TRANS CHINA AUTOMOTIVE
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GEARING UP FOR GREATER GROWTH



FY 2021 RESULTS PRESENTATION

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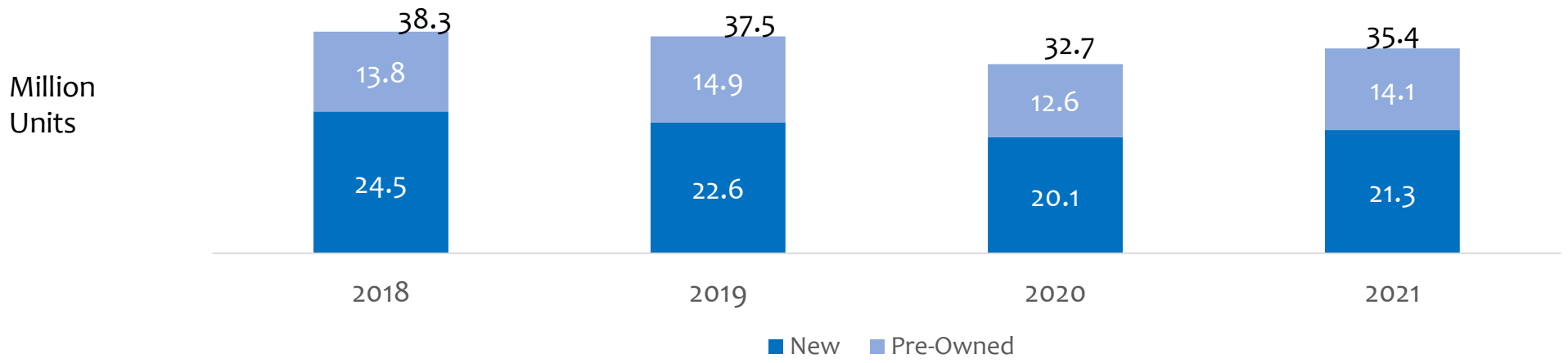
The contact person for the Sponsor is Mr Leong Weng Tuck – Registered Professional, 6 Raffles Quay, #24-02 Singapore 048580, sponsor@rhtgoc.com.

FY2021 Key Financial Highlights

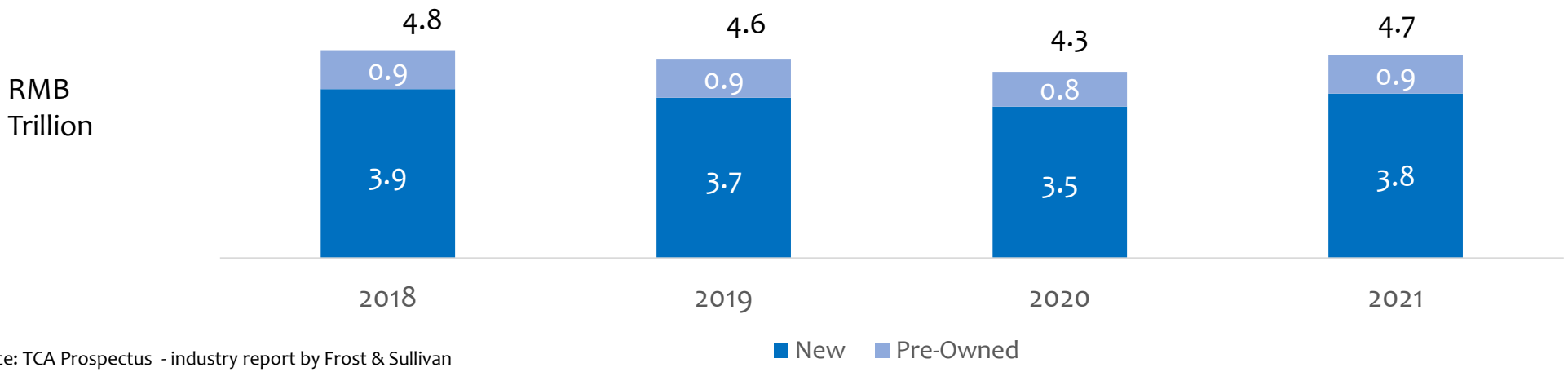


2021 China Passenger Vehicle Market Summary

New and Pre-owned Automotive Sales Volume, PRC



New and Pre-owned Automotive Sales Value, PRC

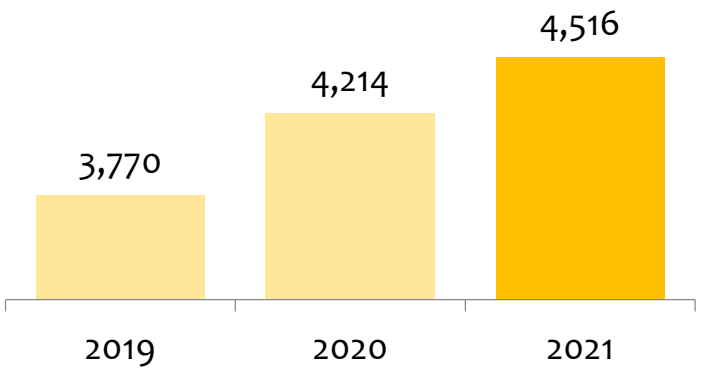


Source: TCA Prospectus - industry report by Frost & Sullivan

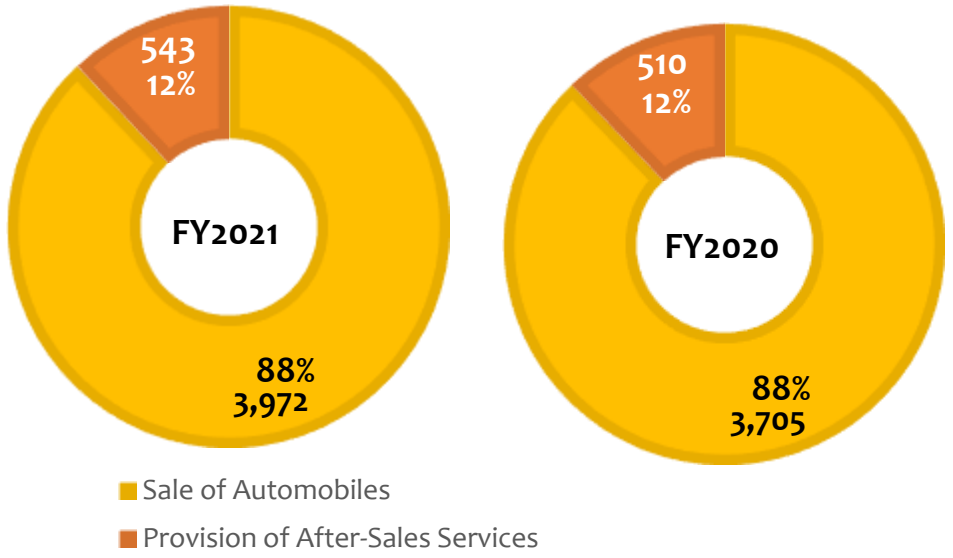
Key Financial Highlights

RMB' Million

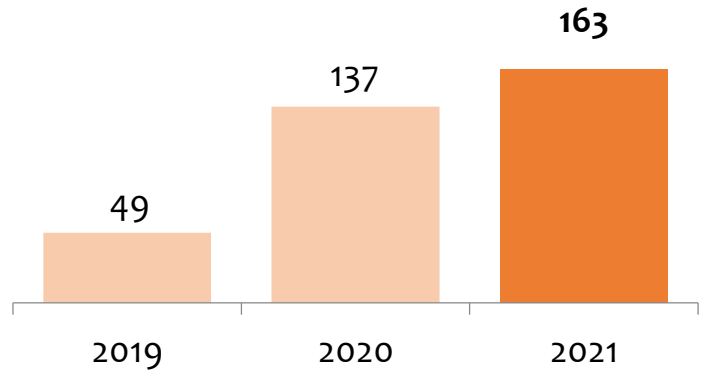
Revenue



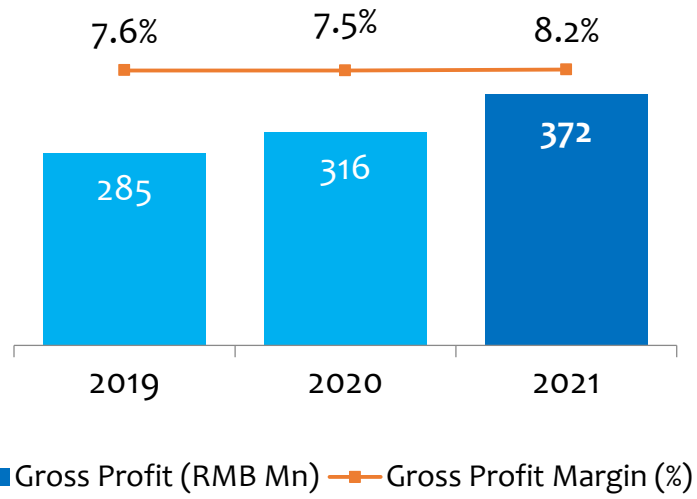
Revenue By Segment



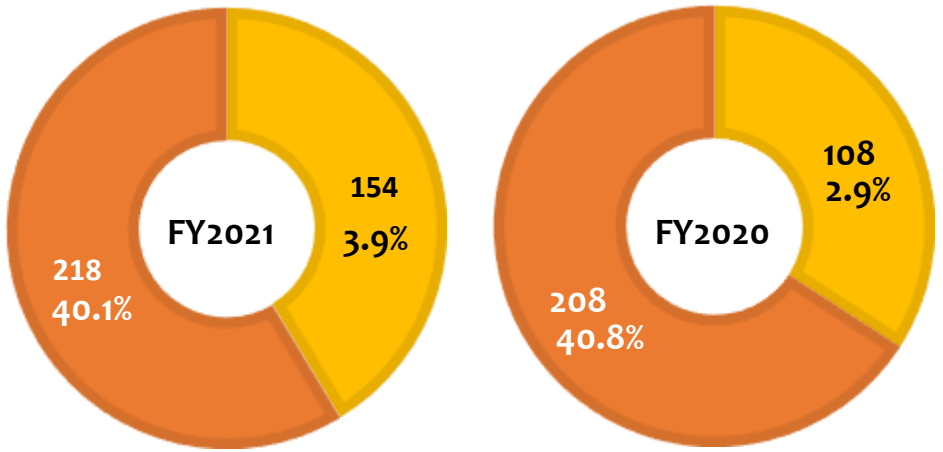
Profit Before Tax



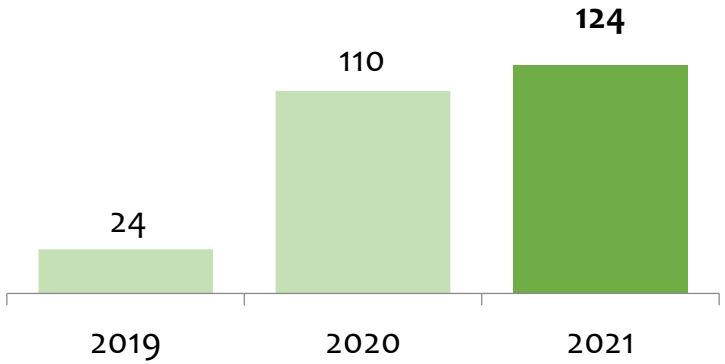
Gross Profit | Gross Profit Margin



Gross Margin By Segment



Profit After Tax



Profit & Loss

RMB' Million		FY2018	FY2019	FY2020	FY2021	% Change FY20 vs FY21
Automobiles sold		**7,075**	**8,842**	**10,143**	**10,809**	**6.6**
Revenue		**3,533.9**	**3,769.5**	**4,214.0**	**4,515.7**	**7.2**
Cost of Sales		(3,318.2)	(3,484.2)	(3,897.8)	(4,144.1)	6.3
Gross Profit		**215.7**	**285.3**	**316.1**	**371.6**	**17.5**
Other Income		79.3	57.3	86.6	99.5	14.9
Other Gains, Net		(3.1)	(4.0)	35.0	11.0	(68.6)
Selling Expenses		(90.4)	(88.4)	(98.9)	(84.6)	(14.5)
Administrative Expenses		(123.6)	(136.8)	(143.6)	(187.6)	30.6
Operating Profit		**77.9**	**113.4**	**195.2**	**209.9**	**7.5**
Finance Costs, Net		(58.1)	(64.5)	(58.5)	(46.7)	20.2
Profit Before Income Tax		**19.8**	**48.9**	**136.7**	**163.2**	**19.4**
Profit for the Period/Year		**2.8**	**23.6**	**109.9**	**124.0**	**12.8**

Revenue growth since 2018: 27%
Net profit growth since 2018: 44x
Other Gains, net FY 2020 include 29.7 reversal of provision for impairment of property, plant and equipment

Revenue and Gross Profit

		FY 2020	FY 2021	+/(-) Variance
Revenue		**RMB' Million**	**RMB' Million**	%
Sale of automobiles		3,704.0	3,972.2	7.2%
Provision of after-sales services		510.0	543.5	6.6%
		4,214.0	**4,515.7**	**7.2%**
Gross Profit				
Sale of automobiles		107.5	153.5	42.8%
Provision of after-sales services		208.6	218.1	4.6%
		316.1	**371.6**	**17.6%**
Gross Profit Margin				
Sale of automobiles		2.9%	3.9%	1.0%
Provision of after-sales services		40.9%	40.1%	-0.8%
		7.5%	**8.2%**	**0.7%**

RMB' Million	FY2020	FY2021	% Change
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Other Income

	FY 2020	FY 2021	+/(-) Variance
	RMB'000	RMB'000	%
Handling and commission fee income	48,541	68,839	41.8%
Insurance rebate	14,429	10,503	-27.2%
Deposit forfeited by customers	18,159	4,616	-74.6%
Government grants	1,802	1,922	6.7%
Pre-owned cars and fleet sale commissions	1,039	8,579	725.7%
Others	2,627	5,041	91.9%
	86,597	**99,500**	**14.9%**

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Other gains, net

	FY 2020	FY 2021	+/(-) Variance
	RMB'000	RMB'000	%
Gain on disposals of fixed assets	3,736	4,773	27.8%
Exchange differences	389	2,318	495.9%
Fair value and derecognition of convertible notes	1,670	-	-100.0%
Reversal of other payables	-	4,092	100.0%
Reversal of provision for impairment of property, plant and equipment	29,701	-	-100.0%
Others	(449)	(143)	-68.2%
	35,047	**11,040**	**-68.5%**

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Selling expenses

	FY 2020	FY 2021	+/(-) Variance
	RMB'000	RMB'000	%
Advertising expenses	16,112	15,964	-0.9%
Employee benefit expenses	32,637	36,307	11.2%
Travelling expenses	2,023	1,301	-35.7%
Other tax expenses	21,128	13,178	-37.6%
Depreciation	27,000	17,800	-34.1%
	98,900	**84,550**	**-14.5%**

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Administrative expenses

	FY 2020	FY 2021	+/(-) Variance
	RMB'000	RMB'000	%
Auditor's remuneration	4,127	3,061	-25.8%
Bank charges	2,843	1,989	-30.0%
Employee benefit expenses	78,011	89,499	14.7%
Entertainment	605	699	15.5%
Fuel and maintenance expenses	5,748	5,952	3.5%
IT and security fees	5,172	7,272	40.6%
Legal and professional fees	4,075	6,551	60.8%
Listing expenses	2,060	8,964	335.1%
Office, communication and utilities expenses	8,303	10,769	29.7%
Other tax expenses	9,811	10,748	9.6%
Others	36	3,751	103.2x
Short term lease expenses	4,335	3,905	-9.9%
Travelling expenses	951	1,347	41.6%
Depreciation	17,589	33,132	88.4%
	143,666	**187,639**	**30.6%**

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Finance costs, net

		FY 2020	FY 2021	+/(-) Variance
		RMB'000	RMB'000	%
Finance income				
-Bank interest income		917	1,485	62.0%
		917	**1,485**	62.0%
Finance costs				
-Interest expense on bills payable		(7,023)	(7,778)	10.8%
-Interest expense on bank and other borrowings		(41,588)	(24,747)	-40.5%
-Interest expense on lease liability		(10,815)	(15,659)	44.8%
		(59,426)	**(48,184)**	-18.9%
Finance costs, net		**(58,509)**	**(46,699)**	-20.2%

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Key Financial Statement Highlights

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Adjusting for				
Impairment provision		*(29.7)*	-	-
Listing fees		*2.1*	*9.0*	-
Normalized operating earnings		***82.3***	***133.0***	***61.6***

Key Financial Statement Highlights

RMB' Million	As at 31 December 2020	As at 31 December 2021
ASSETS		
Non-current assets	590.3	587.3
Current assets	1,118.7	1,395.3
Liabilities		
Non-current liabilities	580.7	372.1
Current liabilities	1,048.9	1,318.1
EQUITY (NAV)	**79.5**	**292.4**
Working capital	69.9	77.2
Net interest bearing liabilities[1]	667.1	561.7

1. Long term and short borrowings and bills payable less cash and equivalents and pledged deposit

Key Operational/Financial Ratios

	FY2020	FY2021
Gross Margin	7.5%	8.2%
Net Profit Margin	2.6%	2.7%
EBITDA Margin	5.7%	5.8%
Net interest bearing liabilities/Equity	8.4	1.9
Inventory Turnover Days	31	26
Group Absorption Ratio	91.6%	98.6%

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Corporate Developments



Corporate Developments – New Genesis Dealership



Construction photo of TCA Guangzhou Genesis



Artist Rendering of TCA Guangzhou Genesis



Bird's eye view

TCA Guangzhou Genesis

- TCA is the exclusive partner for Genesis in Guangzhou and will operate the city's first and only Genesis dealership
- Commenced construction of dealership at a budget of RMB 17.0 million
- Genesis has committed significant resources to launch the brand in the PRC
- Expected opening: June 2022

Corporate Developments – New Genesis Dealership

About Genesis

- Two segments: sedans (G70 and G80) and mid-size SUV (GV80)
- Two fully electrified models: Electrified GV70 and Electrified GV80
- Upcoming launches: Electrified GV60 (fully electric SUV) expected in 2022 and G90 (full-size sedan)

Genesis G70 sedan



Genesis Electrified G80 sedan



Genesis G80 sedan



Genesis GV80 SUV



Genesis Electrified G80 interior



Genesis G80 interior



Corporate Developments – New BMW Service Centre



Artist Rendering of TCA SZ BMW Service Centre

BMW Service Centre – Shenzhen - Pingshan

- Commenced construction of new BMW Service Centre in Shenzhen.
- This new 'after-sales only' BMW outlet is located in Pingshan, one of Shenzhen's western districts which is adjacent to Longggang, where the Company's other Shenzhen-based BMW dealership is located.
- Pingshan is a very promising market for BMW. The company currently already has an important customer base in the Pingshan district, and has been servicing BMW customers there for many years, owing to the fact there are no BMW stores in Pingshan.
- Expected opening: June 2022

Other Network Developments

1. McLaren Supply Disruptions



McLaren Artura



McLaren Wuhan Showroom

- The Company's Supercar business was constrained by supply interruptions impacting its McLaren operations.
- McLaren had originally planned to introduce it's new 'Artura' super car for China deliveries in 1H2022. However, due to supply chain issues, the date for first deliveries of the 'Artura' in China has been delayed to 2H2022.
- The delay in deliveries may negatively impact revenues from the supercar segment compared to our original expectations.

2. Termination of Lotus Arrangement

- The Company has terminated its arrangement with Lotus following a review of operations.
- Lotus contributed approximately RMB2 million to total FY2021 revenue, while the original investment in Lotus was approximately RMB500,000.
- Resources and staff will be re-deployed to other businesses

3. Further expansion of dealership network

- As part of our plan to grow the business and expand our dealership network and brand portfolio, the Company continues to hold discussions with OEMs in China.
- Vacant land owned by the Company in Chongqing adjacent to our successful BMW store in Chongqing is a prime site for another premium-branded luxury car dealership.

Healthy Financial Position



Strong cashflow for future acquisitions

- Balance sheet liquidity of the Company is strong and access to capital for future expansion remains plentiful. The Company will continue to evaluate acquisition opportunities as they present themselves.



Propose dividend payment of RMB0.0257 per ordinary share for FY2021

Use of IPO Proceeds

S$' 000	Amount Allocated	Amount Utilised as at 25 February 2022	Balance as at 25 February 2022
Increasing the number of dealerships, showrooms and service centres in cities where we have existing operations, namely, Foshan, Shenzhen, Guangzhou, Chongqing, Changsha and Wuhan	11,000	-	11,000
Expanding our business through growing our dealership network to new regions, diversifying to other premium and ultra-premium automobile brands, and expanding and diversifying into complementary businesses	3,000	3,000(1)	-
General working capital purposes	2,311	2,311(2)	-
Total	**16,311**	**5,311**	**11,000**

(1) Utilised for the construction of a Genesis branded dealership in Guangzhou, PRC, with the S$3.0 million used for payment to contractors and suppliers relating to the construction
(2) Utilised for payment of spare parts from BMW

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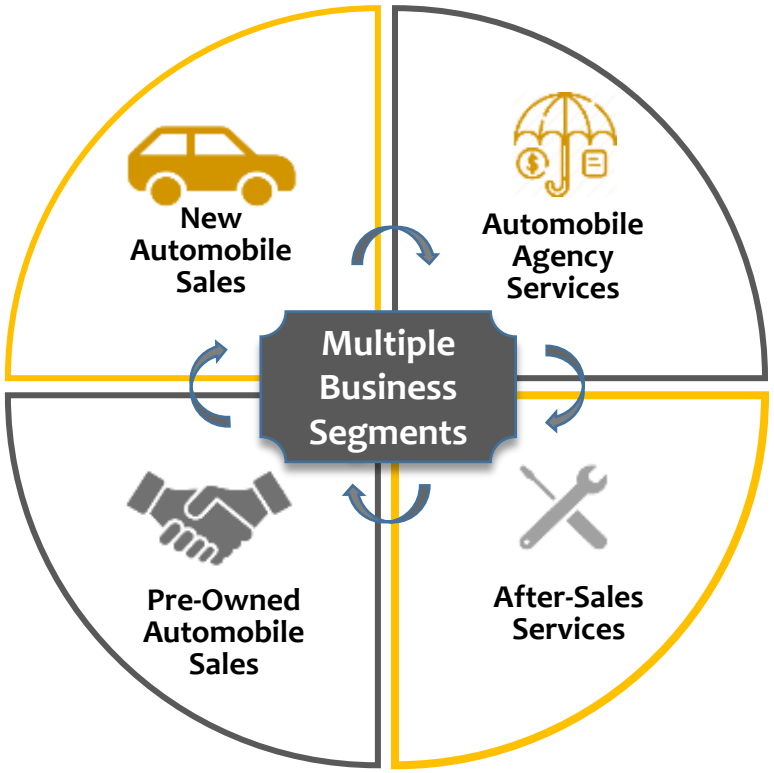
ABOUT TCA



Dealership Model

Anchored by new automobile sales which is one of the multiple business segments

- **5 BMW** locations
- **4 McLaren** locations
- **1 Genesis** location (start in 2Q2022)



- Includes referrals for automobile financing, referrals for insurance and car registration agency services, where the Group receives referral fees

- Extend invitations to customers to buy pre-owned automobiles which meet certain criteria

- **Strong earnings visibility is generated from recurring revenues and high margins from After-sales**
- TCA has industry-leading Service Absorption Rates in its BMW stores

Legend

Sale of automobiles
Provision of after-sales services

FY21 Contribution[2]

Revenue	**88%**	**12%**
Gross Profit	**41%**	**59%**

1. Ratio of After-Sales Services gross profit to dealer's operating cost

Key Brands and Locations

Five BMW Locations

Foshan



Chongqing



Shenzhen



Guangzhou



Shenzhen - SC



Four McLaren Showrooms

Guangzhou



Wuhan



Shenzhen



Changsha



One Genesis Showroom

Guangzhou



A Leading Automobile Dealership Group in the Greater Bay Area

1 Strategic presence in key automobile markets in PRC

- **Key player in the Greater Bay Area**
- In 2021, **TCA averaged 2,600 automobile sales of units per store**, almost double the average per BMW dealership in the PRC

2 High earnings visibility driven by After-Sales Services business

- TCA's BMW dealerships in Foshan, Guangzhou and Shenzhen **have higher absorption ratios**[1] than those of peers in industry

3 Proxy for BMW's strong growth trajectory

- **BMW is one of the leading brands in the premium automobile segment, and was the #1 premium car brand in China for 2021**
- **BMW is strongly positioned for electrification –** 10% of BMWs sold worldwide are electrified; to launch full range of EV models by 2025

4 Future Growth Opportunities

- **Acquire new dealerships –** Existing brands and/or other premium and ultra-premium brands
- **Grow sale of automobiles and after-sales services segments** to southern coastal region and other regions in PRC
- **Expand and diversify into complementary business** such as increasing the range of automobile agency services

1. Ratio of After-Sales Services gross profit to dealer's operating cost

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