China Yongda Automobiles Services Holdings Limited
(中國永達汽車服務控股有限公司)
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 03669)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2026

The board (the "**Board**") of directors (the "**Directors**") of China Yongda Automobiles Services Holdings Limited (the "**Company**") is pleased to announce the unaudited condensed consolidated interim financial results of the Company and its subsidiaries (together, the "**Group**", "**we**" or "**us**") for the six months ended June 30, 2026, together with comparative figures for the six months ended June 30, 2025.

FINANCIAL HIGHLIGHTS OF THE GROUP

- Revenue for the six months ended June 30, 2026 was RMB20,849 million, representing a decrease of 23.0% from RMB27,072 million for the six months ended June 30, 2025.

- Revenue from repair and maintenance business excluding the impact of business closure, merger and transfer for the six months ended June 30, 2026 was RMB4,278 million, remained basically stable compared with RMB4,321 million for the six months ended June 30, 2025.

- The total amount of selling expenses, administrative expenses and finance costs for the six months ended June 30, 2026 was RMB2,049 million, representing a decrease of 14.0% from RMB2,382 million for the six months ended June 30, 2025.

- Consolidated profit for the six months ended June 30, 2026 was RMB11 million (with no adjustments under non-IFRS measures), compared with an adjusted consolidated profit of RMB54 million for the six months ended June 30, 2025, an adjusted consolidated net loss of RMB401 million for the six months ended December 31, 2025, and an adjusted consolidated net loss of RMB347 million (under non-IFRSs measures) for the twelve months ended December 31, 2025.

- Profit attributable to the owners of the Company for the six months ended June 30, 2026 was RMB27 million (with no adjustments under non-IFRS measures), compared with an adjusted profit attributable to owners of the Company of RMB63 million for the six months ended June 30, 2025, an adjusted net loss attributable to owners of the Company of RMB367 million for the six months ended December 31, 2025, and an adjusted net loss attributable to owners of the Company of RMB304 million (under non-IFRSs measures) for the twelve months ended December 31, 2025.

- Net cash generated from operating activities for the six months ended June 30, 2026 was RMB1,173 million, representing an increase of 0.5% from RMB1,167 million for the six months ended June 30, 2025.

- The net gearing ratio as of June 30, 2026 was 0.0%, representing a decrease of 8.5 percentage points compared to 8.5% as of December 31, 2025.

MANAGEMENT DISCUSSION & ANALYSIS

MARKET REVIEW

In the first half of 2026, the Chinese automotive market continued its profound adjustment. Affected by factors such as weak macro-level consumer demand, the transition period for the vehicle trade-in policy, adjustments to the purchase tax policy for new energy vehicles, and partial front-loading of demand in the prior period, domestic passenger vehicle consumption faced significant pressure compared to expectations at the beginning of the year. Meanwhile, automobile exports maintained rapid growth. The industry featured declining domestic demand, rapid export growth, ongoing shifts in the powertrain mix, and further divergence across brands and distribution channels.

According to statistics from the China Passenger Car Association, the national retail sales of passenger vehicles in the first half of 2026 reached approximately 8.701 million units, representing a year-on-year decrease of 20.2%. Among these, retail sales in June were approximately 1.602 million units, representing a year-on-year decrease of 23.2%. During the corresponding period, passenger vehicle exports reached approximately 4.252 million units, representing a year-on-year increase of 70.9%. While this growth in exports provided certain support for the industry's overall wholesale and production volumes, domestic end-consumer demand remained under substantial pressure.

The new energy vehicle market gradually transitioned from a period of rapid expansion to a phase of structural adjustment. In the first half of 2026, retail sales of new energy passenger vehicles reached approximately 4.704 million units, representing a year-on-year decrease of 14.0%, accounting for approximately 54.1% of total passenger vehicle retail sales; retail sales of new energy passenger vehicles in June reached approximately 1.007 million units, representing a year-on-year decrease of 9.4%, with a retail penetration rate of approximately 62.8%. While the penetration rate of new energy vehicles continued to rise, market competition has further intensified, driven by weak end-consumer demand, rapid model iteration, and divergent performance across different technology paths and brands.

While domestic demand contracted, price competition within the industry remained intense. Automakers continued to compete for market share through the launch of new models, configuration upgrades, limited-time promotions and financial incentives, further accelerating the pace of product iteration and price adjustments. Traditional fuel vehicles and luxury brands were simultaneously facing multiple challenges, including weakening demand, substitution by new energy vehicles and adjustments to pricing structures, resulting in continued pressure on retail transaction prices and dealers' profit per vehicle. Certain OEMs gradually improved dealers' operating conditions by adjusting pricing structures, optimizing sales policies and strengthening rebate support, leading to a further increase in the importance of channel operational quality and manufacturer-dealer relationship.

Compared to the new vehicle market, the automotive aftermarket exhibited robust overall resilience. As of the end of June 2026, the national vehicle ownership reached 371 million units, of which 48.97 million units were new energy vehicles; passenger vehicles over seven years accounted for more than 50% of the total, and the demand base for full lifecycle vehicle services covering maintenance and repair, accident repair, insurance and pre-owned vehicles continued to expand. Meanwhile, more rational consumer behavior, the accelerated development of independent repair chains and online platforms, policy adjustments regarding insurance claims and parts settlements, and the gradual improvement of the after-sales service system for new energy vehicles have all driven changes in the aftermarket's customer structure, business scope and profit models. For automobile dealers, after-sales services and the management of existing customers remained a crucial foundation for stabilizing revenue, gross profit and cash flow.

Overall, in the first half of 2026, the core focus of the automotive industry has further shifted from incremental competition to structural reshaping within the existing market. The increasing proportion of exports, rising penetration rates of new energy vehicles and growth in vehicle ownership continued to provide long-term support for the industry; nevertheless, domestic demand, terminal prices and channel profitability were exposed to substantial short-term uncertainties.

BUSINESS REVIEW

In the first half of 2026, primarily due to a significant year-on-year decline in new vehicle sales of traditional fuel vehicle brands, our revenue amounted to RMB20,849 million, representing a decrease of 23.0% compared with the corresponding period in 2025. Our gross profit amounted to RMB1,989 million, representing a decrease of 16.1% compared with the corresponding period in 2025, of which gross profit from the sales of new vehicles and related services decreased by 91.3% year-on-year.

In the first half of 2026, the selling expenses, administrative expenses and financing costs totaled RMB2,049 million, representing a year-on-year decrease of RMB333 million or 14.0% compared with the corresponding period in 2025.

In the first half of 2026, our net profit and net profit attributable to the owners of the Company were RMB11 million and RMB27 million (with no adjustments under non-IFRS measures), respectively. Although this represented a decrease compared to our adjusted net profit and adjusted net profit attributable to the owners of the Company (under non-IFRS measures) of RMB54 million and RMB63 million in the first half of 2025, the results reflected a marked improvement compared to our adjusted net loss and adjusted net loss attributable to the owners of the Company (under non-IFRS measures) of RMB401 million and RMB367 million, respectively, in the second half of 2025.

In the first half of 2026, we remained committed to reducing the capital tied up in inventory. As of June 30, 2026, our inventory balance in transit and in stock amounted to RMB4,431 million, representing a decrease of 9.5% compared with the end of 2025. We maintained a relatively healthy inventory turnover days of 31.3 days. In the first half of 2026, our net cash generated from operating activities was RMB1,173 million, remained basically unchanged compared with the corresponding period in 2025. Our gearing ratio as of June 30, 2026 was 60.2%, representing a decrease of 4.7 percentage points compared with the end of 2025.

Set forth below is a summary of our business development in the first half of 2026:

I. Vehicle Sales Services Business

1. New vehicle sales business

In the first half of 2026, the domestic automotive market experienced an overall decline in sales volume, and consumers adopted a wait-and-see attitude toward purchasing vehicles, which put pressure on both customer flow and transaction volumes in the industry. Although the overall business environment remained challenging, we proactively adjusted our sales strategies, carefully analyzed changes in the commercial policies of key brands, and promptly implemented various self-help measures to address the current challenges in the sales market.

In the first half of the year, the Group's new vehicle sales volume was 59,500 units (including direct sales of new energy vehicles), representing a year-on-year decrease of 17.9%. Revenue from new vehicle sales and related services amounted to RMB15,010 million, representing a year-on-year decrease of 26.9%. New vehicle sales volume of traditional brands was 48,680 units, representing a year-on-year decrease of 21.7%. The gross profit margin of new vehicle sales and related services stood at 0.1%, representing an increase of 0.9 percentage points compared with the second half of 2025.

In terms of new vehicle sales of independent new energy vehicle brands, the sales volume reached 10,820 units in the first half of the year, representing a year-on-year increase of 4.9%. Among them, 5,849 units were sold through the dealership model and 4,971 units under the direct sales model; the average selling price of new vehicles reached RMB276,300, and the comprehensive gross profit margin per vehicle remained stable at 4.0%. The Group will continue to prudently advance the relevant business based on product competitiveness, order quality and single-store operational efficiency.

In terms of inventory and capital management, in the first half of 2026, the Group's new vehicle turnover days were 31.7 days. The Group continued to strengthen the conversion of customer leads and the end-to-end management of new vehicle procurement, sales and inventory. The Group implemented a coordinated approach combining fixed-quota control of inventory value and cap management on aged inventory, and reasonably arranged procurement, sales and order retention to control the scale of inventory and capital occupation at the end of the period.

2. *After-sales services business*

Due to business closures, in the first half of 2026, our revenue from after-sales services was RMB4,445 million, representing a decrease of 7.1% compared with the corresponding period in 2025. Among them, revenue from repair and maintenance business was RMB4,309 million, representing a decrease of 7.5% compared with the corresponding period in 2025; excluding the impact of business closures, the number of repair units we serviced increased by 3.9% year-on-year, while revenue from repair and maintenance business decreased slightly by 1.0% year-on-year. In the first half of 2026, the gross profit margin of our repair and maintenance services was 39.7%, remaining basically unchanged from the corresponding period in 2025; the absorption rate of retail services was 90.1%, representing an increase of 5.9 percentage points compared with the corresponding period in 2025.

Excluding the impact of closure, merger and transfer, the number of repair units increased. However, due to factors such as more cautious consumer spending, heightened price sensitivity among customers and changes in settlement methods for certain business segments, the revenue per vehicle decreased, resulting in a slight year-on-year decrease in revenue from the repair and maintenance business. The Group will continue to strengthen the revenue and profit resilience of its after-sales business through customer acquisition, business structure optimization and improvements in service efficiency.

In terms of after-sales services for independent new energy vehicle brands, in the first half of the year, revenue from the repair and maintenance business reached RMB290 million, representing a year-on-year increase of 34.4%; gross profit from maintenance and repair business for the independent new energy brands was RMB114 million, representing a year-on-year increase of 54.4%. By expanding its operations in areas such as mechanical and electrical services and panel beating and painting, the Group continued to enhance its after-sales service capabilities for new energy vehicles, with the scale and profit contribution of such businesses maintaining growth.

In terms of customer operations, we rolled out a new CRM system for after-sales business acquisition management. By integrating our proprietary system with OEM systems, we increased the volume of qualified leads, and by leveraging WeCom and AI capabilities, we improved the customer acquisition and conversion efficiency. Meanwhile, we continuously optimized and expanded our customer-oriented marketing product portfolio based on user value models, analysis of consumer habits, and factors such as brand and vehicle age, with the aim of reducing customer churn. As of June 30, 2026, the number of customers under our management increased both year-on-year and month-on-month.

In terms of the insurance accident vehicle business, to mitigate the impact of declining new vehicle sales on premium volume, we continued to strengthen our efforts in policy renewal and the marketing of non-vehicle insurance business. In the first half of 2026, the scale of our policy renewal and non-vehicle insurance business achieved year-on-year growth. We actively enhanced cooperation with insurance companies to ensure the policy supports for claims assessment and loss determination. Additionally, based on our ongoing "repair instead of replacement" cooperation with insurance companies, we established new collaborations for remanufactured parts, further deepening our strategic partnerships and ensuring the stability of our accident vehicle business operations.

In terms of inventory control, we promptly adjusted our procurement strategies in response to business changes and strictly controlled the scale of parts and supplies procurement, resulting in a decrease of 6.7% in the scale of parts and supplies inventory as at the end of June 2026 compared to the end of 2025.

3. *Pre-owned vehicle business*

In the first half of 2026, we adopted a business strategy of "high turnover, risk control and profit protection" to actively address the impact of new vehicle price fluctuations on our pre-owned vehicle business, while seizing the opportunities and challenges brought by new energy pre-owned vehicles. In the first half of 2026, our transaction volume of pre-owned vehicles was 25,129 units, representing a year-on-year decrease of 17.4%, with a new-to-pre-owned ratio of 42.2%; the gross profit margin of pre-owned vehicles based on the selling price of pre-owned vehicles remained stable at 5.1%; and the turnover days increased by 3.2 days year-on-year to 20.9 days.

We continued to deepen our new retail operational capabilities for pre-owned vehicles in the integrated online-and-offline mode, and drove online transactions by strengthening our digital capabilities and building a marketing matrix that combines official website, new media and vertical media platforms; integrated cross-brand and cross-regional vehicle inventory information in a standardized manner to accelerate turnover efficiency; leveraged the pre-owned vehicle retail business to drive growth in ancillary services including finance and insurance, and promoted comprehensive profitability and expansion of customer retention scale of pre-owned vehicles; and established bulk vehicle supply cooperation mechanisms with numerous OEMs to ensure a stable supply of vehicles for the retail business.

We actively expanded the new energy pre-owned vehicle business, continuously upgrading our vehicle procurement application system tailored for the consumption scenarios of new energy vehicle brands, and providing standardized and efficient full-chain services; leveraged high-traffic new media platforms to conduct retail-oriented operations; adopted a more rigorous turnover strategy than those for fuel vehicles to mitigate depreciation risks; expanded brokerage services including consignment sales and entrusted auctions for greater transparency and efficiency in transactions; and actively promoted the export of new energy pre-owned vehicles to build diversified sales channels.

4. Changes of outlets

In the first half of 2026, the passenger vehicle market remained under pressure, with demand for new vehicles of luxury and ultra-luxury brands yet to show a significant recovery, and competition in the new energy vehicle market intensifying. The Group continued to optimize its outlet structure, maintained market share of key luxury brands, restructured underperforming outlets, and prudently reserved outlets of high-quality new energy brands.

In the first half of the year, the Group opened 4 new independent new energy brand outlets, and closed or restructured 10 outlets, resulting in a net decrease of 6 outlets during the period. Such adjustments were primarily centered on brand structure, single-store operational performance and regional layout.

	Newly opened	**Closed or restructured**
Traditional luxury brands	0	8
New energy brands	4	2

As of June 30, 2026, the Group operated a total of 203 outlets. From the perspective of brand structure, luxury brands accounted for 59.1%, independent new energy brands accounted for 23.6%, mid-to-high-end brands accounted for 10.8%, and Yongda Pre-owned Vehicle Malls accounted for 6.4%.

Set out below are the details and changes of the Group's outlets opened as of June 30, 2026:

	Outlets opened as of December 31, 2025	**Outlets opened as of June 30, 2026**	**Changes of outlets**
4S dealerships of luxury and ultra-luxury brands	115	109	-6
City showrooms of luxury brands	13	11	-2
Sub-total of luxury and ultra-luxury brands outlets	**128**	**120**	**-8**
4S dealerships of mid-to-high-end brands	22	22	0
Sub-total of mid-to-high-end brands outlets	**22**	**22**	**0**
4S dealerships of independent new energy brands	39	41	+2
Authorized maintenance centers of independent new energy brands	7	7	0
Sub-total of independent new energy brands outlets	**46**	**48**	**+2**
Outlets of Pre-owned Vehicle Malls	**13**	**13**	**0**
Total outlets	**209**	**203**	**-6**

II. Commercial Applications of Embodied Intelligence

Market Background and Business Development

With the continuous development of artificial intelligence models, perceptual control and robotic hardware, embodied intelligence is gradually transitioning from technical demonstrations to real-world scenario applications. The transition of robots from R&D and testing to commercial application depends not only on products and technology, but also on addressing a series of practical problems such as customer requirements alignment, product selection, application adaptation, project implementation, delivery and acceptance, and after-sales services. Based on this industry trend and the Group's long-term accumulated capabilities in customer service, offline operations, project management and after-sales services, the Group has been exploring commercial application services of embodied intelligence since 2024, with a focus on commercial applications and service aspects including product sales, scenario applications, project delivery and ongoing services.

In the first half of 2026, based on its existing experience in robot leasing and prior projects, the Group continued to carry out product research, scenario validation, industry collaboration and service capability development. The Group has engaged in product and ecosystem cooperation with multiple robotics companies, and continuously evaluated the performance, scenario adaptability and service requirements of different products. It has also obtained relevant authorizations from robotics brands including AGIBOT, PrimeBOT and UBTECH, laying the foundation for subsequent product display, sales and leasing, project delivery and after-sales services.

In terms of scenario applications, the Group has carried out various project practices in real environments such as automobile stores, corporate exhibitions and events, commercial advertisements, public events and healthcare and elderly care exhibitions, involving applications such as reception and guided tours, product presentation, human-robot interaction, stage collaboration and event services. Through relevant projects, the Group has gained a further understanding of the operational stability, interactive capabilities, on-site deployment and ongoing service requirements of different robot products in complex environments.

In terms of project services, the Group has carried out scenario solution design, functional configuration, knowledge base and interactive content development, application software and system interface integration, equipment deployment and commissioning as well as on-site operational support based on the actual needs of customers. The Group has also preliminarily accumulated project service experience covering requirements communication, solution design, deployment and implementation, training and delivery, as well as operational support, fault handling and maintenance support.

Overall, the Group has established a certain foundation in areas such as robotics product cooperation, scenario applications, project implementation and ongoing services. However, the relevant businesses remain in the incubation and business model validation stage, and the project scale is relatively small and has not yet generated large-scale revenue, thus having a limited impact on the Group's overall operating performance in the first half of the year.

Strategic Cooperation Project

Embodied intelligence model training and product iteration require a large amount of high-quality data covering different robot platforms, tasks and application scenarios. Due to the high difficulty in collecting, producing and managing real-scenario data, the effective supply of high-quality and multi-scenario data collection and training within the industry remains relatively insufficient at present, and related demand is expected to continue growing with model iteration and the expansion of scenario applications. Based on this market demand, subsequent to the reporting period, the Group entered into strategic cooperation with Xiamen Hongxin Electron-Tech Group Co., Ltd. ("**Hongxin Electron-Tech**") on the commercial application services of embodied intelligence, with a focus on advancing cooperation in robot data collection and training services and related supporting businesses.

Both parties intend to leverage Hongxin Electron-Tech's capabilities in data services, computing power and storage resources, robotics industry resources and project collaboration, as well as the Group's experience in real-scenario operation, project management, delivery and after-sales services. In accordance with the training tasks, data requirements and acceptance criteria specified by robotics companies, large model companies and relevant research institutions, the parties will organize scenario and task design, data collection and production, quality management, acceptance and deliverables handover, and will provide computing power and storage resources required for data processing, storage and training validation in a coordinated manner according to the project needs.

Hongxin Electron-Tech will also collaborate to introduce more robotics companies, large model companies and related industry resources. Through participation in data training and product validation projects of relevant enterprises, the Group can further gain insights into robotics products, model capabilities and practical application conditions, and enter more real customer scenarios. As the relevant products gradually progress towards scenario applications and commercial deployment, the Group can further strive for business opportunities in application development, product sales and leasing, deployment and delivery, and after-sales services.

INTERIM RESULTS

The Board is pleased to announce the unaudited condensed consolidated results of the Group for the six months ended June 30, 2026, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2026

	NOTES	**Six months ended June 30,** **2026** *RMB'000* **(Unaudited)**	2025 *RMB'000* (Unaudited)
Revenue			
Goods and services	*3A*	**20,701,875**	26,879,212
Rental		**147,036**	192,722
Total revenue	*3B*	**20,848,911**	27,071,934
Cost of sales and services		**(18,859,417)**	(24,701,567)
Gross profit		**1,989,494**	2,370,367
Other income and other gains and losses	*4*	**27,538**	21,971
Distribution and selling expenses		**(1,275,071)**	(1,487,725)
Administrative expenses		**(666,712)**	(776,204)
Share of (losses) profits of joint ventures		**(1,355)**	682
Share of profits of associates		**46,247**	49,959
Finance costs		**(107,204)**	(117,618)
Impairment losses recognized on other intangible assets, property, plant and equipment, right-of-use assets and goodwill	*5*	**–**	(3,552,837)
Profit (loss) before tax	*5*	**12,937**	(3,491,405)
Income tax (expense) credit	*6*	**(1,644)**	6,776
Profit (loss) for the period		**11,293**	(3,484,629)
Profit (loss) for the period attributable to:			
Owners of the Company		**26,574**	(3,331,377)
Non-controlling interests		**(15,281)**	(153,252)
		11,293	(3,484,629)
Earnings (loss) per share – basic	*8*	**RMB0.01**	RMB(1.78)
Earnings (loss) per share – diluted	*8*	**RMB0.01**	RMB(1.78)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2026

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Profit (loss) for the period	**11,293**	(3,484,629)
Other comprehensive (expense) income		
Item that will not be reclassified subsequently to profit or loss:		
Fair value (loss) gain on investments in equity instruments at fair value through other comprehensive income ("**FVTOCI**")	**(2,854)**	2,441
Total comprehensive income (expense) for the period	**8,439**	(3,482,188)
Total comprehensive income (expense) for the period attributable to:		
Owners of the Company	**23,720**	(3,328,936)
Non-controlling interests	**(15,281)**	(153,252)
	8,439	(3,482,188)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT JUNE 30, 2026

	NOTES	**June 30, 2026** *RMB'000* **(Unaudited)**	December 31, 2025 *RMB'000* (Audited)
Non-current assets			
Property, plant and equipment	*9*	**3,326,772**	3,364,660
Right-of-use assets	*9*	**2,561,421**	2,739,775
Goodwill	*9*	**314,428**	314,428
Other intangible assets	*9*	**1,068,597**	1,114,205
Deposits paid for acquisition of property, plant and equipment		**5,300**	8,751
Equity instruments at FVTOCI		**3,196**	6,050
Financial assets at fair value through profit or loss ("**FVTPL**")		**325,799**	310,207
Interests in joint ventures		**74,225**	46,195
Interests in associates		**1,009,479**	981,000
Deferred tax assets		**191,141**	148,073
Time deposits		**–**	7,500
		8,880,358	9,040,844
Current assets			
Inventories	*10*	**2,856,910**	3,611,826
Trade and other receivables	*11*	**4,539,814**	5,196,800
Amounts due from related parties		**26,046**	55,705
Cash in transit		**34,241**	21,804
Time deposits		**–**	2,400
Restricted bank balances		**2,269,046**	4,110,018
Bank balances and cash		**2,771,976**	2,191,904
		12,498,033	15,190,457

	NOTES	**June 30, 2026**	December 31, 2025
		RMB'000	*RMB'000*
		(Unaudited)	(Audited)
Current liabilities			
Trade and other payables	*12*	**6,683,889**	8,923,268
Amounts due to related parties		**55,320**	43,029
Tax liabilities		**763,524**	803,336
Borrowings		**1,646,775**	1,607,491
Contract liabilities		**956,098**	1,253,309
Lease liabilities		**330,448**	240,061
		10,436,054	12,870,494
Net current assets		**2,061,979**	2,319,963
Total assets less current liabilities		**10,942,337**	11,360,807
Non-current liabilities			
Borrowings		**1,121,230**	1,306,928
Lease liabilities		**1,059,980**	1,298,722
Deferred tax liabilities		**252,723**	254,553
		2,433,933	2,860,203
Net assets		**8,508,404**	8,500,604
Capital and reserves			
Share capital		**15,069**	15,220
Treasury shares		**(9,263)**	(25,837)
Reserves		**8,506,516**	8,499,525
Equity attributable to owners of the Company		**8,512,322**	8,488,908
Non-controlling interests		**(3,918)**	11,696
Total equity		**8,508,404**	8,500,604

1. GENERAL INFORMATION

China Yongda Automobiles Services Holdings Limited (the "**Company**") is a public limited company incorporated in the Cayman Islands on November 7, 2011 and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The Company is an investment holding company. The subsidiaries of the Company are principally engaged in the sale of automobiles and provision of after-sales services, provision of automobile operating lease services, and distribution of automobile insurance products and automobile financial products in the PRC. The Company and its subsidiaries are collectively referred to as the "**Group**".

The condensed consolidated financial statements are presented in Renminbi (the "**RMB**"), which is also the functional currency of the Company.

In addition, the condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "*Interim Financial Reporting*" issued by the International Accounting Standards Board (the "**IASB**") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

2. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than additional accounting policies resulting from application of amendments to IFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended December 31, 2025.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards as issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3A. REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue from contracts with customers

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Types of goods or services		
Sale of new vehicles and related services income:		
– Sale of new vehicles of luxury and ultra-luxury brands *(note a)*	**11,550,181**	15,663,412
– Sale of new vehicles of mid-to high-end brands *(note a)*	**1,288,444**	1,883,519
– Sale of new vehicles of independent new energy brands *(note a)*	**1,618,865**	1,219,111
– Commission income related to sale of new vehicles *(note b)*	**350,199**	1,511,678
– Others *(note c)*	**166,689**	242,442
	14,974,378	20,520,162
Sale of pre-owned vehicles and related services income:		
– Sale of pre-owned vehicles *(note d)*	**1,268,511**	1,560,655
– Brokerage income related to sale of pre-owned vehicles *(note d)*	**13,810**	15,695
	1,282,321	1,576,350
After-sales services:		
– Repair and maintenance related services *(note e)*	**4,308,588**	4,658,179
– Commission income *(note b)*	**136,588**	124,521
	4,445,176	4,782,700
	20,701,875	26,879,212
Geographical markets		
Mainland China	**20,701,875**	26,879,212
Timing of revenue recognition		
A point in time	**16,393,287**	22,221,033
Over time	**4,308,588**	4,658,179
	20,701,875	26,879,212

Notes:

a. The Group sells passenger vehicles directly to customers through its own 4S outlets. Revenue on sale of new passenger vehicles is recognized when (or as) the passenger vehicles are transferred to the customers and the customers obtain control of the vehicles. On the other hand, new vehicles sold by the Group could be divided into three categories according to their brands.

   Luxury and ultra-luxury brands include BMW, MINI, Audi, Porsche, Jaguar, Land Rover, Bentley, Aston Martin, Lincoln, Cadillac, Volvo, Mercedes-Benz, Lexus and others.

   Mid-to high-end brands include Buick, Volkswagen, Toyota and others.

   Under the dealership business model, independent new energy brands include HIMA, IM and others.

b. Commission income related to sale of new vehicles primarily relates to agency income derived from distribution of automobile financial products and brokerage of new vehicles. On the other hand, commission income under after-sales services primarily relates to agency income derived from distribution of automobile insurance products. These revenues are recognized when the agency services have been completed, which is the point of time when the services are accepted by the customers. The normal credit term is 30 to 60 days upon invoicing.

c. Other revenues mainly include sales of decoration products and license plate services related to sale of new vehicles. Revenue on sale of decoration products is recognized when control of the decoration products has been transferred to the customers. For license plate services related to sale of new vehicles, revenue is recognized when the license plate services have been completed, which is the point of time when the vehicle license installation is completed.

d. The Group also carries out pre-owned vehicles sales business. Under the dealership business model, the Group acts as a principal and is responsible for fulfilling the primary obligations of the pre-owned vehicles sales contract and assumes the risks associated with the pre-owned vehicles. The revenue on sale of pre-owned automobile business under the dealership business model is recognized on a gross basis when the controls of the pre-owned vehicles have been transferred. Under the brokerage business model, however, the Group acts as an agent to assist the principal in completing the sales of pre-owned vehicles and do not assume risks related to the pre-owned vehicles. Revenue from brokerage service related to sale of pre-owned vehicles is recognized on a net basis when the services have been completed, which is the point of time when the services are accepted by the customers.

e. For repair and maintenance related services, since the Group's performance enhances the vehicle that within the customer's control, revenue is recognized over time.

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

	For the six months ended June 30, 2026			For the six months ended June 30, 2025		
	Sale of new vehicles and related services income	**Sale of pre-owned vehicles and related services income**	**After-sales services**	Sale of new vehicles and related services income	Sale of pre-owned vehicles and related services income	After-sales services
	RMB'000	***RMB'000***	***RMB'000***	*RMB'000*	*RMB'000*	*RMB'000*
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	(Unaudited)	(Unaudited)	(Unaudited)
Revenue disclosed in segment information						
External customers	**14,974,378**	**1,282,321**	**4,445,176**	20,520,162	1,576,350	4,782,700
Inter-segment	**35,472**	**–**	**–**	11,416	–	1,779
Total	**15,009,850**	**1,282,321**	**4,445,176**	20,531,578	1,576,350	4,784,479
Eliminations	**(35,472)**	**–**	**–**	(11,416)	–	(1,779)
Revenue from contracts with customers	**14,974,378**	**1,282,321**	**4,445,176**	20,520,162	1,576,350	4,782,700

3B. OPERATING SEGMENTS

The following is an analysis of the Group's revenue and results by reportable segments:

For the six months ended June 30, 2026

	Passenger vehicle sales and services	**Automobile operating lease services**	**Eliminations**	**Total**
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
External revenue	**20,701,875**	**147,036**	**–**	**20,848,911**
Inter-segment revenue	**35,472**	**–**	**(35,472)**	**–**
Segment revenue *(note a)*	**20,737,347**	**147,036**	**(35,472)**	**20,848,911**
Segment cost *(note b)*	**(18,782,701)**	**(112,188)**	**35,472**	**(18,859,417)**
Segment gross profit	**1,954,646**	**34,848**	**–**	**1,989,494**
Other income and other gains and losses				**27,538**
Distribution and selling expenses				**(1,275,071)**
Administrative expenses				**(666,712)**
Share of losses of joint ventures				**(1,355)**
Share of profits of associates				**46,247**
Finance costs				**(107,204)**
Profit before tax				**12,937**

For the six months ended June 30, 2025

	Passenger vehicle sales and services *RMB'000* (Unaudited)	Automobile operating lease services *RMB'000* (Unaudited)	Eliminations *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
External revenue	26,879,212	192,722	–	27,071,934
Inter-segment revenue	13,195	4,073	(17,268)	–
Segment revenue *(note a)*	26,892,407	196,795	(17,268)	27,071,934
Segment cost *(note b)*	(24,563,532)	(151,230)	13,195	(24,701,567)
Segment gross profit	2,328,875	45,565	(4,073)	2,370,367
Other income and other gains and losses				21,971
Impairment losses recognized on other intangible assets, property, plant and equipment, right-of-use assets, and goodwill				(3,552,837)
Distribution and selling expenses				(1,487,725)
Administrative expenses				(776,204)
Share of profits of joint ventures				682
Share of profits of associates				49,959
Finance costs				(117,618)
Loss before tax				(3,491,405)

Notes:

a. The segment revenue of passenger vehicles sales and services for the six months ended June 30, 2026 was RMB20,737,347,000 (for the six months ended June 30, 2025: RMB26,892,407,000) which included the revenue of sales of new vehicles and related services amounting to RMB15,009,850,000 (for the six months ended June 30, 2025: RMB20,531,578,000), the revenue of sales of pre-owned vehicles and related services amounting to RMB1,282,321,000 (for the six months ended June 30, 2025: RMB1,576,350,000) and the revenue of after-sales services amounting to RMB4,445,176,000 (for the six months ended June 30, 2025: RMB4,784,479,000).

b. The segment cost of passenger vehicles sales and services for the six months ended June 30, 2026 was RMB18,782,701,000 (for the six months ended June 30, 2025: RMB24,563,532,000) which included the cost of sales of new vehicles and related services amounting to RMB14,991,413,000 (for the six months ended June 30, 2025: RMB20,320,504,000), the cost of sales of pre-owned vehicles and related services amounting to RMB1,192,750,000 (for the six months ended June 30, 2025: RMB1,463,577,000) and the cost of after-sales services amounting to RMB2,598,538,000 (for the six months ended June 30, 2025: RMB2,779,451,000).

4. OTHER INCOME AND OTHER GAINS AND LOSSES

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Other income comprises:		
Government grants *(note)*	**11,562**	7,765
Interest income on bank deposits	**10,896**	24,729
	22,458	32,494
Other gains and losses comprise:		
Net loss on disposal of property, plant and equipment and other intangible assets and early termination of leases	**(1,064)**	(11,796)
Gain on fair value change of financial assets at FVTPL	**842**	297
Dividends from financial assets at FVTPL	**1,631**	3,287
Net foreign exchange loss	**(318)**	(922)
Others	**3,989**	(1,389)
	5,080	(10,523)
Total	**27,538**	21,971

Note: Government grants represent unconditional grants received from local finance bureaus in compensation for expenses incurred by the Group.

5. PROFIT (LOSS) BEFORE TAX

Profit (loss) before tax has been arrived at after charging:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Staff costs, including directors' remuneration:		
Salaries, wages and other benefits	**792,579**	865,363
Retirement benefits scheme contributions	**76,682**	78,174
Share-based payment expenses	**10,599**	18,231
Total staff costs	**879,860**	961,768
Depreciation of property, plant and equipment	**238,473**	338,915
Depreciation of right-of-use assets	**183,627**	186,274
Amortisation of other intangible assets	**37,270**	66,506
Cost of inventories recognized as an expense	**18,629,071**	24,440,383
Impairment losses on:		
– property, plant and equipment	**–**	964,791
– right-of-use assets	**–**	54,907
– goodwill	**–**	1,275,992
– other intangible assets	**–**	1,257,147

6. INCOME TAX EXPENSE (CREDIT)

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current tax:		
PRC Enterprise Income Tax ("**EIT**")	**45,630**	98,111
Under (over) provision of PRC EIT in prior years	**912**	(957)
	46,542	97,154
Deferred tax		
Current period credit	**(44,898)**	(404,440)
Write-down of previously recognized deferred tax *(note)*	**–**	300,510
	(44,898)	(103,930)
Total	**1,644**	(6,776)

Note:

During the current interim period, the Group did not reverse any tax losses recognized as deferred tax assets in prior years (six months ended June 30, 2025: RMB300,510,000, of which RMB30,992,000 related to non-controlling interests).

7. DIVIDENDS

No dividend has been proposed by the Board of Directors during the interim period (for the six months ended June 30, 2025: a dividend of RMB0.070 per share was determined by the board of directors).

8. EARNINGS (LOSS) PER SHARE

The calculation of the basic and diluted earnings (loss) per share attributable to the owners of the Company is based on the following data:

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings (loss) figures are calculated as follows:		
Profit (loss) for the period attributable to owners of the Company	**26,574**	(3,331,377)

	For the six months ended June 30,	
	2026	2025
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	**1,850,724**	1,871,540

The weighted average number of ordinary shares for the purpose of basic earnings per share has been adjusted for the repurchase and cancellation of ordinary shares including treasury shares during the six months ended June 30, 2026 and 2025.

The computation of diluted earnings per share for the six months ended June 30, 2026 and 2025 did not assume the conversion of the Company's potential ordinary shares, since their inclusion would be anti-dilutive.

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS, GOODWILL AND OTHER INTANGIBLE ASSETS

Property, plant and equipment and other intangible assets

During the current interim period, the Group acquired property, plant and equipment of RMB494,879,000 (for the six months ended June 30, 2025: RMB609,872,000), other intangible assets of RMB343,000 (for six months ended June 30, 2025: RMB31,985,000).

During the current interim period, the Group disposed of property, plant and equipment and other intangible assets with a carrying amount of RMB302,587,000 (for the six months ended June 30, 2025: RMB408,556,000), and resulting in a loss on disposal of RMB14,826,000 (for the six months ended June 30, 2025: loss on RMB11,796,000).

Right-of-use assets

	June 30, 2026 *RMB'000* **(Unaudited)**	December 31, 2025 *RMB'000* (Audited)
Leased properties	**1,486,871**	1,644,217
Leasehold land	**1,074,550**	1,095,558
	2,561,421	2,739,775

During the current interim period, the Group entered into several new lease agreements for the use of operation ranging from 2 years to 9 years (for six months ended June 30, 2025: 2 years to 10 years). On lease commencement, the Group recognized right-of-use assets of approximately RMB134,135,000 (for six months ended June 30, 2025: RMB107,545,000).

During the current interim period, early termination of certain lease agreements for leased properties resulted in a gain of RMB13,762,000 (for the six months ended June 30, 2025: nil).

The Group has obtained the land use right certificates for all leasehold lands except for leasehold lands with carrying amount of RMB177,053,000 (December 31, 2025: RMB177,053,000) in which the Group is in the process of obtaining.

Impairment assessment

The Group assesses whether there are any indicators of impairment for its property, plant and equipment, right-of-use assets and other intangible assets with finite useful lives at the end of each reporting period. Non-financial assets are tested for impairment only when there are indicators that the carrying amounts may not be recoverable.

For the six months ended June 30, 2026, the Group assessed impairment indicators for non-current assets that exclude financial instruments. No significant impairment indicators were identified by the Group as at June 30, 2026. Accordingly, no impairment test was performed and no impairment loss was recognized for property, plant and equipment, right-of-use assets and other intangible assets with finite useful lives during the current interim period.

For prior period comparison, in the first half of 2025, the competitive landscape in the automotive industry continued to intensify, compounded by the impact of macroeconomic factors, which put pressure on consumer confidence. This led to a simultaneous slowdown in production capacity expansion and a decline in demand. To compete for market share, automotive manufacturers increasingly resorted to price cuts, with price wars becoming more intense. Independent new energy vehicle brands leveraged rapid technological advancements to achieve continuous breakthroughs in core areas such as advanced driver assistance systems, battery range, and technological experiences. In contrast, traditional internal combustion engine vehicle brands lagged behind in product updates, resulting in ongoing pressure on market share and significant downward pressure on pricing structures. As a result, at certain stores of the Group's traditional fuel-vehicle brands, new-vehicle sales declined, gross margins continued to compress, and operating profit fell materially short of original forecasts.

The Group concluded there was such indication and conducted impairment assessment on carrying amounts of cash generating units ("**CGU**"). As at June 30, 2025, the CGUs were allocated by different brands and locations for impairment testing purposes. Based on the result of the assessment, the Group recognized impairment loss of RMB1,275,992,000 related to goodwill, RMB964,791,000 related to property, plant and equipment, RMB54,907,000 related to right-of use assets, RMB1,257,147,000 related to other intangible assets generated from acquisition of subsidiaries and reversed the related deferred tax liabilities of RMB314,287,000 during the six months ended June 30, 2025, among which the impact of impairment loss on non-controlling interests was RMB114,032,000.

Key assumptions used in the value-in-use calculations included: (i) revenue growth rates during the forecast period, (ii) gross profit margin during the period, and (iii) discount rate.

Given the ongoing intensification of industry competition since the first half of 2025, coupled with the impact of macroeconomic factors, several traditional fuel vehicle brands had seen new vehicle sales gross margins at their outlets fall below expectations, and the timing of recovery was difficult to predict. Management had prudently lowered its future operational outlook, adjusting downward the expected future revenue growth and profitability levels for cash-generating units with weaker profitability.

The key inputs and assumptions used for the six months ended June 30, 2025 in the impairment test for those CGUs with impairment indications on goodwill, property, plant and equipment, right-of-use assets and other intangible assets were listed as follows:

	For the six months ended June 30, 2025		
Inputs	2026	2027	2028-2030
Revenue growth rate	0% – 0.3%	0.3% – 0.6%	0.6% – 1.5%
Gross profit margin	3.8% – 11.1%	3.8% – 11.1%	3.8% – 11.1%

The estimates and assumptions were based on premises that were derived from the information available to the management as of the first half of 2025. In particular, they had taken into account the actual financial performance achieved in the first half of 2025 and the realistic expectations of the future macroeconomic and industry-specific developments given the changes to the operating environment at that time.

The pre-tax discount rates applied to the impairment test were within a range from 11% to 12% which reflected the market assessment at that time of the time value of money and the risk specific to these CGUs.

10. INVENTORIES

	June 30, 2026 RMB'000 (Unaudited)	December 31, 2025 RMB'000 (Audited)
Motor vehicles	**2,444,791**	3,166,283
Spare parts and accessories	**462,929**	496,353
	2,907,720	3,662,636
Less: Provision for inventories	**(50,810)**	(50,810)
Total	**2,856,910**	3,611,826

11. TRADE AND OTHER RECEIVABLES

The Group's credit policies towards its customers are as follows:

a. In general, deposits and advances are required and no credit period is allowed for sales of vehicles, while after-sales services are typically settled on a cash basis upon completion of the relevant services. However, for certain corporate customers for passenger vehicles sales and after-sales services, a credit period not exceeding 60 days is granted; and

b. For automobile operating lease services, the Group typically allows a credit period of 30 to 90 days to its customers.

	June 30, 2026 RMB'000 (Unaudited)	December 31, 2025 RMB'000 (Audited)
Current		
Trade receivables	**627,067**	738,237
Bills receivables	**10,223**	10,417
	637,290	748,654
Current		
Prepayments and other receivables comprise:		
Prepayments to suppliers	**1,574,492**	1,283,981
Deposits to suppliers	**110,660**	156,270
Deposits to entities controlled by suppliers for borrowings	**93,493**	70,985
Prepayments and rental deposits on properties	**156,261**	181,846
Rebate receivables from suppliers	**1,465,971**	2,190,511
Finance and insurance commission receivables	**117,108**	169,888
Staff advances	**2,044**	1,606
Value-added tax recoverable	**152,621**	228,337
Advances to non-controlling interests of a subsidiary *(note)*	**5,000**	5,167
Others	**224,874**	159,555
	3,902,524	4,448,146
	4,539,814	5,196,800
Non-current		
Other assets:		
Receivables from disposal of land use right	**64,895**	64,895
Consideration from disposal of joint venture	**35,260**	35,260
Other receivables from an independent third party	**27,432**	27,432
Less: Allowance for credit losses	**(127,587)**	(127,587)
	–	–

Note: The non trade-related balances are unsecured, interest-free and repayable on demand.

The following is an ageing analysis of the Group's trade and bills receivables presented based on the invoice date or the issue date at the end of the reporting period, which approximated the respective revenue recognition dates:

	June 30, 2026 *RMB'000* **(Unaudited)**	December 31, 2025 *RMB'000* (Audited)
Trade receivables		
0 to 90 days	**627,067**	738,237
Bills receivables		
0 to 90 days	**10,223**	10,417

12. TRADE AND OTHER PAYABLES

	June 30, 2026 *RMB'000* **(Unaudited)**	December 31, 2025 *RMB'000* (Audited)
Current		
Trade payables *(note c)*	**653,982**	650,165
Bills payables *(note a)*	**5,432,408**	7,513,311
	6,086,390	8,163,476
Other payables		
Other tax payables	**121,032**	127,766
Payables for acquisition of property, plant and equipment	**52,030**	62,722
Salary and welfare payables	**66,095**	195,837
Accrued interest	**1,984**	3,229
Accrued audit fee	**2,200**	2,960
Advance from non-controlling interests of subsidiaries *(note b)*	**58,733**	59,188
Advance from third parties *(note b)*	**–**	3,552
Other accrued expenses	**162,085**	95,674
Others	**133,340**	208,864
	597,499	759,792
	6,683,889	8,923,268

Notes:

a. The Group has entered into certain credit revolving bank acceptance bill arrangements with banks. Under these arrangements, the Group issued bank acceptance bills to settle with automobile manufacturers in respect of purchase from suppliers of motor vehicles or spare parts, which normally require advance payments before delivery, and the manufacturers can then discount the bank acceptance bills to the banks.

   The Group subsequently settles the bills payable with the banks upon the maturity date of the bill payables, up to 180 days after the issue date.

   In the condensed consolidated statement of financial position, the Group has presented the bills payable to the banks under these arrangements as "trade and other payables", because these bills payable continue to be part of the normal operating cycle of the Group.

   In the condensed consolidated statement of cash flows, the Group's payments to the banks are included within operating cash flows based on the nature of the arrangements.

b. The non trade-related balances are unsecured, interest-free and repayable on demand.

c. The Group's trade payables mainly relate to purchase of spare parts and accessories. A credit period not exceeding 90 days is generally granted by suppliers to the Group for the purchase of spare parts and accessories.

   The following is an ageing analysis of the Group's trade and bills payables presented based on the invoice date at the end of the reporting period:

	June 30, 2026	December 31, 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade payables		
0 to 90 days	**653,982**	650,165
Bills payables		
0 to 90 days	**4,302,105**	6,879,937
91 to 180 days	**1,130,303**	633,374
	6,086,390	8,163,476

FINANCIAL REVIEW

Revenue

Revenue was RMB20,849 million for the six months ended June 30, 2026, representing a decrease of 23.0% from RMB27,072 million for the six months ended June 30, 2025. The decrease in revenue was mainly due to the year-on-year decrease in new vehicles sales volume and average selling price of traditional fuel vehicle brands. The table below sets forth a breakdown of our revenue and relevant information of various business segments for the periods indicated:

	First half of 2026			First half of 2025		
	Amount *(RMB'000)*	**Sales Volume** *(Unit)*	**Average Selling Price** *(RMB'000)*	Amount *(RMB'000)*	Sales Volume *(Unit)*	Average Selling Price *(RMB'000)*
Revenue from sales of new vehicles						
Luxury and ultra-luxury brands	**11,557,911**	**39,017**	**296**	15,667,841	48,959	320
Mid- to high-end brands	**1,298,229**	**9,663**	**134**	1,890,174	13,230	143
Independent new energy brands (distribution model)	**1,636,822**	**5,849**	**280**	1,219,443	4,455	274
Sub-total	**14,492,962**	**54,529**	**266**	18,777,458	66,644	282
Commission income related to new vehicle sales	**350,199**			1,511,678		
Others	**166,689**			242,442		
Sub-total revenue from sales of new vehicles and related services	**15,009,850**			20,531,578		
Sales of pre-owned vehicles	**1,268,511**	**11,516**	**110**	1,560,655	15,496	101
Brokerage income related to sales of pre-owned vehicles	**13,810**			15,695		
Sub-total revenue from sales of pre-owned vehicles and related services	**1,282,321**			1,576,350		
Repair and maintenance related services	**4,308,588**			4,659,958		
Commission income	**136,588**			124,521		
Sub-total revenue from after-sales services	**4,445,176**			4,784,479		
Automobile operating lease services	**147,036**			196,795		
Less: inter-segment eliminations	**(35,472)**			(17,268)		
Total	**20,848,911**			27,071,934		

The distribution sales volume of new vehicles of the passenger vehicle sales and services segment was 54,529 units for the six months ended June 30, 2026, representing a decrease of 18.2% from 66,644 units for the six months ended June 30, 2025.

Among them, the distribution sales volume of new vehicles under luxury and ultra-luxury brands was 39,017 units for the six months ended June 30, 2026, representing a decrease of 20.3% from 48,959 units for the six months ended June 30, 2025; and the distribution sales volume of new vehicles under independent new energy brands was 5,849 units for the six months ended June 30, 2026, representing an increase of 31.3% from 4,455 units for the six months ended June 30, 2025.

Revenue from sales of new vehicles of the passenger vehicle sales and services segment was RMB14,493 million for the six months ended June 30, 2026, representing a decrease of 22.8% from RMB18,777 million for the six months ended June 30, 2025.

Among them, revenue from sales of new vehicles under luxury and ultra-luxury brands was RMB11,558 million for the six months ended June 30, 2026, representing a decrease of 26.2% from RMB15,668 million for the six months ended June 30, 2025; and revenue from sales of new vehicles under independent new energy brands was RMB1,637 million for the six months ended June 30, 2026, representing an increase of 34.2% from RMB1,219 million for the six months ended June 30, 2025.

Commission income related to the sales of new vehicles of the passenger vehicle sales and services segment was RMB350 million for the six months ended June 30, 2026, representing a decrease of 76.8% from RMB1,512 million for the six months ended June 30, 2025.

The sales volume of direct agency sales of vehicles under independent new energy brands was 4,971 units for the six months ended June 30, 2026, representing a decrease of 15.1% from 5,857 units for the six months ended June 30, 2025.

Other revenue related to new vehicles of the passenger vehicle sales and services segment was RMB167 million for the six months ended June 30, 2026, representing a decrease of 31.2% from RMB242 million for the six months ended June 30, 2025.

Total revenue from sales of new vehicles and related services of the passenger vehicle sales and services segment was RMB15,010 million for the six months ended June 30, 2026, representing a decrease of 26.9% from RMB20,532 million for the six months ended June 30, 2025.

The distribution sales volume of pre-owned vehicles was 11,516 units for the six months ended June 30, 2026, representing a decrease of 25.7% from 15,496 units for the six months ended June 30, 2025.

Revenue from sales of pre-owned vehicles of the passenger vehicle sales and services segment was RMB1,269 million for the six months ended June 30, 2026, representing a decrease of 18.7% from RMB1,561 million for the six months ended June 30, 2025.

Brokerage income from sales of pre-owned vehicles of the passenger vehicle sales and services segment was RMB14 million for the six months ended June 30, 2026, representing a decrease of 12.0% from RMB16 million for the six months ended June 30, 2025.

Revenue from after-sales services of the passenger vehicle sales and services segment was RMB4,445 million for the six months ended June 30, 2026, representing a decrease of 7.1% from RMB4,784 million for the six months ended June 30, 2025.

Among them, the revenue from repair and maintenance related services was RMB4,309 million for the six months ended June 30, 2026, representing a decrease of 7.5% from RMB4,660 million for the six months ended June 30, 2025; and the insurance commission income was RMB137 million for the six months ended June 30, 2026, representing an increase of 9.7% from RMB125 million for the six months ended June 30, 2025.

Revenue from the automobile operating lease services segment was RMB147 million for the six months ended June 30, 2026, representing a decrease of 25.3% from RMB197 million for the six months ended June 30, 2025.

Cost of Sales and Services

Cost of sales of new vehicles and cost of related services of the passenger vehicle sales and services segment was RMB14,991 million for the six months ended June 30, 2026, representing a decrease of 26.2% from RMB20,321 million for the six months ended June 30, 2025.

Cost of sales of pre-owned vehicles and cost of related services was RMB1,193 million for the six months ended June 30, 2026, representing a decrease of 18.5% from RMB1,464 million for the six months ended June 30, 2025.

Cost of after-sales services of the passenger vehicle sales and services segment was RMB2,599 million for the six months ended June 30, 2026, representing a decrease of 6.5% from RMB2,779 million for the six months ended June 30, 2025.

Cost of services for the automobile operating lease services segment was RMB112 million for the six months ended June 30, 2026, representing a decrease of 25.8% from RMB151 million for the six months ended June 30, 2025.

As described above, cost of sales and services was RMB18,859 million for the six months ended June 30, 2026, representing a decrease of 23.7% from RMB24,702 million for the six months ended June 30, 2025.

Gross Profit and Gross Profit Margin

Gross profit from sales of new vehicles and related services of the passenger vehicle sales and services segment was RMB18 million for the six months ended June 30, 2026, representing a decrease of 91.3% from RMB211 million for the six months ended June 30, 2025.

Gross profit margin for sales of new vehicles and related services decreased to 0.1% for the six months ended June 30, 2026 from 1.0% for the six months ended June 30, 2025.

Gross profit from sales of pre-owned vehicles and related services of the passenger vehicle sales and services segment was RMB90 million for the six months ended June 30, 2026, representing a decrease of 20.6% from RMB113 million for the six months ended June 30, 2025.

Gross profit margin for distribution of pre-owned vehicles of the passenger vehicle sales and services segment decreased to 6.0% for the six months ended June 30, 2026 from 6.2% for the six months ended June 30, 2025.

Gross profit from after-sales services of the passenger vehicle sales and services segment was RMB1,847 million for the six months ended June 30, 2026, representing a decrease of 7.9% from RMB2,005 million for the six months ended June 30, 2025.

Gross profit margin for repair and maintenance was 39.7% for the six months ended June 30, 2026, which remained basically unchanged compared with 40.4% for the six months ended June 30, 2025.

Gross profit from the automobile operating lease services segment was RMB35 million for the six months ended June 30, 2026, representing a decrease of 23.5% from RMB46 million for the six months ended June 30, 2025.

Gross profit margin for the automobile operating lease services segment was 23.7% for the six months ended June 30, 2026, representing an increase of 0.5 percentage points from 23.2% for the six months ended June 30, 2025.

As described above, gross profit was RMB1,989 million for the six months ended June 30, 2026, representing a decrease of 16.1% from RMB2,370 million for the six months ended June 30, 2025.

Gross profit margin was 9.5% for the six months ended June 30, 2026, representing an increase of 0.7 percentage points from the gross profit margin of 8.8% for the six months ended June 30, 2025.

Other Income, Other Gains and Losses

Other income, other gains and losses were net gains of RMB28 million for the six months ended June 30, 2026, representing an increase of 25.3% from RMB22 million for the six months ended June 30, 2025.

Distribution and Selling Expenses and Administrative Expenses

Distribution and selling expenses and administrative expenses were RMB1,942 million for the six months ended June 30, 2026, representing a decrease of 14.2% from RMB2,264 million for the six months ended June 30, 2025.

The ratio of distribution, selling and administrative expenses to revenue was 9.3% for the six months ended June 30, 2026, representing an increase of 0.9 percentage points from 8.4% for the six months ended June 30, 2025.

Finance Costs

Finance costs were RMB107 million for the six months ended June 30, 2026, representing a decrease of 8.9% from RMB118 million for the six months ended June 30, 2025.

The percentage of the finance costs to revenue for the six months ended June 30, 2026 was 0.5%, representing an increase of 0.1 percentage points from 0.4% for the six months ended June 30, 2025.

Adjustments on Non-IFRS Measures

To provide useful information to investors and others, enabling them to understand and evaluate our consolidated results of operations in the same manner as the management, the impairment of related assets in the first half of 2025 and the resulting income tax and non-controlling interest impacts should be supplemented as adjustments on non-IFRS measures to the condensed consolidated statement of profit or loss presented in accordance with IFRSs, as set out in this interim results announcement. We made these adjustments as they are not related to the Group's daily operations and operating income, and do not involve any cash outflows.

The following table sets out the reconciliation between the Group's adjusted consolidated net profit or loss and adjusted net profit or loss attributable to owners of the Company for the six months ended June 30, 2026 and the six months ended June 30, 2025, and the consolidated net profit or loss and net profit or loss attributable to owners of the Company for the six months ended June 30, 2026 and the six months ended June 30, 2025, as calculated and presented in accordance with IFRSs:

	For the six months ended June 30, 2026 ***(RMB million)***	For the six months ended June 30, 2025 *(RMB million)*
Consolidated profit/(net loss) for the period	**11**	(3,485)
Including: Profit/(net loss) for the period attributable to owners of the Company	**27**	(3,331)
Adjustments for:		
Impairment losses recognized on long-term assets such as goodwill, intangible assets of dealership agreements and buildings and renovations	**–**	3,553
Effect of deferred income tax[(i)]	**–**	(14)
Subtotal of adjustments	**–**	3,539
Including: Subtotal of adjustments attributable to owners of the Company	**–**	3,394
Adjusted consolidated profit for the period (under non-IFRS measures)	**11**	54
Including: Adjusted profit for the period attributable to owners of the Company (under non-IFRS measures)	**27**	63

(i) Effect of deferred income tax amounted to RMB14 million, including reversal of deferred income tax liabilities related to impairment losses recognized on distribution agreements and other intangible assets of RMB314 million, offset by reversal of tax losses recognized as deferred tax assets of RMB300 million.

Adjusted Net Profit or Loss

As a result of the foregoing, the consolidated profit was RMB11 million for the six months ended June 30, 2026 (with no adjustments under non-IFRS measures), representing a decrease of 79.3% compared with the adjusted profit of RMB54 million (under non-IFRS measures) for the six months ended June 30, 2025.

Adjusted Net Profit or Loss Attributable to Owners of the Company

As a result of the foregoing, the profit attributable to owners of the Company was RMB27 million for the six months ended June 30, 2026 (with no adjustments under non-IFRS measures), representing a decrease of 57.6% compared with the adjusted profit attributable to owners of the Company of RMB63 million (under non-IFRS measures) for the six months ended June 30, 2025.

The adjusted consolidated net profit or loss (under non-IFRS measures) and adjusted net profit or loss attributable to owners of the Company (under non-IFRS measures) are not stipulated or presented in accordance with the International Financial Reporting Standards Accounting Standards (the "**IFRS**"). The adjusted consolidated net profit or loss (under non-IFRS measures) and adjusted net profit or loss attributable to owners of the Company (under non-IFRS measures) are defined by the Group as the consolidated net profit or loss and net profit or loss attributable to owners of the Company excluding the impact of the impairment of related assets. As an analytical tool, the use of non-IFRS measures has its limitations. Shareholders of the Company and potential investors should not consider these measures separately from the operating results or financial position reported by the Company in accordance with the IFRS, nor should it be regarded as a substitute for the analysis of such operating results or financial position. In addition, the definition of non-IFRS measures may differ from similar terms used by other companies, and therefore may not be comparable to similar measurement standards proposed by other companies.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flow

Our primary uses of cash are payment for purchases of passenger vehicles, spare parts and accessories, funding of our working capital and ordinary recurring expenses, funding of the capital expenditures in connection with the establishment of new outlets, and repayment of our indebtedness. We maintain our liquidity through a combination of cash flows generated from operating activities, capital injections, bank loans and other borrowings. In the future, we believe that we will be able to meet our capital expenditures and liquidity requirements through a combination of cash flows generated from our operating activities, bank loans and other borrowings, as well as funds raised from the capital markets from time to time.

For the six months ended June 30, 2026, our net cash generated from operating activities was RMB1,173 million, which included cash generated from non-cash items such as profit before tax and depreciation and amortization of RMB532 million, cash generated from movements in working capital of RMB727 million and the payment of income tax of RMB86 million. For the six months ended June 30, 2025, our net cash generated from operating activities was RMB1,167 million, which included cash generated from non-cash items such as profit before tax and depreciation and amortization of RMB722 million, cash generated from movements in working capital of RMB589 million and the payment of income tax of RMB144 million.

For the six months ended June 30, 2026, our net cash used in investing activities was RMB162 million, which mainly included the payment for purchase of property, plant and equipment of RMB502 million, which was partially offset by the proceeds of RMB287 million from the disposal of property, plant and equipment. For the six months ended June 30, 2025, our net cash used in investing activities was RMB260 million, which mainly included the payments for purchase of property, plant and equipment, right-of-use assets and intangible assets of RMB656 million, which was partially offset by the proceeds of RMB365 million from the disposal of property, plant and equipment, intangible assets and right-of-use assets.

For the six months ended June 30, 2026, our net cash used in financing activities was RMB431 million, which mainly included the net repayment of borrowings of RMB146 million, the payment of interest of RMB108 million, the repayment of lease liabilities of RMB138 million and the payment for repurchase of shares of the Company of RMB11 million. For the six months ended June 30, 2025, our net cash used in financing activities was RMB5 million, which mainly included the net repayment of borrowings of RMB483 million, the payment of dividends to shareholders of the Company of RMB129 million, the payment of dividends to minority shareholders of subsidiaries of RMB42 million, the payment of interest of RMB118 million, the repayment of lease liabilities of RMB173 million and the payment for repurchase of shares of the Company of RMB70 million.

Inventories

Our inventories mainly consist of passenger vehicles and spare parts and accessories.

As of June 30, 2026, the balance of our inventories was RMB2,857 million, representing a decrease of 20.9% compared with RMB3,612 million as of December 31, 2025. The following table sets forth our average inventory turnover days for the periods indicated:

	As of June 30,	
	2026	2025
Average inventory turnover days	**31.3**	26.3

Capital Expenditures and Investment

Our capital expenditures primarily included expenditures on purchase of property, plant and equipment, which were partially offset by the proceeds from the disposal of property, plant and equipment. For the six months ended June 30, 2026, our total capital expenditures were RMB215 million. The following table sets forth a breakdown of our capital expenditures for the period indicated:

	For the six months ended June 30, 2026 *(RMB million)*
Expenditures on purchase of property, plant and equipment – test-drive automobiles and vehicles for operating lease purposes	**386**
Expenditures on purchase of property, plant and equipment – primarily used for establishing and upgrading automobile sales and service outlets	**116**
Proceeds from the disposal of property, plant and equipment (mainly test-drive automobiles and vehicles for operating lease purposes)	**(287)**
Total	**215**

Borrowings

We obtained borrowings (consisting of bank loans and other borrowings from designated automobile finance companies of automobile manufacturers) to fund our working capital and network expansion. As of June 30, 2026, the outstanding amount of our borrowings amounted to RMB2,768 million, representing a decrease of 5.0% from RMB2,914 million as of December 31, 2025. The following table sets forth the maturity profile of our borrowings as of June 30, 2026:

	As of June 30, 2026 *(RMB million)*
Within one year	**1,647**
One to two years	**844**
Two to five years	**277**
Total	**2,768**

As of June 30, 2026, our net liabilities amounted to negative RMB4 million, representing a decrease of RMB724 million from RMB720 million as of December 31, 2025, and our net gearing ratio (being net liabilities divided by total equity) was 0.0% (as of December 31, 2025: 8.5%). Net liabilities represent borrowings minus cash and cash equivalents and time deposits.

As of June 30, 2026, certain of our borrowings were secured by mortgages or pledges over our assets. Our assets subject to these mortgages or pledges as of June 30, 2026 consisted of (i) inventories of RMB577 million; (ii) property, plant and equipment of RMB49 million; (iii) land use rights of RMB43 million; and (iv) interests in subsidiaries of RMB329 million.

Contingent Liabilities

As of June 30, 2026, the Group provided guarantees of RMB111 million to Shanghai Yongda Finance Leasing Co., Ltd. in respect of its borrowing principal balance on normal commercial terms and on several basis in proportion to the Group's shareholding in Shanghai Yongda Finance Leasing Co., Ltd., save for which we did not have any material contingent liabilities.

Interest Rate Risk and Foreign Exchange Risk

We are exposed to interest rate risk resulting from fluctuations in the interest rate on our borrowings. Certain of our borrowings were floating rate borrowings that are linked to the loan prime rate (LPR). Increases in interest rates could result in an increase in our borrowing costs, which in turn could adversely affect our finance costs, profit and our financial condition.

Substantially all of our revenue, costs and expenses are denominated in Renminbi. We also use Renminbi as our reporting currency. Since June 30, 2023, we have had no financial borrowings denominated in foreign currencies.

DEVELOPMENT OUTLOOK AND STRATEGIES

Currently, the domestic automotive industry remains in a period of profound structural transformation and adjustment, with intensified market divergence and continuous reshaping of channels and brand landscapes. In the first half of 2026, the overall market was under pressure due to factors such as weak end-user demand, policy coordination and price competition. Meanwhile, traditional luxury brands accelerated their transformation toward electrification and intelligence, new energy power batteries and intelligent driving technologies continued to evolve, and the automobile exports maintained growth, providing support for the medium- to long-term development of the industry.

As industry governance and manufacturer relationships undergo gradual adjustment, the market is expected to shift from simple price competition to comprehensive competition in products, technology, services and operational efficiency. Dealers will still play an important role in brand communication, customer operations and aftermarket services. Besides, the exit of inefficient dealers and the optimization of major brand channel networks are expected to continue, and industry resources will further concentrate on enterprises with higher operational quality.

In response to industry development trends and changes, the Group will proactively consolidate its core vehicle sales and services business, promote the coordinated development of new energy and luxury vehicle businesses, continuously improve sales quality, after-sales operation, inventory turnover and cost efficiency, and maintain stable core financial indicators and operating cash flows. Besides, the Group will promote the commercial application services of embodied intelligence in a phased manner and cultivate new business increments.

Consolidate the Core Vehicle Sales and Services Business, and Continuously Optimize Operations to Achieve Quality Improvement and Efficiency Enhancement

The Group will maintain stability of its core vehicle sales and services business, promote the coordinated development of the two major business segments of new energy and luxury vehicles, and maintain its industry position as a leading domestic dealer group for BMW and HIMA. In terms of luxury vehicle business, in addition to stabilizing the existing business, the Group will actively expand into the new energy market, driven by BMW's upcoming Neue Klasse series models, while continuously optimizing the network layout. In terms of new energy business, the Group will, in combination with the product cycles and channel layouts of key brands, increase single-store sales and operational quality, and leverage the supporting role of new vehicle gross margins and after-sales growth in the business structure. Meanwhile, the Group will maintain stable after-sales maintenance business, promote the upgrading of pre-owned vehicle business, improve single-store operational quality and strengthen cost management, further consolidate the customer base and achieve overall profitability improvement.

Promote the Commercial Application Services of Embodied Intelligence to Cultivate New Growth Drivers

The Group will position its external business as a provider of commercial application services of embodied intelligence, without manufacturing robot platforms or engaging in large model research and development. Instead, leveraging its capabilities in customers, channels, scenario operations, project delivery and after-sales services, the Group will focus on the application and service segments of the industry value chain. In the future, the Group will advance its business development in phases across four interconnected business segments including robot sales and leasing, robot application development, delivery and after-sales services, and robot data collection and training services.

In the second half of 2026, the Group will focus on driving the implementation of the initial batch of projects. In terms of robot sales and leasing, the Group will leverage its existing product authorizations, customer base and distribution channels to accelerate the expansion of enterprise customers, product demonstrations, demand conversion and sales delivery, while prudently exploring the individual customer business based on product maturity and market demand. In terms of robot application development, delivery and after-sales services, the Group will improve the process of demand analysis, solution design, application configuration, system integration, deployment and commissioning, acceptance and delivery, and ongoing services around specific customer projects, gradually building replicable project experience. In terms of robot data collection and training services, the Group will leverage its industry partners to drive the preparation and implementation of the initial batch of projects, gradually build up capabilities in data production, quality management and deliverable output, and provide relevant computing power and storage resources as required by the projects.

The Group will further expand its cooperative relationships with robotics companies and large model companies through data collection and training services, continuously follow up on the scenario application and commercial deployment requirements of relevant products, and seek opportunities in subsequent application development, product sales, deployment and delivery, and after-sales services. The relevant business will be prudently advanced on the premise of real customer demands, confirmed orders, acceptance criteria and collection arrangements through pilot validation, phased investment and relatively asset-light approach. The Group will focus on controlling inventory and capital expenditure, continuously monitor risks related to project performance, data compliance and capital recovery, and gradually validate its business model while cultivating new business growth drivers.

Safeguard Cash Flow and Financial Stability to Continuously Strengthen Risk Resilience

The Group will continue to strengthen cash flow management and capital utilization efficiency, and will enhance single-store cash flow management capabilities by maintaining the intensity of inventory turnover management, promoting the collection of accounts receivable and OEM rebate collection. Besides, the Group will prudently control capital expenditures and optimize financing channels and term structures to enhance risk resilience amid market volatility.

The Group will continue to monitor the gearing ratio, the coverage of current assets over liabilities, and the coverage of net assets over long-term assets, and will maintain a robust financial position while balancing business development, capital security and shareholder returns.

Looking ahead, as accelerated industry consolidation drives capacity rationalization and further concentrates resources on top-tier high-quality dealers, the domestic market remains promising. We will focus on principal businesses to ensure our core vehicle sales and services business, while simultaneously seizing the development opportunities in the commercial application industry of embodied intelligence, to build new growth drivers and achieve coordinated development. We will also actively participate in and continue to respond to the national “low carbon” strategy and be committed to fulfilling ESG-related corporate social responsibilities. We will continuously improve operational efficiency and earnings quality, and ensure sound and stable cash flow and financial conditions. On this basis, we will adopt appropriate dividend and share repurchase policies to create long-term value for shareholders.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the Corporate Governance Code

The Company has adopted the principles and code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and has complied with the code provisions in the CG Code during the six months ended June 30, 2026.

Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code during the six months ended June 30, 2026.

The Company's employees, who are likely to be in possession of unpublished inside information of the Company, are also subject to the Model Code.

Purchase, Sale or Redemption of the Company's Listed Securities

For the six months ended June 30, 2026, the Company repurchased a total of 10,727,500 ordinary shares (the "**Shares Repurchased**") of the Company on the Stock Exchange at an aggregate consideration of approximately HK$11,765,320.30. Particulars of the Shares Repurchased are as follows: ***Note: Company to confirm below***

Month/Year	Number of Shares Repurchased	Price Paid per Share Highest *(HK$)*	Price Paid per Share Lowest *(HK$)*	Aggregate Consideration *(HK$)*
January 2026	1,339,000	1.69	1.61	2,211,155.30
April 2026	4,438,500	1.30	1.01	5,084,450.00
May 2026	4,350,000	1.03	0.77	3,978,195.00
June 2026	600,000	0.82	0.81	491,520.00
Total	10,727,500			11,765,320.30

The repurchase of the Company's shares during the six months ended June 30, 2026 was effected by the Directors pursuant to the general mandates granted to the Directors at the annual general meeting dated May 30, 2025, with a view to benefiting the Company and the shareholders by enhancing the net asset value per share and/or earnings per share.

A total of 16,521,000 shares repurchased from August 28, 2025 to January 16, 2026 and a total of 9,388,500 shares repurchased from April 8, 2026 to June 4, 2026 were cancelled on April 20, 2026 and July 15, 2026, respectively. As at the date of this announcement, the Company did not hold any shares repurchased pending cancellation.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (or sold treasury shares, if any) during the six months ended June 30, 2026. As at June 30, 2026, the Company did not hold any treasury shares.

Audit and Compliance Committee

The audit and compliance committee of the Company (the "**Audit and Compliance Committee**") has three members comprising three independent non-executive Directors, being Ms. Zhu Anna Dezhen (chairlady), Mr. Lyu Wei and Mr. Sun Minjie, with terms of reference in compliance with the Listing Rules.

The Audit and Compliance Committee has considered and reviewed the accounting principles and practices adopted by the Group and discussed matters in relation to internal control and financial reporting with the management, including the review of the unaudited condensed consolidated interim financial results of the Group for the six months ended June 30, 2026. The Audit and Compliance Committee has reviewed and considered that the interim financial results for the six months ended June 30, 2026 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

The independent auditor of the Company, Deloitte Touche Tohmatsu, has reviewed the condensed consolidated financial statements of the Group for the six months ended June 30, 2026 in accordance with the Hong Kong Standard on Review Engagement 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. ***Note: DTT to confirm***

EVENTS AFTER THE END OF THE REPORTING PERIOD

On July 24, 2026, pursuant to the subscription agreement, the Company has allotted and issued a total of 73,159,881 shares to HongKong Hongxin International Shipping Limited at the subscription price of HK$0.825 per share. For details, please refer to the announcements of the Company dated July 15, 2026 and July 24, 2026 and the next day disclosure return of the Company dated July 24, 2026.

Save as disclosed in this announcement, no significant events after the reporting period need to be brought to the attention of the shareholders.

INTERIM DIVIDEND

Having considered the Group's results for the first half of 2026 and in light of the current operating environment, the Board considers it prudent and appropriate to retain cash to ensure adequate liquidity and maintain a resilient balance sheet. Accordingly, the Board has resolved not to recommend the payment of an interim dividend for the six months ended June 30, 2026 (for the six months ended June 30, 2025: RMB0.070 per share). The Board will continue to review the Group's dividend policy in due course, taking into account the Group's profitability, cash flow and balance sheet position.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.ydauto.com.cn).

The interim report of the Company for the six months ended June 30, 2026 will be despatched (if necessary) to the shareholders of the Company and published on the above websites in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the shareholders, management team, employees, business partners and customers of the Group for their support and contributions to the Group.

By order of the Board
China Yongda Automobiles Services Holdings Limited
Cheung Tak On
Chairman

The PRC, August 31, 2026

As at the date of this announcement, the Board comprises (i) four executive Directors, namely Mr. Cheung Tak On, Mr. Xu Yue, Mr. Wang Zhigao and Mr. Tang Liang; (ii) one non-executive Director, namely Ms. Chen Yi; and (iii) three independent non-executive Directors, namely Ms. Zhu Anna Dezhen, Mr. Lyu Wei and Mr. Sun Minjie.