北 京 汽 車 股 份 有 限 公 司

BAIC MOTOR CORPORATION LIMITED*

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

(Stock Code: 1958)

DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO THE DISPOSAL OF 51% OF THE EQUITY INTERESTS IN A WHOLLY-OWNED SUBSIDIARY

DISPOSAL

On 21 November 2025 (after trading hours), the Company entered into the Equity Acquisition Agreement with BAIC Group, pursuant to which the Company has conditionally agreed to sell, and BAIC Group has conditionally agreed to purchase, 51% of the equity interests in BAIC International, for a total consideration of RMB1,607.5740 million in cash, the final price of which shall be determined as the appraised value of the Equity Interests based on the Asset Valuation Report as filed with the competent organisation.

After completion of the Disposal, BAIC International will be owned as to 51% by BAIC Group and 49% by the Company, and BAIC International will cease to be a subsidiary of the Company and its financial results will no longer be consolidated in the Group's accounts.

LISTING RULES IMPLICATIONS

As at the date of this announcement, BAIC Group is the sole controlling shareholder of the Company and holds approximately 46.90% of the total issued share capital of the Company, thus it is a connected person of the Company. As one or more of the applicable percentage ratios in respect of the Disposal exceeds 5% but all of them are less than 25%, the Disposal constitutes a discloseable and connected transaction of the Company which is subject to reporting, announcement, circular and Independent Shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules.

GENERAL

The Company will convene the EGM for the purpose of, among other things, obtaining Independent Shareholders' approval for the Disposal. BAIC Group and its associates will abstain from voting on the resolution to be proposed for approving the Disposal at the EGM.

The Independent Board Committee, comprising all the independent non-executive Directors, will be established to advise the Independent Shareholders in relation to the Equity Acquisition Agreement and the Disposal. In this connection, the Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders on the aforesaid matters.

A circular containing, among other things, (i) further details of the Equity Acquisition Agreement and the Disposal; (ii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iii) a letter from the Independent Board Committee to the Independent Shareholders on the same and its recommendation on voting; and (iv) the notice of the EGM, will be sent to the Shareholders within 15 business days from the date of this announcement.

As the completion of the Disposal is subject to the approval from the Independent Shareholders at the EGM and the fulfilment of the conditions precedent set out under the Equity Acquisition Agreement, the Disposal may or may not proceed. Shareholders and potential investors should exercise caution when dealing in shares of the Company and are recommended to consult their professional advisers if they are in any doubt about their position and actions that they should take.

DISPOSAL

The Company hereby announces that on 21 November 2025 (after trading hours), the Company entered into the Equity Acquisition Agreement with BAIC Group, pursuant to which the Company has conditionally agreed to sell, and BAIC Group has conditionally agreed to purchase, 51% of the equity interests in BAIC International, for a total consideration of RMB1,607.5740 million in cash, the final price of which shall be determined as the appraised value of the Equity Interests based on the Asset Valuation Report as filed with the competent organisation.

Equity Acquisition Agreement

The principal terms and conditions of the Equity Acquisition Agreement are set out as follows:

Date

21 November 2025 (after trading hours)

Parties

(i) The Company (as vendor); and

(ii) BAIC Group (as purchaser).

Disposal

Subject to the terms and conditions under the Equity Acquisition Agreement, the Company has agreed to sell, and BAIC Group has agreed to purchase, 51% of the equity interests in BAIC International, together with the shareholders' equity attaching thereto, including but not limited to the right to asset returns, right to participate in major decisions, right to select management, and other shareholders' rights as provided under the Company Law of the People's Republic of China and the articles of association of BAIC International. After completion of the Disposal, BAIC International will be owned as to 51% by BAIC Group and 49% by the Company, and BAIC International will cease to be a subsidiary of the Company and its financial results will no longer be consolidated in the Group's accounts.

Consideration and Payment

The consideration of the Equity Interests is RMB1,607.5740 million, the final price of which shall be determined as the appraised value of the Equity Interests based on the Asset Valuation Report as filed with the competent organisation. The consideration shall be paid by BAIC Group to the Company in cash in the following manner:

(i) RMB803.7870 million, being 50% of the total consideration, the final price of which shall be determined as the appraised value of the Equity Interests based on the Asset Valuation Report as filed with the competent organisation, shall be paid by BAIC Group to the designated bank account of the Company as and when the Equity Acquisition Agreement is signed and becomes effective upon the date on which the Disposal has been approved by the Independent Shareholders; and

(ii) RMB803.7870 million, being the remaining 50% of the total consideration, the final price of which shall be determined as the appraised value of the Equity Interests based on the Asset Valuation Report as filed with the competent organisation, shall be paid by BAIC Group to the designated bank account of the Company within one year from the effective date of the Equity Acquisition Agreement and after the completion of the registration procedures with the registration authority for the change of equity ownership in respect of the Equity Interests.

Basis of Consideration

The consideration of the Equity Interests was determined after arm's length negotiations between the Company and BAIC Group with reference to the appraised value of the Equity Interests as at the Valuation Benchmark Date as appraised by the Independent Valuer by adopting the income approach. According to the Asset Valuation Report, the appraised value of the entire shareholder's equity of BAIC International was RMB3,152.1058 million, and accordingly, the consideration of the Equity Interests is RMB1,607.5740 million.

Conditions Precedent

Unless otherwise agreed upon by both parties, the closing of the Disposal is conditional upon the satisfaction of the following conditions:

(i) all internal approval procedures and formalities for the authorisation of the Disposal, including but not limited to approval by the Independent Shareholders, having been fulfilled by the Company;

(ii) all internal approval procedures and formalities for the authorisation of the Disposal having been fulfilled by BAIC Group; and

(iii) necessary approvals or filings in connection with the Disposal as required by the competent state-owned assets supervision and management authorities, having been completed by the parties.

Arrangements Related to Employment, Claims and Debts, and Profit and Losses

The employment relationships of the current employees of BAIC International will not be affected by the Disposal. Their labor contracts will continue to be performed in accordance with their respective terms and conditions and the applicable laws and regulations.

The claims and debts of BAIC International shall continue to be enjoyed and borne by BAIC International after the change of business registration.

The profits and losses generated by BAIC International during the period from the effective date of the Equity Acquisition Agreement to the date of completion of the Disposal (inclusive) shall be borne and enjoyed by the shareholders of BAIC International upon completion, in proportion to their shareholding.

PROFIT FORECAST REQUIREMENTS UNDER THE LISTING RULES

The valuation of the Equity Interests (i.e., the Valuation) was conducted by Beijing China Enterprise Appraisals Co., Ltd.* (北京中企華資產評估有限責任公司) (i.e., the Independent Valuer), adopting the income approach. Accordingly, the Valuation constitutes a profit forecast under Rule 14.61 of the Listing Rules. Further information as required under Rule 14.60A of the Listing Rules in relation to profit forecast will be disclosed in the circular for the EGM.

GENERAL INFORMATION

Information on the Company

The Company was established in September 2010 and listed on the Main Board of the Hong Kong Stock Exchange in December 2014. As at the date of this announcement, approximately 46.90% of the equity interests in the Company are directly owned by BAIC Group, which is the controlling shareholder of the Company. The Company's brands cover joint venture premium passenger vehicles, joint venture premium multi-purpose passenger vehicles, joint venture mid- to high-end passenger vehicles, proprietary brand passenger vehicles and other vehicles, which can maximally satisfy various customers' demands.

Information on BAIC Group

BAIC Group is the sole controlling shareholder of the Company, being a state-owned enterprise wholly owned by Beijing State-owned Capital Operation and Management Company Limited* (北京國有資本運營管理有限公司), and holds approximately 46.90% of the equity interests in the Company as at the date of this announcement. BAIC Group is one of the main automobile manufacturing groups in China. It has now developed into a comprehensive and modern automobile conglomerate with diversified business portfolio and integrating vehicle research and development and manufacturing, parts and components manufacturing, automobile service trade, education and investment and financing business, as well as incubation of new industries.

Information on BAIC International

BAIC International, a wholly-owned subsidiary of the Company as at the date of this announcement and immediately prior to completion of the Disposal, is a limited liability company established in the PRC with a registered capital of RMB3,052,442,014. It is principally engaged in the overseas sales and distribution of the Group's self-branded passenger vehicles.

The following table sets forth the financial information of BAIC International for the two years ended 31 December 2024 prepared in accordance with the China Accounting Standards for Business Enterprises:

	For the year ended 31 December	
	2023	**2024**
	(RMB ten thousand)	
	(Audited)	
Revenue	327,328.47	297,836.23
Net profit before taxation	14,877.48	3,258.84
Net profit after taxation	14,877.48	3,258.84

As at 30 September 2025, the audited net assets value of BAIC International was RMB927.7157 million.

REASONS FOR AND BENEFITS OF THE DISPOSAL AND THE IMPACT ON THE COMPANY

In 2025, China's automotive export market maintained robust growth. From January to October, national automobile exports reached 5.616 million units, representing a year-on-year increase of 15.7%. To further advance our internationalisation strategy and actively capitalise on overseas expansion opportunities, the Company decided to dispose of 51% of the equity interests in BAIC International to BAIC Group, introducing BAIC Group as a shareholder of BAIC International. After completion of the Disposal, the Company will, on the one hand, leverage BAIC Group's platform advantages to comprehensively empower BAIC International's operations in overseas product development, brand building, investment and financing, thereby providing robust group-level resource support for the accelerated advancement of the Company's internationalisation strategy, and will, on the other hand, retain 49% of the equity interests in BAIC International, enabling it to continue sharing in the long-term dividends generated by BAIC International's high-quality development.

After completion of the Disposal, BAIC International will be owned as to 51% by BAIC Group and 49% by the Company, and BAIC International will cease to be a subsidiary of the Company and its financial results will no longer be consolidated in the Group's accounts.

Based on the consideration of the Equity Interests under the Equity Acquisition Agreement, the Company expects to recognise a pre-tax disposal gain of approximately RMB2.2 billion before costs and expenses in relation to the Disposal. The actual effect of the Disposal on the consolidated financial statements of the Group is to be determined at completion and subject to audit.

The Company intends to use the proceeds from the Disposal to strengthen the general working capital of the Group and actively promote the development of the Group's business, so as to enhance the Company's core competitiveness and development capabilities.

OPINIONS OF THE DIRECTORS

The terms of the Equity Acquisition Agreement and the Disposal contemplated thereunder were determined after arms' length negotiations among the parties thereto. The Directors (excluding the independent non-executive Directors whose views will be set out in the letter from the Independent Board Committee and also excluding those Directors who have abstained from voting as further detailed below) are of the view that (i) the terms and conditions of the Disposal are fair and reasonable; (ii) although the Disposal is not in the ordinary and usual course of business of the Company, it is on normal commercial terms; and (iii) the Disposal is in the interests of the Company and its Shareholders as a whole.

Considering that BAIC Group, being a controlling shareholder of the Company, is a party to the Equity Acquisition Agreement, the Directors designated by it, namely Mr. Hu Hanjun, Mr. Chen Hongliang and Mr. Peng Jin, are considered to be materially interested in the Disposal. Therefore, each of Mr. Hu Hanjun, Mr. Chen Hongliang and Mr. Peng Jin has abstained from voting on the Board resolution for approving the Disposal. Save for the above Directors, none of the other Directors has any interest in the Disposal. While Mr. Wang Hao is the Chairman of the Board and executive Director and also the Chairman of BAIC Group Off-road Vehicle Co., Ltd. (北京汽車集團越野車有限公司), he is not considered to be materially interested in the Disposal as the management of such company has been entrusted to the Company.

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GENERAL

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The Independent Board Committee, comprising all the independent non-executive Directors, will be established to advise the Independent Shareholders in relation to the Equity Acquisition Agreement and the Disposal. In this connection, the Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders on the aforesaid matters.

A circular containing, among other things, (i) further details of the Equity Acquisition Agreement and the Disposal; (ii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iii) a letter from the Independent Board Committee to the Independent Shareholders on the same and its recommendation on voting; and (iv) the notice of the EGM, will be sent to the Shareholders within 15 business days from the date of this announcement.

As the completion of the Disposal is subject to the approval from the Independent Shareholders at the EGM and the fulfilment of the conditions precedent set out under the Equity Acquisition Agreement, the Disposal may or may not proceed. Shareholders and potential investors should exercise caution when dealing in shares of the Company and are recommended to consult their professional advisers if they are in any doubt about their position and actions that they should take.

DEFINITIONS

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

"Asset Valuation Report"	"Asset Valuation Report on the Value of Entire Shareholders' Equity of BAIC International Development Co., Ltd. in Connection with the Proposed Disposal of Equity Interests by BAIC Motor Corporation Limited to Beijing Automotive Group Co., Ltd." (BCEAC Valuation Report (2025) No. 2485) prepared by the Independent Valuer
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"BAIC Group"	Beijing Automotive Group Co., Ltd.* (北京汽車集團有限公司), a state-owned enterprise incorporated in the PRC, the sole controlling shareholder of the Company
"BAIC International"	BAIC International Development Co., Ltd.* (北京汽車國際發展有限公司), a company limited by shares established under the laws of the PRC, and a wholly-owned subsidiary of the Company as at the date of this announcement and immediately prior to completion of the Disposal
"Board"	the board of Directors

"Company"	BAIC Motor Corporation Limited* (北京汽車股份有限公司), a company limited by shares duly established and validly existing under the laws of the PRC, whose H shares are listed on the Hong Kong Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"connected transaction(s)"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Disposal"	the disposal of 51% of the equity interests in BAIC International by the Company
"EGM"	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve the Disposal
"Group"	the Company and its subsidiaries
"Equity Acquisition Agreement"	the equity acquisition agreement to entered into between the Company and BAIC Group in relation of the Disposal dated 21 November 2025
"Equity Interests"	the 51% of the equity interests in BAIC International owned by the Company to be disposed of as contemplated under the Disposal
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Independent Board Committee"	the independent board committee of the Company, comprising all independent non-executive Directors, to be formed to advise the Independent Shareholders in relation to the Equity Acquisition Agreement and the Disposal

"Independent Financial Adviser" or "Everbright Capital"	China Everbright Capital Limited, a corporation permitted to carry out Type 1 (Dealing in securities), Type 4 (Advising on securities) and Type 6 (Advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), which has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Equity Acquisition Agreement and the Disposal
"Independent Shareholder(s)"	Shareholder(s) other than (i) BAIC Group and its associates and (ii) any other persons who are involved or interested in the Disposal
"Independent Valuer"	Beijing China Enterprise Appraisals Co., Ltd.* (北京中企華資產評估有限責任公司), a qualified independent valuer in the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
"PRC" or "China"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"Shareholder(s)"	the shareholder(s) of the Company
"Valuation"	the valuation of the Equity Interests
"Valuation Benchmark Date"	30 September 2025, being the valuation benchmark date of the appraised value of the Equity Interests
"%"	percentage

* *For identification purposes only*

By Order of the Board
BAIC Motor Corporation Limited
Yu Dan
Secretary to the Board and Company Secretary

Beijing, the PRC, 21 November 2025

As at the date of this announcement, the Board comprises Mr. Wang Hao, as Chairman of the Board and executive Director; Mr. Hu Hanjun and Mr. Chen Hongliang, as non-executive Directors; Mr. Song Wei, as executive Director; Mr. Peng Jin, Mr. Ye Qian, Mr. Paul Gao, Mr. Kevin Walter Binder, Mr. Gu Tiemin and Mr. Sun Li, as non-executive Directors; and Ms. Yin Yuanping, Mr. Xu Xiangyang, Mr. Tang Jun, Mr. Edmund Sit and Mr. Ji Xuehong, as independent non-executive Directors.