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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)

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTY

The Board is pleased to announce that on 11 April 2019, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Preliminary Agreement with the Vendor, pursuant to which the Purchaser agreed to acquire and the Vendor agreed to sell the Property at the consideration of HK\$21,433,300.00.

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Group under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

As completion of the Acquisition is subject to the execution of the Formal Agreement, the fulfilment of conditions precedent as stipulated in the Formal Agreement, and the satisfactory verification and requisition in respect of the title to the Property, the Acquisition may or may not proceed. Shareholders and any potential investors are advised to take caution when dealing in the securities of the Company.

INTRODUCTION

The Board is pleased to announce that on 11 April 2019, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Preliminary Agreement with the Vendor, pursuant to which the Purchaser agreed to acquire and the Vendor agreed to sell the Property at the consideration of HK\$21,433,300.00.

THE PRELIMINARY AGREEMENT

A summary of the principal terms of the Preliminary Agreement is as follows:

Date: 11 April 2019

Parties: Purchaser: Beacon College Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company

Vendor: Melbourne Bookcentre (Holdings) Limited 萬邦書局 (控股) 有限公司, a company incorporated in Hong Kong with limited liability

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Vendor is principally engaged in investment holding; and (ii) the Vendor and its ultimate beneficial owner(s) are Independent Third Parties.

Property to be acquired: The Property to be acquired is offices 1, 2 and 3 on the 3rd Floor of Tai Shing Commercial (Yaumati) Building, Nos. 498 & 500, Nathan Road, Kowloon, Hong Kong. The Property is a commercial property with a total gross floor area of approximately 2,285 square feet. According to the information available to the Purchaser, the Property is being acquired on an "as is" basis, subject to the existing tenancy agreement of the Property at a monthly rental of approximately HK\$64,000 and the fixed term of the tenancy agreement will end in August 2019 with an option to further renew for 2 years.

Consideration: The consideration for the Acquisition is HK\$21,433,300.00 which shall be paid in cash by the Purchaser to the Vendor in the following manner:

- (a) an initial deposit of HK\$1,071,665.00 has been paid upon signing of the Preliminary Agreement;
- (b) a further deposit of HK\$1,071,665.00 shall be paid on or before 24 April 2019; and
- (c) the remaining balance of the Consideration in the sum of HK\$19,289,970.00 shall be paid upon completion of the Acquisition.

The consideration was agreed between the Vendor and the Purchaser after arm's length negotiation with reference to, amongst other things, the current market value of comparable properties in the vicinity of the Property. No formal valuation has been conducted in respect of the Property at the time of entering into the Preliminary Agreement. It is expected that the consideration, and the relevant stamp duty and property agent commission will be financed by the net proceeds raised by the Group from the IPO in accordance with the use of proceeds plan as disclosed in the prospectus of the Company dated 30 June 2018 and/or bank borrowings.

Formal Agreement:

The Vendor and the Purchaser shall enter into the Formal Agreement on or before 24 April 2019.

Completion:

Completion of the Acquisition shall take place on or before 11 July 2019.

INFORMATION ON THE GROUP

The Group is principally engaged in the provision of private supplementary secondary school education services and the operation of private secondary day schools 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.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group intends to use the Property as one of its teaching centres after expiration of the existing tenancy (including the possible exercise of option by tenant to further renew for 2 years). The Board is satisfied with the size and location of the Property and considers that the Acquisition could provide a good opportunity for the Company to expand its core income stream and hence is beneficial to the development of the Group's business.

Having considered that the Preliminary Agreement was entered into on normal commercial terms with the consideration being determined with reference to the current market value of comparable properties in the relevant location, the Directors are of the view that the terms of the Preliminary Agreement and the transaction contemplated thereunder are fair and reasonable and the entering into of the Preliminary Agreement is in the interests of the Group and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Group under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

As completion of the Acquisition is subject to the execution of the Formal Agreement, the fulfilment of conditions precedent as stipulated in the Formal Agreement, and the satisfactory verification and requisition in respect of the title to the Property, the Acquisition may or may not proceed. Shareholders and any potential investors are advised to take caution when dealing in the securities of the Company.

DEFINITIONS

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

“Acquisition”	acquisition of the Property by the Purchaser from the Vendor pursuant to the Preliminary Agreement
“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
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Formal Agreement”	the formal agreement for sale and purchase to be entered into between the Vendor and the Purchaser in relation to the Acquisition
“Group”	the Company and its subsidiaries from time to time
“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
“Independent Third Party(ies)”	person(s) or company(ies) who/which is(are) independent of the Company and its connected persons
“IPO”	the initial public offering and listing of the Shares on the Main Board
“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 the GEM of the Stock Exchange
“percentage ratio(s)”	has the same meaning ascribed to it under the Listing Rules
“Preliminary Agreement”	the preliminary sale and purchase agreement dated 11 April 2019 entered into between the Vendor as vendor and the Purchaser as purchaser in relation to the sale and purchase of the Property
“Property”	offices 1, 2 and 3 on the 3rd Floor of Tai Shing Commercial (Yaumati) Building, Nos. 498 & 500, Nathan Road, Kowloon, Hong Kong
“Purchaser”	Beacon College Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“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
“Vendor”	Melbourne Bookcentre (Holdings) Limited 萬邦書局(控股)有限公司, a company incorporated in Hong Kong with limited liability
“%”	per cent

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

Hong Kong, 11 April 2019

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; the non-executive Director is Dr. Shen Xu Hui; and the independent non-executive Directors are Mr. Kwan Chi Hong, Mr. Li Kai Sing, and Professor Wong Roderick Sue Cheun.