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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)

**VOLUNTARY ANNOUNCEMENT
IN RELATION TO
THE DISPOSAL OF EQUITY INTERESTS IN A JOINT VENTURE**

This voluntary announcement is issued by Guan Chao Holdings Limited (the “**Company**”) to provide shareholders and potential investors of the Company with an update regarding the Company’s corporate activities.

THE DISPOSAL

On 22 May 2026, after the trading hours of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), Vincar Pte. Ltd. (the “**Vendor**”), an indirect wholly owned subsidiary of the Company, entered into a share purchase agreement (the “**Agreement**”) with Komoco Trading Pte. Ltd. (the “**Purchaser**”). Under the terms of the Agreement, the Vendor has agreed to sell, and the Purchaser has agreed to acquire, a 50% equity interest in Komoco Pre-owned Pte. Ltd. (the “**Joint Venture**”) that is currently held by the Vendor, for a consideration of S\$1,370,000 (the “**Disposal**”).

Prior to the completion of the Disposal (the “**Completion**”), the Joint Venture has been recognised as an investment in the consolidated financial statements of the Company. Following Completion, the Vendor will no longer retain any equity interest in the Joint Venture.

As all applicable ratios, as calculated under Rule 14.07 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), in respect of the transactions contemplated under the Agreement, are less than 5%, the Disposal is exempt from the reporting and announcement requirements in accordance with Chapter 14 of the Listing Rules.

REASONS AND BENEFITS OF THE DISPOSAL

The board (the “**Board**”) directors (the “**Directors**”) of the Company would like to provide further clarification regarding the Joint Venture, which is a Singapore-incorporated limited liability company primarily focused on trading used petrol vehicles. In 2025, the Joint Venture faced a substantial decline in revenue, decreasing from approximately S\$20 million in 2024 to around S\$4.5 million. This significant decrease in revenue was driven by (i) government policies promoting transport electrification; and (ii) wider availability of affordable new electric vehicles offering incentives, such as tax rebates, preferential parking and charging, which shifted demand away from used petrol vehicles. These factors reduced both supply and demand for used petrol vehicles in Singapore, resulting in lower transaction volumes and prices and causing the revenue drop.

Following an internal review and discussion, and after consideration of the Company’s strategic direction, the Directors have resolved to divest the Company’s investment in the Joint Venture. While the Company remains committed to developing its vehicle trading business, it has decided to consolidate related operations and resources within its subsidiaries. This strategy aims to enhance operational focus and improve financial performance by refraining from allocating further capital and returns to the Joint Venture. After reviewing the terms of the Agreement, which are on normal commercial terms, the Directors are of the view that the Disposal is fair and reasonable and in the best interests of the Company and its shareholders as a whole.

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

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

Hong Kong, 22 May 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.