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BetterLife Holding Limited
百得利控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6909)

**DISCLOSEABLE TRANSACTIONS
IN RELATION TO THE ASSETS TRANSFER AGREEMENT
AND THE YANBAO LEASE AGREEMENT**

THE ASSETS TRANSFER AGREEMENT

The Board is pleased to announce that, on 24 April 2025 (after trading hours), Beijing BetterLife Group, an indirect wholly-owned subsidiary of the Company, entered into the Assets Transfer Agreement with Beijing Chendebao, pursuant to which Beijing Chendebao agreed to sell and Beijing BetterLife Group agreed to purchase the Target Assets.

THE YANBAO LEASE AGREEMENT

The Board is pleased to announce that on the same date as the Assets Transfer Agreement, i.e. 24 April 2025 (after trading hours), Beijing Betterlife Group entered into the Yanbao Lease Agreement with Beijing Yanbao in relation to the tenancy of the Yanbao 4S Dealership Store.

LISTING RULES IMPLICATIONS

Pursuant to Rule 14.22 of the Listing Rules, a series of transactions shall be aggregated and treated as if they were one transaction if they were all conducted within a 12-month period or were otherwise related. Therefore, the transaction contemplated under the Yanbao Lease Agreement and the Assets Transfer Agreement shall be aggregated since the counterparties to these transactions are controlled by the same ultimate beneficial owner.

As the highest applicable percentage ratio (as defined in the Listing Rules) for the transactions contemplated under the Yanbao Lease Agreement and the Assets Transfer Agreement, when aggregated, exceeds 5% but is less than 25%, the Assets Transfer Agreement, the Yanbao Lease Agreement and transactions contemplated thereunder, constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that, on 24 April 2025 (after trading hours), Beijing BetterLife Group, an indirect wholly-owned subsidiary of the Company, entered into the Assets Transfer Agreement with Beijing Chendebao, pursuant to which Beijing Chendebao agreed to sell and Beijing BetterLife Group agreed to purchase the Target Assets.

The Board is pleased to announce that on the same date as the Assets Transfer Agreement, i.e. 24 April 2025 (after trading hours), Beijing BetterLife Group entered into the Yanbao Lease Agreement with Beijing Yanbao in relation to the tenancy of the Yanbao 4S Dealership Store.

THE ASSETS TRANSFER AGREEMENT

The principal terms of the Assets Transfer Agreement are set out below:

- | | | |
|-----------------------|---|---|
| Date | : | 24 April 2025 (after trading hours) |
| Parties | : | <ul style="list-style-type: none">● Beijing Chendebao as the seller; and● Beijing BetterLife Group as the purchaser. |
| Conditions precedent | : | The effectiveness of the agreement shall be conditional upon duly execution of the agreement by both parties. |
| Target Assets | : | The Target Assets consist of machinery and equipment, office equipment, self-built buildings on rented land, renovations and alterations of the Chendebao 4S Dealership Store located at No. 1001, C Zone, Jin Gang Auto Park, Dongwei Road, Chaoyang District, Beijing, the PRC. |
| Conditions to closing | : | <p>The closing of the transfer of the Target Assets is conditional upon the satisfaction, or waiver by relevant party, of the following conditions:</p> <ul style="list-style-type: none">(1) all representations and warranties prior to the closing made by each party in the Assets Transfer Agreement shall continue to be true, accurate, complete and not misleading in all material aspects; |

- (2) all commitments and obligation made by each party in the Assets Transfer Agreement prior to the closing shall be complied with;
- (3) no actions or proceedings, whether pending or threatened against either party (including but not limited to the antitrust and/or competition review of the transaction by the Antimonopoly Bureau of the State Administration for Market Supervision and Administration of the PRC), to restrict or prohibit the Assets Transfer Agreement and the transaction contemplated thereunder;
- (4) no prohibition from any applicable laws on either party to sell or purchase the Target Assets;
- (5) all necessary consents or approvals from the seller and any third parties required for the completion of the transaction have been obtained, including, but not limited to, the authorization or notification procedures (if applicable) for the purchaser and its project company to obtain authorisation from the BMW-branded automobile suppliers to operate automobile dealership store at the location of the Chendebao 4S Dealership Store;
- (6) all of the Target Assets have been delivered to the purchaser or its project company, and a letter of confirmation for asset delivery has been executed by both parties;
- (7) the purchaser or its project company has executed a lease agreement with the landlord of premises where the Target Assets are located, i.e., Beijing Golden Harbor Exhibition Co., Ltd.* (北京金港展覽展示有限公司), which is a party independent of the seller and the purchaser;
- (8) the purchaser has set up a project company at the abovementioned premises and the project company has obtained the administrative approvals, licenses and qualifications necessary for the operation of the automobile dealership business; and
- (9) both parties have confirmed in writing that all the above conditions have been fulfilled.

If the purchaser waives any of the above conditions, the conditions so waived shall automatically become post-closing obligations of the seller under the Assets Transfer Agreement and shall be completed within a reasonable timeframe to be confirmed by both parties.

Consideration : The consideration is tentatively set at RMB18,003,800 (tax inclusive) (the “**Tentative Consideration**”), based on the book value of the Target Assets as at 31 March 2025 of approximately RMB16.44 million, and shall be the maximum consideration under the Assets Transfer Agreement.

The final consideration (the “**Final Consideration**”), not exceeding the Tentative Consideration, will be further determined through negotiation and mutual confirmation between the parties after completing the inventory and value confirmation of the Target Assets in accordance with the Assets Transfer Agreement, relevant supporting documents and the prevailing PRC accounting standards.

Payment : (1) Performance deposit: within five business days of execution of the Assets Transfer Agreement, the purchaser shall pay 5% of the Tentative Consideration, being approximately RMB0.90 million;

(2) Second instalment: within five business days after the establishment of the project company and the execution of an authorization agreement by and between the project company and the BMW-branded automobile suppliers, the purchaser shall pay 25% of the Tentative Consideration, being approximately RMB4.50 million;

(3) Third instalment: within three business days after the completion of inventory and value confirmation of the Target Assets, the determination of the Final Consideration, and the seller obtains necessary approval from its shareholders’ meeting, the performance deposit shall be automatically converted into part of the Final Consideration. At that time, all the instalments, along with Deductible Amounts (as defined below), shall in aggregate amount to 80% of the Final Consideration, the maximum of which being approximately RMB14.40 million.

The purchaser or the project company is entitled to deduct any of the following from the third instalment (the “**Deductible Amounts**”):

- a. any outstanding liabilities related to the Target Assets (including but not limited to employee payroll debts, debts to automobile suppliers, tax debts, etc.);
- b. any outstanding advance received by the seller from its customers (including but not limited to deposits for vehicles or after-sale services), unless the parties confirm that such advance has been handed over to the purchaser for processing and settling;
- c. any outstanding rents for the properties where the seller’s 4S dealership store is located; and
- d. any sums incurred by the purchaser as a result of a breach by the seller of its representations, warranties or undertakings under the Assets Transfer Agreement.

If the third instalment is insufficient to offset the abovementioned Deductible Amounts, the purchaser shall have the right to continue deducting the rest from the total Final Consideration payable to the seller.

- (4) Fourth instalment: within three business days after the parties having obtained the antitrust approval for the transaction, completion of the closing, execution of the letter of confirmation for asset delivery, and the purchaser or the project company having received an invoice from the seller (the amount of the invoice shall be 90% of the total Final Consideration), the purchaser shall pay 10% of the Final Consideration, the maximum of which being approximately RMB1.80 million; and
- (5) Final instalment: after both parties have confirmed in writing that all the above Deductible Amounts have been properly settled, and that there are no circumstances affecting the use and normal operation of the Target Assets, the purchaser or the project company shall pay the remaining consideration, i.e., 10% of the Final Consideration, the maximum of which being approximately RMB1.80 million, within three business days after receiving an invoice from the seller.

If the purchaser or project company advances any liability or obligation that should be borne by the seller, the purchaser may deduct the amount from the annual rent payable to the seller or its affiliates. If the deduction is insufficient, the seller must compensate the purchaser for the remaining loss within three days of receiving the purchaser's notice.

Closing

- : After all conditions to closing have been fulfilled or waived, the inventory and value confirmation of the Target Assets has been completed, and the Final Consideration determined, the parties shall execute the letter of confirmation for asset delivery in accordance with the Assets Transfer Agreement.

The seller shall provide a list of Target Assets confirmed by both parties, transfer all physical assets, legal title and other relevant interests in the Target Assets, along with all relevant documents, files, and information, to the purchaser or the project company.

Breach of contract

- : If either party breaches its representations, warranties, undertakings or obligations under the Assets Transfer Agreement and such breach is not resolved or cannot be resolved after notice by the non-breaching party, the non-breaching party shall have the right to unilaterally terminate the Assets Transfer Agreement upon notice to the breaching party.

If either party materially breaches the Assets Transfer Agreement or the purpose of the transaction thereunder cannot be realized due to any cause attributable to either party, the breaching party shall compensate the non-breaching party for all losses as abovementioned:

- (1) if the breaching party is the purchaser, the performance deposit paid by the purchaser shall not be returned, and the prepayment and other sums paid by the purchaser shall be returned within five business days; and
- (2) if the breaching party is the seller, the seller shall double the performance deposit, return the prepayment and other sums paid by the purchaser in full within five business days, and compensate the purchaser for all losses.

INFORMATION ON THE TARGET ASSETS

Set out below are the details of the Target Assets:

The Target Assets to be purchased by Beijing BetterLife Group from Beijing Chendebao consist of machinery and equipment, office equipment, self-built buildings on rented land, renovations and alterations, relating to the operation of the Chendebao 4S Dealership Store located at No. 1001, C Zone, Jin Gang Auto Park, Dongwei Road, Chaoyang District, Beijing, the PRC.

Based on the financial information provided by the seller, the unaudited book value of the Target Assets as at 31 March 2025 was approximately RMB16.44 million.

THE YANBAO LEASE AGREEMENT

The principal terms of the Yanbao Lease Agreement are set out below:

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|----------------------|---|---|
| Date | : | 24 April 2025 (after trading hours) |
| Parties | : | <ul style="list-style-type: none">● Beijing Yanbao as the landlord; and● Beijing BetterLife Group as the tenant. |
| Conditions precedent | : | The effectiveness of the agreement shall be conditional upon the due execution of the agreement by the parties and the completion of Beijing BetterLife Group's procurement of, among other things, new automobiles and spare parts (the " Procurement "). |
| Premises | : | The Yanbao 4S Dealership Store located at No. 26, Hongda North Road, Beijing Economic-Technological Development Area, Beijing, the PRC, including the building, premises, equipment (including office equipment/electronic equipment/general equipment/specialized equipment for the operation of the BMW 4S store), alterations, renovations and decorations, with a building area of 6,313 square meters and a land area of 12,255 square meters. |
| Usage | : | Office operations, automobile sales and after-sales services, the business scope listed on Beijing BetterLife Group's business license, company registration, operation of the BMW brand (Beijing BetterLife Group may adjust the brands according to its actual needs and business conditions), automobile 4S dealership stores and other automotive aftermarket-related businesses. |

- Lease term : The term under the Yanbao Lease Agreement shall be ten years from 10 May 2025 to 9 May 2035.
- Upon expiration of the lease, Beijing BetterLife Group may renew the lease with one-month prior notice, and parties shall sign a supplementary agreement to extend the term.
- Rent : The annual rental for the period from 10 May 2025 to 9 May 2030 shall be RMB6.4 million (tax inclusive), and the annual rental for the period from 10 May 2030 to 9 May 2035 shall be RMB4.0 million (tax inclusive), which were determined after arm's length negotiation among the parties.
- A rent-free period of one month starting from 10 May 2025 has been granted by the landlord to Beijing BetterLife Group.
- All the costs and expenses to be incurred during the use of the properties under the lease, including but not limited to water, electricity, gas, television, telephone, internet, heating, security, landscaping, pipeline and equipment maintenance, if any, shall be borne by Beijing BetterLife Group.
- Performance deposit : The performance deposit of RMB533,333 shall be paid together with the first rental payment. Upon expiration of the lease and within 30 days after the delivery of the leased property, Beijing Yanbao shall return the remaining performance deposit to Beijing BetterLife Group without interest, after deducting any rent, damages, and other expenses.
- Payment : From 10 May 2025 to 9 May 2028: the rent shall be paid by Beijing BetterLife Group semi-annually, within five business days after receipt of an invoice from Beijing Yanbao, except that the first rent shall be paid after receiving an invoice from Beijing Yanbao, on the date of payment of consideration for the Procurement.
- On or after 10 May 2028: the rent shall be paid by Beijing BetterLife Group quarterly, within five business days after receipt of an invoice from Beijing Yanbao.

RIGHT-OF-USE ASSET

In accordance with International Financial Reporting Standards 16 “Leases”, the Company recognises the value of the right-of-use assets on its consolidated statement of financial position in connection with the lease of the Yanbao 4S Dealership Store under the Yanbao Lease Agreement. Accordingly, the transaction under the Yanbao Lease Agreement is regarded as an acquisition of right-of-use assets by the Group.

The value (unaudited) of the right-of-use asset to be recognised by the Company under the Yanbao Lease Agreement is estimated to be approximately RMB34.87 million, being the present value of the aggregate lease payments throughout the lease term under the Yanbao Lease Agreement. The yearly discount rate of approximately 8% is applied to compute the present value of the aggregate lease payments under the Yanbao Lease Agreement.

REASONS FOR AND BENEFITS OF ENTERING INTO THE ASSETS TRANSFER AGREEMENT AND THE YANBAO LEASE AGREEMENT

The Group aims to strengthen its market position as a leading luxury and ultra-luxury automobile dealership service provider in China and to capture opportunities in the automobile market. The Directors consider that the Target Assets and the Yanbao 4S Dealership Store are located at strategic location for the Group’s expansion of its BMW-branded dealership network that it currently operates in Beijing. The Group is currently in the process of applying for authorization from BMW-branded automobile manufacturer for its operation in the Chendebao 4S Dealership Store and the Yanbao 4S Dealership Store in Beijing. Therefore, the acquisition of the Target Assets and the leasing of the Yanbao 4S Dealership Store are in line with the Group’s expansion strategy of its luxury and ultra-luxury automobile dealership network.

The terms of the Assets Transfer Agreement and the Yanbao Lease Agreement and the consideration and rents as stipulated thereunder were arrived at after arm’s length negotiations between the parties. The Tentative Consideration under the Assets Transfer Agreement is determined based on the book value of the Target Assets as at 31 March 2025 provided by the seller, the Final Consideration under the Assets Transfer Agreement may be further determined and adjusted according to the inventory and value confirmation completed by the parties and not exceeding RMB18,003,800.

Having considered the above reasons, the Directors (including the independent non-executive Directors) are of the opinion that the terms of the Assets Transfer Agreement and the Yanbao Lease Agreement and the transactions contemplated thereunder are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

INFORMATION OF THE PARTIES

The Group, the purchaser and the tenant

The Group is an automobile dealership service provider in China focusing on luxury and ultra-luxury brands. Beijing BetterLife Group is a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company. It is principally engaged in sale and service of motor vehicles.

Beijing Chendebao

Beijing Chendebao is a limited liability company established in the PRC and principally engaged in sale and service of motor vehicles in the PRC. Beijing Chendebao is an indirectly wholly-owned subsidiary of Grand Baoxin Auto Group Limited (廣匯寶信汽車集團有限公司) (“**Grand Baoxin**”), a company listed on the Main Board of the Stock Exchange with stock code of 1293. Grand Baoxin was owned as to approximately 68.6% by China Grand Automotive Services Group Co., Ltd. (廣匯汽車服務集團股份公司) (“**CGA**”), the shares of which were previously listed on the Shanghai Stock Exchange. According to the 2023 annual report of CGA, it was owned as to approximately 32.5% by Xinjiang Guanghui Industry Investment Group Co. Ltd. (新疆廣匯實業投資(集團)有限責任公司) (“**Guanghui Group**”), which in turn was ultimately owned by Mr. Sun Guangxin (孫廣信) (“**Mr. Sun**”) as to approximately 50.1%.

Beijing Yanbao

Beijing Yanbao is a limited liability company established in the PRC and principally engaged in maintenance of small vehicles, insurance agency business, automobile and motorcycle display, vehicle cleaning and interior modification services in the PRC. Beijing Yanbao is an indirectly wholly-owned subsidiary of Grand Baoxin, which was owned as to approximately 68.6% by CGA. According to the 2023 annual report of CGA, it was owned as to approximately 32.5% by Guanghui Group, which in turn was ultimately owned by Mr. Sun as to approximately 50.1%.

To the best of knowledge, information and belief of the Directors after making all reasonable enquiries and based on the public information available to the Company, Beijing Chendebao, Beijing Yanbao and their ultimate beneficial owner, Mr. Sun, are third parties independent of the Company and its connected persons.

LISTING RULES IMPLICATIONS

Pursuant to Rule 14.22 of the Listing Rules, a series of transactions shall be aggregated and treated as if they were one transaction if they were all conducted within a 12-month period or were otherwise related. Therefore, the transaction contemplated under the Yanbao Lease Agreement and the Assets Transfer Agreement shall be aggregated since the counterparties to these transactions are controlled by the same ultimate beneficial owner.

As the highest applicable percentage ratio (as defined in the Listing Rules) for the transactions contemplated under the Yanbao Lease Agreement and the Assets Transfer Agreement, when aggregated, exceeds 5% but is less than 25%, the Assets Transfer Agreement, the Yanbao Lease Agreement and transactions contemplated thereunder, constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Assets Transfer Agreement”	the assets transfer agreement entered into between Beijing BetterLife Group and Beijing Chendebao dated 24 April 2025 (after trading hours)
“Beijing BetterLife Group”	Beijing BetterLife Automobile Import and Export Group Co., Ltd.* (北京百得利汽車進出口集團有限公司), a PRC limited liability company established on 3 September 1998 and an indirectly wholly-owned subsidiary of the Company
“Beijing Chendebao”	Beijing Chendebao Auto Sales and Services Co., Ltd.* (北京晨德寶汽車銷售服務有限公司), a PRC limited liability company established on 8 August 2003
“Beijing Yanbao”	Beijing Yanbao Auto Services Co., Ltd.* (北京燕寶汽車服務有限公司), a PRC limited liability company established on 21 July 1995
“Board”	the board of Directors
“business day”	any calendar day (other than a Saturday, a Sunday, or a statutory public holiday) on which banks in the PRC are open for business, and interbank deposit and payment transactions can be conducted
“Chendebao 4S Dealership Store”	a BMW branded 4S dealership store located at No. 1001, C Zone, Jin Gang Auto Park, Dongwei Road, Chaoyang District, Beijing, the PRC
“Company”	BetterLife Holding Limited, a company incorporated under the laws of the Cayman Islands with limited liability, and the Shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of PRC
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Target Assets”	machinery and equipment, office equipment, self-built buildings on rented land, renovations and alterations of the Chendebao 4S Dealership Store located at No. 1001, C Zone, Jin Gang Auto Park, Dongwei Road, Chaoyang District, Beijing, the PRC
“Yanbao Lease Agreement”	the lease agreement entered into between Beijing BetterLife Group and Beijing Yanbao dated 24 April 2025 (after trading hours)
“Yanbao 4S Dealership Store”	a BMW branded 4S dealership store located at No. 26, Hongda North Road, Beijing Economic-Technological Development Area, Beijing, the PRC
“%”	per cent

By Order of the Board
BetterLife Holding Limited
Chou Patrick Hsiao-Po
Chairman

Hong Kong, 24 April 2025

As at the date of this announcement, the Board comprises Mr. Chou Patrick Hsiao-Po, Ms. Sun Jing, Mr. Xu Tao and Ms. Li Dan as executive Directors; and Mr. Liu Dengqing, Mr. Lou Sai Tong and Dr. Chu Fumin as independent non-executive Directors.

** For identification purpose only*