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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)

CONTINUING CONNECTED TRANSACTIONS

On 20th May, 2025, the Company and Shenyang Automobile entered into the following agreements:

- (1) the 2025 Automotive Components Sales Framework Agreement in relation to the sale of materials and/or automotive components by members of the Group to members of the Shenyang Automobile Group for the period commencing from 20th May, 2025 to 31st December, 2026;
- (2) the 2025 Automobiles Sales Framework Agreement in relation to the sale of automobiles by members of the Group to members of the Shenyang Automobile Group for the period commencing from 20th May, 2025 to 31st December, 2026; and
- (3) the 2025 Comprehensive Services Purchase Framework Agreement in relation to the provision of services by members of the Shenyang Automobile Group to members of the Group for the period commencing from 20th May, 2025 to 31st December, 2026.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Shenyang Automobile, through its subsidiaries, is interested in approximately 29.99% of the issued share capital of the Company. Accordingly, Shenyang Automobile is a connected person of the Company under the Listing Rules. Hence, the 2025 Shenyang Automobile CCTs constitute continuing connected transactions under Chapter 14A of the Listing Rules.

Exempt continuing connected transactions

As each of the applicable percentage ratios (other than the profits ratio) in respect of the annual caps for the transactions with the Shenyang Automobile Group contemplated under the 2025 Comprehensive Services Purchase Framework Agreement, together with the proposed cap of RMB5,100,000 for the financial year ending 31st December, 2025 under the Comprehensive Services Purchase Framework Agreement as disclosed in the Announcements, on an aggregated basis, is less than 5%, the transactions under the 2025 Comprehensive Services Purchase Framework Agreement are subject to reporting, announcement and annual review (where applicable) requirements but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Non-exempt continuing connected transactions

As the highest of the applicable percentage ratios in respect of the annual transaction amount of the 2025 Non-Exempt Proposed Caps contemplated under the 2025 Automotive Components Sales Framework Agreement and the 2025 Automobiles Sales Framework Agreement, together with the proposed cap of RMB26,900,000 for the financial year ending 31st December, 2025 under the Automobiles Sales Framework Agreement as disclosed in the Announcements, on an aggregated basis, is more than 5%, the transactions under the 2025 Automotive Components Sales Framework Agreement and the 2025 Automobiles Sales Framework Agreement are subject to reporting, announcement, annual review, and Independent Shareholders' approval requirements as set out in Chapter 14A of the Listing Rules.

GENERAL

An Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders in connection with the 2025 Automotive Components Sales Framework Agreement, the 2025 Automobiles Sales Framework Agreement and the transactions contemplated thereunder (including the 2025 Non-Exempt Proposed Caps).

The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the 2025 Automotive Components Sales Framework Agreement, the 2025 Automobiles Sales Framework Agreement and the transactions contemplated thereunder (including the 2025 Non-Exempt Proposed Caps).

A circular containing, amongst other things, (i) details of the 2025 Automotive Components Sales Framework Agreement, the 2025 Automobiles Sales Framework Agreement and the transactions contemplated thereunder (including the 2025 Non-Exempt Proposed Caps), (ii) a letter from the Independent Board Committee, (iii) a letter from the Independent Financial Adviser, and (iv) a notice to Shareholders convening the SGM will be despatched to Shareholders on or before 4th June, 2025 in accordance with the requirements of the Listing Rules.

(A) 2025 SHENYANG AUTOMOBILE CCT AGREEMENTS

(1) The 2025 Automotive Components Sales Framework Agreement

On 20th May, 2025, the Company and Shenyang Automobile entered into the 2025 Automotive Components Sales Framework Agreement in relation to the sale of materials and/or automotive components by members of the Group to members of the Shenyang Automobile Group.

The principal terms of the 2025 Automotive Components Sales Framework Agreement are set out as follows:

Vendor	:	The Group
Purchaser	:	The Shenyang Automobile Group
Subject	:	Materials and/or automotive components
Term	:	20th May, 2025 to 31st December, 2026
Pricing policy	:	The pricing for each sale of the materials and/or automotive components to the Shenyang Automobile Group shall be determined after arm's length negotiation between members of the Group and the relevant members of the Shenyang Automobile Group by reference to the prevailing market price.

As the materials and/or automotive components produced by the Group will also be sold to Independent Third Parties, the pricing for the sale of materials and/or automotive components by the Group to the Shenyang Automobile Group will be determined by reference to the prevailing market price of the materials and/or automotive components sold by the Group to Independent Third Parties to ensure that the prices offered to the Shenyang Automobile Group will be no more favourable than the prices offered to Independent Third Party purchasers.

There is no historical transaction amount of the transactions contemplated under the 2025 Automotive Components Sales Framework Agreement.

(2) The 2025 Automobiles Sales Framework Agreement

On 20th May, 2025, the Company and Shenyang Automobile entered into the 2025 Automobiles Sales Framework Agreement in relation to the sale of automobiles by members of the Group to members of the Shenyang Automobile Group.

The principal terms of the 2025 Automobiles Sales Framework Agreement are set out as follows:

Vendor	:	The Group
Purchaser	:	The Shenyang Automobile Group
Subject	:	Automobiles
Term	:	20th May, 2025 to 31st December, 2026
Pricing policy for automobiles	:	The pricing for each sale of the automobiles to the Shenyang Automobile Group shall be determined after arm's length negotiation between members of the Group and the relevant members of the Shenyang Automobile Group by reference to the prevailing market price.

As the automobiles manufactured by the Group will also be sold to Independent Third Parties, the pricing for the sale of the automobiles by the Group to the Shenyang Automobile Group will be determined by reference to the pricing policy and prevailing market price of the automobiles sold by the Group to Independent Third Parties to ensure that the prices offered to the Shenyang Automobile Group will be no more favourable than the prices offered to Independent Third Party purchasers.

Sales of automobiles were made by the Group to the Shenyang Automobile Group in the aggregate amount of approximately RMB17,323,000 between 1st January, 2025 to 30th April, 2025.

(3) The 2025 Comprehensive Services Purchase Framework Agreement

On 20th May, 2025, the Company and Shenyang Automobile entered into the 2025 Comprehensive Services Purchase Framework Agreement in relation to the provision of services by members of the Shenyang Automobile Group to members of the Group.

The principal terms of the 2025 Comprehensive Services Purchase Framework Agreement are set out as follows:

Service provider	:	The Shenyang Automobile Group
Purchaser	:	The Group
Scope of services	:	Services to be provided by the Shenyang Automobile Group to the Group mainly include factory and workshop maintenance and cleaning services, customer call centre services, fire emergency services, power supply facility operation and maintenance services, steam services, sewage treatment services, and utilities connection services (including water and electricity) to facilitate the business operation of the Group.
Term	:	20th May, 2025 to 31st December, 2026
Pricing policy for factory and workshop maintenance and cleaning services and customer call centre services	:	The Group will go through a tender process to select and appoint a service provider for the provision of each of (i) the factory and workshop maintenance and cleaning services, and (ii) the customer call centre services to the Group.

The Group will invite quotations or tenders from the Shenyang Automobile Group and at least three Independent Third Party suppliers for the relevant services. In determining the winning bid, the Group will generally take into account several factors, such as (i) the tender amount offered by the bidders; (ii) market reputation, past performance, relevant experiences and technical competencies of the bidders; (iii) scope and quality of service terms offered by the bidders; and (iv) previous business relationship with the bidders, etc. The procedures for tender and bidding will be conducted in accordance with the Group's internal tender procedure(s) on the condition that the bidder conformed to all the essential requirements (including but not limited to relevant experience, capability and historical relationship) set out in the bid invitation.

After considering the abovementioned factors, the Group will then decide on which bidder to engage and enter into a services contract with for the provision of the relevant services. By implementing the above methods and procedures, the Directors consider that the Company has implemented sufficient measures to ensure that the transactions in respect of the relevant services under the 2025 Comprehensive Services Purchase Framework Agreement will be conducted on normal commercial terms or terms no less favourable to the Group than those procured from Independent Third Parties.

Pricing policy for fire emergency services, power supply facility operation and maintenance services, steam services and sewage treatment services : The fees for each of (i) the fire emergency services, (ii) power supply facility operation and maintenance services, (iii) the steam services, and (iv) the sewage treatment services to be provided by the Shenyang Automobile Group to the Group shall be determined at a price to be agreed between the Group and the Shenyang Automobile Group upon the basis of the principle of “cost plus”.

Cost plus is determined based on the cost for providing the required service to be purchased from the Shenyang Automobile Group plus a margin of not more than 10% as agreed between the Group and the Shenyang Automobile Group depending on factors including but not limited to time and labour required to provide the services, cost of the materials required, demand for the services, the cost of human resources, maintenance and repairing cost of equipment used, depreciation and amortization of equipment used and projected inflation rate, etc.

As there are no comparable services available from other Independent Third Parties suppliers for the provision of the fire emergency services within the close proximity of the office and factory of JSA, the margin thereof shall be determined after arm’s length negotiation between members of the Group and the relevant members of the Shenyang Automobile Group based on normal commercial terms and shall be of not more than 10%.

In relation to the power supply facility operation and maintenance services, steam services and sewage treatment services where there are no comparable services available from other Independent Third Parties suppliers due to the structural design of the power supply facilities, steam pipe network and sewage pipe network, the margins thereof shall be determined after arm's length negotiation between members of the Group and the relevant members of the Shenyang Automobile Group based on normal commercial terms with reference to (i) historical transactions of similar nature between the Group and Huachen prior to the suspension in business operation of JSA in 2022; and (ii) the fees charged by the service provider to other customers.

Pricing policy for utilities connection services : The fees for the provision of utilities connection services will be determined based on a fee of 2.55% by reference to the actual usage of utilities by the Group as measured and recorded by the relevant meters (which is the actual price charged to the Shenyang Automobile Group by local utility bureaus).

The rate of 2.55% was determined after arm's length negotiation between the Company and Shenyang Automobile based on normal commercial terms and with reference to, including but not limited to, time and labour required to provide the services, demand for the services, projected inflation rate, and the rate adopted in historical transactions for similar transactions with Huachen prior to the suspension in business operation of JSA in 2022.

The meter readings will be recorded and monitored by staff of both the Group and the Shenyang Automobile Group regularly to ensure proper recording of the Group's usage of utilities. The Shenyang Automobile Group has kept separate meters for different utilities to be provided to the Group. The Group will obtain copies of utilities bills charged to the Shenyang Automobile Group by local utility bureaus to monitor and check the usage rate.

There is no historical transaction amount of the transactions contemplated under the 2025 Comprehensive Services Purchase Framework Agreement.

The 2025 Shenyang Automobile CCT Agreements only set out the overriding and major terms of the transactions to be carried out by the relevant parties. Details of the terms and conditions (including payment mode and payment terms) for the transactions contemplated under the 2025 Shenyang Automobile CCT Agreements will be dealt with in the purchase orders to be placed by the relevant purchaser, which will be in line with the company policies adopted by the relevant vendor from time to time and may be varied in accordance with the prevailing market situation. The scope and fees for services to be provided or rendered under the 2025 Shenyang Automobile CCT Agreements will be agreed by the relevant parties with reference to the pricing policies of the relevant service provider and the prevailing market condition. Save as specifically provided, all the payments under the 2025 Shenyang Automobile CCT Agreements shall, subject to assessments based on the payment policies of the relevant vendor/service provider at the material time, be normally settled in cash or note payable with credit terms ranging from 30 to 90 days, which is the usual credit term policy adopted by the Group.

(B) 2025 SHENYANG AUTOMOBILE PROPOSED CAPS AND BASIS OF DETERMINATION

(1) 2025 Shenyang Automobile Proposed Caps

2025 SHENYANG AUTOMOBILE CCTs	2025 Shenyang Automobile Proposed Cap For the financial year ending 31st December,	
	2025 (RMB'000)	2026 (RMB'000)
Sale of materials and/or automotive components by members of the Group to members of the Shenyang Automobile Group pursuant to the 2025 Automotive Components Sales Framework Agreement (<i>Note</i>)	210	420
Sale of automobiles by members of the Group to members of the Shenyang Automobile Group pursuant to the 2025 Automobiles Sales Framework Agreement (<i>Note</i>)	121,656	205,043
Purchase of services by members of the Group from members of the Shenyang Automobile Group pursuant to the 2025 Comprehensive Services Purchase Framework Agreement (<i>Note</i>)	25,055	25,000

Note: Pursuant to the 2025 Shenyang Automobile CCT Agreements, the Company is entitled to procure any member of the Group to perform the Group's obligation to purchase or sell or provide (as the case may be) the automobiles, materials, automotive components, services (as the case may be) from or to the Shenyang Automobile Group (as the case may be) in any circumstances including change in the structure of the Group or change in the product mix of any member of the Group.

(2) Basis in determining the 2025 Shenyang Automobile Proposed Caps

In determining the 2025 Shenyang Automobile Proposed Caps for the 2025 Shenyang Automobile CCTs for the period commencing on 20th May, 2025 to 31st December, 2026, the Board has based its estimates on the sales forecast and production capability for the relevant period. Important and objective assumptions and factors, though not exhaustive but were arrived at after due and careful consideration of data currently in hand, are set out as below:

The 2025 Automotive Components Sales Framework Agreement

- (i) the terms of the 2025 Automotive Components Sales Framework Agreement;
- (ii) the progress of the production of JSA in the first quarter of 2025 and the anticipated progress of the post-trial production to be conducted by JSA in the second quarter of 2025;
- (iii) the recommencement of production of materials and automotive components for sale from the second quarter of 2025;
- (iv) the estimated demand for materials and automotive components from the Shenyang Automobile Group; and
- (v) an additional buffer of 5% to cater for any increase in the transaction volume.

The 2025 Automobiles Sales Framework Agreement

- (i) the terms of the 2025 Automobiles Sales Framework Agreement;
- (ii) the progress of the production of JSA in the first quarter of 2025 and the anticipated progress of the post-trial production of JSA for the two years ending 31st December, 2026;
- (iii) the historical amount of sales of automobiles made between 1st January, 2025 to 30th April, 2025 in the amount of approximately RMB17,323,000;
- (iv) the average annual sales forecast based on the amount of automobiles orders received on hand which accounts for approximately 14.2% of the annual cap for the 2025 Automobiles Sales Framework Agreement for the year ending 31st December, 2025;
- (v) the anticipated gradual increase in production capacity and automobile orders post JSA's trial production stage expected to commence in the second quarter of 2025;
- (vi) the estimated demand for automobiles from the Shenyang Automobile Group;

(vii) the scheduled launch of automobiles by JSA for the two years ending 31st December, 2026; and

(viii) an additional buffer of 5% to cater for any increase in the transaction volume.

The 2025 Comprehensive Services Purchase Framework Agreement

(i) the terms of the 2025 Comprehensive Services Purchase Framework Agreement;

(ii) the expected rate of usage, duration and demand for the services during the term of the 2025 Comprehensive Services Purchase Framework Agreement;

(iii) the progress of the production of JSA in the first quarter of 2025 and the anticipated progress of the post-trial production of JSA for the two years ending 31st December, 2026;

(iv) the anticipated gradual increase in production capacity and automobile orders post JSA's trial production stage expected to commence in the second quarter of 2025;

(v) the estimated demand for the services based on the increased production level of the Group;

(vi) the expected increase in labour and material costs; and

(vii) an additional buffer of 5% to cater for any increase in the transaction volume.

As part of the Company's internal policy and to ensure that the actual prices and fees for the transactions under each of the 2025 Shenyang Automobile CCT Agreements will be no less favourable to the Group than that available from Independent Third Parties (where available), members of the Group will, on a semi-annual basis, compare, among other things, the terms of the provision of similar goods and services in the same or nearby areas by Independent Third Parties in the ordinary course of business to ensure that the prices or fees which the Shenyang Automobile Group charges the Group will be calculated in accordance with the actual market circumstances. It will also conduct regular checks to review and assess whether the 2025 Shenyang Automobile CCTs have been entered into in accordance with the terms of the relevant 2025 Shenyang Automobile CCT Agreements. In addition, the auditors of the Company will be engaged to review the 2025 Shenyang Automobile CCTs to assess whether the 2025 Shenyang Automobile CCTs have been carried out in accordance with the pricing policies of the Group.

(C) REASONS FOR THE 2025 SHENYANG AUTOMOBILE CCTS

The Group is engaged in the manufacture and sale of automobiles and automotive components and provision of auto financing service through its major operating subsidiaries. Prior to the Restructuring, the manufacture and sale of certain automobiles by the Group was carried out by JSA (formerly known as RBJAC) and had been acquiring automotive components from Huachen and its associates for its production of automobiles. As a result of the Restructuring, the business operation of JSA (formerly known as RBJAC) had been suspended since January 2022 and JSA had been working on recommencing operations and preparing for the resumption of production following the completion of its Restructuring at end of May 2024.

JSA has commenced trial production of its automobiles since December 2024 and is progressively increasing its production capacity. As part of the recommencement of the business operation of JSA, the Group is in the process of re-establishing the sales connection network domestically and overseas. The Company expects to build distribution channels by authorising official distributors to facilitate sales of automobiles manufactured by the Group. The Shenyang Automobile Group possesses established sales and distribution network in the PRC. The strategic continuous cooperation with the Shenyang Automobile Group, in particular following JSA's official recommencement of its production lines, will enable the Group to leverage on the network of the Shenyang Automobile Group and is in line with the long-term development strategy of the Group, and is conducive to expanding the sales channel of the Group both domestically and overseas, enhancing the Group's sales volume, and facilitating the Group's long-term business development.

JSA has also recently recommenced the trial production of materials and automotive components. Prior to the Restructuring, Huachen had been acquiring specially designed automotive components from the Group for use in its after sales services. Following the official recommencement of JSA's production of materials and automotive components in the second quarter of 2025, it is anticipated that the Shenyang Automobile Group, as distributor of automobiles, will resume acquisition of materials and/or automotive components from the Group, which will provide additional source of income for the Group. The Company will also leverage on the sales and distribution network of the Shenyang Automobile Group as the authorised official distributor of materials and automotive components produced by JSA to broaden its sales channel.

Furthermore, as a result of the expropriation of land by the Shenyang Dadong District People's Government (瀋陽市大東區人民政府), JSA has relocated to a new office and factory (for further details, please refer to the announcements of the Company dated 26th April, 2024 and 17th July, 2024) which was previously constructed and occupied by Huachen and its subsidiaries. As the Shenyang Automobile Group possesses the in-depth knowledge of the factory structural design and are equipped with the technical know-how and equipment to conduct maintenance and cleaning work on the factory and workshop, the provision of the factory and workshop maintenance and cleaning services and fire emergency services would be conducive to the overall efficiency and minimise potential disruptions to the business operation of JSA and ensure that the operations and environment meet contemporary standards for production efficiency and workplace safety for the continuing business operation of JSA.

In view of the layout of the infrastructures and the close proximity of the offices and factories of the Group and the Shenyang Automobile Group, the sharing of the use of infrastructure between the Group and the Shenyang Automobile Group and rental of equipment from the Shenyang Automobile Group will also reduce capital expenditures and lower the utility cost of the Group. It is also more cost-effective for the Group to purchase certain services related to its manufacturing operation such as customer call centre services, power supply facility operation and maintenance services, sewage treatment services, steam services and rental of certain larger sized equipment from the Shenyang Automobile Group in terms of procurement lead time, transportation costs and infrastructural costs when compared with other suppliers. Based on the experience of the Directors in the industry, the rental of equipment and purchases of materials and automotive components as well as certain services related to its manufacturing operation from manufacturers or service providers close to the production facilities is a key means of maintaining low cost in the PRC automotive industry.

All the 2025 Shenyang Automobile CCTs are carried out in the ordinary course of business of the Group and are expected to continue to be carried out in the eight months ending 31st December, 2025 and the financial year ending 31st December, 2026.

The transactions contemplated under each of the 2025 Shenyang Automobile CCT Agreements are expected to be of a recurrent nature and will occur on a regular and continuing basis in the ordinary and usual course of business of the Group according to its needs and are carried out on normal commercial terms and reasonably priced. The Board believes that the services to be provided by the Shenyang Automobile Group, which are tailored to the unique requirements and circumstances of the Group, would enable the Group to benefit from the expertise and experience of the Shenyang Automobile Group in the automobile industry. They will have no adverse effect on the Company and will not impair the interests of the Shareholders. The pricing policy and pricing of the connected transactions are based on open, fair and impartial rates and are agreed upon the negotiation of the parties.

Based on the above reasons, all the Directors (including the independent non-executive Directors) consider that the 2025 Shenyang Automobile CCTs are in the interests of the Company and the Shareholders as a whole; on normal commercial terms and in the ordinary and usual course of business of the Group; and that the terms of the 2025 Shenyang Automobile CCT Agreements and the transactions contemplated thereunder (including the 2025 Shenyang Automobile Proposed Caps) are fair and reasonable.

(D) INFORMATION OF THE PARTIES

Information of the Group

The Group is engaged in the manufacture and sale of automobiles and automotive components and provision of auto financing service through its major operating subsidiaries. In addition, the Group also owns a 25% equity interest in BMW Brilliance Automotive Ltd. which is engaged in the manufacture and sale of BMW vehicles and components in the PRC. JSA (formerly known as RBJAC) was reconsolidated into the Group since 31st May, 2024 and is principally engaged in the manufacture and sale of automobiles and automotive components.

Information of Shenyang Automobile Group

Shenyang Automobile is a company established in the PRC and is 89.75% owned by Shenyang Cairui Automobile Industry Development Partnership Enterprise (Limited Partnership)* (瀋陽財瑞汽車產業發展合夥企業(有限合夥)), which is ultimately controlled by the State-owned Assets Supervision and Administration Commission of Shenyang Municipal Government (瀋陽市人民政府國有資產監督管理委員會) and the Liaoning Provincial Department of Finance (遼寧省財政廳). The principal business activities of Shenyang Automobile Group include but are not limited to investment holding and the manufacture, refitting and sale of automobiles and automotive components.

(E) INTERNAL CONTROL MEASURES

The Company has established the following internal control measures to ensure that the transactions entered into under the 2025 Shenyang Automobile CCT Agreements will be conducted in accordance with the pricing policies of the Group and the respective terms of such agreements are on normal commercial terms and in the ordinary and usual course of business of the Group and that the terms shall not be less favourable than the terms which can be obtained from an Independent Third Party for the provision/purchase of similar goods or services so far as the Company is concerned. Such internal control measures mainly include the following:

- (a) the final pricing and other major terms of the 2025 Shenyang Automobile CCTs are required to be approved by the senior management of the various departments involved such as the department head, chief financial officer and/or the general manager of the relevant members of the Group as the final checks and balances measure to ensure the transactions will be conducted on normal commercial terms and not prejudicial to the interests of the Company and its minority shareholders;
- (b) the managers of the relevant members of the Group will review the terms of the transactions undertaken pursuant to the 2025 Shenyang Automobile CCT Agreements on a regular basis to ensure the prices for the goods and services to be purchased or provided thereunder will reflect the pricing policies of the Group and will be on arm's length basis under normal commercial terms;

- (c) the finance department of the Company will review, on a monthly basis, the transaction amount under 2025 Shenyang Automobile CCT Agreements and submit such information for the management's review, including but not limited to the historical transaction amount, to ensure that the relevant transactions are carried out in accordance with the terms of the 2025 Shenyang Automobile CCT Agreements and will not exceed the respective annual caps; and
- (d) the auditors of the Company and the independent non-executive Directors will conduct annual review on the transactions entered into under the 2025 Shenyang Automobile CCT Agreements in accordance with the Listing Rules.

By implementing the above procedures and measures, all the continuing connected transactions of the Group will be supervised and monitored by the relevant personnel and management of the Group to ensure that the relevant continuing connected transaction is conducted on normal commercial terms (or terms no less favourable than the terms which can be obtained from an Independent Third Party for the provision/purchase of similar goods or services) and will not be prejudicial to the interests of the Company and the Shareholders as a whole. Regular checks will also be conducted to review and assess whether the relevant continuing connected transactions are conducted in accordance with the terms of the 2025 Shenyang Automobile CCT Agreements and the price charged for a specific transaction is fair and reasonable and in accordance with the aforesaid pricing policy.

In the event that the utilisation rate of the relevant 2025 Shenyang Automobile Proposed Caps reaches 90%, the Board will be informed for considering if the relevant 2025 Shenyang Automobile Proposed Caps shall be revised and, if so, the Company will further comply with relevant requirements under the Listing Rules.

Accordingly, the Directors consider that the internal control mechanism is effective to ensure that the transactions contemplated under the 2025 Shenyang Automobile CCT Agreements have been and will be conducted on normal commercial terms and not prejudicial to the interests of the Company and the Shareholders as a whole.

(F) LISTING RULES IMPLICATIONS

As at the date of this announcement, Shenyang Automobile, through its subsidiaries, is interested in approximately 29.99% of the issued share capital of the Company. Accordingly, Shenyang Automobile is a connected person of the Company under the Listing Rules. Hence, the 2025 Shenyang Automobile CCTs constitute continuing connected transactions under Chapter 14A of the Listing Rules.

Exempt continuing connected transactions

As each of the applicable percentage ratios (other than the profits ratio) in respect of the annual caps for the transactions with the Shenyang Automobile Group contemplated under the 2025 Comprehensive Services Purchase Framework Agreement, together with the proposed cap of RMB5,100,000 for the financial year ending 31st December, 2025 under the Comprehensive Services Purchase Framework Agreement as disclosed in the Announcements, on an aggregated basis, is less than 5%, the transactions under the 2025 Comprehensive Services Purchase Framework Agreement are subject to reporting, announcement and annual review (where applicable) requirements but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Non-exempt continuing connected transactions

As the highest of the applicable percentage ratios in respect of the annual transaction amount of the 2025 Non-Exempt Proposed Caps contemplated under the 2025 Automotive Components Sales Framework Agreement and the 2025 Automobiles Sales Framework Agreement, together with the proposed cap of RMB26,900,000 for the financial year ending 31st December, 2025 under the Automobiles Sales Framework Agreement as disclosed in the Announcements, on an aggregated basis, is more than 5%, the transactions under the 2025 Automotive Components Sales Framework Agreement and the 2025 Automobiles Sales Framework Agreement are subject to reporting, announcement, annual review and Independent Shareholders' approval requirements as set out in Chapter 14A of the Listing Rules.

Mr. Zhang Yue (chairman of the Board and Chief Executive Officer of the Company) is the legal representative and chairman of Shenyang Automobile. Due to common directorship, Mr. Zhang Yue abstained from voting on the Board resolutions approving the 2025 Shenyang Automobile CCTs. Save as aforesaid, no Director has a material interest in the said 2025 Shenyang Automobile CCTs and no other Directors need to abstain from voting on the Board resolutions for considering and approving the 2025 Shenyang Automobile CCTs.

(G) GENERAL

An Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders in connection with the 2025 Automotive Components Sales Framework Agreement, the 2025 Automobiles Sales Framework Agreement and the transactions contemplated thereunder (including the 2025 Non-Exempt Proposed Caps).

The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the 2025 Automotive Components Sales Framework Agreement, the 2025 Automobiles Sales Framework Agreement and the transactions contemplated thereunder (including the 2025 Non-Exempt Proposed Caps).

As at the date of this announcement, Shenyang Automobile is, through Shenyang Sanshi, interested in 1,512,875,802 Shares, representing approximately 29.99% of the entire issued share capital of the Company, and is entitled to, through Shenyang Sanshi, exercise control over the voting rights of 1,512,875,802 Shares. Shenyang Automobile is considered to be interested in the 2025 Shenyang Automobile CCTs between the Group and the Shenyang Automobile Group, hence Shenyang Automobile, Shenyang Sanshi and their respective associates will abstain from voting on the ordinary resolutions to be proposed at the SGM in respect of the 2025 Automotive Components Sales Framework Agreement, the 2025 Automobiles Sales Framework Agreement and the transactions contemplated thereunder (including the 2025 Non-Exempt Proposed Caps). As at the date of this announcement, save for Shenyang Sanshi, none of the associates of Shenyang Automobile is interested in any Shares.

A circular containing, amongst other things, (i) details of the 2025 Automotive Components Sales Framework Agreement, the 2025 Automobiles Sales Framework Agreement and the transactions contemplated thereunder (including the 2025 Non-Exempt Proposed Caps), (ii) a letter from the Independent Board Committee, (iii) a letter from the Independent Financial Adviser, and (iv) a notice to Shareholders convening the SGM will be despatched to Shareholders on or before 4th June, 2025 in accordance with the requirements of the Listing Rules.

(H) DEFINITIONS

In this announcement, unless otherwise defined, terms used herein shall have the following meanings:

“2025 Automobiles Sales Framework Agreement”	the automobiles sales framework agreement dated 20th May, 2025 entered into between the Company and Shenyang Automobile in relation to the sale of automobiles by members of the Group to members of the Shenyang Automobile Group for the period commencing from 20th May, 2025 to 31st December, 2026;
“2025 Comprehensive Services Purchase Framework Agreement”	the comprehensive services purchase framework agreement dated 20th May, 2025 entered into between the Company and Shenyang Automobile in respect of the provision of services by members of the Shenyang Automobile Group to members of the Group for the period commencing from 20th May, 2025 to 31st December, 2026;

“2025 Automotive Components Sales Framework Agreement”	the automotive components sales framework agreement dated 20th May, 2025 entered into between the Company and Shenyang Automobile in relation to the sale of materials and automotive components by members of the Group to members of the Shenyang Automobile Group for the period commencing from 20th May, 2025 to 31st December, 2026;
“2025 Non-Exempt Proposed Caps”	for the purpose of this announcement, the 2025 Shenyang Automobile Proposed Caps falling under the 2025 Automotive Components Sales Framework Agreement and the 2025 Automobiles Sales Framework Agreement;
“2025 Shenyang Automobile CCT Agreements”	the 2025 Automotive Components Sales Framework Agreement, the 2025 Automobiles Sales Framework Agreement and the 2025 Comprehensive Services Purchase Framework Agreement;
“2025 Shenyang Automobile CCTs”	the transactions between the Group and the Shenyang Automobile Group contemplated under the 2025 Shenyang Automobile CCT Agreements;
“2025 Shenyang Automobile Proposed Caps”	the estimated monetary values of the 2025 Shenyang Automobile CCTs for the eight months ending 31st December, 2025 and the financial year ending 31st December, 2026;
“Announcements”	announcements of the Company dated 27th December, 2024 and 23rd January, 2025 in relation to, among other things the Shenyang Automobile CCTs;
“Automobiles Sales Framework Agreement”	the automobiles sales framework agreement dated 27th December, 2024 entered into between the Company and Shenyang Automobile in relation to the sale of automobiles by members of the Group to members of the Shenyang Automobile Group for the period commencing from 1st December, 2024 to 31st December, 2025 as disclosed in the Announcements;
“Board”	the board of Directors;
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong);

“Company”	Brilliance China Automotive Holdings Limited (華晨中國汽車控股有限公司*), an exempted company incorporated in Bermuda with limited liability on 9th June, 1992, whose securities are listed on the main board of the Stock Exchange;
“Comprehensive Services Purchase Framework Agreement”	the comprehensive services purchase framework agreement dated 27th December, 2024 entered into between the Company and Shenyang Automobile in respect of the provision of services by members of the Shenyang Automobile Group to members of the Group for the period commencing from 1st December, 2024 to 31st December, 2025 as disclosed in the Announcements;
“connected persons”	has the meaning ascribed thereto in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Huachen”	Huachen Automotive Group Holdings Company Limited* (華晨汽車集團控股有限公司), a substantial shareholder of the Company which as at the date of this announcement is, through Shenyang Sanshi, interested in approximately 29.99% of the issued share capital of the Company and is a wholly owned subsidiary of Shenyang Automobile;
“Independent Board Committee”	the independent committee of the Board, comprising Mr. Song Jian, Mr. Jiang Bo, Mr. Dong Yang and Dr. Lam Kit Lan, Cynthia, all of whom are independent non-executive Directors, formed to advise the Independent Shareholders in respect of the 2025 Automotive Components Sales Framework Agreement, the 2025 Automobiles Sales Framework Agreement and the transactions contemplated thereunder (including the 2025 Non-Exempt Proposed Caps);

“Independent Financial Adviser”	Octal Capital Limited, a licensed corporation permitted to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance, being the independent financial adviser appointed by the Company for the purpose of advising the Independent Board Committee and the Independent Shareholders in respect of the 2025 Automotive Components Sales Framework Agreement, the 2025 Automobiles Sales Framework Agreement and the transactions contemplated thereunder (including the 2025 Non-Exempt Proposed Caps);
“Independent Shareholders”	Shareholders, other than Shenyang Automobile and its associates, who will abstain from voting on the relevant resolutions in relation to the 2025 Automotive Components Sales Framework Agreement, the 2025 Automobiles Sales Framework Agreement and the transactions contemplated thereunder (including the 2025 Non-Exempt Proposed Caps) at the SGM;
“Independent Third Party(ies)”	party who is a third party independent of the Company and its connected person(s);
“JSA”	Jinbei (Shenyang) Automotive Co., Ltd. (formerly known as RBJAC), a company owned as to 80.72% by the Group, 18.64% by Renault SAS, 0.29% by 瀋陽斯瓦特汽車零部件有限公司, 0.14% by 遼寧撫叉工業車輛有限公司, 0.07% by 承德華遠自動化設備有限公司, 0.06% by 北京潤霖汽車科技有限公司, 0.04% by 北京健力源餐飲管理有限公司 and 0.04% by 長春力拓輸送機械有限公司 as at the date of this announcement;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	The People’s Republic of China and, for the sole purpose of this announcement, shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan;
“RBJAC”	Renault Brilliance Jinbei Automotive Company Limited (currently known as JSA);

“Restructuring”	the restructuring of, among others, the indebtedness and shareholding structure of RBJAC pursuant to the formal restructuring plan as approved by the Shenyang Intermediate People’s Court on 23rd May, 2023 (for further details, please refer to the announcements of the Company dated 30th December, 2021, 12th January, 2022, 24th May, 2022 and 25th May, 2023);
“RMB”	Renminbi, the lawful currency of the PRC;
“SGM”	the special general meeting of the Company to be convened for the purpose of considering and approving, if appropriate, the 2025 Automotive Components Sales Framework Agreement, the 2025 Automobiles Sales Framework Agreement and the transactions contemplated thereunder (including the 2025 Non-Exempt Proposed Caps);
“Shareholder(s)”	holder(s) of Shares;
“Shares”	shares at par value of US\$0.01 each in the share capital of the Company;
“Shenyang Automobile”	瀋陽汽車有限公司 (Shenyang Automobile Co., Ltd.*), the holding company of Huachen and a substantial shareholder of the Company which as at the date of this announcement is, through Huachen and Shenyang Sanshi interested in approximately 29.99% of the issued share capital of the Company;
“Shenyang Automobile CCTs”	the transactions between the Group and the Shenyang Automobile Group contemplated under the Automobiles Sales Framework Agreement and the Comprehensive Services Purchase Framework Agreement as disclosed in the Announcements;
“Shenyang Automobile CCT Agreements”	the Automobiles Sales Framework Agreement and the Comprehensive Services Purchase Framework Agreement as disclosed in the Announcements;
“Shenyang Automobile Group”	Shenyang Automobile and its associates within the meaning of the Listing Rules, but excluding the Group for the purpose of this announcement;

“Shenyang Automobile Proposed Caps”	the estimated monetary values of the Shenyang Automobile CCTs for the one month ending 31st December, 2024 and the financial year ending 31st December, 2025 as disclosed in the Announcements;
“Shenyang Sanshi”	Shenyang Sanshi Automotive Industry Development Co., Ltd.* (瀋陽三實汽車產業發展有限公司), a wholly-owned subsidiary of Huachen and a substantial shareholder of the Company which is interested in approximately 29.99% of the issued share capital of the Company as at the date of this announcement;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	has the meaning ascribed thereto under the Companies Ordinance;
“US\$”	United States dollars, the lawful currency of the United States of America; and
“%”	per cent.

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

Hong Kong, 20th May, 2025

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.

* *For identification purposes only*