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F A R N O V A

FARNOVA GROUP HOLDINGS LIMITED

法諾集團控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 8153)

VOLUNTARY ANNOUNCEMENT

POSSIBLE ACQUISITION

This announcement is made by Farnova Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to inform the shareholders and potential investors of the Company of certain business development of the Group.

POSSIBLE ACQUISITION

The board of directors of the Company (the “**Directors**”) is pleased to announce that on 28 June 2021, the Company engaged an agent to, on behalf of the Company, (i) conduct due diligence on the assets, liabilities, finance, business of a target company (the “**Target Company**”, together with its subsidiaries, the “**Target Group**”); and (ii) proceed with the possible acquisition (the “**Possible Acquisition**”) of a majority interest in the Target Company, subject to the results of the due diligence.

As at the date of this announcement, there is no legally binding commitment in respect of the Possible Acquisition. The Possible Acquisition is subject to, among others, the results of due diligence.

INFORMATION OF TARGET GROUP

The Target Group is a world-renowned automotive manufacturer based in Italy which is principally engaged in the design, manufacturing and sales and marketing of new energy electric vehicles, being electric and hybrid vehicles. The business scope of the Target Group includes providing a full-service commitment from the idea to the running prototype.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, members of the Target Group and their respective beneficial owners are parties independent of and not connected with the Company and its connected persons.

REASONS AND BENEFITS FOR THE POSSIBLE ACQUISITION

The Group is principally engaged in the sales of new energy electric vehicles and advertising.

The Company has continuously been exploring suitable investment opportunities with an aim to enhance the returns to the Shareholders. With a designated in-house scientific committee made up of experts from other prestigious international automobile brands, the Target Group brings together advanced technology and in-depth experience in the design, engineering and development of electric vehicles. The Directors, having considered the positive prospects of the new energy electric vehicle market and reviewed the preliminary information relating to the Target Company, consider that the experience and know-how of the Target Company would be beneficial to the development of the new energy electric vehicle business of the Group. The Possible Acquisition, if materialises, would enable the Group to solidify its presence in overseas market, facilitating the Group to capture the continuous market growth and improve its competitiveness which would in turn help bring positive impacts on the profitability of the Group in the long run.

If the transactions contemplated under the Possible Acquisition materialise, the Company will make further announcements as and when appropriate in accordance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“GEM Listing Rules”). Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the shares of the Company.

By order of the Board
Farnova Group Holdings Limited
Guo Gelin
Chairman

Hong Kong, 28 June 2021

As of the date of this announcement, the executive Directors are Mr. Guo Gelin, Mr. Mou Zhongwei and Mr. Deng Li; the non-executive Directors are Mr. Wang Qiang, Mr. Kuang Quanzhuang, Mr. Li Guangying and Ms. Wang Hanjing; and the independent non-executive Directors are Mr. Luo Ji, Ms. Wu Hong, Mr. Li Jianxing and Dr. Wu Bin.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website <http://www.hkgem.com> for at least 7 days from the date of its publication. This announcement will also be published on the Company’s website at <http://farnov.ocoplus.com>.