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Guan Chao Holdings Limited
冠轆控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1872)

**CLARIFICATION AND SUPPLEMENTAL ANNOUNCEMENT
IN RELATION TO
THE DISCLOSEABLE TRANSACTION REGARDING
A SUBSCRIPTION OF NEW SHARES IN THE TARGET COMPANY**

Reference is made to the announcement (the “**Announcement**”) issued by Guan Chao Holdings Limited (the “**Company**”) dated 10 March 2026 in relation to, among other things, the subscription of 5,413,652 new ordinary shares of Guangzhou Haote Energy Saving Technology Co., Ltd* (廣州豪特節能環保科技股份有限公司) (the “**Subscription**”). Unless otherwise specified, capitalised terms used herein shall have the same meanings as defined in the Announcement.

The Board would like to provide additional information regarding the Subscription.

THE CLARIFICATION

As disclosed in the Announcement, the Subscription Price was determined after arm’s-length negotiations between the parties to the Subscription Agreement based on a valuation conducted by Roma Appraisals Limited (the “**Valuer**”), an independent professional valuer, who assessed the Target Company’s pre-money equity value using the market approach at approximately RMB2,837,256,000.

The Company would like to clarify that, following a review of specific valuation parameters, the final valuation result of the market value of the entire equity interest in the Target Company has been adjusted to RMB2,960,000,000 (the “**Valuation**”). This updated amount is supported by a detailed valuation report (the “**Valuation Report**”) that outlines the underlying basis, assumptions, and calculations used to arrive at this figure.

Based on the Valuation, the pre-money market value per share of the Target Company is approximately RMB30.62. This figure is calculated by dividing the total Valuation (i.e., RMB2,960,000,000) by the total number of ordinary shares outstanding (i.e., 96,672,388). As a result, the subscription price for each Subscription Share, set at RMB25.86, represents a discount of approximately 15.55% compared to the pre-money market value per share of the Target Company.

THE SUPPLEMENTAL INFORMATION

The Board would like to present additional information regarding the Valuation based on the details outlined in the Valuation Report.

1. Basis for determination of the Subscription Price

a. Scope of work performed by the Valuer

The purpose of the Valuation is to provide the Company with an independent third party opinion regarding the market value of the entire equity interest in the Target Company as of 6 March 2026 (the “**Valuation Date**”). The Valuation results are based on the assumptions outlined in this announcement and the information provided by the Company.

In preparing the Valuation Report, the Valuer engaged in discussions with the Company to gain insights into the Target Company’s development, operations, and other relevant information. The resulting opinion of the Valuation largely depends on the completeness, accuracy, and representation of the operational, financial, and other essential data provided by the Company’s management.

b. Valuation approach(es) and method(s)

In conducting the Valuation, the Valuer considered three generally accepted valuation approaches: (i) the market-based approach; (ii) the income-based approach; and (iii) the asset-based approach.

During the valuation process, the Valuer examined the Target Company’s operational and financial information. Meetings with the Target Company’s management (the “**Management**”) were held to gain a thorough understanding of its current situation, future potential, and the broader industry context in which it operates. Additionally, the Valuer considered the availability of relevant data when selecting the most suitable valuation methods.

The income-based approach was not selected for the Valuation due to the absence of a financial forecast and a detailed business plan from the Management. Furthermore, variations in assumptions could significantly impact the valuation results. Similarly, the asset-based approach was considered inadequate because it does not capture the Target Company’s future earning potential, thereby failing to reflect its true market value. Given these considerations, the Valuer decided to use a market-based approach to determine the market value of the Target Company. This approach involves identifying appropriate valuation multiples of comparable companies, specifically assessing price-to-sales (“**P/S**”), price-to-earnings (“**P/E**”), and price-to-book (“**P/B**”) multiples.

It was determined that the operations of the Target Company, as well as those of similar businesses, do not significantly depend on their asset bases. Consequently, the P/B multiple was considered inappropriate for the Valuation. Additionally, the P/E multiple was not selected because it does not accurately reflect the Target Company’s true value, given the current volatility in its earnings. Therefore, the Valuer has concluded that the P/S multiple is the most suitable method for assessing the market value of the Target Company.

c. *Major assumptions adopted in the Valuation*

The Valuer has made the following assumptions in the Valuation:

- i) the unaudited consolidated financial statements of the Target Company as of 31 December 2025 are assumed to reasonably represent its financial position, given that the audited financial statements as of the Valuation Date are not available;
- ii) it is assumed that all necessary legal approvals and business licenses required to operate in the localities where the Target Company currently operates or plans to operate have been successfully obtained and will be renewable upon expiration with minimal costs;
- iii) it is expected that all relevant legal approvals and business licenses required for operation in the localities will be officially obtained and will be renewable upon expiration;
- iv) there will be no significant changes in the current taxation laws in the localities where the Target Company operates or intends to operate. The tax rates are expected to remain unchanged, and all applicable laws and regulations will be complied with;
- v) there will be no major changes in the political, legal, economic, or financial conditions in the localities that could negatively impact the Target Company's revenues and profitability; and
- vi) interest rates and exchange rates in the localities where the Target Company operates are expected to remain consistent with current levels.

d. *Determination of P/S multiple used in the Valuation*

The Valuer has selected several publicly listed companies with business operations similar to those of the Target Company to serve as guideline public companies. The selection of the Comparable Companies was based on the following criteria:

- i) more than 50% of the revenue from their product segment revenue is generated by data center operations;
- ii) more than 50% of the revenue from the geographic segment comes from Eastern Asia;
- iii) their shares have been actively traded over a reasonable period; and
- iv) detailed financial and operational information regarding these companies is accessible through Bloomberg or other publicly available sources.

Bloomberg has conducted an exhaustive search for all publicly listed companies that primarily operate within the data center sector. This process has resulted in a shortlist of twelve (12) relevant companies. Subsequently, the Valuer evaluated the business models and product profiles of these shortlisted entities, using information from their official websites and other reputable, reliable sources as needed. Companies that meet the above-mentioned criteria and are aligned with the Target Company’s business operations were selected as guideline public companies for valuation purposes (the “**Comparable Companies**”). As part of this process, seven (7) companies have been excluded because less than 50% of the revenue from their product segment revenue is generated by data center operations (the “**Excluded Companies**”).

In the valuation analysis, a statistical filtering method was employed to identify and exclude outliers among Comparable Companies based on their P/S ratios. The process began with calculating the standard deviation of the P/S ratios for the selected Comparable Companies. Subsequently, the upper and lower bounds of 10.22 and 1.14 respectively were established by adding and subtracting one standard deviation from the mean P/S ratio of approximately 5.68. The P/S ratio of approximately 13.18 for Beijing Vastdata Technology Co Ltd fell outside these bounds and was classified as an extreme outlier due to its significant deviations and was consequently removed from the final peer group used to derive the valuation multiple. This method ensures that companies with unusually high or low P/S ratios do not distort the overall benchmark, leading to a more accurate and reliable set of multiples for valuation purposes. Ultimately, eight companies were identified as extreme outliers and excluded from consideration, resulting in the selection of four Comparable Companies as guideline public entities for the valuation analysis. The following are the details of the Comparable Companies:

Company name	Ticker	Stock exchange	Location of principal activities	Description	Reasons for selection
Shenzhen Zhengtong Electronics Co Ltd (“Shenzhen Zhengtong”)	002197 CH Equity	China	China	Shenzhen Zhengtong is involved in the development, manufacturing, marketing, and sale of bank terminal products. Shenzhen Zhengtong produces a range of items, including asynchronous transfer mode devices, self-service payment terminals, multimedia kiosks, metal pinpads, force magnetic card encoders, smart card readers, and customer displays.	Shenzhen Zhengtong focuses on creating customized high-efficiency designs for HVAC and cooling optimization, power management, and Power Usage Effectiveness (PUE). This approach aligns with the Target Company’s expertise in providing comprehensive energy management solutions and technical improvement projects for both new and existing data centers in the Asian market.

Company name	Ticker	Stock exchange	Location of principal activities	Description	Reasons for selection
Vnet Group Inc (“ Vnet ”)	VNET US Equity	United States of America	China	Vnet offers carrier-neutral internet data center services. Vnet hosts its customers’ servers and networking equipment, providing interconnectivity that enables customers to deliver data across the Internet. Vnet operates in Beijing, China.	Vnet is committed to designing, constructing, and retrofitting energy-efficient data centers. It has implemented specific measures to reduce Power Usage Effectiveness (PUE) through HVAC and power optimization, monitoring systems, and technical upgrades. This closely aligns with the Target Company’s comprehensive solutions in HVAC, power distribution, environmental monitoring, backup power, and integrated control systems for both new and existing data center projects.
Beijing Sinnet Technology Co Ltd (“ Beijing Sinnet ”)	300383 CH Equity	China	China	Beijing Sinnet provides a comprehensive suite of data services. Its offerings include broadband access, internet data center solutions, along with related value-added services, and integrated internet services. Beijing Sinnet is dedicated to delivering these services to clients across all regions of China.	Beijing Sinnet focuses on customizing and renovating green data centers and offering operations and maintenance services to improve energy efficiency and reduce Power Usage Effectiveness (PUE). This aligns with the Target Company’s comprehensive solutions for both newly constructed data centers and technical upgrades for existing facilities, all aimed at lowering energy consumption.

Company name	Ticker	Stock exchange	Location of principal activities	Description	Reasons for selection
SAKURA Internet Inc ("SAKURA")	3778 JP Equity	Japan	Worldwide	SAKURA offers a wide range of internet services to businesses. SAKURA operates a data center, leasing space for clients' servers and network equipment. Additionally, SAKURA provides web hosting and internet connectivity services.	SAKURA's energy management contracting and IDC services closely resemble the Target Company's provision of comprehensive, customized energy-saving solutions. These solutions include design, procurement, integration, and maintenance, with a specific focus on enhancing energy efficiency and reducing Power Usage Effectiveness (PUE) in data centers and industrial environments.

The P/S multiple used in the Valuation analysis was derived from the average P/S multiple of the Comparable Companies as of the Valuation Date, based on information obtained from Bloomberg. Below are the P/S multiples of the Comparable Companies and the Excluded Companies:

Comparable Companies

Company name	Trailing 12-month revenue/share (Note)	Price	P/S Multiple
Shenzhen Zhengtong	40.89	126.91	3.10
Vnet	38.65	66.33	1.72
Beijing Sinnet	3.86	15.05	3.90
SAKURA	1.31	8.55	6.53
Median			Approximately 3.50

Note: Total figures may not add up due to rounding.

Note: Trailing 12-month revenue is derived from the latest available financial data sourced from Bloomberg.

Excluded Companies

Company name	Trailing 12-month revenue/share (Note)	Price	P/S Multiple
ASJ Inc	353.91	380	1.07
Beijing Transtrue Technology Inc	1.77	16.12	9.11
SYS Holdings Co Ltd	1402.36	541	0.39
GDS Holdings Ltd	7.92	40.87	5.16
SDIC Intelligence Information Technology Co Ltd	1.95	13.66	7.01
SOLAI Ltd	N/A	0.83	0.94
GMO Pepabo Inc	2147.85	1981	0.92
Beijing Vastdata Technology Co Ltd	1.43	18.82	13.16
		Median	Approximately 3.12

Note: Total figures may not add up due to rounding.

Note: For companies that lack detailed data on their trailing 12-month revenue breakdown, the P/S ratio was sourced directly from Bloomberg.

e. **Determination of marketability discount**

Since the Target Company is a privately held entity with limited liquidity, the Valuer has determined that a marketability discount is necessary. This discount accounts for the inherent liquidity challenges associated with privately held shares, which typically entail higher transaction costs than those for public company shares. Based on the 2025 edition of the Stout Restricted Stock Study, a lack-of-marketability discount of 27.43% has been applied. This discount assessment is especially relevant for businesses primarily engaged in computer processing, data preparation, and related services, including data entry, tabulation, and time-sharing, in determining the market value of the Target Company as of the Valuation Date.

f. Methodology used to determine the market value of the Target Company

The following outlines the methodology used to determine the market value of the Target Company through the application of the P/S multiple:

Unaudited total revenue of the Target Group for the year ended 31 December 2025	(A)	RMB1,164,204,807
Multiplied by: Average P/S multiple of the Comparable Companies	(B)	Approximately 3.502602
Market value of the entire equity interest of the Target Company before adjustment of marketability discount	(A) x (B) = (C)	Approximately RMB4,077,746,000
Multiplied by: Marketability discount	(D)	(1-27.43%)
Market value of the entire equity interest of the Target Company	(C) x (D)	Approximately RMB2,959,220,000
Market value of the entire equity interest of the Target Company (Rounded)		RMB2,960,000,000

g. Limitations of the Valuation

The Valuer has identified certain limitations related to the Valuation, which are outlined below:

- i) the Valuation reflects the facts and conditions that were in effect as of the Valuation Date, where subsequent events or circumstances have not been considered;
- ii) the Valuation was performed using the information provided by the Company to the Valuer;
- iii) although the data, opinions, and estimates obtained from external sources that contributed to the Valuation analysis were sourced from reputable and reliable sources, the Valuer does not guarantee their accuracy, nor disclaims any liability for discrepancies;
- iv) the Valuer has placed substantial reliance on the historical and projected information provided by the Company's management and third-party sources to establish their opinion on value. It is important to note that this information has not been audited or compiled by the Valuer;
- v) the Valuer has assumed that the management team of the Target Company is competent and follows established regulations. Additionally, it is believed that the Target Company's ownership is in capable. This assumption is critical because management effectiveness can significantly affect both the business viability and the Target Company's overall market value;

- vi) the Valuer has not investigated the title or any legal liabilities related to the Target Company. As such, no responsibility is assumed concerning the title of the asset being appraised; and
- vii) the Valuation was developed using established valuation methodologies that rely substantially on a variety of assumptions and the assessment of several uncertainties, many of which may not be easily quantified or clarified.

Following discussions with the Valuer, the Directors acknowledge that the limitations mentioned above reflect the inherent boundaries and risk allocation involved in valuation engagements. These general limitations are applicable to all valuations. Given that the Valuation was conducted in accordance with professional standards, the Directors believe that these limitations are both fair and reasonable within the context of market practices.

h. Identity, qualification, and independence of the Valuer

To the best of the Directors' knowledge, information and belief, and after conducting all reasonable enquiries, the Directors are not aware of any relationships or interests between the Valuer and the Group, or between the Valuer and any of their significant shareholders, directors, chief executives, or their associates that could be perceived as affecting the Valuer's independence. Furthermore, there are no arrangements in place for the Valuer to receive any fees or benefits from the Company or any of its significant shareholders, directors, chief executives, or their associates, other than the standard professional fees for the Valuation. As a result, the Directors are not aware of any circumstances that could impact the Valuer's independence.

In addition to the above, the Board has concluded that Mr. Ken Yue, the chairman of the Valuer and the signatory of the Valuation Report, has over 20 years of experience in accounting, auditing, compliance, valuation, and corporate finance. Mr. Ken Yue is a Certified Public Accountant (CPA) and a Chartered Global Management Accountant (CGMA). He is also a member of the American Institute of Certified Public Accountants (AICPA) and the Colorado Society of Certified Public Accountants (CSCPA). His expertise spans a wide range of valuation services for both tangible and intangible assets. The Board has determined that Mr. Ken Yue is fully capable of conducting the Valuation effectively. Additionally, a review of the Valuer's terms of engagement shows that the scope of work is properly aligned with the requirements of the Valuation process.

2. Principal terms of the Supplemental Agreement

In addition to the information regarding the “Repurchase of Subscription Shares” outlined in the Announcement, the Board would like to provide further details on the key terms of the Subscription Agreement:

a. Conditions precedent for the Subscription

Pursuant to the Supplemental Agreement, Shenzhen Tianqiming’s obligation to pay the Subscription Price depends on the fulfillment of all the following conditions precedent or on their waiver in writing by Shenzhen Tianqiming:

1. Shenzhen Tianqiming has completed all necessary legal, financial, business, and operational due diligence regarding the Subscription, and after a comprehensive review, Shenzhen Tianqiming is overall satisfied with the results of this due diligence;
2. the Supplemental Agreement and other transaction documents have been formally signed by the relevant parties, including the Subscription and shareholding agreement and the company’s articles;
3. the Target Company has secured all necessary approvals, consents, registrations, and filings from relevant government regulatory authorities and third parties for the Subscription;
4. the Target Company has secured all necessary authorizations, consents, and approvals required for signing and executing the Supplemental Agreement and other transaction documents, including, but not limited to, the resolutions that approve the Subscription;
5. the Target Company has fulfilled and complied with all commitments and obligations under the Supplemental Agreement and other transaction documents, and there are no instances of non-fulfillment or violations of the aforementioned agreements;
6. Shenzhen Tianqiming has received a payment notice from the Target Company, which includes the payment account information and the amount that Shenzhen Tianqiming needs to pay;
7. the Target Company guarantees that the representations and warranties provided in the Supplemental Agreement are true, complete, accurate, and not misleading, with no significant omissions. This guarantee is valid from the date of signing the Supplemental Agreement until the Completion Date;
8. as of the Completion Date, there are no events, facts, conditions, changes, or other circumstances that have occurred or can reasonably be expected to have a significant negative impact on the Target Company’s business, operations, management team, employees (including key employees), organizational structure, prospects, revenues, liabilities, assets, taxation, or financial status;

9. as of the Completion Date, there are no laws, regulations, judgments, rulings, or injunctions from courts or relevant government authorities that restrict, prohibit, or cancel this capital increase. Additionally, there are no pending or potential litigations, arbitrations, judgments, rulings, or injunctions that could adversely affect the ultimate beneficial owner, Shenzhen Tianqiming, the Target Company, its directors, the management team (including key employees), or the Supplemental Agreement; and
10. the Target Company has approved the articles of incorporation or other statutory documents.

b. Preemptive subscription rights

In accordance with the Supplemental Agreement, Shenzhen Tianqiming is granted the right to preemptively subscribe to shares that the Target Company intends to issue.

Save as disclosed above, there are no other material terms in the Supplemental Agreement that the Company is required to disclose in this announcement.

3. The Repurchase Price

As disclosed in the Announcement, the Repurchase Price is calculated based on the following formula:

Repurchase Price = $M \times (1 + 8\% \times T \div 365)$ – Dividends received by Shenzhen Tianqiming (if any) – Compensation received by Shenzhen Tianqiming and its affiliates (if any)

Where:

“M” is the total amount of Subscription Price paid by Shenzhen Tianqiming; and

“T” is the number of days from the date Shenzhen Tianqiming pays the Subscription Price until the date the Repurchaser actually pays the full repurchase price.

The Company would like to clarify that the compensation received by Shenzhen Tianqiming and its affiliates, as described in the formula above, relates to potential payments that the Target Company may make to Shenzhen Tianqiming, where these payments are intended to cover any losses resulting from breaches, misrepresentations, tax claims, lawsuits, or third-party liabilities, as outlined in the Subscription Agreement.

4. Reasons for deciding not to proceed with the investment in AIMI Investments Limited

Reference is made to the Company's announcements dated 30 May 2025, 17 June 2025, 11 July 2025, and 18 July 2025 (the **"Placing Announcements"**) regarding the placement of the Company's new shares under the general mandate (the **"Placing"**). As stated in the Placing Announcements, the Placing was completed on 18 July 2025, generating net proceeds of approximately HK\$383.96 million. The Company has allocated HK\$70 million of the net proceeds from the Placing for an investment in AIMI Investments Limited. This funding will assist Nantong Hefan Energy Technology Co., Ltd. (南通禾帆能源科技有限公司) (**"Nantong Hefan"**) in covering the costs of constructing the first and second stages of its production line.

As disclosed in the Announcement, the Company will not proceed with the proposed investment in AIMI Investments Limited. The Board wishes to clarify that the AEM electrolyzer is undergoing crucial performance testing and requires professional certification from third-party organizations. Additionally, significant stability upgrades and optimizations to its components are still necessary. As a result, the timeline for achieving mass production of the AEM electrolyzer remains uncertain, and producing the 50 m³ AEM electrolyzer is expected to take considerable time. Moreover, Nantong Hefan has not yet established a strong customer base, and demand within the end-user market remains highly variable. Therefore, the Board assesses that further investment in research and development to achieve mass production, enhance sales, and ultimately attain profitability may involve an extended payback period. This timeframe does not align with the Company's investment expectations. To protect the interests of the Company and its Shareholders, it is necessary to allocate additional time to monitor business operations and the progress of Nantong Hefan's development. Moreover, further due diligence will be required. The Company will reconsider the investment only if satisfactory results from due diligence are obtained, and a valuation indicates a promising investment return with reduced risk.

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

By Order of the Board
Guan Chao Holdings Limited
Tan Shuay Tarnng Vincent
Co-chairman and executive Director

Hong Kong, 15 April 2026

As at the date of this announcement, the Board comprises Mr. Tan Shuay Tarnng Vincent, Mr. Zhang Xiaoyang, Ms. Beng Lee Ser Marisa and Mr. Jin Zhehui as executive Directors; Ms. Dong Wenying as non-executive Director; and Mr. Chow Wing Tung, Mr. Tam Yat Kin Ken and Mr. Wu Qing as independent non-executive Directors.

* *for identification purposes*