

**TRANS-CHINA AUTOMOTIVE HOLDINGS LIMITED**  
(Company Registration No.: 306871)  
(Incorporated in the Cayman Islands)

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**Profit Guidance For The Half Year Ended 30 June 2022**

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The Board of Directors (the “**Board**”) of Trans-China Automotive Holdings Limited (the “**TCA**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to provide shareholders with profit guidance for the half year ended 30 June 2022 (“**1H2022**”).

The Company wishes to announce that, following a preliminary assessment of the unaudited financial results of the Group for 1H2022 that is currently available to the Board of Directors, the unaudited profit for the period for 1H2022 is expected to be lower as compared with unaudited profit for the period for half year ended 30 June 2021 (“**1H2021**”).

This is mainly attributable to:

- The softening of PRC economy and premium car market. Although the Chinese GDP grew by 2.5%<sup>1</sup>, the Chinese premium car market fell 14.0%<sup>2</sup> in the first half of 2022 compared with the first half of 2021. A number of large cities where TCA’s dealerships are located in had implemented COVID-19 control measures for a significant period in the first half of 2022. The implementation control measures has hurt local economies and increased the inconvenience for the Company’s customers to visit the dealerships, which led to lower automobile sales revenue and lower automobile sales gross margins as compared to 1H2021.
- The situation was significantly different compared to 1H2021. The Chinese macro environment was especially buoyant in the first quarter of 2021 due to the strong demand recovery after the COVID-19 crisis abated, which the Company booked a record profit in 1H2021.
- The Company opened new Guangzhou Genesis dealership in Guangzhou and recorded operating costs for store opening in 1H2022.
- There was foreign exchange losses on foreign deposits in 1H2022 compared with foreign exchange gains on foreign deposits in 1H2021.

The Company is still in the process of finalising its unaudited financial results of the Group for 1H2022. Further details of the Group’s financial performance will be disclosed when the Company announces its unaudited financial results on or before 14 August 2022.

1. <https://www.ft.com/content/bb302ef4-001a-478f-ac61-31cdc972cc8e>

2. <http://www.myzaker.com/article/62d824da8e9f093d016abb41>

### **Caution in Trading**

Shareholders are advised to exercise caution when dealing in the securities of the Company. 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 before trading or making any investment decision on the Company's securities.

### **By Order of the Board**

Francis Tjia  
Executive Chairman and Chief Executive Officer  
28 July 2022

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*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 Singapore Exchange Securities Trading Limited (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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