Brilliance Auto
华晨汽车

BRILLIANCE CHINA AUTOMOTIVE HOLDINGS LIMITED
（華晨中國汽車控股有限公司）*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1114)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31ST DECEMBER, 2025

The board of directors (the "**Board**") of Brilliance China Automotive Holdings Limited (the "**Company**") announces the consolidated financial results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31st December, 2025 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31st December,
(Expressed in thousands of RMB except for earnings per share amounts)

	Notes	**2025 RMB'000**	2024 RMB'000
Revenue	3	**1,181,922**	1,095,949
Cost of sales		**(1,018,436)**	(902,069)
Gross profit		**163,486**	193,880
Other income and other gains, net		**208,947**	23,578
Interest income		**124,176**	417,838
Selling expenses		**(53,882)**	(53,602)
General and administrative expenses		**(631,858)**	(528,637)
Net (provision) reversal of expected credit loss ("**ECL**") allowance on loans and receivables		**(994)**	109,159
Finance costs		**(5,541)**	(3,684)
Share of results of:			
Associates		**2,566,256**	4,361,370
A joint venture		**(62,067)**	–
Profit before income tax expense	4	**2,308,523**	4,519,902
Income tax expense	5	**(446,314)**	(1,474,278)
Profit for the year		**1,862,209**	3,045,624

* *For identification purposes only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)
For the year ended 31st December,
(Expressed in thousands of RMB except for earnings per share amounts)

	Notes	**2025 RMB'000**	2024 RMB'000
Attributable to:			
Equity holders of the Company		**1,985,686**	3,101,075
Non-controlling interests		**(123,477)**	(55,451)
		1,862,209	3,045,624
Earnings per share	6		
– Basic		**RMB0.39357**	RMB0.61465
– Diluted		**RMB0.39357**	RMB0.61465

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st December,

	2025	2024
	RMB'000	RMB'000
Profit for the year	**1,862,209**	3,045,624
Other comprehensive income (expense) that will be subsequently reclassified to consolidated statement of profit or loss, net of tax		
Share of other comprehensive income (expense) of associates	**1,399,131**	(947,404)
Fair value (loss) gain on notes receivable at fair value through other comprehensive income ("**FVOCI**")	**(257)**	39
	1,398,874	(947,365)
Other comprehensive (expense) income that will not be subsequently reclassified to consolidated statement of profit or loss, net of tax		
Share of other comprehensive income of a joint venture	**4,393**	–
Change in fair value of equity investments	**(73)**	68
	4,320	68
Total comprehensive income for the year	**3,265,403**	2,098,327
Attributable to:		
Equity holders of the Company	**3,388,880**	2,153,778
Non-controlling interests	**(123,477)**	(55,451)
	3,265,403	2,098,327

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31st December,

	Notes	**2025 RMB'000**	2024 RMB'000
Non-current assets			
Intangible assets		**129,393**	131,425
Property, plant and equipment		**1,273,303**	1,297,242
Land lease prepayments		**69,674**	71,792
Interests in associates		**12,296,010**	12,450,008
Interests in a joint venture		**642,326**	–
Equity investments		**1,766**	1,839
Long-term loan receivables		**1,286,784**	1,602,089
Prepayments for property, plant and equipment		**82,169**	–
Other non-current assets		**50,027**	131,707
Total non-current assets		**15,831,452**	15,686,102
Current assets			
Cash and cash equivalents		**4,500,027**	10,539,550
Statutory deposit reserves at central bank		**–**	42,500
Short-term bank deposits	7	**708,965**	582,115
Inventories		**516,607**	260,658
Accounts receivable	8	**408,323**	403,551
Notes receivable		**164,243**	82,498
Short-term loan receivables		**825,012**	942,521
Other current assets		**625,533**	566,220
Total current assets		**7,748,710**	13,419,613
Current liabilities			
Accounts payable	9	**447,595**	260,379
Notes payable		**209,930**	279,853
Other current liabilities		**537,034**	408,187
Short-term bank borrowings		**–**	330,000
Income tax payable		**3,475**	3,031
Provision for loss	11	**276,732**	554,199
Total current liabilities		**1,474,766**	1,835,649
Net current assets		**6,273,944**	11,583,964
Total assets less current liabilities		**22,105,396**	27,270,066

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)
As at 31st December,

	2025 **RMB'000**	2024 RMB'000
Non-current liabilities		
Other non-current liabilities	**165,450**	172,185
NET ASSETS	**21,939,946**	27,097,881
Capital and reserves		
Share capital	**397,176**	397,176
Reserves	**20,629,344**	25,663,802
Total equity attributable to equity holders of the Company	**21,026,520**	26,060,978
Non-controlling interests	**913,426**	1,036,903
TOTAL EQUITY	**21,939,946**	27,097,881

NOTES:

1. CORPORATE INFORMATION

The Company was incorporated in Bermuda on 9th June, 1992 with limited liability. The Company's shares are traded on the main board of The Stock Exchange of Hong Kong Limited (the "**SEHK**"). The address of the registered office of the Company is at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda. The principal place of business of the operating subsidiaries are in the People's Republic of China (the "**PRC**").

Shenyang Automobile Group Co., Ltd. ("**Shenyang Automobile**", formerly "Shenyang Automobile Co., Ltd.") is currently indirectly holding 29.99% equity interest in the Company and is considered as the single largest shareholder of the Company.

The Company is an investment holding company. The principal activities of the Group are the manufacture and sale of BMW vehicles and components in the PRC through its major associate, BMW Brilliance Automotive Ltd. ("**BBA**"), the manufacture and sale of non-BMW vehicles and automotive components through its subsidiaries, Jinbei (Shenyang) Automotive Co., Ltd. ("**JSA**"), Ningbo Yumin Machinery Industrial Co., Ltd ("**Ningbo Yumin**") and Mianyang Brilliance Ruian Automotive Components Co., Ltd. ("**Mianyang Ruian**"), and the provision of auto financing service through its subsidiary, Brilliance-BEA Auto Finance Co., Ltd. ("**BBAFC**").

2. PRINCIPAL ACCOUNTING POLICIES

(a) Statement of compliance

These annual consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), which collective term includes all applicable individual HKFRS accounting standards, Hong Kong Accounting Standards and Interpretations ("**HKFRS Accounting Standards**") and the accounting principles generally accepted in Hong Kong. These consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and include the applicable disclosure requirements of the Rules Governing the Listing of Securities on the SEHK (the "**Listing Rules**").

These consolidated financial statements have been prepared on the basis consistent with the accounting policies adopted in the 2024 consolidated financial statements, except for the adoption for the first time the amended HKFRS Accounting Standards (collectively "**Amended HKFRS Accounting Standards**") issued by the HKICPA, which are relevant to and effective for the annual consolidated financial statements for the annual period beginning on or after 1st January, 2025. The details of the respective amended HKFRS Accounting Standards are set out in note 2(b).

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(b) Adoption of Amended HKFRS Accounting Standards

In the current year, the Group has applied for the first time the Amendments to HKAS 21 "Lack of Exchangeability" ("**HKAS 21**") which are effective for the Group's consolidated financial statements for the annual period beginning on 1st January, 2025.

These amendments to HKAS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. Besides, the amendments also require an entity to disclose additional information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments do not have a material impact on the financial statements of the Group.

(c) Basis of measurement

The measurement basis used in the preparation of the consolidated financial statements is historical cost, except for financial instruments classified as finance assets which are measured at FVOCI and fair value through profit or loss ("**FVTPL**").

(d) Future changes in HKFRS Accounting Standards

As at the date of authorisation of these consolidated financial statements, the HKICPA has issued certain new and amended HKFRS Accounting Standards which are relevant to the Group and not yet effective.

HKFRS 18	Presentation and Disclosure in Financial Statements[2]
HKFRS 19	Subsidiaries without Public Accountability: Disclosures and related amendments[2]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[1]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature – Dependent Electricity[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
HKAS 21	Translation to Hyperinflationery Presentation Currency[2]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[1]
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause[2]

1. Effective for annual periods beginning on or after 1st January, 2026
2. Effective for annual periods beginning on or after 1st January, 2027
3. No mandatory effective date determined yet but available for adoption

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(d) Future changes in HKFRS Accounting Standards (Continued)

The directors of the Group anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. Information on new and amended HKFRS Accounting Standards that are expected to impact the Group's accounting policies is provided above. Other new and amended HKFRS Accounting Standards do not have material impact on the Group's consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue earned during the year represents:

	2025 **RMB'000**	2024 RMB'000
Sale of non-BMW vehicles and automotive components, net of discounts and return	**1,035,454**	893,092
Interest and service charge income from provision of auto financing service, net of other indirect taxes	**146,468**	202,857
	1,181,922	1,095,949

Sale of non-BMW vehicles and automotive components are recognised at a point in time.

During the year, no customer had aggregate revenue reaching or exceeding 10% of the Group's revenue (2024: one largest customer with aggregate revenue of approximately RMB106,063,000 or 10% of the Group's revenue).

Although the Group's products are primarily sold in the PRC, the Group also has sale to the overseas markets and the sales by location of customers are as follows:

	2025 **RMB'000**	2024 RMB'000
PRC	**885,510**	751,784
Other Asian countries	**11,961**	7,466
Latin America and Caribbean Sea	**32,823**	46,099
Europe	**84,210**	81,434
Africa	**16,402**	–
Others	**4,548**	6,309
	1,035,454	893,092

All interest and service charge income from provision of auto financing service is derived in the PRC.

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the directors and the chief operating decision makers for their decisions about resource allocation to the Group's business segments, which are determined by the Group's different brands of vehicles or different nature of business, and their respective performances.

3. REVENUE AND SEGMENT INFORMATION (Continued)

The Group has identified the following reportable segments:

(1) the manufacture and sale of non-BMW vehicles and automotive components;

(2) the manufacture and sale of BMW vehicles and components; and

(3) the provision of auto financing services.

The measurement policies the Group adopts for reporting segment results under HKFRS 8 are the same as those used in its consolidated financial statements prepared under HKFRS Accounting Standards, except that the following items are not included in arriving at the segment results of the operating segments:

– expenses related to share-based payments;

– share of results of associates;

– share of results of a joint venture;

– interest income;

– finance costs;

– corporate income and expenses which are not directly attributable to the business activities of any operating segment; and

– income tax expense.

In addition, the operating results of the operating segments include completed segment results of the manufacture and sale of BMW vehicles and components through BBA, which are currently reported on the basis of the Group's share of equity interests in BBA and included in the consolidated financial statements prepared under HKFRS Accounting Standards.

Segment assets include all assets other than interests in associates, interest in a joint venture and equity investments. In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment.

Segment liabilities include all liabilities other than corporate liabilities which are not directly attributable to the business activities of any operating segment and are not allocated to a segment.

In addition, segment assets and segment liabilities include assets and liabilities of the "manufacture and sale of BMW vehicles and components through BBA" segment, which are currently reported on the basis of the Group's share of equity interests in BBA included in the consolidated financial statements prepared under HKFRS Accounting Standards.

All segment assets are located in the PRC.

3. REVENUE AND SEGMENT INFORMATION (Continued)

Operating segments – 2025

	Manufacture and sale of non-BMW vehicles and automotive components RMB'000	Provision of auto financing service RMB'000	Manufacture and sale of BMW vehicles and components through BBA RMB'000	Reconciliation to the Group's consolidated statement of profit or loss and intersegment elimination RMB'000	Total RMB'000
Segment sales	1,035,454	146,468	165,556,000	(165,556,000)	1,181,922
Segment results	(129,860)	(58,501)	10,388,077	(10,388,077)	(188,361)
Unallocated costs net of unallocated income					(125,940)
Interest income					124,176
Finance costs					(5,541)
Share of results of					
– Associates					2,566,256
– A joint venture					(62,067)
Profit before income tax expense					2,308,523

3. REVENUE AND SEGMENT INFORMATION (Continued)

Operating segments – 2024

	Manufacture and sale of non-BMW vehicles and automotive components RMB'000	Provision of auto financing service RMB'000	Manufacture and sale of BMW vehicles and components through BBA RMB'000	Reconciliation to the Group's consolidated statement of profit or loss and intersegment elimination RMB'000	Total RMB'000
Segment sales	893,092	202,857	205,064,858	(205,064,858)	1,095,949
Segment results	(107,314)	(7,475)	17,450,301	(17,419,950)	(84,438)
Unallocated costs net of unallocated income					(171,184)
Interest income					417,838
Finance costs					(3,684)
Share of results of associates					4,361,370
Profit before income tax expense					4,519,902

3. REVENUE AND SEGMENT INFORMATION (Continued)

Operating segments – 2025

	Manufacture and sale of non-BMW vehicles and automotive components RMB'000	Provision for auto financing service RMB'000	Manufacture and sale of BMW vehicles and components through BBA RMB'000	Reconciliation to the Group's consolidated statement of financial position and intersegment elimination RMB'000	Total RMB'000
Segment assets	8,098,214	2,445,566	117,288,362	(118,138,976)	9,693,166
Interests in associates					12,296,010
Interests in a joint venture					642,326
Equity investments					1,766
Unallocated assets					946,894
Total assets					23,580,162
Segment liabilities	1,561,743	878,873	72,324,739	(73,175,353)	1,590,002
Unallocated liabilities					50,214
Total liabilities					1,640,216
Other disclosures:					
Capital expenditures					
– Owned assets	220,988	1,203	5,911,702	(5,911,702)	222,191
– Right-of-use assets	8,624	1,993	359,268	(359,268)	10,617
Depreciation of property, plant and equipment					
– Owned assets	69,644	937	4,997,576	(4,997,576)	70,581
– Right-of-use assets	27,988	2,842	403,744	(403,744)	30,830
Amortisation of land lease prepayments	2,118	–	86,518	(86,518)	2,118
Amortisation of intangible assets	24,308	5,715	274,651	(274,651)	30,023
Provision for inventories	54,563	–	2,094,201	(2,094,201)	54,563
Reversal of provision for inventories sold	6,465	–	1,549,414	(1,549,414)	6,465
Net reversal (provision) of ECL allowance	76,042	(77,036)	–	–	(994)
Impairment loss on property, plant and equipment	66,944	–	–	–	66,944
Income tax expense	1,314	–	3,539,823	(3,094,823)	446,314

3. REVENUE AND SEGMENT INFORMATION (Continued)

Operating segments – 2024

	Manufacture and sale of non-BMW vehicles and automotive components RMB'000	Provision for auto financing service RMB'000	Manufacture and sale of BMW vehicles and components through BBA RMB'000	Reconciliation to the Group's consolidated statement of financial position and intersegment elimination RMB'000	Total RMB'000
Segment assets	13,634,934	2,885,501	127,448,121	(128,298,970)	15,669,586
Interests in associates					12,450,008
Equity investments					1,839
Unallocated assets					984,282
Total assets					29,105,715
Segment liabilities	1,588,906	1,205,790	81,317,360	(82,168,208)	1,943,848
Unallocated liabilities					63,986
Total liabilities					2,007,834
Other disclosures:					
Capital expenditures					
– Owned assets	139,572	2,965	18,827,637	(18,827,637)	142,537
– Right-of-use assets	117,093	–	186,845	(186,845)	117,093
– Investment in JSA	1,054,355	–	–	–	1,054,355
Depreciation of property, plant and equipment					
– Owned assets	136,613	984	5,924,411	(5,924,411)	137,597
– Right-of-use assets	21,419	3,488	393,336	(393,336)	24,907
Amortisation of land lease prepayments	2,119	–	84,196	(84,196)	2,119
Amortisation of intangible assets	15,781	8,103	255,921	(255,921)	23,884
Provision for inventories	5,693	–	3,249,173	(3,249,173)	5,693
Reversal of provision for inventories sold	6,489	–	2,299,923	(2,299,932)	6,489
Net reversal (provision) of ECL allowance	159,556	(50,397)	531	(531)	109,159
Impairment loss on property, plant and equipment	1,285	–	–	–	1,285
Income tax expense	278	–	5,735,846	(4,261,846)	1,474,278

4. PROFIT BEFORE INCOME TAX EXPENSE

Profit before income tax expense is stated after charging and crediting the following:

	2025 **RMB'000**	2024 RMB'000
Charging:		
ECL allowance on:		
– Loan receivables	**65,453**	56,262
– Accounts receivable	**3,311**	4,269
– Other receivables	**7,587**	–
– Accounts receivable from affiliated companies	**176**	–
– Amounts due from affiliated companies	**6,955**	–
Loss on disposal of equity investments (b)	**–**	2,574
Staff costs (including directors' emoluments)	**346,439**	258,311
Amortisation of intangible assets (a)	**30,023**	23,884
Amortisation of land lease prepayments	**2,118**	2,119
Impairment loss on owned property, plant and equipment (b)	**66,944**	1,285
Loss on disposal/write-off of property, plant and equipment:		
– Owned assets	**25,762**	7,114
– Right-of-use assets	**27**	824
Depreciation of property, plant and equipment: (a)		
– Owned assets	**70,581**	137,597
– Right-of-use assets	**30,830**	24,907
Cost of inventories	**989,559**	838,989
Cost of provision for auto financing service	**28,877**	63,080
Exchange loss, net (b)	**49,787**	111,782
Provision for inventories (b)	**54,563**	5,693
Auditors' remuneration (b)	**5,092**	3,879
Research and development costs (b)	**107,144**	55,250
Warranty provision	**7,083**	2,748
Lease charges:		
– Short-term leases with lease terms of 12 months or shorter	**5,773**	3,205
– Low value items	**60**	94
Crediting:		
Reversal of provision for inventories sold (b)	**6,465**	6,489
Rental income from land and buildings	**1,087**	1,031
Reversal of ECL allowance on:		
– Accounts receivable	**2,631**	–
– Other receivables grouped under current assets	**–**	17,693
– Accounts receivable from affiliated companies	**9,785**	8,580
– Amounts due from affiliated companies	**70,072**	143,417

(a) Depreciation of property, plant and equipment and amortisation of intangible assets in relation to production were included in cost of sales; while the amounts attributable to other purposes were included in general and administrative expenses.

(b) Included in general and administrative expenses.

5. INCOME TAX EXPENSE

The income tax expense recognised in the consolidated statement of profit or loss represents:

	2025	2024
	RMB'000	RMB'000
Current tax		
PRC corporate income tax		
– Current year	**1,313**	254
– Under provision in prior years	**1**	24
PRC withholding tax on dividend	**445,000**	1,474,000
Total income tax expense	**446,314**	1,474,278

(a) Bermuda tax

The Company was incorporated in Bermuda and has received an undertaking from the Ministry of Finance in Bermuda pursuant to the provisions of the Exempted Undertakings Tax Protection Act, 1966, which exempts the Company and its shareholders, other than shareholders ordinarily residing in Bermuda, from any Bermuda taxes computed on profit, income or any capital asset, gain or appreciation, or any tax in the nature of estate duty or inheritance tax, at least until year 2035.

(b) Hong Kong profits tax

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong during the year (2024: nil).

(c) PRC corporate income tax

The Group's subsidiaries incorporated in the PRC are subject to Corporate Income Tax. The Corporate Income Tax for the subsidiaries, except Mianyang Ruian, is calculated at 25% on their estimated assessable profits for the year based on existing legislation, interpretations and practices in respect thereof.

Mianyang Ruian received official designation by the local tax authority as a foreign-invested enterprise engaged in manufacturing activities and was also designated as an entity under "the encouraged industries under Catalogue for the Guidance of Foreign Investment Industries" and with its location in the Western region of the PRC, the applicable income tax rate for Mianyang Ruian is 15%.

With effect from 1st January, 2008, all profits of the PRC subsidiaries arising since that date that are distributed and remitted as dividend to the overseas parents are subject to 5% or 10% withholding tax on the amount remitted. For the profits generated by the Group's subsidiaries in the PRC, as it is the intention of the management that the Group would mainly reinvest these profits in the respective subsidiaries, no deferred tax is provided in respect of this withholding tax on profits of these PRC subsidiaries.

5. INCOME TAX EXPENSE (Continued)

Reconciliation between tax expense and accounting profit using the weighted average taxation rate of the companies within the Group is as follows:

	2025 **RMB'000**	2024 RMB'000
Profit before income tax expense	**2,308,523**	4,519,902
Calculated at a weighted average statutory taxation rate in the PRC of 25.7% (2024: 25.46%)	**592,769**	1,150,705
Effect of tax holiday	**(2,900)**	(1,021)
Tax effect of non-taxable income net off non-deductible expense	**(111,093)**	(31,721)
Profits attributable to associates and a joint venture	**(626,047)**	(1,089,321)
PRC withholding tax on dividend	**445,000**	1,474,000
Unrecognised temporary differences	**49,115**	(94,814)
Unrecognised tax losses net of utilisation of previously unrecognised tax losses	**99,469**	66,426
Under provision in prior years	**1**	24
Tax expense for the year	**446,314**	1,474,278

6. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company of approximately RMB1,985,686,000 (2024: approximately RMB3,101,075,000) by the weighted average number of ordinary shares of 5,045,269,000 shares (2024: 5,045,269,000 shares).

Diluted earnings per share is the same as basic earnings per share for the years ended 31st December, 2025 and 2024 as there was no potential dilutive ordinary share in issue during the two years.

7. SHORT-TERM BANK DEPOSITS

	2025 **RMB'000**	2024 RMB'000
Time deposits with maturities over three months	**253,000**	–
Restricted short-term deposits (Note 11)	**276,732**	347,200
Pledged short-term deposits for bank guaranteed notes issued by the Group (Note)	**164,233**	234,915
Pledged short-term deposits for other banking facilities	**15,000**	–
	455,965	582,115
	708,965	582,115

Note: As at 31st December, 2025, in addition to short-term deposits pledged, the Group had also pledged bank guaranteed notes receivable from third parties and related parties of approximately RMB70.9 million (2024: approximately RMB45.6 million) to secure the issue of bank guaranteed notes.

8. ACCOUNTS RECEIVABLE

	Note	**2025** **RMB'000**	2024 RMB'000
Accounts receivable	8(a)	**405,492**	402,189
Accounts receivable from affiliated companies		**2,831**	1,362
		408,323	403,551

8. ACCOUNTS RECEIVABLE (Continued)

(a) An aging analysis of accounts receivable based on invoice date is set out below:

	2025 RMB'000	2024 RMB'000
Less than six months	**404,854**	407,906
Six months to one year	**583**	1,323
Above one year to two years	**7,873**	883
Above two years but less than five years	**3,139**	20,629
Five years or above	**33,721**	17,957
	450,170	448,698
Less: ECL allowance	**(44,678)**	(46,509)
	405,492	402,189

As at 31st December, 2025, accounts receivable from third parties of approximately RMB18 million (2024: approximately RMB14 million) are substantially denominated in U.S. Dollar or Euro and the rest are denominated in Renminbi. In order to minimise credit risk, credit history and background of new customers and debtors are checked. Credit limits with credit terms of 30 to 90 days are set for customers. Customers considered to be high risk are traded on cash basis or upon receipt of bank guaranteed notes. Designated staff monitors accounts receivable and follow-up collection with customers.

9. ACCOUNTS PAYABLE

	Note	2025 RMB'000	2024 RMB'000
Accounts payable	9(a)	**436,552**	249,835
Accounts payable to affiliated companies		**11,043**	10,544
		447,595	260,379

9. ACCOUNTS PAYABLE (Continued)

(a) An aging analysis of accounts payable based on the invoice date is set out below:

	2025 **RMB'000**	2024 RMB'000
Less than six months	**367,038**	178,048
Six months to one year	**3,575**	9,828
Above one year but less than two years	**18,928**	13,255
Two years or above	**47,011**	48,704
	436,552	249,835

Accounts payable with balances denominated in currencies other than Renminbi are considered not significant. All these amounts are payable within one year.

10. DIVIDENDS

	2025 **RMB'000**	2024 RMB'000
Special dividends	**4,738,677**	27,210,904
Interim dividends	**3,684,661**	–
	8,423,338	27,210,904

On 15th April, 2024 and 14th June, 2024, the directors of the Company declared special dividends of HK$1.5 and HK$4.3 per share, respectively, totalling approximately HK$29,262,562,000 or RMB27,210,904,000.

On 3rd March, 2025, the directors of the Company declared a special dividend of HK$1.0 per share, totalling approximately HK$5,045,269,000 or RMB4,738,677,000.

On 22nd August, 2025, the directors of the Company declared an interim dividend of HK$0.8 per share, totalling approximately HK$4,036,152,000 or RMB3,684,661,000.

The directors of the Company did not recommend any further dividend payment at the Board meeting held on 27th March, 2026 in respect of the Group's results for the year ended 31st December, 2025 (2024: nil).

11. PROVISION FOR LOSS

	2025	2024
	RMB'000	RMB'000
As at 1st January,	**554,199**	1,469,944
Over provision in prior years	**(277,467)**	–
Settlements	**–**	(915,745)
As at 31st December,	**276,732**	554,199

Shenyang JinBei Automotive Industry Holdings Co., Ltd. ("**SJAI**"), a subsidiary of the Group, has been claimed by certain banks for the unauthorised guarantees for bank borrowings granted to Huachen Automotive Group Holdings Company Limited ("**Huachen**") in 2019. As a result, the Group has a provision for the loss recognised. The Group had already settled RMB1,362,863,000 up to 31st December, 2025.

As at 31st December, 2025, except for claim from one bank, local courts had final rulings on the final claims and ordered a release of certain restricted bank deposits of the Group down to approximately RMB276,732,000 (see note 7) for the potential claim from the remaining one bank. Accordingly, it was estimated that the loss would not be higher than this amount and therefore an adjustment was made to the provision for the loss in the year.

OVERVIEW AND PROSPECTS

This year, the global automotive industry underwent profound transformation driven by electrification, intelligence and sustainability, while China's economy maintained a steady and high-quality recovery trajectory. Faced with intensifying market competition and evolving industry dynamics, the Group adhered to its strategic vision, forged ahead with resilience, and achieved remarkable progress in business operations, technological innovation and strategic layout – laying a solid foundation for long-term sustainable development.

In 2025, China's economy maintained stable growth, with full-year Gross Domestic Product (GDP) growth meeting the expected target, providing a strong macroeconomic backdrop for the automotive industry. The industry continued its structural upgrade, shifting from "scale expansion" to "quality improvement". According to data released by the China Association of Automobile Manufacturers, China's total vehicle production and sales remained above 34.4 million units, consolidating its position as the world's largest automotive market for the 17th consecutive year. This milestone not only demonstrates the resilience and vitality of China's automotive industry but also reflects the strong domestic consumer demand for high-quality mobility solutions. As the core driving force of the industry, the passenger vehicle market continued to play a leading role, accounting for approximately 88% of total vehicle sales. A notable trend was the accelerated popularization of smart, connected and electrified products – consumers are no longer satisfied with basic mobility needs, but increasingly pursue Advanced Driver-Assistance Systems (ADAS), immersive in-car interaction experiences and seamless connectivity. The New Energy Vehicle ("**NEV**") segment maintained its robust growth momentum, with annual sales exceeding 16.49 million units, a year-on-year increase of approximately 28.2%, and its penetration rate in the passenger vehicle market rising to around 47.9%. This not only reflects the success of China's energy transition strategy, but also marks the NEV sector's transition from a "niche market" to a "mainstream market".

Within the NEV segment, Battery Electric Vehicles ("**BEVs**") remained the dominant force, while Plug-in Hybrid Electric Vehicles gained increasing traction among consumers seeking a balance between electric driving experience and long-distance travel convenience. Notably, consumer demand in the Chinese market has become more rational and diversified. In addition to smart and electrified features, consumers' attention to vehicle safety performance and brand reputation has continued to rise, with the completeness of safety configurations, brand market recognition and after-sales service quality becoming core factors influencing consumers' purchasing decisions. Technological breakthroughs in high-voltage fast-charging platforms, battery energy density and intelligent control systems, coupled with the continuous improvement of the charging infrastructure network and stable policy support, have effectively alleviated consumers' concerns about range anxiety and charging convenience, further promoting the popularization of NEVs. Meanwhile, the premium passenger vehicle market underwent structural adjustments: traditional premium models faced increasing competitive pressure, while those with leading electrification and intelligence capabilities, comprehensive safety configurations and profound brand heritage maintained strong growth, reflecting consumers' growing emphasis on technology, product experience, brand value and safety performance.

Despite the positive overall industry trends, the automotive industry in 2025 also faced significant challenges – intensified market competition led to price wars and pressure on gross margins; fluctuations in raw material prices and supply chain uncertainties posed operational challenges; and the accelerated pace of technological iteration placed higher requirements on enterprises' R&D capabilities and innovation speed. In response, the Group proactively adapted to market changes, optimized operational efficiency, strengthened technological innovation and deepened strategic cooperation, turning challenges into opportunities for high-quality development.

As a core pillar of the Group's business, BBA maintained stable and high-quality operations in 2025, adhering to the BMW Group's global strategy while deeply integrating into the Chinese market. Guided by the brand essence of "Sheer Driving Pleasure", BBA continuously optimized its product portfolio, covering both internal combustion engine models and pure electric models, to meet the diverse and personalized needs of Chinese consumers, especially aligning with consumers' core demands for safety performance and brand value.

Throughout the year, BBA deepened its cooperation with the BMW Group ecosystem, leveraged global technological resources to enhance its local R&D and production capabilities, further advanced its "local for local" strategy, and continuously consolidated and expanded its local supplier network. This not only improved the stability and flexibility of the supply chain, but also promoted the high-quality development of the local automotive industry chain.

As the BMW Group's largest single production base worldwide, the Shenyang production base continued to lead the industry in smart manufacturing and green production. This year, the base accelerated the application of artificial intelligence, digital quality control and renewable energy technologies, launched a geothermal heating project to reduce carbon emissions, and made remarkable progress in building a "green, intelligent and efficient" production system.

A key highlight of BBA's development in 2025 was the accelerated preparation for the Neue Klasse model, which is scheduled to be launched in 2026. As a core supporting project for the Neue Klasse, the RMB10 billion Sixth-Generation Battery Project has been fully completed and put into trial operation, with production capacity for high-performance round cells that will significantly enhance the performance and driving range of future electric models. Meanwhile, the BMW iFactory strategy was fully implemented at the Shenyang production base, integrating data science, artificial intelligence and virtualization technologies to optimize production processes, improve product quality and reduce energy consumption, laying a solid foundation for BBA's long-term development in the electrification era.

2025 was a crucial year for the business recovery and development of JSA. After a period of preparation and adjustment, JSA fully resumed operations and production in 2025, marking an important turning point in its recovery journey. The technical upgrading and transformation of the production line was successfully completed at the end of April 2025. The factory area was renovated and upgraded into a first-class commercial vehicle factory with flexibility and automation, winning the title of Advanced Intelligent Factory in Liaoning Province and successfully passing the ISO9001 quality management system certification. The new R&D center was completed, realizing an integrated R&D process of "design-prototype-verification".

In terms of production resumption, fuel models such as Haise, Haise King and Grand Haise were successfully put into production sequentially from May to October 2025. In the second quarter of this year, the production line completed comprehensive upgrading and full-capacity commissioning on the basis of the earlier technical transformation, laying a solid foundation for large-scale production.

The Jiyun product series, co-developed with Zhejiang Geely Farizon New Energy Commercial Vehicles Group Co., Ltd. ("**Geely Farizon**"), was put into mass production and launched on the market, receiving positive feedback from consumers with its advanced technology, reliable performance and comprehensive safety configurations, which are well aligned with prevailing market demand for safety and brand. To further deepen cooperation and expand business layout, JSA and Geely Farizon established a joint venture in April 2025, focusing on the R&D and production of new energy commercial vehicles, helping JSA seize the development opportunities in the commercial vehicle electrification market. At the same time, JSA gradually restarted its classic models such as Haise, Haise King and Grand Haise, as well as their corresponding electric versions, continuously optimizing production processes and improving product quality and safety configurations to meet market demand.

On the marketing front, JSA actively reconstructed its domestic dealer network, having restored or newly established 82 first-level network dealers, 124 Jinbei service stations and 74 Jiyun service stations, redefined the visual identity, and presented a renewed and upgraded Jinbei brand to customers. In terms of overseas sales channels, JSA achieved a transformation from complete vehicle export to KD (Knocked Down) cooperation, promoting international production through technological empowerment. The first KD vehicle of the Vietnam KD project rolled off the production line on 5th September, 2025. The Haise KD model cooperating with Jinbei Royal Egypt Auto Trading Company will be produced locally in 2026. The first exclusive Jinbei store in Egypt was officially put into operation in October 2025. Further, a strategic cooperation was signed with Toyota Tsusho, entering the Saudi market to achieve global channel sharing. All these lay a solid foundation for the sustained recovery of its commercial vehicle business.

BBAFC, the Group's automotive financial services subsidiary, continued to implement its business diversification strategy in 2025, aiming to reduce concentration risk and enhance business resilience. This year, BBAFC further expanded its cooperation scope, establishing partnerships with more high-growth NEV manufacturers and prioritizing partners with strong brand reputation and comprehensive safety credentials. This not only enriched its customer base, but also reduced reliance on individual brand partners, achieving a more balanced and diversified asset structure.

Faced with the challenges of intensified industry competition, rising customer acquisition costs and complex market environment, BBAFC actively upgraded its risk control system, leveraging digital technology to improve risk identification and management capabilities, ensuring the stability of asset quality. Although short-term margin pressure persisted due to market factors, BBAFC maintained stable operations throughout the year, providing strong financial support for the Group's automotive sales and achieving positive results in balancing development and risk control.

The Group's components business continued to focus on transformation and upgrading in 2025, focusing on technological innovation and product optimization to enhance its core competitiveness and market influence, and better meet the requirements of vehicle manufacturers for safety performance and product quality. Ningbo Yumin accelerated its product transformation and upgrading, focusing on expanding the aluminum alloy lightweight industry chain – which is an important direction for the automotive industry to achieve energy conservation and emission reduction, and can also improve vehicle safety performance. During the year, Ningbo Yumin continued to focus on product transformation and upgrading and the expansion of the aluminum alloy lightweight industry chain. New key orders include high-end supporting projects such as sunroof rails for the all-new BMW X5 model (code G78) of BBA, sunroof rails for the Beijing Benz GLE model (code T167), and curtain rail series products for Mercedes-Benz's new electric VAN.EA platform models. The company successfully developed 2 new customers during the year, further consolidating its leading position in the high-end automotive components market.

Mianyang Ruian, a wholly-owned subsidiary of the Company, adopted the development strategy of "project-driven + new customer development", and its monthly sales exceeded 300,000 units for the first time in March 2025, setting a new monthly record. Faced with fierce market competition and customer cost reduction requirements, Mianyang Ruian actively optimized production processes and reduced production costs, while adhering to quality standards to ensure product safety and reliability. It strived to maintain its existing market share while actively expanding new orders from core customers, ensuring the stable development of its business.

Recognizing the strategic importance of high technology in the automotive industry's transformation, the Group actively explored high-tech investment opportunities in 2025, focusing on the intelligent cockpit segment – a core link in automotive intelligence and key to enhancing safety, user experience and brand competitiveness. Following the December 2024 joint venture announcement with TCL Hengshi Tianrui Investment (Ningbo) Co., Ltd. ("**TCL**"), the two parties officially established Yuxin Zhixing Technology (Shenyang) Co., Ltd. ("**Yuxin**") on 21st April, 2025, with a total investment of RMB1.4 billion, focusing on R&D and production of high-end intelligent cockpit products with safe interaction design. In 2025, Yuxin focused on product delivery and business expansion: its rear-seat smart control screen entered mass production at ZEEKR in September 2025, with new nomination from Dongfeng Voyah. Its new Shenyang factory, built to top international standards, started construction in late March, completed main structure in August, and launched trial production in late December 2025, achieving "same-year construction and production". TCL's technological advantages complement the Group's manufacturing capabilities. Through this joint venture, the Group enhances in-vehicle cockpit technology, meets consumer demand for safety and brand, diversifies its investment portfolio, and seizes opportunities from automotive intelligent transformation.

Looking back on 2025, it was a year of challenges and achievements for the Group. In the complex and volatile market environment, the Group adhered to its strategic direction and made steady progress in various businesses: BBA maintained stable operations and accelerated its electrification transformation, continuously aligning with consumers' demand for safety and brand; JSA achieved full recovery and regained development momentum; the components business continued to upgrade and enhance its competitiveness; and the strategic layout in the intelligent cockpit field made important progress. These achievements are the result of the joint efforts of all shareholders, business partners, management teams and employees.

Looking ahead, the global automotive industry will continue to be in a period of profound transformation, with electrification and intelligence as the core driving forces and sustainable development as a defining trend, while Chinese consumers' attention to safety and brand will continue to deepen. The Group will adhere to the concept of high-quality development, focus on core businesses, and continuously enhance its comprehensive competitiveness. We will continue to support BBA's Neue Klasse project and the large-scale application of the Sixth-Generation Battery, promote the sustained recovery and development of JSA's commercial vehicle business, accelerate the transformation and upgrading of the components business towards lightweight and intelligence, promote the construction and operation of the intelligent cockpit joint venture with TCL, further strengthen product safety standards and brand equity, and create greater value for shareholders, business partners and society.

BUSINESS DISCUSSION & ANALYSIS

The consolidated revenues of the Group (which comprised primarily net sales derived from the businesses operated by our major operating subsidiaries including JSA, Ningbo Yumin, Mianyang Ruian and BBAFC) for the year ended 31st December, 2025 was RMB1,181.9 million, representing an increase of approximately 7.8% from the RMB1,095.9 million generated during the year ended 31st December, 2024. The increase was mainly derived from the increase in volume sale of the non-BMW vehicles. JSA officially launched the commercial production and sales of non-BMW vehicles in 2025 and sold 2,275 units (including 336 units for export) of non-BMW vehicles.

The revenue from sale of automotive components also continued to increase due to growing orders from electric and hybrid motor vehicle manufacturers. However, the increase was partly offset by the decrease of revenue from motor vehicle financing due to market competition.

Cost of sales increased by approximately 12.9% from RMB902.1 million in 2024 to RMB1,018.4 million in 2025. The gross profit of the Group decreased by approximately 15.7% from RMB193.9 million in 2024 to RMB163.5 million in 2025. Consequently, the gross profit margin of the Group reduced to approximately 13.8% in 2025 compared to approximately 17.7% in 2024. In 2025, the underutilised capacity of JSA's production facilities, as it had just commenced commercial manufacture, raised average fixed costs and this pulled down the Group's overall gross profit margin.

Other income and other gains, net increased by approximately 7.9 times from RMB23.6 million in 2024 to RMB208.9 million in 2025. The increase was mainly due to the adjustment to overprovision of loss for the unauthorised guarantees for Huachen. Based on the final rulings from local courts on claims from most of the banks which provided the respective financing to Huachen, the ultimate loss was less than previously provided. The increase was however partly offset by the increase in loss on disposal of property, plant and equipment and disposal of scrap materials in the year.

Interest income decreased by approximately 70.3% from RMB417.8 million in 2024 to RMB124.2 million in 2025, due to the decrease in short-term deposits and cash and cash equivalents and bank deposit interest rates.

Selling expenses increased very slightly by approximately 0.6% from RMB53.6 million in 2024 to RMB53.9 million in 2025, due to the gradual increase in the launch of promotion campaigns for non-BMW vehicles.

General and administrative expenses (excluding net provision of ECL allowance on loans and receivables) increased by approximately 19.5% to RMB631.9 million in 2025 from RMB528.6 million in 2024 (excluding net reversal of ECL allowance on loans and receivables). As a result, the general and administrative expenses as a percentage of revenue increased from approximately 48.2% in 2024 to approximately 53.5% in 2025. The increase was mainly due to increase in impairment loss recognised in the year for inventories and property, plant and equipment and the increase in research and development cost. The decrease of exchange loss in 2025, on the other hand, lessened the increase of general and administrative expenses.

Net provision of ECL allowance on loans and receivables of RMB1.0 million was recognised in 2025 as compared to net reversal of ECL allowance on loans and receivables of RMB109.2 million in 2024. Net reversal of ECL allowance recognised in 2024 was due to the large amounts of previously provided ECL allowance for amounts due from affiliated companies, particularly from an associate of the Group, which were no longer required as the respective amounts were settled. Although the Group continued to recover the debts from affiliated companies that led to further reversal of respective ECL allowance in the year, the provision of ECL allowances, particularly for the long-term and short-term loan receivables exceeded the reversal.

Finance costs increased from RMB3.7 million in 2024 to RMB5.5 million in 2025, representing an increase of approximately 48.6%. The increase mainly reflects a full year of finance charge on the lease liability for JSA's new factory and office in 2025, compared with only less than a half year in 2024 when the lease commenced. As at 31st December, 2025, the Group did not have any bank borrowings.

The Group's share of results of associates, which includes the recognition of BBA contribution as the Group's associate, decreased by approximately 41.2% from RMB4,361.4 million in 2024 to RMB2,566.3 million in 2025. The decrease was mainly a result of the drop of performance of BBA due to decrease in sales volume and increase in dealer support fees, which is partially offset by sale contribution from the change of product mix.

BBA achieved local sales of 534,001 units (including BEVs of 47,762 units) in 2025, a decrease of approximately 11.6% as compared to 603,807 units (including BEVs of 95,083 units) sold in 2024. The local sales volumes of BBA by models are listed in the table below:

BMW Models	**2025**	**2024**	**% Change**
1-series	2	86	-97.9%
2-series	8,842	–	N/A
3-series	180,457	192,412	-6.2%
5-series	126,444	94,841	33.3%
X1	63,004	92,068	-31.6%
X2	2	307	-99.3%
X3	82,850	136,461	-39.3%
X5	72,400	87,632	-17.4%
Total	**534,001**	**603,807**	**-11.6%**
Of which BEVs	**47,762**	**95,083**	**-48.0%**

In addition, BBA exported 2,162 units, mainly X3 BEV models in 2025, a decrease of approximately 89.8% from 21,284 units sold overseas in 2024. During 2025, JSA invested RMB240 million in Shenyang Chunqing Eco-Tech Co., Ltd. ("**Shenyang Chunqing**"), a new associate of the Group, representing 48% of the total paid-up registered capital of RMB500 million of Shenyang Chunqing.

The Group had share of loss of a joint venture of RMB62.1 million in 2025. The Group entered into a joint venture agreement to acquire 50% equity interest at a cash consideration of RMB700 million in Yuxin, an equity joint venture with paid-up registered capital of RMB500 million and principal activity of manufacture of intelligent cockpits and displays.

The Group's profit before income tax expense decreased by approximately 48.9% from RMB4,519.9 million in 2024 to RMB2,308.5 million in 2025. Income tax expense was RMB446.3 million in 2025 which was mainly due to the decrease of withholding tax on lower dividend from a subsidiary for the year as compared to an income tax expense of RMB1,474.3 million in 2024.

As a result of the above, the Group recorded net profit attributable to equity holders of the Company of RMB1,985.7 million for the year 2025, representing a decrease of approximately 36.0% from the RMB3,101.1 million realised in 2024. Basic earnings per share in 2025 amounted to RMB0.39357, compared to RMB0.61465 in 2024. In addition, return on capital employed (as defined by the EBITDA ÷ average capital employed) for 2025 was approximately 10.4%, compared to approximately 12.2% for 2024.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31st December, 2025, the Group had RMB4,500.0 million in cash and cash equivalents (As at 31st December 2024: RMB10,539.6 million), time deposits with maturities over three months of RMB253.0 million (As at 31st December, 2024: nil) and RMB456.0 million in pledged and restricted short-term bank deposits (As at 31st December, 2024: RMB582.1 million). As at 31st December, 2024, the Group also had statutory deposit reserves at central bank of RMB42.5 million.

As at 31st December, 2025, the Group had notes payable in the amount of RMB209.9 million (As at 31st December, 2024: RMB279.9 million).

As at 31st December, 2025, the Group had no outstanding short-term bank borrowings (As at 31st December, 2024: RMB330.0 million) and long-term bank borrowings (As at 31st December, 2024: nil).

All short-term bank borrowings as at 31st December, 2024 were repayable from 7th January, 2025 to 5th March, 2025 and interest-bearing at rates ranging from 2.85% to 4.75% per annum, and were denominated in Renminbi.

With an aim to improving its liquidity, the Group regularly monitors its accounts receivable turnover and inventory turnover. For the year ended 31st December, 2025, the Group's accounts receivable turnover days was approximately 124 days, compared to approximately 123 days for 2024. Inventory turnover days was approximately 141 days in 2025, compared to approximately 77 days in 2024.

CAPITAL STRUCTURE AND FUNDING POLICIES

As at 31st December, 2025, the Group's total assets was approximately RMB23,580.2 million (As at 31st December, 2024: RMB29,105.7 million), which was funded by the following: (a) share capital of RMB397.2 million (As at 31st December, 2024: RMB397.2 million), (b) reserves of RMB20,629.3 million (As at 31st December, 2024: RMB25,663.8 million), (c) total liabilities of RMB1,640.2 million (As at 31st December, 2024: RMB2,007.8 million) and (d) contribution from non-controlling interests of RMB913.4 million (As at 31st December, 2024: RMB1,036.9 million).

As at 31st December, 2025, approximately 80.4% (As at 31st December, 2024: 91.0%) of the Group's cash and cash equivalents (comprising cash on hand, bank balances and time deposits within 3 months of maturity when acquired) were denominated in Renminbi, whereas approximately 19.6% were denominated in other currencies (As at 31st December, 2024: 9.0%). As at 31st December, 2025, the Group had committed banking facilities of RMB50.0 million (As at 31st December, 2024: nil).

As at 31st December, 2025, the Group funds its short-term working capital requirement mainly through its own operational cash flow, issue of bank guaranteed notes and payment credit from its suppliers. The Group monitors and maintains a level of cash and cash equivalents considered adequate by the management to finance the Group's operations, expected expansion and product developments. Management also monitors if the utilisation of bank borrowings is required and ensures compliance with loan covenants, if any. For long-term capital expenditures, the Group's strategy is to fund these long-term capital commitments by a combination of operational cash flow, bank borrowings, dividends from joint ventures and associates, if any, and fund raising exercises in the capital market, if and when necessary.

CAPITAL EXPENDITURES AND COMMITMENTS

In 2025, the Group incurred capital expenditures of RMB232.8 million (2024: RMB259.6 million) mainly for acquisition of both owned and right-of-use assets of tools and moulds, machinery and equipment, and construction-in-progress. In 2025, the Group also had capital expenditure in the investments in Yuxin and Shenyang Chunqing of RMB700.0 million and RMB240.0 million, respectively (2024: The Group also had capital expenditure of RMB1,054.4 million for the investment in JSA).

As at 31st December, 2025, the Group's contracted capital commitments amounted to RMB119.3 million (As at 31st December, 2024: RMB164.9 million), which were mainly related to the capital expenditures in respect of acquisition of plant and machinery and intangible assets. The Group also had contracted capital commitments of RMB700 million for investment in Yuxin with TCL as at 31st December, 2024.

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

New Investments made during the reporting year

References are made to the Company's announcement dated 20th March, 2025 in respect of a RMB500 million cash capital contribution to JSA and the interim report of the Company for the six months ended 30th June, 2025. The relevant change in industrial and commercial registration was completed on 7th July, 2025 and the Group's equity interest in JSA increased from 80.72% to 87.3364%. As at 31st December, 2025, the Group held 87.3364% of the equity interest in JSA. JSA is principally engaged in the manufacture and sale of minibuses and multi-purpose vehicles in the PRC, and has resumed production of certain models including Haise, Haise King and electric vehicles since the second half of 2025. The total assets of JSA attributed to approximately 9.9% of the total assets of the Group as at 31st December, 2025. For the Company's investment strategy in respect of JSA and its performance for the financial year ended 31st December, 2025, please refer to the sections headed "Overview and Prospects" and "Business Discussion & Analysis" of this announcement.

Existing Investments

BBA

As at 31st December, 2025, the Group held 25% shareholding in BBA, with an investment cost of RMB344 million. BBA is principally engaged in the manufacture and sale of BMW vehicles and components in the PRC. The carrying value of the Group's investment in BBA as at 31st December, 2025 was RMB11,240.9 million, accounting for approximately 48% of the Group's total assets. During the financial year 2025, the Group's share of profit from BBA was RMB2,597.0 million, representing a year-on-year decrease of 40.5%, and the Group has received dividends of RMB4,287.9 million from BBA during the year. For the Company's investment strategy in respect of BBA and its performance for the financial year ended 31st December, 2025, please refer to the sections headed "Overview and Prospects" and "Business Discussion & Analysis" of this announcement.

Yuxin

Reference is made to the interim report of the Company for the six months ended 30th June, 2025. Yuxin, a joint venture with TCL (joint venture contract signed in December 2024, and officially established in April 2025), is principally engaged in the development and manufacture of intelligent cockpit and display assembly business in the PRC. As at 31st December, 2025, the Group held 50% shareholding in Yuxin, with an investment cost of RMB700 million in cash. The carrying value of the Group's investment in Yuxin as at 31st December, 2025 was RMB642.3 million, accounting for approximately 3% of the Group's total assets. Yuxin's first intelligent cockpit products and intelligent display products commenced official mass production only in the second half of 2025. During the financial year 2025, the Group's share of loss from Yuxin was RMB62.1 million. No dividends were received from Yuxin by the Group during the year. For the Company's investment strategy in respect of Yuxin and its performance for the financial year ended 31st December, 2025, please refer to the sections headed "Overview and Prospects" and "Business Discussion & Analysis" of this announcement.

Save as aforesaid, there were no significant investments held, nor were there any material acquisitions or disposals of subsidiaries, associates and joint ventures during the year ended 31st December, 2025.

NEW BUSINESS AND NEW PRODUCTS

The Company is devoted to capture valuable investment opportunities in order to enhance the Company's profitability and create value for its shareholders. The Company is in the course of studying and exploring various investment opportunities, including but not limited to cooperation with BMW with respect to supply of components for BMW vehicles, possible expansion into NEV manufacturing, components supply and digitalisation business, spanning across the entire value chain of the automotive industry.

BBA

Despite various external uncertainties and fierce market competition, BBA has achieved solid and reasonable results in 2025, reaffirming its commitment to long-term development in China. Through close collaboration with other BMW Group entities and the determined efforts of its teams, BBA consistently met customer demand with premium products that embody the brand's essence of "Sheer Driving Pleasure". BBA is also advancing its "local for local" approach by continually enhancing its supplier network in China.

In 2025, BBA introduced significant updates to its lineup. The all-new X3 features a long wheelbase designed exclusively for the Chinese market and is more attuned than ever to Chinese customers' preferences. The all-new BMW 2 Series Gran Coupe becomes the brand's first locally produced Gran Coupe model. The all-new BMW M235L Gran Coupe is the first locally produced M Performance sedan and the youngest member of the M family. These new models have further enhanced BMW's local production portfolio in China.

With a firm focus on the BEV market, BBA is coordinating with BMW Group to accelerate the arrival of Neue Klasse, a completely new technological platform for future BMW vehicles, which will commence local production in 2026. The first locally produced Neue Klasse model – the BMW iX3 LWB – is already undergoing trial production at the Lydia Site of Shenyang Production Base. With the "Neue Klasse", BMW will redefine standards in digitalization, innovation, and design.

Ningbo Yumin

Ningbo Yumin achieved significant breakthroughs in lightweight solutions for NEVs. Its body structural components, including high-performance aluminium alloy anti-collision beams and threshold beams supplied for various BYD models, reached stable mass production and delivery. These products contributed notably to annual sales revenue and have become a vital second growth curve for the company. Ningbo Yumin's commitment to technical innovation and qualification certification continued to receive recognition, with six new patents authorised during the year, further strengthening its core technological innovation capabilities.

Mianyang Ruian

In terms of new product development, Mianyang Ruian completed technical exchanges, assessments, and quotations for 42 projects in 2025. The company also achieved the trial production and delivery of over 60 new product models, securing seven new mass-production projects from SAIC, FAW, Great Wall, Quanchai, and Chery. Regarding new market expansion, since launch the Chery project, the leadership team has actively led multiple engagements to drive commercial communications and project coordination. In April 2025, the company passed the audit of the potential supplier of Chery and was admitted to its supplier system, securing the E4D25 designated project, with sample trial production underway. During the same period, it joined Quanchai's supplier system and secured the F28N designated project. Furthermore, the company also established connections with customers such as Aurobay Sweden and Aurobay Romania, participating in their project quotations and technical exchanges. Mianyang Ruian was recognised as a "Core Supplier" by FAW Qixin Powertrain (Changchun) Technology Co., Ltd.

JSA

JSA collaborated with leading industry partners to introduce and develop new VAN models. The company has been actively pursued passenger vehicle contract manufacturing to revitalise production capacity at its No. 2 body workshop. In partnership with these collaborators, JSA developed Jinbei low-speed autonomous logistics vehicle models and key drive-by-wire chassis technologies. Concurrently, it completed the research, development, and production of self-developed EV models on the same platform.

Yuxin

During the year, Yuxin secured several new designated projects from Geely for its smart display-related products. In terms of technical reserves and platform construction, the company continued to invest in research and development of mid-range intelligent cockpits based on the MTK platform. By leveraging TCL's expertise in operating system software, Yuxin aims to create a cockpit platform that delivers an ultimate user experience. In the field of display technology, the company also focused on applying cutting-edge display technologies in the automotive sector to further enhance user experience.

BBAFC

Along with its core business strategy of focusing on retail finance, BBAFC specializes in cooperating with premium-branded OEMs and selected NEV brands. Its key business partners are Xiaomi, Xpeng, and Li Auto. Meanwhile, BBAFC has been seeking new business partners to further enhance the company's strength and risk-resistance capabilities.

EMPLOYEES, REMUNERATION POLICY AND TRAINING PROGRAMMES

The Group employed approximately 2,080 employees as of 31st December, 2025 (As of 31st December, 2024: approximately 1,600). Employee costs amounted to RMB346.4 million for the year ended 31st December, 2025 (For the year ended 31st December, 2024: RMB258.3 million). The Group will endeavour to ensure that the salary levels of its employees are in line with industry practices and prevailing market conditions, and that employees' remuneration is based on performance.

In order to improve the overall quality and professional technical level of all employees, the Group provides online or offline training on, among other things, professional skills, quality enhancements, business and product knowledge, occupational ethics and safety, ESG issues, anti-corruption, rules and regulations, management skills, leadership and teamwork cooperation to its directors/employees from time to time. Ningbo Yumin and Mianyang Ruian have formulated and implemented administrative measures for education and training, and have established a set of training systems and workflows including new employee induction training, special post personnel training, management training, professional technical training and quality training. The course contents are extensive, covering basic/middle-level management, new product development, quality management, financial management, lean production, teamwork, and professionalism. Training demand research are conducted and training plans are formulated on an annual basis. BBAFC has specifically arranged compliance training, business training, new hire training, paired with online courses, meeting the learning needs of the employees. It has even developed its own online training platform, allowing its employees to browse training and financial product knowledge materials, reducing the travel needs for sales and training teams. BBAFC has also developed a succession plan which lays a solid foundation of talent for its long-term development.

CHARGE ON ASSETS

As at 31st December, 2025, the Group had no short-term bank borrowings secured by any assets (As at 31st December, 2024: short-term bank borrowings of RMB100.0 million were secured by the Group's loan receivables of approximately RMB126.2 million).

There were no long-term bank borrowings as at 31st December, 2025 and 31st December, 2024.

As at 31st December, 2025, the Group pledged all its 48% equity interest in Shenyang Chunqing to a supplier for a maximum facility of RMB240,000,000 of payable balances and any costs for collection of the debts from the purchase from this supplier. As at 31st December, 2025, the Group had accounts payable of an approximately RMB56,549,000 to this supplier. The pledge was released by the date of this announcement.

As detailed in note 11 of this announcement, the Group's provision for loss for certain lawsuits in respect of unauthorised guarantees directly out of the restricted short-term deposits by the PRC courts were reduced to approximately RMB276,732,000 as at 31st December, 2025 (2024: approximately RMB554,199,000). As at 31st December, 2025, short-term deposits of approximately RMB276,732,000 (2024: approximately RMB347,200,000) were restricted by local courts for the respective loss.

The directors of the Company considered that the respective liabilities and provision and liabilities have been adequately provided for in the consolidated financial statements.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR ADDITIONS OF CAPITAL ASSETS

Save as disclosed, the Group does not have future plans for material investments or additions of capital assets as at the date of this announcement.

GEARING RATIO

As at 31st December, 2025, the gearing ratio, computed by dividing total liabilities by total equity attributable to equity holders of the Company, was approximately 0.08 (As at 31st December, 2024: approximately 0.07). The slight increase in the gearing ratio was primarily due to the increase in account payable and other current liability during the year.

FOREIGN EXCHANGE RISKS

As the Group's substantial transactions during the year were denominated in Renminbi, the Group considers that exchange rate fluctuations do not have significant effect on the overall financial performance of the Group. To reduce the risk in exchange rate fluctuation in dividend distribution and future potential investments that may require Hong Kong Dollars, the Company has maintained certain amount of cash and cash equivalents in Hong Kong Dollars. The Group will continue to monitor transactions and monetary assets and liabilities denominated in foreign currencies to minimise foreign exchange risks. There were no outstanding hedging transactions as at 31st December, 2025 (As at 31st December, 2024: nil).

CONTINGENT LIABILITIES

As at 31st December, 2025, the Group had contingent liabilities to a bank for providing financing facilities of up to RMB100,000,000 for its vehicle dealers. These facilities finance up to 70% of the costs of purchases of the non-BMW vehicles from the Group, of which, approximately RMB9,897,000 (2024: nil) were utilised and outstanding by these vehicle dealers.

The Group did not have other contingent liabilities as at 31st December, 2024.

DIVIDENDS

As announced by the Company, a special dividend of HK$1.0 and an interim dividend of HK$0.8 per ordinary share of the Company were declared by the directors of the Company on 3rd March, 2025 and 22nd August, 2025, respectively. The respective dividends were paid to the shareholders on 28th March, 2025 and 26th September, 2025.

The directors of the Company did not recommend any dividend payment at the Board meeting held on 27th March, 2026 in respect of the Group's 2025 annual results.

CLOSURE OF REGISTER OF MEMBERS

The Company's forthcoming annual general meeting will be held on Thursday, 18th June, 2026 at 9:00 a.m. (the "**2026 AGM**"). The register of members of the Company will be closed from Friday, 12th June, 2026 to Thursday, 18th June, 2026, both days inclusive, during which period no transfer of shares will be registered. The record date for the 2026 AGM is Friday, 12th June, 2026. Only shareholders of the Company whose names appear on the register of members of the Company on Friday, 12th June, 2026 or their proxies or duly authorised corporate representatives are entitled to attend and vote at the 2026 AGM. In order to qualify for attending and voting at the 2026 AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m., Hong Kong time, on Thursday, 11th June, 2026.

PROXY LODGMENT DEADLINE DATE AND TIME

Whether or not a shareholder is able to attend the 2026 AGM, he/she is requested to complete the proxy form in accordance with the instructions printed thereon and return it to the office of the Company's branch registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 9:00 a.m., Hong Kong time, on Tuesday, 16th June, 2026, or not less than 48 hours before the time appointed for holding of any adjourned meeting of the 2026 AGM. Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the 2026 AGM or any adjourned meeting thereof if they so wish and in such event, the form of proxy will be deemed to be revoked.

IMPORTANT EVENTS AFFECTING THE GROUP THAT HAVE OCCURRED SINCE THE END OF THE FINANCIAL YEAR

There is no important event affecting the Group that have occurred since the end of the financial year and up to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities in 2025.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. Having made specific enquiry of all directors, each director of the Company has confirmed that he/she has complied with the standards set out in the Model Code during the year ended 31st December, 2025.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to achieving and maintaining the highest standards of corporate governance consistent with the needs and requirements of the business and its shareholders, ensuring that its affairs are conducted in accordance with applicable laws and regulations and consistent with the "Corporate Governance Code" set out in Appendix C1 to the Listing Rules which was prevailing for the financial year commencing from 1st January, 2025 (the "**CG Code**"). The Group has considered the principles of good corporate governance set out in the CG Code, and has put in place corporate governance practices to meet the code provisions. Throughout the financial year ended 31st December, 2025, the Group has complied with all code provisions set out in Part 2 of Appendix C1 to the Listing Rules except the following:

- Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the year, Mr. Zhang Yue acted as both the chairman of the Board and the Company's chief executive officer. The Board believes that Mr. Zhang Yue is familiar with the Company's business operation, his performing the roles of both chairman of the Board and chief executive officer has the benefit of consistent leadership within the Company and enables more effective and efficient overall strategic planning for the Company. In addition, the Board currently comprises three executive directors and four independent non-executive directors which reflects a balance of power to provide sufficient checks to protect the interests of the Company and the shareholders of the Company.

REVIEW OF FINANCIAL STATEMENTS

The audit committee of the Company has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters, including the consolidated financial statements of the Group for the year ended 31st December, 2025.

At present, the audit committee comprises Mr. Song Jian, Mr. Jiang Bo and Mr. Dong Yang, all of whom are independent non-executive directors of the Company. Mr. Jiang Bo is the chairman of the audit committee.

SCOPE OF WORK OF THE AUDITOR

The figures in respect of the preliminary announcement of the Group's results for the year ended 31st December, 2025 have been agreed by Grant Thornton Hong Kong Limited, the Company's auditor (the "**Auditor**"), to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by the Auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by the Auditor on the preliminary announcement.

PUBLICATION OF ANNUAL REPORT

The 2025 annual report of the Company containing the information required by the Listing Rules will be published on the websites of the SEHK (www.hkexnews.hk) and the Company (www.brillianceauto.com) in due course.

BOARD OF DIRECTORS

As at the date of this announcement, the Board comprises three executive directors, Mr. Zhang Yue *(Chairman and Chief Executive Officer)*, Mr. Zhang Wei and Mr. Guo Hongbo; and four independent non-executive directors, Mr. Song Jian, Mr. Jiang Bo, Mr. Dong Yang and Dr. Lam Kit Lan, Cynthia.

By Order of the Board
Brilliance China Automotive Holdings Limited
Zhang Yue
Chairman and Chief Executive Officer

Hong Kong, 27th March, 2026