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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)

SUPPLEMENTAL ANNOUNCEMENT REGARDING DISCLOSEABLE TRANSACTIONS IN RELATION TO PURCHASE OF VEHICLES

Reference is made to the Announcement and the Supplemental Announcement. As disclosed in the Supplemental Announcement, the Purchaser, an indirect wholly-owned subsidiary of the Company, and Vendor-2 entered into, among other things, the Revised Vehicle Sales Agreements-V, comprising ten vehicle sales agreements dated 17 August 2022, for the sale and purchase of ten Mazda vehicles.

THE VEHICLE SALES AGREEMENTS-V (SECOND REVISION)

On 25 October 2023, the Purchaser entered into Vehicle Sales Agreements-V (Second Revision) with Vendor-2, pursuant to which (i) three (3) of the six (6) vehicle sales agreements covering the remaining six (6) Mazda vehicles yet to be delivered had been terminated; and (ii) the consideration of each of the three (3) remaining sales agreements under the Revised Vehicle Sales Agreements-V had been adjusted upward as the COE price has been added to the listed price of the relevant vehicles. As such, the aggregate consideration for the three Mazda vehicles under the Vehicle Sales Agreements-V (Second Revision) amounted to S\$440,664, of which S\$315,000 was the COE price of the relevant vehicles.

IMPLICATIONS UNDER THE GEM LISTING RULES

As disclosed in the Supplemental Announcement, Vendor-2 and Vendor-3 are directly wholly-owned and indirectly wholly-owned by Karsono Tirtamarta (Kwee Yoe Chiang), respectively, the relevant transactions with Vendor-2 and Vendor-3 shall be aggregated as a series of transactions for the Company pursuant to Rule 19.23 of the GEM Listing Rules. Accordingly, the transactions contemplated under (i) the Vehicle Sales Agreements-I, the Vehicle Sales Agreements-II, the Vehicle Sales Agreements-IV with Vendor-2; (ii) the Revised Vehicle Sales Agreement-V and the Vehicle Sales Agreements-V (Second Revision) with Vendor-2; and (iii) the Vehicle Sales Agreement-III and the Vehicle Sales Agreements-VI with Vendor-3 shall be aggregated as a series of transactions.

None of the applicable percentage ratios (as defined in the GEM Listing Rules) for the transactions contemplated under the Vehicle Sales Agreements-V (Second Revision) on a standalone basis exceeds 5%. However, as one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) in relation to the transactions contemplated under the Vehicle Sales Agreements-V (Second Revision) when aggregated with Vehicle Sales Agreements-I, the Vehicle Sales Agreements-II, the Vehicle Sales Agreements-IV, the Vehicle Sales Agreement-III, the Revised Vehicle Sales Agreements-V and the Vehicle Sales Agreements-VI, exceed 5% but are less than 25%, such transactions on an aggregated basis constitute discloseable transactions of the Company under Chapter 19 of the GEM Listing Rules and are subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

Reference is made to (a) the announcement of Optima Automobile Group Holdings Limited (the “**Company**”) dated 26 January 2022 (the “**Announcement**”); and (b) the announcement of the Company dated 17 August 2022 (the “**Supplemental Announcement**”), in relation to purchase of vehicles. Unless otherwise defined herein, capitalised terms used herein shall have the same meaning ascribed to them in the Announcement and the Supplemental Announcement.

As disclosed in the Supplemental Announcement, the Purchaser, an indirect wholly-owned subsidiary of the Company, and Vendor-2 entered into, among other things, the Revised Vehicle Sales Agreements-V, comprising ten vehicle sales agreements dated 17 August 2022, for the sale and purchase of ten Mazda vehicles.

On 25 October 2023, the Purchaser entered into three revised vehicle sales agreements (collectively known as the “**Vehicle Sales Agreements-V (Second Revision)**”) with Vendor-2, pursuant to which (i) three (3) of the six (6) vehicle sales agreements covering the remaining six Mazda vehicles yet to be delivered had been terminated; and (ii) the consideration of each of the three (3) remaining sales agreements under Revised Vehicle Sales Agreements-V had been adjusted upward as the Certificate of Entitlement (“**COE**”) price had been added to the listed price of the relevant vehicles. As such, the aggregate consideration for the three Mazda vehicles under the Vehicle Sales Agreements-V (Second Revision) amounted to S\$440,664, of which S\$315,000 was the COE price of the relevant vehicles. With effect from 25 October 2023 and upon the signing of the Vehicle Sales Agreements-V (Second Revision), the original Revised Vehicle Sales Agreements-V for the remaining six Mazda vehicles were terminated or superseded (as the case may be) by the Vehicle Sales Agreements-V (Second Revision), and therefore ceased to have any force or effect.

VEHICLE SALES AGREEMENTS-V (SECOND REVISION)

The principal terms of the Vehicle Sales Agreements-V (Second Revision) are set out as follows:

Date

25 October 2023

Parties

- (1) Optima Carz Leasing Pte. Ltd., an indirect wholly-owned subsidiary of the Company, as the purchaser; and
- (2) Trans Eurokars Pte Ltd, as the vendor

Revised subject matter

Under the Vehicle Sales Agreements-V (Second Revision), the Purchaser agreed to purchase and Vendor agreed to sell in aggregate three Mazda vehicles.

Revised consideration

The aggregate consideration under the Vehicle Sales Agreements-V (Second Revision) had been adjusted to S\$440,664, of which S\$315,000 was the COE price of the relevant vehicles, as a result of (i) the abovementioned reduction to three Mazda vehicles and (ii) the upward adjustments in consideration due to addition of COE price from the list price of the remaining three vehicles. The consideration was negotiated between the parties on an arm's length basis and primarily with reference to the prevailing market price of the relevant car models and the recent automobile market condition in Singapore.

As disclosed in the Supplemental Announcement, a total deposit of S\$64,200 was paid on 7 February 2022 pursuant to the Vehicle Sales Agreements-V. The parties agreed that such deposit paid would be treated as the deposit under the Vehicle Sales Agreements-V (Second Revision) for the three remaining Mazda vehicles. The remaining consideration of S\$376,464 shall be paid before the delivery of the relevant vehicles. The consideration shall be satisfied in cash and funded by internal resources of the Group and hire purchase loans.

VALUE OF THE VEHICLES

The aggregate book value of the three Mazda vehicles purchased under the Vehicle Sales Agreements-V (Second Revision) is S\$440,664 (of which S\$315,000 was the COE price of the relevant vehicles), which is equivalent to their aggregate purchase price.

INFORMATION OF THE GROUP

The principal activity of the Company is investment holding. 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; (iii) supplying passenger car spare parts, accessories and automotive equipment to customers in Singapore and overseas countries and automobiles to customers in China; and (iv) sale of hardware and equipment, data collection and provision of management platform service relating to education business. The Purchaser is a company incorporated in Singapore with limited liability and is an indirect wholly-owned subsidiary of the Company. The Purchaser is principally engaged in providing passenger land transport and offering renting and leasing of private cars without operator.

INFORMATION OF VENDOR-2

Vendor-2 is a company incorporated in Singapore and is principally engaged in repair and maintenance of motor vehicles (including installation of parts and accessories) and retail sale of motor vehicles except motorcycles and scooters.

To the best of the Directors' knowledge, information and belief and after having made all reasonable enquiries, as at the date of this announcement, Vendor-2 is directly wholly-owned by Karsono Tirtamarta (Kwee Yoe Chiang).

To the best of the Directors' knowledge, information and belief and after having made all reasonable enquiries, as at the date of each of the Vehicle Sales Agreements-V (Second Revision), Vendor-2 and its ultimate beneficial owner are Independent Third Parties.

REASONS FOR AND BENEFITS OF ENTERING INTO THE VEHICLE SALES AGREEMENTS-V (SECOND REVISION)

As disclosed above, the Group is principally engaged in, among others, offering short-term and long-term car rental services.

As disclosed in the Supplemental Announcement, costs of car ownership in Singapore is high and consists of, among other things, various fees, duty, tax and COE price. In light of the recent significant increase of COE prices in Singapore and the difficulty of obtaining COEs, the Group has decided to reduce the remaining number of vehicles to be purchased and to obtain the vehicle together with the COE from Vendor-2.

The Directors consider that the terms of the Vehicle Sales Agreements-V (Second Revision) are on normal commercial terms, fair and reasonable, and the entering into of the Vehicle Sales Agreements-V (Second Revision) is in the interest of the Company and its Shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

As disclosed in the Supplemental Announcement, Vendor-2 and Vendor-3 are directly wholly-owned and indirectly wholly-owned by Karsono Tirtamarta (Kwee Yoe Chiang), respectively, the relevant transactions with Vendor-2 and Vendor-3 shall be aggregated as a series of transactions for the Company pursuant to Rule 19.23 of the GEM Listing Rules. Accordingly, the transactions contemplated under (i) the Vehicle Sales Agreements-I, the Vehicle Sales Agreements-II, the Vehicle Sales Agreements-IV with Vendor-2; (ii) the Revised Vehicle Sales Agreements-V and the Vehicle Sales Agreements-V (Second Revision) with Vendor-2; and (iii) the Vehicle Sales Agreement-III and the Vehicle Sales Agreements-VI with Vendor-3 shall be aggregated as a series of transactions.

None of the applicable percentage ratios (as defined in the GEM Listing Rules) for the transactions contemplated under the Vehicle Sales Agreements-V (Second Revision) on a standalone basis exceeds 5%. However, as one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) in relation to the transactions contemplated under the Vehicle Sales Agreements-V (Second Revision) when aggregated with Vehicle Sales Agreements-I, the Vehicle Sales Agreements-II, the Vehicle Sales Agreements-IV, the Vehicle Sales Agreement-III, the Revised Vehicle Sales Agreement-V and the Vehicle Sales Agreements-VI, exceed 5% but are less than 25%, such transactions on an aggregated basis constitute discloseable transactions of the Company under Chapter 19 of the GEM Listing Rules and are subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

Save as disclosed above, all other information as set out in the Announcement and the Supplemental Announcement remain unchanged and shall continue to be valid for all purposes. This supplemental announcement is supplemental to and should be read in conjunction with the Announcement and the Supplemental Announcement.

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

Hong Kong, 25 October 2023

As at the date of this announcement, the executive Directors are Mr. Ang Lay Keong (Hong Liqiang), Ms. Lim Li Ling (Lin Liling), Mr. Zhang Wenyuan, Ms. Nie Li, Ms. Lin Xiaojuan and Mr. Hu Wu'an; and the independent non-executive Directors are Mr. Chu Kin Ming, Mr. Chang Li-Chung, Ms. Yi Jing.

This announcement, for which the Directors 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 of Hong Kong Limited 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 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 <http://www.ow.sg>.