Guan Chao Holdings Limited
冠轈控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1872)

PROFIT WARNING

This announcement is made by Guan Chao Holdings Limited (the "**Company**" and its subsidiaries, collectively the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders (the "**Shareholders**") and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group for the five months ended 31 May 2020, the Group's profit attributable to equity holders of the Company for the five months ended 31 May 2020 has significantly decreased by approximately 56% as compared to that for the corresponding period in 2019 (excluding the effect of listing expenses) which was mainly attributable to the substantial decline in revenue resulting from temporary closure of the Group's showrooms for the period from 7 April 2020 to 18 June 2020 (both days inclusive) due to the safe distancing measures implemented by the Ministry of Health of Singapore to curb further spread of COVID-19.

Based on the above financial information and information currently available to the Company, the Board expects that the Group's profit attributable to the equity holders of the Company for the six months ended 30 June 2020 will decrease substantially as compared to that for the corresponding period in 2019, given that (i) the pandemic persists; and (ii) the Group's showrooms were temporarily closed since 7 April 2020 and had only resumed operation on 19 June 2020.

The information contained in this announcement is only based on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group and the information currently available to the Company, which financial figures or information have neither been audited or reviewed by the auditors of the Company, nor been approved by the audit committee of the Company. The results announcement of the Group for the six months ended 30 June 2020 is expected to be published by the Company within the timeframe as stipulated under the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Guan Chao Holdings Limited
Mr. Tan Shuay Tarng Vincent
Chairman and executive Director

Hong Kong, 30 June 2020

As at the date of this announcement, the board of Directors comprises Mr. Tan Shuay Tarng Vincent, Ms. Ng Hui Bin Audrey and Mr. Khung Poh Sun as executive Directors; Mr. Raymond Wong as non-executive Director; and Mr. Chow Wing Tung, Mr. Hui Yan Kit and Mr. Tam Yat Kin Ken as independent non-executive Directors.