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## **THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in BExcellent Group Holdings Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)**

### **(1) GRANT OF SHARE OPTIONS; (2) PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT; AND (3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

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A notice convening the EGM of the Company to be held at Units 01-03 & 05-06, 12/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong on 28 September 2020 (Monday) at 10:30 a.m. is set out on pages EGM-1 to EGM-3 of this circular.

A form of proxy for the EGM (or any adjournment thereof) of the Company is also enclosed. Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM or any adjourned meeting thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof should you so wish.

#### **PRECAUTIONARY MEASURES FOR THE EGM**

The Company will implement the following measures at the EGM to prevent and control the spread of the COVID-19 and to safeguard the health and safety of the attending Shareholders, staff members of the Company and other participants:

- compulsory body temperature check
- compulsory wearing of surgical face mask
- no serving of refreshments or drinks

Depending on the COVID-19 situation in Hong Kong, the Company reserves the right to change the EGM arrangements or take further measures as appropriate in order to minimise any risk to the Shareholders and other participants attending the EGM. The Company also encourages the Shareholders to consider appointing the chairman of the EGM as his/her proxy to vote on the relevant resolutions at the EGM as an alternative to attending the EGM in person.

To the extent permitted under law, the Company reserves the right to deny entry into the EGM venue or require any person to leave the EGM venue in order to ensure the safety of the attendees at the EGM.

7 September 2020

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## CONTENTS

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	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b> .....	4
<b>NOTICE OF EGM</b> .....	EGM-1

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“Articles of Association”	the amended and restated memorandum of association of the Company adopted on 21 June 2018 and the amended and restated articles of association of the Company adopted on 21 June 2018 and became effective on 13 July 2018, as amended from time to time
“Board”	the 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
“Conditions”	the conditions precedent to the grant of the Share Options becoming unconditional as set out in the paragraph headed “Conditions of the grant of the Share Options” in this circular
“Condition Shares”	has the meaning ascribed to it in the paragraph headed “Reasons for and benefits of the grant of the Share Options” in this circular
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Dr. Lam”	Dr. Lam, Yat Ming (林一鳴)
“EGM”	the extraordinary general meeting of the Company to be convened and held at Units 01-03 & 05-06, 12/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong on 28 September 2020 (Monday) at 10:30 a.m. for the Shareholders to consider and, if thought fit, approve the resolutions contained in the EGM Notice, or any adjournment thereof
“EGM Notice”	the notice convening the EGM dated 7 September 2020 as set out on pages EGM-1 to EGM-3 of this circular
“Grant Date”	29 July 2020, being the date on which the Share Options were conditionally granted to Dr. Lam by the Board
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong

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## DEFINITIONS

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“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
“Latest Practicable Date”	2 September 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Date”	13 July 2018 on which the Shares are listed on the Main Board of the Stock Exchange
“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
“PhD Online Platform”	has the meaning ascribed to it in the paragraph headed “Reasons for and benefits of the grant of the Share Options” in this circular
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme adopted by the Company on 21 June 2018
“Scheme Mandate Limit”	50,000,000 Shares, which represents 10% of the Shares in issue upon listing of the Shares on the Main Board of the Stock Exchange, being the current maximum number of Shares which may be issued upon exercise of all share options granted and to be granted under the Share Option Scheme and the Pre-IPO Share Option Scheme pursuant to the terms of the Share Option Scheme
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Option Scheme”	the share option scheme adopted by the Company on 21 June 2018

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## DEFINITIONS

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“Share Options”	the 20,000,000 share options conditionally granted to Dr. Lam under the Share Option Scheme to subscribe for and be allotted up to 20,000,000 Shares, the principal terms of which are set out in the paragraph headed “GRANT OF SHARE OPTIONS” in this circular
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Validity Period”	has the meaning ascribed to it in the paragraph headed “Validity Period” in this circular
“%”	per cent

*This circular has been printed in English and Chinese. In the event of any inconsistency, the English text of this circular shall prevail over its Chinese text.*

*Certain percentage figures set out in this circular have been subject to rounding adjustments. Accordingly, they may not be an arithmetic sum of such figures.*

*References to the singular include references to the plural and vice versa and references to one gender include every gender.*

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LETTER FROM THE BOARD

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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)**

*Executive Directors:*

Ms. Leung Ho Ki, June (*Chairman*)  
Mr. Tam Wai Lung (*Chief Executive Officer*)  
Mr. Chan Tsz Ying, Wister  
Mr. Li Man Wai

*Registered Office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Non-executive Director:*

Dr. Shen Simon (formerly known as Dr. Shen Xu Hui)

*Principal Place of Business  
in Hong Kong:*

Units 01-03 & 05-06  
12/F CDW Building  
388 Castle Peak Road  
Tsuen Wan  
New Territories  
Hong Kong

*Independent Non-executive Directors:*

Mr. Kwan Chi Hong  
Mr. Li Kai Sing  
Professor Wong Roderick Sue Cheun

7 September 2020

*To the Shareholders*

Dear Sir or Madam,

**(1) GRANT OF SHARE OPTIONS;  
(2) PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT;  
AND  
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 29 July 2020 in relation to the grant of the Share Options and the proposed refreshment of the Scheme Mandate Limit relevant to such grant. The purpose of this circular is to provide you with (i) information in respect of, among other things, resolutions to be proposed at the EGM for the grant of the Share Options and the proposed refreshment of the Scheme Mandate Limit respectively; and (ii) the EGM Notice.

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## LETTER FROM THE BOARD

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### GRANT OF SHARE OPTIONS

On 29 July 2020, the Board resolved that the Company conditionally grant to Dr. Lam 20,000,000 share options under the Share Option Scheme, subject to acceptance by Dr. Lam and satisfaction of the Conditions, to subscribe for and be allotted 20,000,000 Shares at an exercise price of HK\$0.60 per Share (on the basis that each share option shall entitle Dr. Lam to subscribe for and be allotted 1 Share).

Upon acceptance of the conditional grant of the Share Options, Dr. Lam shall pay HK\$1.00 to the Company as consideration for the grant. Payment must be made within 28 days from the date of the grant letter issued by the Company pursuant to the Share Option Scheme. As at the Latest Practicable Date, Dr. Lam had accepted the conditional grant of the Share Options and paid the consideration accordingly.

### Principal Terms of the Share Options

The principal terms of the Share Options are as follows:

#### *Date of grant*

29 July 2020

#### *Number of Shares issuable upon full exercise of the Share Options*

The number of Shares that may be issued upon the exercise in full of the Share Options is, subject to adjustment as provided under the Share Option Scheme, 20,000,000 Shares, representing (i) 4% of all Shares in issue as at the Latest Practicable Date; (ii) approximately 3.85% of all Shares in issue as at the Latest Practicable Date as enlarged by the issue of such Shares; and (iii) approximately 3.54% of all Shares in issue as at the Latest Practicable Date as enlarged by the issue of such Shares and all Shares issuable upon exercise of all other outstanding share options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme.

## LETTER FROM THE BOARD

For illustrative purpose only, the following table shows the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately upon full exercise of the Share Options by Dr. Lam; and (iii) immediately upon full exercise of the Share Options by Dr. Lam and all other outstanding share options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme, assuming that no further Shares will be issued or repurchased before such full exercise of share options respectively:

Shareholders	As at the Latest Practicable Date		Immediately upon full exercise of the Share Options		Immediately upon full exercise of the Share Options and all other outstanding share options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Beacon Enterprise Limited	375,000,000	75.00	375,000,000	72.12	375,000,000	66.44
Public Shareholders	121,340,000	24.27	121,340,000	23.33	121,340,000	21.50
Other grantees under the Pre-IPO Share Option Scheme and the Share Option Scheme <sup>Notes</sup>	—	—	—	—	44,400,000	7.87
Dr. Lam	3,660,000	0.73	23,660,000	4.55	23,660,000	4.19
<b>Total</b>	<b>500,000,000</b>	<b>100</b>	<b>520,000,000</b>	<b>100</b>	<b>564,400,000</b>	<b>100</b>

*Notes:*

- Other grantees under the Pre-IPO Share Option Scheme and the Share Option Scheme are each subject to the undertaking that, if he/she is/becomes a core connected person of the Company or otherwise not recognized as a member of the public pursuant to the Listing Rules, he/she shall not exercise the share option(s) if and to the extent that the public float of the Company as required in accordance with the Listing Rules (i) has fallen as at the date of the intended exercise of such share option(s); or (ii) will fall as a result of his/her exercise of the share option(s) to a level lower than required under the Listing Rules.
- As at the Latest Practicable Date, (i) 1,000,000 share options had been granted to Ms. Leung Ho Ki, June, executive Director and chairman of the Company; (ii) 3,500,000 share options had been granted to Mr. Tam Wai Lung, executive Director and chief executive officer of the Company; (iii) 1,000,000 share options had been granted to Mr. Li Man Wai, executive Director of the Company; and (iv) a total of 2,000,000 share options had been granted to Mr. Chan Tsz Ying, Wister, executive Director of the Company, under the Share Option Scheme.
- As at the Latest Practicable Date, Dr. Lam held 3,660,000 Shares.



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## LETTER FROM THE BOARD

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### *Exercise price per Share*

The exercise price payable in respect of each Share upon the exercise of the Share Options is HK\$0.60 as determined in accordance with the terms of the Share Option Scheme, which exceeds the highest of (i) HK\$0.36, being the closing price per Share as stated in the daily quotations sheet of the Stock Exchange on the Grant Date; (ii) HK\$0.378, being the average closing price per Share as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the Grant Date; and (iii) HK\$0.01, being the nominal value per Share.

### *Conditions of the grant of the Share Options*

The grant of the 20,000,000 Share Options to Dr. Lam as a whole is conditional upon the following:

- (a) the approval of the Shareholders at the EGM for the grant of the Share Options to Dr. Lam, as required under the Note to Rule 17.03(4) of the Listing Rules and Note (1) to Rule 17.03(3) of the Listing Rules respectively and the terms of the Share Option Scheme, as the number of Shares issuable to Dr. Lam upon full exercise of the Share Options:
  - (i) exceeds 1% of all Shares in issue as at the Grant Date; and
  - (ii) together with all Shares issued or issuable under all share options already granted under the Share Option Scheme and the Pre-IPO Share Option Scheme, exceed the existing Scheme Mandate Limit;
- (b) Dr. Lam being a holder of at least 0.7% of the total number of Shares in issue as of the Grant Date, i.e. at least 3,500,000 Shares (500,000,000 Shares (being the total number of Shares in issue as at the Grant Date) x 0.7%); and
- (c) the Stock Exchange granting the approval for the listing of, and permission to deal in, the Shares that may be issued pursuant to the exercise of 14,400,000 of the total 20,000,000 Share Options (which is in excess of the existing Scheme Mandate Limit).

Application will be made to the Listing Division of the Stock Exchange for the listing of and permission to deal in the Shares that may be issued pursuant to the exercise of 14,400,000 of the total 20,000,000 Share Options (which is in excess of the existing Scheme Mandate Limit).

### *Grant of the Share Options becoming unconditional*

The grant of the Share Options shall automatically become unconditional on the day on which all the Conditions have been fulfilled. Dr. Lam shall forthwith notify the Company in writing upon the fulfilment of Condition (b) within the same day. As at the Latest Practicable Date, only Condition (b) had been fulfilled and Dr. Lam had notified the Company in writing in respect of the fulfilment of Condition (b).

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## LETTER FROM THE BOARD

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The conditional grant of the Share Options shall automatically lapse if the Conditions are not fulfilled by 5:00 p.m. (Hong Kong time) on the date falling on the end of the six months from the Grant Date, and all rights, obligations and liabilities of the Company and Dr. Lam shall cease and terminate and none of them shall have any claim against the other in respect of the grant of the Share Options save for any cause of action arising prior to such lapse, subject to the terms and conditions of the Share Option Scheme.

### *Validity period of the Share Options*

The validity period of the Share Options shall be ten (10) years from the Grant Date, subject to the vesting and exercise period of the Share Options described below (“**Validity Period**”) and the Share Options shall lapse at the expiry of the Validity Period or earlier if the service relationship between the Company and Dr. Lam has terminated prior to the expiry of the Validity Period, subject to the terms and conditions of the Share Option Scheme.

### *Vesting and exercise periods of the Share Options*

The Share Options granted to Dr. Lam shall vest in and be exercisable by him as follows:

- (i) 30% of the Share Options shall vest in and be exercisable from the date on which the grant of the Share Options becomes unconditional;
- (ii) another 30% of the Share Options shall vest in and be exercisable from the first anniversary of the Grant Date; and
- (iii) the remaining 40% of the Share Options shall vest in and be exercisable from the second anniversary of the Grant Date.

### *Dr. Lam’s undertakings*

Dr. Lam shall undertake not to transfer or otherwise dispose of any Shares allotted to him pursuant to any exercise of the Share Options at a price per Share which is lower than HK\$1.08, being the final price per Share offered under the initial public offering and listing of the Shares on the Main Board of the Stock Exchange on 13 July 2018, during the period of 10 years from the Grant Date.

Dr. Lam shall also undertake that, if he is/becomes a core connected person of the Company or otherwise not recognized as a member of the public pursuant to the Listing Rules, he shall not exercise the Share Options if and to the extent that the public float of the Company as required in accordance with the Listing Rules (i) has fallen as at the date of the intended exercise of the Share Option(s); or (ii) will fall as a result of his exercise of the Share Option(s) to a level lower than required under the Listing Rules.

### *Performance Targets*

There is no performance target to be fulfilled before the Share Options can be exercised.

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## LETTER FROM THE BOARD

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### *Ranking of Shares*

Shares issuable upon the exercise of the Share Options shall be allotted and issued in accordance with and subject to the provisions of the Articles of Association and will rank pari passu in all respects among themselves and with the fully-paid Shares in issue as from the date of allotment, including voting rights, entitlement to dividends, transfer and other rights (including those arising on liquidation of the Company). The Share Options themselves, however, do not carry any right to voting, dividend, transfer or other rights (including those arising on the liquidation of the Company) prior to them being exercised and the underlying Shares being issued.

### **Information of Dr. Lam**

Dr. Lam was appointed by the Company as Strategic Development Consultant on 29 July 2020, and is therefore an eligible person to the grant of the Share Options pursuant to the terms of the Share Option Scheme. Dr. Lam is a well-known investor in Hong Kong. Over the years, Dr. Lam has participated in various types of business investment such as book publishing, education, games and toys, property agency and financial consultancy, etc. Dr. Lam is a Chartered Financial Analyst, a post-doctorate in Financial Engineering from the Shanghai Jiaotong University and holds a doctor of philosophy degree in Finance from the Chinese University of Hong Kong. Dr. Lam has extensive senior management experience in banking and finance, with local, mainland China and overseas market exposure, in various financial institutions including CITIC Securities International, China CITIC Bank International and Hong Kong Mortgage Corporation.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Dr. Lam and his associates (as defined under the Listing Rules) are Independent Third Parties and do not have any notifiable interest in the Shares and underlying Shares within the meaning of Part XV of the SFO, save as disclosed herein.

### **EXISTING SCHEME MANDATE LIMIT**

The existing Scheme Mandate Limit is 50,000,000 Shares, being 10% of all Shares in issue as at the Listing Date pursuant to the terms of the Share Option Scheme. Apart from the Pre-IPO Share Option Scheme and the Share Option Scheme, the Company has no other share option scheme currently in force as at the Latest Practicable Date.

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## LETTER FROM THE BOARD

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Details of the share options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme, and the Share Options conditionally granted, are set out below:

Types of share options	From the Listing Date to the Latest Practicable Date				As at the Latest Practicable Date
	Share options granted	Share options exercised	Share options cancelled	Share options lapsed	Share options outstanding
Share options under the Pre-IPO Share Option Scheme	25,000,000	—	—	—	25,000,000
Share options under the Share Option Scheme (excluding the Share Options)	19,400,000	—	—	—	19,400,000
Share Options	20,000,000	—	—	—	20,000,000
<b>Total</b>	<b>64,400,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>64,400,000</b>

As at the Latest Practicable Date, disregarding the Share Options conditionally granted to Dr. Lam on the Grant Date:

- (a) 44,400,000 Shares were issuable under outstanding share options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme, representing approximately 88.80% of the existing Scheme Mandate Limit. The Company had no other share options, warrants or convertible securities to subscribe for Shares;
- (b) none of the share options granted under the Pre-IPO Share Option Scheme or the Share Option Scheme had been exercised, cancelled, or had lapsed; and
- (c) a remaining of 5,600,000 share options may be granted under the existing Scheme Mandate Limit, and therefore 5,600,000 Shares remained issuable under the existing Scheme Mandate Limit upon the full exercise of such share options (on the basis that each share option shall entitle the grantee thereof to subscribe for and be allotted 1 Share), representing approximately 11.20% of the existing Scheme Mandate Limit.

Accordingly, 5,600,000 Shares out of the total 20,000,000 Shares issuable upon exercise of the Share Options conditionally granted to Dr. Lam will be issued under the existing Scheme Mandate Limit, which represent:

- (i) 1.12% of all Shares in issue as at the Latest Practicable Date; and
- (ii) 0.99% of all Shares in issue as at the Latest Practicable Date as enlarged by the issue of all Shares issuable upon exercise of the Share Options in full and all other outstanding share options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme,

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## LETTER FROM THE BOARD

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whereas the remaining 14,400,000 Shares issuable upon exercise of the Share Options conditionally granted to Dr. Lam exceed the existing Scheme Mandate Limit and is subject to approval by the Shareholders for the grant of the Share Options, which represent:

- (i) 2.88% of all Shares in issue as at the Latest Practicable Date; and
- (ii) 2.55% of all Shares in issue as at the Latest Practicable Date as enlarged by the issue of all Shares issuable upon exercise of the Share Options in full and all other outstanding share options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme.

### **PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT**

The Company proposes to seek approval by its Shareholders in the EGM for refreshing the Scheme Mandate Limit pursuant to Note 1 to Rule 17.03(3) of the Listing Rules and Clause 8.2.2 of the Share Option Scheme. The Scheme Mandate Limit as refreshed must not exceed 10% of the total number of Shares in issue as at the date of the aforesaid Shareholders' approval. As at the Latest Practicable Date, there were 500,000,000 Shares in issue. Assuming that no new Shares will be issued or repurchased prior to the EGM, a maximum of 50,000,000 share options may be granted by the Company under the proposed Scheme Mandate Limit as refreshed, upon the exercise of which a maximum of 50,000,000 Shares would be issuable (on the basis that each share option shall entitle the grantee thereof to subscribe for and be allotted 1 Share), being 10% of the total number of Shares in issue as at the date of passing the resolution approving the proposed refreshment of the Scheme Mandate Limit at the EGM.

Share options granted prior to the date of the Shareholders' approval for the proposed refreshment of the Scheme Mandate Limit under the Pre-IPO Share Option Scheme and the Share Option Scheme, including the conditional grant of 20,000,000 Share Options to Dr. Lam subject to the Shareholders' approval therefor (and other share options outstanding, cancelled or lapsed in accordance with such schemes or exercised share options, if any), will not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed.

### **Conditions of the proposed refreshment of Scheme Mandate Limit**

The proposed refreshment of the Scheme Mandate Limit is conditional upon:

- (a) the Shareholders passing an ordinary resolution to approve the proposed refreshment of the Scheme Mandate Limit at the EGM; and
- (b) the Stock Exchange granting the approval for the listing of and permission to deal in the Shares that may be issued pursuant to the exercise of the share options that may be granted under the proposed Scheme Mandate Limit as refreshed.

Application will be made to the Listing Division of the Stock Exchange for the listing of and permission to deal in the Shares that may be issued pursuant to the exercise of share options under the proposed refreshed Scheme Mandate Limit.

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## LETTER FROM THE BOARD

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### REASONS FOR AND BENEFITS OF THE GRANT OF SHARE OPTIONS AND THE PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT

#### Reasons for and benefits of the grant of the Share Options

Reference is made to the announcement of the Company dated 29 July 2020. The Board has been seeking synergy with insightful people to help further strengthen the Group's development of online education and digital learning business and add a greater variety of educational products to the Group's portfolio targeting markets inside and outside Hong Kong, with the aim of beefing up the Group's performance both in student enrolment and the generation of revenue.

Given (i) Dr. Lam's founding of PhD Online ("**PhD Online Platform**"), an up and running online education platform for professional qualifications, financial knowledge and interest learning (in relation to which Advance Learning Limited, a wholly-owned subsidiary of the Company, held approximately 60% of the total issued share capital of its operating company, PhD Online Limited, as at the Latest Practicable Date); and (ii) his expertise in finance, which has earned him a high status and reputation in the corresponding field, the Board sees potentially strong synergy with Dr. Lam in the Group's expansion of its online education and digital learning business beyond the secondary school market, including without limitation to preparatory courses and related education and learning services for professional licensing examinations mainly in the financial and advisory sectors on and through, inter alia, PhD Online Platform by way of collaboration with Dr. Lam.

Further, Dr. Lam has also been appointed as the Company's Strategic Development Consultant on 29 July 2020 to advise on and assist in formulating and overseeing the potential overall development of the Group's business in the aforesaid strategic direction of online education and digital learning, including without limitation the possible transformation of part of the Group's business to an effective offline-online integrated learning platform.

The purpose of the grant of the Share Options is to give incentive and reward to Dr. Lam for his advice, contribution and dedication to the Group, which are expected after his appointment as the Company's Strategic Development Consultant, as well as to strengthen the bond and establishment of synergy in terms of efforts and expertise on developing online education and digital learning business between Dr. Lam and the Group.

The terms of the grant of the Share Options were arrived at after arm's length negotiations between the Company and Dr. Lam, having reference to the terms of the Share Option Scheme. In particular, the grant of the Share Options is conditional upon, inter alia, Dr. Lam's holding of at least 0.7% of Shares in issue as of the Grant Date ("**Condition Shares**") which had been fulfilled as at the Latest Practicable Date, which the Board considers fair and reasonable as a sign of sincerity and good faith of Dr. Lam to collaborate with, and act as consultant of, the Group by first demonstrating commitment financially and aligning his interests with that of the Group by becoming a Shareholder, before the grant of the Share Options as incentive and reward in return to Dr. Lam becomes unconditional, taking into account especially that Dr. Lam was not an existing employee of, or otherwise engaged with, the Group prior to his appointment as Strategic Development Consultant.

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## LETTER FROM THE BOARD

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The exercise price payable in respect of each Share upon the exercise of the Share Options, being HK\$0.60, represents a premium of approximately (i) 66.67% to the closing price per Share as stated in the daily quotations sheet of the Stock Exchange on the Grant Date, being HK\$0.36; and (ii) 58.73% to the average closing price per Share as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the Grant Date, being HK\$0.378, which was determined and negotiated between the Company and Dr. Lam with Dr. Lam having strong confidence in the Group's business value rising and therefore the positive prospect of the trading price of the Shares going forward following the contemplated transformation and expansion of business and his collaboration with the Group.

The Board seeks to encourage Dr. Lam to continue to collaborate with and be engaged by the Group in the long run with the goal of increasing the Group's business value, whereby the trading price of the Shares may eventually match the price per Share offered under the initial public offering and listing of the Shares on the Main Board of the Stock Exchange on 13 July 2018, i.e. HK\$1.08, by imposing an undertaking on Dr. Lam to not transfer or otherwise dispose of any Shares allotted to him (at the exercise price of HK\$0.60) pursuant to any exercise of the Share Options at a price lower than such HK\$1.08 for a period of 10 years from the Grant Date.

Further to the above, notwithstanding that there is no obligation for Dr. Lam to hold the Condition Shares for a continuous period after the grant of the Share Options to him becomes unconditional (as his acquisition of the Condition Shares from the open stock market may be viewed as his own investment and not a direct transaction with the Company), the Board is of the view that Dr. Lam's acquisition of the Condition Shares would still achieve the intended effect of him committing to the Group in the long run with aligned business and economic interests. Based on the terms of the grant of the Share Options, there is objectively sufficient incentive for Dr. Lam to hold the Condition Shares for a considerable period since:

- (i) there is expectedly a relatively significant gap between (a) the prevailing trading price of the Shares on the Main Board of the Stock Exchange at which Dr. Lam had acquired the Condition Shares from the open stock market on or before the Latest Practicable Date, with the closing price per Share on the Grant Date as stated in the daily quotations sheet of the Stock Exchange being HK\$0.36 for reference purpose; and (b) the exercise price of HK\$0.60 in respect of the Share Options; and
- (ii) Dr. Lam is restricted from transferring or otherwise disposing of any Shares issued to him upon the exercise of any Share Options at a price lower than HK\$1.08 during the period of 10 years from the Grant Date,

which, as a whole, demonstrates the confidence of Dr. Lam in the potential increase of the trading price of the Shares in future contributed by, amongst other factors, his commitment to and collaboration with the Group as contemplated. The Board therefore reasonably believes that it is Dr. Lam's market foresight that the trading price of the Shares on the Main Board would in the long run rise to a price where it would be financially beneficial for him to (i) exercise the Share Options at the said exercise price and subsequently, if he sees fit and subject to the said restriction from transferring or disposing of Shares under HK\$1.08 per Share, transfer or dispose of the Shares issued thereupon; and (ii) only then transfer or dispose of the Condition Shares as well.



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## LETTER FROM THE BOARD

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The Board (including the independent non-executive Directors) considers the terms of the grant of the Share Options to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Reasons for and benefits of the proposed refreshment of the Scheme Mandate Limit**

The life of the Share Option Scheme is 10 years commencing on the Listing Date, i.e. from 13 July 2018 to 12 July 2028, according to the terms of the Share Option Scheme. However, as mentioned above, the existing Scheme Mandate Limit would be fully utilized upon the grant of the Share Options to Dr. Lam (subject to the Shareholders' approval therefor). Further, even if the grant of the Share Options to Dr. Lam is not approved by the Shareholders at the EGM and therefore shall lapse pursuant to its terms, the existing Scheme Mandate Limit had been substantially utilized as to 88.80% based on the outstanding share options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme prior to the Grant Date. It was therefore proposed that the Scheme Mandate Limit be refreshed in order to allow and/or facilitate the grant of share options in future to other grantees. In particular, the Board considers that the proposed refreshment of the Scheme Mandate Limit is in the interests of the Group and the Shareholders as a whole as it will enable the Company more flexibility to attract, retain and motivate other eligible participants of the Share Option Scheme going forward and strive for future developments and expansion of the Group. It will also serve as incentive to encourage the eligible participants to perform their best in achieving the goals of the Group and allow them to enjoy the results of the Group attained through their efforts and contributions.

Save as disclosed in this circular, as at the Latest Practicable Date, the Company had no immediate plan and was not contemplating granting any share options in the near future following the proposed refreshment of the Scheme Mandate Limit.

### **LISTING RULES IMPLICATIONS**

Given that the total number of Shares to be issued upon full exercise of the Share Options which are conditionally granted to Dr. Lam exceeds 1% of the Shares in issue as at the Grant Date (with no share options having been granted to Dr. Lam within the 12 months prior to the Grant Date under any share option scheme adopted by the Company), pursuant to the Note to Rule 17.03(4) of the Listing Rules and Clause 8.3 of the Share Option Scheme, the grant of the total 20,000,000 Share Options to Dr. Lam shall be subject to approval by the Shareholders at the EGM.

Further, the grant of the total 20,000,000 Share Options to Dr. Lam exceeds the existing Scheme Mandate Limit by 14,400,000 Share Options. Pursuant to Note 1 to Rule 17.03(3) of the Listing Rules and Clause 8.2.3 of the Share Option Scheme, the Company may seek separate approval by the Shareholders in general meeting for granting the Share Options beyond the Scheme Mandate Limit provided the Share Options in excess of the Scheme Mandate Limit are granted only to participants specifically identified by the Company before such approval is sought. Therefore, the grant of the Share Options in excess of the existing Scheme Mandate Limit to Dr. Lam is subject to the approval of the Shareholders at the EGM.



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## LETTER FROM THE BOARD

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Subject to the grant of the Share Options to Dr. Lam becoming unconditional, the existing Scheme Mandate Limit would be fully utilized. Further, even if the grant of the Share Options to Dr. Lam is not approved by the Shareholders at the EGM and therefore shall lapse pursuant to its terms, the existing Scheme Mandate Limit had been substantially utilized as to 88.80% based on the outstanding share options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme prior to the Grant Date. Pursuant to Note 1 to Rule 17.03(3) of the Listing Rules and Clause 8.2.2 of the Share Option Scheme, the Company may seek separate approval by the Shareholders in general meeting for refreshing the Scheme Mandate Limit.

Pursuant to Note 2 to Rule 17.03(3) of the Listing Rules and Clause 8.1 of the Share Option Scheme, the maximum number of Shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company (i.e. the Pre-IPO Share Option Scheme as at the Latest Practicable Date) must not exceed 30% of the Shares in issue from time to time. As at the Latest Practicable Date, 44,400,000 Shares may be issued upon the exercise of all outstanding share options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme (excluding the Share Options conditionally granted to Dr. Lam), together with the 20,000,000 Shares which may be issued upon the exercise of the Share Options conditionally granted to Dr. Lam under the Share Option Scheme and the maximum of 50,000,000 Shares which may be issued upon the exercise of share options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company under the Scheme Mandate Limit as refreshed (which represent 10% of the total number of Shares in issue as at the date of passing the resolution approving the proposed refreshment of the Scheme Mandate Limit at the EGM, assuming that no new Shares will be issued or repurchased prior to the EGM), the total number of Shares issuable upon the full exercise thereof amount to approximately 22.88% of all Shares in issue and therefore will not exceed the overall limit of 30% of all Shares in issue.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, as at the Latest Practicable Date, Dr. Lam and his associates (as defined under the Listing Rules) are Independent Third Parties and do not have any notifiable interest in the Shares within the meaning of Part XV of the SFO (save for Dr. Lam's interest in the Share Options). Notwithstanding the foregoing, Dr. Lam has a material interest in the grant of the Share Options. Accordingly, Dr. Lam and his associates (to the extent they hold any Shares) are required to abstain from voting in respect of the resolution to approve the grant of the Share Options at the EGM. Save as disclosed above, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder has a material interest in the grant of the Share Options and the proposed refreshment of the Scheme Mandate Limit which is different from that of the other Shareholders. Accordingly, no Shareholder is required to abstain from voting in respect of the resolutions to approve the grant of the Share Options (save as disclosed above) and the proposed refreshment of the Scheme Mandate Limit at the EGM.

### **EGM**

The EGM Notice is set out on pages EGM-1 to EGM-3 of this circular. At the EGM, resolutions will be proposed to approve the grant of the Share Options and the proposed refreshment of the Scheme Mandate Limit respectively.

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## LETTER FROM THE BOARD

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Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the EGM in the manner prescribed under the Listing Rules.

A form of proxy for the EGM (or any adjournment thereof) is also enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM or any adjourned meeting thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked. In order to lower the risk of spread of COVID-19, the Company encourages the Shareholders to consider appointing the chairman of the EGM as his/her proxy to vote on the relevant resolutions at the EGM as an alternative to attending the EGM in person.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this circular is accurate and complete in all respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement herein or this circular misleading.

### RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the grant of the Share Options and the proposed refreshment of the Scheme Mandate Limit are each fair and reasonable and in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of all the resolutions to be proposed at the EGM to approve the grant of the Share Options and the proposed refreshment of the Scheme Mandate Limit respectively.

By order of the Board of  
**BExcellent Group Holdings Limited**  
**Leung Ho Ki, June**  
*Chairman*

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## NOTICE OF EGM

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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)**

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (“**EGM**”) of BExcellent Group Holdings Limited (“**Company**”) will be held at Units 01-03 & 05-06, 12/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong on 28 September 2020 (Monday) at 10:30 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions of the Company (unless otherwise specified, capitalised terms defined in the circular dated 7 September 2020 issued by the Company (“**Circular**”) shall have the same meanings when used herein):

### ORDINARY RESOLUTIONS

- (1) “**THAT** subject to and conditional upon the other conditions precedent (as detailed in the Circular) to the grant of 20,000,000 share options (“**Share Options**”) under the share option scheme adopted by the Company on 21 June 2018 (“**Share Option Scheme**”) becoming unconditional having been fulfilled, the grant of the 20,000,000 Share Options under the Share Option Scheme (in which (i) 5,600,000 Share Options are under the existing mandate limit of the Share Option Scheme; and (ii) 14,400,000 Share Options are beyond the existing mandate limit) to Dr. Lam, Yat Ming (“**Dr. Lam**”) entitling him to subscribe for an aggregate of 20,000,000 ordinary shares of nominal value of HK\$0.01 each in the share capital of the Company (“**Share(s)**”) at the exercise price of HK\$0.60 per Share, the terms of grant are set out in the Circular, a copy of which has been submitted to this meeting marked “A” and initialed by the chairman of this meeting for identification purposes, be and is hereby approved; and any director or the company secretary of the Company be and is hereby authorised to do such things and acts for and on behalf of the Company as may be necessary or expedient in order to give full effect to or otherwise in connection with such grant of the Share Options to Dr. Lam, the issue of Shares upon the exercise of the Share Options by Dr. Lam and the transactions contemplated thereunder.”

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## NOTICE OF EGM

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- (2) “**THAT** subject to and conditional upon the Listing Division of the Stock Exchange granting the approval for the listing of and permission to deal in the Shares which may be allotted and issued pursuant to the exercise of the share options which may be granted under the New Scheme Mandate Limit (as hereinafter defined), the refreshment of the maximum number of Shares which may be issued upon exercise of all share options which may be granted pursuant to the Share Option Scheme and all other share option scheme(s) of the Company, up to 10% of the total number of Shares in issue as at the date of the passing of this resolution (the “**New Scheme Mandate Limit**”) be and is hereby approved; and any director or the company secretary of the Company be and is hereby authorised to do such things and acts for and on behalf of the Company as may be necessary or expedient in order to give full effect to or otherwise in connection with the New Scheme Mandate Limit, including without limitation to make all relevant applications, registrations and filings with the Stock Exchange and sign and execute further documents, and to allot, issue and deal with the Shares to be issued pursuant to the exercise of such share options.”

By order of the Board of  
**BExcellent Group Holdings Limited**  
**Leung Ho Ki, June**  
*Chairman*

Hong Kong, 7 September 2020

*Notes:*

- (1) Dr. Lam and any other Shareholders and their respective associates who are involved or materially interested in the grant of the Share Options will or will be required to abstain from voting on the resolution to be proposed for approving the grant of the Share Options and the transactions contemplated thereunder at the EGM.
- (2) All resolutions at the EGM will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”). The results of the poll will be published on the website of Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) in accordance with the Listing Rules.
- (3) A member entitled to attend and vote at the EGM is entitled to appoint one or more proxies (if the member holds two or more shares) to attend and vote in his stead. A proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number and class of shares in respect of which each proxy is so appointed.
- (4) To be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed or a notorially certified copy of such power or authority must be deposited at the Company’s Hong Kong branch share registrar and transfer office (“**Registrar**”), Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 48 hours before the time appointed for holding the EGM or any adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude a member from attending in person and voting at the EGM (or any adjournment thereof) if the member so desires, and in such event, the form of proxy previously submitted by such member shall be deemed to be revoked. In order to lower the risk of spread of COVID-19, the Company encourages members to consider appointing the chairman of the EGM as his/her proxy to vote on the relevant resolutions at the EGM as an alternative to attending the EGM in person.

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## NOTICE OF EGM

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- (5) Where there are joint registered holders of any share(s) in the Company, any one of such persons may vote at any meeting, either in person or by proxy, in respect of such share(s) as if such person was solely entitled thereto; but if more than one of such joint holders are present at the meeting personally or by proxy, the vote of that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share(s) shall be accepted to the exclusion of the votes of the other joint holders.
- (6) For the purposes of determining members' eligibility to attend, speak and vote at the EGM (or at any adjournment of it), the register of members of the Company will be closed as set out below:

Latest time to lodge transfer documents for registration with  
the Registrar . . . . . At 4:30 p.m. on  
Tuesday, 22 September 2020

Closure of register of members . . . . . From Wednesday, 23 September 2020  
to Monday, 28 September 2020  
(both dates inclusive)

Record date . . . . . Monday, 28 September 2020

During the above closure period, no transfer of shares will be registered. To be eligible to attend, speak and vote at the EGM (or any adjournment of it), all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than the aforementioned latest time.

*As at the date of this notice, the Executive Directors of the Company 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 of the Company is Dr. Shen Simon (formerly known as Dr. Shen Xu Hui); and the Independent Non-Executive Directors of the Company are Mr. Kwan Chi Hong, Mr. Li Kai Sing and Professor Wong Roderick Sue Cheun.*