



TCA reports full year financial results for 2024

SINGAPORE, 24 February 2025 – Trans-China Automotive Holdings Limited (耀骅汽车集团) (“TCA” or the “Company”, and together with its subsidiaries, the “Group”), a premium automobile dealership group based in southern China, recorded RMB2,554.5 million in revenue for the financial year ended 31 December 2024 (“FY2024”), compared to revenue of RMB3,455.5 million in the corresponding period a year ago (“FY2023”). Net loss was RMB103.4 million for FY2024 compared with net loss of RMB91.6 million in FY2023.

Summary:

- Net loss for the Group significantly narrowed to RMB29.0 million for the second half of FY2024 compared with a net loss of RMB74.4 million in the first half of FY2024. The improvement was a result of adjustments in unit sales volume, additional vendor rebates, and cost cutting efforts.
- Total contribution from automobile sales (“TCAS”)¹ recovered to 3.8% in the second half of FY2024 from negative 2.8% in the first half of FY2024.
- Completed Chongqing BMW dealership renovation in August 2024, which concludes all significant capex projects. The Group has no further major capex plans until the industry outlook improves.

Significant narrowing of net loss in second half

TCA’s net loss narrowed significantly in the second half of FY2024 (“2H2024”). Due to the intense price war in the automotive sector, the Group faced a challenging first half of FY2024 (“1H2024”). The Group recovered in the second half of the year because of sales volume reductions and extra vendor rebates. Combined with internal cost cutting efforts, this translated directly to improvements in the Group’s financial results with TCAS recovering to 3.8% in the 2H2024 from negative 2.8% realized in 1H2024.

Period	First half of FY2023 (“1H2023”)	Second half of FY2023 (“2H2023”)	1H2024	2H2024
TCAS	4.1%	1.3%	(2.8%)	3.8%
Net loss	(15.4)	(76.2)	(74.4)	(29.0)

Focus and efficiency

To navigate the current challenging environment, the Group initiated a number of measures in FY2024 to make TCA a more focussed, efficient, and resilient company. These included a freeze on hiring and curtailment of all discretionary expenses. The cost cutting measures that



were implemented since the beginning of FY2024 have started to bear fruit and the Group will continue these efforts in 2025. In addition, the Group is reviewing the performance of each outlet in its network and may close those with limited profit potential. At the same time, it will re-emphasize efforts to seek additional revenue and profit opportunities in our pre-owned car and aftersales business.

Chongqing BMW Dealership Renovation

The renovation of the Chongqing BMW dealership was completed in August of 2024. The renovated store offers customers a more contemporary and fresher car buying experience. The Group has observed an improvement in customer traffic as a result of the facelift. All of TCA's BMW stores meet with the latest franchise requirements. TCA does not intend to make further significant capex investments until the operating environment improves.

Outlook

The Group expect the operating environment to remain challenging in the immediate term. Most of TCA's dealerships are located in the Guangdong province, which recorded a GDP growth of 3.5% in 2024, below the national average of 5.0% and one of the slowest growing economies in China². At the same time, the national automobile industry continues to be disrupted by an aggressive price war emanating from the multitude of new EV brands. Given this current environment, the Group will continue to remain cautious with all expenditures, and additional cost-cutting measures will be implemented.

In the current weak economy, sales of luxury products such as high-end fashion labels, jewellery, and premium-branded automobiles in China have recorded sizeable declines. However, the Group believes that there is a market for luxury products once the economy recovers. The OEMs that TCA works with have established brands with products renowned for their design and engineering that are highly desired by many. Therefore, when the competitive conditions improve, the Group believes its collection of premium branded dealerships in Chongqing and large cities of Guangdong will put it in a good position to benefit from the recovery.

Footnote

1. Defined as the sum of automobile gross profit or loss plus other income divided by total automobile sales
2. China's Guangdong, missing GDP target 3 years running, among slowest economies in 2024 | South China Morning Post



About Trans-China Automotive Holdings Limited (SGX: V12)

Trans-China Automotive Holdings Limited (耀骅汽车集团) (“TCA” or the “Company”, and together with its subsidiaries, the “Group”), is a leading automobile dealership group with operations in the People’s Republic of China (“PRC”). Focused on the distribution of premium and ultra-premium automobiles under the BMW, McLaren, and Genesis brands, the Group’s dealerships are located in the PRC namely, Foshan, Shenzhen, Guangzhou, Chongqing, and Changsha.

Its multiple business segments include the sale of new automobiles under its dealerships, sale of pre-owned automobiles that come from customer trade-ins, auction companies and other suppliers of used cars, provision of automobile agency services which are ancillary services such as automobile financing, insurance and car registration services, and provision of after-sales services which include repairs, maintenance and inspection of automobiles as well as the retailing of automobile parts and accessories.

Issued for and on behalf of Trans-China Automotive Holdings Limited

Media

August Consulting

Tel: 65 6733 8873

Janice Ong, janiceong@august.com.sg

Wrisney Tan, wrisneytan@august.com.sg

Joanna Tan, joannatan@august.com.sg

Investors

Tel: 852 3907 6018

Michael Cheung, Michael.cheung@tca-auto.com

This press release has been 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.

The contact person for the Sponsor is Mr. Leong Weng Tuck at 36 Robinson Road, #10-06 City House, Singapore 068877, Email: sponsor@rhtgoc.com.