing of the year	**4,086**	2,399
Less: non-current portion	**(1,485)**	(475)
Current portion	**2,601**	1,924

BUSINESS REVIEW

Introduction

Our Group is a preeminent brand and a household name in the education industry of Hong Kong, with a distinguished legacy of 37 years since our establishment in 1989. This rich history and wide range of educational services and products we offered have enabled us to nurture countless students, building a comprehensive educational ecosystem that serves learners from the age of two through adulthood. We principally engage in the operation of private secondary day schools, the provision of private supplementary secondary school education services and school services in Hong Kong and Chinese Mainland. We also offer ancillary education services and products targeted at pre-school, kindergarten, primary and secondary school students and individuals pursuing further education, other interest learning or personal development. Demonstrating strategic foresight, we began our expansion in Chinese Mainland several years ago and now possess established experience in providing curricula and maintaining operations in both Hong Kong and Chinese Mainland.

Our commitment to strategic diversification and operational excellence yielded strong financial results for the year ended 31 July 2026. In particular, we made (i) a significant expansion of our professional teaching and administrative team to enhance educational quality and operational capacity; (ii) investment in research and development ("R&D") for proprietary curriculum and bespoke learning materials of international curricula and assessments to ensure academic excellence and a competitive edge; and (iii) considerable effort in targeted marketing to strengthen our brand and deepen market penetration in Chinese Mainland. For the year ended 31 July 2026, all lines of our key services and products recorded growth, the Group recorded a significant revenue growth of HK$84.9 million or 43.9% to HK$278.0 million (2025: HK$193.2 million). This performance was notably driven by the outstanding growth in our school services segment as well as our other ancillary education services and products. The private supplementary secondary school education services remain our largest revenue generation service category. Though its portion to the Group's revenue reduced from 52.1% for the year ended 31 July 2025 to 42.1% for the year ended 31 July 2026, its revenue increased by HK$16.3 million or 16.2% from HK$100.6 million for the year ended 31 July 2025, to HK$116.9 million for the year ended 31 July 2026. Our extensive teaching centre network also supports the growth, our Group has a network of 11 teaching centres and 80 classrooms across Hong Kong as at 31 July 2026, capable of accommodating 2,198 students at any time in compliance with EDB's guidelines.

Revenue

We offer a range of education programmes and services in Hong Kong and Chinese Mainland under the following four categories:

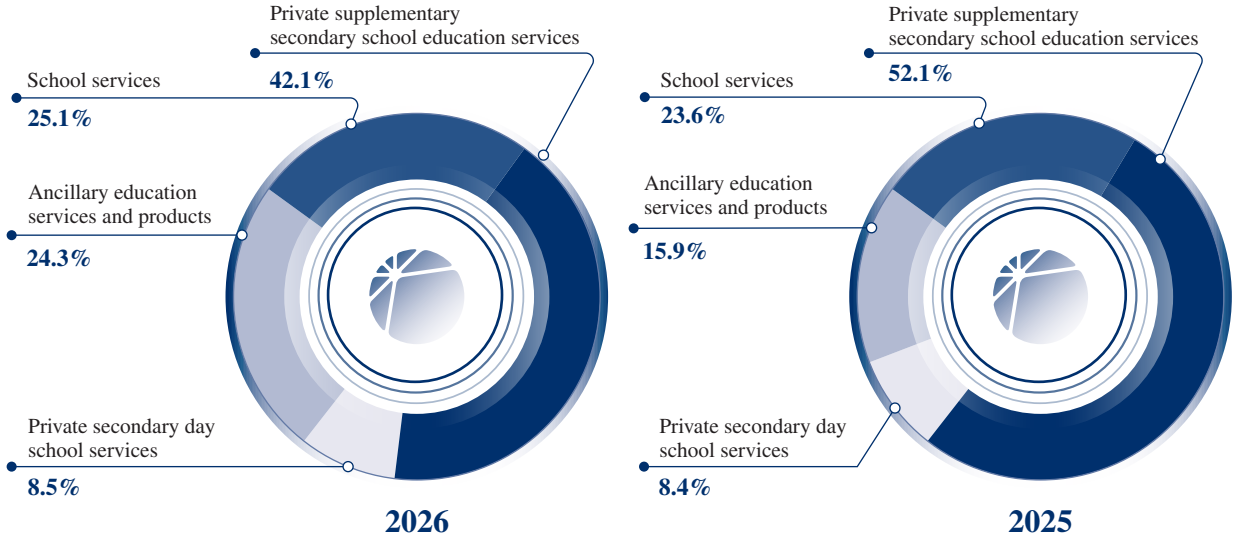
i) private supplementary secondary school education services;

ii) private secondary day school services;

iii) school services; and

iv) ancillary education services and products.

The below charts summarize our Group's revenue proportion for each category of services we provided during the years ended 31 July 2026 and 2025:



Set out below is a summary of our revenue for each category of services which we provided for each of the years ended 31 July 2026 and 2025:

	For the year ended 31 July	
	2026	2025
	HK$'000	*HK$'000*
Private supplementary secondary school education services	**116,922**	100,643
Private secondary day school services	**23,675**	16,261
School services	**70,004**	45,563
Ancillary education services and products	**67,421**	30,702
	278,022	193,169

i) Private supplementary secondary school education services

Our Group provides private supplementary secondary school education services for students from Secondary 1 to Secondary 6 mainly under our "Beacon College" (遵理學校) brand. For the year ended 31 July 2026, this segment generated revenue of HK$116.9 million, representing a robust year-on-year increase of HK$16.3 million or 16.2%. This growth was driven by the successful strategic diversification of our curriculum offerings. In addition to the local HKDSE programs, we expanded our service offerings to international curricula, including A-Level and the International Baccalaureate (IB) programs, attracting a broader student base.

Notably, revenue from our core HKDSE programs grew despite the average overall classroom capacity of two financial years remained almost the same. This was due to a combination of factors including network optimization, proper marketing strategy as well as streamlined operations. Moreover, we successfully capitalized on the growing demand for premium and personalized services. This demand drove over millions in revenue growth through increased enrollment in our small-group and one-on-one tutorials, underscoring the strength of our brand and our ability to meet diverse learning needs.

ii) Private secondary day school services

We operated two private secondary day schools located respectively in Yuen Long and Mong Kok under our "Beacon Day School" (遵理日校) brand. Due to the increase in the number of student enrollments and increase in school fees in our private secondary day school during the year ended 31 July 2026, the revenue increased by HK$7.4 million or 45.6% when compared with that in the previous financial year.

iii) School services

Our Group aimed to diversify our education business in recent years, we offer various school services such as education services to schools and institutions in Hong Kong and Chinese Mainland under our "Diverse Learning Club" (多元學習坊), "1% Group Education" (壹伙教育) and "Hong Kong Beacon International Education" (香港遵理國際教育) brands respectively.

The table below shows the revenue components of the school services for each of the years ended 31 July 2026 and 2025 respectively:

	For the year ended 31 July	
	2026	2025
	HK$'000	*HK$'000*
Hong Kong	**16,582**	19,301
Chinese Mainland	**53,422**	26,262
	70,004	45,563

In line with the government policies advocating the integration among cities in the Greater Bay Area, there has been an increasing demand for HKDSE-related education services in Chinese Mainland. We currently serve over 10 schools and education institutions in Chinese Mainland. During the year ended 31 July 2026, we extended our consultancy services and support to schools and education institutions in Guangzhou and Beijing in addition to Shenzhen, Dongguan, Hangzhou cities. On the other hand, our Group offered various academic and activity-based programs to 200 schools in Hong Kong, such revenue dropped by HK$2.7 million or 14.1% during the year ended 31 July 2026 due to the streamlining of business scale for purpose of higher margin. Nevertheless, our total revenue derived from school services still increased significantly by HK$24.4 million or 53.6% from HK$45.6 million for the year ended 31 July 2025 to HK$70.0 million for the year ended 31 July 2026.

iv) Ancillary education services and products

Our Group provides a diverse portfolio of ancillary education services and products through multiple specialized brands. These offerings are categorized as:

(i) Consultancy services: Offered services under brands such as Beacon Education Technology (遵理教育科技), Beacon Education Consultancy (遵理教育諮詢), Beacon Childhood Education (遵理兒童教育), 1% Group Education (壹伙教育), Advance Bestway (遵理進途), and Ascent Prep. Services include school selection and application, assessment and test preparation, course selection, interview training, and career planning etc;

(ii) Beacon BExcellent: Offered primarily IELTS courses under the "Beacon BExcellent" brand;

(iii) Mock examination and assessment services: Standardized practice tests to help students prepare for formal qualifications; and

(iv) **Other education services:** A range of programs including the BTEC Level 3 Certificate in Enterprise and Entrepreneurship, the BTEC Level 5 Higher National Diploma in Business (RQF) under the "Beacon CAPE" (遵理持續教育) brand, VIP self-study services, online course scheduling and management, as well as online retail and education businesses under "Beacon Living" (遵理生活) etc.

The table below shows the revenue components of the ancillary education services and products for each of the years ended 31 July 2026 and 2025:

	For the year ended 31 July	
	2026	2025
	HK$'000	*HK$'000*
Consultancy services	**49,828**	15,207
Mock examination and assessment services	**4,905**	3,837
Beacon BExcellent	**3,273**	4,402
Other education services	**9,415**	7,256
	67,421	30,702

Consultancy services

The revenue increased significantly by HK$34.6 million, or 227.7%, from HK$15.2 million to HK$49.8 million. This surge is largely attributable to the opportunities arising from the Greater Bay Area (GBA) integration policy which has led more families to recognise the value of the HKDSE and its related education programmes, hoping to leverage the qualification to broaden their children's educational pathways. This has created substantial demand for education planning and consultancy services related to the curriculum, including academic advisory services such as school selection, professional application support, and interview training.

Mock examination and assessment services

The revenue of mock examination and assessment services increased by HK$1.1 million or 27.8% from HK$3.8 million for the year ended 31 July 2025 to HK$4.9 million for the year ended 31 July 2026. The growth was driven by higher student enrolments, supported by the increase in both frequency of assessment sessions and the number of locations at which they were held during the year in both Hong Kong and Chinese Mainland.

Beacon BExcellent

The revenue decreased by HK$1.1 million, or 25.6%, from HK$4.4 million to HK$3.3 million. The decline was primarily driven by the reduced demand for IELTS courses registered under the Continuing Education Fund (CEF) during the year.

Other education services

It includes the revenue generated from post-HKDSE courses like BTEC Level 3 Certificate in Enterprise and Entrepreneurship and the BTEC Level 5 Higher National Diploma in Business (RQF), VIP self-study services, online course scheduling and management, as well as online retail and education businesses. The revenue increased by HK$2.2 million, or 29.8%, from HK$7.3 million to HK$9.4 million. The growth was mainly driven by the provision of exam tour services in Hong Kong.

Outlook and Future Developments

Our Group is well positioned to build on this year's strong performance. In 2026, the HKSAR Government's First Five-Year Plan for Development set out the direction for the Northern Metropolis and building Hong Kong into an international education hub. These policies demonstrate an unprecedentedly proactive stance towards education. Having anticipated these directions through our expanded Yuen Long and Mong Kok campuses and early Chinese Mainland investment, our Group is well placed to benefit at this early stage. Looking forward, we will focus on four pillars, (i) dual-track private supplementary secondary school education services; (ii) expanded day school services and potential development in international curricula such as GCE, A-Level and IB; (iii) deeper Chinese Mainland B2B partnerships; and (iv) AI-driven technology for enhancing teaching and learning. These priorities position us to capture opportunities and deliver sustainable value.

Our core private supplementary secondary school education business delivered strong growth during the year, with revenue rising on the back of both traditional HKDSE tutorial services and international curriculum offerings. This growth reflects our focused efforts to strengthen our teaching team, expand our course offerings, and enhance our campus network to meet evolving student needs. We observed a clear structural shift in demand: while traditional large-class tutorials remain the affordable backbone serving local students accustomed to supplementary education, there has been a notable increase in demand for personalized learning. Our high-end small-group and one-on-one classes recorded sustained growth and contributed meaningfully to revenue. This dual-track model—affordable large classes alongside premium individualized instruction—allows us to serve the full spectrum of student needs, from local families seeking accessible support to newly arrived families seeking tailored pathways. We will continue expanding our diversified course offerings and teaching team so that every student can achieve their best results according to their abilities.

Our private secondary day school services also recorded steady growth, driven by increased enrollment from new immigrant families seeking immediate access to Hong Kong's education system. The refined "local student" eligibility criteria, requiring non-permanent residents to reside in Hong Kong for specified periods for subsidized university places under the HKDSE 2027 cohort, reinforce the strategic value of our day school positioning and sustain demand. Our upgraded campuses, equipped with STEAM and AI teaching technology, currently offer HKDSE pathways, and we plan to broaden our international curriculum offerings, including GCE, A-Level and IB, to prepare students for admission to top-tier universities worldwide. The Northern Metropolis development amplifies our Yuen Long campus expansion. The upcoming launch of our proprietary AI-driven learning tools, developed under the research of our English teaching team led by Mr. Ng King Hang, who joined the Board in August 2026, will create personalized learning paths and further enhance service quality.

In Chinese Mainland, we continued to support various schools through the HKDSE full-time programme, the BEAlliance partner school cooperation scheme and curriculum centers in Shenzhen, Dongguan, Hangzhou, Shanghai, Beijing and Guangzhou, with in-depth cooperation with the Affiliated School of JNU for Hong Kong and Macao Students (Dongguan) and Guangzhou Zhongshan Whampoa School for Hong Kong and Macao Students. These developments demonstrate the successful scaling of our operations and the effective monetization of our enhanced teaching resources and programme offerings, and provide a solid foundation for future growth. Our "Shining Star" teacher training programme cultivates local and mainland HKDSE teaching talent to support systematic expansion beyond the Greater Bay Area.

While optimistic about long-term opportunities, we acknowledge the challenges of operating in a competitive sector where market conditions and student needs continue to evolve rapidly. Our measured approach—supported by a diversified portfolio spanning day school curriculum, tutorial services, high-end consultancy services, school services and teacher training—and our 37-year brand heritage position our Group to deliver sustainable growth and generate better returns for all stakeholders, including shareholders, students, parents, teachers and partners.

Financial review

Revenue

For the components of our revenue, please refer to the section headed "Business Review" above. The Group's total revenue increased by HK$84.9 million, or 43.9%, from HK$193.2 million for the year ended 31 July 2025 to HK$278.0 million for the year ended 31 July 2026. This was due to the positive revenue growth from all key lines of services and products including the provision of private supplementary secondary school education services, operation of day school education services, provision of school services as well as the ancillary education services and products.

Revenue from the provision of private supplementary secondary school education services increased by HK$16.3 million or 16.2% from HK$100.6 million for the year ended 31 July 2025 to HK$116.9 million for the year ended 31 July 2026. Such an increase was mainly brought by the growth in course enrollment related to both traditional HKDSE and international curriculum. The new small-group and individual premium tutorial classes also contributed to the growth.

Revenue from private secondary day school services increased by HK$7.4 million or 45.6% from HK$16.3 million for the year ended 31 July 2025 to HK$23.7 million for the year ended 31 July 2026. The increase was attributable to the increase in school fee as well as the student enrollment number.

Revenue from school services increased by HK$24.4 million or 53.6% from HK$45.6 million for the year ended 31 July 2025 to HK$70.0 million for the year ended 31 July 2026. The demand for services from schools in both Hong Kong and Chinese Mainland remained strong and our Group expanded our services to more cities in Chinese Mainland during the year ended 31 July 2026.

Revenue from the provision of ancillary education services and products increased by HK$36.7 million, or 119.6%, from HK$30.7 million for the year ended 31 July 2025 to HK$67.4 million for the year ended 31 July 2026. This growth was primarily attributable to a significant increase of HK$37.8 million, or 143.9%, in revenue from consultancy services, mock examination and assessment services and other education services, which was partially offset by a decline of HK$1.1 million, or 25.6%, in revenue derived from Beacon BExcellent.

Other income

Other income primarily consists of advertising income, IT service income, rental income from an investment property, interest income from bank deposits and government subsidies. Other income decreased by HK$0.8 million or 6.4%, from HK$12.2 million for the year ended 31 July 2025 to HK$11.4 million for the year ended 31 July 2026. The decrease was mainly attributed to the decrease in advertising income by HK$1.1 million.

Major costs component

The summary below shows the major costs components of our Group among which 58.1% (2025: 56.7%) is related to labour costs (comprising of staff costs and tutor service fees), followed by printing and other operating expenses, short-term lease and low-value lease payments, depreciation of right-of-use ("ROU") assets, and advertising and promotion expenses:

	For the year ended 31 July			
	2026	**% of**	2025	% of
	HK$'000	***revenue***	*HK$'000*	*revenue*
Staff costs	**117,340**	**42.2**	85,702	44.4
Tutor service fees	**39,268**	**14.1**	39,431	20.4
Depreciation of ROU assets	**21,639**	**7.8**	15,663	8.1
Short-term lease and low-value lease payments	**7,013**	**2.5**	10,191	5.3
Advertising and promotion expenses	**6,207**	**2.2**	8,275	4.3
Printing and other operating expenses	**78,277**	**28.2**	61,625	31.9

Staff costs

As at 31 July 2026, the Group had 308 full-time employees and maintained an accumulated pool of 72 part-time employees for seasonal and cyclical business needs. Staff costs mainly consist of (i) salaries, allowances and bonus and (ii) pension costs incurred for our employees. The staff costs increased by HK$31.6 million or 36.9% from HK$85.7 million for the year ended 31 July 2025 to HK$117.3 million for the year ended 31 July 2026. Such an increase was mainly attributable to the increase in both professional teaching and administrative staff to enhance educational quality and operational capacity in both Hong Kong and Chinese Mainland. Such professional teaching teams are also responsible for R&D for proprietary curriculum and bespoke learning materials of international curricula and assessments to ensure academic excellence and a competitive edge.

Tutor service fees

Tutor service fees include remuneration under service agreements and share-based payments. Typically, we offer a revenue sharing scheme to our tutors engaging in traditional private supplementary secondary school education services and thus the tutor service fees are in general positively correlated to our Group's revenue. In contrast, an hourly rate or fixed monthly salary is normally adopted for tutors engaged in other lines of teaching services.

The overall tutor service fees slightly decreased by HK$0.2 million or 0.4%, from HK$39.4 million for the year ended 31 July 2025 to HK$39.3 million for the year ended 31 July 2026. The slight decrease was primarily attributable to cost savings arising from tightened workforce cost control in the delivery of school services in Hong Kong, which more than offset the increase in tutor service fees associated with the organic growth of traditional HKDSE tutorial services.

Depreciation of ROU assets and short-term lease and low-value lease payments

Depreciation of ROU assets and short-term lease and low-value lease payments are part of the largest components of the Group's operating costs, accounting for 7.8% and 2.5% respectively (2025: 8.1% and 5.3%) of the Group's total revenue. These expenses increased by HK$2.8 million or 10.8%, it was mainly attributable to the inclusion of newly rented office premises and teachers training centre in Chinese Mainland as well as the expanded campus spaces in Mong Kok and Yuen Long offset by the savings arising from the centre network optimization in Tseung Kwan O. With the optimistic growth potential in day school services, the Group is in progress of expanding the scale of campuses for our day school services in Mong Kok and Yuen Long.

Advertising and promotion expenses

Advertising and promotion expenses mainly consisted of advertising fees in online channels and social media platforms such as Google, Instagram and Facebook, offline channels such as billboard, transportation, foamboard and banners, as well as expenses in relation to branding, courses promotion, marketing and public relations. It was the Group strategy to capture the market opportunities in Chinese Mainland swiftly in early stage of entering such market, nevertheless, the Group put extra effort in shifting the costs on marketing and advertising to labour costs for enhancing our Group's academic excellence and competitive edge. The overall advertising and promotion expenses decreased sharply by HK$2.1 million or 25.0% from HK$8.3 million for the year ended 31 July 2025 to HK$6.2 million for the year ended 31 July 2026.

Printing and other operating expenses

Printing and other operating expenses primarily consist of printing expenses, building management fees, service fees to non-teaching freelancers, education tour expenses, legal and professional fees, utilities and other administrative expenses. These expenses increased by HK$16.7 million or 27.0% from HK$61.6 million for the year ended 31 July 2025 to HK$78.3 million for the year ended 31 July 2026. The increase was mainly attributable to the rise in service fees paid to various service providers supporting business growth in education tour business as well as in private supplementary school education services for the international curriculum. Moreover, printing expenses, building management fee, scholarships, office supplies, travel, repairs and maintenance, and certain administrative expenses increased in general to cater the operation growth in both Hong Kong and Chinese Mainland.

Income tax credit (expense)

The income tax credit for the year ended 31 July 2026 was HK$2.0 million (2025: tax expense HK$0.2 million).

Profit (loss) for the year

The Group recorded a profit of HK$20.4 million for the year ended 31 July 2026 (2025: loss of HK$24.5 million). The profit was mainly due to the strong operational traction and revenue growth now being realized from the foundational investment made in the market of Chinese Mainland in recent years.

Liquidity, financial resources and capital structure

As at 31 July 2026, the Group's net current liability value was HK$27.0 million, which mainly consisted of accounts receivables, deposits, prepayments and other receivables, financial assets at fair value through profit or loss and cash and cash equivalents less other payables, contract liabilities, current income tax payable, borrowings and lease liabilities. The Group's current assets increased from HK$131.3 million as at 31 July 2025 to HK$136.4 million as at 31 July 2026. Such an increase in current assets was primarily due to the increase in accounts receivables from HK$4.9 million as at 31 July 2025 to HK$9.5 million as at 31 July 2026. As at 31 July 2026, the current ratio of the Group (expressed as current assets divided by current liabilities) was 0.84, compared with 0.83 as at 31 July 2025.

Treasury Policy

The Group has adopted a prudent treasury management policy to (i) ensure that the Group's funds are properly and efficiently collected and deployed such that there is no material shortfall in cash which may interrupt the Group's daily business operations; and (ii) maintain adequate liquidity to cover the Group's operation cash flows, and administrative expenses. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities, and other commitments can meet its funding requirements all the time.

Foreign Exchange Risk

Cash and bank deposits of the Group are mainly in Hong Kong dollars. Most of the business transactions of the Group are denominated in Hong Kong dollars ("HK$") and Renminbi ("RMB"). For the years ended 31 July 2026 and 2025, the Group did not engage in currency hedging nor did it adopt any formal hedging activities as the Group considered its foreign currency exposure is insignificant. However, the Board will continue to closely monitor the Group's foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Charges on the Group's Assets

The Group has an investment property with carrying value of HK$10.4 million (2025: HK$10.7 million) pledged to secure borrowings and general banking facilities granted to the Group. There was no charge on the Group's other assets.

Gearing ratio

As at 31 July 2026, the Group's gearing ratio (calculated based on bank borrowings amounting to HK$77.9 million and lease liabilities amounting to HK$45.2 million divided by equity attributable to the owners of the Company as at the year-end date amounting to HK$57.6 million) was 213.8% (31 July 2025: 325.1%).

Contingent liabilities

The Group did not have any material contingent liabilities as at 31 July 2026 (2025: nil).

Dividends

The Board has recommended the payment of a final dividend of 1.69 HK cents per Share for the year ended 31 July 2026 (2025: nil) out of the share premium account, subject to the approval of the Shareholders at the forthcoming AGM.

USE OF NET PROCEEDS FROM SUBSCRIPTION OF NEW SHARES

Reference is made to the announcement of the Company dated 18 August 2025. Capitalised terms used in this section shall have the same meanings as defined in the said announcement. The net proceeds from the issue of the Subscription Shares after deduction of all relevant costs and expenses, amounted to approximately HK$12.6 million ("Net Proceeds").

As of 31 July 2026, the Group has utilized all the Net Proceeds as set out in the table below:

Intended use of the Net Proceeds	**Approximate percentage to the Net Proceeds**	**Allocation of the Net Proceeds HK$'000**	**Utilized amount as of 31 July 2026 HK$'000**
(1) Enhancing the infrastructure and technology of teaching centers, and upgrading the learning platforms, assessment tools and administrative systems by implementing advanced solutions such as AI-driven tools and systems	30%	3,771	3,771
(2) Strengthening and expanding the teaching team through the recruitment of high-caliber teaching professionals and specialists, and training and development programs focused on innovative teaching methodologies	30%	3,771	3,771
(3) Promoting brand development and awareness by advertisement and promotional campaigns	10%	1,257	1,257
(4) Working capital to support day-to-day operations	30%	3,771	3,771
Total	100%	12,570	12,570

Save as disclosed above, during the year ended 31 July 2026, there were no proceeds brought forward from the equity issuances or sales of treasury shares that need to be disclosed pursuant to paragraph 11 of Appendix D2 to the Listing Rules.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board has committed to maintaining high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Company to safeguard the interests of the Shareholders and to enhance corporate value and accountability.

During the year ended 31 July 2026 and up to the date of this announcement, the Company has applied the principles and complied with all applicable code provisions set out in the Corporate Governance Code in Appendix C1 to the Listing Rules, save and except for the deviation from code provision C.2.1 of the Corporate Governance Code that Ms. Leung Ho Ki, June ("Ms. Leung") is the chairman of the Board and chief executive officer of the Company. Although this deviates from the practice under code provision C.2.1 of the Corporate Governance Code, where it provides that the two positions should be held by two different individuals, as Ms. Leung is a co-founder of the Group and has considerable experience in the enterprise operation and management of the Company, the Board believes that it is in the best interests of the Company and its shareholders as a whole to have Ms. Leung as the chief executive officer of the Company so that it can benefit from her experience and capability in leading the Group in the long-term development of the Company. From a corporate governance point of view, the decisions of the Board are made collectively by way of voting and therefore the chairman should not be able to monopolise the decision-making of the Board. The Board considers that the balance of power between the Board and management can still be maintained under the current structure. The Board shall review the structure from time to time to ensure appropriate action be taken should the need arise.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it is responsible for establishing and maintaining the Group's risk management and internal control systems and reviewing their effectiveness at least annually. The risk management and internal control measures are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board is primarily in charge of managing the overall risks of our Group. Significant business decisions that involve material risk exposures are subject to assessment, consideration and approval of the ways to resolve the said risk exposures by the Board.

The Audit Committee is delegated with the responsibility to review the financial controls, risk management and internal control systems of the Group at least annually, to consider (i) the changes (if any), since the last year (after review), in the nature and extent of significant risks (including ESG risks), and the Company's ability to respond to changes in its business and the external environment; (ii) the scope and quality of the Board's ongoing monitoring of risks (including ESG risks) and of the internal control systems, and where applicable, the work of the Company's internal audit function and other assurance providers; (iii) the extent and frequency of communication of monitoring results to the Board (or the Audit Committee) for the purposes of assessing the adequacy and the effectiveness of the Company's risk management and internal control system; (iv) significant control failings or weaknesses identified (if any) during the review of risk management and internal control systems and the extent to which they have resulted in unforeseen outcomes or contingencies that have had, could have had, or may in the future have, a material impact on the Company's financial performance or condition, and any remedial measures taken to address such control failings or weaknesses; (v) the effectiveness of the Company's procedures for financial reporting and compliance of the Listing Rules requirements; and (vi) the adequacy of resources (internal and external) for designing, implementing and monitoring the risk management and internal control systems, including staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit, and financial reporting functions, as well as those relating to the Company's ESG performance and reporting. The Audit Committee also reviews the external independent auditor's management letter, if any, and any material queries raised by the auditor about accounting records, financial accounts or systems of control and management's response. The Audit Committee reports to the Board on the matters considered by the Audit Committee and its recommendations to the Board.

The Group appointed an external consultant to perform internal audit function to review the effectiveness of the Group's risk management and internal control systems for the year ended 31 July 2026. As part of the risk management system of the Group, the Group conducts annual enterprise risk assessment to identify and evaluate the risk level and the significant risks of the Group's operations and business, including the strategic, operational, financial and compliance risks.

As part of the internal control system of the Group, internal audit was conducted at least annually with the objectives of, amongst others, assessing and identifying significant weaknesses in risk management and internal control systems of the Group. The internal audit for the year ended 31 July 2026 covered the review on (i) the risk management system, which included the policy and procedures, the risk assessment process, mitigation measures as well as monitoring and reporting; (ii) cost of services, expenditure and payments; (iii) human resources and payroll management; (iv) corporate governance practices according to the Corporate Governance Code and (v) the follow up on the findings identified in last year's report. Management has reported findings and areas for improvement to the Audit Committee and the Board. The Audit Committee and the Board are of the view that there are no material internal control defects noted. All recommendations suggested are properly followed up to ensure that they are implemented within a reasonable period of time.

The Board considered the enterprise risk assessment report and internal audit report and confirmed and concluded (i) the risk management and internal control systems of the Group are appropriate and effective for the purposes set out in Principle D2 of the Corporate Governance Code; and (ii) the process compliance on Listing Rules and Securities and Futures Ordinance effective and adequate. Upon the Board's annual review, the Board considered and ensured the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions, as well as those relating to the Group's ESG performance and reporting.

The Group has formulated internal control system manuals on corporate governance, operations, management, legal matters, finance and auditing setting out the internal approval and review procedures pursuant to which our employees are mandated to comply with.

The Group has also adopted an information disclosure policy which sets out comprehensive guidelines in respect of handling and dissemination of inside information of the Group and the procedures for the timely, accurate and complete disclosure of discloseable information. The Board is responsible for monitoring and implementing the procedural requirements under the information disclosure policy. Release of inside information shall be overseen by the Board. Unless authorised by the Board, the staff members of the Group shall not disseminate inside information relating to the Group to any external parties and shall not respond to media or market speculation which may materially affect the trading price or volume of the Shares on the market.

During the year ended 31 July 2026, the Board considered that no significant changes had been made in the Company's assessment of risks (including ESG risks) and the risk management and internal control systems.

AUDIT COMMITTEE AND REVIEW OF PRELIMINARY ANNOUNCEMENT BY THE INDEPENDENT AUDITOR

The Audit Committee comprises three independent non-executive Directors, namely Mr. Li Kai Sing, Mr. Kwan Chi Hong and Mr. Tai Kwok Leung, Alexander. The Audit Committee has reviewed the preliminary announcement and the consolidated financial statements of the Company for the year ended 31 July 2026, including the accounting principles and practices adopted by the Company. The figures in respect of the Company's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 July 2026 as set out in this preliminary announcement have been agreed by the Company's independent auditor, SHINEWING (HK) CPA Limited, Certified Public Accountants of Hong Kong ("**SHINEWING**") to the amounts set out in the Company's consolidated financial statements for the year. The work performed by SHINEWING in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently, no assurance has been expressed by SHINEWING on this preliminary announcement.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the laws of the Cayman Islands or under the Articles of Association of the Company that require the Company to offer new Shares on a pro-rata basis to its existing Shareholders.

ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

There was no material acquisition or disposal of subsidiaries, associates or joint ventures during the year ended 31 July 2026.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 31 July 2026, the Group did not have any definite future plan for material investments or capital assets in the coming year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities (including treasury shares) of the Company during the year ended 31 July 2026 and up to the date of this announcement. The Company also did not and does not hold any treasury share during the year ended 31 July 2026 and up to the date of this announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as its own securities dealing code to regulate all dealings by Directors and relevant employees of securities in the Company and other matters covered by the Model Code.

Specific enquiries have been made of all the Directors and the relevant employees and they have confirmed that they have complied with the Model Code during the year ended 31 July 2026 and up to the date of this announcement.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this announcement, the Company has maintained the prescribed public float of at least 25% of its total number of issued shares (excluding treasury shares, if any) as required under Rule 13.32B of the Listing Rules during the year ended 31 July 2026 and up to the date of this announcement.

SIGNIFICANT EVENTS AFTER THE FINANCIAL YEAR ENDED 31 JULY 2026

There is no significant event affecting the Group occurred after 31 July 2026 and up to the date of this announcement.

ANNUAL GENERAL MEETING

The AGM is to be held on Friday, 18 December 2026. A notice convening the AGM and all other relevant documents will be published and despatched to the Shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the forthcoming AGM to be held on Friday, 18 December 2026 (or at any adjournment of it), the register of members of the Company will be closed from Tuesday, 15 December 2026 to Friday, 18 December 2026, both days inclusive, during which no transfer of Shares will be effected. In order to be eligible to attend and vote at the forthcoming AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Monday,14 December 2026. The record date for determining the entitlement of the Shareholders to attend and vote at the AGM will be Friday, 18 December 2026.

In order to be qualified for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 23 December 2026.

The record date for determining the entitlement to the proposed final dividend will be Wednesday, 23 December 2026. Subject to the approval by the Shareholders at the forthcoming AGM, the proposed final dividend is expected to be payable on or around Thursday, 31 December 2026 to the Shareholders whose names appear on the register of members of the Company on Wednesday, 23 December 2026 at the close of business.

PUBLICATION OF PRELIMINARY ANNOUNCEMENT AND ANNUAL REPORT

This preliminary announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.bexcellentgroup.com). The annual report of the Company for the year ended 31 July 2026 containing all the information required by the Listing Rules will be despatched to the Shareholders and made available on the same websites in due course.

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

Hong Kong, 29 October 2026

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