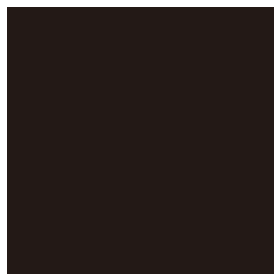
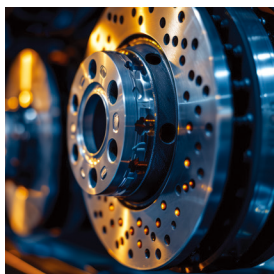


冠 幟 控 股 有 限 公 司 GUAN CHAO HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1872



INTERIM REPORT

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Corporate Information

EXECUTIVE DIRECTORS

Mr. Tan Shuay Tarn Vincent
(Co-Chairman and Chief Executive Officer)
Mr. Zhang Xiaoyang (Co-Chairman)
Ms. Ng Hui Bin Audrey
Ms. Beng Lee Ser Marisa
Mr. Jin Zhehui

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chow Wing Tung
Mr. Tam Yat Kin Ken
Mr. Wu Qing (appointed on 2 July 2025)
Mr. Zhong Lili (appointed on 3 February 2025
and resigned on 2 July 2025)
Mr. Hui Yan Kit (resigned on 3 February 2025)

AUDIT COMMITTEE

Mr. Chow Wing Tung (Chairman)
Mr. Tam Yat Kin Ken
Mr. Wu Qing (Chairman)
(appointed on 2 July 2025)
Mr. Zhong Lili (appointed on 3 February 2025
and resigned on 2 July 2025)
Mr. Hui Yan Kit (resigned on 3 February 2025)

REMUNERATION COMMITTEE

Mr. Wu Qing (Chairman)
(appointed on 2 July 2025)
Mr. Tam Yat Kin Ken
Mr. Chow Wing Tung
Mr. Zhong Lili (Chairman)
(appointed on 3 February 2025
and resigned on 2 July 2025)
Mr. Hui Yan Kit (resigned on 3 February 2025)

NOMINATION COMMITTEE

Mr. Tam Yat Kin Ken (Chairman)
Mr. Chow Wing Tung
Mr. Wu Qing (appointed on 2 July 2025)
Ms. Ng Hui Bin Audrey
(appointed on 1 September 2025)
Mr. Zhong Lili (appointed on 3 February 2025
and resigned on 2 July 2025)
Mr. Hui Yan Kit (resigned on 3 February 2025)

COMPLIANCE OFFICER

Mr. Tan Shuay Tarn Vincent

COMPANY SECRETARY

Mr. Lui Wai Sing

AUTHORISED REPRESENTATIVES

Mr. Tan Shuay Tarn Vincent
Mr. Lui Wai Sing

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor
22/F, Prince's Building
Central
Hong Kong



Corporate Information

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN SINGAPORE

24 Leng Kee Road
#01-02, Leng Kee Autopoint
Singapore 159096

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 5705, 57/F, The Center
99 Queen's Road Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANKERS

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

Maybank Singapore Limited
200 Jalan Sultan #05-03
Textile Centre
Singapore 199018

COMPANY'S WEBSITE

www.guanchaoholdingsltd.com

STOCK CODE

1872



Interim Results

The board (“Board”) of Directors (the “Directors”) of Guan Chao Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated financial information of the Company and its subsidiaries (together, the “Group”) for the six months ended 30 June 2025, together with the comparative figures for the corresponding period in 2024.

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

		For the six months ended 30 June	
	Notes	2025 S\$'000 (unaudited)	2024 S\$'000 (unaudited)
Revenue	4	140,114	80,120
Cost of sales	6	(126,441)	(71,041)
Gross profit		13,673	9,079
Other income		376	1,122
Other gains – net		563	209
Selling and distribution expenses	6	(3,711)	(1,844)
General and administrative expenses	6	(11,003)	(5,908)
Operating (loss)/profit		(102)	2,658
Finance income	5	238	80
Finance expenses	5	(1,243)	(1,583)
Finance expenses – net		(1,005)	(1,503)
Share of (loss)/profit of joint ventures		(7)	151
Share of loss of associates		(220)	(141)
(Loss)/profit before income tax		(1,334)	1,165
Income tax expense	7	(570)	(515)
(Loss)/profit for the period		(1,904)	650



Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

		For the six months ended 30 June	
	Notes	2025 S\$'000 (unaudited)	2024 S\$'000 (unaudited)
(Loss)/profit attributable to:			
– Equity holders of the Company		(3,410)	951
– Non-controlling interests		1,506	(301)
		(1,904)	650
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
– Exchange difference on translation of foreign operations		625	–
– Fair value change of financial assets at fair value through other comprehensive income		(31)	–
Other comprehensive income for the period		594	–
Total comprehensive (loss)/income for the period		(1,310)	650
Total comprehensive (loss)/income attributable to:			
– Equity holders of the Company		(3,300)	951
– Non-controlling interests		1,990	(301)
		(1,310)	650
(Losses)/earnings per share for (loss)/profit attributable to equity holders of the Company for the period (expressed in Singapore cents per share)			
– Basic	8(a)	(0.65)	1.09
– Diluted	8(b)	(0.65)	1.09



Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	As at 30 June 2025 S\$'000 (unaudited)	As at 31 December 2024 S\$'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	10	35,478	29,850
Intangible assets		274	–
Financial assets at fair value through other comprehensive income		1,064	100
Deferred income tax assets		78	–
Finance lease receivables		25,001	28,130
Investment in a joint venture		1,362	1,369
Investments in associates		245	464
		63,502	59,913
Current assets			
Inventories		39,332	38,939
Trade and other receivables and prepayments	11	47,309	19,732
Finance lease receivables		7,846	7,969
Cash and bank balances		21,222	11,200
		115,709	77,840
Total assets		179,211	137,753



Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	As at 30 June 2025 S\$'000 (unaudited)	As at 31 December 2024 S\$'000 (audited)
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital	14	9,562	1,855
Share premium	14	37,648	13,514
Capital reserve	14	3,494	3,494
Share based payment reserve		1,440	1,440
Translation reserve		141	–
Financial assets at fair value through other comprehensive income reserve		(31)	–
Retained earnings		47,147	50,557
		99,401	70,860
Non-controlling interest		2,551	561
Total equity		101,952	71,421
LIABILITIES			
Non-current liabilities			
Borrowings	13	34,219	37,461
Contract liabilities	12	2,000	562
Deferred income tax liabilities		280	189
		36,499	38,212



Condensed Consolidated Statement of Financial Position

As at 30 June 2025

		As at 30 June 2025 S\$'000 (unaudited)	As at 31 December 2024 S\$'000 (audited)
	Notes		
Current liabilities			
Trade and other payables and provision for warranty	12	18,484	10,310
Borrowings	13	21,719	17,790
Income tax liabilities		557	20
		40,760	28,120
Total liabilities		77,259	66,332
Total equity and liabilities		179,211	137,753

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the Company					Financial assets at fair value through other comprehensive income reserve SS'000	Retained earnings SS'000	Non-controlling interest SS'000	Total equity SS'000
	Share capital SS'000	Share premium SS'000	Capital reserve SS'000	Share based payment reserve SS'000	Translation reserve SS'000				
Balance at 1 January 2024 (audited)	1,550	11,864	3,494	1,440	-	-	53,258	389	71,995
Issue of new shares under general mandate (Note 14(b))	292	1,650	-	-	-	-	-	-	1,942
Total comprehensive income for the period	-	-	-	-	-	-	951	(301)	650
Balance at 30 June 2024 (unaudited)	1,842	13,514	3,494	1,440	-	-	54,209	88	74,587
Balance at 1 January 2025 (audited)	1,855	13,514	3,494	1,440	-	-	50,557	561	71,421
(Loss)/profit for the period	-	-	-	-	-	-	(3,410)	1,506	(1,904)
Other comprehensive income	-	-	-	-	(141)	(31)	-	484	594
Total comprehensive income/(loss) for the period	-	-	-	-	(141)	(31)	(3,410)	1,990	(1,310)
Rights issue (Note 14(c))	7,340	21,849	-	-	-	-	-	-	29,189
Issue of new shares under general mandate (Note 14(d))	367	2,285	-	-	-	-	-	-	2,652
Balance at 30 June 2025 (unaudited)	9,562	37,648	3,494	1,440	141	(31)	47,147	2,551	101,952



Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025 S\$'000 (unaudited)	2024 S\$'000 (unaudited)
Cash flows from operating activities		
Cash (used in)/generated from operations	(12,515)	3,180
Interest received	238	80
Income tax paid	(20)	(973)
<i>Net cash (used in)/generated from operating activities</i>	(12,297)	2,287
Cash flows from investing activities		
Purchase of property, plant and equipment	(11,936)	(3,580)
Purchase of intangible assets	(288)	–
Payments for financial assets at fair value through other comprehensive income	(964)	–
Proceeds from disposal of financial assets at fair value through other comprehensive income	–	775
Proceeds from disposal of property, plant and equipment	4,222	2,231
<i>Net cash used in investing activities</i>	(8,966)	(574)
Cash flows from financing activities		
Proceeds from borrowings	6,385	6,387
Repayment of borrowings	(5,212)	(12,326)
Repayment of lease liabilities	(486)	(486)
Net proceeds from rights issue	29,189	–
Net proceeds from placing of new shares	2,652	1,942
Interest paid	(1,243)	(1,583)
<i>Net cash from/(used in) financing activities</i>	31,285	(6,066)
Net increase in cash and cash equivalents	10,022	(4,353)
Cash and cash equivalents at 1 January	11,200	12,975
Cash and cash equivalents at 30 June	21,222	8,622



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

1. General information of the Group

The Company was incorporated in the Cayman Islands on 4 July 2017 as an exempted company with limited liability under the Companies Law (Cap 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, the Cayman Islands.

The Company is an investment holding company. The principal activities of the Group are sales of new parallel-import motor vehicles and pre-owned motor vehicles, provision of motor vehicle financing services and motor vehicle insurance agency services, sales of motor vehicle spare parts and accessories and provision of motor vehicle leasing services. The ultimate holding company of the Company is Gatehouse Ventures Limited, a limited company incorporated in the British Virgin Islands on 10 May 2017. The ultimate controlling party of the Group is Mr. Tan Shuay Tarrng Vincent ("Mr. Vincent Tan").

The Company's ordinary shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited on 28 February 2019.

The condensed consolidated interim financial information is presented in Singapore Dollar ("S\$") unless otherwise stated.

2. Basis of preparation

The unaudited condensed consolidated interim financial information for the six months ended 30 June 2025 is prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting". The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by International Accounting Standards Board ("IASB").



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

3. Impact of new, amended standards and interpretations

In the current accounting period, the Group has adopted the followings new and amended standards and interpretations, a collective term includes all applicable individual IFRSs, IASs and Interpretations issued by the IASB which are mandatory and relevant to the Group's operations for the accounting period beginning on 1 January 2025:

Amendments to IAS 21

Lack of Exchangeability

The adoption of the above amendments to standards and interpretation do not have any material impact on the Group's condensed consolidated interim financial information for the current period.

The Group has not early adopted those new standards, amendments to standards and interpretations which have been issued but are not yet effective. The Group is in the process of assessing their impact on the condensed consolidated interim financial information of the Group.

4. Segment information

The executive Directors of the Company, who are the chief operating decision-maker of the Group, review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on reports reviewed by the executive Directors of the Company that are used to make strategic decisions.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

4. Segment information (Continued)

Revenue, which is also the Group's turnover, represents amounts received and receivable from the operation in Singapore. An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	S\$'000	S\$'000
	(unaudited)	(unaudited)
Sales of motor vehicles*	132,590	73,254
Motor vehicles financing related services		
– Finance commission income	2,862	1,329
– Insurance commission income	638	339
Sales of spare parts and accessories	37	7
Revenue from contracts with customers under IFRS 15 recognised at point in time	136,127	74,929
Motor vehicles financing related services		
– Interest income from finance lease arrangements	1,325	2,079
Rental income from operating lease of motor vehicles	2,662	3,112
Revenue from operating and finance lease arrangement under IFRS 16	3,987	5,191
	140,114	80,120

* Include direct sales of motor vehicles and sales of motor vehicles under finance lease arrangements.

The Group has revenue related contract liabilities (receipts in advance from customers) as at the end of each of the period as disclosed in Note 12. Receipts in advance from customers as at the end of each of the period will be recognised as revenue in the next year of sales.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

4. Segment information (Continued)

Segment revenue and results

	Sales of motor vehicles and provision of related services S\$'000	Rental income from operating lease of motor vehicles S\$'000	Sales of spare parts and accessories S\$'000	Unallocated S\$'000	Total S\$'000
For the six months ended 30 June 2025 (unaudited)					
Segment revenue					
Total sales	134,619	2,768	37	–	137,424
Inter-segment sales	(2,029)	(106)	–	–	(2,135)
External sales	132,590	2,662	37	–	135,289
Finance commission income	2,862	–	–	–	2,862
Insurance commission income	638	–	–	–	638
Interest income from finance lease arrangement	1,325	–	–	–	1,325
	137,415	2,662	37	–	140,114
Segment profit/(loss)	2,281	1,171	17	(3,571)	(102)
Finance expenses – net					(1,005)
Share of loss of joint ventures					(7)
Share of loss of associates					(220)
Loss before income tax					(1,334)
Income tax expense					(570)
Loss for the period					(1,904)



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

4. Segment information (Continued)

Segment revenue and results (Continued)

	Sales of motor vehicles and provision of related services S\$'000	Rental income from operating lease of motor vehicles S\$'000	Sales of spare parts and accessories S\$'000	Unallocated S\$'000	Total S\$'000
For the six months ended 30 June 2024 (unaudited)					
Segment revenue					
Total sales	75,297	3,182	7	–	78,486
Inter-segment sales	(2,043)	(70)	–	–	(2,113)
External sales	73,254	3,112	7	–	76,373
Finance commission income	1,329	–	–	–	1,329
Insurance commission income	339	–	–	–	339
Interest income from finance lease arrangement	2,079	–	–	–	2,079
	77,001	3,112	7	–	80,120
Segment profit/(loss)					
Finance expenses – net					(1,503)
Share of profit of joint ventures					151
Share of loss of associates					(141)
Profit before income tax					1,165
Income tax expense					(515)
Profit for the period					650



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

4. Segment information (Continued)

Segment assets and liabilities

	Sales of motor vehicles and provision of related services S\$'000	Rental income from operating lease of motor vehicles S\$'000	Unallocated S\$'000	Total S\$'000
As at 30 June 2025 (unaudited)				
Segment assets	145,510	21,989	11,712	179,211
Segment liabilities	57,705	14,137	5,417	77,259
Capital expenditure	2,717	2,030	4,443	9,190
As at 31 December 2024 (audited)				
Segment assets	110,004	25,357	2,392	137,753
Segment liabilities	45,917	17,636	2,779	66,332
Capital expenditure	1,664	3,214	–	4,878

Unallocated segment assets represent deferred income tax assets and other corporate assets. Unallocated segment liabilities represent income tax liabilities and other corporate liabilities. Capital expenditure comprises additions to property, plant and equipment.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

5. Finance expenses – net

	For the six months ended 30 June	
	2025 S\$'000 (unaudited)	2024 S\$'000 (unaudited)
Finance income		
Bank interest income	238	80
	238	80
Finance expenses		
Interest expenses on bank loans	(130)	(181)
Interest expenses on block discounting financing	(708)	(929)
Interest expenses on lease liabilities	(82)	(45)
Interest expenses on hire purchase liabilities	(323)	(428)
	(1,243)	(1,583)
Finance expenses – net	(1,005)	(1,503)



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

6. Material profit and loss items

Expenses included in cost of sales, selling and distribution, and general and administrative expenses are analysed as follows:

	For the six months ended 30 June	
	2025	2024
	S\$'000	S\$'000
	(unaudited)	(unaudited)
Cost of inventories sold	124,739	68,995
Auditor's remunerations for audit services	150	138
Depreciation expense on property, plant and equipment (excluding right-of-use assets) (Note 10)	2,187	2,068
Depreciation expense on right-of-use assets (Note 10)	699	498
Amortisation of intangible assets	14	—
Employee benefit expense	7,626	4,945
Rental expenses relating to short-term leases	868	145
Advertising and marketing expenses	1,668	622
Sales commission to external parties	134	207
Travelling and entertainment expenses	590	74
Legal and professional fees	1,102	147
Bank charges	241	130
Forfeiture of trade deposit paid	11	12
Insurance	80	29
Office expenses	235	152
Donations	—	1
Other operating expenses	811	630
	141,155	78,793



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

7. Income tax expense

Singapore statutory income tax has been provided at the rate of 17% on the estimated assessable profit during the six months ended 30 June 2025 (2024: 17%).

The amounts of income tax expenses charged to the condensed consolidated statements of comprehensive income represent:

	For the six months ended 30 June	
	2025 S\$'000 (unaudited)	2024 S\$'000 (unaudited)
Singapore profits tax		
– Current tax expense	570	515
Total tax expenses for the period	570	515



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

8. Basic and diluted (losses)/earnings per share

(a) Basic (losses)/earnings per share

Basic (losses)/earnings per share is calculated by dividing the (loss)/profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the six months ended 30 June 2025 and 2024.

	For the six months ended 30 June	
	2025 (unaudited)	2024 (unaudited)
(Loss)/profit attributable to the equity holders of the Company (S\$'000)	(3,410)	951
Weighted average number of ordinary shares in issue ('000)	521,296	87,478
Basic (losses)/earnings per share in Singapore cents	(0.65)	1.09

(b) Diluted (losses)/earnings per share

There were one type of potential dilutive ordinary shares outstanding for the six months ended 30 June 2025 and 2024. The Company's share options are not included in the calculation of the diluted (losses)/earnings per share because the average market price of the Company's shares during the period is less than the assumed exercise price of the share options, the potential ordinary shares were not included in the calculation of the diluted (losses)/earnings per share as their inclusion would be have no dilutive impact. Hence the diluted (losses)/earnings per share is the same as basic (losses)/earnings per share.

9. Dividends

The Company has neither declared nor paid any dividends since its incorporation.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

10. Property, plant and equipment

	Office equipment	Motor vehicles	Leasehold improvements	Computers and software	Leasehold properties	Right-of-use assets	Furniture and fittings	Assets under construction	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 31 December 2024									
(audited)									
Cost	309	33,982	1,016	773	3,688	1,394	174	289	41,625
Accumulated depreciation	(109)	(8,262)	(320)	(492)	(2,165)	(318)	(45)	-	(11,711)
Accumulated impairment	-	(64)	-	-	-	-	-	-	(64)
Net book amount	200	25,656	696	281	1,523	1,076	129	289	29,850
Six months ended									
30 June 2025									
(unaudited)									
Opening net book amount	200	25,656	696	281	1,523	1,076	129	289	29,850
Additions	224	3,513	852	37	-	2,746	356	4,208	11,936
Disposals	-	(3,076)	-	-	-	-	-	(346)	(3,422)
Depreciation (Note 6)	(64)	(1,711)	(189)	(97)	(70)	(699)	(56)	-	(2,886)
Closing net book amount	360	24,382	1,359	221	1,453	3,123	429	4,151	35,478
At 30 June 2025									
(unaudited)									
Cost	536	33,579	1,868	803	3,688	4,141	529	4,151	49,295
Accumulated depreciation	(176)	(9,133)	(509)	(524)	(2,235)	(1,018)	(100)	-	(13,695)
Accumulated impairment	-	(64)	-	(58)	-	-	-	-	(122)
Net book amount	360	24,382	1,359	221	1,453	3,123	429	4,151	35,478



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

11. Trade and other receivables and prepayments

	As at 30 June 2025 S\$'000 (unaudited)	As at 31 December 2024 S\$'000 (audited)
Trade receivables	10,565	7,385
Less: Provision for impairment of trade receivables	(38)	(38)
Trade receivables – net	10,527	7,347
Prepayments	31,942	7,658
Amount due from a joint venture	–	14
Amount due from a director	186	186
Amount due from associates	–	370
Amount due from related parties	1,553	588
Other receivables	4,017	4,444
Less: Provision for impairment of other receivables	(916)	(875)
Other receivables – net	3,101	3,569
	47,309	19,732

Trade receivables mainly include outstanding balances from customers arising from sales of motor vehicles and sales of spare parts and accessories. For the sales of motor vehicles, all customers are generally required to make payment at the point of transaction and no credit period is granted to these customers. The Group may, however, at times grant credit period to certain customers based on (i) size of order; (ii) the Group's relationship with the customers; and (iii) the Group's assessment of the reputation and credit worthiness of the customers and may impose interest on overdue balances.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

11. Trade and other receivables and prepayments (Continued)

Prepayments mainly include advances to various suppliers for purchase of inventory and prepayment for purchase of Certificates of Entitlement.

The amounts due from a director, a joint venture, associates and related parties are unsecured, interest-free, and repayable on demand.

As at 30 June 2025, included in other receivable, there were:

- S\$Nil (31 December 2024: S\$1,300,000) relates to a receivable that is secured, bears an interest of 1.25% to 2% per month and repayable within 12 months.
- S\$1,153,000 (31 December 2024: S\$1,169,000) relates to a receivable that is unsecured, bears an interest of 4.5% per annum and repayable within 12 months.
- S\$850,000 (31 December 2024: S\$Nil) relates to a receivable that is unsecured, bears an interest of 7.0% per annum and repayable within 12 months.

As at 30 June 2025 and 31 December 2024, the ageing analysis of the trade receivables based on invoice date are as follows:

	As at 30 June 2025 S\$'000 (unaudited)	As at 31 December 2024 S\$'000 (audited)
Up to 3 months	10,283	7,284
3 to 4 months	128	6
4 months to 1 year	101	57
More than 1 year	15	–
	10,527	7,347



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

12. Trade and other payables and provision for warranty

	As at 30 June 2025 S\$'000 (unaudited)	As at 31 December 2024 S\$'000 (audited)
Current		
Trade payables	2,699	630
Other payables	5,229	575
Amounts due to a joint venture	—	1
Amounts due to associates	92	178
Amounts due to related parties	1,012	1,715
Contract liabilities	4,897	2,825
Accrued operating expenses	2,579	3,417
Provision for warranty	1,976	969
	18,484	10,310
Non-current		
Contract liabilities	2,000	562

The amounts due to a joint venture, associates and related parties are unsecured, interest-free, and repayable on demand.

Contract liabilities comprises of deferred revenue and advance payment from customer.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

12. Trade and other payables and provision for warranty (Continued)

An ageing analysis of the trade payables as at 30 June 2025 and 31 December 2024, based on the invoice date, is as follows:

	As at 30 June 2025 S\$'000 (unaudited)	As at 31 December 2024 S\$'000 (audited)
Within 1 month	1,749	467
1 to 4 months	807	29
4 months to 1 year	143	134
More than 1 year	—	—
Contract liabilities	2,699	630

Trade payables are unsecured and non-interest bearing. The Group is able to negotiate to extend the repayment period with the suppliers based on mutual agreement.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

13. Borrowings

	As at 30 June 2025 S\$'000 (unaudited)	As at 31 December 2024 S\$'000 (audited)
Non-current		
Block discounting financing (Note b)	22,151	25,126
Hire purchase liabilities (Note c)	9,573	11,739
Lease liabilities	2,495	596
	34,219	37,461
Current		
Borrowings against inventories (Note a)	–	1,525
Block discounting financing (Note b)	7,859	8,056
Lease liabilities	847	494
Hire purchase liabilities (Note c)	4,108	4,946
Term loan (Note d)	135	610
Short term loan (Note e)	–	2,159
Trust receipts (Note f)	8,770	–
	21,719	17,790
	55,938	55,251



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

13. Borrowings (Continued)

Notes:

- (a) Borrowings against inventories were secured by certain inventories and corporate guarantee provided by the Company.
- (b) Block discounting financing were secured by certain portion of the finance lease receivables and corporate guarantee provided by the Company.
- (c) Hire purchase liabilities were bank loans secured by motor vehicles and corporate guarantee by the Company.
- (d) Term loan was secured by corporate guarantee provided by the Company.
- (e) Short term loan was unsecured, bore an interest of 4.5% per annum and repayable within 12 months.
- (f) Trust receipts were secured by corporate guarantee provided by the Company.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

14. Share capital, share premium and capital reserve

	Number of ordinary shares	Share capital Nominal value of ordinary shares S\$'000 (unaudited)	Share premium S\$'000 (unaudited)
Authorised:			
As at 31 December 2023 and 1 January 2024	10,000,000,000	17,207	–
Share Consolidation (as defined below) (Note a)	(9,000,000,000)	–	–
As at 31 December 2024 and 30 June 2025	1,000,000,000	17,207	–
Issued and fully paid:			
Ordinary shares			
As at 31 December 2023 and 1 January 2024	900,000,000	1,550	11,864
Share Consolidation (as defined below) (Note a)	(810,000,000)	–	–
Subscription of new shares (Note b)	18,000,000	305	1,650
As at 31 December 2024	108,000,000	1,855	13,514
Rights issue (Note c)	431,906,081	7,340	21,849
Placing of new shares (Note d)	21,600,000	367	2,285
As at 30 June 2025	561,506,081	9,562	37,648



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

14. Share capital, share premium and capital reserve (Continued)

Capital reserve of S\$3,494,000 (31 December 2024: S\$3,494,000) represented the combined share capital of Vincar Pte. Ltd., Vincar Leasing and Rental Pte. Ltd. and Autoart Motorsports Pte. Ltd. before the Reorganisation.

Notes:

- (a) On 23 May 2024, an ordinary resolution has been passed by the shareholders of the Company for a share consolidation pursuant to which every ten (10) issued and unissued existing shares of HK\$0.01 each will be consolidated into one (1) consolidated share of HK\$0.10 each (the "Share Consolidation"). The Share Consolidation was completed on 27 May 2024. Details of the Share Consolidation are set out in the Company's circular dated 5 May 2024.
- (b) On 7 June 2024, the Company issued 18,000,000 new shares of par value of HK\$0.10 each to an independent third party under general mandate at a subscription price of HK\$0.63 per share. The premium on the issue of shares amounting to HK\$9,540,000 (equivalent to approximately S\$1,650,000) was credited to the Company's share premium account.
- (c) On 13 January 2025, the Company completed the allotment and issuance of 431,906,081 rights shares of par value of HK\$0.10 each on the basis of four (4) rights share for every one (1) share at HK\$0.40 per rights share (the "Rights Issue"), the premium of the issue of rights shares amounting to HK\$128,556,000 (equivalent to approximately S\$22,161,000) was credited to the Company's share premium account. Details of which are set out in the prospectus of the Company dated 22 November 2024 and the announcement of the Company dated 13 December 2024.
- (d) On 8 April 2025, the Company issued 21,600,000 new shares of par value \$0.10 each to six no less than six independent third parties under general mandate at a placing price of HK\$0.73 per share (the "Placing"). The premium on the issue of shares amounting to HK\$13,445,000 (equivalent to approximately S\$2,318,000) was credited to the Company's share premium account.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

15. Related party transactions

(a) Transactions with related parties

During the six months ended 30 June 2025 and 2024, the related parties that had transactions with the Group were as follows:

Name of related parties	Relationships with the Group
Mr. Vincent Tan	Ultimate controlling party of the Group.
Beng Lee Ser Marisa	Executive Director and the spouse of the ultimate controlling party of the Group, Mr. Vincent Tan.
Vincar Assets Pte. Ltd.	Company which Mr. Vincent Tan has significant influence in.
Autumn Silver Investments Ltd.	Company which Beng Lee Ser Marisa has significant influence in.
Victoria Land Limited	Company which Beng Lee Ser Marisa has significant influence in.
Wealth Assets Pte. Ltd.	Company which Vincar Assets Pte. Ltd. has non-controlling shareholding.
Ng Hui Bin Audrey	Executive Director and the sister-in-law of the ultimate controlling party of the Group, Mr. Vincent Tan.
Tan Cheng Wei Ernest	A son of Mr. Vincent Tan and Beng Lee Ser Marisa.
Komoco Pre-owned Pte. Ltd.	A joint venture company of Vincar Pte. Ltd.
Vincar (LK) Pte. Ltd.	An associate company of Vincar Pte. Ltd.
Singapore Electric Vehicles Pte. Ltd.	An indirect associated company of Vincar Pte. Ltd.
SEV Commercial Pte. Ltd.	A joint venture company of Vincar EV Pte. Ltd.
SEV Trading Pte. Ltd.	An indirect associated company of Vincar Pte. Ltd.
Emmalex Investment Pte. Ltd.	Company which Mr. Raymond Wong has financial interest in.
Rwong Law Corporation	Company which Mr. Raymond Wong has financial interest in.
Autosprint (LK) Pte. Ltd.	Company which Mr. Vincent Tan has financial interest in.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

15. Related party transactions (Continued)

(a) Transactions with related parties (Continued)

In addition to those disclosed elsewhere in the unaudited condensed consolidated interim financial information, the following transactions were carried out with related parties:

	For the six months ended 30 June	
	2025	2024
	S\$'000	S\$'000
	(unaudited)	(unaudited)
Rental paid/payable to related parties		
– Autumn Silver Investments Ltd.	(30)	(30)
– Victoria Land Limited	(24)	–
– Wealth Asset Pte. Ltd.	(300)	(515)
	(354)	(545)
Payments on behalf of related parties		
– Komoco Pre-owned Pte. Ltd.	–	135
– SEV Commercial Pte. Ltd.	–	27
– Vincar (LK) Pte. Ltd.	–	64
	–	226
Payments on behalf by related parties		
– Wealth Asset Pte. Ltd.	–	(4)
– Komoco Pre-owned Pte. Ltd.	(29)	–
– SEV Commercial Pte. Ltd.	(97)	–
– Beng Lee Ser Marisa	(40)	(113)
– Mr. Vincent Tan	(51)	(61)
– Ng Hui Bin Audrey	(5)	(9)
– Tan Cheng Wei Ernest	(136)	(4)
	(358)	(191)



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

15. Related party transactions (Continued)

(a) Transactions with related parties (Continued)

	For the six months ended 30 June	
	2025 S\$'000 (unaudited)	2024 S\$'000 (unaudited)
Receipts on behalf of related parties		
– SEV Trading Pte. Ltd.	–	625
– Komoco Pre-owned Pte. Ltd.	–	61
	–	686
Sales to related parties		
– Komoco Pre-owned Pte. Ltd.	30	31
– Singapore Electric Vehicles Pte. Ltd.	–	775
– SEV Commercial Pte. Ltd.	287	806
– SEV Trading Pte. Ltd.	–	5,138
– Emmalex Investment Pte. Ltd.	–	13
– Tan Cheng Wei Ernest	–	1
	317	6,764
Purchase from related parties		
– Komoco Pre-owned Pte. Ltd.	3	12
– Autosprint (LK) Pte. Ltd.	182	183
– Wealth Asset Pte. Ltd.	69	4
– Rwrong Law Corporation	2	2
	256	201



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

15. Related party transactions (Continued)

(b) Key management compensation

Compensation of key management personnel of the Group, including directors' remuneration, is shown below:

	For the six months ended 30 June	
	2025 S\$'000 (unaudited)	2024 S\$'000 (unaudited)
Salaries, allowances and bonuses	1,714	1,484
Employer's contribution to defined contribution plans	19	24
	1,733	1,508



Management Discussion and Analysis

BUSINESS REVIEW

The Group is principally engaged in selling new parallel-import motor vehicles and pre-owned motor vehicles, with the main business being the sales of brand new parallel-import motor vehicles in Singapore. Apart from the sales of motor vehicles, the Group also provides related services and products, such as (i) provision of motor vehicle financing services; (ii) provision of motor vehicle insurance agency services; and (iii) sales of motor vehicle spare parts and accessories.

During the first half of 2025, the Group sold 681 and 543 units of new motor vehicles and pre-owned motor vehicles, respectively, as compared with 388 and 202 units of new motor vehicles and pre-owned motor vehicles sold, respectively, for the corresponding period in 2024. In addition, the revenue increased by approximately S\$59.3 million, and such increased was mainly attributable to the increased demand from customers.

Business Outlook

The progress of our business growth was slow due to economic recovery and the evident conservative consumption after the pandemic, global turbulence and complex international relations. It continues to pose a challenge on the Group's business and financial performance going forward. The management of the Group will continue to use its best endeavour to adopt appropriate business strategies by exercising effective cost control, upholding quality service to customers and maintaining good relationships with major suppliers and to strengthen its market position as the leading parallel-import dealer in Singapore.

FINANCIAL REVIEW

Revenue

The Group's revenue increased by approximately S\$60.0 million or 74.9% from approximately S\$80.1 million for the six months ended 30 June 2024 ("PE2024") to approximately S\$140.1 million for the six months ended 30 June 2025 ("PE2025"), which was mainly attributable to the increase in sales of motor vehicles amounted to approximately S\$59.3 million or 80.9%.



Management Discussion and Analysis

Sales of motor vehicles

The sales of new motor vehicles increased by approximately S\$55.3 million or 104.6% which was mainly attributable to the increase in units of new motor vehicles sold from 390 units for PE2024 to 681 units for PE2025 and the increase in average selling price of new motor vehicles sold from approximately S\$135,000 for PE2024 to approximately S\$159,000 for PE2025.

The sales of pre-owned motor vehicles increased by approximately S\$4.1 million or 19.9%, which was mainly due to the increase in units of pre-owned motor vehicles sold from 202 units for PE2024 to 543 units for PE2025 despite the decrease in the average selling price of pre-owned motor vehicles sold from approximately S\$101,000 for PE2024 to approximately S\$45,000 for PE2025.

Motor vehicle financing services

The Group's revenue from motor vehicle financing services increased by approximately S\$0.8 million or 23.5% from approximately S\$3.4 million for PE2024 to approximately S\$4.2 million for PE2025 respectively. The increase was mainly attributable to the increase of financing arrangements as a result of the increase in the sales of motor vehicles.

Insurance agency services

The Group's commission income from insurance companies for referral of the customers varied depending on the insurance premium under the insurance policies. The Group's commission income from insurance companies remained stable for PE2024 and PE2025 which amounted to approximately S\$0.3 million and S\$0.6 million, respectively.

Leasing of motor vehicles

The income from leasing of motor vehicles decreased by approximately S\$0.4 million or 12.9% from approximately S\$3.1 million for PE2024 to approximately S\$2.7 million for PE2025. The decrease was mainly attributable to the decrease of numbers of motor vehicles rented for the period. The Group's number of motor vehicles being rented to customers was 179 units and 158 units as at 30 June 2024 and 2025, respectively.

Sales of spare parts and accessories

The income from sales of spare part and accessories increased by approximately S\$30,000 or 428.6% from S\$7,000 for PE2024 to approximately S\$37,000 for PE2025.



Management Discussion and Analysis

Cost of sales

The Group's cost of sales increased by approximately S\$55.4 million or 78.0% from approximately S\$71.0 million for PE2024 to approximately S\$126.4 million for PE2025. The increase was in line with the increase in the Group's total revenue for the period.

For PE2025, the cost of motor vehicles (and related costs) sold increased by approximately S\$55.9 million or 81.5% from approximately S\$68.6 million for PE2024 to approximately S\$124.5 million for PE2025.

Gross profit and gross profit margin

As a result of the foregoing, the Group's total gross profit increased by approximately S\$4.6 million or 50.5% from approximately S\$9.1 million for PE2024 to approximately S\$13.7 million for PE2025, which was mainly attributable to the increase in the sales of motor vehicles business. The overall gross profit margin decreased from approximately 11.3% for PE2024 to approximately 9.8% for PE2025 which was mainly due to the decrease of gross profit margin from sales of motor vehicles business.

Gross profit and gross profit margin from sales of motor vehicles

The Group's gross profit from sales of motor vehicles increased by approximately S\$3.4 million, or 73.9%, from approximately S\$4.6 million for PE2024 to approximately S\$8.0 million for PE2025, and the Group's gross profit margin for sales of motor vehicles was approximately 6.3% for PE2024 and approximately 6.1% for PE2025. The decrease in gross profit margin for sales of motor vehicles was mainly contributed to that the Group sold proportionally more pre-owned motor vehicles which are normally sold at a lower margin as compared to new motor vehicles.

Gross profit and gross profit margin from motor vehicle financing services

The net interest spread for PE2025 decreased by approximately 0.9% from approximately 4.4% for PE2024 to approximately 3.5% for PE2025, as a result of the decrease of approximately 1.6% in the average yield on finance lease receivables and the decrease of approximately 0.7% in the average interest expense.

Gross profit and gross profit margin from leasing of motor vehicles

The Group's gross profit from leasing of motor vehicles remained stable at approximately S\$0.7 million for PE2024 and approximately S\$0.8 million for PE2025.



Management Discussion and Analysis

Gross profit and gross profit margin from sales of spare parts and accessories

The Group recorded a gross profit from sales of spare parts and accessories of approximately S\$7,000 for PE2024 and approximately S\$33,000 for PE2025.

Other income

The Group's other income decreased by approximately S\$0.7 million or 63.6% from approximately S\$1.1 million for PE2024 to approximately S\$0.4 million for PE2025. The decrease was mainly due to a gain of approximately S\$0.7 million from disposal of financial assets was recorded in PE2024.

Other gains – net

The Group recorded net gains of approximately S\$0.2 million for PE2024 to net gains of approximately S\$0.6 million for PE2025, which was mainly due to the (i) increase of gain on disposal of property, plant and equipment from approximately S\$0.1 million for PE2024 to approximately S\$0.8 million for PE2025; and (ii) net foreign exchange losses of approximately S\$0.2 million was recorded in PE2025 while net foreign exchange gains of approximately S\$0.1 million was recorded in PE2024.

Selling and distribution expenses

The Group's selling and distribution expenses increased by approximately S\$1.9 million or 105.6% from approximately S\$1.8 million for PE2024 to approximately S\$3.7 million for PE2025. The increase was mainly attributable to the increase in sales commission to the salespersons as a result of the increase in sales of motor vehicles and the increase of advertising and marketing expenses.

General and administrative expenses

The Group's general and administrative expense increased by approximately S\$5.1 million or 86.4% from approximately S\$5.9 million for PE2024 to approximately S\$11.0 million for PE2025. The increase was mainly attributable to the increase in employee benefit expense, legal and professional fees and rental expenses relating to short-term leases.



Management Discussion and Analysis

Finance income and finance expenses

Finance income represents bank interest income. The Group's finance expenses decreased from approximately S\$1.6 million for PE2024 to approximately S\$1.2 million for PE2025. The decrease was mainly due to the decrease in interest expenses on block discounting financing of approximately S\$0.2 million as a result of the decrease in average balances on block discounting financing for PE2025.

Income tax expenses

The Group's income tax expenses increased by approximately S\$0.1 million or 20.0% from approximately S\$0.5 million for PE2024 to approximately S\$0.6 million for PE2025, which was mainly due to the increase in taxable profit from the Group's operation in Singapore.

(Loss)/profit for the period and net (loss)/profit margin

As a result of the foregoing, the Group recorded a loss of approximately S\$1.9 million for PE2025 as compared to a profit of approximately S\$0.7 million for PE2024 and the Group's net loss margin was approximately 1.4% for PE2025 as compared to a net profit margin of approximately 0.8% for PE2024. Such decrease in profit for PE2025 was primarily due to the (i) increase in selling and distribution expenses by approximately S\$1.9 million; (ii) increase in general and administrative expenses of approximately S\$5.1 million; and offset by (iii) increase in gross profit by approximately S\$4.6 million.

RIGHTS ISSUE

On 12 July 2024, the Board proposed to raise gross proceeds of up to approximately HK\$172.8 million before expenses by way of the Rights Issue of 432,000,000 rights shares at the subscription price of HK\$0.40 per rights share on the basis of four (4) rights shares for every one (1) share. The Rights Issue was completed on 13 January 2025 and 431,906,081 was allotted and issued. The net proceeds from the Rights Issue was approximately HK\$170.64 million.

For more details, please refer to the prospectus of the Company in relation to the Rights Issue 22 November 2024 (the "Prospectus").



Management Discussion and Analysis

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 17 March 2025, the Company entered into the placing agreement with the placing agent, pursuant to which the Company agreed to place through the placing agent up to a maximum of 21,600,000 placing shares to not less than six placees at the placing price of HK\$0.73 per placing share on a best effort basis (the “Placing”). Further details were set out in the Company’s announcement dated 17 March 2025.

On 8 April 2025, all conditions precedent have been fulfilled and the completion took place on 8 April 2025 in accordance with the terms and conditions of the placing agreement. The net proceeds from the Placing amounted to approximately HK\$15.6 million and were utilized to enhance the Group’s working capital reserve.

CAPITAL STRUCTURE

As at 30 June 2025, the capital structure of the Group consisted of borrowings and equity of the Group, comprising share capital, share premium, capital reserve, share based payment reserve and retained earnings.

LIQUIDITY AND FINANCIAL RESOURCES

During the six months ended 30 June 2025, the Group’s working capital was financed by internal resources, borrowings, net proceeds from the Rights Issue and the Placing.

The Group’s primary uses of cash are for purchases of motor vehicles for sale and leasing purposes and for funding of the Group’s operations. The Group has financed its operations mainly by various forms of borrowings, including bank loans, borrowings secured by inventories, trust receipts, block discounting financing, lease liabilities, hire purchase liabilities and term loan, etc.



Management Discussion and Analysis

LIQUIDITY RATIOS

As at 30 June 2025, the Group had cash and bank balances of approximately S\$21.2 million (31 December 2024: approximately S\$8.6 million). The Group's current ratio, debt to equity ratio and gearing ratio are as follows:

	As at 30 June 2025 (unaudited)	As at 31 December 2024 (audited)
Current ratio	2.8	2.8
Debt to equity ratio	54.9%	77.4%
Gearing ratio	25.4%	38.1%

Current ratio represents the current assets over current liabilities as at the end of the respective date.

Debt to equity ratio is determined by dividing total debt by total equity as at the end of the respective date. Total debt includes borrowings.

Gearing ratio equals net debt, which represents total debt net of cash and bank balances, over total capital as at the end of the respective date. Total capital includes total equity and net debt.

BORROWINGS AND PLEDGE OF ASSETS

As at 30 June 2025, the Group had borrowings of approximately S\$55.9 million (31 December 2024: approximately S\$55.3 million). Certain borrowings were secured by certain inventories, leasehold properties, motor vehicles, finance lease receivables and corporate guarantee provided by the Company as disclosed in note 13 to the condensed consolidated interim financial information of this interim report.

The Group aims to maintain flexibility in funding by keeping sufficient bank balances, committed credit lines available and interest-bearing borrowings, which enable the Group to continue its business for the foreseeable future.



Management Discussion and Analysis

CAPITAL EXPENDITURE AND COMMITMENTS

During the six months ended 30 June 2025, the capital expenditures amounted to approximately S\$9.2 million which was used for the purchases of property, plant and equipment in Singapore (31 December 2024: approximately S\$4.9 million). The Group finances its capital expenditures primarily through cash generated from operating activities and bank borrowings.

As at 30 June 2025, the Group did not have material capital commitments (31 December 2024: nil).

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL

The Group did not have any significant investment, material acquisition and disposal of subsidiaries and affiliated companies during the six months ended 30 June 2025.

FOREIGN EXCHANGE RISK

The Group is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity.

The Group is exposed to foreign exchange risk arising from various currency exposure, primarily with respect to Sterling pound, Japanese yen, Hong Kong dollars and United States dollars. The Group's exposure to other foreign exchange movements is not material.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 June 2025 (31 December 2024: nil).



Management Discussion and Analysis

EMPLOYEE, EMPLOYEE REMUNERATION AND REMUNERATION POLICY

As at 30 June 2025, the Group employed a total of 123 employees (31 December 2024: 108 employees). Employee benefit expense (including directors' emoluments) of approximately S\$7.6 million incurred for the six months ended 30 June 2025 (2024: S\$4.9 million).

The remuneration package of the employee mainly includes salaries and allowances, sales commission and bonuses. The remuneration of the employees is determined by reference to prevailing market terms and in accordance with the performance, qualification and experience of each individual employee. The Company has adopted a share option scheme to reward the employees for their contribution to the Group and to provide them with incentives to further contribute to the Group.

The Group also provides in-house trainings to the staff which aim at updating their product knowledge, as well as improving their technical skills.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the Prospectus in relation to the rights issue dated 22 November 2024, the intended use of proceeds from the placing of new shares as disclosed in the announcements dated 30 May 2025, 17 June 2025 and 18 July 2025 and the plan for setting up the motor vehicle workshop as disclosed in the section headed "Use of Proceeds" of this interim report, the Group did not have future plans for material investments and capital assets as at 30 June 2025.

USE OF PROCEEDS

The total net proceeds raised from the listing of shares of the Company on 28 February 2019 (the "Net Proceeds") were approximately HK\$52.9 million after deduction of underwriting fees and commissions and estimated expenses payable by the Group.



Management Discussion and Analysis

Set out below are details of the allocation of the Net Proceeds, the utilised and unutilised amounts of the Net Proceeds as at 30 June 2025:

	Approximate percentage of total amounts	Actual Net Proceeds HK\$'000	Planned unutilised amounts as at 30 June 2025 HK\$'000	Utilised amounts as at 30 June 2025 HK\$'000	Unutilised amounts as at 30 June 2025 HK\$'000
Expanding the scale of the Group's motor vehicle hire purchase financing business	45.8%	24,230	24,230	24,230	–
Expanding the scale of the Group's pre-owned motor vehicle sales business	30.2%	15,974	15,974	15,974	–
Setting up a motor vehicle workshop	10.4%	5,499	5,499	3,523	1,976
Enhancing the Group's branding, sales and marketing efforts	7.7%	4,062	4,062	4,062	–
Working capital	5.9%	3,148	3,148	3,148	–
Total	100%	52,913	52,913	50,937	1,976

The reason for the under-utilisation of the Net Proceeds was caused by the delay of setting up a motor vehicle workshop as Singapore's economy has been severely affected by the outbreak of COVID-19 since 2020. It is anticipated that the unutilised amount of approximately HK\$2.0 million will be fully utilised by 2025.



Management Discussion and Analysis

EQUITY FUND-RAISING ACTIVITIES OF THE COMPANY IN THE PAST 12 MONTHS

The Company has conducted the following equity fundraising activities in the past twelve months immediately prior to the date of this interim report:

Date of relevant announcements and circular	Events	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the date of this interim report
28 May 2024 and 7 June 2024	Subscription of new shares under general mandate	HK\$11.24 million	Expand the Group's motor vehicle portfolio	Fully utilised as intended
12 July 2024, 24 September 2024, 22 November 2024, 13 December 2024 and 10 January 2025	Rights issue on the basis of four (4) rights shares for every one (1) share held on the record date	HK\$170.64 million	(i) approximately HK\$119.43 million used for the expansion of the Group's motor vehicle business network into Thailand; (ii) approximately HK\$17.07 million used for the development of the Group's newly commenced anion exchange membrane (AEM) water electrolysis business; (iii) approximately HK\$17.07 million used to Group's sales and service network and marketing and enhance its brand awareness; and (iv) the remaining portion of approximately HK\$17.07 million will be used for the Group's general and corporate administrative purposes	(i) fully utilised as intended; (ii) fully utilised as intended (Note); (iii) fully utilised as intended; and (iv) fully utilised as intended
17 March 2025 and 8 April 2025	Placing of new shares under general mandate	HK\$15.60 million	Working capital reserve	Fully utilised as intended

Note: Please refer to the Company's supplemental announcement dated 11 July 2025 for the change in use of proceeds from the rights issue in relation to the AEM water electrolysis business.



Management Discussion and Analysis

Date of relevant announcements and circular	Events	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the date of this interim report
30 May 2025, 17 June 2025, 20 June 2025, 27 June 2025, 4 July 2025, 11 July 2025 and 18 July 2025	Placing of new shares under general mandate	HK\$389.96 million	(i) approximately HK\$74.94 million will be used to support the business development of Guangzhou Jinghong New Materials Co., Ltd.* (廣州晶鴻新材料有限公司);	(i) not yet utilised;
			(ii) approximately HK\$70 million will be used for a possible investment in the AIMI Group;	(ii) not yet utilised;
			(iii) approximately HK\$95.59 million will be used for the production and distribution of hair growth products;	(iii) approximately HK\$38.00 million has been utilised as intended;
			(iv) approximately HK\$47.81 million will be used to support marketing initiatives for both the Group's existing and prospective business ventures; and	(iv) approximately HK\$21.10 million has been utilised as intended; and
			(v) approximately HK\$95.62 million will be used to enhance the Group's working capital for supporting ongoing business operations, administrative needs, and compliance obligations	(v) approximately HK\$90.34 million has been utilised as intended

It is anticipated that these funds will be fully utilized by the second half of 2026. Save as the above, the Company has not conducted any fundraising activities in the past twelve months immediately prior to the date of this interim report.

* For identification purpose only



Other Information

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2025, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which would be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein, or which would be required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of the Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

Long positions in the shares of the Company

Name of director	Capacity/ Nature of interest	Number of shares held/ interested in (Note 1)	Number of share options (Note 1 & 2)	Approximate percentage of shareholding in the Company
Mr. Vincent Tan	Interest in a controlled corporation (Note 3)	98,140,000 (L)	–	17.48%
	Beneficial owner	–	900,000 (L)	0.16%
	Interest of spouse (Note 4)	–	900,000 (L)	0.16%
Ms. Beng Lee	Interest of spouse (Note 5)	98,140,000 (L)	900,000 (L)	17.64%
Ser Marisa ("Mrs. Marisa Tan")	Beneficial owner	–	900,000 (L)	0.16%

Notes:

1. The Letter "L" denotes the person's long position in the relevant shares.
2. These represent the shares to be issued and allotted by the Company upon exercise of the options granted under the Share Option Scheme (as defined in the section headed "Share Option Scheme" of this interim report). Please also refer to section headed "Share Option Scheme" for more details.



Other Information

3. All the issued shares of Gatehouse Ventures are legally and beneficially owned as to 100% by Mr. Vincent Tan. Accordingly, Mr. Vincent Tan is deemed to be interested in 98,140,000 shares held by Gatehouse Ventures by virtue of the SFO. Mr. Vincent Tan is a controlling shareholder and an executive Director of the Company.
4. Mr. Vincent Tan is the spouse of Mrs. Marisa Tan and is therefore deemed to be interested in all the shares and/or underlying shares that Mrs. Marisa Tan is interested in by virtue of the SFO.
5. Mrs. Marisa Tan is the spouse of Mr. Vincent Tan and is therefore deemed to be interested in all the shares that Mr. Vincent Tan is interested in via Gatehouse Ventures by virtue of the SFO.

Save as disclosed above, as at 30 June 2025, none of the Directors nor chief executives of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to be Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far is known to the Directors, as at 30 June 2025, the following persons/entities (not being a Director or the chief executive of the Company) had an interest or a short position in the shares or underlying shares of the Company which would be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and recorded in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

Long positions in the shares of the Company

Name	Capacity/Nature of interest	Number of shares held/ interested in (Note 1)	Approximate percentage of shareholding in the Company
Gatehouse Ventures	Beneficial owner (Note 2)	98,140,000 (L)	17.48%

Notes:

1. The Letter "L" denotes the person's long position in the relevant shares.
2. All the issued shares of Gatehouse Ventures are legally and beneficially owned as to 100% by Mr. Vincent Tan, the Co-chairman and an executive Director of the Company.



Other Information

Save as disclosed above, as at 30 June 2025, no other interests or short positions in the shares or underlying shares of the Company which would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and recorded in the register maintained by the Company pursuant to Section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2025.

SHARE OPTION SCHEME

The Company has adopted the share option scheme (the "Scheme") on 1 February 2019. The purpose of the Scheme is to enable the Company to grant options to eligible persons as incentives or rewards for their contribution or potential contribution to the Group and to recruit and retain high calibre eligible persons and attract human resources that are valuable to the Group. The principal terms of the Scheme are summarised in the section headed "Share Option Scheme" in Appendix IV to the prospectus dated 13 February 2019.



Other Information

Details of the movements of share options granted, exercised, cancelled or lapsed under the Scheme during the six months ended 30 June 2025 are as follows:

Grantees	Date of Grant	Exercise price of share options	Closing price of the shares on the date of grant	Outstanding as at 1 January 2025	Granted during the period	Outstanding as at 30 June 2025
Directors						
Mr. Vincent Tan	8 April 2020	HK\$1.460	HK\$1.430	900,000	–	900,000
Ms. Ng Hui Bin Audrey	8 April 2020	HK\$1.460	HK\$1.430	900,000	–	900,000
Mrs. Marisa Tan (appointed as executive Director on 6 July 2020)	8 April 2020	HK\$1.460	HK\$1.430	900,000	–	900,000
Mr. Khung Poh Sun (resigned as executive Director on 6 July 2020)	8 April 2020	HK\$1.460	HK\$1.430	900,000	–	900,000
Mr. Raymond Wong (resigned as non-executive Director on 22 November 2024)	8 April 2020	HK\$1.460	HK\$1.430	900,000	–	900,000
Mr. Chow Wing Tung	8 April 2020	HK\$1.460	HK\$1.430	900,000	–	900,000
Mr. Hui Yan Kit (resigned as an independent non-executive Director on 3 February 2025)	8 April 2020	HK\$1.460	HK\$1.430	900,000	–	900,000
Mr. Tam Yat Kin Ken	8 April 2020	HK\$1.460	HK\$1.430	900,000	–	900,000
Sub-total				7,200,000	–	7,200,000
Employee	8 April 2020	HK\$1.460	HK\$1.430	900,000	–	900,000
Other eligible participant*	8 April 2020	HK\$1.460	HK\$1.430	900,000	–	900,000
Total				9,000,000	–	9,000,000

* The Company secretary of the Company, namely Mr. Lui Wai Sing.



Other Information

As at 30 June 2025, there were 9,000,000 share options granted by the Company under the Scheme which were valid and outstanding, representing approximately 1.38% of the issued share capital of the Company as at the date of this interim report. The share options are exercisable for a period of ten years from 8 April 2020 (the “Option Period”) and expiring at the close of business on the last day of the Option Period or at the expiry of the Scheme, whichever is earlier. The share options shall vest on 8 April 2020.

No share options were exercised, cancelled or lapsed under the Scheme during the period from the date of grant to 30 June 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its code of conduct regarding securities transaction by Directors. The Company, having made specific enquiry, confirms that all Directors have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2025.

CORPORATE GOVERNANCE CODE

During the six months ended 30 June 2025, the Company has applied the principles of and complied with all the applicable code provisions set out from time to time in the Corporate Governance Code (the “CG Code”) set out in Appendix 14 to the Listing Rules, save and except for the following deviations from code provisions A.2.1 and C.2.5 of the CG Code.

Under code provision A.2.1 of the CG Code, the roles of chairman and chief executive shall be separated and shall not be performed by the same individual. Mr. Vincent Tan currently holds both positions. Throughout the business history, Mr. Vincent Tan, as a founder and the controlling shareholder of the Group, has held the key leadership position of the Group and has been deeply involved in the formulation of corporate strategies and management of business and operations of the Group. Taking into account the consistent leadership within the Group and in order to enable more effective and efficient overall strategic planning and continuation of the implementation of such plans, the Directors, including the independent non-executive Directors consider that Mr. Vincent Tan is the best candidate for both positions and the present arrangements are beneficial and in the interests of the Group and the shareholders as a whole.

Under code provision C.2.5 of the CG Code, the Group should have an internal audit function. The Company has no internal audit function because the Company has maintained an internal control system and its implementation has been considered effective by the audit committee and the Board. In addition, the audit committee has communicated with external auditor of the Company to understand if there is any material control deficiency. Nevertheless, the Company will review the need for one on an annual basis.



Other Information

CHANGE IN DIRECTOR'S INFORMATION

Mr. Zhong Lili has been appointed as an independent non-executive Director of the Company with effect from 3 February 2025 and then resigned as an independent non-executive Director of the Company with effect from 2 July 2025.

Mr. Wu Qing has been appointed as an independent non-executive Director of the Company with effect from 2 July 2025.

Ms. Ng Hui Bin Audrey, an executive Director of the Company, has been appointed as a member of the nomination committee of the Company with effect from 1 September 2025.

Save as disclosed above, there is no information in respect of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

AUDIT COMMITTEE

The Company established an audit committee on 1 February 2019 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C.3 of the Corporate Governance Code. The audit committee consists of three independent non-executive Directors, namely, Mr. Chow Wing Tung, Mr. Tam Yat Kin Ken and Mr. Wu Qing. Mr. Chow Wing Tung is the chairman of the audit committee. The primary duties of the audit committee are to assist the Board in providing an independent view of the effectiveness of the Group's financial reporting process, internal control and risk management system, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

The audit committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2025, including the accounting principles and practices adopted by the Group.

EVENT AFTER THE REPORTING PERIOD

On 30 May 2025, the Company entered into the placing agreement with the placing agent, pursuant to which the Company agreed to place through the placing agent up to a maximum of 112,300,000 placing shares to not less than six placees at the placing price of HK\$4.30 per placing share. Subsequently, the Company and the placing agent executed a side letter on 17 June 2025, pursuant to which the parties agreed to revised the maximum number of placing shares from 112,300,000 to 90,195,000.



Other Information

The Placing was completed on 18 July 2025 and the net proceeds from the Placing, after deduction of the placing commission and other related expenses, amounted to approximately HK\$383.96 million. For details, please refer to the Company's announcements dated 30 May 2025, 17 June 2025, 20 June 2025, 27 June 2025, 4 July 2025, 11 July 2025 and 18 July 2025.

Save as disclosed above, the Directors are not aware of any significant event which had material effect on the Group subsequent to 30 June 2025 and up to the date of this interim report.

By Order of the Board

Guan Chao Holdings Limited

Tan Shuay Tarn Vincent

Co-chairman and Executive Director

Hong Kong, 29 August 2025