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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 TRANSACTION
IN RELATION TO THE YANBAO ASSETS TRANSFER AGREEMENT

THE YANBAO ASSETS TRANSFER AGREEMENT

The Board is pleased to announce that, on 29 April 2025 (after trading hours), Beijing BetterLife Group, an indirect wholly-owned subsidiary of the Company, entered into the Yanbao Assets Transfer Agreement with Beijing Yanbao, pursuant to which Beijing Yanbao agreed to sell and Beijing BetterLife Group agreed to purchase the Target Assets.

LISTING RULES IMPLICATIONS

Reference is made to the Previous Announcement. 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 Assets Transfer Agreement shall be aggregated with the Previous Agreements 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 transaction contemplated under the Yanbao Assets Transfer Agreement when aggregated with the Previous Agreements, exceeds 5% but is less than 25%, the Yanbao Assets Transfer Agreement and the transaction contemplated thereunder, constitute a discloseable transaction 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 29 April 2025 (after trading hours), Beijing BetterLife Group, an indirect wholly-owned subsidiary of the Company, entered into the Yanbao Assets Transfer Agreement with Beijing Yanbao, pursuant to which Beijing Yanbao agreed to sell and Beijing BetterLife Group agreed to purchase the Target Assets.

THE YANBAO ASSETS TRANSFER AGREEMENT

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

- Date : 29 April 2025 (after trading hours)
- Parties :
 - Beijing Yanbao 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 and office equipment of the Yanbao 4S Dealership Store located at No. 26, Hongda North Road, Beijing Economic-Technological Development Area, Beijing, the PRC.
- Conditions to closing : The closing of the transfer of the Target Assets is conditional upon the satisfaction, or waiver by relevant party, of the following conditions:
- (1) all representations and warranties prior to the closing made by each party in the Yanbao 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 Yanbao 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 Yanbao 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 Yanbao 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 seller;
- (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 Yanbao Assets Transfer Agreement and shall be completed within a reasonable timeframe to be confirmed by both parties.

Consideration : The consideration is tentatively set at RMB3.29 million (tax inclusive) (the “**Tentative Consideration**”), based on the book value of the Target Assets as at 31 March 2025 of approximately RMB3.02 million, and shall be the maximum consideration under the Yanbao 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 Yanbao Assets Transfer Agreement, relevant supporting documents and the prevailing PRC accounting standards.

- Payment : (1) Performance deposit: within five business days of execution of the Yanbao Assets Transfer Agreement, the purchaser shall pay 5% of the Tentative Consideration, being approximately RMB0.16 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 RMB0.82 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 RMB2.63 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 Yanbao 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 RMB0.33 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 RMB0.33 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 Yanbao Assets Transfer Agreement.

The seller shall provide a list of the 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 Yanbao 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 Yanbao Assets Transfer Agreement upon notice to the breaching party.

If either party materially breaches the Yanbao 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 Yanbao consist of machinery and equipment and office equipment relating to the operation of the Yanbao 4S Dealership Store located at No. 26, Hongda North Road, Beijing Economic-Technological Development Area, 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 RMB3.02 million. There is no identifiable income attributable to the Target Assets in the unaudited management account of the seller.

REASONS FOR AND BENEFITS OF ENTERING INTO THE YANBAO ASSETS TRANSFER 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 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 Yanbao 4S Dealership Store in Beijing. Therefore, the acquisition of the Target Assets is in line with the Group's expansion strategy of its luxury and ultra-luxury automobile dealership network.

The terms of the Yanbao Assets Transfer Agreement and the consideration as stipulated thereunder were arrived at after arm's length negotiations between the parties. The Tentative Consideration under the Yanbao 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 Yanbao Assets Transfer Agreement may be further determined and adjusted according to the inventory and value confirmation completed by the parties and not exceeding RMB3.29 million.

Having considered the above reasons, the Directors (including the independent non-executive Directors) are of the opinion that the terms of the Yanbao Assets Transfer Agreement and the transaction 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 and the purchaser

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 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 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), which in turn was ultimately owned by Mr. Sun Guangxin (孫廣信) (“**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 Yanbao and its ultimate beneficial owner, Mr. Sun, are third parties independent of the Company and its connected persons.

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DEFINITIONS

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

“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 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
“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
“Previous Agreements”	the assets transfer agreement entered into between Beijing BetterLife Group and Beijing Chendebao Auto Sales and Services Co., Ltd.* (北京晨德寶汽車銷售服務有限公司) dated 24 April 2025 and the lease agreement entered into between Beijing BetterLife Group and Beijing Yanbao dated 24 April 2025, details of which were disclosed in the Previous Announcement

“Previous Announcement”	the announcement of the Company dated 24 April 2025 in relation to the entering into the Previous Agreements
“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 and office equipment of the Yanbao 4S Dealership Store located at No. 26, Hongda North Road, Beijing Economic-Technological Development Area, Beijing, the PRC
“Yanbao Assets Transfer Agreement”	the assets transfer agreement entered into between Beijing BetterLife Group and Beijing Yanbao dated 29 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, details of which were disclosed in the Previous Announcement
“%”	per cent

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

Hong Kong, 29 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*