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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)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2024

The board (the “**Board**”) of directors (the “**Directors**”) of Optima Automobile Group Holdings Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2024. This announcement, containing the full text of the 2024 interim report of the Company (the “**2024 Interim Report**”), complies with the relevant requirements of the Rules Governing the Listing of Securities (the “**GEM Listing Rules**”) on GEM of The Stock Exchange of Hong Kong Limited in relation to information to accompany preliminary announcement of interim results. The printed version of the 2024 Interim Report will be despatched to the shareholders of the Company and available for viewing on the websites of The Stock Exchange of Hong Kong Limited at <http://www.hkexnews.hk> and of the Company at www.ow.sg in due course in the manner required by the GEM Listing Rules.

By order of the Board

Optima Automobile Group Holdings Limited

Hu Wu’an

Chairman and Executive Director

Hong Kong, 28 August 2024

As at the date of this announcement, the executive Directors are Mr. Hu Wu’an, Mr. Ang Lay Keong (Hong Liqiang), Ms. Nie Li, Ms. Lin Xiaojuan and Mr. Chang Li-Chung, the independent non-executive Directors are Mr. Chu Kin Ming, Ms. Yi Jing and Ms. Dai Xiaoyan.

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 this announcement or any statement herein misleading.

This announcement will remain on the “Latest Listed Company Information” page of the website of The Stock Exchange of Hong Kong Limited at <http://www.hkexnews.hk> 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.

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This report, for which the directors (the “**Directors**”) of Optima Automobile Group Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (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 report 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 report misleading.*

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Hu Wu'an (*Chairman*)
Mr. Ang Lay Keong (Hong Liqiang)
(*Chief Executive Officer*)
Ms. Lim Li Ling (Lin Liling)
(resigned on 19 January 2024)
Ms. Nie Li
Ms. Lin Xiaojuan
Mr. Zhang Wenyuan
(resigned on 27 June 2024)
Mr. Chang Li-Chung (re-designated from
an independent non-executive Director to
an executive Director on 16 April 2024)

Independent Non-Executive Directors

Mr. Chu Kin Ming
Ms. Yi Jing
Ms. Dai Xiaoyan
(appointed on 16 April 2024)

AUDIT COMMITTEE

Mr. Chu Kin Ming (*Chairman*)
Mr. Chang Li-Chung
(ceased to be a member of audit
committee on 16 April 2024)
Ms. Yi Jing
Ms. Dai Xiaoyan
(appointed on 16 April 2024)

REMUNERATION COMMITTEE

Ms. Yi Jing (*Chairlady*)
Mr. Chu Kin Ming
Mr. Chang Li-Chung
(ceased to be a member of remuneration
committee on 16 April 2024)
Ms. Dai Xiaoyan
(appointed on 16 April 2024)

NOMINATION COMMITTEE

Mr. Chang Li-Chung (*Chairman*)
(ceased to be the chairman of nomination
committee on 16 April 2024)
Ms. Dai Xiaoyan (*Chairlady*)
(appointed on 16 April 2024)
Mr. Ang Lay Keong (Hong Liqiang)
Ms. Yi Jing

COMPANY SECRETARY

Ms. Xu Jiayuan, *CPA*

AUTHORISED REPRESENTATIVES

Ms. Nie Li
Ms. Xu Jiayuan, *CPA*

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants
(*Public Interest Entity Auditor registered
in accordance with the Financial
Reporting Council Ordinance*)
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80 Raffles Place
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INTERIM RESULTS

The board of Directors (the “**Board**”) is pleased to announce the unaudited condensed consolidated financial results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2024 with comparative figures for the corresponding periods in 2023 as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2024

	Notes	Six months ended 30 Jun	
		2024 SGD'000 (Unaudited)	2023 SGD'000 (Unaudited) (restated)
Continuing operations			
Revenue	4	31,720	54,167
Other income and gains	5	246	173
Change in trading inventories		(22,534)	(44,605)
Cost of materials used		(3,291)	(3,062)
Marketing and advertising expenses		(186)	(242)
Employee benefit expenses		(2,985)	(2,930)
Depreciation of property, plant and equipment		(854)	(833)
Depreciation of right-of-use assets		(668)	(1,064)
Impairment losses under expected credit loss model on trade receivables, net of reversal		–	(28)
Finance costs	6	(147)	(189)
Short-term lease expenses		(42)	(31)
Other expenses		(1,188)	(1,546)
Share of results of an associate		–	51
Profit/(loss) before income tax expense	7	71	(139)
Income tax expense	8	(94)	(96)
Loss for the period from continuing operations		(23)	(235)

	Notes	Six months ended 30 Jun	
		2024 SGD'000 (Unaudited)	2023 SGD'000 (Unaudited) (restated)
Discontinued operation			
Loss for the period from discontinued operation	9	-	(254)
Loss for the period		(23)	(489)
Other comprehensive expense, net of tax			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		(22)	13
Share of other comprehensive income of an associate		-	(25)
Other comprehensive expense for the period, net of tax		(22)	(12)
Loss and total comprehensive expense for the period		(45)	(501)
Loss for the period attributable to owners of the Company:			
- from continuing operations		(23)	(235)
- from discontinued operation		-	(133)
		(23)	(368)
Loss for the period attributable to non-controlling interests:			
- from discontinued operation		-	(121)
		(23)	(489)

		Six months ended 30 Jun	
Notes		2024 SGD'000 (Unaudited)	2023 SGD'000 (Unaudited) (restated)
Total comprehensive expense for the period attributable to owners of the Company:			
– from continuing operations		(45)	(224)
– from discontinued operation		–	(150)
		(45)	(374)
Total comprehensive expense for the period attributable to non-controlling interests:			
– from discontinued operation		–	(127)
		(45)	(501)
Loss per share attribute to owners of the Company			
From continuing and discontinued operations			
Basic and diluted (SGD cents)	11	(0.003)	(0.04)
From continuing operations			
Basic and diluted (SGD cents)	11	(0.003)	(0.03)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Notes	30-Jun-24 SGD'000 (Unaudited)	31-Dec-23 SGD'000 (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	12	5,507	6,065
Right-of-use assets	13	5,450	6,173
Interest in a joint venture	14	–	–
Interest in an associate	15	–	–
Deposits	16	88	71
Total non-current assets		11,045	12,309
Current assets			
Inventories		1,803	1,750
Trade and other receivables	16	5,946	3,877
Cash and Cash equivalents		3,522	4,874
Total current assets		11,271	10,501
Current liabilities			
Trade and other payables	17	8,002	7,061
Lease liabilities	13	1,380	1,444
Bank and other borrowings	18	1,513	1,493
Current tax liabilities		269	214
Total current liabilities		11,164	10,212
Net current assets		107	289
Total assets less current liabilities		11,152	12,598

	Notes	30-Jun-24 SGD'000 (Unaudited)	31-Dec-23 SGD'000 (Audited)
Non-current liabilities			
Lease liabilities	13	2,424	2,896
Bank and other borrowings	18	1,760	2,522
Other payables	17	831	998
Total non-current liabilities		5,015	6,416
Net assets		6,137	6,182
Equity			
Share capital		1,497	1,497
Reserves		4,640	4,685
Equity attributable to owners of the Company		6,137	6,182
Non-controlling interest		–	–
Total equity		6,137	6,182

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Share capital SGD'000	Share premium* SGD'000	Merger reserve* SGD'000	Other reserve* SGD'000	Accumulated losses* SGD'000	Foreign currency Exchange reserve* SGD'000	Total SGD'000	Non- controlling interests SGD'000	Total SGD'000
Balance as at 1 January 2024 (audited)	1,497	7,187	2,645	(103)	(3,467)	(1,577)	6,182	-	6,182
Loss for the period	-	-	-	-	(23)	-	(23)	-	(23)
Other comprehensive expense:									
Exchange differences on translating foreign operations	-	-	-	-	-	(22)	(22)	-	(22)
Total other comprehensive expense for the period	-	-	-	-	-	(22)	(22)	-	(22)
Balance as at 30 June 2024 (unaudited)	1,497	7,187	2,645	(103)	(3,490)	(1,599)	6,137	-	6,137
Balance as at 1 January 2023 (audited)	1,497	7,187	2,645	(103)	(2,207)	(1,006)	8,013	338	8,351
Loss for the period	-	-	-	-	(368)	-	(368)	(121)	(489)
Other comprehensive expense:									
Exchange differences on translating foreign operations	-	-	-	-	-	19	19	(6)	13
Share of other comprehensive expense of an associate	-	-	-	-	-	(25)	(25)	-	(25)
Total other comprehensive expense for the period	-	-	-	-	-	(6)	(6)	(6)	(12)
Balance as at 30 June 2023 (unaudited)	1,497	7,187	2,645	(103)	(2,575)	(1,012)	7,639	211	7,850

* As at 30 June 2024, the total of these reserves amounted to SGD4,640,000 (30 June 2023: SGD6,142,000).

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

	2024 SGD'000 (Unaudited)	2023 SGD'000 (Unaudited)
Net cash generated from operating activities	516	447
Net cash generated from/(used in) investing activities	64	(849)
Net cash used in financing activities	(1,926)	(1,765)
Net decrease in cash and cash equivalents	(1,346)	(2,167)
Cash and cash equivalents at the beginning of period	4,874	4,768
Effect of exchange rate changes on cash and cash equivalents	(6)	(111)
Cash and cash equivalents at end of period	3,522	2,490
Analysis of balances of cash and cash equivalents		
Cash at banks and on hand	3,522	2,490

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Optima Automobile Group Holdings Limited (the “**Company**”) was incorporated as an exempted company with limited liability in the Cayman Islands on 14 March 2018. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business in Singapore is located at 600 Sin Ming Avenue #03-00 Singapore 575733. On 11 October 2019, the Company’s shares (the “**Shares**”) were listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Company and its subsidiaries are together referred to as the Group hereinafter. The principal activity of the Company is investment holding. The Group is principally engaged in (i) the provision of a comprehensive range of after-market automotive services, with a focus on inspection, maintenance and repair services; (ii) offering short-term and long-term car rental services; and (iii) supplying passenger car spare parts, accessories and automotive equipment to customers in Singapore and overseas countries and automobiles to customers in China. As at 30 June 2024, the immediate holding company of the Company was Red Link International Limited, a limited liability company incorporated in the British Virgin Islands. The Directors considered the ultimate holding company to be Red Link International Limited.

2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with Hong Kong Accounting Standard 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “**GEM Listing Rules**”).

The unaudited condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2023.

The unaudited condensed consolidated financial statements are presented in Singapore dollars (“**SGD**”). Items included in the unaudited financial statements of each entity within the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the “**functional currency**”). The functional currency of the Company is SGD. The subsidiaries are operating in Singapore and the PRC. SGD is used as the presentation currency of the Group.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

The accounting policies used in the preparation of the unaudited condensed consolidated interim financial statements are consistent with these used in the annual consolidated financial statements of the Group for the year ended 31 December 2023, except for those as described below.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback¹</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-Current¹</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants¹</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements¹</i>

¹ Effective for annual periods beginning on or after 1 January 2024.

The adoption of the revised HKFRSs has no material effect on the unaudited condensed consolidated interim financial statements.

4. REVENUE

An analysis of revenue from the Group’s continuing operations is as follows:

	Six months ended 30 Jun	
	2024 SGD’000 (Unaudited)	2023 SGD’000 (Unaudited) (restated)
Revenue from contracts with customers within the scope of HKFRS 15		
Service income	6,902	6,614
Warranty income	32	191
Automotive supply income	22,922	45,274
Revenue from other sources		
Car rental income	1,864	2,088
	31,720	54,167
Disaggregation by timing of revenue recognition		
Over time	6,934	6,805
Point in time	22,922	45,274
	29,856	52,079

The Group has four reportable segments. The segments are managed separately as each business offers different services and requires different business strategies.

The following summary describes the operations in each of the Group's reportable segments:

Continuing operations:

- After-market automotive service – inspection, repair services and maintenance
- Car rental services – provision of car rental services
- Automotive supply business – trading of motor vehicles and supply of passenger car spare parts, accessories and automotive equipment

Discontinued operation:

- Education business – sale of hardware and equipment, data collection and provision of management platform service relating to education business

5. OTHER INCOME AND GAINS

An analysis of other income and gains from continuing operations is as follows:

	Six months ended 30 Jun	
	2024	2023
	SGD'000	SGD'000
	(Unaudited)	(Unaudited)
		(restated)
Government grants (Note)	142	153
Gain on disposal of property, plant and equipment	46	2
Gain on partial disposal of an associate	16	–
Others	42	18
	246	173

Note:

There were no unfulfilled conditions and other contingencies attaching to government grants for income recognised during the period ended 30 June 2024 and 2023.

6. FINANCE COSTS

An analysis of the Group's interest expenses from continuing operations is as follows:

	Six months ended 30 Jun	
	2024 SGD'000 (Unaudited)	2023 SGD'000 (Unaudited)
Interest element of lease liabilities	80	87
Interest on bank borrowings	51	70
Interest on short-term loans	16	32
	147	189

7. PROFIT/(LOSS) BEFORE INCOME TAX (EXPENSE)/CREDIT

Profit/(Loss) before income tax expense from continuing operations is arrived at after charging:

	Six months ended 30 Jun	
	2024 SGD'000 (Unaudited)	2023 SGD'000 (Unaudited) (restated)
Auditor's remuneration	76	75
Depreciation of property, plant and equipment	854	833
Depreciation of right-of-use assets	668	1,064
Employee benefit expenses (including directors' emoluments)		
– Salaries, allowances and other benefits	2,787	2,715
– Contributions to defined contribution retirement plan	198	215
– Total	2,985	2,930
Impairment losses under expected credit loss model on trade receivables, net of reversal	–	28
Short-term lease expenses	42	31

8. INCOME TAX EXPENSE

The amounts of income tax from continuing operations in the unaudited condensed consolidated statement of profit or loss and other comprehensive income represent:

	Six months ended 30 Jun	
	2024 SGD'000 (Unaudited)	2023 SGD'000 (Unaudited) (restated)
PRC		
Current tax		
– Current period	20	75
Singapore		
Current tax		
– Current period	74	33
PRC		
Deferred tax		
– Over provision in respect of prior periods	–	(12)
	94	96

Singapore profits tax is calculated at 17% on the estimated assessable profits arising in Singapore for the six months ended 30 Jun 2024 (2023: 17%).

Taxes on profits assessable elsewhere have been calculated at the rates prevailing in the relevant jurisdictions for the six months ended 30 Jun 2024 and 2023.

9. DISCONTINUED OPERATION

During the year ended 31 December 2023, the Group disposed its education business in the PRC. The results of the discontinued operation for the periods ended 30 June 2024 and 2023 are presented below. The comparative figures in the unaudited condensed consolidated statement of profit or loss and other comprehensive income have been restated to re-present the education business as discontinued operation.

	Six months ended 30 Jun	
	2024 SGD'000 (Unaudited)	2023 SGD'000 (Unaudited)
Revenue	–	18
Other income and gains	–	11
Change in trading inventories	–	(7)
Marketing and advertising expenses	–	(3)
Employee benefit expenses	–	(85)
Depreciation of property, plant and equipment	–	(6)
Amortisation of intangible assets	–	(45)
Short-term lease expenses	–	(19)
Other expenses	–	(129)
<hr/>		
Loss before income tax expense	–	(265)
Income tax credit	–	11
<hr/>		
Loss for the period from discontinued operation	–	(254)

10. DIVIDENDS

The Board did not recommend the payment of any dividend for the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

11. LOSSES PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic and diluted loss per share from continuing operations attributable to owners of the Company is based on the following data:

Loss figures are calculated as follows:

	Six months ended 30 Jun	
	2024	2023
	SGD'000	SGD'000
	(Unaudited)	(Unaudited)
		(restated)
Loss for the period attributable to owners of the Company	(23)	(368)
Less: Loss for the period from discontinued operation	-	133
Loss for the purpose of basic loss per share from continuing operations (SGD'000)	(23)	(235)
Weighted average number of ordinary shares in issue (Note)	850,000,000	850,000,000
Loss per share attribute to owners of the Company		
From continuing and discontinued operations		
Basic and diluted (SGD cents)	(0.003)	(0.04)
From continuing operations		
Basic and diluted (SGD cents)	(0.003)	(0.03)

Note:

For the six months ended 30 June 2024, the calculation of basic earnings per share was based on the loss attributable to the owners of the Company and on the basis of the weighted average number of 850,000,000 (2023: 850,000,000) ordinary shares in issue.

Diluted losses per share were the same as basic losses per share as there was no potential dilutive ordinary share in existence during the six months ended 30 Jun 2024 and 2023.

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2024, the Group acquired plant and equipment of approximately SGD0.4 million of which SGD0.2 million are property. In the six months ended 30 June 2023, the Group acquired approximately SGD0.8 million of which SGD0.3 million are motor vehicles. The Group disposed plant and equipment of approximately SGD0.9 million (six months ended 30 June 2023: nil). There is no write off of plant and equipment for the six months ended 30 June 2024 and 30 June 2023.

13. RIGHT OF-USE ASSETS AND LEASE LIABILITIES

Set out below are the carrying amounts of the Group's right of use assets and lease liabilities and the movements during the periods:

	Right-of-use assets		Lease liabilities	
	Motor vehicles SGD'000	Leased properties for own use SGD'000	Total SGD'000	Total SGD'000
As at 1 January 2024 (audited)	4,478	1,695	6,173	4,340
Lease commencement	-	271	271	271
Depreciation expenses	(378)	(290)	(668)	-
Reclassification to property, plant and equipment	(310)	-	(310)	-
Interest expenses	-	-	-	80
Lease termination	-	(15)	(15)	(15)
Payments	-	-	-	(870)
Currency realignment	-	(1)	(1)	(2)
As at 30 June 2024 (unaudited)	3,790	1,660	5,450	3,804
As at 1 January 2023 (audited)	6,079	1,169	7,248	4,207
Lease commencement	1,137	1,617	2,754	2,433
Depreciation expenses	(789)	(1,059)	(1,848)	-
Reclassification to property, plant and equipment	(1,949)	-	(1,949)	-
Interest expenses	-	-	-	179
Disposal of a subsidiary	-	(33)	(33)	(33)
Payments	-	-	-	(2,443)
Currency realignment	-	1	1	(3)
As at 31 December 2023 (Audited)	4,478	1,695	6,173	4,340

The Group recognised rent expenses from short-term leases of SGD42,000 (six months ended 30 June 2023: SGD31,000) in profit or loss from continuing operations for the six months ended 30 June 2024.

During the six months ended 30 June 2024, an impairment assessment was performed by management on these right-of-use assets by estimating the recoverable amount based on a value in use calculation. No impairment loss was recognised in profit or loss for the six months ended 30 June 2024 and 30 June 2023.

The remaining contractual maturities of the Group's lease liabilities as at 30 June 2024 and 31 December 2023 are as follows:

	As at 30 June 2024		As at 31 December 2023	
	Present value of the minimum lease payments SGD'000 (Unaudited)	Total minimum lease payments SGD'000 (Unaudited)	Present value of the minimum lease payments SGD'000 (Audited)	Total minimum lease payments SGD'000 (Audited)
Within 1 year	1,380	1,499	1,444	1,585
After 1 year but within 2 years	1,172	1,244	1,130	1,614
After 2 years but within 5 years	1,179	1,228	1,668	1,352
After 5 years	73	75	98	101
	2,424	2,547	2,896	3,067
	3,804	4,046	4,340	4,652
Less: total future interest expense		(242)		(312)
Present value of lease liabilities		3,804		4,340

14. INTERESTS IN A JOINT VENTURE

	30 June 2024 SGD'000 (Unaudited)	31 December 2023 SGD'000 (Audited)
Cost of investment in joint venture	211	211
Share of post-acquisition profits and other comprehensive income, net of dividend received	(211)	(211)
	-	-

Particulars of the joint venture of the Group as the end of the reporting period are set out as follows:

Name	Place of incorporation/ operation	Issued and fully paid share capital	Percentage of ownership interests		Place of incorporation and operation
			30 June 2024	31 December 2023	
Absolute By Optima Werkz (Thailand) Co., Ltd. (Note)	Thailand	BAHT 12,000,000	40%	40%	Repair and maintenance of motor vehicles including installation of parts and accessories

Note:

Optima Werkz Pte. Ltd., an indirect wholly-owned subsidiary of the Company, has entered into an agreement with Wealth Firm Holding Co., Ltd. ("**Wealth Firm**"), an independent third party and a limited liability company incorporated in Thailand, to form and invest in a company named Absolute By Optima Werkz (Thailand) Co., Ltd. ("**ABOW**"). ABOW is a limited liability company incorporated in Thailand of which the Group and Wealth Firm held 40% and 60% equity interest in ABOW respectively. The Company is inactive during the period ended 30 June 2024.

The contractual arrangement provides the Group with only the rights to the net assets of the joint arrangement, with the rights to the assets and obligation for the liabilities of the joint arrangement resting primarily with ABOW. Under HKFRS 11, this joint arrangement is classified as a joint venture and has been included in the consolidated financial statements using the equity method.

Summarised financial information of the joint venture, adjusted for any difference in accounting policies, is presented below:

	Absolute By Optima Werkz (Thailand) Co., Ltd.	
	30 June 2024 SGD'000 (Unaudited)	31 December 2023 SGD'000 (Audited)
Current assets	852	852
Non-current assets	40	40
Current liabilities	(592)	(592)
Non-current liabilities	(655)	(655)
Net liabilities	(355)	(355)
Reconciliation to the Group's interest in a joint venture:		
Proportion of the Group's ownership	40%	40%
Carrying amount of interest in the joint venture	–	–

	30 June 2024 SGD'000 (Unaudited)	30 June 2023 SGD'000 (Unaudited)
Revenue	–	–
(loss)/Profit for the period	–	–
Other comprehensive income for the period	–	–
Total comprehensive income for the period	–	–

The joint venture had no significant contingent liabilities or commitments as at 30 June 2024 and 31 December 2023.

15. INTERESTS IN AN ASSOCIATE

	30 June 2024 SGD'000 (Unaudited)	31 December 2023 SGD'000 (Audited)
Cost of investment in an associate	555	555
Share of post-acquisition profits and other comprehensive income, net of dividend received	(350)	(350)
Goodwill	1,951	1,951
Impairment loss	(1,008)	(1,008)
Exchange realignment	(1,148)	(1,148)
	–	–

Particulars of the associate of the Group at the end of the reporting period are set out as follow:

Name	Place of incorporation/ operation	Issued and fully paid share capital	Percentage of ownership interests		Place of incorporation and operation
			30 June 2024	31 December 2023	
Optima Werkz Myanmar Services Co., Ltd (Note)	Myanmar	US\$1,000,000	25%	35%	Repair and maintenance of motor vehicles including installation of parts and accessories

Note:

Werkz Myanmar Holdings Pte. Ltd. (“**OWMH**”), an indirect wholly-owned subsidiary of the Company, being a limited liability company incorporated in Singapore, held 25% (2023: 35%) equity interest in Optima Werkz Myanmar Services Co., Ltd. (“**OWMS**”). The principal activity of OWMS is repair and maintenance of motor vehicles, including installation of parts and accessories in Myanmar.

The Group has invested in OWMS in order to expand the overseas business of the Group to diversify its country risk.

The directors of the Company considered the Group can exercise significant influence over the investee and therefore was treated as an associate and applied equity method to account for the investment.

In May 2024, OWMH disposed 100,000 shares of an associate to one of the directors of the associate at cash consideration of approximately SGD16,000, which resulted in a gain on partial disposal of an associate of approximately SGD16,000 recognised during the period ended 30 June 2024.

Summarised financial information of the Group's associate, adjusted for any difference in accounting policies, is presented below:

**Optima Werkz Myanmar Services
Co., Ltd.**

	30 June 2024 SGD'000 (Unaudited)	31 December 2023 SGD'000 (Audited)
Current assets	1,076	1,076
Non-current assets	171	171
Current liabilities	(661)	(661)
Non-current liabilities	(2)	(2)
	584	584

	30 June 2024 SGD'000 (Unaudited)	30 June 2023 SGD'000 (Unaudited)
Revenue	–	1,289
Profit for the period	–	147
Other comprehensive income for the period	–	(72)
Total comprehensive income for the period	–	75
Dividend received/receivable from associate	–	76

The associate had no significant contingent liabilities or commitments as at 30 June 2024 and 31 December 2023.

16. TRADE AND OTHER RECEIVABLES

	30 June 2024 SGD'000 (Unaudited)	31 December 2023 SGD'000 (Audited)
Trade receivables	3,081	3,030
Less: impairment	(565)	(548)
<hr/>		
Trade receivables, net (Note (a))	2,516	2,482
Contract assets	322	557
Deposits, prepayment and other receivables	3,196	909
<hr/>		
	6,034	3,948
<hr/>		
Categorised as:		
Current portion	5,946	3,877
Non-current portion	88	71
<hr/>		
	6,034	3,948
<hr/>		

Note:

- (a) As at 30 June 2024, included in trade receivables represented lease receivables arising from car rental business amounted to SGD225,000 (2023: SGD121,000).

The fair values of trade receivables are considered by the directors not to be materially different from their carrying amounts. The normal credit period granted to customers was ranged from 30 to 90 days.

The ageing analysis of trade receivables, based on invoice date, as at the end of the reporting period is as follows:

	30 June 2024 SGD'000 (Unaudited)	31 December 2023 SGD'000 (Audited)
Within 30 days	829	963
31-60 days	353	521
61-90 days	269	289
91-180 days	563	414
181-365 days	308	113
Over 365 days	194	182
	2,516	2,482

The ageing analysis of trade receivables, based on due date, as at the end of the reporting period is as follows:

	30 June 2024 SGD'000 (Unaudited)	31 December 2023 SGD'000 (Audited)
Neither past due nor impaired	175	647
Past due but no impaired		
Less than 60 days	1,041	916
61-90 days	254	343
91-180 days	544	282
181-365 days	306	115
Over 365 days	196	179
	2,341	1,835
	2,516	2,482

Trade receivables that were neither past due nor impaired related to a range of customers for whom there was no recent history of default. Trade receivables that were past due but not impaired related to customers with long business relationship. Based on past experience, management believes that no impairment allowance is necessary as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group did not hold any collateral in respect of these balances.

Movements in impairment loss recognised in respect of trade receivables are as follows:

	30 June 2024 SGD'000 (Unaudited)	31 December 2023 SGD'000 (Audited)
At beginning of period	548	516
Allowance of impairment	17	34
Reversal of impairment	–	(2)
	<hr/>	<hr/>
At end of period	565	548

Impairment of trade and other receivables and contract assets

As at 30 June 2024 and 31 December 2023, total allowance of SGD471,000 was recognised as management considered the recoverability of balance was remote. For the remaining trade receivables, the Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9 and total allowance of SGD94,000 (31 December 2023: SGD77,000) was made against the gross amount of trade receivables as at 30 June 2024.

All contract assets (31 December 2023: All) and certain other receivables of approximately SGD2,901,000 (31 December 2023: SGD439,000) as at 30 June 2024 were neither past due nor credit-impaired.

Certain other receivables of approximately SGD484,000 (31 December 2023: SGD484,000) as at 30 June 2024 were credit impaired.

17. TRADE AND OTHER PAYABLES

	30 June 2024 SGD'000 (Unaudited)	31 December 2023 SGD'000 (Audited)
Trade payables (Note (a))	1,097	1,117
Other payables, accruals and deposits received (Note (b))	4,363	4,969
Contract liabilities (Note (c))	3,373	1,973
	8,833	8,059
Categorised as:		
Current portion	8,002	7,061
Non-current portion	831	998
	8,833	8,059

Notes:

- (a) The credit period granted by suppliers is normally 30 to 60 days. The ageing analysis of trade payables, based on invoice date, as at the end of the reporting period are as follows:

	30 June 2024 SGD'000 (Unaudited)	31 December 2023 SGD'000 (Audited)
Within 30 days	559	496
31-60 days	411	394
61-90 days	98	112
Over 90 days	29	115
	1,097	1,117

- (b) As at 30 June 2024, other payables including amount due to related companies represented loans with principal RMB2,571,000 (31 December 2023: RMB5,220,000), equivalent to approximately SGD482,000 (31 December 2023: SGD998,000), which were unsecured, interest bearing at 1% per annum (31 December 2023: 1% per annum) and repayable within two years.

As at 30 June 2024, other payables included amounts due to related parties represented loans with principal amounts of USD390,000 (31 December 2023: USD390,000) and HKD7,510,000 (31 December 2023: HKD6,510,000), equivalent to approximately SGD1,789,000 (31 December 2023: SGD1,614,000), which were unsecured, interest-bearing at 1–2% per annum (31 December 2023: 2% per annum) and repayable in 1 to 2 years (31 December 2023: 1 year) from the date of renewal.

The interest payable arising from loans amounted to approximately SGD16,000 (31 December 2023: SGD54,000) as at 30 June 2024. Ms. Nie Li (director of the Company) and Mr. Hu Wu'an (chairman and executive director of the Company) were directors of the related parties, while Ms. Nie Li was a shareholder and Mr. Hu Wu'an was a controlling shareholder of the related companies.

- (c) Movements in contract liabilities

	30 June 2024 SGD'000 (Unaudited)	31 December 2023 SGD'000 (Audited)
Balance as at 1 January	1,973	1,795
Increase in contract liabilities as a result of advance payments made by customers	2,894	2,004
Amounts included in contract liabilities that was recognised as revenue during the period	(1,487)	(1,773)
Currency realignment	(7)	(53)
	3,373	1,973

18. BANK AND OTHER BORROWINGS

	30 June 2024 SGD'000 (Unaudited)	31 December 2023 SGD'000 (Audited)
Bank borrowings	2,273	2,833
Other borrowings	1,000	1,182
	3,273	4,015
	30 June 2024 SGD'000 (Unaudited)	31 December 2023 SGD'000 (Audited)
Secured and interest-bearing bank and other borrowings (Note (i))		
– Bank and other borrowings due for repayment within a year	1,513	1,493
– Bank and other borrowings due for repayment after a year (Note (ii))	1,760	2,522
	3,273	4,015

Notes:

- (i) Bank and other borrowings are interest bearing at fixed rates as at 30 June 2024 (31 December 2023: fixed rates). The interest rates of the Group's bank and other borrowings as at 30 June 2024 and 31 December 2023 granted under banking facilities are at 1.35% to 3.68% and 1.35% to 3.68% respectively per annum.
- (ii) As at 30 June 2024 and as at 31 December 2023, none of the portion of these bank and other borrowings due for repayment after one year contain a repayment on demand clause nor are expected to be settled within one year.
- (iii) As at 30 June 2024 and 31 December 2023, the Group's banking facilities are secured by corporate guarantee of the Company.
- (iv) The Group's certain other borrowings amounted to approximately SGD1,000,000 were secured by the Group's motor vehicles with the carrying amount approximately to SGD1,837,000 and secured by corporate guarantee from an indirect wholly owned subsidiary of the company.

As at the end of the reporting period, the Group's bank and other borrowings were scheduled to repay as follows:

	30 June 2024 SGD'000 (Unaudited)	31 December 2023 SGD'000 (Audited)
On demand or within one year	1,513	1,493
More than one year, but not exceeding two years	1,429	1,527
More than two years, but not exceeding five years	331	995
	3,273	4,015

19. SHARE CAPITAL

	30 June 2024		31 December 2023	
	HKD'000 (Unaudited)	SGD'000 (Unaudited)	HKD'000 (Audited)	SGD'000 (Audited)
Authorised:				
16,000,000,000 ordinary shares of HK\$0.01 each	16,000	28,191	16,000	28,191
Issued and fully paid:				
850,000,000 ordinary shares of HK\$0.01 each	8,500	1,497	8,500	1,497

20. BUSINESS ACQUISITION DURING THE PERIOD

There is no significant business acquisition during the period.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a one-stop after-market automotive service provider in Singapore offering comprehensive and integrated automotive-related solutions to customers. The Group is principally engaged in (i) the provision of a comprehensive range of after-market automotive services, with a focus on inspection, maintenance and repair services; (ii) offering short-term and long-term car rental services; and (iii) supplying passenger car spare parts, accessories and automotive equipment to customers in Singapore and overseas countries and automobiles to customers in China. The Group operates two service centres and one paint workshop in Singapore. Our service centres are equipped with cutting-edge diagnostic equipment and facilities for the provision of comprehensive after-market automotive services except for spray painting services which shall be handled by our paint workshop.

The Group's parallel imported vehicles and related businesses in Mainland China, by its wholly-owned subsidiary Hunan Optima Automobile Co., Ltd.* (湖南傲迪瑪汽車有限公司) is mainly in central and southern China, with Mr. Hu Wu'an, the executive director of the Group, acting as the general manager. It mainly builds a supply chain focusing on imported vehicles, car spare parts and supporting services and provides customers with a "onestop" high-quality services of parallel imported vehicles, safe, fast, price-competitive and flexible vehicle supporting financial insurance.

During April 2024, the new wholly-owned subsidiary 深圳市海藍綠水資源管理有限公司 was incorporated which is engaged in the business of green environmental protection water energy technology and supply of water machine.

The Group's automotive supply income decreased by approximately SGD22.4 million for the six months ended 30 June 2024 ("PE2024") to approximately SGD22.9 million as compared to approximately SGD45.3 million for the six months ended 30 June 2023 ("PE2023"). The decrease was mainly due to the decrease in sales of automobiles to customers in Mainland China for PE2024 as compared to PE2023 by approximately SGD22.2 million. The Group's after-market automotive services revenue increased by approximately SGD0.3 million due to the gradual recovery of the Singapore market in general and the car rental business revenue has decreased by approximately SGD0.2 million as compared to PE2023 due to the disposal of the motor vehicles for rental.



OUTLOOK

The Group remains cautious of the changing market conditions and unstable economic environment and is aware of the challenges that lie ahead in 2024. The Group will adopt a cautious and prudent approach on expansions and will continue to focus on strengthening its position in the after-market automotive services business and the short-term and long-term rental business in Singapore and increasing its market share in the sales of automobiles, parts and related products in the Mainland China market. The Group shall also seek any feasible equity investments or business segment expansions, such as biological health, green environmental protection water energy technology, new retail, e-commerce, franchise management, insurance brokerage, prepared vegetables processing etc. which is suitable for the Group's market diversification efforts into the PRC.

In 2021, the Singapore government announced the Singapore Green Plan 2030 where there are various initiatives related to the transportation and automotive industries. This includes the promotion of switching to cleaner-energy vehicles, especially Electric Vehicles ("EV") as this is the most promising clean-energy vehicle technology up to date. To prepare the Group for the new market developments and challenges that come with the new breed of vehicles, the Group will continue to acquire new technology and equipment and upgrade the skills of our vehicle specialists.

FINANCIAL REVIEW – CONTINUING OPERATIONS

Revenue

Revenue for the Group was SGD31.7 million for PE2024, as compared to SGD54.2 million for PE2023, an decrease of approximately SGD22.5 million. The decrease was mainly attributable to the decrease in sales of automobiles of approximately SGD22.4 million in PE2024 as compared to PE2023. The decrease was due to the economic downturn in Mainland China and the lower purchase power for the automobiles.

Cost of materials used and change in trading inventories

In PE2024, the cost of materials used and change in trading inventories decreased by approximately SGD21.9 million from SGD47.7 million in PE2023 to SGD25.8 million in PE2024. This was mainly due to the decrease in related sales of automobiles.

Other income and gains

Other income and gains for the Group remained relatively stable at approximately SGD0.2 million in PE2024 as compared with SGD0.2 million in PE2023.

Employee benefits expenses

In PE2024, the employee benefit expenses remained relatively stable at approximately SGD3 million as compared with SGD3 million in PE2023.

Depreciation of property, plant and equipment and right-of-use assets

The decrease in overall depreciation of property, plant and equipment and right-of-use assets of approximately SGD375,000 was due to a decrease in depreciation of right-of-use assets of approximately SGD396,000 which was due to the move to new workshop and headquarters with lower monthly lease payment.

Finance costs

The decrease in finance cost of approximately SGD42,000 from SGD189,000 in PE2023 to SGD147,000 in PE2024 was mainly due to a revision of interest rate arising from short term loans in PE2024.

Income tax expense

The Group recorded a tax expense of approximately SGD94,000 in PE2024 as compared to SGD96,000 in PE2023. The tax expense resulted from the current period income tax of a subsidiary each in Mainland China and Singapore.

Loss and total comprehensive expense for the period

The Group recorded a loss and total comprehensive expense of approximately SGD23,000 and SGD45,000 respectively in PE2024 as compared to SGD235,000 and SGD224,000 in PE2023. The decrease loss for the period was mainly attributed to the combined effects of the decrease in depreciation of right-of-use assets, offsetted with the decrease sales and decrease in change in trading inventories.

LIQUIDITY AND FINANCIAL RESOURCES AND GEARING RATIO

As at 30 June 2024, the cash and cash equivalents were approximately SGD3.5 million (31 December 2023: SGD4.9 million). The working capital (current assets less current liabilities) and total equity of the Group as at 30 June 2024 were approximately SGD0.1 million and approximately SGD6.1 million, respectively.

As at 30 June 2024, the Group's bank and other borrowings with maturity within one year amounted to approximately SGD1.5 million (31 December 2023: SGD1.5 million).

The gearing ratio of the Group, which was defined as total debt divided by total equity, was approximately 1.6 as at 30 June 2024 (31 December 2023: 1.8). Total debt includes all bank borrowings, short term loan and lease liabilities. The net debt to equity of the Group, which was defined as total debt net of cash and cash equivalents divided by total equity, were approximately 1.0 as at 30 June 2024 (31 December 2023: 1.0).

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's operations are subject to certain risks and the major ones that may have a material and adverse effect on the Group's business, financial conditions and results of operations are as follows. In addition, the Group's activities are exposed to a variety of financial risks including, currency risk, credit risk, liquidity risk and interest rate risk.

Principal Risks Identified	Description of the Principal Risks Identified	Mitigation of Risks
<p>1 Transition risk due to Singapore Government's push to phase out Internal Combustion Engine ("ICE") vehicles by 2030 and have all vehicles powered by cleaner energy by 2040.</p>	<p>In light of the Singapore's government vision to phase out ICE vehicles and have all vehicles powered by cleaner energy by 2040, there is a growing shift towards EVs within the local automotive industry. As a result, the Group might face the following challenges if it does not adapt expeditiously: 1) Decrease in workshop revenue due to reducing number of servicing and repairs, as EVs have lesser moving parts and may only require a servicing once every year or two; 2) The insufficient number of qualified mechanics to repair EVs; and 3) Difficulty in acquiring new EV technology for diagnostic.</p>	<p>The Group is looking to mitigate the foreseeable challenges through the following:</p> <ol style="list-style-type: none"> 1) Expanding other local revenue streams like car rental, while diversifying to other industries abroad; 2) Acquiring EVs, installation of EV Chargers and seeking for appointment as Tesla's approved Bodyshop to increase EV handling, training and exposure for staff; and 3) Sourcing for potential partnerships and business opportunities that may arise due to the impending EV revolution.

Principal Risks Identified	Description of the Principal Risks Identified	Mitigation of Risks
<p>2 The Group's revenue and profits are mainly derived from Singapore and China, and the Group's sales performance is susceptible to changes in both country's policies, and its financial, social and economic environment.</p>	<p>The Group's sales performance is susceptible to any changes or developments in the economic, financial, or social conditions of both Singapore and China that are outside the Group's control, which includes but are not limited to:</p> <p>(1) Singapore government regulation to limit and tighten the Certificate of Entitlement ("COE") quota by only replacing the number of de-registered vehicles on the road at most. Hence, with a reduced number of vehicles on the road, the demand for the Group's after-market automotive services may be materially and adversely affected; and</p> <p>(2) supply of experienced and skilled staff, such as service advisors and technicians, mainly of which are not Singapore citizens. Hence, if there are any unfavourable changes towards Singapore's manpower policies, the supply or labour cost of such foreign workers may be affected, thus affecting the Group's business operations and profitability.</p>	<p>The Group will stay abreast of latest country news and policy changes to respond quickly while diversifying and strengthening our various revenue streams. For example:</p> <p>1) Sending our technicians for upskilling EV courses to ensure that we can stay ahead of the competition to be able to repair and service EVs.</p> <p>2) Due to the limitation of COEs, and with rising car prices, consumers are looking to rent vehicles instead. Thus, the Group has increased its rental fleet as a result.</p> <p>3) Diversifying revenue across geography and industry.</p>

Principal Risks Identified	Description of the Principal Risks Identified	Mitigation of Risks
3 High gearing ratio as of 30 June 2024.	Due to the recent purchase of vehicles that were bought with new hire purchase loans, coupled with existing loans, the Group's net debt to equity ratio is approximately 1.0 as of 30 June 2024. This may bring about the question whether the Group can manage its debt well and fulfill its debt repayment obligations.	The Management will constantly monitor the cash flow and ratios of the Group to ensure that it can sufficiently repay its debt obligations. In addition, the hire purchase loans incurred to purchase vehicles allow the group to expand its car rental fleet, thereby increasing the Group's revenue while diversifying the Group's business further. Similarly, the management will constantly monitor the fleet's utilisation to ensure that bulk of vehicles are utilised and not idle.
4 The properties of the Group are rented and not owned by the Group.	All the properties occupied for the Group's operations in China and Singapore are rental properties. As such, the Group is subject to rental rates fluctuation from time to time. If there is any significant increase in rental and utility expenses for the Group's rental properties, or are forced to vacate upon the expiry of an existing tenancy, it will increase our operating expenses and may materially and adversely affect the Group's business operations, financial position and/or prospects.	To minimise unforeseen fluctuations in rental expenses, the Group has entered into long-term contracts with the landlords to fix rental rates for a foreseeable period. The Group also sources for other affordable rental places from time to time and may relocate if substantial rental cost savings can be achieved without much disruption to the Group's business.

CAPITAL STRUCTURE

The Shares were successfully listed on GEM of the Stock Exchange on 11 October 2019. There has been no change in the capital structure of the Group since then to the date of this report. The capital structure of the Group only comprises ordinary Shares.

As at 30 June 2024, the Company's issued share capital was HK\$8,500,000, and the number of its issued ordinary Shares was 850,000,000 of HK\$0.01 each.

Please refer to the sections headed "Liquidity and Financial Resources and Gearing Ratio" above and "Charge on Group's Assets" below on maturity profile and interest rate structure of the Group's debts.

TREASURY POLICY

The Group has adopted a prudent financial management approach towards its treasury policies and thus has maintained a healthy liquidity position throughout the six months ended 30 June 2024. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, 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 from time to time.

FOREIGN EXCHANGE EXPOSURE

The Group's income and expenditure during the six months ended 30 June 2024 were principally denominated in Singapore dollar and Chinese yuan, and most of the assets and liabilities as at 30 June 2024 were denominated in Singapore dollar. The Group did not experience any material impact or difficulties in liquidity on its operations resulting from the fluctuation in the exchange rate, and no hedging transaction or forward contract arrangement was made by the Group during the six months ended 30 June 2024.

CAPITAL COMMITMENTS

As at 30 June 2024, the Group did not have capital commitments contracted but not provided for (31 December 2023: Nil).

CHARGE ON GROUP'S ASSETS

As at 30 June 2024, the Group's bank and other borrowings and lease liabilities of motor vehicles were secured by a corporate guarantee from the Company or a corporate guarantee from an indirect wholly owned subsidiary of the Company and the underlying assets.

CONTINGENT LIABILITIES

As at 30 June 2024, the Group did not have any significant contingent liabilities or outstanding guarantees in respect of payment obligations to any third parties (31 December 2023: Nil).

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

Save as elsewhere disclosed in this report, during the six months ended 30 June 2024, the Group did not have any significant investments, material acquisitions or disposals of subsidiaries and affiliated companies.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 30 June 2024, the Group does not have other plans for material investments and capital assets.



HUMAN RESOURCES

As at 30 June 2024, the Group had 124 employees (31 December 2023: 105 employees) with total staff cost of approximately SGD3.0 million incurred for the six months ended 30 June 2024 (31 December 2023: SGD6.5 million). As required by the applicable laws and regulations, the Group participates in the Central Provident Fund prescribed by the Central Provident Fund Act (Chapter 36 of the laws of Singapore) and have made the relevant contributions in accordance with the aforesaid laws and regulations. Save as the aforesaid, we have not participated in any other pension scheme(s). The Group's remuneration policy rewards employees and Directors based on individual performance, demonstrated capabilities, involvement, market comparable information and the performance of the Group. The Group improves the professional skills and management level of its employees through internal and external training. To ensure that the Group attracts and retains competent staff, remuneration packages are reviewed on a regular basis. Performance bonuses are offered to qualified employees based on individual and the Group's performance. We did not experience any material labour disputes during the six months ended 30 June 2024.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2024, the interests and short positions of the Directors and chief executive of the Company or any of their respective associates in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO") which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) have to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, are as follows:

Long Positions	Name of Director	Capacity/ Nature of Interest	As at 30 June 2024	
			Number of Shares held	Approximate percentage of Shareholding ⁽¹⁾
	Mr. Ang Lay Keong (Hong Liqiang) ("Mr. Ang") ⁽²⁾	Interest in controlled corporation	378,798,000	44.56%
	Mr. Hu Wu'an	Beneficial owner	56,582,000	6.66%
	Ms. Nie Li	Beneficial owner	18,275,400	2.15%
	Ms. Dai Xiaoyan	Beneficial owner	30,000	0.01%

Notes:

- (1) The percentage has been compiled based on the total number of 850,000,000 Shares in issue as at 30 June 2024.
- (2) This represents the Shares held by Red Link International Limited (“**Red Link**”), a company that is beneficially owned by Ms. Lim Fang Fang, Queenie (Lin Fangfang, Queenie) (“**Ms. FF Lim**”) as to 54.70% and Mr. Ang as to 45.30%. Therefore, Mr. Ang and Ms. FF Lim are deemed to be interested in all the Shares held by Red Link under the SFO.

Save as disclosed above, as at 30 June 2024, none of the Directors or chief executive of the Company nor their associates have interests or short positions in any Shares or underlying Shares and/or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have 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 in which they are taken or deemed to have under such provisions of the SFO) or that are required to be recorded in the register kept by the Company pursuant to section 352 of the SFO, or which are required to be notified to the Company and the Stock Exchange, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

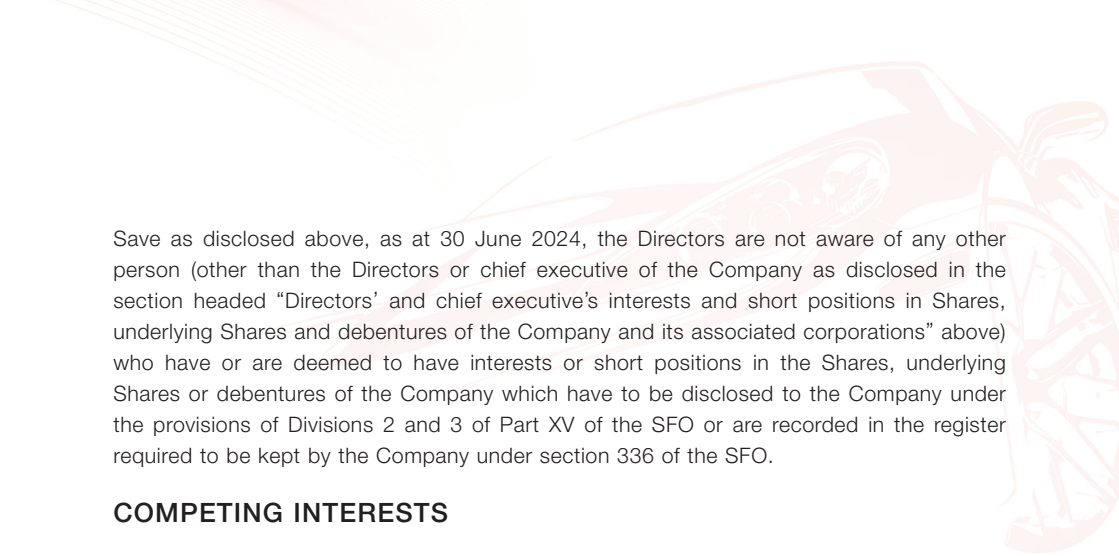
SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the Directors are aware, as at 30 June 2024, the persons/entities (other than Directors or chief executive of the Company) who had interests in the Shares and underlying Shares of the Company within the meaning of Part XV of the SFO which are required to be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or which will be required, pursuant to Section 336 of the SFO, to be entered in the register of the Company were as follows:

Name	Capacity/ Nature of Interest	As at 30 June 2024	
		Number of Shares held	Approximate percentage of Shareholding ⁽¹⁾
Red Link	Beneficial owner	378,798,000	44.56%
Ms. FF Lim ⁽²⁾	Interest in a controlled corporation	378,798,000	44.56%
Mr. Ng Chee Keen ⁽³⁾	Interest of spouse	378,798,000	44.56%
Ms. Lim Li Ling (Lin Liling) ⁽⁴⁾	Interest of spouse	378,798,000	44.56%

Notes:

- (1) The percentage has been compiled based on the total number of 850,000,000 Shares in issue as at 30 June 2024.
- (2) This represents the shares held by Red Link, a company that is beneficially owned Ms. FF Lim as to 54.70%. Therefore, Ms. FF Lim is deemed to be interested in all the Shares held by Red Link under the SFO.
- (3) Mr. Ng Chee Keen is the spouse of Ms. FF Lim and is deemed to be interested in all the Shares held by Red Link in which Ms. FF Lim is deemed to be interested under the SFO.
- (4) Ms. Lim Li Ling (Lin Liling), a former executive Director, is the spouse of Mr. Ang, and is deemed to be interested in all the Shares held by Red Link in which Mr. Ang is deemed to be interested under the SFO.



Save as disclosed above, as at 30 June 2024, the Directors are not aware of any other person (other than the Directors or chief executive of the Company as disclosed in the section headed “Directors’ and chief executive’s interests and short positions in Shares, underlying Shares and debentures of the Company and its associated corporations” above) who have or are deemed to have interests or short positions in the Shares, underlying Shares or debentures of the Company which have to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or are recorded in the register required to be kept by the Company under section 336 of the SFO.

COMPETING INTERESTS

For the six months ended 30 June 2024, none of the Directors or the controlling shareholders of the Company or their close associates (as defined in the GEM Listing Rules) was interested in any business which competes or may compete, either directly or indirectly, with the Group’s business nor did they have any other conflicts of interest with the Group.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30 June 2024.

SHARE OPTION SCHEME

The Company adopted a share option scheme on 18 September 2019 (the “**Share Option Scheme**”). The terms of the Share Option Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules.

Unless otherwise cancelled or amended, the Share Option Scheme will remain in force for a period of 10 years commencing on 18 September 2019. No share option has been granted since the adoption of the Share Option Scheme and there is no share option outstanding as at 30 June 2024. An option may be accepted within 21 days from the date of offer. A sum of HK\$1.00 shall be payable on acceptance. Unless otherwise determined by the Directors and stated in the offer for the grant of options to the grantee, there is no minimum holding period before it can be exercised. The maximum entitlement of each participant and the exercise price shall be in accordance with the GEM Listing Rules. Details of the Share Option Scheme are set out in the paragraph headed “Statutory and General Information – 4. Share Option Scheme” in Appendix IV to the Prospectus.

The number of share options available for grant under the scheme mandate of the Share Option Scheme shall not exceed 85,000,000, and the number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme, shall not exceed 85,000,000 Shares, representing 10% of the aggregate of the Shares in issue on the date of listing of the Company and 10% of the number of issued Shares as at the beginning and the end of PE2024.

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

Saved as disclosed in the paragraphs headed "Directors' and chief executive's interests and short positions in Shares, underlying Shares and debentures of the Company and its associated corporations" above, at no time during the six months ended 30 June 2024 and up to the date of this report did the Directors and the chief executive of the Company or their respective associates (as defined under the GEM Listing Rules) have any interest in or exercise, or had been granted, any rights to subscribe for shares (or warrants or debentures, if applicable) of the Company and/or its associated corporations (within the meaning of the SFO).

Save as disclosed above, at no time during the six months ended 30 June 2024 was the Company or any of its subsidiaries, associated companies, fellow subsidiaries or holding companies a party to any arrangements to enable the Directors or the chief executive of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for securities transactions by Directors on terms as required by Rules 5.48 to 5.67 of the GEM Listing Rules ("**Required Standard of Dealings**"). The Company had made specific enquiries with written guidelines in relation to the Required Standard of Dealings to all Directors, all Directors have confirmed that they complied with the required standards set out in the Required Standard of Dealings for the six months ended 30 June 2024 and up to the date of this report.

CORPORATE GOVERNANCE PRACTICES

The Company considers the maintenance of a high standard of corporate governance important to the continuous growth of the Group. The Company's corporate governance practices are based on code provisions as set out in the Corporate Governance Code (the "**CG Code**") as contained in Appendix C1 of the GEM Listing Rules. The Board has reviewed the Company's corporate governance practices and has formed the opinion that the Company throughout the six months ended 30 June 2024 and up to the date of this report, has complied with the CG Code.

AUDIT COMMITTEE

The Company has established an Audit Committee with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and with written terms of reference in compliance with the CG Code. The primary duties of the Audit Committee are to review the Company's financial information and oversee the Company's financial reporting system, risk management and internal control procedures. The full terms of reference setting out details of duties of the Audit Committee are in compliance with the CG Code and are available on the websites of the Stock Exchange and the Company.

The Audit Committee currently comprises of three independent non-executive directors, namely, Mr. Chu Kin Ming ("**Mr. Chu**"), Ms. Yi Jing and Ms. Dai Xiaoyan. The chairman is Mr. Chu, who holds the appropriate professional qualifications as required under Rules 5.05(2) and 5.28 of the GEM Listing Rules.

The interim results of the Group for the six months ended 30 June 2024 have not been audited. The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2024 together with this interim report and is of the opinion that the preparation of such statements complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

DIVIDEND

The Board does not recommend the payment of any interim dividend in respect of the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

Save as disclosed in this interim report, the Company does not have any other disclosure obligations under Rules 17.22, 17.23 and 17.24 of the GEM Listing Rules.

EVENT AFTER THE REPORTING PERIOD

The Directors are not aware of any significant event which had material effect on the Group subsequent to 30 June 2024 and up to the date of this report.

APPRECIATION

On behalf of the Board, I would like to deeply thank our shareholders, business partners and customers for their continuous support to the Group. I would also express my gratitude and appreciation to all the Directors, management and staff for their hard work and dedication throughout the period.

By Order of the Board
Optima Automobile Group Holdings Limited
Hu Wu'an
Chairman and Executive Director

Hong Kong, 28 August 2024

As at the date of this report, the executive Directors are Mr. Hu Wu'an, Mr. Ang Lay Keong (Hong Liqiang), Ms. Nie Li, Ms. Lin Xiaojuan and Mr. Chang Li-Chung, the independent non-executive Directors are Mr. Chu Kin Ming, Ms. Yi Jing and Ms. Dai Xiaoyan.

* For identification purpose only