Trans-China Automotive Holdings Limited
#3002, 30th Floor, 88 Hing Fat Street, Causeway Bay, Hong Kong
(Company Registration Number: 306871)
(Incorporated in the Cayman Islands on 18 December 2015)

PROPOSED DISTRIBUTION OF SHARES IN THE CAPITAL OF THE COMPANY BY CONTROLLING SHAREHOLDER

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1. INTRODUCTION

1.1 The Board of Directors (the "**Board**" or "**Directors**") of Trans-China Automotive Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to its announcement dated 18 October 2022 ("**18 Oct 2022 Announcement**"), read with the Company's corrigendum dated 16 November 2022 to the 18 Oct 2022 Announcement (the "**Corrigendum**", and together with the 18 Oct 2022 Announcement, the "**Announcements**"), in relation to the Proposed Share Distribution (as defined in the Announcements). Capitalised terms used herein, unless otherwise defined, shall have the meanings ascribed to them in the Announcements.

1.2 The Board wishes to announce that:

(a) further to the Announcements, TCA International Limited ("**TCA International**") has effected the distribution of close to all of the Distribution Shares under the Proposed Share Distribution, as follows:[1]

(i) as at the date of this announcement, approximately 18.98% of the total issued Shares which it had previously held have been distributed to LPs of TCA, L.P. on a pro-rata basis; and

(ii) approximately 0.19% of the total issued Shares which it currently holds have been designated for distribution to certain remaining LPs of TCA, L.P. on a pro-rata basis as soon as practicable;

and following completion of (ii) above, the Proposed Share Distribution would have been fully completed and TCA International would hold a balance of approximately 38.27% of the issued Shares; and

(b) it understands from TCA International, that TCA International intends to effect a second distribution of approximately 113,000,000 Shares[2] ("**Second Tranche Distribution Shares**"), representing approximately 19.17% of the total issued Shares, to its LPs on a pro-rata basis, in a similar manner to the Proposed Share Distribution ("**Second Tranche Distribution**").

The completion of the Proposed Share Distribution and the Second Tranche Distribution will result in TCA International holding a remaining balance of approximately 19.11% Shares, and the Company further understands that TCA International may look to further share distributions in the

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[1] For the avoidance of doubt, the information in this announcement does not take into account possible changes to the shareholding in the Company of the LPs or actions taken by or on behalf of the LPs in relation to their shareholding in the Company, in connection with or following the Proposed Share Distribution or other similar distributions of Shares by TCA International.

[2] While the Second Tranche Distribution is calculated based on the distribution of 113,000,000 Shares to the LPs, there may be some discrepancies in the exact number of Shares to be distributed to each of the LPs due to the rounding differences.

future on similar basis. Nevertheless, whilst the above reflects TCA International's intention to effect further distributions of Shares it holds, it is noted that there is no certainty that all or any of such distributions will be completed, whether in full or in part.

2. RATIONALE FOR THE SECOND TRANCHE DISTRIBUTION

2.1 As described in Paragraph 2 of the 18 Oct 2022 Announcement, TCA, L.P. is a partnership which was founded in 2009 with the investment objective to achieve capital appreciation through investment, owning and operating automobile dealerships in the PRC through TCA International's shareholding interest in the Company. Similar to the rationale for the Proposed Share Distribution, in order to allow the LPs to have direct ownership and control of their investment in the Company, TCA International is undertaking the Second Tranche Distribution to distribute its underlying investment, being the Shares, to its LPs and may look to further share distributions in the future on similar basis. Further, from the Company's perspective, the Company views the Second Tranche Distribution as potentially advantageous to the Company, given that the Second Tranche Distribution to the LPs would broaden the public shareholder base of the Company and allow for greater trading liquidity, without there being a change in control of the Company as a result of the Second Tranche Distribution.

2.2 TCA, L.P. is managed by its general partner, TCA Management Limited ("**TCA Management**"). TCA Management has been granted the authority to operate, manage and control the affairs of TCA, L.P., including making investment decisions and voting on the securities and interests held by TCA, L.P., including those in TCA International. By virtue of Section 4 of the Securities and Futures Act 2001 of Singapore ("**SFA**"), TCA Management is deemed interested in the shares held by TCA International. Octo Holdings Limited ("**Octo Holdings**") holds more than 20.0% of the voting shares in TCA Management and is accordingly deemed to have an interest in the shares held by TCA Management (through TCA, L.P. and TCA International) by virtue of Section 4 of the SFA.

2.3 As disclosed in the Company's Offer Document dated 1 November 2021 and updated as at the date of this announcement, TCA, L.P. comprises approximately 74 investors (including the general partner, TCA Management) with majority of the common shares held by:

(i) Octo Holdings, an investment holding company which is wholly owned by Mr. Francis Tjia, holding approximately 27.86% shareholding interest;

(ii) Mandarin Holdings Ltd., an investment holding company, which is wholly owned by Mr. Billy Woo, the father of Mr. Raymond Woo, the COO (Premium Luxury) of the Group, holding approximately 6.63% shareholding interest;

(iii) HSBC Nominees (Hong Kong) Limited, which holds the common shares in TCA, L.P. on behalf of IP Asian Opportunities Fund, an investment company primarily focused on private investment opportunities in Asia-Pacific, holding approximately 5.45% shareholding interest. IP Asian Opportunities Fund is managed by Income Partners Asset Management (HK) Limited ("**Income Partners Asset Management**"); and

(iv) TCA Investments, a company wholly owned by Servco Pacific Limited which is engaged in the automotive distribution and retail business in North America and elsewhere, holding approximately 5.17% shareholding interest.

As at the date of this announcement, TCA Management currently holds approximately 3.63% shareholding interest in TCA, L.P., and Mr. Michael Cheung, the Executive Director and CFO of the Group, currently holds approximately 0.12% shareholding interest in TCA, L.P. Accordingly, similar to the Proposed Share Distribution, both TCA Management and Mr. Michael Cheung are each entitled to receive a proportion of the shares to be distributed under the Second Tranche

Distribution. Further details of their shareholding interests in the Company following the completion of the Proposed Share Distribution and the Second Tranche Distribution are set out in Paragraph 4 of this announcement.

The rest of the investors in TCA, L.P. comprise individuals whom each hold no more than 5.0% shareholding interest in TCA, L.P. and are unrelated to any of the shareholders, directors or key management of the Group.

2.4 Based on the Second Tranche Distribution of the Second Tranche Distribution Shares, it is not expected that any of the LPs would hold more than 5.0%[3] of the Shares solely as a result of the Second Tranche Distribution.

2.5 Given that the Second Tranche Distribution involves a corporate action that will be undertaken by the shareholders of the Company, the Company is not required to seek shareholders' approval for the Second Tranche Distribution.

3 ILLUSTRATIVE CHANGES IN THE SHAREHOLDING OF THE ULTIMATE BENEFICIAL CONTROLLING SHAREHOLDER FOLLOWING THE SECOND TRANCHE DISTRIBUTION

3.1 As at the date of this announcement, Mr. Francis Tjia is a controlling shareholder of the Company and holds an interest in 410,442,964 Shares, representing approximately 69.61% of the total number of issued Shares, comprising a direct interest in 8,611,438 Shares, representing approximately 1.46% of the total number of issued Shares, and a deemed interest in 401,831,526 Shares, representing approximately 68.15% of the total number of issued Shares. In addition to being the largest controlling shareholder of the Company, Mr. Francis Tjia is also the Executive Chairman and CEO of the Group.

3.2 Mr. Francis Tjia holds the entire 100% shareholding interest in Octo Holdings. Accordingly, Mr. Francis Tjia is deemed to have an interest in all the Shares held by Octo Holdings in the Company by virtue of Section 4 of the SFA. As at the date of this announcement, Octo Holdings holds an interest in 401,831,526 Shares, representing approximately 68.15% of the total number of issued Shares, comprising a direct interest in 175,072,558 Shares, representing approximately 29.69% of the total number of issued Shares, and a deemed interest in 226,758,968 Shares, representing approximately 38.46% of the total number of issued Shares. Octo Holdings also holds approximately 27.86% of the shareholding interest in TCA, L.P., which entitles Octo Holdings to receive a proportion of the shares to be distributed under the Second Tranche Distribution.

3.3 For illustrative purposes only, based on the shareholding interests of Mr. Francis Tjia as at the date of this announcement, immediately following completion of the Proposed Share Distribution and the Second Tranche Distribution, but not taking into account any other possible changes to his shareholding interests as a result of direct or indirect acquisitions or disposals of Shares by Mr. Francis Tjia or entities controlled by him after the date of this announcement, Mr. Francis Tjia would hold an interest in 331,924,802 Shares, representing approximately 56.30%% of the total number of issued Shares, comprising a direct interest in 8,611,438 Shares, representing approximately 1.46% of the total number of issued Shares, and a deemed interest in 323,313,364 Shares, representing approximately 54.83% of the total number of issued Shares.

Accordingly, following completion of the Proposed Share Distribution and the Second Tranche Distribution, it is expected that Mr. Francis Tjia will continue to remain as the largest and sole controlling shareholder of the Company, not taking into account any other possible changes to his shareholding interests as a result of direct or indirect acquisitions or disposals of Shares after the date of this announcement.

[3] Calculated based on the assumption that none of the LPs holds any other interest in the Company other than the Distribution Shares and Second Tranche Distribution Shares through TCA, L.P..

4 INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

4.1 The direct and deemed interests of the Directors and Substantial Shareholders in the Shares of the Company, based on information as recorded in the register of Director's shareholdings and the register of Substantial Shareholders maintained by the Company, as at the date of this announcement and immediately after completion of the Proposed Share Distribution and the Second Tranche Distribution, but not taking into account any other possible changes to shareholding interests as a result of direct or indirect acquisitions or disposals of Shares by any of the Directors and Substantial Shareholders (including Mr. Francis Tjia or entities controlled by him) after the date of this announcement, are as follows:

	As at the date of this announcement [5]				**Immediately after the completion of the Proposed Share Distribution and the Second Tranche Distribution**[5]			
	Direct Interest		**Deemed Interest**		**Direct Interest**		**Deemed Interest**	
Directors	**Number of Shares**	**%**	**Number of Shares**	**%**	**Number of Shares**	**%**	**Number of Shares**	**%**
Francis Tjia [1] [2]	8,611,438	1.46%	401,831,526	68.15%	8,611,438	1.46%	323,313,364	54.83%
Michael Cheung [3]	10,900,731	1.85%	10,764,439	1.83%	10,900,731	1.85%	10,904,956	1.85%
Henry Tan	-	-	-	-	-	-	-	-
David Leow	-	-	-	-	-	-	-	-
Steven Petersohn	350,000	0.06%	-	-	350.000	0.06%	-	-
Substantial Shareholders (other than the Directors)								
TCA International [2]	226,758,968[4]	38.46%[4]	-	-	112,657,356	19.11%	-	-
TCA, L.P. [2]	-	-	226,758,968	38.46%	-	-	112,657,356	19.11%
TCA Management [2]	-	-	226,758,968	38.46%	4,106,635	0.70%	112,657,356	19.11%

Octo Holdings [(1) (2)]	175,072,558	29.69	226,758,968	38.46%	206,549,373	35.03%	116,763,991	19.80%

Notes:

(1) Mr. Francis Tjia, the Executive Chairman and CEO of the Group, holds the entire shareholding interest in Octo Holdings. Accordingly, Mr Francis Tjia is deemed interested in the shares held directly by Octo Holdings by virtue of Section 4 of the SFA.

(2) Mr. Francis Tjia is deemed interested in the shares held directly by TCA Management. Octo Holdings holds more than 20.0% of voting shares in TCA Management and is accordingly deemed to have an interest in the shares directly held by TCA Management by virtue of Section 4 of the SFA. Mr Francis Tjia holds the entire shareholding interest in Octo Holdings and accordingly is deemed interested in the shares held directly by TCA Management by virtue of Section 4 of the SFA.

Mr. Francis Tjia is deemed interested in the shares held directly by TCA International. TCA International is wholly owned by TCA, L.P. TCA, L.P. is managed by its general partner, TCA Management, who has been granted the authority to operate, manage and control the affairs of TCA, L.P., including making investment decisions and voting on the securities and interests held by TCA, L.P. including those in TCA International. By virtue of Section 4 of the SFA, TCA Management is deemed interested in the shares held by TCA International. Octo Holdings holds more than 20.0% of voting shares in TCA Management and is accordingly deemed to have an interest in the shares held by TCA Management (through TCA, L.P. and TCA International) by virtue of Section 4 of the SFA. Mr Francis Tjia holds the entire shareholding interest in Octo Holdings and accordingly is deemed interested in the shares held by TCA International (through TCA, L.P., TCA Management and Octo Holdings) by virtue of Section 4 of the SFA.

(3) Mr. Michael Cheung, the Executive Director and CFO of the Group, is deemed to have an interest in the Shares held by him through a nominee account maintained with Citibank Nominees Singapore Pte. Ltd.

(4) This includes 1,101,650 Shares representing approximately 0.19% of the total issued Shares which TCA International currently holds, which have been designated for distribution to certain remaining LPs of TCA, L.P. on a pro-rata basis as soon as practicable, under the Proposed Share Distribution, as described in paragraph 1.2(a)(ii) of this announcement.

(5) Based on 589,615,183 Shares issued and paid-up share capital of the Company as at the date of this announcement.

5 CAUTIONARY STATEMENT

Shareholders are advised to refrain from taking any action in respect of their Shares which may be prejudicial to their interests, and for Shareholders and potential investors to exercise caution when trading in the Shares. Shareholders are advised to read this announcement and any further announcements by the Company carefully. **Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

Shareholders and potential investors are advised to exercise caution when dealing or trading in the shares as there is no certainty or assurance that the Second Tranche Distribution will be completed or that no changes will be made to the terms thereof. Shareholders and potential investors are also advised to read this announcement and any further announcements by the Company carefully, and where in doubt as to the action that they should take, they should consult their financial, tax or other professional adviser immediately.

By Order of the Board
Trans-China Automotive Holdings Limited

Francis Tjia
Executive Chairman and CEO
12 April 2023

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**") for compliance with the relevant rules of the SGX-ST.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

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