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Optima Automobile Group Holdings Limited
傲迪瑪汽車集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8418)

DISCLOSEABLE TRANSACTION
ACQUISITION OF 53% EQUITY INTEREST IN THE TARGET COMPANY

THE ACQUISITION

The Board is pleased to announce that on 29 April 2021 (after trading hours), the Purchaser, an indirectly wholly-owned subsidiary of the Company and the Vendors entered into the Agreement, pursuant to which the Purchaser has agreed to acquire and the Vendors have agreed to sell the Equity Interest, representing an aggregate of 53% of the equity interest in the Target Company at the Consideration of RMB5,077,840.

Upon Completion, the Target Company will become an indirect non-wholly owned subsidiary of the Company and the financial results of the Target Company will be consolidated into the financial statements of the Group.

IMPLICATIONS UNDER THE GEM LISTING RULES

As one or more of the applicable percentage ratios calculated pursuant to Rule 19.06 of the GEM Listing Rules in respect of the Acquisition exceeds 5% but all of the percentage ratios are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to the reporting and announcement requirements but is exempted from the Shareholders' approval requirement under the GEM Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 29 April 2021 (after trading hours), the Purchaser, an indirectly wholly-owned subsidiary of the Company and the Vendors entered into the Agreement, pursuant to which the Purchaser has agreed to acquire and the Vendors have agreed to sell the Equity Interest, representing an aggregate of 53% of the equity interest in the Target Company at the Consideration of RMB5,077,840.

THE ACQUISITION

Set out below are the principal terms of the Agreement:

Date

29 April 2021 (after trading hours)

Parties

(1) **Purchaser**: Shenzhen Bainian Health Biotechnology Co., Ltd.*（深圳百年健康生物科技有限公司）, an indirectly wholly-owned subsidiary of the Company;

(2) **Vendors**: Ms. Lin, Ms. Wang and Mr. Zhou.

To the best of the Directors' knowledge, information and belief and after having made all reasonable enquiries, as at the date of the Agreement, all Vendors are Independent Third Parties.

Assets to be acquired

Pursuant to the Agreement, the Purchaser has agreed to acquire, and the Vendors have agreed to sell the Equity Interest, which represent an aggregate of 53% of the equity interest in the Target Company.

Consideration

Pursuant to the Agreement, the Consideration for the sale and purchase of the Equity Interest shall be RMB5,077,840 payable in cash by the Purchaser to the Vendors by instalments in the following manner:

(a) RMB3,554,488 (being 70% of the Consideration) shall be payable within ten days after the fulfilment of all the conditions precedents (the "**First Instalment**"); and

(b) RMB1,523,352 (being 30% of the Consideration) shall be payable within ten days after completion of business registration procedures in the PRC for the transfer of Equity Interest.

Basis of Consideration

The Consideration for the Acquisition was determined after arm's length negotiations between the Vendors and the Purchaser on normal commercial terms making reference to 90% of the net asset value of the Target Company of RMB10,645,366.61 as at 31 March 2021. In determination of the Consideration, the Board also considered, amongst others, (i) the anticipated business development opportunity and prospects of the Target Company; and (ii) benefits to be derived by the Group from the Acquisition as described under the section headed "Reasons for and benefits of the Acquisition".

The Board considered the Consideration is fair and reasonable and on normal commercial terms and the Acquisition is in the best interest of the Company and Shareholders as a whole.

The Consideration will be financed by the Group's internal resources.

Conditions precedent

Completion shall be subject to and conditional upon, among other things, the fulfilment of the following conditions:

(a) the Vendors and the Target Company having obtained all approvals, confirmations or consents from competent local government authority or other relevant third party for the Agreement and the transactions contemplated thereunder and which remain in full force and effect;

(b) the representations and warranties given by the Vendors in the Agreement remaining true, accurate, complete and not misleading at all times;

(c) the Purchaser having obtained all necessary authorities (including the approval of the Board) approving the Agreement and the transactions contemplated thereunder in accordance with its articles of association and the GEM Listing Rules;

(d) the Purchaser being satisfied with the results of due diligence on the Target Company (including but not limited to business, financial, legal, technology, intellectual property, management or other aspects the Purchaser may consider necessary);

(e) there being no events, facts, conditions, changes or other situations that have occurred or may have a material adverse effect on the Vendors or the Target Company;

(f) the Purchaser and the Vendors having fulfilled their respective obligations and duly performed their respective duties as stipulated in the Agreement; and

(g) the Purchaser having obtained all the approvals and consents (if applicable) of the Stock Exchange regarding the Agreement and the transactions contemplated thereunder, and the relevant approvals and consents have not been subsequently withdrawn.

None of the condition precedents may be waived. If any of the conditions precedents is not fulfilled on or before 60 days from the date of signing of the Agreement, either the Vendors or the Purchaser shall be entitled to cancel the Agreement by notice in writing.

Liabilities for breach of the Agreement

If a party to the Agreement fails to perform or breaches the terms of the Agreement, the defaulting party is required to compensate all direct or indirect loss suffered by the non-defaulting party.

Completion

The Purchaser and the Vendors agreed that Mr. Zhou shall file the relevant documents in relation to the Acquisition with the relevant authority(ies) in the PRC for the change of business registration of the Target Company within ten days from date of payment of the First Instalment.

The Acquisition will be considered as completed upon the completion of business registration procedures in the PRC for the transfer of Equity Interest.

Upon Completion, the Target Company will be owned by the Purchaser, Mr. Zhou, Mr. Xu Yueguang（徐躍光）and Mr. Cheng Jiayong（程家勇）as to 53%, 45.5%, 1% and 0.5%, respectively. To the best of the Directors' knowledge, information and belief and after having made all reasonable enquiries, as at the date of the Agreement, Mr. Xu Yueguang（徐躍光）and Mr. Cheng Jiayong（程家勇）are Independent Third Parties.

Upon Completion, the Target Company will become an indirect non-wholly owned subsidiary of the Company and the financial results of the Target Company will be consolidated into the financial statements of the Group.

INFORMATION OF THE PARTIES

Information of the Company and the Purchaser

The Company is an investment holding company incorporated in the Cayman Islands with limited liability. The principal activities of the Group are provision of a comprehensive range of after-market automotive services, with a focus on inspection, maintenance and repair services. The Group is also engaged in (i) offering short-term and long-term car rental services; (ii) supplying passenger car spare parts, accessories and automotive equipment to customers in Singapore and overseas countries; and (iii) supplying automobiles to customers in the PRC.

The Purchaser is a company established in the PRC with limited liability and is an indirectly wholly-owned subsidiary of the Company. As at the date of this announcement, it is a dormant company with no business operation.

Information of the Vendors

As at the date of this announcement, the Vendors are the individual shareholders of the Target Company namely Mr. Zhou, Ms. Lin, and Ms. Wang, with their respective equity interest holding of 74%, 14.5%, and 10%, respectively.

Mr. Zhou is a PRC citizen and merchant. He has extensive experience in the child education industry and principally engaged in business in relation to education data collection and provision of management platform services to PRC kindergarten.

Ms. Lin is a PRC citizen and merchant. She has extensive experience in the child cognitive development and education industry and principally engaged in parenthood education business.

Ms. Wang is a PRC citizen and merchant. She has extensive experience in the advertising industry and principally engaged in advert printing and design business.

Information of the Target Company

The Target Company is a company with limited liabilities established pursuant to the laws of the PRC on 17 November 2014 and is principally engaged in education data collection and provision of management platform services focusing on the PRC's kindergarten sector. In 2016, the Target Company was included in the third batch of intelligent manufacturing pilot demonstration enterprises in Changsha*（長沙市第三批智能製造試點示範企業）. In 2017, the Target Company was granted the status of High and New Technology Enterprise*（高新技術企業）. The certificate granting the status of High and New Technology Enterprise was subsequently renewed in 2020.

Set out below is a summary of the audited financial information of the Target Company prepared in accordance with the generally accepted accounting principles of the PRC for the years ended 31 December 2019 and 31 December 2020:

	For the year ended 31 December 2019 (audited) *RMB'000*	**For the year ended 31 December 2020 (audited) *RMB'000***
Loss before taxation	(2,059)	**(1,084)**
Loss after taxation	(2,059)	**(1,084)**

The net asset value of the Target Company based on its audited accounts as at 31 March 2021 was RMB10,645,366.61.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Since the Group's listing on GEM, the Group has been a one-stop after-market automotive services provider in Singapore offering comprehensive and integrated automotive-related solutions to customers. As disclosed in the annual report of the Company for the year ended 31 December 2020, the Group's business has been affected by the outbreak of the COVID-19 since early 2020.

To combat the negative impacts of the COVID-19 on the Group's businesses, it is the Group's intention to strengthen its existing businesses and explore opportunities to enhance the growth prospects of the Group and create value for the Shareholders. The Group has also been actively seeking any feasible expansions which is suitable for the Group's market diversifications into the PRC. In particular, to mitigate the substantial impacts of the COVID-19 on physical stores and to take advantage of the recent shift in demand from brick-and-mortar store to e-commerce, it is the Group's intention to seek new business opportunity in the e-commerce platform.

The Target Company is principally engaged in education data collection and provision of management platform services focusing on the PRC's kindergarten sector. It collects education data from kindergartens through its mobile phone application called "馬良家園APP", intelligence robots and physical training equipment as well as software platforms. The education data collected could (i) generate useful statistics for parents and teachers to have a better understanding of the learning situations of the children; (ii) enable teachers to create education programs which are more suitable for the children and to improve the learning process of the children; and (iii) improve the efficiency of managing kindergartens by the teachers as a whole.

The Target Company is a growing service provider with business prospect demonstrated by (i) its inclusion in the third batch of intelligent manufacturing pilot demonstration enterprises in Changsha*（長沙市第三批智能製造試點示範企業）in 2016; (ii) the granting of the status of High and New Technology Enterprise*（高新技術企業）to the Target Company since 2017; and (iii) the increasing number of strategic cooperation agreements signed by the Target Company with kindergarten and other corporations.

The Group believes that the Acquisition is strategically beneficial for the Group to (i) leverage on the Target Company to enter into the PRC market; (ii) diversify the Group's business to cover education data collection and management platform services in the PRC; and (iii) broaden its source of income.

In view of the uncertainty in the global economy, the Group will take conservative and prudent business strategies. The Group will continue to focus on strengthening its position in the after-market automotive services business in Singapore and increasing its market share in the sales of automobiles, parts and related products in the PRC market.

The Board considers that the Acquisition can diversify the Group's business scope with a view to broaden the Group's revenue base to enhance its profitability and offer better returns to the Shareholders. As such, the Board expects that the Acquisition would represent a good business opportunity to the Group and maximise the future contribution to the Group. The Board shall manage the Target Company's business with the assistance of the current management team of the Target Company which will be retained after Completion. The Board will also seek to hire externally in order to introduce at least one professional party with relevant expertise to the Board or senior management team of the Group. Based on the above, the Directors consider that the terms for the Acquisition are on normal commercial terms, which are fair and reasonable and in the interest of the Company and Shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

As one or more of the applicable percentage ratios calculated pursuant to Rule 19.06 of the GEM Listing Rules in respect of the Acquisition exceeds 5% but all of the percentage ratios are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to the reporting and announcement requirements but is exempted from the Shareholders' approval requirement under the GEM Listing Rules.

DEFINITIONS

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

"Acquisition"	the acquisition of the Equity Interest by the Purchaser from the Vendors pursuant to the Agreement
"Agreement"	the equity transfer agreement dated 29 April 2021 entered into between the Purchaser and the Vendors in relation to the Acquisition
"Board"	the board of Directors
"Company"	Optima Automobile Group Holdings Limited（傲迪瑪汽車集團控股有限公司）, a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on GEM (Stock Code: 8418)
"Completion"	the completion of the Acquisition in accordance with the terms and conditions of the Agreement
"connected person"	has the meaning ascribed to it under the GEM Listing Rules
"Consideration"	the total consideration of the Acquisition in the aggregate amount of RMB5,077,840 payable by the Purchaser to each of the Vendors for the Acquisition pursuant to the Agreement in the following manner: (1) RMB2,730,536.60 payable to Mr. Zhou; (2) RMB1,389,220.38 payable to Ms. Lin; and (3) RMB958,083.02 payable to Ms. Wang.
"Director(s)"	the director(s) of the Company
"Equity Interest"	Equity Interest-1, Equity Interest-2 and Equity Interest-3, which collectively represents 53% of the equity interest in the Target Company
"Equity Interest-1"	28.5% of the equity interest in the Target Company held by Mr. Zhou
"Equity Interest-2"	14.5% of the equity interest in the Target Company held by Ms. Lin
"Equity Interest-3"	10% of the equity interest in the Target Company held by Ms. Wang
"GEM"	GEM operated by the Stock Exchange

"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
"Group"	the Company and its subsidiaries
"Independent Third Party(ies)"	any person(s) or company(ies) which is a third party, independent of and not connected with the Company and its connected person(s) in accordance with the GEM Listing Rules
"Mr. Zhou"	Mr. Zhou Yian（周益安）, being the 74% registered holder of the Target Company before the Completion
"Ms. Lin"	Ms. Lin Aisheng（林愛勝）, being the 14.5% registered holder of the Target Company before the Completion
"Ms. Wang"	Ms. Wang Kaiqiong（王凱瓊）, being the 10% registered holder of the Target Company before the Completion
"PRC"	the People's Republic of China, excluding, for the purpose of this announcement, Hong Kong, Macau and Taiwan
"Purchaser"	Shenzhen Bainian Health Biotechnology Co., Ltd.*（深圳百年健康生物科技有限公司）, a company established under the laws of the PRC with limited liability and an indirectly wholly-owned subsidiary of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"Shareholders"	shareholders of the Company from time to time
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Hunan Maliang Digital Technology Co., Ltd.*（湖南馬良數碼科技股份有限公司）, a company with limited liability established pursuant to the laws of the PRC
"Vendors"	Ms. Lin, Ms. Wang and Mr. Zhou
"%"	per cent

By order of the Board
Optima Automobile Group Holdings Limited
Ang Lay Keong (Hong Liqiang)
Chairman and Executive Director

Hong Kong, 29 April 2021

As at the date of this announcement, the executive Directors are Mr. Ang Lay Keong (Hong Liqiang), Ms. Lim Li Ling (Lin Liling), Mr. Goh Duo Tzer (Wu Duoze), Ms. Nie Li, Ms. Lin Xiaojuan and Mr. Hu Wu'an; the independent non-executive Directors are Mr. Chu Kin Ming, Ms. Tan Meng Choon and Mr. Chang Li-Chung.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting. This announcement will also be published on the Company's website at www.ow.sg.

The English translation of an entity or company's name in Chinese which is marked with "" is for identification purpose only. If there is any inconsistency between the Chinese names of entities or companies established in the PRC and their English translations, the Chinese names shall prevail.*