

Profit Warning for the Six-Month Period Ended 30 June 2024

The Board of Directors (the “**Board**”) of Trans-China Automotive Holdings Limited (“**TCA**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to announcement on voluntary business update for 1st quarter ended 31 March 2024 dated 8 May 2024, and wishes to provide shareholders with a profit warning for the six-month period ended 30 June 2024 (“**1H2024**”).

Following a preliminary assessment of the unaudited financial results of the Group for 1H2024 that is currently available to the Board, the Company is expected to report a materially larger net loss compared with the net loss for the six-month period 30 June 2023 (“**1H2023**”).

This is mainly attributable to:

- The Chinese economy continues to be weak. The second quarter GDP grew by 4.7% undershooting the governments own target of 5.0% annual growth. Key macro-economic indicators such as property sales, employment and retail sales are tepid. The slow economy has led to weak consumer sentiment towards large expenditure such as car purchases.
- According to China Passenger Car Association¹, Chinese passenger vehicle sales grew by 3.3% to 9.8 million units in first half of 2024 compared to the same period in 2023. The volume growth was led by new energy vehicles which increased by 33.3% to 3.0 million units in 1H2024.
- The soft retail backdrop combined with the intensely competitive conditions in the car sector lead to the Group’s new vehicle sales declines and negative gross margins. This resulted in a larger net loss compared with the same period prior year.

The Company is still in the process of finalising its unaudited financial results of the Group for 1H2024. Further details of the Group’s financial performance will be disclosed when the Company announces its unaudited financial results on or before 14 August 2024.

¹ <http://www.cpcauto.com/newslist.php?types=csjd&id=3519>

Caution in Trading

Shareholders are advised to exercise caution when dealing in the securities of the Company and to refrain from taking any action in relation to their securities which may be prejudicial to their interests. If in doubt about the action that they should take, shareholders should seek advice from their stockbrokers, bankers, solicitors, accountants, tax advisers or other professional advisers.

By Order of the Board

Francis Tjia
Executive Chairman and Chief Executive Officer
23 July 2024

*This announcement has reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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