<u>**MingZhu Logistics Holdings Limited**</u>

27F, Yantian Modern Industry Service Center
No. 3018 Shayan Road, Yantian District
Shenzhen, Guangdong, China 518081

(86) 0755-25209839
www.szygmz.com
jinlong.yang@szzygm.com

Quarterly Report

For the Six Months Ended June 30, 2026 (the “Reporting Period”)

<u>**Outstanding Shares**</u>
The number of shares outstanding of our Common Stock was:

79,933,550 shares as of December 31, 2025 and 79,933,550 shares as of August 13, 2026

6,679,065 shares as of December 31, 2024

<u>**Shell Status**</u>
Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company’s shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

<u>**Change in Control**</u>
Indicate by check mark whether a Change in Control[5] of the company has occurred during this reporting period:

Yes: ☐ No: ☒

[1] “Change in Control” shall mean any events resulting in:

(i) Any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company’s then outstanding voting securities;
(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets;
(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name and address(es) of the issuer and its predecessors (if any)

<u>In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.</u>

MingZhu Logistics Holdings Limited ("MingZhu Cayman") is a holding company incorporated in the Cayman Islands on January 2, 2018 under the laws of the Cayman Islands. The Company are engaged in various businesses through our subsidiaries and controlled entities in China.

On October 21, 2020, the Company completed the initial public offering ("IPO") of 3,000,000 ordinary shares at a public offering price of US$4.00 per share.

On December 12, 2025, the Company's symbol changed from "YGMZ" to "YGMZF".

<u>Current State and Date of Incorporation or Registration:</u> Cayman Islands
<u>Standing in this jurisdiction: (e.g. active, default, inactive):</u> Active

<u>Prior Incorporation Information for the issuer and any predecessors during the past five years:</u>

The corporate history is provided in the previous section.

<u>Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:</u>

Not aware of any trading suspension orders.

<u>List any company name change, stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:</u>

A reorganization of the Company's legal structure was completed on April 13, 2018. The reorganization involved the incorporation of MingZhu Cayman, and its wholly-owned subsidiaries, MingZhu BVI, and MingZhu HK; and the transfer of all equity ownership of Shenzhen Yangang Mingzhu Freight Industry Co., Ltd ("MingZhu") to MingZhu HK from the former shareholders of MingZhu. In consideration of the transfer, the Company issued 1,000 shares of the Company with par value $0.001 (HKD 0.01) per share to the former shareholders of MingZhu.

On April 13, 2018, the former shareholders transferred their 100% ownership interest in MingZhu to MingZhu HK, which is 100% owned by MingZhu Cayman through MingZhu BVI. After the reorganization, MingZhu Cayman owns 100% equity interests of MingZhu BVI, MingZhu HK and MingZhu. The controlling shareholder of MingZhu Cayman is same as of MingZhu prior to the reorganization.

MingZhu was incorporated on July 10, 2002 in Shenzhen, Guangdong under the laws of the PRC. Shenzhen Pengcheng Shengshi Logistics Co., Ltd. ("MingZhu Pengcheng"), a company providing trucking services, was incorporated on April 7, 2010 in Shenzhen, Guangdong under the laws of the PRC. Prior to the reorganization, MingZhu and MingZhu Pengcheng were under common control. On November 10, 2017, for the purpose of reorganization so that the business of the Company could be rearranged to be under a common holding company, the entire equity interest of MingZhu Pengcheng was transferred to MingZhu.

These two transactions were between entities under common control, and therefore accounted for in a manner similar to the pooling of interest method. Under the pooling-of-interests method, combination between two businesses under common control is accounted for at carrying amounts with retrospective adjustment of prior period financial statements, and the equity accounts of the combining entities are combined and the difference between the consideration paid and the net assets acquired is reflected as an equity transaction (i.e., distribution to parent company). As opposed to the purchase method of accounting, no intangible assets are recognized in the transaction, and no goodwill is recognized as a result of the combination.

On September 5, 2018, MingZhu HK established its wholly-owned subsidiary, Shenzhen Yangang Mingzhu Supply Chain Management Co., Ltd ("MingZhu Management"), a PRC company. MingZhu Management engages in providing transportation and supply chain management services.

With the effect of resolutions passed by board of directors on February 12, 2020, the authorized number of ordinary shares increased from 38,000,000 to 50,000,000 with a par value of $0.001 instead of HKD 0.01 and the issued number of ordinary shares increased from 1,000 to 9,250,000 with a par value of $0.001 instead of HKD 0.01. With the effect of resolution passed by board of directors on May 21, 2020, the issued number of ordinary shares decreased from 9,250,000 to 9,000,000. As of the date hereof, the authorized number of ordinary shares is 50,000,000 with a par value of $0.001 and the issued number of ordinary shares is 9,000,000.

On October 21, 2020, the Company completed the initial public offering ("IPO") of 3,000,000 ordinary shares at a public offering price of US$4.00 per share.

On October 30, 2020, the underwriter and sole book-runner of our underwritten IPO, exercised the partial over-allotment option and purchased an additional 350,000 ordinary shares of the Company at the IPO price of US$4.00 per share.

On December 4, 2020, the underwriter and sole book-runner of our underwritten IPO, further exercised the partial over-allotment option and purchased an additional 4,040 ordinary shares of the Company at the IPO price of US$4.00 per share.

On March 12, 2021, the Company closed its direct public offering of 3,333,335 units of its securities (each, a "Unit"), with each Unit consisting of (i) one ordinary share of the Company, par value $0.001 per share, and (ii) one warrant to purchase 0.75 ordinary share. The Company sold the Units at a price of $6.00 per Unit. The Company received gross proceeds from the Offering, before deducting estimated offering expenses payable by the Company, of approximately $18,000,000.

On April 21, 2021, the underwriter and sole book-runner of our underwritten IPO, exercised its partial warrant and purchased a total of 214,286 ordinary shares of the Company with no cash in consideration.

On June 14, 2021, the underwriter and sole book-runner of our underwritten IPO, exercised its partial warrant and purchased a total of 43,616 ordinary shares of the Company with no cash in consideration.

On December 29, 2021 ("Acquisition Date"), the Company entered into a Share Purchase Agreement (the "SPA") to acquire 100% of the equity interest of Cheyi (BVI) Limited (the "Cheyi BVI") which operates its business through its subsidiary Zhejiang Cheyi Network Technology Co., Ltd. (the "Cheyi Network"), an integrated online car-hailing and driver management services company. Pursuant to the agreement, the total consideration for the acquisition of 100% equity ownership of Cheyi BVI is an aggregate of U.S. $23,470,712, consisting of the issuance by the Company to the shareholders of Cheyi BVI an aggregate of 3,189,000 fully paid Company's ordinary shares (being U.S. $6,760,680 of $2.12 per share) and payment of $2,000,000 at closing, and Year-2021 earnout payment of U.S. $8,826,019 and Year-2022 earnout payment of U.S. $5,884,013 if the Cheyi BVI's audited net income for its fiscal year 2021 and 2022 is no less than U.S. $3,000,000 respectively. The two earnout payments are due 13 months upon the delivery of Cheyi BVI's audited financial statements.

The transaction was accounted for in accordance with the provisions of ASC 805-10, Business Combinations. The values assigned in these financial statements represent management's best estimate of fair values as of the Acquisition Date.

As required by ASC 805-20, Business Combinations – Identifiable Assets and Liabilities, and Any Noncontrolling Interest, management conducted a review to reassess whether they identified all the assets acquired and all the liabilities assumed and followed ASC 805-20's measurement procedures for recognition of the fair value of net assets acquired. According to ASC 820, the fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets as the most reliable fair value measurement, and the lowest priority to unobservable inputs. According to ASC 820-10-35-41, the valuation of shares issued in the acquisitions and purchase consideration is recognized on the quoted trading price of the Company's ordinary shares on the date of acquisitions. The quoted closing prices for the Company's ordinary shares on NASDAQ on the dates of the acquisitions of Cheyi BVI was $2.12 per share.

On March 14, 2022, the Company entered into a Share Purchase Agreement with Yinhua which develops and operates a comprehensive auto related service platform to serve auto insurance companies, and each of the shareholders of the Yinhua.

Under terms of the share purchase agreement, we shall pay $10,076,600 in exchange for 100% equity of Yinhua. Of the total consideration to be paid, $7,078,100 shall be paid in form of 3,826,000 newly issued ordinary shares of the Company, representing

$1.85 per ordinary share of the Company, and $1,000,000 upon closing. In addition, a cash earnout of $1,998,500 shall be paid if Yinhua achieves a net income target threshold of $1.3 million during the calendar year of 2022.

Founded in 2018, Yinhua provides diversified, differentiated and customized value-added auto related services to auto insurance companies, where the services include road security services, car maintenance services, car inspection services and other services. Yinhua develops and operates a comprehensive auto related service platform for auto insurance companies combining intelligent human-vehicle interaction functions with car owner programs.

On March 18, 2022, the parties completed the transaction. Upon the closing of the transaction, the Company acquired 100% shares outstanding of the Yinhua, and the Company issued 3,826,000 ordinary shares and paid $1,000,000 to the sellers.

As required by ASC 805-20, Business Combinations – Identifiable Assets and Liabilities, and Any Noncontrolling Interest, management conducted a review to reassess whether they identified all the assets acquired and all the liabilities assumed, and followed ASC 805-20's measurement procedures for recognition of the fair value of net assets acquired. According to ASC 820, the fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets as the most reliable fair value measurement, and the lowest priority to unobservable inputs. According to ASC 820-10-35-41, the valuation of shares issued in the acquisitions and purchase consideration is recognized on the quoted trading price of the Company's ordinary shares on the date of acquisitions. The quoted closing prices for the Company's ordinary shares on NASDAQ on the dates of the acquisitions of Yinhua was $1.85 per share.

On December 21, 2022, the Company entered into a Share Purchase Agreement with Feipeng BVI which provides regional trucking services, and each of the shareholders of the Feipeng BVI, pursuant to which, among other things and subject to the terms and conditions contained therein, the Company acquired 100% of Feipeng BVI for approximately $14,540,436, of which US $9,550,000 will be paid in cash upon closing in form of cash. Feipeng BVI shall receive a certain number of shares valued at $4,990,436 if it achieves a targeted net income of US$2.4 million during the calendar year 2023.

On December 21, 2022, the Company entered into a Share Purchase Agreement with Feipeng BVI which provides regional trucking services, and each of the shareholders of the Feipeng BVI, pursuant to which, among other things and subject to the terms and conditions contained therein, the Company acquired 100% of Feipeng BVI for approximately $14,540,436, of which US $9,550,000 will be paid in cash upon closing in form of cash. Feipeng BVI shall receive a certain number of shares valued at $4,990,436 if it achieves a targeted net income of US$2.4 million during the calendar year 2023.

On December 21, 2022, the parties completed the transaction. Upon the closing of the transaction, we acquired 100% of the outstanding shares of the Feipeng BVI, and we paid $9,550,000 in cash to the sellers.

The Company has included the operating results of Feipeng BVI in its consolidated financial statements since the Acquisition Date. $nil in net sales and $nil in net income of Feipeng BVI were included in the consolidated financial statements for the years ended December 31, 2022.

On May 26, 2023, the Company entered into a Share Purchase Agreement with the Alliance BVI, which is engaged in liquor distribution via its VIE, and each of the shareholders of the Alliance BVI. Under terms of the share purchase agreement, the Company shall pay $21,292,948 in exchange for 100% equity of Alliance BVI. Of the total consideration to be paid, $5,208,768 shall be paid in form of 4,569,095 newly issued ordinary shares of the Company, representing $1.14 per ordinary share of the Company upon closing. In addition, a cash earnout of $8,042,090 shall be paid if Alliance BVI achieves a net income target threshold of $2.0 million during the calendar year of 2024 and 2025, respectively.

The Company has included the operating results of Alliance BVI in its consolidated financial statements since the Acquisition Date. $1,154,091 in net sales and $427,171 in net income of Alliance BVI were included in the consolidated financial statements for the years ended December 31, 2023.

On March 20, 2024, a Form S-8 was filed by the Company in accordance with the requirements of Form S-8 in order to register 5,000,000 ordinary shares, par value of $0.001 ("Ordinary Shares") of the Company issuable pursuant to the 2024 incentive equity plan of the Company (the "2024 Incentive Plan") adopted by the Board of Directors of the Company. During the fiscal year of 2024, the Company issued 4,966,950 ordinary shares to its employees according to the 2024 Incentive Plan.

On April 16, 2024, the Company entered into a Securities Purchase Agreement (the "Purchase Agreement"), pursuant to which two accredited investors agreed to purchase an aggregate of 5,000,000 ordinary shares (the "Shares"), par value $0.001 per share, for an aggregate purchase price of $2,000,000, representing a purchase price of $0.40 per Share. On April 17, 2024, the Company closed the Financing. At the closing, the Company received gross proceeds of $2,000,000 in the aggregate, in exchange for the issuance of the Shares.

At an Extraordinary General Meeting ("2024 EGM") of Shareholders held on June 14, 2024, the Company's stockholders approved resolutions effecting a reverse stock split of the Company's issued ordinary share at a ratio of 1:8 (the "Reverse Stock Split"). The Company's board of directors previously approved, subject to the Company's stockholder approval of the Reverse Stock Split at the 2024 EGM, a final ratio of 1-for-8 for the Reverse Stock Split. As of the Effective Time, each 8 shares of the Company's ordinary share, par value $0.001, per share of the Company ("Ordinary Share") outstanding immediately prior to the Effective Time will be combined and reclassified, automatically and without any action on the part of the Company or its stockholders, into one new share of Ordinary Share. No fractional shares of Ordinary Share will be issued as a result of the Reverse Stock Split. Shareholders who would otherwise receive a fraction of an Ordinary Shares resulting from the Share Consolidation will be rounded up to the nearest whole number of shares. The Reverse Stock Split was effective on July 1, 2024. In the same 2024 EGM, the Company's shareholder approved that, immediately following the Reverse Stock Split, the authorized share capital of the Company be increased from US$50,000 divided into 6,250,000 ordinary shares of a par value of US$0.008 each to US$800,000 divided into 100,000,000 ordinary shares of a par value of US$0.008 each. After the 2024 EGM, the authorized number of ordinary shares is 100,000,000 with a par value of $0.008 and the issued number of ordinary shares is 4,779,065 including round up shares of 92,024.

On October 21, 2024, Company, as the issuer, and its indirect wholly owned subsidiary, Shenzhen Yangang Mingzhu Freight Industries Co., Ltd., a company incorporated in China ("Shenzhen Mingzhu"), as the purchaser, entered into a software purchase agreement (the "Software Purchase Agreement") with H&P International Holdings Limited, a company incorporated in Hong Kong (the "Seller"), as the seller, with respect to a certain Simulation Modeling Subsystem and Physical Simulation Subsystem of Intelligent Logistics Simulation System and related assets, as described more particularly therein (the "Software"). Pursuant to the Software Purchase Agreement, Shenzhen Mingzhu agreed to acquire from the Seller all of the rights, title, and interests in the Software for consideration of an aggregate of 1,900,000 ordinary shares, at US$1.20 per share, with an aggregate value of US$2,280,000 (the "Consideration Shares"). On October 21, 2024, the "Company, completed the share issuance (the "Share Issuance") and closed the acquisition of the Software, pursuant to the Software Purchase Agreement. The Company issued an aggregate of 1,900,000 ordinary shares, at US$1.20 per share, with an aggregate value of US$2,280,000 to the Assignees as consideration for all of the rights, title, and interests in Software.

On January 15, 2025, the Company entered into certain securities purchase agreement (the "SPA") with certain "non-U.S. Persons" (the "Purchasers") as defined in Regulation S of the Securities Act of 1933, as amended (the "Securities Act") pursuant to which the Company agreed to sell up to an aggregate of 120,000,000 restricted ordinary Share of the Company, par value $0.001 per share, at a price of $0.4 per Share for an aggregate purchase price of approximately $48 million (the "Offering"). Due to the Company currently having an insufficient number authorized Ordinary Shares to issue all of the 120,000,000 Ordinary Shares, the Offering partially closed on February 7, 2025, with the Company issuing an aggregate 70,000,000 Ordinary Shares to the Purchasers. Subsequently, the Company issued an additional 3,254,485 Ordinary Shares to the Purchasers pursuant to the SPA.

As of June 30, 2026, the authorized number of ordinary shares is 10,000,000,000 with a par value of $0.008 and the issued number of ordinary shares is 79,933,550.

<u>Address of the issuer's principal executive office:</u>

27F, Yantian Modern Industry Service Center
No. 3018 Shayan Road, Yantian District
Shenzhen, Guangdong, China 518081

Address of the issuer's principal place of business:
☒ *Check if principal executive office and principal place of business are the same address:*

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐ If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: VStock Transfer, LLC
Phone: 212-828-8436
Email: shay@vstocktransfer.com
Address: 18 Lafayette Place
Woodmere, New York 11598

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	YGMZF	
Exact title and class of securities outstanding:	Ordinary shares	
CUSIP:	G6180C121	
Par or stated value:	$0.008	
Total shares authorized:	10,000,000,000	as of date: June 30, 2026
Total shares outstanding:	79,933,550	as of date: June 30, 2026
Total number of shareholders of record:	86	as of date: June 30, 2026

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

Each share of common stock has the right to cast one vote.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

None

3. Describe any other material rights of common or preferred stockholders.

None

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities ***in the past two completed fiscal years and any subsequent interim period****.*

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: ☐ Yes: ☐ (If yes, you must complete the table below)

Shares Outstanding Opening Balance: Date 12/31/2023 Common: 3,441,172 Preferred: Null			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	**Transaction type (e.g., new issuance, cancellation, shares returned to treasury)**	**Number of Shares Issued (or cancelled)**	**Class of Securities**	**Value of shares issued ($/per share) at Issuance**	**Were the shares issued at a discount to market price at the time of issuance? (Yes/No)**	**Individual/ Entity Shares were issued to.** *****You must disclose the control person(s) for any entities listed.**	**Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided**	**Restricted or Unrestricted as of this filing.**	**Exemption or Registration Type.**
March 20, 2024	new issuance	4,966,950	Ordinary Shares	$0.001	Yes	Employees	The "2024 Incentive Plan"	Unrestricted	Reg A
April 17, 2024	new issuance	5,000,000	Ordinary Shares	$0.40	Yes	WU HUAQING	Subscription Agreement	Restricted	n/a
October 21, 2024	new issuance	1,900,000	Ordinary Shares	$1.20	Yes	HE WENHUA	Consideration for the "Software Purchase Agreement"	Restricted	n/a
February 15, 2025	new issuance	3,350,000	Ordinary Shares	$0.4	Yes	HALIM MAHMUD EBNA	Securities purchase agreement	Restricted	n/a
February 15, 2025	new issuance	3,570,000	Ordinary Shares	$0.4	Yes	AHMED JISAN	Securities purchase agreement	Restricted	n/a
February 15, 2025	new issuance	3,450,000	Ordinary Shares	$0.4	Yes	AZHAGAPPAN KARUNANITHI	Securities purchase agreement	Restricted	n/a
February 15, 2025	new issuance	3,071,250	Ordinary Shares	$0.4	Yes	HAIDER ALI KHAN	Securities purchase agreement	Restricted	n/a
February 15, 2025	new issuance	3,500,000	Ordinary Shares	$0.4	Yes	ARIF MOLLA M	Securities purchase agreement	Restricted	n/a
February 15, 2025	new issuance	3,507,000	Ordinary Shares	$0.4	Yes	BASHIR NASIR	Securities purchase agreement	Restricted	n/a
February 15, 2025	new issuance	3,225,833	Ordinary Shares	$0.4	Yes	SHAH FAHAD RAHMAN	Securities purchase agreement	Restricted	n/a

February 15, 2025	new issuance	3,600,000	Ordinary Shares	$0.4	Yes	AHAMMED MOHAMMAD RASEL	Securities purchase agreement	Restricted	n/a
February 15, 2025	new issuance	3,400,000	Ordinary Shares	$0.4	Yes	DDIN SHAHAB	Securities purchase agreement	Restricted	n/a
February 15, 2025	new issuance	3,066,000	Ordinary Shares	$0.4	Yes	UMAR SHAHZAD	Securities purchase agreement	Restricted	n/a
February 15, 2025	new issuance	3,126,083	Ordinary Shares	$0.4	Yes	AMIR SOHAIL	Securities purchase agreement	Restricted	n/a
February 15, 2025	new issuance	3,500,000	Ordinary Shares	$0.4	Yes	DAMNERN SUTHAT	Securities purchase agreement	Restricted	n/a
February 15, 2025	new issuance	3,673,833	Ordinary Shares	$0.4	Yes	MUHAMMAD TALHA	Securities purchase agreement	Restricted	n/a
February 15, 2025	new issuance	3,126,083	Ordinary Shares	$0.4	Yes	ALAM MD TAUHID	Securities purchase agreement	Restricted	n/a
February 15, 2025	new issuance	3,700,000	Ordinary Shares	$0.4	Yes	AMIR SOHAIL	Securities purchase agreement	Restricted	n/a
February 15, 2025	new issuance	2,982,000	Ordinary Shares	$0.4	Yes	SAMI ULLAH	Securities purchase agreement	Restricted	n/a
February 15, 2025	new issuance	3,082,917	Ordinary Shares	$0.4	Yes	MUHAMMAD WAQAS	Securities purchase agreement	Restricted	n/a
Shares Outstanding on Date of This Report: Ending Balance: Date 12/31/2025 Common: 79,933,550 Preferred: Null									

Any additional material details, including footnotes to the table are below:

None

B. Convertible Debt

The following is a complete list of the Company’s Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer’s equity securities. The table includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

[☒] Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

Date of Note Issuance	Principal Amount at Issuance ($)	Outstanding Balance ($) (include accrued interest)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be Issued Upon Conversion[6]	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)

Total Outstanding Balance: **Total Shares:**

Any additional material details, including footnotes to the table are below:

None

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations.
Ensure that these descriptions are updated on the Company's Profile on www.OTCMarkets.com.

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

MingZhu Logistics Holdings Limited ("MingZhu Cayman" or "the Company") is a holding company incorporated in the Cayman Islands on January 2, 2018 under the laws of the Cayman Islands. The Company are engaged in various businesses through our subsidiaries and controlled entities in China. Our operations are primarily based in the People's Republic of China ("PRC"), where we derive all of revenues. We engaged in a number of diverse business activities, including trucking services, car owner services and liquor distribution.

B. List any subsidiaries, parent company, or affiliated companies.

Our main subsidiaries as of the date of this annual report are as follows:

Name	Background	Ownership
MingZhu Investment Limited ("MingZhu BVI")	• A British Virgin Islands company • Incorporated on January 15, 2018 • A holding company	100% directly owned by MingZhu Cayman
YGMZ (Hong Kong) Limited ("MingZhu HK")	• A Hong Kong company • Incorporated on February 2, 2018 • A holding company	100% directly owned by MingZhu BVI
Shenzhen Yangang Mingzhu Freight Industry Co., Ltd. ("MingZhu" or "Mingzhu")	• A PRC limited liability company • Incorporated on July 10, 2002 • Providing trucking services	100% directly owned by MingZhu HK
Shenzhen Yangang Mingzhu Supply Chain Management Co., Ltd. ("MingZhu Management")	• A PRC limited liability company • Incorporated on September 5, 2018 • Transportation and supply chain management services	100% directly owned by MingZhu HK
Shenzhen Pengcheng Shengshi Logistics Co., Ltd. ("MingZhu Pengcheng")	• A PRC limited liability company • Incorporated on April 7, 2010	100% directly owned by MingZhu

[6] The total number of shares that can be issued upon full conversion of the Outstanding Balance. The number should not factor any "blockers" or limitations on the percentage of outstanding shares that can be owned by the Noteholder at a particular time. For purposes of this calculation, please use the current market pricing (e.g. most recent closing price, bid, etc.) of the security if conversion is based on a variable market rate.

	• Providing trucking services	
Feipeng Global Limited ("Feipeng BVI")	• A British Virgin Islands company • Incorporated on March 17, 2022 • A holding company	100% directly owned by MingZhu Cayman
Feipeng Enterprises (HK) Limited ("Feipeng HK")	• A Hong Kong company • Incorporated on April 27, 2022 • A holding company	100% directly owned by Feipeng BVI
Shenzhen Feipeng Zongheng Supply Chain Management Co., Ltd. ("Feipeng WFOE")	• A PRC limited liability company • Incorporated on September 13, 2022 • A holding company	100% directly owned by Feipeng HK
Xinjiang Feipeng Logistics Co., Ltd. ("Feipeng")	• A PRC limited liability company • Incorporated on July 3, 2014 • A regional trucking services provider	100% owned by Feipeng WFOE via contractual arrangements
Shanghai Feipeng Supply Chain Management Co., Ltd ("Shanghai Feipeng")	• A PRC limited liability company • Incorporated on December 28, 2017 • A regional trucking services provider	100% owned by Xinjiang Feipeng via contractual arrangements
Liquor Alliance Investment (BVI) Limited ("Alliance BVI")	• A British Virgin Islands company • Incorporated on April 28, 2023 • A holding company	100% directly owned by MingZhu Cayman
Alliance Liquor Investment (HK) Limited ("Alliance HK")	• A Hong Kong company • Incorporated on March 17, 2023 • A holding company	100% directly owned by Alliance BVI
Xiamen Alliance Management Consulting Co., Ltd. ("Alliance WFOE")	• A PRC limited liability company • Incorporated on May 5, 2023 • A holding company	100% directly owned by Alliance HK
Xiamen Alliance Liquor Industry Group Co., Ltd.("Liquor Alliance")	• A PRC limited liability company • Incorporated on November 24, 2021 • A liquor distributor	100% directly owned by Alliance WFOE

C. Describe the issuers' principal products or services.

Trucking services

The Company's trucking services are provided through Shenzhen Yangang Mingzhu Freight Industry Co., Ltd. ("Mingzhu") and its subsidiaries and newly acquired Variable Interest Entities ("VIE'), Xinjiang Feipeng Logistics Co., Ltd. ("Feipeng") and its subsidiaries. Mingzhu is a trucking service provider in China since 2002. It has been accredited by the China Federation of Logistics and Purchasing as a 4A-grade trucking service provider. Its transportation services operate out of two terminals, one in the Guangdong region, and the other in the Xinjiang region. It primarily provides dedicated trucking services within the PRC. It has created a successful business model that has allowed us to expand our customer base and market coverage whilst maintaining good relationships with our existing customers. To further expand our market shares in Xinjiang region, we acquired Feipeng, which focuses on the short-distance coal transportation in Xinjiang region.

Car owner services

The Company's car owner services are provided through Hainan Zhisheng Automobile Services Co., Ltd. ("Zhisheng"). Zhisheng was founded in 2018, Zhisheng provides diversified, differentiated and customized value-added auto related services to auto insurance companies, where the services include road security services, car maintenance services, car inspection services and other services. Zhisheng develops and operates a comprehensive auto related service platform for auto insurance companies combining intelligent human-vehicle interaction functions with car owner programs.

Liquor distribution

The Company's liquor distribution is conducted through Xiamen Alliance Liquor Industry Group Co., Ltd. ("Liquor Alliance"). The Liquor Alliance was established on November 24, 2011. It is a liquor distributor operated in China. It mainly focuses on the wholesales of Baijiu and other high quality Chinese spirit.

5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

We believe our facilities are sufficient for our current needs and that, should it be needed, suitable additional space will be available on commercially reasonable terms to accommodate any such expansion of our operations.

Location of property	Approximate gross floor area *(sq. meters)*	Term of Lease	Facility Usage
27th floor, Yantian Modern Industry Service Center, No.3018, Shayan Road, Yantian District, Shenzhen City, Guangdong Province, PRC	2,095.61	Month to month	Office
219, 2nd Floor, Office Building, No.759 Hanhai West Street, Ganquanbao Economic and Technological Development Zone, Urumqi, China	26.00	One year (July 1, 2025 to June 30, 2026)	Office
No.888 Zhuguang Road, Xujing Town, Qingpu District, Shanghai, China	500.00	Two years (June 1, 2025 to May 31, 2027)	Office

6) All Officers, Directors, and 5% Beneficial Owners of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.
If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.

Individual Name (First, Last) or **Entity Name** (Include names of control person(s) if a corporate entity)	**Position/Company Affiliation** (ex: CEO, ≥ 5% beneficial owner)	**City and State** (Include Country if outside U.S.)	**Number of Shares Owned** (List common, preferred, warrants and options separately)	**Class of Shares Owned**	**Percentage of Class of Shares Owned** (undiluted)

Jinlong Yang by ALPHA GLOBAL (BVI) LIMITED	Chief Executive Officer	Shenzhen, Guangdong, China	42,188	Ordinary shares	0.05%
Junfei Yang	Former Chief Financial Officer and Director	Shenzhen, Guangdong, China	0	Ordinary shares	0.00%
Mikael Charette	Former Director	Shanghai, China	0	Ordinary shares	0.00%
Zhi Xia	Former Director	Shenzhen, Guangdong, China	0	Ordinary shares	0.00%
Jie Zhong	Former Director	Shenzhen, Guangdong, China	0	Ordinary shares	0.00%

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None noted.

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

None noted.

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

None noted.

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None noted.

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None noted.

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

None noted.

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None noted.

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.
Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel

Name: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Accountant or Auditor

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Investor Relations

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

All other means of Investor Communication:

X (Twitter): _____
Discord: _____
LinkedIn _____
Facebook: _____
[Other] _____

Other Service Providers
Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: **Jinlong Yang**
Title: **Chief Executive Officer**
Relationship to Issuer: **Chief Executive Officer**

B. The following financial statements were prepared in accordance with:

☐ IFRS
☒ U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: **Jinlong Yang**
Title: **Chief Financial Officer**
Relationship to Issuer: **Chief Financial Officer**
Describe the qualifications of the person or persons who prepared the financial statements:[7] _____

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity);
- Financial Notes

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable." Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

[7] The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Jinlong Yang certify that:

1. I have reviewed this Disclosure Statement for MingZhu Logistics Holdings Limited;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

August 13, 2026

[Date]

/s/ Jinlong Yang

[CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, Jinlong Yang certify that:

1. I have reviewed this Disclosure Statement for MingZhu Logistics Holdings Limited;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

August 13, 2026

[Date]

/s/ Jinlong Yang

[CFO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

MINGZHU LOGISTICS HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS

TABLE OF CONTENT

MINGZHU LOGISTICS HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	As of June 30, 2026	As of December 31, 2025
	USD (Unaudited)	USD (Audited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 548,122	$ 944,680
Accounts receivable, net	1,478,564	3,568,779
Prepayments	16,558,997	17,882,396
Other receivables	255,661	284,462
Loans receivable	29,015,417	28,446,798
Amount due from related parties	44,045,995	41,705,469
Total current assets	91,902,756	92,832,584
NON-CURRENT ASSET		
Investments in equity method investees	120,556	134,589
Property and equipment, net	558,974	602,586
Deferred tax assets	121,446	120,554
Deposits	650,000	650,000
Goodwill	13,715,130	13,715,130
Other non-current assets	2,210,236	2,210,236
Total non-current asset	17,376,342	17,433,095
Total assets	$109,279,098	$ 110,265,679
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short-term bank borrowings	$ 2,344,875	$ 2,488,478
Accounts and notes payable	6,423,314	6,502,223
Other payables and accrued liabilities	8,004,559	8,226,643
Amount due to related parties	7,001,254	6,662,231
Tax payable	1,265,541	2,364,458
Current maturities of long-term bank borrowings	54,789	105,446
Total current liabilities	25,094,332	26,349,479
NON-CURRENT LIABILITIES		
Long-term bank borrowings	498,775	545,663
Total non-current liabilities	498,775	545,663
Total liabilities	25,593,107	26,895,142
SHAREHOLDERS' EQUITY		

Ordinary shares: $0.008 and $0.008 par value, 10,000,000,000 and 100,000,000 shares authorized, 79,933,550 shares issued and outstanding as of June 30, 2026 and the end of 2025	123,433	123,433
Share subscription receivables	(847,086)	(847,086)
Additional paid-in capital	95,818,932	95,818,932
Statutory reserves	890,021	890,021
Retained earnings	(9,967,249)	(10,264,172)
Accumulated other comprehensive (loss) income	(2,332,060)	(2,350,591)
Total shareholders' equity	83,685,991	83,370,537
Total liabilities and shareholders' equity	$109,279,098	$ 110,265,679

The accompanying notes are an integral part of these consolidated financial statements.

MINGZHU LOGISTICS HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF (LOSS) INCOME AND COMPREHENSIVE (LOSS) INCOME

	For the Six Months Ended June 30	
	2026	2025
	USD (Unaudited)	USD (Audited)
Revenues	$ 8,039,945	$ 13,636,815
Costs and expenses		
Costs of trucking services	7,418,780	13,759,649
Costs of liquor distributions	-	1,859
Costs of car owner services	-	-
General and administrative expenses	237,049	738,534
Sales and marketing expenses	86,443	165,200
Total costs and expenses	7,742,272	14,665,242
(Loss) Income from operations	297,673)	(1,028,427)
Other (expenses) income		
Interest expenses		(102,445)
Other expenses		(263,739)
Other income	81	198,734
Total other expenses, net	81	(167,450)
Share of income of equity method investees		(4,781,757)
(Loss) income before income taxes	297,754	(5,977,634)
Provision for income taxes	831	4,646
Net (loss) income	296,923	(5,982,280)
Other comprehensive (loss) income		
Foreign currency translation adjustment	18,531	295,841
Comprehensive (loss) income	$ 315,454	$ (5,686,439)
Weighted average shares used in computation:		
Basic	79,933,550	32,532,902
Diluted	79,933,550	32,532,902
Earnings per share - basic	0.00	(0.30)
Earnings per share - diluted	0.00	(0.30)

The accompanying notes are an integral part of these consolidated financial statements.

MINGZHU LOGISTICS HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Ordinary shares		Share subscription	Additional	(Accumulated deficit) Retained earnings		Accumulated other comprehensive	
	Shares*	**Amount**	**receivable**	**paid-in capital**	**Statutory reserve**	**Unrestricted**	**(loss) income**	**Total**
		USD	**USD**	**USD**	**USD**	**USD**	**USD**	**USD**
Net income (loss) for the year						(8,978,458)		(8,978,458)
Issuance of shares - private placement	73,254,485	70,000		47,955,946				48,025,946
Issuance of shares - equity incentive plan								
Issuance of shares								
Foreign currency translation adjustment							(430,254)	(430254)
BALANCE as at December 31, 2025	79,933,550	$ 123,433	$ (847,086)	$ 95,818,932	$ 890,021	$ (10,264,172)	$ (2,350,591)	$ 83,370,537
Net income (loss) for the year						296,923		296,923
Net income (loss) for the period								
Issuance of shares							18,531	
BALANCE as at June 30, 2026	79,933,550	$ 123,433	$ (847,086)	$ 95,818,932	$ 890,021	$ (9,967,249)	$ (2,332,060)	$ 83,685,991

The accompanying notes are an integral part of these consolidated financial statements.

MINGZHU LOGISTICS HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Six Months Ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
Net cash used in operating activities	$ (6,379,019)	$(47,062,648)
Net cash provided by investing activities		86,985
Net cash provided by financing activities	5,961,004	47,026,265
Effect of exchange rate change on cash	295,839	295,839
Net increase /(decrease) in cash	21,457	346,441
Cash and cash equivalents at beginning of the period	944,680	698,239
Cash and cash equivalents at end of the period	$ 548,122	$ 1,044,680

The accompanying notes are an integral part of these consolidated financial statements.

MINGZHU LOGISTICS HOLDINGS LIMITED AND SUBSIDIARIES
Notes to Consolidated Financial Statements
(In U.S. Dollars, unless stated otherwise)

Note 1 – Nature of business and organization

MingZhu Logistics Holdings Limited ("MingZhu Cayman") is a holding company incorporated in the Cayman Islands on January 2, 2018 under the laws of the Cayman Islands. The Company are engaged in various businesses through our subsidiaries and controlled entities in China.

On December 30, 2023, the Company disposed the entirety of its interest in Cheyi BVI, which conduct car-hailing and driver management services, by entering into a VIE Termination Agreement whereby the Cheyi WFOE and Cheyi terminated the Master Exclusive Service Agreement, Business Cooperation Agreement, Proxy Agreement, Exclusive Option Agreement, Equity Interest Pledge Agreement and Letter of Confirmation and Undertaking. Following the termination, the Company received no new income from Cheyi BVI and had no further involvement or continuing influence over its operations. Effective December 30, 2023, on the date of termination, the Company determined that the Company met the "held for sale" criteria and the "discontinued operations" criteria in accordance with Financial Accounting Standard Boards ("FASB") Accounting Standards Codification ("ASC") 205, Presentation of Financial Statements, ("FASB ASC 205"). The Consolidated Financial Statements were restated for all periods presented to reflect the discontinuation of the car-hailing and driver management services business in accordance with FASB ASC 205. The discussion in the notes to these Consolidated Financial Statements, unless otherwise noted, relate solely to the Company's continuing operations.

After a series of re-organization, as of June 30, 2026, the authorized number of ordinary shares is 10,000,000,000 with a par value of $0.008 and the issued number of ordinary shares is 79,933,550.

Note 2 – Summary of significant accounting policies

Basis of presentation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Principles of consolidation

The consolidated financial statements include the financial statements of the Company, its subsidiaries, VIE and VIE's subsidiaries for which the Company is exercises control and, when applicable, entities for which the Company has a controlling financial interest or the ultimate primary beneficiary.

A subsidiary is an entity in which the Company, directly or indirectly, controls more than one half of the voting power, has the power to appoint or remove the majority of the members of the board of directors, to cast a majority of votes at the meeting of the board of directors or to govern the financial and operating policies of the investee under a statute or agreement among the shareholders or equity holders.

All transactions and balances between the Company, its subsidiaries, VIE and VIE's subsidiaries have been eliminated upon consolidation.

Subsidiaries are those entities in which the Company, directly or indirectly, controls more than one half of the voting power; or has the power to govern the financial and operating policies, to appoint or remove the majority of the members of the board of directors, or to cast a majority of votes at the meeting of directors.

Use of estimates and assumptions

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the periods presented. Significant accounting estimates reflected in the Company's consolidated financial statements include the useful lives of property and equipment, impairment of long-lived assets, the fair value of the reporting unit for the goodwill impairment test, allowance for doubtful accounts, provision for contingent liabilities, revenue recognition, deferred taxes and uncertain tax position. Actual results could differ from these estimates.

Foreign currency translation and transaction

The functional currencies of the Company are the local currency of the country in which the subsidiaries operate. The reporting currency of the Company is the United States Dollars ("U.S. dollar"). The results of operations and the consolidated statements of cash flows denominated in foreign currencies are translated at the average rates of exchange during the reporting period. Assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the applicable rates of exchange in effect at that date. The equity denominated in the functional currencies is translated at the historical rates of exchange at the time of capital contributions. Because cash flows are translated based on the average translation rates, amounts related to assets and liabilities reported on the consolidated statements of cash flows will not necessarily agree with changes in the corresponding balances on the consolidated balance sheets. Translation adjustments arising from the use of different exchange rates from period to period are included as a separate component of accumulated other comprehensive income included in consolidated statements of changes in shareholders' equity. Transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency in the consolidated statement of income and comprehensive income.

The functional currency of entities incorporated in Cayman and BVI is U.S. dollar. The functional currency of entities incorporated in Hong Kong is the Hong Kong dollar ("HKD"). The Company's subsidiaries with operations in PRC uses the local currency, Renminbi ("RMB"), as their functional currencies. An entity's functional currency is the currency of the primary economic environment in which it operates, normally that is the currency of the environment in which the entity primarily generates and expends cash. Management's judgment is essential to determine the functional currency by assessing various indicators, such as cash flows, sales price and market, expenses, financing and inter-company transactions and arrangements.

Cash

Cash comprises of cash at banks and on hand, which includes deposits with original maturities of three months or less with commercial banks in PRC. As of June 30, 2026, cash were held in accounts at financial institutions located in the PRC, which is not freely convertible into foreign currencies. In addition, these balances are not covered by insurance. While management believes that these financial institutions are of high credit quality, it also continually monitors their creditworthiness. The Company and its subsidiaries have not experienced any losses in such accounts and do not believe the cash is exposed to any significant risk.

Accounts receivable and allowance for credit loss

Accounts receivables are stated and carried at original invoiced amount. Accounts are considered overdue after 180 days. From January 1, 2023, the Company adopted ASU 2016-13 Financial Instruments - Credit Losses (ASC Topic 326): Measurement of Credit Losses on Financial Instruments, which replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology. The measurement of expected credit losses under CECL is applicable to financial assets measured at amortized cost, including accounts receivable.

The Company uses simplified flow rate matrix approach to estimate expected credit losses for the accounts receivable. The allowance for credit loss is estimated for accounts receivable that share similar risk characteristics based on a collective assessment using a combination of measurement models and management judgment. The approach considers factors including historical ageing schedule and forward-looking macroeconomic conditions.

Prepayments and deposits

Prepayments are cash deposited or advanced to suppliers for purchasing goods or services that have not been received or provided and deposits made to the Company's customers and landlord. This amount is refundable and bears no interest. Prepayment and deposit are classified as either current or non-current based on the terms of the respective agreements. These advances are unsecured and are reviewed periodically to determine whether their carrying value has become impaired.

Other receivables

Other receivables primarily include short-term interest-free advances made to third parties, rental receivables and receivables for disposal of equipment. Management reviews its other receivables on a regular basis to determine if the allowance is adequate, and adjusts the allowance when necessary. The allowance is based on management's best estimate of specific losses on individual exposures, as well as a provision on historical trends of collections and utilizations. Actual amounts received or utilized may differ from management's estimate of credit worthiness and the economic environment. Accounts considered uncollectable are written off against allowances after exhaustive efforts at collection are made.

Property and equipment, net

Property and equipment are stated at cost net of accumulated depreciation and impairment. Depreciation is provided over the estimated useful lives of the assets using the straight-line method from the time the assets are placed in service, after considering the estimated residual value which is 5% of costs. Estimated useful lives are as follows:

Classification	**Estimated Useful Life**
Buildings and improvements	10 years
Computer and office equipment	3-5 years
Revenue equipment– trucking*	5 years

* Revenue equipment – trucking are trucks and trailers only used for providing trucking services.

The cost and related accumulated depreciation of assets sold or otherwise retired are eliminated from the accounts and any gain or loss is included in the consolidated statements of income and comprehensive income. Expenditures for maintenance and repairs, which do not materially extend the useful lives of the assets, are charged to earnings as incurred, while additions, renewals and betterments, which are expected to extend the useful life of assets, are capitalized. The Company also re-evaluates the periods of depreciation to determine whether subsequent events and circumstances warrant revised estimates of useful lives.

Impairment of long-lived assets

Long-lived assets, including property and equipment are reviewed for impairment whenever events or changes in circumstances (such as a significant adverse change to market conditions that will impact the future use of the assets) indicate that the carrying value of an asset may not be recoverable. The Company assesses the recoverability of the assets based on the undiscounted future cash flows the assets are expected to generate and recognize an impairment loss when estimated undiscounted future cash flows expected to result from the use of the asset plus net proceeds expected from disposition of the asset, if any, are less than the carrying value of the asset. If an impairment is identified, the Company will reduce the carrying amount of the asset to its estimated fair value based on a discounted cash flows approach or, when available and appropriate, to comparable market values.

Fair Value Measurement

The accounting standard regarding fair value of financial instruments and related fair value measurements defines financial instruments and requires disclosure of the fair value of financial instruments held by the Company.

The accounting standards define fair value, establish a three-level valuation hierarchy for disclosures of fair value measurement and enhance disclosure requirements for fair value measures. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full term of the financial instruments.

- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value.

Financial instruments included in current assets and current liabilities are reported in the consolidated balance sheets at face value or cost, which approximate fair value because of the short period of time between the origination of such instruments and their expected realization and their current market rates of interest.

For certain privately held associates where fair value is not readily determinable, we estimate value based on net assets value. These investments are classified as Level 3 in the fair value hierarchy. Interest rates that are currently available to the Company for issuance of long-term debt and capital lease with similar terms and remaining maturities are used to estimate the fair value of the Company's long-term debt.

Revenue Recognition

For the six months ended June 30, 2026, revenues are all generated from provision of trucking services. All revenues are accounted for under ASC Topic 606, Revenue from Contracts with Customers ("ASC 606"). The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. The amount of revenue recognized reflects the consideration the Company expects to be entitled to in exchange for such products or services.

Revenues under ASC 606

The core principle of the ASC 606 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Company elected the modified retrospective method which required a cumulative adjustment to retained earnings instead of retrospectively adjusting prior periods. The adoption of ASC 606 did not have a material impact on the Company's consolidated financial statements.

The management have determined that revenue recognition over the transit period provides a reasonable estimate of the provision of services to our customers as our obligation is performed over the transit period.

We utilize independent contractors in the performance of certain services. While various ownership arrangements may exist for the equipment utilized to perform these services, revenue is generated from the same base of customers. We evaluate whether our performance obligation is a promise to transfer services to the customer (as the principal) or to arrange for services to be provided by another party (as the agent) using a control model. Our evaluation determined that we are controlling the transaction price, managing all aspects of the services process and taking the risk of failure of provision of services. Based on our evaluation of the control model, we determined that all of our major businesses act as the principal rather than the agent within their revenue arrangements and such revenues are reported on a gross basis.

The Company applies the practical expedient in ASC 606 that permits the Company not to disclose the aggregate amount of transaction price allocated to performance obligations that are unsatisfied as of the end of the period as the Company's contracts have an expected length of one year or less. The Company also applies the practical expedient in ASC 606 that permits the recognition of incremental costs of obtaining contracts as an expense when incurred if the amortization period of such costs is one year or less.

The Company's performance obligations represent the transaction price allocated to future reporting periods for services started but not completed on the reporting date. This includes the unbilled amounts and accrued costs for services provision in transit.

Costs of trucking services

The transportation costs primarily consist of fuel expenses, highway bridge expenses, insurance expenses, drivers' wages, maintenance and repairs expenses, subcontractor fees, depreciation expenses and other expenses.

Sales and marketing expenses

Sales and marketing expenses primarily include travelling expenses and entertainment expenses.

Comprehensive income (loss)

Comprehensive income (loss) consists of two components, net income (loss) and other comprehensive income (loss). Other comprehensive (loss) income refers to revenue, expenses, gains and losses that under GAAP are recorded as an element of shareholders' equity but are excluded from net income. Other comprehensive income (loss) consists of a foreign currency translation adjustment resulting from the Company not using the U.S. dollar as its functional currencies.

Statutory Reserves

Pursuant to the laws applicable to the PRC, PRC entities must make appropriations from after-tax profit to the non-distributable "statutory surplus reserve fund". Subject to certain cumulative limits, the "statutory surplus reserve fund" requires annual appropriations of 10% of after-tax profit until the aggregated appropriations reach 50% of the registered capital (as determined under accounting principles generally accepted in the PRC ("PRC GAAP") at each year-end). For foreign invested enterprises and joint ventures in the PRC, annual appropriations should be made to the "reserve fund". For foreign invested enterprises, the annual appropriation for the "reserve fund" cannot be less than 10% of after-tax profits until the aggregated appropriations reach 50% of the registered capital (as determined under PRC GAAP at each year-end). If the Company has accumulated loss from prior periods, the Company is able to use the current period net income after tax to offset against the accumulate loss.

Commitments and Contingencies

In the normal course of business, the Company is subject to contingencies, including legal proceedings and claims arising out of the business that relate to a wide range of matters, such as government investigations and tax matters. The Company recognizes a liability for such contingency if it determines it is probable that a loss has occurred, and a reasonable estimate of the loss can be made. The Company may consider many factors in making these assessments including historical and the specific facts and circumstances of each matter.

Segment Reporting

The Company's CODM has been identified as its CEO, who reviews the financial results when making decisions about allocating resources and assessing performance of the Trucking services, Car owner services, and Liquor distribution services and therefore, the Company has three reportable segments. The Company's long-lived assets are substantially all located in the PRC and all of the Company's revenues are derived from the PRC.

Concentrations of Risks

(a) Foreign currency risk

A majority of the Company's expense transactions are denominated in RMB and a significant portion of the Company and its subsidiaries' assets and liabilities are denominated in RMB. RMB is not freely convertible into foreign currencies. In the PRC, certain foreign exchange transactions are required by law to be transacted only by authorized financial institutions at exchange rates set by the People's Bank of China ("PBOC"). It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between the RMB and the U.S. dollar in the future. The change in the value of the RMB relative to the U.S. dollar may affect the Company's financial results reported in the U.S. dollar terms without giving effect to any underlying changes in the Company's business or results of operations. Remittances in currencies other than RMB by the Company in China must be processed through the PBOC or other China foreign exchange regulatory bodies which require certain supporting documentation in order to affect the remittance.

As a result, the Company is exposed to foreign exchange risk as revenues and results of operations may be affected by fluctuations in the exchange rate between the U.S. dollar and RMB. If the RMB depreciates against the U.S. dollar, the value of RMB revenues, earnings and assets as expressed in U.S. dollar financial statements will decline. The Company has not entered into any hedging transactions in an effort to reduce its exposure to foreign exchange risk.

Goodwill impairment

The Company performs impairment tests on goodwill on an annual basis in accordance with US GAAP, or more frequently if events or changes in circumstances indicate that those assets might be impaired. Goodwill is tested for impairment at a reporting unit level, which is at the same level or one level below an operating segment. A goodwill impairment loss is recognized when the carrying amount of the reporting unit is greater than its fair value. The goodwill impairment loss is calculated as the excess of the carrying amount of the goodwill over its implied fair value.

Note 3 – Cash

Cash consist of the following:

	As of June 30, 2026	As of June 30, 2025
Cash on hand	$ 8,341	$ 90,859
Cash at bank	539,781	953,821
Cash	$ 548,122	$ 1,044,680

Note 4 – Accounts receivable, net

Accounts receivable, net consist of the following:

	June 30, 2026	June 30, 2025
Accounts receivable	$ 1,478,564	$ 4,895,859
Allowance for credit loss		(2,764,824)
Total accounts receivable, net	$ 1,478,564	$ 2,131,035

Note 5 – Goodwill

As of June 30, 2026, the balance of goodwill represented an amount of $13,715,130 that arose from acquisition of Feipeng BVI in December 2022.

Note 6 – Other payables and accrued liabilities

Other payables and accrued liabilities consist of rental deposits, salary payables, and etc.

Note 7 – Credit facilities

Credit facilities mainly consist of short-term bank borrowing and long-term bank borrowings.