百得利控股有限公司
BetterLife Holding Limited

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)
Stock Code 股份代號: 6909

2026
INTERIM REPORT
中期報告

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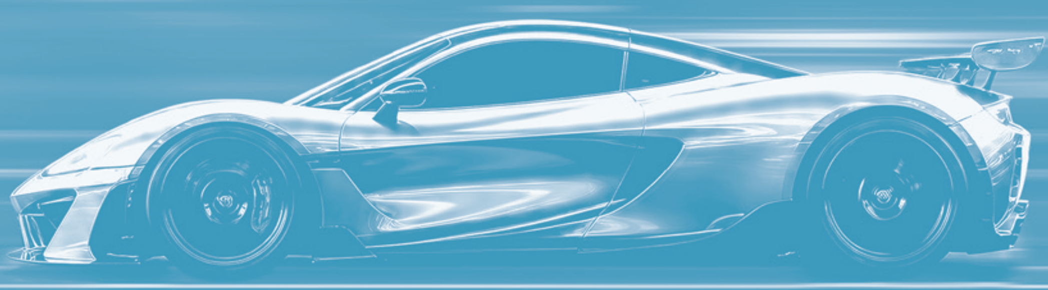


CORPORATE INFORMATION

Board of directors

Executive directors

Mr. Chou Patrick Hsiao-Po (Chairman)
Ms. Sun Jing
Ms. Li Dan
Mr. Xu Tao *(resigned on 1 January 2026)*

Independent non-executive directors

Mr. Liu Dengqing
Mr. Lou Sai Tong
Dr. Chu Fumin

Joint company secretaries

Ms. Tu Jing
Mr. Leung Chi Kit

Authorised representatives

Ms. Sun Jing
Mr. Leung Chi Kit

Audit committee

Mr. Lou Sai Tong (Chairman)
Mr. Liu Dengqing
Dr. Chu Fumin

Remuneration committee

Dr. Chu Fumin (Chairman)
Mr. Chou Patrick Hsiao-Po
Mr. Liu Dengqing

Nomination committee

Mr. Liu Dengqing (Chairman)
Mr. Lou Sai Tong
Ms. Sun Jing

Strategic development committee

Mr. Chou Patrick Hsiao-Po (Chairman)
Ms. Sun Jing
Dr. Chu Fumin

Corporate headquarters

No. 1 Donghuan North Road
Beijing Economic and Technological
Development Area
Beijing
People's Republic of China (the "**PRC**")

Principal place of business in Hong Kong

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

Registered office

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Cayman Islands share registrar and transfer office

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Hong Kong share registrar
Computershare Hong Kong Investor Services Limited
Shops 1712–1716
17th Floor Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

Legal advisors as to Hong Kong law
Morgan, Lewis & Bockius
19th Floor, Edinburgh Tower
The Landmark
15 Queen's Road Central
Hong Kong

Auditor
SHINEWING (HK) CPA Limited
17/F, Chubb Tower
Windsor House
311 Gloucester Road
Causeway Bay
Hong Kong

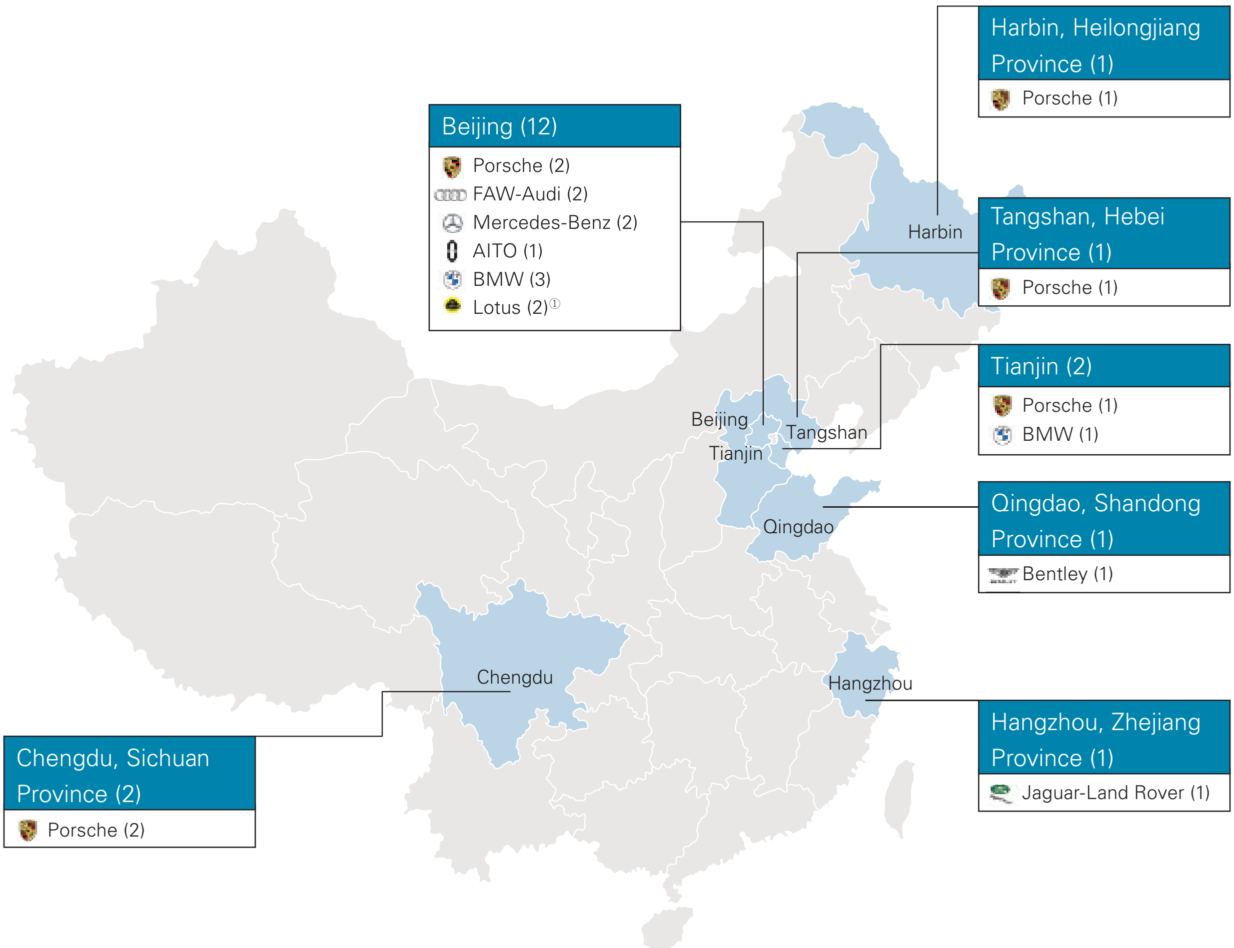
Stock code
06909

Company website
www.blchina.com

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

We, BetterLife Holding Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**" or "**we**" or "**us**"), are an automobile dealership service provider in China focusing on luxury and ultra-luxury brands. As of the date of interim report, we operated 19 4S dealership stores for the brands of Porsche, Mercedes-Benz, BMW, Audi, Bentley, Jaguar-Land Rover, AITO and Lotus and one Lotus showroom across seven provinces and municipalities in China, namely Beijing, Tianjin, Shandong, Sichuan, Zhejiang, Hebei, and Heilongjiang. All of our stores are strategically located near commercial centers in affluent cities in the economically well-developed regions and prime urban destinations in China, including Beijing, Tianjin, Hangzhou, Chengdu, Qingdao, Tangshan and Harbin



*Note: ① One 4S store and one showroom

We offer a comprehensive range of automobile-related products and services, including (i) sale of automobiles consisting of mainly imported and domestically manufactured models; and (ii) after-sales services, which consist of repair and maintenance services, sale of accessories and other automobile-related products, insurance agency services and automobile license plate registration services. We also provide other automobile-related value-added services to customers, such as automobile financing and pre-owned automobile-related business services. We believe that our comprehensive service offerings are key to our success, particularly in the luxury and ultra-luxury automobile market in which customers place more value on comprehensive, professional, and high-quality services. Our services are critical to building long-lasting customer relationships as well as attracting new customers. By continuing to enhance customer satisfaction, we aim to become a one-stop provider of automobile products and services for our customers.

We have implemented standardized and centralized management for our extensive 4S dealership store network across different regions in China. At the Group's level, we have adopted standardized management for our 4S dealership stores, including investment in new stores, pricing, procurement, inventory management, financial management and budgeting. These standardized management processes have resulted in an effective operation model which can be readily replicated to our future 4S dealership stores in new geographic areas. In addition, we have built up an intelligent business platform that covers "user-scenario-data", comprising an online transaction system, an e-commerce platform for automotive sales, a financial sharing platform, an e-HR human resource management platform, and a coupon management system, which integrate data and information relating to our customers and automobile brands and have empowered us to further improve operational efficiency and optimize customer experience, thereby creating a barrier for differentiated competition.

We have been committed to building our own corporate brand since our inception. Our "BetterLife" (百得利) brand was designed with the commitment to encourage people to pursue a better life. Adhering to our customer-oriented philosophy of "Customer for Life" (待客以恒), we are dedicated to providing customized services to satisfy each customer's specific demands. We have established a "butler service model" (管家式服務), where we provide each customer with detailed services in the process of purchasing a new automobile, including the introduction of the brand and performance of the automobiles, selection of automobile models, arranging for test-drives and procuring the relevant financing and insurance products, as well as license plate registration services. In addition, we are dedicated to providing our customers with comprehensive after-sales services, including repairs, maintenance and warranty extension services during the life cycle of their automobiles. This service model has allowed us to increase the frequency of interactions with our customers, maintain uniform service quality across our dealership store network, and create customer loyalty.

In addition, we believe that customer retention is an important criterion in evaluating the management of each of our 4S dealership stores. We have been consistently enhancing customer loyalty by virtue of digital system construction, and our current online sharing platform covers the entire lifecycle of vehicle use, including aforementioned process, establishing an operation system in private domain for BetterLife's premium services and achieving a seamless integration and collaboration of online and offline scenarios. We require our sales and after-sales staff to utilize the information technology systems to serve each customer in a flexible and proactive manner to enhance customers' experience at our 4S dealership stores. We also encourage customers to conduct online service review for our sales and after-sales staff, which allows us to collect feedback and assess the quality of our services in a timely manner. Our highly effective and efficient information technology systems and digital platforms have helped to streamline and significantly enhance our ordering, inventory and logistics management as well as financial and cash management, which, in turn, has enabled us to minimize the costs of maintaining inventory and improve our overall sales performance and customers' satisfaction with our services.

During the six months ended 30 June 2026 (the "**Period**"), the Group has sold 9,229 passenger vehicles in total, representing an increase of approximately 11.1% from 8,307 passenger vehicles sold during the corresponding period in 2025. The revenue generated from the sales of automobiles for the Period amounted to approximately RMB3,028.0 million, representing a decrease of approximately 4.1% over that of the corresponding period in 2025, which accounted for approximately 78.6% of the Group's total revenue. During the Period, the Group's revenue from after-sales services amounted to approximately RMB824.6 million, representing an increase of approximately 26.1% as compared to that of the corresponding period in 2025, which accounted for approximately 21.4% of the Group's total revenue.

Revenue from our top five customers for the Period represented approximately 11.3% of our total revenue, as compared to approximately 8.9% for the corresponding period in 2025. The sales to our largest customer accounted for approximately 4.8% of our total revenue in the Period, as compared to approximately 3.1% for the corresponding period in 2025.

Our top five suppliers are automobile manufacturers that supply new automobiles and spare parts to us. During the Period, purchases from our top five suppliers represented approximately 69.4% of our total purchases compared to approximately 64.4% for the corresponding period in 2025. And the purchases from our largest supplier represented approximately 22.2% of our total purchases for the Period, as compared to approximately 26.1% for the corresponding period in 2025.

The prudent business strategy we have pursued in recent years, including a disciplined approach to dealership network expansion, efficient management of our various inventories, and the maintenance of a conservative capital structure as well as a solid financial position, has rewarded us with a position in the market that is able to weather the challenging economic environment and to capture future growth opportunities. We would continue to manage and to mitigate the risks to our business and aim to capture the opportunities that the automobile dealership sector will offer in the coming years.

Financial Review

Revenue

Our revenue increased by approximately RMB40.0 million, or approximately 1.0%, from approximately RMB3,812.6 million for the corresponding period in 2025 to approximately RMB3,852.6 million for the Period.

Revenue from sales of automobiles decreased by approximately RMB130.8 million, or approximately 4.1%, from approximately RMB3,158.8 million for the corresponding period in 2025 to approximately RMB3,028.0 million for the Period, accounting for approximately 78.6% (first half of 2025: approximately 82.9%) of the total revenue. It was mainly attributable to the decrease in average selling price (the"**ASP**") of new vehicles during the Period.

The Group sold 9,229 units of passenger vehicles for the Period, representing an increase of approximately 11.1% from 8,307 units of passenger vehicles sold during the corresponding period in 2025, and the ASP of vehicles decreased by approximately 13.7% from approximately RMB380,300 for the corresponding period in 2025 to approximately RMB328,100 for the Period. The decrease in ASP during the Period was mainly due to the consumers consumption power adversely affected by macro-economy and weak market sentiment.

Revenue from after-sales services increased by approximately RMB170.8 million, or approximately 26.1%, from approximately RMB653.8 million for the corresponding period in 2025 to approximately RMB824.6 million for the Period, which was mainly attributable to the increase in business volume. During the Period, revenue from after-sales services accounted for approximately 21.4% (first half of 2025: approximately 17.1%) of the total revenue.

Cost of Sales

Cost of sales decreased by approximately 4.3% from approximately RMB3,799.6 million for the corresponding period in 2025 to approximately RMB3,637.3 million for the Period, which was primarily due to the favorable shift in the vehicle model mix.

Gross Profit and Gross Profit Margin

During the Period, the Group recorded gross profits of approximately RMB215.2 million, representing an increase of approximately 1,555.4% from the gross profit of approximately RMB13.0 million for the corresponding period in 2025. Our gross profit margin increased from approximately 0.3% for the corresponding period in 2025 to approximately 5.6% during the Period. It was primarily due to the increase in the revenue from after-sales services.

Other Income, Gains or Losses

Other income, gains or losses decreased by approximately 81.0% from approximately RMB363.6 million for the corresponding period in 2025 to approximately RMB69.2 million during the Period. Other income, gains or losses mainly included commission income from other value-added automobile services, including referring customers who require financing arrangements for purchasing automobiles and pre-owned automobile brokerage services and the gain from disposal of property, plant and equipment which was mainly related to sales of test-drive vehicles, etc. The decrease of other income, gains or losses during the Period was mainly due to the decrease in commission income generated from the other value-added automobile services.

Selling and Distribution Expenses

Our selling and distribution expenses increased by approximately 8.0% from approximately RMB228.3 million for the corresponding period in 2025 to approximately RMB246.5 million during the Period, which was mainly due to the increase in the number of 4S dealership stores. It accounted for approximately 6.4% of the total revenue of the Group and increased slightly from approximately 6.0% for the corresponding period in 2025.

Administrative Expenses

Our administrative expenses increased by approximately 10.6% from approximately RMB105.3 million for the corresponding period in 2025 to approximately RMB116.5 million during the Period. The increase of administrative expenses was mainly due to the increase in depreciation and amortisation expenses during the Period. It accounted for approximately 3.0% of the total revenue and increased slightly from approximately 2.8% for the corresponding period in 2025.

Financial Costs

Our finance costs decreased by approximately 10.1% from approximately RMB29.8 million for the corresponding period in 2025 to approximately RMB26.8 million during the Period, primarily due to the decrease in our bank and other borrowings during the Period. It accounted for approximately 0.7% of the total revenue and decreased slightly from approximately 0.8% for the corresponding period in 2025.

Loss/(profit) before Tax

As a result of the foregoing, loss before tax for the six months ended 30 June 2026 amounted to approximately RMB105.4 million (profit before tax for the six months ended 30 June 2025: approximately RMB13.2 million).

Income Tax Expense

Our income tax expense increased by approximately 33.3% from approximately RMB1.5 million incurred for the corresponding period in 2025 to approximately RMB2.0 million incurred for the Period, primarily due to additional tax assessments and related settlements during the Period.

Loss/(profit) for the Period

As a result of the foregoing, loss for the six months ended 30 June 2026 amounted to approximately RMB107.3 million (profit for the six months ended 30 June 2025: approximately RMB11.6 million). The net profit margin for the Period was approximately -2.8%, comparing to the net profit margin of approximately 0.3% for the corresponding period in 2025.

Loss/(profit) Attributable to Equity Shareholders of the Company

The loss attributable to equity shareholders of the Company for the six months ended 30 June 2026 amounted to approximately RMB101.5 million as a result of the foregoing (the profit attributable to equity shareholders of the Company for the six months ended 30 June 2025: approximately RMB7.1 million).

Inventory Turnover Days

There was an increase in inventory balance of approximately 22.4% from approximately RMB688.6 million as at 31 December 2025 to approximately RMB842.6 million as at 30 June 2026. The Group continued to focus on inventory management and to achieve a healthy liquidity position throughout the Period. The average inventory turnover days as at 30 June 2026 totaled approximately 38.1 days (31 December 2025: approximately 33.5 days).

Liquidity and Financial Resources

The Group's principal sources of working capital included cash inflow from operating activities and bank borrowings. The Group has adopted a prudent treasury policy and had maintained a healthy liquidity position throughout the Period. To manage liquidity risk, the board (the "**Board**") of directors (the "**Directors**") of the Company closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements from time to time. During the Period, the Group has adequate financial resources to meet all contractual obligations and operating requirements.

As at 30 June 2026, the total equity of the Group amounted to approximately RMB2,611.9 million (31 December 2025: approximately RMB2,732.1 million). As at 30 June 2026, the current asset of the Group amounted to approximately RMB2,227.5 million (31 December 2025: approximately RMB2,492.8 million) while current liabilities amounted to approximately RMB1,723.5 million (31 December 2025: approximately RMB1,940.7 million).

As at 30 June 2026, the Group's interest-bearing bank and other borrowings amounted to RMB854.4 million, representing a decrease of approximately 7.9% as compared to RMB927.5 million as at 31 December 2025. The Group's loans and borrowings were denominated in Renminbi. The decrease in the Group's interest-bearing bank and other borrowings during the Period was primarily due to the repayment of the loan and other borrowings, by using cash generated from our operating activities. The annual interest rates of interest-bearing bank and other borrowings ranged from approximately 2.5% to approximately 8.5%. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with a floating interest rate. The Group currently has not used any derivatives to hedge interest rate risk. The debt-to-equity ratio (being the total interest-bearing bank and other borrowings divided by total equity) was approximately 32.7% as at 30 June 2026 (31 December 2025: approximately 33.9%). The Group achieved a net cash inflow from operating activities of approximately RMB237.5 million during the Period (first half of 2025: RMB361.7 million).

As at 30 June 2026, cash and cash equivalents, cash in transit, pledged bank deposits and restricted cash amounted to approximately RMB816.9 million (31 December 2025: approximately RMB909.1 million). The cash and cash equivalents and pledged bank deposits were mainly denominated in Renminbi and Hong Kong Dollars. Apart from part of the cash denominated in Hong Kong Dollars, the Group's business operations in China and major transactions are all denominated in Renminbi. During the Period, the Group did not employ any significant financial instruments such as forward foreign exchange contracts for foreign exchange hedging purposes. The management of the Group will closely monitor foreign exchange risks and will consider measures to hedge potential major foreign exchange risks when necessary.

Capital Commitments

The Group's capital commitments mainly comprised expenditures on property, plant and equipment, intangible assets and business acquisitions. As at 30 June 2026, the capital commitments were approximately RMB1.7 million (31 December 2025: approximately RMB1.1 million). Save as disclosed above, the Group did not make any significant commitments during the six months ended 30 June 2026.

Details of the Future Investment Plans for Material Investment

The Group is planning to further expand its dealership networks. Due to the rapid changing market environment, the Group prefers to maintain flexibilities throughout the expansion process and avoid fixing a capacity target under a pre-determined timeline. The Group has not made any material amount of capital commitments for its expansion which would depend on and be subject to the market conditions and opportunities. We believe this strategy would enable the Group to maximize its advantages from the industry consolidation process.

Capital Expenditures and Investment

The Group's capital expenditures mainly comprised expenditures on property, plant and equipment and business acquisitions. For the six months ended 30 June 2026, the Group's total capital expenditures were approximately RMB52.2 million (six months ended 30 June 2025: approximately RMB699.7 million). Save as disclosed above, the Group did not make any significant investments during the six months ended 30 June 2026.

Contingent Liabilities

As at 30 June 2026, there was no material contingent liability (31 December 2025: nil).

Charges on Group Assets

The Group pledged its group assets as securities for bills payable and interest-bearing bank and other borrowings which were used to finance daily business operation. As of 30 June 2026, certain of our bills payable and interest-bearing bank and other borrowings were secured by (i) mortgages over our inventories, which had an aggregate carrying amount of approximately RMB548.1 million (31 December 2025: approximately RMB430.6 million); (ii) mortgages over the deposits, which had an aggregate carrying amount of approximately RMB245.4 million (31 December 2025: approximately RMB452.7 million), and (iii) mortgages over the properties, which had an aggregate carrying amount of approximately RMB138.6 million (31 December 2025: approximately RMB141.0 million). Save as disclosed above, as at 30 June 2026, no other assets of the Group were pledged.

Human Resources

As of 30 June 2026, the Group had 1,791 (31 December 2025: 1,761) employees. The remuneration of the existing includes basic salaries, discretionary bonus, social security contributions and share-based incentives. Payment levels of the employees are commensurate with their responsibilities, performance and contribution.

Important Events after the Period

The Directors are not aware of any significant event which had material effect on the Group subsequent to 30 June 2026 and up to the date of this interim report.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Directors' and chief executive's interests and short positions in shares, underlying shares and debentures

As at 30 June 2026, the interests and short positions of our directors and chief executives in the shares, underlying shares or debentures of the Company or any of our associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**")), which were required (a) to be notified to the Company and the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as contained in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange ("**Listing Rules**"), were as follows:

Name of Director	Nature of interest	Number of shares interested	Approximate percentage of interest in the issued share capital of the Company
Mr. Chou Patrick Hsiao-Po[1]	Protector and beneficiary of a discretionary trust	450,000,000(L)	72.29%
	Beneficial owner	3,413,000(L)	0.55%
Ms. Sun Jing	Beneficial owner[2]	2,000,000(L)	0.32%
	Beneficiary of a trust (other than a discretionary interest)[3]	2,490,000(L)	0.40%
Ms. Li Dan	Beneficial owner	83,000(L)	0.01%
	Beneficiary of a trust (other than a discretionary interest)[3]	1,600,000(L)	0.26%

Notes:

(1) The 450,000,000 Shares were held by Chou Dynasty Holding Co., Ltd. (the "**Chou Dynasty**"), which was owned by Red Dynasty Investments Limited (the "**Red Dynasty**") as to 100%. Red Dynasty was wholly owned by Greenview Nominees Ltd., which was owned by The Bank of N.T. Butterfield & Son Limited as to 100% as nominee and trustee for Butterfield Trust (Asia) Limited as trustee of the Chou Family Trust since 31 October 2023 (previously the trustee of the Chou Family Trust being Credit Suisse Trust Limited). Therefore, Mr. Chou Patrick Hsiao-Po, in his capacity as the protector and beneficiary of the Chou Family Trust, is deemed to be interested in such Shares under the SFO.

(2) These interests represent options granted to the Director as beneficial owner under the Share Option Scheme (as defined below).

(3) These interests represent awards granted to the selected employees of the Group and to be held by the Trustee (as defined below) pursuant to the terms of the Share Award Scheme (as defined below) on 15 April 2025 subject to fulfilment of certain vesting conditions.

Save as disclosed above, as at 30 June 2026, none of the Directors or chief executive of the Company had or was deemed to have any interests or short position in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which had been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed in this report, at no time throughout the Period was the Company, its holding company, or any of its subsidiaries a party to any arrangements to enable the Directors and chief executive of the Company (including their spouse and children under 18 years of age) to hold any interest or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporations (within the meaning of Part XV of the SFO).

Substantial shareholders' interests and short positions in shares and underlying shares

So far as is known to any Director or chief executive of the Company, as at 30 June 2026, the persons or corporations (other than Director or chief executive of the Company) who had interest or short positions in the Shares and underlying shares of the Company which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Name of Shareholders	Nature of interest	Number of shares interested	Approximate percentage of interest in the issued share capital of the Company
Chou Dynasty	Beneficial owner	450,000,000(L)	72.29%
Red Dynasty[1]	Interest in a controlled corporation	450,000,000(L)	72.29%
Butterfield Trust (Asia) Limited[1]	Trustee	450,000,000(L)	72.29%

Note:

(1) The 450,000,000 Shares were held by Chou Dynasty, which was owned by Red Dynasty as to 100%. Red Dynasty was wholly owned by Greenview Nominees Ltd., which was owned by The Bank of N.T. Butterfield & Son Limited as to 100% as nominee and trustee for Butterfield Trust (Asia) Limited as trustee of the Chou Family Trust since 31 October 2023 (previously the trustee of the Chou Family Trust being Credit Suisse Trust Limited). Therefore, Butterfield Trust (Asia) Limited is deemed to be interested in such Shares held by Chou Dynasty under the SFO.

Save as disclosed above, as at 30 June 2026, the Directors of the Company are not aware of any other person or corporation having an interest or short position in shares and underlying shares of the Company which would require to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

Changes in Directors' or Chief Executives' Information

The Company is not aware of any changes in the Directors' or chief executives' information subsequent to the date of the 2025 annual report which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Purchase, Sale or Redemption of Listed Securities of the Company

During the Period, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares, if any). As of 30 June 2026, the Company did not hold any treasury shares.

Significant Investments Held

The Group did not hold any significant investment in equity interest in any company during the Period.

Material Acquisitions and Disposals of Subsidiaries and Affiliated Companies

During the Period, the Company did not acquire and/or dispose any of its subsidiaries, associates, interests in joint ventures or affiliated companies.

Corporate Governance Code

During the Period, the Company has complied with all code provisions of the Corporate Governance Code as set out in part 2 of Appendix C1 to the Listing Rules.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code of conduct governing Directors' securities transactions. The Company confirms that, having made specific enquiries of all the Directors, each of them has complied with the required standard as set out in the Model Code during the Period and up to the date of this report.

Audit Committee and Review of Interim Results

The Company has established an audit committee (the "**Audit Committee**") with written terms of reference in accordance with Rule 3.21 of the Listing Rules and the Corporate Governance Code as set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to make recommendation to the Board on the appointment and removal of external auditor, and to assist the Board in fulfilling its oversight responsibilities in relation to the Group's financial reporting, internal control structure, risk management processes and external audit functions, and corporate governance responsibilities. The Audit Committee consists of three members, being Mr. Lou Sai Tong, Mr. Liu Dengqing, and Dr. Chu Fumin, with Mr. Lou Sai Tong being the chairman of the Audit Committee.

An Audit Committee meeting was held on 31 August 2026 and the Audit Committee has reviewed the unaudited interim financial report for the six months ended 30 June 2026.

Interim Dividend

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

Share Schemes

Share Option Scheme

A share option scheme (the "**Share Option Scheme**") was conditionally approved by a written resolution of the shareholder on 17 June 2021 and adopted by a resolution of the Board on 17 June 2021. The terms of the Share Option Scheme are in compliance with the provisions of Chapter 17 of the Listing Rules. Details of the Share Option Scheme are set out in "Appendix IV — Statutory and General Information" of the Prospectus.

The purpose of the Share Option Scheme was to motivate eligible persons to optimize their future contributions to the Group and/or reward them for their past contributions, attracting and retaining or otherwise maintaining on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group.

The Board may, at its absolute discretion, offer options to subscribe for such number of Shares in accordance with the terms set out in the Share Option Scheme to (a) any executive director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in any member of the Group, any proposed employee, any full-time or part-time employee, or a person for the time being seconded to work full-time or part-time for any member of the Group; (b) a director or proposed director (including an independent non-executive director) of any member of the Group; (c) a direct or indirect shareholder of any member of the Group; (d) a supplier of goods or services to any member of the Group; (e) a customer, consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of the Group; (f) a person or entity that provides design, research, development or other support or any advisory, consultancy, professional or other services to any member of the Group; and (g) an associate of any of the persons referred to in paragraphs (a) to (f) above (the person referred above are the "**eligible persons**"). Pursuant to the amendments to Listing Rules with effect from 1 January 2023, the eligible persons under the Share Option Scheme is subject to Rule 17.03A of the Listing Rules.

Upon adoption, the maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the Shares in issued as at the Listing Date, that is, 60,000,000 Shares, being the total number of Share available for issue under the Share Option Scheme, representing approximately 9.64% of the total issued Shares (excluding any treasury shares) as of the date of this report.

No option may be granted to any participant of the Share Option Scheme such that the total number of shares issued and to be issued upon exercise of the options granted and to be granted to that person in any 12-month period up to the date of the latest grant exceeds 1% of the Company's issued share capital from time to time.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as determined by the Board and not exceeding 10 years from the date of the grant. There is no minimum period for which an option must be held before it can be exercised. Participants of the Share Option Scheme are required to pay the Company HK$1.0 upon acceptance of the grant on or before the 28 days after the offer date.

The exercise price of the options is determined by the Board in its absolute discretion and shall not be less than whichever is the highest of:

(a) the nominal value of a Share;

(b) the closing price of a Share as stated in the Stock Exchange's daily quotations sheets on the offer date; and

(c) the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the offer date.

The Share Option Scheme shall be valid and effective for a period of 10 years from 15 July 2021 to 16 June 2031, after which no further options will be granted or offered. As such, the remaining life of the Share Option Scheme is approximately 4 years and 9 months as at the date of this report.

On 1 September 2021, the Company granted a total of 9,800,000 share options under the Share Option Scheme to a total of four grantees (including three directors and one senior management at the relevant time). The closing price of the Shares on 31 August 2021, being the trading date immediately before the date on which such share options were granted, was HK$8.260 per Share.

As at the date of this report, the Company had 3,000,000 share options granted and remained outstanding under the Share Option Scheme, which represented approximately 0.48% of the Shares in issue (excluding any treasury shares) as at the date of this report. As the maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme shall not in aggregate exceed 60,000,000 Shares, as of 30 June 2026, additional share options in respect of a total of 50,200,000 Shares, representing approximately 8.06% of the total issued Shares (excluding any treasury shares) at the beginning and the end of the Period, could be further granted under the Share Option Scheme. The number of Shares that may be issued in respect of options granted under all schemes of the Company during the Period divided by the weighted average number of Shares in issue (excluding any treasury shares) for the Period equals to approximately 0.48%.

Details of the outstanding options to subscribe for shares pursuant to the Share Option Scheme and the movement during the six months ended 30 June 2026 are set out below:

Grantee	Date of Grant	Exercise price per Share	Balance as at 1 January 2026	Granted during the Period	Exercised during the Period	Lapsed during the Period	Cancelled during the Period	Balance as at 30 June 2026
Director								
Ms. Sun Jing	1 September 2021	HK$8.264	2,000,000	—	—	—	—	2,000,000
Employee of the Group	1 September 2021	HK$8.264	1,000,000	—	—	—	—	1,000,000
			3,000,000	—	—	—	—	3,000,000

Note:

(1) Share options granted under the Share Option Scheme on 1 September 2021 shall vest in the relevant grantee in accordance with the timetable below with a 10-year exercise period (for the purpose, the date or each such date on which the share options are to vest being hereinafter referred to as a "**Vesting Date**"):

Vesting Date	Percentage of Share Options to vest
31 August 2022	25% of the total number of Share Options granted
31 August 2023	25% of the total number of Share Options granted
31 August 2024	25% of the total number of Share Options granted
31 August 2025	25% of the total number of Share Options granted

During the Period, no options granted under the Share Option Scheme were cancelled, lapsed or exercised. Further details of the Share Option Scheme are set out in note 20 to the financial statements.

Share Award Scheme

A share award scheme (the "**Share Award Scheme**") was adopted by the Board on 28 August 2024 in order to recognise and acknowledge the contributions which the eligible participants (the "**Eligible Participants**") have made or may make to the Group and to give incentives thereto in order to retain and motivate them for the continual operation and development of the Group. The Share Award Scheme is funded by existing Shares and does not involve any grant by the Company of new Shares or options over new Shares.

Pursuant to the rules of the Share Award Scheme, the Board may from time to time cause sufficient funds to be paid to the trustee of the Share Award Scheme (the "**Trustee**", being independent of and not connected with the Company) for purchase of Shares on the Stock Exchange. Once purchased, the Shares are to be held by the Trustee for the benefit of the grantees or the Eligible Participants (as applicable). Upon vesting, the Trustee shall cause the awarded Shares to be transferred to grantees on the vesting date, or as soon as practicable after the vesting date. All Shares (including any returned Shares) shall be held by the Trustee for the benefit of the grantees or the Eligible Participants (as applicable) under the relevant trust on and subject to the terms and conditions of the Share Award Scheme and the related trust deed.

The Board may, at its absolute discretion and in accordance with the scheme rules, the Listing Rules and all applicable laws, to grant an award ("**Award**") to any Eligible Participant who shall be any director or employee of the Group.

Upon adoption, the maximum number of Awards which may be granted under the Share Award Scheme shall not in aggregate exceed 5% of the Shares in issued as at the date of adoption of the Share Award Scheme, being 31,125,000 Shares, representing 5% of the total issued Shares (excluding any treasury shares) as of the date of this report.

No Award shall be granted to any independent non-executive Director such that the aggregate interest of the independent non-executive Director in the Company reaches 1% or above of the Shares in issue. No Award shall be granted to any connected person of the Company such that the aggregate interest of the connected persons in the scheme reaches 30% or above, and such grant shall be subject to all the applicable requirements under the Listing Rules.

Subject to and in accordance with the scheme rules, the Listing Rules and all applicable laws, the Board shall be entitled to grant an Award to any Eligible Participant (i) at such amount and time payable on acceptance of the Award; (ii) at such grant fee of the Awarded Shares to be payable by the Eligible Participant; (iii) in such number of Awarded Shares; and (iv) on and subject to such terms and conditions, as the Board may in its absolute discretion select. There is no minimum period for the vesting of any Award.

The Share Award Scheme shall be valid and effective for a period of 10 years from 28 August 2024 to 27 August 2034, after which period no further Awards may be granted, but the Scheme Rules shall remain in full force and effect in all other respects. As such, the remaining life of the Share Award Scheme is approximately 8 years as at the date of this report.

Details of the movements of the Awards granted during the Period pursuant to the Share Awards Scheme are set out below:

Grantee	Date of grant	Purchase price (HKD)	Vesting period	Unvested Awards as at 31 December 2025	Awards granted during the Period	Awards vested during the Period	Awards cancelled during the Period	Awards lapsed/ forfeited during the Period	Unvested Awards as at 30 June 2026	Fair value of awards at the date of grant (HKD)
Directors										
Ms. Sun Jing	15 April 2025[1]	—	15 April 2025– 15 April 2029	2,490,000	—	435,750	—	—	2,054,250	0.57
Ms. Li Dan	15 April 2025[1]	—	15 April 2025– 15 April 2029	1,600,000	—	280,000	—	—	1,320,000	0.57
Employees of the Group who are management at Group level	15 April 2025[1]	—	15 April 2025– 15 April 2029	7,272,000	—	1,272,600	—	—	5,999,400	0.57
Other employee	15 April 2025[1]	—	15 April 2025– 15 April 2029	3,600,000	—	720,000	—	720,000	2,160,000	0.57
				14,962,000	—	2,708,350	—	720,000	11,533,650	

Note:

(1) The weighted average closing price of the Shares immediately before the date of grant was HK$0.572 per Share.

As at 1 January 2026, the number of Shares available for grant under the Share Award Scheme was 16,163,000 Shares (representing approximately 2.60% of the issued share capital as at 1 January 2026). As at 30 June 2026, the number of Shares available for grant under the Share Award Scheme was 16,163,000 Shares (representing approximately 2.60% of the issued share capital as at 30 June 2026).

During the Period, 720,000 Shares were lapsed/forfeited (six months ended 30 June 2025: nil). Further details of the Share Award Scheme are set out in note 20 to the financial statements.

Public Float

During the Period and as at the date of this report, the Company had maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the Directors.

By order of the Board
Chou Patrick Hsiao-Po
Chairman and executive Director

Beijing, the PRC, 31 August 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026 — unaudited
(Expressed in RMB'000)

	Notes	Six months ended 30 June 2026	2025
Revenue	4	**3,852,572**	3,812,566
Cost of sales		**(3,637,348)**	(3,799,606)
Gross profit		**215,224**	12,960
Other income, gains or losses	5	**69,176**	363,583
Selling and distribution expenses		**(246,535)**	(228,278)
Administrative expenses		**(116,470)**	(105,290)
Operating (loss)/profit		**(78,605)**	42,975
Finance costs	6(a)	**(26,758)**	(29,809)
(Loss)/profit before tax	6	**(105,363)**	13,166
Income tax	7	**(1,978)**	(1,539)
(Loss)/profit for the period		**(107,341)**	11,627
Attributable to:			
Equity shareholders of the Company		**(101,526)**	7,132
Non-controlling interests		**(5,815)**	4,495
(Loss)/profit for the period		**(107,341)**	11,627
(Loss)/earnings per share	8		
Basic and diluted (loss)/earnings per share (RMB)		**(0.17)**	0.01

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026 — unaudited
(Expressed in RMB'000)

	Six months ended 30 June	
	2026	2025
(Loss)/profit for the period	**(107,341)**	11,627
Other comprehensive (expense)/income for the period (after tax):		
Items that will not be reclassified to profit or loss:		
Exchange differences on translation of financial statements of the Company	**(40,511)**	(9,933)
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of overseas subsidiaries	**38,751**	8,870
Other comprehensive expense for the period	**(1,760)**	(1,063)
Total comprehensive (expense)/income for the period	**(109,101)**	10,564
Attributable to:		
Equity shareholders of the Company	**(103,286)**	6,069
Non-controlling interests	**(5,815)**	4,495
Total comprehensive (expense)/income for the period	**(109,101)**	10,564

The Notes on pages 27 to 42 form part of this interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026 — unaudited
(Expressed in RMB'000)

	Notes	At 30 June 2026	At 31 December 2025
Non-current assets			
Property, plant and equipment	9	**657,528**	684,529
Investment properties		**86,526**	89,436
Right-of-use assets	10	**934,161**	983,585
Intangible assets	11	**821,813**	842,082
Goodwill	12	**380,374**	380,374
Deferred tax assets		**62,726**	45,620
		2,943,128	3,025,626
Current assets			
Inventories	13	**842,586**	688,603
Trade receivables	14	**96,618**	116,497
Amounts due from related parties	23(d)	**11,969**	13,249
Prepayments, other receivables and other assets	15	**459,488**	765,295
Pledged bank deposits	16	**245,396**	452,650
Cash in transit		**18,851**	14,245
Restricted cash	17	**2,801**	2,776
Cash and cash equivalents	17	**549,802**	439,461
		2,227,511	2,492,776
Current liabilities			
Trade and bills payables	19	**789,958**	848,468
Amounts due to related parties	23(d)	**556**	457
Other payables and accruals		**99,620**	132,562
Contract liabilities		**191,374**	260,392
Interest-bearing bank and other borrowings	18	**579,385**	627,452
Lease liabilities		**7,798**	10,949
Income tax payables		**54,764**	60,405
		1,723,455	1,940,685
Net current assets		**504,056**	552,091
Total assets less current liabilities		**3,447,184**	3,577,717

Consolidated Statement of Financial Position

At 30 June 2026 — unaudited
(Expressed in RMB'000)

	Notes	At 30 June 2026	At 31 December 2025
Non-current liabilities			
Interest-bearing bank and other borrowings	18	**275,000**	300,000
Amounts due to related parties	23(d)	**33,448**	24,814
Contract liabilities		**118,052**	100,755
Lease liabilities		**232,756**	241,919
Deferred tax liabilities		**176,021**	178,166
		835,277	845,654
NET ASSETS		**2,611,907**	2,732,063
CAPITAL AND RESERVES			
Share capital	21(b)	**5,180**	5,180
Reserves		**2,489,733**	2,604,074
Total equity attributable to equity shareholders of the Company		**2,494,913**	2,609,254
Non-controlling interests		**116,994**	122,809
TOTAL EQUITY		**2,611,907**	2,732,063

Approved and authorised for issue by the board of directors on 31 August 2026 and are signed on its behalf by:

Chou Patrick Hsiao-Po
Executive Director

Li Dan
Executive Director

The Notes on pages 27 to 42 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026 — unaudited
(Expressed in RMB'000)

	Attributable to shareholders of the Company								Non-controlling interests	Total equity
	Share capital	Share premium	Shares held under Share Option Scheme	Share option reserve	Capital reserve	Retained profits	Exchange reserve	Sub-total		
Balance at 1 January 2025	5,180	407,540	(5,257)	20,377	386,051	1,808,843	(1,391)	2,621,343	117,667	2,739,010
Changes in equity for the six months ended 30 June 2025:										
Profit for the period	—	—	—	—	—	7,132	—	7,132	4,495	11,627
Other comprehensive expense for the period	—	—	—	—	—	—	(1,063)	(1,063)	—	(1,063)
Total comprehensive income/(expense) for the period	—	—	—	—	—	7,132	(1,063)	6,069	4,495	10,564
Dividends recognised as distribution (Note 21(a)(i))	—	(12,326)	—	—	—	—	—	(12,326)	—	(12,326)
Repurchase of shares	—	—	(4,659)	—	—	—	—	(4,659)	—	(4,659)
Equity settled share-based transactions	—	—	—	1,101	—	—	—	1,101	—	1,101
Balance at 30 June 2025 and 1 July 2025	5,180	395,214	(9,916)	21,478	386,051	1,815,975	(2,454)	2,611,528	122,162	2,733,690
Changes in equity for the six months ended 31 December 2025:										
(Loss)/profit for the period	—	—	—	—	—	(4,004)	—	(4,004)	647	(3,357)
Other comprehensive expense for the period	—	—	—	—	—	—	(187)	(187)	—	(187)
Total comprehensive (expense)/income for the period	—	—	—	—	—	(4,004)	(187)	(4,191)	647	(3,544)
Repurchase of shares	—	—	(23)	—	—	—	—	(23)	—	(23)
Equity settled share-based transactions	—	—	—	1,940	—	—	—	1,940	—	1,940
Balance at 31 December 2025	5,180	395,214	(9,939)	23,418	386,051	1,811,971	(2,641)	2,609,254	122,809	2,732,063

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026 — unaudited
(Expressed in RMB'000)

	Attributable to shareholders of the Company									
	Share capital	Share premium	Shares held under Share Option Scheme	Share option reserve	Capital reserve	Retained profits	Exchange reserve	Sub-total	Non-controlling interests	Total equity
Balance at 1 January 2026	5,180	395,214	(9,939)	23,418	386,051	1,811,971	(2,641)	2,609,254	122,809	2,732,063
Changes in equity for the six months ended 30 June 2026:										
Loss for the period	–	–	–	–	–	(101,526)	–	(101,526)	(5,815)	(107,341)
Other comprehensive expense for the period	–	–	–	–	–	–	(1,760)	(1,760)	–	(1,760)
Total comprehensive expense for the period	–	–	–	–	–	(101,526)	(1,760)	(103,286)	(5,815)	(109,101)
Equity settled share-based transactions (Note 20)	–	–	–	1,577	–	–	–	1,577	–	1,577
Dividends recognised as distribution (Note 21(a)(i))	–	(12,215)	–	–	–	–	–	(12,215)	–	(12,215)
Repurchase of shares	–	–	(417)	–	–	–	–	(417)	–	(417)
Balance at 30 June 2026	5,180	382,999	(10,356)	24,995	386,051	1,710,445	(4,401)	2,494,913	116,994	2,611,907

The Notes on pages 27 to 42 form part of this interim financial report.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2026 — unaudited
(Expressed in RMB'000)

	Six months ended 30 June	
	2026	2025
Operating activities		
Cash generated from operations	**264,343**	363,990
Tax paid	**(26,870)**	(2,306)
Net cash generated from operating activities	**237,473**	361,684
Investing activities		
Proceeds from disposal of property, plant and equipment	**41,088**	44,817
Acquisition of items of property, plant and equipment	**(52,193)**	(234,581)
Acquisition of items of intangible assets	**—**	(465,118)
Net cash used in investing activities	**(11,105)**	(654,882)

Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2026 — unaudited
(Expressed in RMB'000)

	Note	Six months ended 30 June 2026	2025
Financing activities			
Proceeds from bank and other borrowings		**1,442,016**	1,346,057
Repayment of bank and other borrowings		**(1,514,861)**	(936,842)
Interest paid		**(17,069)**	(20,960)
Dividends paid to equity shareholders of the company		**(12,215)**	(12,326)
Proceeds from sale and lease-back transactions		**12,835**	12,615
Payment of sale and lease-back transactions		**(4,996)**	(8,747)
Capital element of lease rentals paid		**(11,203)**	(15,332)
Interest element of lease rentals paid		**(9,031)**	(8,404)
Payment on purchase of shares		**(417)**	(4,659)
Net cash (used in) generated from financing activities		**(114,941)**	351,402
Net increase in cash and cash equivalents		**111,427**	58,204
Cash and cash equivalents at 1 January		**439,461**	450,605
Effect of foreign exchange rate changes		**(1,086)**	(261)
Cash and cash equivalents at 30 June	17	**549,802**	508,548

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

1 General information

BetterLife Holding Limited (the "Company") was incorporated in the Cayman Islands on 18 May 2018 as an exempted company with limited liability under the Companies Act of the Cayman Islands. Its registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company and its subsidiaries (collectively, the "Group") are principally engaged in the 4S dealership business in the People's Republic of China (the "PRC").

The Company's shares were listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 15 July 2021.

2 Basis of preparation

(a) Statement of compliance

The interim consolidated financial statements have been prepared in accordance with all applicable IFRS Accounting Standards, which includes all applicable individual IFRS Accounting Standards, International Accounting Standards ("IASs") and Interpretations issued by the International Accounting Standards Board ("IASB"). The interim consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

The IASB has issued certain amendments to IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period and are reflected in the interim consolidated financial statements.

(b) Basis of preparation of the financial statements

The interim consolidated financial statements for the six months ended 30 June 2026 are presented in Renminbi ("RMB") which is the Group's presentation currency, rounded to the nearest thousand, except for earnings per share information.

The measurement basis used in the preparation of the financial statements is the historical cost basis, except the assets that are stated at fair value.

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3 Application of Amendments to IFRS Accounting Standards

In the Period, the Group has applied, for the first time, the following amendments to IFRS Accounting Standards issued by IASB which are effective for the current accounting period.

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

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

Impacts on application of Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments

The amendments clarify the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the "settlement date" and an accounting policy choice is introduced to derecognise financial liabilities settled using an electronic payment system before the settlement date, if specific conditions are met. The amendments include additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed. Furthermore, the description of the term "non-recourse" is enhanced and the characteristics of "contractually linked instruments" are clarified in the amendments. The amendments specify new or amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The application of the amendments in the current period had no material impact on these interim consolidated financial statements.

Impacts on application of Amendments to IFRS Accounting Standards Annual Improvements to IFRS Accounting Standards — Volume 11

The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows. The application of the amendments in the current period had no material impact on these interim consolidated financial statements.

4 Revenue and segment reporting

The Group is mainly engaged in sales of passenger motor vehicles and provision of after-sales services. For management purposes, the Group operates in one business unit based on its products, services and locations, and has one reportable operating segment which is the sales of passenger motor vehicles and the provision of related services in the PRC.

Disaggregation of revenue from contracts with customers by major products or service lines, geographical location of customers and timing of revenue recognition is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Sales of passenger motor vehicles	**3,027,968**	3,158,820
Provision of after-sales services	**824,604**	653,746
	3,852,572	3,812,566
Disaggregated by geographical location of customers		
Mainland China	**3,852,572**	3,812,566
Disaggregated by timing of revenue recognition		
Point in time	**3,852,572**	3,812,566

5 Other income, gains or losses

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Interest income	**876**	2,320
Commission income	**46,116**	312,256
Rental income	**1,313**	273
Government grants	**372**	139
Gain on disposal of items of property, plant and equipment	**989**	7,905
Others	**19,510**	40,690
	69,176	363,583

6 Loss/profit before taxation

Loss/profit before taxation is arrived at after charging:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
(a) Finance costs:		
Interest on bank and other borrowings	**16,847**	21,167
Interest on lease liabilities	**9,031**	8,404
Interest on sale and lease-back liabilities	**880**	238
	26,758	29,809

		Six months ended 30 June	
	Note	**2026**	2025
		RMB'000	RMB'000
(b) Staff costs:			
Salaries, wages and other benefits		**153,574**	144,038
Contributions to defined contribution retirement plans	(i)	**21,446**	19,108
Equity settled share-based transactions (Note 20)		**1,577**	1,101
		176,597	164,247

(i) Employees of the Group's PRC subsidiaries are required to participate in defined contribution retirement schemes administered and operated by the local municipal governments where the subsidiaries are registered. The Group's PRC subsidiaries contribute funds which are calculated on certain percentages of the average employee salary as agreed by the respective local municipal government to the schemes to fund the retirement benefits of the employees. The Group remits all pension fund contributions to the respective tax bureau, which are responsible for the payment and liabilities relating to the pension funds.

The Group also operates a Mandatory Provident Fund Scheme (the "MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees'relevant income, subject to a cap of monthly relevant income of HK$30,000. Contributions to the plan vest immediately.

The Company's and its subsidiaries' contributions made to the above defined contribution schemes are non-refundable and cannot be used to reduce the future or existing level of contribution of the Company and its subsidiaries should any forfeiture be resulted from the schemes.

The Group has no other material obligation for the payment of retirement benefits other than the contributions described above.

6 Loss/profit before taxation (continued)

Loss/profit before taxation is arrived at after charging: (continued)

	Six months ended 30 June 2026 RMB'000	2025 RMB'000
(c) Other items:		
Cost of inventories (Note 13(b))	**3,577,770**	3,761,486
Depreciation		
— Property, plant and equipment	**39,502**	42,687
— Right-of-use assets	**48,449**	37,481
— Investment properties	**2,910**	3,140
Amortisation of intangible assets	**19,726**	19,177
Expense relating to short-term leases	**4,535**	3,472
Auditors' remuneration		
— Audit services	**—**	—
— Other services	**—**	1,500

7 Income tax

	Six months ended 30 June 2026 RMB'000	2025 RMB'000
Current tax:		
The PRC	**21,216**	17,808
Deferred tax:		
Current period	**(19,238)**	(16,269)
	1,978	1,539

(i) The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act of the Cayman Islands and accordingly is not subject to income tax.

(ii) No provision for Hong Kong Profits Tax was made for the Group's subsidiaries located in Hong Kong as the subsidiaries did not have assessable profits subject to Hong Kong Profits Tax during the Period.

(iii) The PRC subsidiaries of the Group are subject to the PRC Corporate Income Tax rate of 25%, except for Hainan Liya Holding Co., Ltd. ("Hainan Liya"). Hainan Liya was incorporated in Hainan for automobile accessories business and was granted a preferential rate of 15% for Hainan Free Trade Port from 2022.

Taxation for the Group's PRC subsidiaries is calculated using the estimated annual effective rates of taxation that are expected to be applicable.

8 (Loss)/earnings per share

The calculation of basic loss per share for the six months ended 30 June 2026 was based on the loss attributable to equity shareholders of the Company of RMB101,526,000 (six months ended 30 June 2025: basic earnings per share was based on the profit attributable to equity shareholders of RMB7,132,000), and the weighted average number of ordinary shares in issue during the six months ended 30 June 2026 of 610,179,901 (six months ended 30 June 2025: 611,524,729).

No adjustment has been made to the basic (loss)/earnings per share amount presented for the six months ended 30 June 2026 and 2025 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic (loss)/earnings per share amounts presented.

9 Property, plant and equipment

During the six months ended 30 June 2026, the Group acquired property, plant and equipment with original costs of RMB52,193,000 in aggregate (six months ended 30 June 2025: RMB243,027,000). Items of property, plant and equipment with a net book value of RMB39,692,000 were disposed of during the six months ended 30 June 2026 (six months ended 30 June 2025: RMB49,425,000), resulting in net gain on disposal of RMB989,000 (six months ended 30 June 2025: RMB7,905,000).

10 Right-of-use assets

Additions to the right-of-use assets for the six months ended 30 June 2026 amounted to RMB521,000 (six months ended 30 June 2025: RMB516,899,000) due to new leases of building.

11 Intangible assets

	Office software RMB'000	Car Dealerships RMB'000	Total RMB'000
Cost:			
At 1 January 2025	55,734	998,259	1,053,993
Additions	3,473	69,601	73,074
Disposals	(2,200)	—	(2,200)
At 31 December 2025 and 1 January 2026	**57,007**	**1,067,860**	**1,124,867**
Disposals	**(543)**	**—**	**(543)**
At 30 June 2026	**56,464**	**1,067,860**	**1,124,324**
Accumulated amortisation:			
At 1 January 2025	(30,000)	(213,436)	(243,436)
Charge for the year	(5,107)	(34,242)	(39,349)
At 31 December 2025 and 1 January 2026	**(35,107)**	**(247,678)**	**(282,785)**
Charge for the period	**(1,928)**	**(17,798)**	**(19,726)**
At 30 June 2026	**(37,035)**	**(265,476)**	**(302,511)**
Net book value:			
At 30 June 2026	**19,429**	**802,384**	**821,813**
At 31 December 2025	21,900	820,182	842,082

11 Intangible assets (continued)

The car dealerships arise from business combinations and relate to relationships with automakers, with an estimated useful life of 30 years. The fair value of the car dealerships as at the respective acquisition date was determined by using the multiple excess earning method.

The amortisation charge for the Period is included in administrative expenses and selling and distribution expenses in the consolidated statement of profit or loss.

12 Goodwill

	RMB'000
Cost:	
At 1 January 2025	1,019,975
Additions	12,430
At 31 December 2025 and 30 June 2026	1,032,405
Accumulated impairment losses:	
At 1 January 2025, 31 December 2025 and 30 June 2026	(652,031)
Carrying amount:	
At 31 December 2025 and 30 June 2026	**380,374**

13 Inventories

a) Inventories in the consolidated statement of financial position comprise:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Motor vehicles	**783,490**	626,925
Spare parts and accessories	**78,838**	77,571
	862,328	704,496
Less: Provision for inventories	**(19,742)**	(15,893)
	842,586	688,603

Inventories with a carrying amount of RMB166,829,000 were pledged as security for bank loans and other borrowings as at 30 June 2026 (31 December 2025: RMB178,310,000) (Note 18).

Inventories with a carrying amount of RMB381,255,000 were pledged as security for bills payable as at 30 June 2026 (31 December 2025: RMB252,326,000) (Note 19).

13 Inventories (continued)

b) The analysis of the amount of inventories recognized as an expense and included in profit or loss is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Carrying amount of inventories sold	**3,581,619**	3,759,949
(Reversal of) write-down of inventories	**(3,849)**	1,537
	3,577,770	3,761,486

14 Trade receivables

As at the end of the Period, the ageing analysis of trade receivables, based on the invoice date (or date of revenue recognition, if earlier), is as follows:

	At 30 June	At 31 December
	2026	2025
	RMB'000	RMB'000
Within 3 months	**74,699**	87,170
3 to 6 months	**1,310**	4,038
6 months to 1 year	**623**	16,640
Over 1 year	**19,986**	8,649
	96,618	116,497

The Group allows an average credit period of three months to its customers. Management has a credit policy in place and the exposure to these credit risks are monitored on an ongoing basis. The Group assessed the expected credit loss for trade receivables as insignificant and thus no loss allowance is recognised as at 30 June 2026 and 31 December 2025.

15 Prepayments, other receivables and other assets

	At 30 June	At 31 December
	2026	2025
	RMB'000	RMB'000
Prepayments	**114,321**	127,852
Other receivables	**151,020**	177,141
Rebate receivables	**204,951**	465,147
Value-added tax recoverable	**25,658**	31,617
	495,950	801,757
Less: Impairment allowance of other receivables	**(36,462)**	(36,462)
	459,488	765,295

16 Pledged bank deposits

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Pledged guarantee deposits in respect of:		
Bills payable and bank loans	**245,396**	452,650

The bank deposits pledged for bills payables and bank loans will be released upon the settlement of relevant bills payables and bank loans.

17 Cash and cash equivalents and restricted cash

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Cash at banks and on hand	**549,802**	439,461
Restricted cash	**2,801**	2,776
	552,603	442,237
Less: Restricted cash	**(2,801)**	(2,776)
Cash and cash equivalents in the consolidated statement of financial position	**549,082**	439,461

18 Interest-bearing bank and other borrowings

The analysis of the carrying amount of Interest-bearing bank and other borrowings is as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Bank loans		
— unsecured	**281,842**	320,844
— secured	**325,000**	337,500
	606,842	658,344
Other borrowings — supplier financing arrangement — secured	**247,543**	269,108
Total	**854,385**	927,452

18 Interest-bearing bank and other borrowings (continued)

The carrying amounts of the above borrowings are analysed based on contractual repayment date as follows:

Carrying amount repayable:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
On demand or within one year	579,385	627,452
After one year but within two years	50,000	50,000
After two years but within five years	150,000	150,000
After five years	75,000	100,000
	854,385	927,452
Portion classified as current liabilities	(579,385)	(627,452)
Non-current portion	275,000	300,000

Certain of the Group's bank loans and other borrowings are secured by pledges over the Group's inventories, which had a carrying amount of RMB166,829,000 as at 30 June 2026 (31 December 2025: RMB178,310,000) (Note 13) and over the properties, which had an aggregate carrying amount of approximately RMB138,611,000 (31 December 2025: RMB140,965,000).

19 Trade and bills payables

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Trade payables	75,296	86,345
Bills payable	714,662	762,123
	789,958	848,468

As at the end of the Period, the ageing analysis of trade and bills payables, based on the invoice date, is as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Within 3 months	779,970	774,008
Over 3 months but within 6 months	9,145	72,691
Over 6 months but within 12 months	40	307
Over 1 year	803	1,462
Trade and bills payables	789,958	848,468

Bills payables were secured by inventories with a carrying amount of RMB381,255,000 as at 30 June 2026 (31 December 2025: RMB252,326,000) (Note 13) and pledged bank deposits with a carrying amount of RMB245,396,000 as at 30 June 2026 (31 December 2025: RMB452,650,000) (Note 16).

20 Equity settled share-based transactions

Pursuant to the share option scheme ("Share Option Scheme") effective on 17 June 2021, 9,800,000 share options of the Company were approved for granting to core employees of the Group on 1 September 2021 (the "Grant Date"). The exercise price of the share option granted is HK$8.264 per share, as determined based on the average Stock Exchange closing price of the Company's shares for the five business days immediately preceding the offer date.

Pursuant to the share award scheme ("Share Award Scheme") effective on 28 August 2024, 14,962,000 share awards of the Company were approved for granting to core employees of the Group on 15 April 2025 (the "Grant Date"). The exercise price of the share award granted is HK$0.572 per share, as determined based on the average Stock Exchange closing price of the Company's shares on the Grant Date.

The share options/awards are subject to various lock-up period of 1 year, 2 years, 3 years and 4 years, respectively, immediately from the Grant Date. During the lock-up period, these shares are not transferrable, nor subject to any guarantee or indemnity.

Subject to fulfilment of all vesting conditions under the Share Option Scheme and the Share Award Scheme, the restriction over the share options/awards will be removed after the expiry of the corresponding lock-up period for each tranche and the participants will be fully entitled to these incentive share options/awards. If the vesting conditions are not fulfilled and hence the share options/awards cannot be unlocked, all the unvested or outstanding share options/awards not yet vested shall be immediately forfeited.

(a) The terms and conditions of the grants are as follows:

	Number of instruments	Vesting conditions	Contractual life of options/ awards
Options/awards granted:			
— on 1 September 2021	2,450,000	One year from the date of grant	10 years
— on 1 September 2021	2,450,000	Two years from the date of grant	10 years
— on 1 September 2021	2,450,000	Three years from the date of grant	10 years
— on 1 September 2021	2,450,000	Four years from the date of grant	10 years
— on 15 April 2025	2,888,350	One year from the date of grant	4 years
— on 15 April 2025	2,888,350	Two years from the date of grant	4 years
— on 15 April 2025	2,888,350	Three years from the date of grant	4 years
— on 15 April 2025	6,296,950	Four years from the date of grant	4 years
Total share/awards options granted	24,762,000		

20 Equity settled share-based transactions (continued)

(b) The number and weighted average exercise prices of share options are as follows:

	At 30 June 2026 Weighted average exercise price	At 30 June 2026 Number of options '000	At 31 December 2025 Weighted average exercise price	At 31 December 2025 Number of options '000
Outstanding at the beginning of the period/year	**HK$8.264**	**3,000**	HK$8.264	3,000
Outstanding at the end of the period/year	**HK$8.264**	**3,000**	HK$8.264	3,000
Exercisable at the end of the period/year	**HK$8.264**	**3,000**	HK$8.264	3,000

No options were exercised during the six months ended 30 June 2026 (2025: nil). No expenses were recognised as staff costs during the six months ended 30 June 2026 (six months ended 30 June 2025: RMB341,000).

(c) The number and weighted average exercise prices of share awards are as follows:

	At 30 June 2026 Weighted average exercise price	At 30 June 2026 Number of awards '000	At 31 December 2025 Weighted average exercise price	At 31 December 2025 Number of awards '000
Outstanding at the beginning of the period/year	**HK$0.572**	**14,962**	—	—
Granted during the period/year	**—**	**—**	HK$0.572	14,962
Forfeited during the period/year	**HK$0.572**	**(720)**	—	—
Outstanding at the end of the period/year	**HK$0.572**	**14,242**	HK$0.572	14,962
Exercisable at the end of the period/year	**HK$0.572**	**2,708**	—	—

No awards were exercised during the six months ended 30 June 2026 (2025: nil). Total expenses of RMB1,577,000 (six months ended 30 June 2025: RMB760,000) were recognised as staff costs during the six months ended 30 June 2026.

21 Capital, reserves and dividends

(a) Dividends

(i) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved during the interim period.

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Final dividend in respect of the previous financial year, approved during the following interim period, of RMB2 cents per ordinary share (six months ended 30 June 2025: RMB2 cents per ordinary share)	**12,215**	12,326

(ii) *Other dividends*

During the six months ended 30 June 2026, no dividends were declared and paid by subsidiaries of the Group to non-controlling shareholders (six months ended 30 June 2025: RMB nil).

(b) Share capital

	At 30 June 2026		At 31 December 2025	
	Number of shares (thousand)	**Amount HK$('000)**	Number of shares (thousand)	Amount HK$('000)
Ordinary shares, authorised:				
Ordinary shares of HK$0.01 each	**622,500**	**6,225**	622,500	6,225
Ordinary shares, issued and fully paid:				
At 31 December 2025 and 30 June 2026	**622,500**	**6,225**	622,500	6,225
RMB equivalent ('000)		**5,180**		5,180

22 Commitments

Capital commitments outstanding at 30 June 2026 not provided in the interim financial report:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Contracted, but not provided for:		
Property, plant and equipment	**1,695**	1,108

23 Material related party transactions

During the six months ended 30 June 2026, the directors are of the view that the following individual/companies are related parties of the Group:

Name of related parties	Relationship
Mr. Chou Patrick Hsiao-Po	Controlling shareholder of the Company
Chou Dynasty Holding Co.,Ltd.	Immediate holding company
Beijing Zhoushi Xingye International Trading Co., Ltd.	A fellow subsidiary
Beijing Zhoushi Xingye Branding and Management Co., Ltd.	A fellow subsidiary
Beijing Zhoushi Xingye Enterprise Management Co., Ltd.	A fellow subsidiary
Oule (Hangzhou) Automobile Technology Co., Ltd.	A fellow subsidiary
eCapital (China) Leasing Co., Ltd.	A fellow subsidiary
Beijing Xiaobo Technology Co., Ltd.	A fellow subsidiary
Tianjin Zhoushi International Trading Co., Ltd.	A fellow subsidiary
Chengdu Riyue Industrial Development Co., Ltd.	Jointly controlled by a fellow subsidiary and non-controlling interests

(a) Transactions with related parties

In addition to the transactions detailed elsewhere in this financial information, the Group had the following transactions with related parties for the six months ended 30 June 2026 and 2025:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Lease payments:		
Oule (Hangzhou) Automobile Technology Co., Ltd. Beijing	**1,447**	2,553
Zhoushi Xingye Enterprise Management Co., Ltd. Beijing	**15,554**	18,126
Zhoushi Xingye International Trading Co., Ltd.	**305**	522
Tianjin Chou International Trading Co., Ltd.	**1,951**	2,284
Chengdu Riyue Industrial Development Co., Ltd.	**521**	686
	19,778	24,171
Commission income from:		
eCapital (China) Leasing Co., Ltd.	**51**	41
Sales of motor vehicles:		
eCapital (China) Leasing Co., Ltd.	**10,406**	5,551

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Purchase of services and goods from:		
Beijing Zhoushi Xingye Enterprise Management Co., Ltd.	**7,941**	7,569
Tianjin Chou International Trading Co., Ltd	**116**	163
	8,057	7,732
Interest expense on sale and lease-back transactions:		
eCapital (China) Leasing Co., Ltd.	**839**	238

23 Material related party transactions (continued)

(b) Rental services

Based on IFRS 16, the minimum amount of rent payable by the Group to related parties under the terms of the arrangement in connection with its use of land use rights and buildings had resulted in recognition of a lease liability with the balance of RMB7,341,000 (as at 31 December 2025: RMB9,697,000) and a right-of-use asset with the balance of RMB22,607,000 as at 30 June 2026 (as at 31 December 2025: RMB42,098,000). In addition, the Group recorded depreciation of right-of-use asset of RMB17,999,000 (for the six months ended 30 June 2025: RMB20,915,000) and interest expense of RMB323,000 (for the six months ended 30 June 2025: RMB1,577,000) in its consolidated statement of profit or loss for the six months ended 30 June 2026.

(c) Other transactions with related parties

(i) During the six months ended 30 June 2026, the Group sold its motor vehicles to eCapital (China) Leasing Co., Ltd., which were leased back for use by the Group, and lease term is one to three years. The proceeds from the sale and lease-back transactions amounted to approximately RMB12,835,000 for the six months ended 30 June 2026 (for the six months ended 30 June 2025: RMB12,510,000). Lease payments of the sale and lease-back transactions amounted to approximately RMB4,996,000 for the six months ended 30 June 2026 (for the six months ended 30 June 2025: RMB8,747,000). The annual interest rates of the sale and lease-back transactions ranged from 0% to 5.48%. In addition, rental fees of utilizing the license plates owned by eCapital (China) Leasing Co., Ltd. amounting to approximately RMB590,000 for the six months ended 30 June 2026 (for the six months ended 30 June 2025: RMB611,000) were incurred.

As at 30 June 2026, sale and lease-back liabilities with eCapital (China) Leasing Co., Ltd. were RMB33,942,000 (31 December 2025: RMB25,264,000) and included in amounts due to related parties.

(ii) During the six months ended 30 June 2026, the Group sold its motor vehicles to certain customers and then the customers carried out mortgage arrangements with eCapital (China) Leasing Co., Ltd. The proceeds from sales of motor vehicles of nil (for the six months ended 30 June 2025: RMB621,000) were then paid by eCapital (China) Leasing Co., Ltd. on behalf of these customers.

(iii) During the six months ended 30 June 2025, the Company obtained bank borrowing of RMB350,000,000 secured by properties owned by the fellow subsidiary, Beijing Zhoushi Xingye Enterprise Management Co., Ltd. The fellow subsidiary provided security for the borrowing which is subject to the terms and conditions agreed with the lender. As at 30 June 2026, the outstanding balance of such secured bank borrowing amounting to RMB325,000,000 (31 December 2025: RMB337,500,000).

23 Material related party transactions (continued)

(d) Balances with related parties

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Amounts due from related parties:		
eCapital (China) Leasing Co., Ltd.	**1,780**	3,060
Chengdu Riyue Industrial Development Co., Ltd.	**33**	33
Beijing Zhoushi Xingye Enterprise Management Co., Ltd.	**8,083**	8,083
Oule (Hangzhou) Automobile Technology Co., Ltd.	**760**	760
Tianjin Zhoushi International Trade Co., Ltd.	**1,064**	1,064
Beijing Zhoushi Xingye International Trade Co., Ltd.	**249**	249
	11,969	13,249
Amounts due to related parties:		
eCapital (China) Leasing Co., Ltd.	**33,952**	25,264
Beijing Zhoushi Xingye Enterprise Management Co., Ltd.	**52**	7
	34,004	25,271

(e) Compensation of key management personnel of the Group:

	Six months ended 30 June 2026 RMB'000	Six months ended 30 June 2025 RMB'000
Short-term employee benefits	**2,491**	2,634
Contributions to defined contribution retirement plans	**210**	210
Equity settled share-based transactions	**577**	637
	3,278	3,481

百得利控股有限公司
BetterLife Holding Limited