奇瑞汽车
CHERY AUTO

Chery Automobile Co., Ltd.
奇瑞汽車股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 9973)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The Board of Directors of Chery Automobile Co., Ltd. hereby announces the unaudited consolidated interim results of the Group for the Reporting Period, together with comparative figures for the Previous Period.

FINANCIAL HIGHLIGHTS

	Six months ended 30 June		Change
	2026	2025	%
	RMB million	*RMB million*	
	(Unaudited)	*(Unaudited)*	
Revenue	**143,280**	141,602	1.2
Gross profit	**23,044**	18,419	25.1
Gross profit margin	**16.1%**	13.0%	23.8
Profit for the period	**9,016**	9,906	-9.0
Net profit margin	**6.3%**	7.0%	-10.0
Profit attributable to owners of the Company	**8,567**	9,705	-11.7
Basic earnings per share (RMB per share)	**1.47**	1.77	-16.9

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	Six months ended 30 June 2026 RMB million (Unaudited)	2025 RMB million (Unaudited)
REVENUE	4	**143,280**	141,602
Cost of sales		**(120,236)**	(123,183)
Gross profit		**23,044**	18,419
Other income and gains		**6,028**	8,266
Selling and distribution expenses		**(5,784)**	(5,962)
Administrative expenses		**(3,288)**	(2,650)
Research and development expenses		**(6,672)**	(5,200)
Impairment gains/(losses) on financial assets, net		**186**	(133)
Other expenses		**(2,166)**	(217)
Finance costs		**(549)**	(1,449)
Share of profits and losses of:			
Joint ventures		**298**	379
Associates		**139**	325
PROFIT BEFORE TAX	5	**11,236**	11,778
Income tax expense	6	**(2,220)**	(1,872)
PROFIT FOR THE PERIOD		**9,016**	9,906
Attributable to:			
Owners of the parent		**8,567**	9,705
Non-controlling interests		**449**	201
		9,016	9,906
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	8		
Basic and diluted (RMB)			
– For profit for the period		**1.47**	1.77

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB million	*RMB million*
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	**9,016**	9,906
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(427)**	(1,080)
Share of other comprehensive income of joint ventures and associates	**–**	29
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**(427)**	(1,051)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Changes in fair value of equity investments designated at fair value through other comprehensive income	**(10)**	(53)
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	**(10)**	(53)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	**(437)**	(1,104)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**8,579**	8,802
Attributable to:		
Owners of the parent	**8,130**	8,601
Non-controlling interests	**449**	201
	8,579	8,802

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 June 2026

	Notes	**30 June 2026 *RMB million* (Unaudited)**	31 December 2025 *RMB million* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	*9*	**33,394**	30,090
Right-of-use assets		**5,814**	5,394
Other intangible assets		**6,334**	4,878
Investments in joint ventures		**11,822**	11,487
Investments in associates		**6,894**	6,357
Equity investments designated at fair value through other comprehensive income		**367**	296
Prepayments, other receivables and other assets		**822**	1,355
Financial assets at fair value through profit or loss		**415**	310
Derivative financial instruments		**508**	508
Trade receivables		**–**	1,371
Deferred tax assets		**8,266**	6,689
Total non-current assets		**74,636**	68,735
CURRENT ASSETS			
Inventories		**47,848**	36,752
Trade and bills receivables	*10*	**40,797**	32,762
Prepayments, other receivables and other assets		**15,521**	14,009
Prepaid income tax		**304**	747
Financial assets at fair value through profit or loss		**33,093**	32,219
Derivative financial instruments		**224**	51
Financial assets at fair value through other comprehensive income		**1,754**	2,327
Time deposits		**18,855**	12,040
Restricted bank deposits		**1,889**	12,750
Cash and cash equivalents		**63,419**	46,955
Total current assets		**223,704**	190,612

	Notes	**30 June 2026** *RMB million* **(Unaudited)**	31 December 2025 *RMB million* (Audited)
CURRENT LIABILITIES			
Trade and bills payables	*11*	**145,668**	110,213
Other payables and accruals		**35,802**	31,090
Derivative financial instruments		**108**	23
Interest-bearing bank loans and other borrowings		**7,317**	11,991
Lease liabilities		**698**	606
Tax payable		**3,474**	3,445
Contract liabilities		**19,769**	19,788
Provision		**3,841**	3,549
Deferred income		**1,286**	239
Total current liabilities		**217,963**	180,944
NET CURRENT ASSETS		**5,741**	9,668
TOTAL ASSETS LESS CURRENT LIABILITIES		**80,377**	78,403
NON-CURRENT LIABILITIES			
Other payables and accruals		**4,030**	4,885
Interest-bearing bank loans and other borrowings		**2,687**	3,933
Lease liabilities		**3,966**	3,529
Deferred tax liabilities		**473**	489
Deferred income		**6,375**	7,341
Provision		**8,113**	7,428
Total non-current liabilities		**25,644**	27,605
Net assets		**54,733**	50,798
EQUITY			
Equity attributable to owners of the parent			
Share capital		**5,809**	5,809
Reserves		**48,315**	44,948
		54,124	50,757
Non-controlling interests		**609**	41
Total equity		**54,733**	50,798

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with HKAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The amended HKFRS Accounting Standards that are effective from 1 January 2026 did not have any significant impact on the Group's accounting policies and the interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

The Group was principally engaged in the manufacturing and sales of passenger vehicles and automotive parts and components in the PRC and overseas. The executive directors of the Company review the operating results of the business as one operating segment to make strategic decisions and resources allocation. Therefore, the Group regards that there is only one segment which is used to make strategic decisions.

The following table shows the Group's total consolidated revenue by location of customers:

Geographical information

(a) Revenue from external customers

	Six months ended 30 June	
	2026	2025
	RMB million	*RMB million*
	(Unaudited)	(Unaudited)
Geographical markets		
PRC (including Hong Kong, Macau and Taiwan)	**44,312**	76,055
Other countries/regions	**98,968**	65,547
Total revenue	**143,280**	141,602

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	30 June 2026	31 December 2025
	RMB million	*RMB million*
	(Unaudited)	(Audited)
Geographical markets		
PRC (including Hong Kong, Macau and Taiwan)	**63,587**	58,662
Other countries/regions	**1,493**	899
Total non-current assets	**65,080**	59,561

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

4. REVENUE

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026	2025
	RMB million	*RMB million*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	**143,280**	141,602

Disaggregated revenue information for revenue from contracts with customers

	Six months ended 30 June	
	2026	2025
	RMB million	*RMB million*
	(Unaudited)	(Unaudited)
Passenger vehicles	**128,795**	128,646
Automotive parts and components	**10,042**	9,679
Others	**4,443**	3,277
Total	**143,280**	141,602
Timing of revenue recognition		
Transferred at a point in time	**143,046**	141,441
Transferred over time	**234**	161
Total	**143,280**	141,602

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging or crediting:

	Six months ended 30 June	
	2026	2025
	RMB million	*RMB million*
	(Unaudited)	(Unaudited)
Cost of inventories sold*	**118,812**	122,436
Depreciation of property, plant and equipment	**1,879**	1,403
Amortisation of other intangible assets	**703**	365
Depreciation of right-of-use assets	**302**	183
Research and development costs*	**6,672**	5,200
Lease payments not included in the measurement of lease liabilities	**142**	77
Employee benefit expense (excluding directors' and supervisors' remuneration):		
Wages and salaries	**8,061**	6,809
Pension scheme contributions	**686**	452
Share-based compensation	**248**	250
Impairment of financial assets, net:		
(Reversal of impairment provision)/impairment of trade receivables, net	**(130)**	20
(Reversal of impairment provision)/impairment of financial assets included in prepayments, other receivables and other assets, net	**(56)**	113
Write-down of/(reversal of write-down of) inventories to net realisable value, net	**502**	(43)
Warranty provisions, net	**3,234**	3,221
Impairment of items of property, plant and equipment **	**–**	3
Impairment of other intangible assets**	**–**	35
Foreign exchange gains/(losses), net	**(2,092)**	3,398
Dividend income from equity investments at fair value through other comprehensive income***	**15**	13

* Cost of inventories sold and research and development costs include expenses relating to staff cost, depreciation and amortisation expenses, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

** Impairment of items of property, plant and equipment and impairment of other intangible assets are included in "Other expenses" in the condensed consolidated statement of profit or loss.

*** Dividend income from equity investments at fair value through other comprehensive income is included in "Other income and gains" in the condensed consolidated statement of profit or loss.

6. INCOME TAX

PRC corporate income tax

Under the PRC Corporate Income Tax Law and the respective regulations, the corporate income tax for the Company and its subsidiaries is calculated at a statutory rate of 25% or a preferential rate of 15% where applicable, on their estimated taxable profits for the period.

Corporate income tax in other jurisdictions

Income tax on profit arising from other jurisdictions have been calculated on the estimated taxable profit for the period at the respective rates prevailing in the relevant jurisdictions.

	Six months ended 30 June	
	2026	2025
	RMB million	*RMB million*
	(Unaudited)	(Unaudited)
Current income tax	**3,899**	2,073
Deferred income tax	**(1,679)**	(201)
Total	**2,220**	1,872

Pillar Two income taxes

The Group is within the scope of the Pillar Two model rules. The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes and will account for the Pillar Two income taxes as current tax when incurred. Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates, and the legislation is effective for the Group's financial year beginning 1 January 2024.

The Group has assessed its potential exposure based on the information available regarding the financial performance of the Group in the first half year of 2026. As such, it may not be entirely representative of future circumstances. Based on the assessment, the Group does not expect a material exposure to Pillar Two income taxes.

7. DIVIDENDS

	Six months ended 30 June	
	2026	2025
	RMB million	*RMB million*
	(Unaudited)	(Unaudited)
Final declared and paid	**4,994**	3,993

The proposed final dividend of RMB0.86 (inclusive of tax) per ordinary share for the year ended 31 December 2025, amounting to approximately RMB4,994 million was declared payable and approved by the shareholders in the annual general meeting of the Company on 20 May 2026 and was paid on 26 June 2026.

The Board did not declare the payment of any interim dividend for the six months ended 30 June 2026 (30 June 2025: nil).

The final dividends of RMB0.73 (inclusive of tax) for each ordinary share to all shareholders whose names were registered in the register of members and were entitled to participate in the distribution on the record date in respect of 30 November 2024 were declared and approved by the Annual General Meeting of the Company in 2025.

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares outstanding during the period.

The Group had no potentially dilutive ordinary shares in issue during the period ended 30 June 2026 and 2025.

The calculations of basic and diluted earnings per share are based on:

	Six months ended 30 June	
	2026	2025
	RMB million	*RMB million*
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation:	**8,567**	9,705

	Number of shares	
	2026	2025
	Million	*Million*
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic and diluted earnings per share calculation	**5,809**	5,470

9. PROPERTY, PLANT AND EQUIPMENT

	Six months ended 30 June	
	2026	2025
	RMB million	*RMB million*
	(Unaudited)	(Unaudited)
Carrying value at beginning of the period (audited)	**30,090**	23,443
Additions	**5,375**	5,432
Disposal	**(155)**	(66)
Disposal of subsidiaries	**–**	(109)
Depreciation during the period	**(1,879)**	(1,403)
Impairment	**–**	(3)
Exchange realignment	**(37)**	43
Carrying value at end of the period (unaudited)	**33,394**	27,337

As at 30 June 2026, certain of the Group's property, plant and equipment with aggregate net carrying values of approximately RMB872 million (31 December 2025: RMB909 million) were mortgaged to secure certain interest-bearing bank borrowings and bank facilities of the Group.

10. TRADE AND BILLS RECEIVABLES

An aging analysis of the trade receivables as at the end of the reporting period, based on the time of revenue recognition and net of loss allowance, is as follows:

Trade receivables	**30 June 2026**	31 December 2025
	RMB million	*RMB million*
	(Unaudited)	(Audited)
Within 1 year	**39,289**	33,673
1 to 2 years	**1,187**	198
2 to 3 years	**8**	11
Total	**40,484**	33,882

Bills receivable	**30 June 2026**	31 December 2025
	RMB million	*RMB million*
	(Unaudited)	(Audited)
Bank acceptance bills	**313**	251

As at 30 June 2026 and 31 December 2025, all bank acceptance bills are aged within 6 months and none of the bills receivable was overdue.

11. TRADE AND BILLS PAYABLES

An aging analysis of the trade and bills payables as at the end of the reporting period based on the time of purchase, is as follows:

Trade payables	**30 June 2026** *RMB million* **(Unaudited)**	31 December 2025 *RMB million* (Audited)
Within 1 year	**94,771**	90,510
1 to 2 years	**445**	208
2 to 3 years	**57**	80
Over 3 years	**68**	57
Total	**95,341**	90,855

Bills payable	**30 June 2026** *RMB million* **(Unaudited)**	31 December 2025 *RMB million* (Audited)
Within 1 year	**50,327**	19,358

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

The Company is a passenger vehicle company headquartered in Wuhu, China. The Group designs, develops, manufactures and sells a diverse and expanding portfolio of passenger vehicles, including ICE vehicles and NEVs, to cater to the distinct and evolving needs and preferences of customers in both the domestic and overseas markets.

The Group takes pride in its technological prowess. With the Group's technological breakthroughs and innovations, including industry-leading vehicle platforms, state-of-the-art fuel and hybrid engine and transmission systems, E/E architecture, driving assistance technologies and intelligent cockpit systems, the Group provides users worldwide with superior mobility experience characterised by high performance, comprehensive safety, and superior comfort and intelligence. Currently, the Group designs, develops, manufactures and sells passenger vehicles under five major brands, namely, CHERY, JETOUR, EXEED, iCAR and LUXEED.

As the signature brand of the Group, CHERY is positioned as a leading automotive brand offering safety, comfort and quality for mass market and family use. The CHERY brand comprises the key product series of Tiggo, Arrizo and Fulwin, as well as OMODA, JAECOO and LEPAS mainly targeting overseas markets. The CHERY brand covers sedans and SUVs with ICE, PHEV, REEV and BEV versions.

JETOUR targets customers who are passionate about family travel and outdoor leisure. The JETOUR brand includes ICE vehicles and PHEVs.

EXEED targets customers who value performance and elegance and provides them with a smooth and sophisticated travel experience. The EXEED brand comprises the ES and EX product series, covering sedans and SUVs with multiple powertrain options, including plug-in hybrid electric vehicle, range-extended electric vehicle and battery electric vehicle versions.

iCAR, targeting Generation Z customers who are keen on technology and value freedom, is designed to provide a contemporary and smart travel experiences. iCAR offers the iCAR V23 and iCAR V27 models, which are available in battery electric and range-extended electric versions.

LUXEED, targeting customers who pursue intelligence, performance and innovation, is designed to provide them with a transformative and smart driving experience. LUXEED offers three models, namely, the S7, a smart sedan, and the R7, a smart coupe SUV with both BEV and REEV versions, and the V9, a flagship MPV.

In 2026, the Group continued its strong growth momentum as one of China's most globally oriented automotive groups. The Company further enhanced its competitiveness through a diversified multi-brand strategy, expanding its footprint across both emerging and mature markets. Operational efficiency, global product appeal and technology-driven differentiation remained the pillars of Chery's development throughout the Reporting Period.

The Group's multi-brand architecture enabled it to capture a wide range of customer segments spanning mass-market, premium, family-oriented and intelligent electric vehicle categories. The Group maintained a balanced product mix between ICE vehicles and NEVs, with continued acceleration in hybrid and smart EV adoption.

During the Reporting Period, the Group strengthened its position as a leading Chinese vehicle exporter, leveraging its long-established overseas presence. It further expanded its sales and service networks across Europe, South America, Africa and the Middle East, supported by overseas manufacturing bases and localised operations.

As at 30 June 2026, Chery operated 12 major production bases worldwide, including 3 overseas bases, enabling faster regional fulfilment, improved compliance with local regulatory requirements and enhanced supply chain resilience.

OUTLOOK AND FUTURE PLANS

The five major brands of the Group constitute a complementary brand portfolio. With distinct positioning and features, each brand targets different market segments with an expanding product lineup to meet diverse customer needs. In the second half of 2026, the Group plans to (i) further expand product lineup and sharpen brand positioning to enhance the Group's brand equity; (ii) continue to invest in R&D on next-generation technologies to strengthen the Group's competencies; (iii) continue to enhance vehicle electrification and intelligentization to embrace global mobility transformation; and (iv) expand the Group's international footprint through its globalisation strategy to solidify overseas market leadership.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

The Group operates in a highly competitive and rapidly evolving automotive industry, and its business, financial condition and prospects are subject to a number of significant risks and uncertainties. Competition in both the traditional ICE vehicle market and the fast-growing NEV market remains intense, and demand for NEVs may be cyclical, policy-driven, and volatile.

The performance of the Group during the Reporting Period may not be indicative of its future results, particularly as consumer preferences, regulatory requirements and technology trends continue to shift. As the Group expands globally, it faces risks inherent in international operations, including geopolitical uncertainties, trade compliance, currency fluctuations and differing regulatory regimes; failure to manage these risks effectively could materially and adversely affect the operations of the Group. In addition, the Group's business success depends on the continued strength, differentiation and market acceptance of its five major brands; any inability to maintain or enhance its brand equity, or any excessive expenditure in doing so, may negatively affect the performance of the Group. The Group also relies on a diversified network of suppliers for key raw materials and components and is therefore exposed to risks arising from price volatility, supply disruptions and supplier's potential inability to meet its quality or delivery requirements. Furthermore, any delays in the development, launch, production or delivery of its existing or future vehicle models could undermine its competitiveness and growth trajectory.

FINANCIAL REVIEW

Revenue

During the Reporting Period, the Group derived its revenue primarily from sales of passenger vehicles, and automotive parts and components. In addition, the Group also manufactured and sold KD kits, the revenue of which is included in the sales of passenger vehicles.

The following table sets forth a breakdown of the Group's revenue by products for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	RMB million (Unaudited)	***%***	*RMB million (Unaudited)*	*%*
Passenger vehicles	**128,795**	**89.9**	128,646	90.9
– ICE vehicles	***69,511***	***48.5***	*92,452*	*65.3*
– NEVs	***59,284***	***41.4***	*36,194*	*25.6*
Automotive parts and components	**10,042**	**7.0**	9,679	6.8
Others [(1)]	**4,443**	**3.1**	3,277	2.3
Total	**143,280**	**100.0**	141,602	100.0

Note:

(1) Others include automotive business-related procurement, production, technology development and other supporting services.

During the Reporting Period, revenue from the sales of ICE vehicles represented the largest component of the Group's revenue. Revenue of the Group remained relatively stable at RMB141,602 million and RMB143,280 million for the Previous Period and the Reporting Period, respectively, primarily as a result of the net effect of the following factors:

(i) revenue from sales of passenger vehicles remained relatively stable at RMB128,646 million and RMB128,795 million for the Previous Period and the Reporting Period, respectively;

(ii) revenue from sales of automotive parts and components increased by 3.8% from RMB9,679 million for the Previous Period to RMB10,042 million for the Reporting Period, primarily due to the increased demand for related components and parts driven by the rapid growth in overseas passenger vehicle sales; and

(iii) revenue from others increased by 35.6% from RMB3,277 million for the Previous Period to RMB4,443 million for the Reporting Period, primarily due to the sales increase of the Group's automotive related materials.

Cost of Sales

During the Reporting Period, cost of sales of the Group mainly included cost of materials, direct labour, manufacturing costs, warranty expenses, freight expenses and taxes.

Cost of sales of the Group remained relatively stable at RMB123,183 million and RMB120,236 million for the Previous Period and the Reporting Period, respectively.

Gross Profit and Gross Profit Margin

The following table sets forth the Group's gross profit and gross profit margin by product for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	Gross profit *RMB million* *(Unaudited)*	**Gross profit margin** *%*	Gross profit *RMB million* *(Unaudited)*	Gross profit margin *%*
Passenger vehicles	**20,114**	**15.6**	15,957	12.4
– ICE vehicles	***12,553***	***18.1***	*14,066*	*15.2*
– NEVs	***7,561***	***12.8***	*1,891*	*5.2*
Automotive parts and components	**2,034**	**20.3**	2,025	20.9
Others	**896**	**20.2**	437	13.3
Total/Overall	**23,044**	**16.1**	18,419	13.0

Gross profit of the Group increased by 25.1% from RMB18,419 million for the Previous Period to RMB23,044 million for the Reporting Period, primarily due to the Group's business expansion in overseas markets.

Gross profit margin of the Group increased from 13.0% for the Previous Period to 16.1% for the Reporting Period, primarily reflecting the following:

(i) gross profit margin for passenger vehicles increased from 12.4% for the Previous Period to 15.6% for the Reporting Period, primarily as a result of the increase in the contribution of sales in overseas markets to total revenue, which carried higher gross profit margins than sales in the PRC;

(ii) gross profit margin for automotive parts and components was relatively stable at 20.9% and 20.3% for the Previous Period and the Reporting Period, respectively; and

(iii) gross profit margin for others increased from 13.3% for the Previous Period to 20.2% for the Reporting Period, primarily due to the provision of technology development services, which had a higher profit margin.

Other Income and Gains

Other income and gains of the Group primarily consisted of investment income, foreign exchange gains, gain on disposal of certain distribution network, additional deduction for value-added tax (VAT), research and development subsidies (R&D subsidies) and other subsidies.

Other income and gains decreased by 27.1% from RMB8,266 million for the Previous Period to RMB6,028 million for the Reporting Period, primarily due to the decrease in foreign exchange gains.

Selling and Distribution Expenses

Selling and distribution expenses of the Group primarily included advertisement and marketing expenses, and employee benefit expenses for its sales and marketing personnel.

Selling and distribution expenses remained relatively stable at RMB5,962 million and RMB5,784 million for the Previous Period and the Reporting Period, respectively.

Administrative Expenses

Administrative expenses of the Group primarily consisted of employee benefit expenses for its administrative personnel.

Administrative expenses increased by 24.1% from RMB2,650 million for the Previous Period to RMB3,288 million for the Reporting Period due to the increase in employee benefit expenses.

Research and Development Expenses

Research and development expenses of the Group primarily consisted of employee benefit expenses for its R&D personnel, cost of materials for R&D activities and design expenses.

Research and development expenses increased by 28.3% from RMB5,200 million for the Previous Period to RMB6,672 million for the Reporting Period due to the enhancement of R&D efforts and the increase in employee benefit expenses.

Impairment Gains/(Losses) on Financial Assets, Net

Impairment gains/(losses) on financial assets of the Group represented provisions for, or reversal of provisions for, impairment of trade receivables, financial assets included in prepayments, other receivables and other assets.

During the Reporting Period, the Group recorded net impairment gains on financial assets in the amount of RMB186 million, as compared to net impairment losses on financial assets in the amount of RMB133 million for the Previous Period. The turnaround was primarily attributable to the reversal of provisions for impairment losses of trade receivables and other receivables.

Finance Costs

Finance costs of the Group comprised interest expenses on bank loans and other borrowings, long-term liabilities and lease liabilities.

Finance costs decreased by 62.1% from RMB1,449 million for the Previous Period to RMB549 million for the Reporting Period, primarily due to the repayment of loans.

Share of Profits and Losses of Joint Ventures and Associates

Share of profits and losses of joint ventures and associates comprised investment income in joint ventures and associates recognised under the equity method.

During the Reporting Period, the share of profits and losses of joint ventures and associates of the Group amounted to RMB437 million, representing a decrease of 37.9% from RMB704 million during the Previous Period, which was primarily attributable to the decrease in the profits of certain joint ventures and associates.

Income Tax Expense

Income tax expenses primarily included the EIT, and applicable income taxes in other countries where the Group conducts business or has establishment.

Income tax expenses increased by 18.6% from RMB1,872 million for the Previous Period to RMB2,220 million for the Reporting Period, primarily due to the increase of taxable profits in the jurisdictions with higher income tax rates.

Profit for the Period

As a result of the foregoing, profit for the period decreased from RMB9,906 million for the Previous Period to RMB9,016 million for the Reporting Period.

Property, Plant and Equipment

Property, plant and equipment of the Group increased by 11.0% from RMB30,090 million as at 31 December 2025 to RMB33,394 million as at 30 June 2026 due to the acquisition of machinery, molds and buildings, undertaken to expand production capacity in response to the rising product demand.

Inventories

Inventories of the Group comprised raw materials, work in progress and finished goods. Raw materials mainly included steel products, seats, tires, battery cells and electronic components. Work in progress and finished goods mainly included semi-completed or completed passenger vehicles, respectively.

The following table sets forth a breakdown of the Group's inventories as at the dates indicated:

	As at 30 June 2026	As at 31 December 2025
	RMB million	*RMB million*
	(Unaudited)	*(Audited)*
Raw materials	**4,112**	3,032
Work in progress	**4,666**	3,085
Finished goods	**39,070**	30,635
Total	**47,848**	36,752

Inventories of the Group increased by 30.2% from RMB36,752 million as at 31 December 2025 to RMB47,848 million as at 30 June 2026, primarily due to the increase in inventory levels to meet growing demand in overseas markets.

Trade Receivables

The Group's trade receivables represented amounts receivable from customers arising from the sales of its products.

Trade receivables increased by 19.5% from RMB33,882 million as at 31 December 2025 to RMB40,484 million as at 30 June 2026, primarily due to the increase in sales of the Group's products.

Financial Assets at Fair Value through Profit or Loss

Financial assets at FVTPL of the Group primarily included (i) equity investments; (ii) wealth management products and structured deposits issued by banks in the PRC; and (iii) convertible bonds. All the structured deposits are principal-guaranteed while wealth management products are not.

Financial assets at FVTPL remained relatively stable at RMB32,529 million as at 31 December 2025 and RMB33,508 million as at 30 June 2026.

Trade and Bills Payables

Trade and bills payables primarily represent the Group's obligations to pay its suppliers.

Trade and bills payables of the Group increased by 32.2% from RMB110,213 million as at 31 December 2025 to RMB145,668 million as at 30 June 2026, primarily due to an increase in procurement expenditures.

Other Payables and Accruals

Other payables and accruals mainly consisted of accrued salaries, bonuses and benefits, other payables for additions of property, plant and equipment, other tax payables and others.

Other payables and accruals of the Group increased by 10.7% from RMB35,975 million as at 31 December 2025 to RMB39,832 million as at 30 June 2026, primarily due to the Group's business expansion.

Contract Liabilities

Contract liabilities mainly arise from the advance payments made by customers and rebate granted to customers in relation to the Group's sales of vehicles and components.

Contract liabilities of the Group remained relatively stable at RMB19,788 million as at 31 December 2025 and RMB19,769 million as at 30 June 2026.

Net Current Assets

The Group's net current assets decreased by 40.6% from RMB9,668 million as at 31 December 2025 to RMB5,741 million as at 30 June 2026, primarily because the increase in current liabilities exceeded in the increase in the current assets. Total current assets increased by 17.4% from RMB190,612 million as at 31 December 2025 to RMB223,704 million as at 30 June 2026, primarily due to the increase in inventories of RMB11,096 million and the increase in trade receivables of RMB7,973 million. Total current liabilities increased by 20.5% from RMB180,944 million as at 31 December 2025 to RMB217,963 million as at 30 June 2026, primarily due to the increase in trade and bills payables of RMB35,455 million.

LIQUIDITY AND CAPITAL RESOURCES

During the Reporting Period, the Group financed its capital expenditure and working capital requirements mainly through cash generated from operating activities.

As at 30 June 2026, cash and cash equivalents of the Group amounted to RMB63,419 million, which was primarily denominated in RMB42,096 million, EUR1,620 million (equivalent to RMB12,586 million) and USD350 million (equivalent to RMB2,382 million) (31 December 2025: RMB46,955 million, of which RMB22,538 million was denominated in RMB, USD548 million (equivalent to RMB3,853 million), EUR924 million (equivalent to RMB7,609 million), and HK$5,018 million (equivalent to RMB4,532 million)).

Cash Flows

For the Reporting Period, the Group's net cash inflow from operating activities was RMB37,762 million, as compared to a net cash inflow from operating activities of RMB14,004 million during the Previous Period, which was mainly attributable to the organic cash generation and working capital management.

For the Reporting Period, the Group's net cash outflow from investing activities was RMB9,865 million, as compared to a net cash outflow from investing activities of RMB26,704 million during the Previous Period, which was mainly attributable to lower net purchases of time deposits, financial assets at fair value through profit or loss and property, plant and equipment.

For the Reporting Period, the Group's net cash outflow from financing activities was RMB11,451 million, as compared to a net cash outflow from financing activities of RMB7,822 million during the Previous Period, which was mainly attributable to the increase in the dividends paid and net repayment of interest-bearing bank loans and other borrowings.

INDEBTEDNESS AND CONTINGENT LIABILITIES

Indebtedness

The Group's indebtedness primarily consisted of bank loans and other borrowings and lease liabilities.

As at 30 June 2026, the Group had bank loans and other borrowings of RMB10,004 million as compared to RMB15,924 million as at 31 December 2025. The majority of the Group's bank loans and other borrowings were unsecured.

The Group's lease liabilities represented the outstanding lease payments primarily in respect of its leased buildings and properties.

As at 30 June 2026, the Group had lease liabilities of RMB4,664 million as compared to RMB4,135 million as at 31 December 2025.

Contingent Liabilities

As at 30 June 2026, the Group did not have any material contingent liabilities (31 December 2025: nil).

Gearing Ratio

Gearing ratio is calculated based on the total liabilities as at the respective dates divided by total assets as at the respective dates. As at 30 June 2026, the gearing ratio of the Group was 81.7% (31 December 2025: 80.4%).

Pledge of Assets

As at 30 June 2026, the Group had pledged assets amounted to RMB6,355 million (31 December 2025: RMB23,859 million). These pledged assets primarily comprise pledged cash, financial assets at fair value through profit or loss, trade receivables, time deposits, certain property, plant and equipment, land use rights and patents.

Commitments

As at 30 June 2026, the Group had capital commitments contracted for but not yet provided of RMB5,423 million (31 December 2025: RMB5,380 million), primarily representing contracted but unprovided commitments for property, plant and equipment.

Capital Expenditures

The Group's capital expenditure primarily represented expenditures incurred for the purchase of property, plant and equipment. During the Reporting Period, the Group incurred capital expenditures of approximately RMB2,536 million (30 June 2025: RMB6,151 million).

FINANCIAL RISKS

The Group is exposed to various types of financial risks in the ordinary course of business, including interest rate risk, foreign currency risk, credit risk, and liquidity risk. The Group's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

Interest Rate Risk

The Group's exposure to risk for changes in market interest rates relates primarily to its long-term interest-bearing bank borrowings with a floating interest rate. The Group's policy is to manage its interest cost using a mix of fixed and variable rate debts.

Foreign Currency Risk

The Group is exposed to transactional exchange rate risk. Such risks arise from transactions conducted by operating entities in a currency other than their respective functional currency. To ensure that the Group's currency risk exposure is maintained at an acceptable level and to minimise mismatches between assets and liabilities denominated in the same currency, the Group enters into foreign currency forward contracts to hedge part of its foreign exchange exposure.

Credit Risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Liquidity Risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank loans and other available sources of financing.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus, as at 30 June 2026, the Company did not have any other future plans for material investments or additions of capital assets.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company did not have any significant investment, material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

USE OF PROCEEDS FROM THE LISTING

The Net Proceeds, after deducting related underwriting fees and other expenses in connection with the Listing and the partial exercise of the over-allotment option in relation to the Listing, were approximately HK$10,128.6 million. The Net Proceeds will be utilised for the purposes set out in the Prospectus.

The following table sets forth the status of the use of the Net Proceeds from the Listing (after taking into account the net proceeds from the partial exercise of the over-allotment option in relation to the Listing) up to 30 June 2026:

Proposed use of Net Proceeds as set out in the Prospectus	**Net Proceeds** *HK$ million*	**Unutilised Net Proceeds as at 1 January 2026** *HK$ million*	**Utilised Net Proceeds during the Reporting Period** *HK$ million*	**Unutilised Net Proceeds as at 30 June 2026** *HK$ million*	**Expected timeframe of full utilisation of the Net Proceeds**
For the R&D of passenger vehicles of different models and versions to further expand the Group's product portfolio					
– for developing and expanding the Group's NEV offerings	2,025.7	1,975.4	627.4	1,348.0	2028
– for the upgrade and broadening of the Group's existing product series	1,519.3	1,460.7	443.8	1,016.9	2028
For the R&D in the next-generation vehicle and advanced technologies to enhance the Group's core technological competencies					
– for investing in upgrading the Group's electrification technologies and vehicle platform architecture	1,012.9	1,005.9	59.5	946.4	2028
– for investing in the driving assistance solutions and intelligent cockpit solutions	1,519.3	1,514.0	59.2	1,454.8	2028
For expanding overseas markets and executing the Group's globalisation strategy	2,025.7	2,025.7	–	2,025.7	2029
For upgrading the Group's production facilities located in Wuhu, Anhui	1,012.9	1,009.2	15.1	994.1	2029
For working capital and general corporate purposes	1,012.9	942.3	600.2	342.1	2030
Total	**10,128.6**	**9,933.1**	**1,805.2**	**8,127.9**	

Note:

(1) Numbers may not be additive due to rounding.

The Company has deposited the Net Proceeds not immediately used for the aforementioned purposes into short-term interest-bearing accounts with licensed commercial banks and/or other authorised financial institutions (as defined under the SFO or applicable laws and regulations in other jurisdictions).

As at 30 June 2026, the Directors were not aware of any material change in the planned use of Net Proceeds. The remaining Net Proceeds which had not been utilised were placed in short-term demand deposits with licensed financial institutions. The unutilised Net Proceeds and the above timeline of intended utilisation will be applied in the manner disclosed by the Company. However, the expected timeline for the unutilised Net Proceeds is based on the Directors' best estimate barring unforeseen circumstances, and would be subject to change based on the future development of the Group's business and the market conditions.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

No significant event that may have a material impact on the Group's operating and financial performance has taken place subsequent to 30 June 2026 and up to the date of this announcement.

EMPLOYEE AND REMUNERATION POLICIES

As at 30 June 2026, the Group had a total of 71,580 full-time employees (30 June 2025: 58,256). For the Reporting Period, the staff cost of the Group amounted to RMB9,083 million (30 June 2025: RMB7,588 million).

The Group recruits its employees based on a number of factors such as their industry experience in the passenger vehicle industry, their educational background, and its vacancy needs. The Group generally pays its employees fixed salaries and other allowances based on their respective positions and responsibilities. The Group also entered into individual employment contracts with its employees, covering matters such as wages, employee benefits, employment scope and grounds for termination. The employees of the Group would undergo training to enhance their technical skills, knowledge of industry quality standards, occupational health and safety standards and applicable laws and regulations.

The Group makes contributions to various social welfare schemes for its employees. These schemes include contributions to social insurance and housing provident funds according to applicable laws and regulations. In this regard, the Group makes contributions to five categories of insurance including basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance, and maternity insurance.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to implementing high standards of corporate governance, and the Directors recognise the importance of sound corporate governance in safeguarding shareholders' interests. During the Reporting Period, the Company has complied with all code provisions of the Corporate Governance Code, except for the deviation from code provision C.2.1 set out in the Corporate Governance Code.

Code provision C.2.1 set out in the Corporate Governance Code stipulates that the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. Currently, Mr. Yin serves as the chairman of the Board and the president. The Board believes that Mr. Yin has been operating and managing the Company since its incorporation and is familiar with the operations of the Group, and considers that it is in the best interests of the Group for both roles to be assumed by Mr. Yin for the effective management of the Group and the development of the Group's business, and that Mr. Yin will provide strong and consistent leadership to the Group. This arrangement ensures the effective and efficient overall strategic planning of the Group as the structure will enable the Company to make and implement decisions quickly and effectively. In addition, the Company has put in place appropriate checks and balances through the Board and six independent non-executive Directors. The independent non-executive Directors are able to maintain their independence of character and judgment and are able to express their views without undue restrictions. The Company will consult the Board for advice on any major decisions. Accordingly, the Board is of the view that the balance of power and authority of the existing arrangement will not be jeopardised as the arrangement does not result in an excessive concentration of power in a single individual, which may adversely affect the interests of minority Shareholders.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code as the guidelines for the Directors' and the Supervisors' dealings in the securities of the Company.

Specific enquiries have been made to all the Directors and the Supervisors and they have confirmed that they have complied with the Model Code during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including any sale or transfer of treasury shares) during the Reporting Period.

As at 30 June 2026, the Group did not hold any treasury shares.

INTERIM DIVIDEND

The Board did not declare the payment of any interim dividend for the Reporting Period (30 June 2025: nil).

RISK CONTROL AND AUDIT COMMITTEE

The Company has established the Risk Control and Audit Committee with written terms of reference in compliance with the Listing Rules. The Risk Control and Audit Committee consists of four independent non-executive Directors, namely Mr. Lai Ni Hium, Frank (chairman), Mr. Shang Wenjiang, Mr. Yang Mianzhi and Ms. Shi Qin, and three non-executive Directors, namely Mr. Wang Jinhua, Mr. Bao Siyu and Mr. Hu Jingyuan.

The Risk Control and Audit Committee has reviewed and agreed with the Group's unaudited interim condensed consolidated financial information for the Reporting Period.

SCOPE OF WORK OF THE AUDITOR

The interim results for the six months ended 30 June 2026 are unaudited but have been reviewed by Ernst & Young, the independent auditor of the Company, in accordance with Hong Kong Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity as issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF INTERIM RESULTS AND 2026 INTERIM REPORT

This announcement is published on the websites of the Company (www.chery-auto.com) and the Stock Exchange (www.hkexnews.hk). The 2026 interim report will be made available on the websites of the Company and the Stock Exchange in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

"BEV"	battery electric vehicle, an electric vehicle powered solely by a battery
"Board" or "Board of Directors"	the board of directors of the Company
"Chery" or "Company"	Chery Automobile Co., Ltd. (奇瑞汽車股份有限公司), a limited liability company established under the laws of the PRC in 1997 and converted into a joint stock limited liability company in the PRC on 24 March 2008
"China" or "PRC"	the People's Republic of China, for geographical reference only and except where the context requires, references to the "PRC" do not apply to Hong Kong, Macau and Taiwan
"Corporate Governance Code"	the Corporate Governance Code set out in Part 2 of Appendix C1 to the Listing Rules
"Director(s)"	the director(s) of the Company
"Domestic Unlisted Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are subscribed for and paid up in Renminbi by domestic investors and not listed or traded on any stock exchange
"EIT"	PRC enterprise income tax
"Foreign Unlisted Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each which is/are subscribed for and paid up in currency other than RMB by foreign investors and not listed on any stock exchange
"FVTPL"	fair value through profit or loss
"Group"	the Company and its subsidiaries
"H Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"ICE"	internal combustion engine
"KD"	knock-down

"Listing"	the listing of the H Shares on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Mr. Yin"	Mr. Yin Tongyue (尹同躍), the executive Director, the chairman of the Board, and the president of the Group
"Net Proceeds"	the net proceeds from the Listing
"NEV"	new energy vehicle, primarily including BEVs, REEVs and PHEVs
"passenger vehicle"	vehicles primarily used for transporting passengers and their carry-on luggage to meet the non-business travelling needs of individuals or families, typically with a capacity of no more than nine seats (including the driver), and including types such as sedans and SUVs
"PHEV"	plug-in hybrid electric vehicle, an electric vehicle with a plug-in battery and fuel engine
"Previous Period"	the six months ended 30 June 2025
"Prospectus"	the prospectus of the Company dated 17 September 2025
"R&D"	research and development
"REEV"	range-extended electric vehicle, an electric vehicle with a fuel-powered range extender
"Renminbi" or "RMB"	Renminbi, the lawful currency of the PRC
"Reporting Period"	the six months ended 30 June 2026
"Risk Control and Audit Committee"	the Risk Control and Audit Committee of the Company
"Share(s)"	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising Unlisted Share(s) and H Share(s)
"Shareholder(s)"	holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supervisor(s)"	the supervisor(s) of the Company
"SUV"	sport utility vehicle

"United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"Unlisted Shares"	Domestic Unlisted Shares and Foreign Unlisted Shares
"USD"	United States dollars, the lawful currency of the United States
"%"	per cent

By order of the Board
Chery Automobile Co., Ltd.
Mr. Yin Tongyue
Chairman of the Board

Hong Kong, 20 August 2026

As at the date of this announcement, the Board comprises Mr. Yin Tongyue and Mr. Zhang Guozhong as executive Directors, Ms. Wang Laichun, Ms. Li Jing, Mr. Wang Jinhua, Mr. Wang Xiaowei, Mr. Bao Siyu, Mr. Yin Xiangling and Mr. Hu Jingyuan as non-executive Directors, Mr. Shang Wenjiang, Mr. Yang Mianzhi, Mr. Ye Shengji, Mr. Lu Feng, Ms. Shi Qin and Mr. Lai Ni Hium, Frank as independent non-executive Directors.