



BExcellent Group Holdings Limited 精英匯集團控股有限公司

(Incorporated in the Cayman Islands with limited liability 於開曼群島註冊成立的有限公司)

Stock Code 股份代號：1775



2025 INTERIM REPORT

中期報告

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FINANCIAL AND OPERATIONAL HIGHLIGHTS

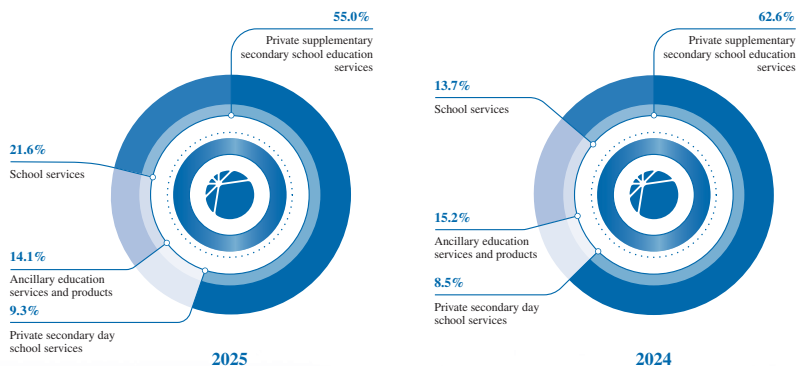
FINANCIAL HIGHLIGHTS

	For the six months ended 31 January	
	2025 HK\$'000	2024 HK\$'000
Revenue	94,232	79,704
Loss for the period	(8,275)	(3,776)
Adjusted loss for the period (Note 1)	(2,711)	(4,951)
Loss attributable to the owners of the Company	(7,972)	(5,114)
Losses per share		
Basic and diluted (HK cents)	(1.57)	(1.01)

Note 1: Adjusted loss was defined as loss attributable to owners of the Company adjusted by excluding the changes in fair value of an investment property, fair value on financial assets at fair value through profit or loss and interest expenses on bank loans.

OPERATIONAL HIGHLIGHTS

The below table summarizes our Group's revenue proportion for each category of services we provided during the six month ended 31 January 2025 and 2024:



The summary below lists out the revenue and operational data of our private supplementary secondary school education services for the six months ended 31 January 2025 and 2024:

	For the six months ended 31 January	
	2025	2024
Revenue (HK\$'000)	51,786	49,897
No. of teaching centres (as at 31 January)	13	11
Maximum classroom capacity (Note 1)	2,166	2,273
Revenue per average classroom capacity (HK\$'000)	23.9	22.0

Note 1:

Being the average of the maximum number of students permitted in our classrooms as at beginning and closing of the period pursuant to the certificates of accommodation issued to our schools, and for school(s) in which the application for the certificate(s) of accommodation is/are being made, the maximum number of students in our classrooms that we have applied for.

CORPORATE INFORMATION

EXECUTIVE DIRECTORS

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

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kwan Chi Hong
Mr. Li Kai Sing
Mr. Tai Kwok Leung, Alexander

COMPANY SECRETARY

Mr. Choi Shing Wai, *FCPA*

AUDIT COMMITTEE

Mr. Li Kai Sing (*Chairman*)
Mr. Kwan Chi Hong
Mr. Tai Kwok Leung, Alexander

REMUNERATION COMMITTEE

Mr. Kwan Chi Hong (*Chairman*)
Mr. Li Kai Sing
Mr. Tam Wai Lung
Mr. Li Man Wai
Mr. Tai Kwok Leung, Alexander

NOMINATION COMMITTEE

Ms. Leung Ho Ki, June (*Chairman*)
Mr. Kwan Chi Hong
Mr. Li Kai Sing
Mr. Tam Wai Lung
Mr. Tai Kwok Leung, Alexander

AUTHORISED REPRESENTATIVES

Ms. Leung Ho Ki, June
Mr. Choi Shing Wai, *FCPA*

INDEPENDENT AUDITOR

SHINEWING (HK) CPA Limited
Certified Public Accountants
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LEGAL ADVISERS

Adrian Lau & Yim Lawyers

PRINCIPAL BANKER

Standard Chartered Bank (Hong Kong) Limited

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HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited
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Hong Kong

COMPANY'S WEBSITE

www.bexcellentgroup.com

STOCK CODE

1775

MANAGEMENT DISCUSSION AND ANALYSIS

Unless otherwise specified, (i) capitalised terms used in this Interim Report shall have the same meanings as those 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/or percentages (as the case may be).

BUSINESS REVIEW

Our Group is a leading education services provider that offers a wide range of educational services and products in Hong Kong for 36 years since 1989. We also serve a wide range of students with age from 2 years old to adults. 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 mainland China. 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. Our teaching centres situated in areas across districts in Hong Kong. In recent years, our Group made further effort in expanding the school service market and successfully extended our educational services to mainland China. As at 31 January 2025, we were operating 13 teaching centres, with a total of 84 classrooms, which, in accordance with the EDB's guidelines, allow a maximum classroom capacity of 2,266 students to attend class at the same time. Though the economy recovery in Hong Kong has been in a slow pace, our Group still recorded a moderate growth in revenue from HK\$79.7 million for the six months ended 31 January 2024, to HK\$94.2 million for the six months ended 31 January 2025, representing an increase of HK\$14.5 million or 18.2%. In line with our Group's strategy of business diversification that has been implemented in recent years, the proportion of revenue derived from private supplementary secondary school education services has further decreased from 62.6% for the six months ended 31 January 2024 to 55.0% for the six months ended 31 January 2025. Overall, all categories of our key services and products experienced growth and among others, revenue derived from the provision of school services increased by HK\$9.5 million or 86.5% from HK\$10.9 million for the six months ended 31 January 2024 to HK\$20.4 million for the six months ended 31 January 2025. This is promising as there was a consistent growth in our Group's penetration of the B2B market in both Hong Kong and mainland China.

Below is a summary of the revenue for each category of services which we provided for each of the six months ended 31 January 2025 and 2024:

	For the six months ended 31 January			
	2025		2024	
	HK\$'000	%	HK\$'000	%
Private supplementary secondary school education services	51,786	55.0	49,897	62.6
Private secondary day school services	8,726	9.3	6,743	8.5
School services	20,390	21.6	10,934	13.7
Ancillary education services and products	13,330	14.1	12,130	15.2
	94,232	100.0	79,704	100.0

MANAGEMENT DISCUSSION AND ANALYSIS

i) Private supplementary secondary school education services

The Group's revenue derived from private supplementary secondary school education services, ranging from Secondary 1 to Secondary 6, is mainly under our "Beacon College" (遵理學校) brand. This revenue increased by HK\$1.9 million, or 3.8%, from HK\$49.9 million for the six months ended 31 January 2024 to HK\$51.8 million for the six months ended 31 January 2025. The increase was primarily due to our services related to international curriculums, such as A-Level and IB, in addition to HKDSE, which align with our Group strategy to expand service lines horizontally.

On the other hand, we were able to maintain the revenue level of traditional HKDSE services for the reporting period, despite that our Group's maximum classroom capacity decreased by 4.7% between the two reporting periods due to teaching centre network optimization. With more effective utilization of our teaching centre network, our revenue per average classroom capacity increased by 8.6%, from HK\$22,000 for the six months ended 31 January 2024 to HK\$23,900 for the six months ended 31 January 2025.

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 six months ended 31 January 2025, the revenue increased by HK\$2.0 million or 29.4% when compared with that in the previous financial period.

iii) School services

Our Group aimed to diversify our education business in recent years, we offered various school services such as education services to schools and institutions in Hong Kong and mainland China 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 six months ended 31 January 2025 and 2024 respectively:

	For the six months ended 31 January	
	2025 HK\$'000	2024 HK\$'000
Hong Kong	7,416	4,269
Mainland China	12,974	6,665
	20,390	10,934

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 mainland China. We offered various consultancy services and support to education institutions in Shenzhen, Dongguan, Foshan and Hangzhou in mainland China during the six months ended 31 January 2025. On the other hand, our Group offered various academic and activity-based programs to over 200 schools in Hong Kong. The increase in variety of school services such as overseas and mainland China study tours and our quality services resulted in a continuous growth in revenue. Our revenue derived from school services increased significantly by HK\$9.5 million or 86.5% from HK\$10.9 million for the six months ended 31 January 2024 to HK\$20.4 million for the six months ended 31 January 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

iv) Ancillary education services and products

Our Group offered various ancillary education services and products such as (i) IELTS and foreign language courses under our “Beacon BExcellent” brand; (ii) mock examination services; (iii) VIP self-study services; and (iv) tutorial and consultation services, interview preparation, language and supplementary primary school education under our childhood education brands, BTEC Level 3 Certificate in Enterprise and Entrepreneurship and language courses and BTEC level 5 Higher National Diploma in Business RQF under “Beacon CAPE” brand, education consultancy services, as well as online retail and education businesses under our “Beacon Living” and “CourseZ” brands respectively. The table below shows the revenue components of the ancillary education services and products for each of the six months ended 31 January 2025 and 2024:

	For the six months ended 31 January	
	2025 HK\$'000	2024 HK\$'000
Beacon BExcellent	2,747	4,214
Mock examination services	3,250	1,007
VIP self-study services	412	432
Childhood and other education services	6,921	6,477
Total	13,330	12,130

The revenue of Beacon BExcellent decreased by HK\$1.5 million or 34.8% from HK\$4.2 million for the six months ended 31 January 2024 to HK\$2.7 million for the six months ended 31 January 2025. The decrease was mainly due to the decrease in enrollment in IELTS courses registered under CEF during the period. The revenue of mock examination services increased by HK\$2.2 million or 222.7% from HK\$1.0 million for the six months ended 31 January 2024 to HK\$3.3 million for the six months ended 31 January 2025. The growth was mainly attributable to timing of the mock examination being conducted, it was held earlier this year in January 2025, whereas it was held in February 2024 last year. Childhood and other education services comprise revenue arising from (i) the provision of childhood education services; (ii) certain post-HKDSE courses such as BTEC Level 3 Certificate in Enterprise and Entrepreneurship and language courses; (iii) online learning platforms, such as CourseZ.com; (iv) online store namely Beacon Living; and (v) education consultancy services. The relevant revenue increased by HK\$0.4 million or 6.9% from HK\$6.5 million for the six months ended 31 January 2024 to HK\$6.9 million for the six months ended 31 January 2025. Such an increase was mainly attributable to the revenue growth derived from childhood education courses partially compensated by the decline in income from education consultancy services.

MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK AND FUTURE DEVELOPMENTS

During the six months ended 31 January 2025, our Group reinforced its market position in Hong Kong while advancing its expansion strategy in mainland China. Despite the slow economic recovery in Hong Kong, the Group's revenue growth across key business categories reflects the effectiveness of our Group's diversified service offerings and strategic initiatives.

Our Group continues to capitalize on the rising demand for HKDSE-related education services among new immigrants in Hong Kong and students in mainland China, in alignment with government initiatives to enhance the international recognition of the HKDSE and promote Hong Kong as a study destination. The newly established education consultation centre of the Group in Shenzhen serves as a foundation for the Group's further expansion beyond the Greater Bay Area. With the teaching team in mainland China doubling compared to the same period last year, our Group is strengthening its HKDSE expertise by integrating experienced Hong Kong teachers, and ensuring high-quality education consultancy services for schools and individuals.

Our Group is also expanding its presence in the B2B education sector in both Hong Kong and mainland China. The strong growth in revenue from school services highlights the success of our market development efforts. As HKDSE gains popularity among mainland Chinese students, our Group remains focused on deepening partnerships and exploring new operational models to accelerate market expansion.

In Hong Kong, our Group remains committed to optimizing core operations. Private supplementary secondary school education continues to be a key revenue driver, while the private secondary day school segment has seen a steady growth. The expansion of international curriculum offerings, such as A-Level and IB, supports the Group's efforts to position Hong Kong as a regional education hub, attracting a broader student base.

With a strong market position and a diversified service portfolio, our Group remains optimistic about future growth. By leveraging education technology and enhancing brand recognition, our Group is well-positioned to capture emerging opportunities in the evolving education landscape.

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\$14.5 million, or 18.2%, from HK\$79.7 million for the six months ended 31 January 2024 to HK\$94.2 million for the six months ended 31 January 2025. This was mainly due to the remarkable revenue growth from our Group's school services.

Revenue from the provision of private supplementary secondary school education services increased by HK\$1.9 million or 3.8% from HK\$49.9 million for the six months ended 31 January 2024 to HK\$51.8 million for the six months ended 31 January 2025. Such an increase was mainly brought by the growth in course enrollment related to international curriculum other than HKDSE.

Revenue from private secondary day school services increased by HK\$2.0 million or 29.4% from HK\$6.7 million for the six months ended 31 January 2024 to HK\$8.7 million for the six months ended 31 January 2025. The increase was attributable to the increase in school fee as well as the student enrollment number.

Revenue from school services increased by HK\$9.5 million or 86.5% from HK\$10.9 million for the six months ended 31 January 2024 to HK\$20.4 million for the six months ended 31 January 2025. The demand for services from schools in both Hong Kong and mainland China is strong, allowing the Group to swiftly grasp the chance to penetrate the market.

Revenue from the provision of the ancillary education services and products increased by HK\$1.2 million or 9.9% from HK\$12.1 million for the six months ended 31 January 2024 to HK\$13.3 million for the six months ended 31 January 2025. This was mainly due to the increase in the revenue arising from mock examination services by HK\$2.2 million or 222.7% from HK\$1.0 million for the six months ended 31 January 2024 to HK\$3.3 million for the six months ended 31 January 2025, compensated by the HK\$1.5 million or 34.8% decline in revenue derived from Beacon BExcellent.

MANAGEMENT DISCUSSION AND ANALYSIS

Other income

Other income for the six months ended 31 January 2025 primarily consisted of advertising income, IT service income, government subsidies, rental income from an investment property and interest income from bank deposits.

Other income increased by HK\$1.9 million or 26.1% from HK\$7.3 million for the six months ended 31 January 2024 to HK\$9.2 million for the six months ended 31 January 2025. The increase was mainly attributable to the growth in advertising income compensated by the decline in revenue derived from IT services for the six months ended 31 January 2025.

Major costs components

The summary below shows the major costs components of the Group among which 56.5% (2024: 58.3%) (Note 1) is related to labor costs (staff costs and tutor service fees), followed by printing and other operating expenses, depreciation of right-of-use ("ROU") assets, short-term lease and low-value lease payments, and advertising and promotion expenses.

	For the six months ended 31 January			
	2025 HK\$'000	% of revenue	2024 HK\$'000	% of revenue
Staff costs (Note 1)	42,388	45.0	34,680	43.5
Tutor service fees (Note 1)	16,948	18.0	16,859	21.2
Printing and other operating expenses (Note 1)	26,020	27.6	20,383	25.6
Depreciation of ROU assets	7,330	7.8	7,437	9.3
Short-term lease and low-value lease payments	6,214	6.6	5,996	7.5
Advertising and promotion expenses	6,170	6.5	3,092	3.9

Note 1: Certain comparative figures have been reclassified to align with the presentation of the current period.

Staff costs

As at 31 January 2025, the Group had 240 full-time employees and maintained an accumulated pool of 92 part-time employees for seasonal and cyclical business needs.

Staff costs mainly consist of (i) salaries, allowances and bonus and (ii) pension costs. The Group remunerates its employees based on their performance, working experience and the prevailing market condition. Other employee benefits include mandatory provident fund, insurance and medical coverage and training.

The staff costs increased by HK\$7.7 million or 22.2% from HK\$34.7 million for the six months ended 31 January 2024 to HK\$42.4 million for the six months ended 31 January 2025. Such an increase was mainly attributable to the increase in staff headcount to support the Group's business expansion especially in mainland China offset by the continuous effort in corporate savings. The Group will engage more relatively low-cost resources in mainland China to cope with the fast-growing business there.

Save as disclosed in the section headed "Share Schemes" on pages 32 to 33 of this Interim Report, no other Shares Schemes in respect of employees were in effect during the six months ended 31 January 2025.

Tutor service fees

Typically we offer a revenue sharing scheme to our tutors and thus the tutor service fees are in general positively correlated to the revenue arising from private supplementary secondary school education services. Nevertheless, as the Group's business becomes more diversified, more tutors are engaged on an hourly rate basis or with a fixed project-based remuneration. These expenses have been reclassified from other operating expenses to tutor service fees for fair appraisal. The adjusted tutor service fees of HK\$16.9 million for the six months ended 31 January 2025 were comparable to those of the prior year, this was due to the increased teaching resources deployed to support business expansion in school services offset by the reversal of impairment of an amount due from a tutor.

MANAGEMENT DISCUSSION AND ANALYSIS

Printing and other operating expenses

Printing and other operating expenses primarily consist of printing expenses, building management fees, service fees to freelancers, legal and professional fees, utilities and other administrative expenses. These expenses increased by HK\$5.6 million or 27.7% from HK\$20.4 million for the six months ended 31 January 2024 to HK\$26.0 million for the six months ended 31 January 2025.

The increase was mainly attributable to the rise in service fees paid to various service providers supporting business growth in school services, as well as in private supplementary school education services for the international curriculum. Moreover, printing expenses, scholarships, office supplies, travel, repairs and maintenance, and certain administrative expenses increased in general to meet the demands of growth in the market of mainland China.

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

Depreciation of ROU assets, short-term leases, and low-value lease payments account for 7.8% and 6.6%, respectively (2024: 9.3% and 7.5%), of the Group's total revenue. Although the overall expenses remained at the level of HK\$13.5 million, the percentage of total revenue decreased from 16.9% for the six months ended 31 January 2024 to 14.4% for the six months ended 31 January 2025. Despite the increase in the number of teaching centers and offices employed to support business expansion, the Group was able to manage the rise in lease-related expenses due to efficient resource utilization and continuous efforts in teaching centre network optimization in recent years.

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. In order to capture the market opportunity in mainland China swiftly, the marketing and advertising effort put in mainland China contributed to a sharp rise of the advertising and promotion expenses. The overall advertising and promotion expenses increased sharply by HK\$3.1 million or 99.5% from HK\$3.1 million for the six months ended 31 January 2024 to HK\$6.2 million for the six months ended 31 January 2025.

Income tax expense

The income tax expense for the period ended 31 January 2025 was HK\$0.05 million (income tax expense for the six months ended 31 January 2024: HK\$0.5 million). The effective tax rates of the Group for the six months ended 31 January 2025 and 2024 were 0.6% and 15.4% respectively.

Loss for the period

The Group recorded a loss of HK\$8.3 million for the six months ended 31 January 2025 (loss of the Group for the six months ended 31 January 2024: HK\$3.8 million). The loss was mainly due to the resources deployed in the initial investment stage for strategic business development in the market of mainland China.

Liquidity, financial resources and capital structure

As at 31 January 2025, the Group's net current liabilities was HK\$21.4 million, which mainly consisted of prepayments, deposits and other receivables and cash and cash equivalents less other payables, contract liabilities, current income tax payable, borrowings and lease liabilities.

The Group's current assets slightly decreased from HK\$121.6 million as at 31 July 2024 to HK\$117.8 million as at 31 January 2025. Such a decrease in current assets was primarily due to the decrease in cash and cash equivalents from HK\$76.6 million as at 31 July 2024 to HK\$65.7 million as at 31 January 2025.

Among the cash and cash equivalents of the Group as at 31 January 2025, 53.2% was denominated in Hong Kong Dollar and 42.5% was denominated in Renminbi.

As at 31 January 2025, the current ratio of the Group (expressed as current assets divided by current liabilities) was 0.8, compared with 0.9 as at 31 July 2024. The Group is not exposed to material fluctuations in exchange rates or any related hedges.

MANAGEMENT DISCUSSION AND ANALYSIS

As at 31 January 2025, the Group had bank borrowings amounting to HK\$79.5 million (31 July 2024: HK\$80.3 million) and lease liabilities HK\$14.3 million (31 July 2024: HK\$18.9 million). All lease liabilities and bank borrowings were denominated in Hong Kong Dollar and Renminbi. All bank borrowings are under a floating interest rate structure.

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.

Charges on the Group's Assets

The Group has investment property with carrying value of approximately HK\$16.8 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 January 2025, the Group's gearing ratio (calculated based on bank borrowings amounting to HK\$79.5 million and lease liabilities amounting to HK\$14.3 million divided by equity attributable to the owners of the Company as at the period end date amounting to HK\$44.5 million) was 210.8% (31 July 2024: 189.0%).

Contingent liabilities

The Group did not have any material contingent liabilities as at 31 January 2025 (2024: nil).

DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 31 January 2025 (2024: nil).

ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Save as disclosed in Note 14 to the section headed "Notes to The Condensed Consolidated Financial Statements" in this Interim Report, there was no other material acquisition or disposal of subsidiaries, associates or joint ventures during the six months ended 31 January 2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 31 January 2025, the Group did not have any definite future plan for material investments or capital assets in the coming period of six months ended 31 July 2025.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31 January 2025

	Note	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Revenue	3	94,232	79,704
Other income	4	9,192	7,291
Other losses	4	(6,320)	(43)
Staff costs	5	(42,388)	(34,680)
Tutor service fees		(16,948)	(16,859)
Short-term lease and low-value lease payments		(6,214)	(5,996)
Advertising and promotion expenses		(6,170)	(3,092)
Printing and other operating expenses		(26,020)	(20,383)
Depreciation and amortisation		(8,725)	(9,033)
Change in fair value of investment property	13	2,200	1,100
Operating loss		(7,161)	(1,991)
Finance costs	6	(1,847)	(1,665)
Share of profit of associates		779	383
Loss before tax	7	(8,229)	(3,273)
Income tax expense	8	(46)	(503)
Loss for the period		(8,275)	(3,776)
Other comprehensive income/(loss)			
Item that may be reclassified subsequently to profit or loss			
Exchange difference arising on translation of financial statement of foreign operations		1	(155)
Item that will not be reclassified to profit or loss			
Change in the fair value of equity investment at fair value through other comprehensive income		—	(3)
Other comprehensive income/(loss) for the period		1	(158)
Total comprehensive loss for the period		(8,274)	(3,934)
Loss attributable to			
– Owners of the Company		(7,972)	(5,114)
– Non-controlling interests		(303)	1,338
		(8,275)	(3,776)
Total comprehensive loss for the period attributable to			
– Owners of the Company		(7,971)	(5,272)
– Non-controlling interests		(303)	1,338
		(8,274)	(3,934)
Basic and diluted loss per share for loss attributable to the owners of the Company (expressed in HK cents per share)			
	9	(1.57)	(1.01)

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 January 2025

		31 January 2025 HK\$'000 (Unaudited)	31 July 2024 HK\$'000 (Audited)
	Note		
Assets			
Non-current assets			
Property, plant and equipment	11	8,457	7,985
Right-of-use assets	12	25,155	29,937
Investment property	13	16,800	14,600
Intangible assets		6,893	6,917
Interest in associates		7,500	5,861
Financial assets at fair value through other comprehensive income		16	16
Deferred income tax assets		4,592	4,578
Financial assets at fair value through profit or loss		—	335
Deposits		1,492	2,931
		70,905	73,160
Current assets			
Accounts receivables	16	6,483	6,073
Deposits, prepayments and other receivables	17	34,873	19,314
Financial assets at fair value through profit or loss	15	10,776	19,606
Cash and cash equivalents	18	65,681	76,560
		117,813	121,553
Total assets		188,718	194,713
Equity			
Share capital	21	124,135	124,135
Reserves		(79,648)	(71,677)
Equity attributable to owners of the Company		44,487	52,458
Non-controlling interests		1,330	1,665
Total equity		45,817	54,123
Liabilities			
Current liabilities			
Other payables	20	18,128	14,794
Contract liabilities	19	29,870	24,935
Current income tax payable		487	427
Borrowings		79,510	80,292
Lease liabilities		11,177	13,490
		139,172	133,938

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 January 2025

		31 January 2025 HK\$'000 (Unaudited)	31 July 2024 HK\$'000 (Audited)
	Note		
Non-current liabilities			
Other payables	20	627	1,267
Deferred income tax liabilities		18	18
Lease liabilities		3,084	5,367
		<u>3,729</u>	<u>6,652</u>
Total liabilities		<u>142,901</u>	<u>140,590</u>
Total equity and liabilities		<u>188,718</u>	<u>194,713</u>

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 January 2025

	Note	Attributable to owners of the Company					Total equity HK\$'000
		Share capital and share premium HK\$'000	Other reserves HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	
Balance at 1 August 2023 (audited)		124,135	6,003	(53,065)	77,073	1,424	78,497
(Loss)/profit for the period		—	—	(5,114)	(5,114)	1,338	(3,776)
Other comprehensive loss for the period							
Exchange difference arising on translation of financial statements		—	(155)	—	(155)	—	(155)
Change in the fair value of equity investment at fair value through other comprehensive income		—	(3)	—	(3)	—	(3)
Total comprehensive (loss)/income for the period		—	(158)	(5,114)	(5,272)	1,338	(3,934)
Total transactions with owners in their capacity as owners		—	—	—	—	—	—
Balance at 31 January 2024 (unaudited)		124,135	5,845	(58,179)	71,801	2,762	74,563
Balance at 1 August 2024 (audited)		124,135	5,917	(77,594)	52,458	1,665	54,123
(Loss)/profit for the period		—	—	(7,972)	(7,972)	(303)	(8,275)
Other comprehensive loss for the period							
Exchange difference arising on translation of financial statements		—	1	—	1	—	1
Total comprehensive (loss)/income for the period		—	1	(7,972)	(7,971)	(303)	(8,274)
Transaction with owners in their capacity as owners							
Acquisition of subsidiaries		—	—	—	—	(32)	(32)
Total transactions with owners in their capacity as owners		—	—	—	—	(32)	(32)
Balance at 31 January 2025 (unaudited)		124,135	5,918	(85,566)	44,487	1,330	45,817

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 January 2025

		For the six months ended 31 January	
	Note	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Cash flows from operating activities			
Cash (used in)/generated from operations	22	(3,533)	5,885
Net cash from operating activities		(3,533)	5,885
Cash flows from investing activities			
Purchases of property, plant and equipment	11	(1,490)	(642)
Payment for acquisition of subsidiary, net of cash acquired		665	—
Payments for investment in associate		(860)	—
Purchase of intangible assets		(198)	—
Dividend received from an associate		—	400
Interest received		379	694
Proceed for disposal of financial assets at fair value through profit or loss		3,028	6,583
Payment for acquisition of financial assets at fair value through profit or loss		—	(7,346)
Dividend income from financial assets at fair value through profit or loss		481	569
Net cash generated from investing activities		2,005	258
Cash flows from financing activities			
Principal elements of lease payment		(6,876)	(7,124)
Interest elements of lease payment	6	(552)	(513)
Repayment of borrowings		(783)	(255)
Interest paid		(1,295)	(1,152)
Proceeds from borrowings		—	15,820
Net cash (used in)/generated from financing activities		(9,506)	6,776
Net (decrease)/increase in cash and cash equivalents		(11,034)	12,919
Cash and cash equivalents at beginning of the period		76,560	75,283
Exchange differences on cash and cash equivalents		155	(72)
Cash and cash equivalents at end of the period		65,681	88,130

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

BExcellent Group Holdings Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, 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, school services and the provision of ancillary education services and products in Hong Kong and mainland China. The ultimate holding is Beacon Enterprise Limited, a company incorporated in the British Virgin Islands with limited liability.

These condensed consolidated financial statements are presented in thousands of Hong Kong dollars (“HK\$’000”), unless otherwise stated.

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Presentation

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

2.2 Principal Accounting Policies

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated interim financial information are consistent with those used in the Group’s annual financial statements for the year ended 31 July 2024, except for the following revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that have been adopted by the Group for the first time for the current period’s unaudited interim financial information:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and the related amendments to Hong Kong Interpretation 5(2020)
	Presentation of Financial Statements –
	Classification by the Borrower of a Team Loan that
	Contains a Repayment on Demand Clause
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Financial Arrangements

The adoption of the above revised HKFRSs has had no significant financial effect on these interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED 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) IELTS and foreign language courses under our "Beacon BExcellent" brand; (ii) mock examination services; (iii) VIP self-study services; and (iv) tutorial and consultation services, interview preparation, language and supplementary primary school education under our childhood education brands, BTEC Level 3 Certificate in Enterprise and Entrepreneurship and language courses and BTEC level 5 Higher National Diploma in Business RQF under "Beacon CAPE" brand, education consultancy services, as well as online retail and education businesses under our "Beacon Living" and "CourseZ" brands respectively. The CODM consider that the Group operates and is managed as a single operating segment.

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

	Six months ended 31 January	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregates by major products or services lines		
Private supplementary secondary school education services	51,786	49,897
Private secondary day school services	8,726	6,743
School services	20,390	10,934
Ancillary education services and products	13,330	12,130
	94,232	79,704
Timing of revenue recognition:		
Overtime	89,390	76,087
At a point in time	4,842	3,617
Total revenue from contracts with customers	94,232	79,704

Majority of the Group's revenue from external customers and assets were generated from and located in Hong Kong. All unsatisfied contracts of the Group were related to education service contracts and those contracts were for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

4 OTHER INCOME AND OTHER LOSSES

	Six months ended 31 January	
	2025	2024
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Other income		
– Advertising income	3,528	1,673
– IT service income	2,101	2,888
– Interest income	379	694
– Dividend income from financial assets at fair value through profit or loss	481	569
– Rental income from investment property	685	359
– Government subsidies	768	492
– Sundry income	1,250	616
	<u>9,192</u>	<u>7,291</u>
Other losses		
Exchange differences - net	(154)	68
Fair value gain/(loss) on financial assets at fair value through profit or loss	795	(1,494)
(Loss)/gain on disposal of financial assets at fair value through profit or loss	(6,961)	1,383
	<u>(6,320)</u>	<u>(43)</u>

5 STAFF COSTS

	Six months ended 31 January	
	2025	2024
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Salaries, allowances and bonus	40,611	33,148
Pension costs-defined contribution retirement plans (Note (a))	1,777	1,532
	<u>42,388</u>	<u>34,680</u>

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 that 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

6 FINANCE COSTS

	Six months ended 31 January	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Interest expenses on lease liabilities	552	513
Interest expenses on bank loans	1,295	1,152
	<u>1,847</u>	<u>1,665</u>

7 LOSS BEFORE TAX

	Six months ended 31 January	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Loss before tax has been arrived at after charging:		
Short-term lease expenses	6,214	5,996
Depreciation of right-of-use assets	7,330	7,437
Depreciation of property, plant and equipment	1,102	1,277
Printing and stationery	3,605	3,178
Amortisation of intangible assets	293	319
Impairment loss recognized in respect of property, plant and equipment	136	—
	<u>136</u>	<u>—</u>

8 INCOME TAX EXPENSE

The amounts of income tax expense charged to the condensed consolidated statement of comprehensive income represent:

	Six months ended 31 January	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Current income tax		
– Hong Kong profits tax	60	392
Deferred income tax	(14)	111
	<u>46</u>	<u>503</u>

Hong Kong profits tax has been provided at a rate of 16.5% on the estimated assessable profit for both periods. Taxation on overseas profits has been calculated on the estimated assessable profits for both periods at the rates of taxation prevailing in the countries where the Group operates.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

9 LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 31 January	
	2025 (Unaudited)	2024 (Unaudited)
Loss attributable to owners of the Company (HK\$'000)	(7,972)	(5,114)
Weighted average number of shares in issue (thousand shares)	507,632	507,632
Basic loss per share for loss attributable to owners of the Company (HK cent)	(1.57)	(1.01)

Basic and diluted loss per share for the six months ended 31 January 2025 and 2024 are the same since the potential shares from options are anti-dilutive.

10 CAPITAL, RESERVES AND DIVIDENDS

10.1 Dividend

There were no dividends paid or declared by the Company for the six months ended 31 January 2025 and 31 January 2024.

The Board does not recommend the payment of interim dividend for the six months ended 31 January 2025 (2024: nil).

10.2 Share Option Scheme

Share option plan with staff (including directors)

On 21 June 2018, the shareholders of the Company approved the adoption of a share option scheme. This share option scheme is designed to provide long-term incentives for staff (including directors) to deliver long-term shareholder returns. A nominal consideration of HK\$1.00 was paid by the grantees for the acceptance of share options. Pursuant to the terms of the grant of share options to such staff (including directors), the options are exercisable once the options become vested subject to service conditions and expiring after ten years from the date of grant. 30% of the share options shall vest on the first anniversary of the option legal grant date; another 30% of the share options shall vest on the second anniversary of the option legal grant date; and the remaining 40% of the share options shall vest on the third anniversary of the option legal grant date. Share-based compensation expenses are recognised over the options' respective vesting period starting from the contract signing date.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

10 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

10.2 Share Option Scheme (continued)

Share option plan with staff (including directors) (continued)

Movements of the share options are set out below:

	Six months ended 31 January			
	2025		2024	
	Average exercise price per share option HK cents	Number of options	Average exercise price per share option HK cents	Number of options
At beginning and end of the period	53.2	17,340,000	54.2	18,340,000
Vested and exercisable at end of the period	53.2	17,340,000	54.2	18,340,000

Save as disclosed in the above table, no options were granted, exercised, forfeited and expired during the periods covered by the above tables.

Share options outstanding at the end of the period have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price HK cents	Six months ended 31 January	
			2025	2024
23 January 2019	22 January 2029	49.3	14,520,000	14,520,000
1 April 2019	31 March 2029	73.0	2,820,000	3,820,000

Based on the fair value of the underlying ordinary share, the directors have used Black-Scholes valuation model to determine the fair value of the share option as at the grant date. Key assumptions are set as below:

Risk-free interest rate	1.421% - 1.845%
Volatility	35%
Dividend yield	8%

The risk free interest rate is based on the market rates of the generic Hong Kong government bond yield as of the option grant date.

The volatility is the average standard deviation of historical share price movement of the comparable companies in the relevant periods matching expected life of the share option.

The dividend yield is estimated according to the historical dividend distribution pattern.

The fair values of the share options as at 23 January 2019 and as at 1 April 2019 were HK\$0.0651 and HK\$0.0859 respectively.

During the six months ended 31 January 2025, the total expenses recognised in the condensed consolidated statement of comprehensive income for share options was approximately nil (2024: nil) and were included in staff costs.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

11 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31 January 2025, the Group acquired property, plant and equipment of HK\$1,490,000 (2024: HK\$642,000) and provided an impairment of HK\$137,000 (2024: nil).

12 RIGHT-OF-USE ASSETS

During the six months ended 31 January 2025, the additions to the right-of-use assets were HK\$2,548,000 (2024: HK\$8,204,000).

13 INVESTMENT PROPERTY

	31 January 2025 HK\$'000 (Unaudited)	31 July 2024 HK\$'000 (Audited)
As beginning of period/year	14,600	18,000
Change in fair value of investment property during the period/year (Note (i))	2,200	(3,400)
At the end of period/year	16,800	14,600

Note:

- (i) The Group measures its investment property at fair value. The fair value of the Group's investment property as at 31 January 2025 was determined based on management's assessment with reference to the recent market transaction price.

The Group's investment property carried at fair value of HK\$16,800,000 was valued by fair value measurements using significant unobservable inputs (level 3). The valuation method used by the Group to measure the fair value of the investment property is direct comparison method. It is based on comparing the property to be valued directly with other comparable properties, which have recently transacted. However, given the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration.

As at 31 January 2025, the Group's investment property with carrying value of approximately HK\$16,800,000 (31 July 2024: HK\$14,600,000) were pledged to secure bank facilities of the Group.

14 INTEREST IN AN ASSOCIATE

In January 2025, the Group acquired 30% of the equity interests in 東莞市一方遵理教育投資諮詢有限公司 at a total consideration of RMB800,000. It is principally engaged in provision of education consultancy services in Dongguan of mainland China.

15 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 January 2025 HK\$'000 (Unaudited)	31 July 2024 HK\$'000 (Audited)
Non-current assets		
Contingent consideration receivable	—	335
Current assets		
Continued consideration receivable	364	—
Listed equity securities	10,412	19,606
	10,776	19,941

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

16 ACCOUNTS RECEIVABLES

	31 January 2025 HK\$'000 (Unaudited)	31 July 2024 HK\$'000 (Audited)
Accounts receivables	6,643	6,073
Less: Allowance for impairment	(160)	—
	<u>6,483</u>	<u>6,073</u>

There is no credit period granted as the income from private supplementary secondary school education services, private secondary day school services and school services are normally received in advance through settlement in cash, cheque or credit cards. As at 31 January 2025 and 31 July 2024, the ageing analyses of the accounts receivables based on invoice date were as follows:

	31 January 2025 HK\$'000 (Unaudited)	31 July 2024 HK\$'000 (Audited)
1-30 days	4,957	4,267
31-60 days	556	470
Over 60 days	970	1,336
	<u>6,483</u>	<u>6,073</u>

The Group applies the HKFRS 9 simplified approach to measure expected credit losses ("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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

17 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	Note	31 January 2025 HK\$'000 (Unaudited)	31 July 2024 HK\$'000 (Audited)
Other receivables	(i)	20,410	11,772
Deposits and prepayments	(ii)	15,955	12,539
		36,365	24,311
Less: Allowance for impairment		—	(2,066)
		36,365	22,245
Less: non-current portion		(1,492)	(2,931)
Deposits, prepayments and other receivables – current portion		34,873	19,314

Notes:

- (i) As at 31 January 2025, other receivables of HK\$3,152,000 (31 July 2024: HK\$2,524,000) represent amounts due from tutors which arose from variable expenses incurred by the Group on behalf of the tutors.

As at 31 January 2025, other receivables include an amount of HK\$247,000 (31 July 2024: HK\$527,000) due from associates and a loan to an associate of HK\$210,000 (31 July 2024: HK\$860,000). The loan to an associate is unsecured, interest-free with three years repayment terms.

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

As at 31 January 2025, deposits of HK\$9,133,000 (31 July 2024: HK\$7,221,000), prepayments of HK\$5,330,000 (31 July 2024: HK\$2,387,000) and other receivables of HK\$20,410,000 (31 July 2024: HK\$9,706,000) are expected to be recovered within one year.

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

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

18 CASH AND BANK BALANCES

	31 January 2025 HK\$'000 (Unaudited)	31 July 2024 HK\$'000 (Audited)
Cash and cash equivalents	65,681	76,560

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

18 CASH AND BANK BALANCES (CONTINUED)

The carrying amounts of cash and bank balances approximate their fair values and are denominated in the following currencies:

	31 January 2025 HK\$'000 (Unaudited)	31 July 2024 HK\$'000 (Audited)
Hong Kong dollar	34,951	53,170
Renminbi	27,923	20,230
British pound	1,399	1,639
Australian dollar	1,382	1,455
Others	26	66
	65,681	76,560

19 CONTRACT LIABILITIES

As at 31 January 2025 and 31 July 2024, contract liabilities represent the tuition fee and consultation fee collected for education services that have not yet been rendered before the end of respective period/year.

20 OTHER PAYABLES

	Note	31 January 2025 HK\$'000 (Unaudited)	31 July 2024 HK\$'000 (Audited)
Other payables	(i)	15,939	13,512
Provision of reinstatement cost	(ii)	2,816	2,549
		18,755	16,061
Less: non-current portion		(627)	(1,267)
		18,128	14,794

Notes:

- (i) Other payables mainly represent accrued staff costs, printing expenses, legal and professional fees and advertising expenses, etc.
- (ii) Included in other payables is a current portion of provision of reinstatement cost of HK\$2,189,000 (31 July 2024: HK\$1,282,000). The movement of provision of reinstatement cost is as follows:

	31 January 2025 HK\$'000 (Unaudited)	31 July 2024 HK\$'000 (Audited)
Balance as at beginning of the period/year	2,549	3,012
Additions	267	277
Utilisation	—	(740)
	2,816	2,549
Balance as at closing of the period/year	(627)	(1,267)
Less: non-current portion		
	2,189	1,282
Current portion		

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

21 SHARE CAPITAL

	Number of shares	HK\$'000
Authorised:		
Ordinary shares at 31 July 2024 (audited) and at 31 January 2025 (unaudited)	10,000,000,000	100,000
Issued and fully paid:		
Ordinary shares at 31 July 2024 (audited)	507,632,000	124,135
Ordinary shares at 31 January 2025 (unaudited)	507,632,000	124,135

22 NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Cash generated from operations

	Six months ended 31 January	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Loss before taxation	(8,229)	(3,273)
Adjustments for:		
– Depreciation of property, plant and equipment	1,102	1,277
– Depreciation of right-of-use assets	7,330	7,437
– Amortisation of intangible assets	293	319
– Interest income	(379)	(694)
– Exchange differences-net	(154)	(68)
– Interest on bank loan	1,295	1,152
– Interest on lease liabilities	552	513
– Share of profit of associates	(779)	(383)
– Change in fair value of investment property	(2,200)	(1,100)
– Impairment losses on property, plant and equipment	136	—
– Fair value (gain)/loss of financial assets at fair value through profit or loss	(795)	1,494
– Loss/(gain) on disposal of financial assets at fair value through profit or loss	6,961	(1,383)
– Dividend income from financial assets at fair value through profit or loss	(481)	(569)
Change in working capital		
– Accounts receivables	(410)	(2,655)
– Deposits, prepayments and other receivables	(11,876)	(5,157)
– Contract liabilities	4,686	8,843
– Other payables	(585)	132
Cash (used in)/generated from operations	(3,533)	5,885

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

23 RELATED PARTY TRANSACTIONS

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party in holding power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or other entities.

- (a) Save as disclosed elsewhere in this consolidated financial statements, the major related parties that had transactions and balances with the Group were as follows:

<u>Name of the related parties</u>	<u>Relationship with the Group</u>
Dragon Field Corporation Limited ("Dragon Field")	A related company owned by Ms. Leung Ho Ki, June, Mr. Tam Wai Lung and Mr. Ng King Hang, the controlling shareholder
Uplift Educational Charity Foundation Limited ("Uplift Educational")	A related company found by Ms. Leung Ho Ki
Linkedu Overseas Education Limited ("Linkedu")	An associate of the Company

<u>Name of the related parties</u>	<u>Nature of transactions</u>	<u>Six months ended 31 January</u>	
		<u>2025</u>	<u>2024</u>
		<u>HK\$'000</u> <u>(Unaudited)</u>	<u>HK\$'000</u> <u>(Unaudited)</u>
Dragon Field (<i>Note (i)</i>)	Payments of lease liabilities	1,200	1,200
Uplift Educational (<i>Note (ii)</i>)	Service income for private supplementary secondary school services	317	80
	Service income for marketing and promotional campaigns	900	—
Linkedu	Service fee	3,004	1,431

Notes:

- (i) The payments of lease liabilities to the related company were charged at a rate as mutually agreed.
- (ii) Income from private supplementary secondary school education service and marketing and promotional campaigns are recognised with reference to market rates of similar services.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

23 RELATED PARTY TRANSACTIONS (CONTINUED)

- (b) The Group considers the executive directors as the key management and their compensation are summarized as follow:

	Six months ended 31 January	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Salaries, allowances and benefits in kind	3,533	3,537
Pension scheme contributions	36	36
	<u>3,569</u>	<u>3,573</u>

24 CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 31 January 2025 (2024: nil).

25 SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

No significant events affecting the Group occurred after 31 January 2025 and up to the date of this Interim Report.

26 COMPARATIVE INFORMATION

Certain comparative figures have been reclassified, to conform to current periods' presentation.

DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 31 January 2025 (2024: nil).

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 January 2025, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) of the Company, as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Long positions in the shares or underlying shares of the Group

Name of company	Name of Director	Nature of interest	Number of shares held	Interest in underlying shares	Total interest in shares and underlying shares	Approximate percentage of shareholding
The Company	Ms. Leung Ho Ki, June <i>Note 1</i>	Deemed interests held jointly with another person; interest in a controlled corporation	375,000,000	—	375,000,000	73.9%
		Beneficial owner	—	1,000,000 <i>Note 2</i>	1,000,000	0.2%
		Interest of spouse	—	3,500,000 <i>Note 3</i>	3,500,000	0.7%
	Mr. Tam Wai Lung <i>Note 1</i>	Deemed interests held jointly with another person; interest in a controlled corporation	375,000,000	—	375,000,000	73.9%
		Beneficial owner	—	3,500,000 <i>Note 2</i>	3,500,000	0.7%
		Interest of spouse	—	1,000,000 <i>Note 3</i>	1,000,000	0.2%
	Mr. Chan Tsz Ying Wister	Beneficial owner	—	2,000,000 <i>Note 4</i>	2,000,000	0.4%
	Mr. Li Man Wai	Beneficial owner	—	1,000,000 <i>Note 2</i>	1,000,000	0.2%
Beacon Enterprise Limited <i>Note 5</i>	Ms. Leung Ho Ki, June	Beneficial owner	3,600	—	3,600	60%
	Mr. Tam Wai Lung	Beneficial owner	1,560	—	1,560	26%
	Mr. Chan Tsz Ying Wister	Beneficial owner	180	—	180	3%
	Mr. Li Man Wai	Beneficial owner	180	—	180	3%

OTHER INFORMATION

Notes:

1. The Company is held as to 73.9% by Beacon Enterprise Limited upon Listing. Beacon Enterprise Limited is beneficially owned as to 60%, 26%, 4%, 4%, 3% and 3%, respectively, by Ms. Leung Ho Ki, June, Mr. Tam Wai Lung, Ms. Leung Ho Yan, Irene, Mr. Ng King Hang, Mr. Chan Tsz Ying, Wister and Mr. Li Man Wai. Pursuant to the Deed of Acting in Concert, each of Ms. Leung Ho Ki, June, Ms. Leung Ho Yan, Irene, Mr. Ng King Hang and Mr. Tam Wai Lung (the "Core Shareholders") has agreed to jointly control their respective interests in the Company and decisions as to the business and operations of the Group shall be in accordance with the unanimous consent of all Core Shareholders. Each of the Core Shareholders shall exercise their respective voting rights in the Company in the same way. Hence, each of the Core Shareholders is deemed to be interested in all the Shares held by the Core Shareholders in aggregate by virtue of the SFO.
2. These interests in underlying Shares represent the interests in outstanding options granted by the Company on 23 January 2019 pursuant to the Post-IPO Share Option Scheme approved and adopted by the Company on 21 June 2018 and effective from 13 July 2018 to subscribe for the relevant number of Shares.
3. Ms. Leung Ho Ki, June and Mr. Tam Wai Lung are spouses of each other, they are deemed to be interested in all the Shares and underlying Shares in which one another is interested by virtue of the SFO.
4. These interests in underlying shares represent the interests in outstanding options granted by the Company on 23 January 2019 and 1 April 2019 pursuant to the Post-IPO Share Option Scheme approved and adopted by the Company on 21 June 2018 and effective from 13 July 2018 to subscribe for the relevant number of shares.
5. The Company is held as to 73.9% by Beacon Enterprise Limited upon Listing. Beacon Enterprise Limited is beneficially owned as to 60%, 26%, 4%, 4%, 3% and 3%, respectively, by Ms. Leung Ho Ki, June, Mr. Tam Wai Lung, Ms. Leung Ho Yan, Irene, Mr. Ng King Hang, Mr. Chan Tsz Ying, Wister and Mr. Li Man Wai.
6. Save as otherwise specified, the shares and underlying shares mentioned above refer to ordinary class of shares and underlying shares.

Save as disclosed above, as at 31 January 2025, neither the chief executives nor any of the Directors of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 January 2025, so far as is known to any Directors or chief executives of the Company, persons (other than a Director or chief executive of the Company) or corporations who had interest or short positions in the Shares and underlying Shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Name of Shareholder	Nature of interest	Number of Shares held	Interest in underlying Shares	Position	Total interest in Shares and underlying Shares	Approximate percentage of shareholding
Beacon Enterprise Limited	Beneficial owner	375,000,000	—	Long	375,000,000	73.9%
Ms. Leung Ho Yan, Irene <i>Note 1</i>	Interests held jointly with another person; interest in controlled corporation	375,000,000	—	Long	375,000,000	73.9%
Mr. Ng King Hang <i>Note 1</i>	Interests held jointly with another person; interest in controlled corporation	375,000,000	—	Long	375,000,000	73.9%

Note:

- The Company is held as to 73.9% by Beacon Enterprise Limited upon Listing. Beacon Enterprise Limited is beneficially owned as to 60%, 26%, 4%, 4%, 3% and 3%, respectively, by Ms. Leung Ho Ki, June, Mr. Tam Wai Lung, Ms. Leung Ho Yan, Irene, Mr. Ng King Hang, Mr. Chan Tsz Ying, Wister and Mr. Li Man Wai. Pursuant to the Deed of Acting in Concert, each of such Core Shareholders has agreed to jointly control their respective interests in the Company and decisions as to the business and operations of the Group shall be in accordance with the unanimous consent of all the Core Shareholders. Each of the Core Shareholders shall exercise their respective voting rights in the Company in the same way. Hence, each of the Core Shareholders is deemed to be interested in all the Shares held by the Core Shareholders in aggregate by virtue of the SFO.

Save as disclosed above, as at 31 January 2025, the Directors and the chief executives of the Company are not aware of any other person or corporation having an interest or short position in the Shares and underlying Shares of the Company which would require to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

OTHER INFORMATION

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than as disclosed in the section headed "Share Schemes" below, at no time during the six months ended 31 January 2025 were rights to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate granted to any of the Directors or chief executives of the Company or their respective associates (as defined in the Listing Rules), or were any such rights exercised by any of them; or was the Company or any of its subsidiaries a party to any arrangement enabling the Directors or chief executives of the Company or their respective associates to acquire such rights.

SHARE SCHEMES

To recognise the contribution of, and to provide an incentive to, the employees, officers, agents, consultants, contractors, service providers, representatives and sales partners of the Group who have contributed or will contribute to the Group; and to enable the Group to recruit and retain high-calibre employees and attract and retain human resources that are valuable to the Group, we adopted the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme on 21 June 2018 and they were effective from 13 July 2018.

For details of the terms of the Pre-IPO Share Option Scheme, please refer to the section headed "Share Option Schemes" in the Directors' Report included in our 2022 Annual Report. For details of the terms of the Post-IPO Share Option Scheme, please refer to the section headed "Share Schemes" in the Directors' Report included in our 2024 Annual Report.

After the lapse of all the options granted under the Pre-IPO Share Option Scheme during the year ended 31 July 2022, no share schemes other than the Post-IPO Share Option Scheme was in effect during the six months ended 31 January 2025.

Post-IPO Share Option Scheme

The validity period of the following options granted shall be 10 years from the grant date and the options shall lapse at the expiry of the validity period or earlier if the service relationship between the Company and the respective grantee of the options has terminated prior to the expiry of the validity period, subject to the terms and conditions of the Post-IPO Share Option Scheme. The following table discloses movements in the outstanding options granted to all grantees under the Post-IPO Share Option Scheme during the six months ended 31 January 2025.

Grantee	Grant date	Exercisable period <i>Note 1</i>	Exercise price per share option	Number of options held at 1 August 2024	Options granted during the period (number of underlying Shares)	Options exercised or cancelled during the period	Options lapsed during the period	Number of options held as at 31 January 2025 (number of underlying Shares)
Directors								
Ms. Leung Ho Ki, June	23.1.2019	23.1.2020 - 22.1.2029	HK\$0.493	1,000,000	-	-	-	1,000,000
Mr. Tam Wai Lung	23.1.2019	23.1.2020 - 22.1.2029	HK\$0.493	3,500,000	-	-	-	3,500,000
Mr. Li Man Wai	23.1.2019	23.1.2020 - 22.1.2029	HK\$0.493	1,000,000	-	-	-	1,000,000
Mr. Chan Tsz Ying, Wister	23.1.2019	23.1.2020 - 22.1.2029	HK\$0.493	1,000,000	-	-	-	1,000,000
	1.4.2019	1.4.2020 - 31.3.2029	HK\$0.730	1,000,000	-	-	-	1,000,000
Employees of the Group	23.1.2019	23.1.2020 - 22.1.2029	HK\$0.493	8,020,000	-	-	-	8,020,000
(<i>Note 2</i>)	1.4.2019	1.4.2020 - 31.3.2029	HK\$0.730	1,820,000	-	-	-	1,820,000

Notes

- 1: The options granted to Directors and employees of the Group on 23 January 2019 and 1 April 2019 are exercisable in the following manner:
 - 30% of the options shall vest in and be exercisable from the first anniversary of the grant date;
 - 30% of the options shall vest in and be exercisable from the second anniversary of the grant date; and
 - 40% of the options shall vest in and be exercisable from the third anniversary of the grant date.
- 2: The employees of the Group fall within the meaning of “employee participants” under Chapter 17 of Listing Rules and includes employees working under employment contracts that are regarded as “continuous contracts” for the purposes of the Employment Ordinance (Chapter 57 of the Laws of Hong Kong). None of the options granted to any such employee participants would result in the shares issued and to be issued in respect of all options granted to such person (excluding any options lapsed in accordance with the terms of the scheme) in the 12-month period up to and including the date of such grant to represent in aggregate over 1% of the Shares in issue.

The options granted under the Post-IPO Share Option Scheme would not have a dilutive effect on the earnings per Share for the period of six months ended 31 January 2025. For the options granted to the Directors and employees of the Group on 23 January 2019 and 1 April 2019, the exercise price per option represents the average closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets for the five consecutive business days immediately preceding the relevant grant date. For the options granted with exercise price per option of HK\$0.493 and HK\$0.730 as detailed above, the closing price of the Shares on the relevant grant date was HK\$0.490 and HK\$0.700 respectively.

The number of options available for grant under the Scheme Mandate Limit (i.e. the total number of Shares which may be issued in respect of all options to be granted under the Post-IPO Share Option Scheme) refreshed on 28 September 2020 as of 1 August 2024 and 31 January 2025 are 50,000,000. There is no sublimit on the total number of Shares that may be issued in respect of options to be granted to service providers under the existing Post-IPO Share Option Scheme.

Save and except as disclosed in the above table, no other options were granted, exercised, cancelled or lapsed at any time during the six months ended 31 January 2025; and no other options have been granted or agreed to be granted respectively by the Company as at the date of this Interim Report under the Post-IPO Share Option Scheme.

For the fair value of the share options granted by the Company and the relevant accounting policy adopted, please refer to Note 10 to the section headed “Notes to The Condensed Consolidated Financial Statements” in this Interim Report.

PURCHASE, SALES OR REDEMPTION OF COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company during the period of the six months ended 31 January 2025.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board has committed to achieving 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 shareholders of the Company and to enhance corporate value and accountability. Since the listing of the Company’s shares on the Main Board of the Stock Exchange and up to 31 January 2025, the Company has complied with all applicable code provisions set out in the Corporate Governance Code in Appendix C1 to the Listing Rules (the “Corporate Governance Code”) as amended from time to time.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (“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 period of the six months ended 31 January 2025 and up to the date of this Interim Report.

OTHER INFORMATION

AUDIT COMMITTEE

The Audit Committee was established in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The primary duties of the Audit Committee are, *inter alia*, to (i) review and supervise the financial reporting, financial controls, risk management and internal control systems of the Group, (ii) review and approve connected transactions; and (iii) advise the Board in relation to the foregoing, in accordance with the model set out in the code provision D.3.3 of the Corporate Governance Code.

The Audit Committee consists of three members: Mr. Li Kai Sing, Mr. Kwan Chi Hong and Mr. Tai Kwok Leung, Alexander, all of whom are independent non-executive Directors. Mr. Li Kai Sing is the chairman of the Audit Committee. The Audit Committee has reviewed with the management this Interim Report including the unaudited financial statements of the Group for the six months ended 31 January 2025 and the accounting principles and practices adopted by the Group, and has discussed auditing, internal controls and financial reporting matters.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained the public float as required by the Listing Rules for the six months ended 31 January 2025 and up to the date of this Interim Report, based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this Interim Report.

SIGNIFICANT EVENT AFTER THE REPORTING PERIOD

Except for the events disclosed in Note 25 in the section headed “Notes To The Condensed Consolidated Financial Statements” in this Interim Report, the Group has no other significant events after the reporting period.

On behalf of the Board

Leung Ho Ki, June
Chairman

Hong Kong, 28 March 2025



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