BAIC 北京汽车股份有限公司
BAIC MOTOR CORPORATION LIMITED*

(於中華人民共和國註冊成立的股份有限公司)
(A joint stock company incorporated in the People's Republic of China with limited liability)

股份代號 Stock code：1958

2026
Interim Report
中期報告

* 僅供識別 For identification purpose only

北京汽车股份有限公司
BAIC MOTOR CORPORATION LIMITED*

Official website

WeChat Official account

CONTENTS

OVERVIEW

The board (the "Board") of directors (the "Directors") of BAIC Motor Corporation Limited (the "Company" or "BAIC Motor") presents the unaudited interim condensed financial information of the Company and its subsidiaries (collectively referred to as the "Group" or "we" or "our") for the six months ended 30 June 2026 (the "First Half of 2026" or the "Reporting Period"). The condensed financial information has been prepared in accordance with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules").

The results of the Group for the First Half of 2026 have been approved by the Board. The unaudited interim condensed financial information set out in this report has been reviewed by Ernst & Young, the auditor of the Company.

In the First Half of 2026, China's automotive industry experienced overall demand weakness amid significant structural divergence. According to data released by the China Association of Automobile Manufacturers (the "CAAM"), sales of passenger vehicles in the First Half of 2026 reached 12.72 million units, a year-on-year decrease of approximately 6%, with overall sluggish end-user demand. The penetration rate of new energy vehicles continued to climb, the adoption of intelligent driving accelerated, and plug-in hybrid and extended-range models emerged as the primary growth drivers. Vehicle exports maintained their growth momentum, with exports of passenger vehicles in the First Half of 2026 reaching 4.432 million units, a year-on-year increase of 71.7%. At the same time, multiple constraints at the macro level were evident: rising uncertainty in global geopolitical and trade policies, coupled with increased barriers to entry in overseas markets; and the foundation for the recovery of domestic consumer spending was not yet solid. Oversupply in the industry triggered intense price competition, imposing persistent pressure on corporate profitability.

In the First Half of 2026, the Group upheld its new energy development strategy, accelerated product refreshment, and deepened lean operations. Beijing Brand, anchored in the off-road segment, continued to enhance its product matrix: the long-range edition of the BJ40e REEV was launched; the Beijing 81VJ was unveiled and began pre-sales; at Beijing Benz, the all-new all-electric GLC entered production; and Beijing Hyundai launched its new energy brand IONIQ（艾尼氪）and its first model, the IONIQ V. The Group carried out an "AI+ digital intelligence" transformation across the board, integrating online and offline approaches. Further deepening the development of a user-oriented enterprise, Beijing Benz established a direct link from user demand to the production end. Beijing Hyundai created a one-stop transparent online service platform. In overseas markets, strategic planning was iterated, accelerating the implementation of localization strategies.

During the Reporting Period, the Group achieved sales of 328,900 vehicles, consolidated revenue of RMB57.73 billion, and it recorded a net loss attributable to equity holders of the Company of RMB1.59 billion, with basic loss per share of RMB0.20.

The Board has not made any recommendation on the payment of an interim dividend for the Reporting Period.

Part One
Corporate Information

- **LEGAL NAME OF THE COMPANY**
  北京汽車股份有限公司

- **ENGLISH NAME OF THE COMPANY**
  BAIC Motor Corporation Limited[1]

- **REGISTERED OFFICE**
  A5-061, Unit 101, 5/F, Building No. 1, Courtyard No. 99, Shuanghe Street, Shunyi District, Beijing, China

- **HEADQUARTERS**
  No. 99 Shuanghe Street, Shunyi District, Beijing, China

- **PRINCIPAL PLACE OF BUSINESS IN HONG KONG**
  31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong

- **AUTHORISED REPRESENTATIVES**

  Mr. Chen Geng
  5/F, No. 99 Shuanghe Street, Shunyi District, Beijing, China

  Mr. Huang Yan
  5/F, No. 99 Shuanghe Street, Shunyi District, Beijing, China

- **COMPANY SECRETARY**

  Mr. Huang Yan
  5/F, No. 99 Shuanghe Street, Shunyi District, Beijing, China

- **JOINT COMPANY SECRETARY**

  Ms. Li Ka Wai
  31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong

- **HONG KONG LEGAL ADVISOR**

  Linklaters
  11th Floor, Alexandra House, 18 Chater Road, Hong Kong

[1] For identification purpose only

- **CHINA LEGAL ADVISOR**

  JunHe LLP
  20/F, China Resources Building, 8 Jianguomenbei Avenue, Dongcheng District, Beijing, China

- **AUDITORS (EXTERNAL AUDIT FIRM)**

  Ernst & Young
  Certified Public Accountants and Registered PIE Auditor
  27/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong

  Ernst & Young Hua Ming LLP
  16/F, Ernst & Young Tower, Oriental Plaza, No. 1 East Changan Ave, Dongcheng District, Beijing, PRC

- **PRINCIPAL BANKS**

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  Block A, Jinyun Building, A43 Xizhimen North Street, Haidian District, Beijing, China

  China CITIC Bank, Olympic Village Branch
  1/F, Tower D, Tian Chuang Shi Yuan Building, No. 309 Huizhong Beili, Chaoyang District, Beijing, China

- **H SHARE REGISTRAR**

  Computershare Hong Kong Investor Services Limited
  Shops 1712-1716, 17/F, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong

- **H SHARE STOCK CODE**
  1958

- **INVESTOR ENQUIRIES**
  Investor hotline: (86) 10 5676 1958; (852) 3188 8333
  Website: www.baicmotor.com
  E-mail: ir@baicmotor.com

Part Two
Summary of Operations

Summary of consolidated financial information of the Group for the First Half of 2026 is as follows:

Unit: RMB million

Item	For the six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Sales volume (units)	**328,906**	421,244
Revenue	**57,726**	82,398
Cost of sales	**(51,916)**	(70,478)
Gross profit	**5,810**	11,921
Selling and distribution expenses	**(3,153)**	(3,883)
Administrative expenses	**(2,066)**	(2,024)
Impairment losses on financial assets, net	**(32)**	(16)
Other gains and losses	**488**	205
Finance cost, net	**(90)**	(13)
Share of profits and losses of investments accounted for using equity method	**(426)**	(34)
Profit before income tax	**532**	6,155
Income tax expense	**(877)**	(2,381)
Profit for the period	**(346)**	3,774
Attributable to		
Owners of the parent	**(1,594)**	360
Non-controlling interests	**1,248**	3,414

Total assets, total liabilities and interests attributable to equity holders of the Company	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Total assets	**141,724**	166,505
Total liabilities	**69,178**	89,420
Interests attributable to equity holders of the Company	**54,474**	57,945

Note: The sales figures include the total wholesale sales of Beijing Brand, Beijing Benz, Beijing Hyundai and Fujian Benz.

Part Three
Company Profile and Business Overview

I. OVERVIEW

We are a leading passenger vehicle enterprise in China, and are one of the passenger vehicle manufacturers with the most optimized brand layout and business system in the industry. Our brands cover joint venture premium passenger vehicles, joint venture premium multi-purpose passenger vehicles, joint venture mid-to-high-end passenger vehicles and proprietary brand passenger vehicles, among others, which can best meet the diverse demands of consumers.

The Company completed its H shares initial public offering and was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 19 December 2014 (H shares stock abbreviation: BAIC Motor; H shares stock code: 1958).

II. MAJOR BUSINESS OPERATIONS

The Group is principally engaged in the research and development, manufacturing, sales and after-sales services of passenger vehicles, production of core parts and components of passenger vehicles, car financing, international businesses and other related businesses. It keeps optimizing its industry chain and enhancing its brands strength.

Passenger Vehicles

The Group is accelerating its transformation and upgrade towards new energy and intelligence. Its passenger vehicle product lineup covers oil-powered and new energy models, and its business is carried out through four brands: Beijing Brand, Beijing Benz, Beijing Hyundai and Fujian Benz.

1. Beijing Brand

Beijing Brand, our proprietary brand, covers sedans, SUVs and off-road vehicles in both oil-powered and new energy models, providing users with a full range of travel experiences.

Beijing Brand adheres to technological progress, product upgrading, and model innovation, building a user-centric enterprise around the concept of "building high-quality vehicles for users". In terms of off-road vehicle electrification, through the two-way integration of off-road capabilities and new energy, we empowered off-road vehicles with electrification; in terms of off-road vehicle intelligence, relying on BAIC "Yuanjing" intelligence, we continuously improved the intelligence level of off-road vehicles and provided consumers with a full-scenario travel solution from urban to off-road scenarios.

Part Three

Company Profile and Business Overview

Drawing on its technical heritage as the "inventor of Chinese off-road vehicles", Beijing Brand has continuously advanced brand and product innovation, and made every effort to develop off-road and light off-road products to address the diversified needs of different consumer bases. BJ30 Traveler targets the entry-level light off-road vehicle market, while BJ40e REEV aims to be the king of extended-range hard-core SUVs. BJ40 Fuel is positioned as a "full-scenario professional off-road SUV", achieving off-road accessibility for all.

Looking ahead, Beijing Brand will continue to focus on core technology innovation and comprehensively upgrade its product matrix covering the three powertrain categories of fuel, all-electric, and hybrid, deploying five product series to create over ten diversified vehicle models. Centered on user needs, it leverages its solid product strength, cutting-edge proprietary technology, and attentive full-lifecycle service to create a safe, reliable, intelligent, convenient, and diverse high-quality mobility experience for consumers.

2. **Beijing Benz**

Beijing Benz Automotive Co., Ltd. ("Beijing Benz") is a subsidiary of the Company. The Company holds 51.0% equity interest of Beijing Benz, while Mercedes-Benz Group AG ("Mercedes-Benz Group") and its wholly-owned subsidiary, Mercedes-Benz China Investment Co., Ltd. (梅賽德斯－奔馳（中國）投資有限公司), together hold another 49.0% equity interest in Beijing Benz. Beijing Benz commenced the manufacturing and sales of passenger vehicles of Mercedes-Benz brand in 2006.

At present, Beijing Benz has become a joint venture with Mercedes-Benz, that operates front-wheel drive, rear-wheel drive and electric vehicle platforms in the world, as well as its own engine plant and power battery factories. It also exports core engine components and complete engines, making it an important part of the Mercedes-Benz global production network. On this basis, the models currently produced by Beijing Benz mainly include the all-electric GLC, all-electric CLA, E-Class, C-Class, and GLC SUV. At the historic turning point of the automotive industry from fuel to electric power, Beijing Benz has responded proactively and continuously accelerated its transformation towards "electrification, digitization and low-carbonization". In terms of its electric product matrix, Beijing Benz has launched a total of 7 all-electric models into production. In the future, it will develop more "next-generation luxury" and "core luxury" models based on the all-new Mercedes-Benz Modular Architecture (MMA) platform and the MB.EA all-electric platform.

3. **Beijing Hyundai**

Beijing Hyundai Motor Co., Ltd. ("Beijing Hyundai") is a joint venture of the Company. The Company holds 50.0% equity interest in Beijing Hyundai through its subsidiary BAIC Investment Co., Ltd. ("BAIC Investment"), while Hyundai Motor Company holds another 50.0% equity interest in Beijing Hyundai. Beijing Hyundai has been manufacturing and selling Hyundai passenger vehicles since 2002.

Beijing Hyundai has established an industry-leading quality operation system and has nationwide leading production and manufacturing plants. It produces and sells a range of compact and mid-size sedans and SUVs, including the Elantra CN7, the 11th-generation Sonata, the all-new Tucson L, the MUFASA (upgraded ix35), the fifth-generation Santa Fe, the Custo, and the all-electric SUV EO, fully satisfying the needs of different consumers.

4. **Fujian Benz**

Fujian Benz Automotive Co., Ltd. ("Fujian Benz") is a joint venture of the Company. The Company holds 35.0% equity interest in Fujian Benz, and has an acting-in-concert agreement with Fujian Motor Industry Group Co., Ltd., which holds another 15.0% of its equity, regarding the operation, management and other matters of Fujian Benz, as well as the exercise of powers by the directors appointed by Fujian Motor Industry Group Co., Ltd. Mercedes-Benz Vans Hong Kong Limited holds the remaining 50.0% equity interest of Fujian Benz.

Fujian Benz commenced the manufacturing and sales of multi-purpose passenger vehicles of Mercedes-Benz brand in 2010. At present, Fujian Benz stays on the leading edge in the field of joint venture premium business purpose vehicles, with production and sales of Mercedes-Benz V-Class vehicles and New Vito products. At the same time, it is steadily advancing the construction of the new energy commercial vehicle platform in China to achieve a leapfrog upgrade of its product matrix.

Core Parts and Components for Passenger Vehicles

In addition to manufacturing of vehicles, we also produce engines, powertrain, power batteries and other core parts and components for passenger vehicles through the manufacturing bases of Beijing Brand, Beijing Benz and Beijing Hyundai.

We rely on operating entities such as BAIC Motor Powertrain Co., Ltd. ("Powertrain") to carry out the research and development and manufacturing of core automotive power components such as engines, range extenders, transmissions, and new energy reducers. The products are mainly assembled in our self-produced vehicles and various passenger vehicle models within the BAIC Group system, covering both military and civilian markets, and are exported globally with the complete vehicles. In recent years, Powertrain has comprehensively promoted the strategic transition towards hybrid and new energy, adopting a dual-track approach of independent research and development and joint development. It has overcome multiple key technical barriers and has now formed a product matrix of two major series and more than ten fuel and hybrid engines and range extender assemblies. In terms of expanding the supporting market, key components have achieved mass supply to automakers such as BYD Company Limited and Chery Automobile Co., Ltd.. Core engine products are supplied to external customers such as leading domestic industrial-grade heavy-lift unmanned helicopter companies, enabling applications in multiple fields and scenarios.

Part Three
Company Profile and Business Overview

Beijing Benz currently has the first power battery factory outside of Germany and two engine factories, producing EB5 power batteries, M254 and other engine products. The Beijing Benz EB5 power battery is compatible with multiple models on the MMA and MB.EA-M all-electric platforms. It features large capacity, ultra-fast charging, long range, low energy consumption, and high safety, making it a core component of the new generation of domestically produced luxury all-electric models from Mercedes-Benz.

Beijing Hyundai has been manufacturing engines since 2004. The products currently produced are mainly the Gamma II series 1.5/1.6 displacement engines, which are industry-leading in terms of technology and power. They are mainly used in Hyundai-branded passenger vehicles manufactured by Beijing Hyundai.

Car Financing

We conduct car financing and automobile aftermarket-related businesses for the Beijing Brand, Mercedes-Benz brand, and Hyundai brand through associates and joint ventures, including BAIC Group Finance Co., Ltd., Mercedes-Benz Leasing Co., Ltd., Beijing Hyundai Auto Finance Company Limited., and BH Leasing Co., Ltd., and continuously promote the rapid development of car financing businesses through methods including capital investment and business cooperation.

In respect of car financing business, we have conducted group strategic cooperation with various automobile financial companies, commercial banks and finance lease companies, offering clients a great variety of financial products covering all car models for sale and meeting different customer demands.

International Business

We engage in international marketing business through our associate, BAIC International Development Co., Ltd. ("BAIC International"). BAIC International has currently established a passenger vehicle brand matrix including ARCFOX, BAIC, etc. Its products cover five major categories: SUV, sedan, off-road vehicle, MPV, and pickup, spanning the mid-to-high-end and mainstream mass-market segments. In recent years, BAIC International has accelerated its localization strategy. Regional companies in Mexico, the Gulf, Brazil, and Europe are now operational. The establishment of new regional companies in Malaysia and Thailand is proceeding in an orderly manner. Eight overseas KD[2] projects have been put into production, and 16 representative offices continue to enhance local market operations.

III. INDUSTRY DEVELOPMENT IN THE FIRST HALF OF 2026

In the First Half of 2026, the automotive industry showed significant structural differentiation. In particular, new energy vehicles continued their growth momentum, with rising penetration rates, accelerating the transformation of the market structure; vehicle exports maintained strong growth, serving as a key hedge against fluctuations in domestic demand; and the market share of Chinese-branded passenger vehicles further increased, remaining at a high level. According to data from the CAAM, sales of passenger vehicles in the First Half of 2026 reached 12.72 million units, a year-on-year decrease of approximately 6%; and exports of passenger vehicles amounted to 4.432 million units, a year-on-year increase of 71.7%.

[2] Knocked-down

In terms of industry policy, automotive policies in the First Half of 2026 balanced consumption promotion with industrial quality improvement. Policies such as halving the purchase tax, trade-in incentives, and promoting new energy vehicles in rural areas were implemented, while circulation reform measures relaxed car purchase restrictions and revitalised the second-hand car market. On the industrial side, efforts were made to improve the power battery recycling and traceability system, accelerate the formulation of standards for intelligent connected vehicles and vehicle safety, and support the research and development of cutting-edge technologies. The policy focus has shifted from supporting sales volume to reshaping the industrial ecosystem, guiding the industry's transformation towards electrification, intelligence, and low-carbon development to offset the pressure on domestic demand recovery.

IV. OPERATIONAL PERFORMANCE OF THE GROUP IN THE FIRST HALF OF 2026

In the First Half of 2026, the Group was fully committed to implementing its "three-year leap forward action" strategy. Focusing on the "domestic and international" dual strategic markets and star product portfolios, we continued to optimize operational efficiency and steadily improve business quality. Adhering to intensified efforts in products with multiple technical routes, our products cover diverse categories such as fuel, all-electric, hybrid, extended-range and off-road vehicles. During the Reporting Period, Beijing Brand, Beijing Benz, Beijing Hyundai and Fujian Benz achieved a total wholesale sales volume of 328.9 thousand vehicles.

Deepening the New Energy Strategic Transformation

We remained focused on the core development of new energy and intelligence, closely tracking the industry's competitive landscape and the differentiated needs of users in various niche segments, while continuously enriching our new energy product matrix. During the Reporting Period, Beijing Brand launched a long-range edition of the BJ40e REEV, achieving dual growth in sales and market share. Two versions of the B-class all-electric commercial sedan BEIJING EU8 were launched simultaneously, precisely targeting the all-electric commercial sedan segment. At Beijing Benz, the first model built on the all-new Mercedes-Benz MB.EA-M all-electric platform – the all-new all-electric GLC – entered production, further expanding the all-electric lineup. Beijing Hyundai launched its new energy brand IONIQ (艾尼氪) and its first model, the IONIQ V, embarking on a new journey of comprehensive expansion into the new energy vehicle segment. Fujian Benz steadily advanced the VAN.EA project for its electrification transformation.

Part Three
Company Profile and Business Overview

Adhering to the "Off-road" Feature

Beijing Brand adhered to its "off-road" identity, with its dual-track strategy of professional hard-core and light off-road achieving initial results. The brand's end-user insurance registration volume achieved structural growth, and it maintained a stable position amidst market fluctuations. During the Reporting Period, terminal sales of the core "boxy off-road vehicle" increased by 24% year-on-year. The sales growth engine BJ30 set a new record for single-month sales since its launch and gained widespread recognition in the light off-road market. The major product BJ40 gained a competitive advantage in the professional hard-core off-road market by leading in both sales volume and growth rate. At the same time, focusing on customer needs, the Company launched brand-refreshing models: the new "tactical boxy vehicle" – Beijing 81VJ, created through the BIP (Build in Public) co-creation model, debuted at the Beijing Auto Show and began pre-sale. The new B70 City Hunter was launched, targeting new growth in the larger high-end SUV market.

Promoting "AI+ Digital Intelligence" to Empower Comprehensive Transformation

The "AI+ digital intelligence" transformation is a key engine of the "Three-year Leap Forward" strategy. Guided by the positioning of "practical empowerment and full-domain coverage", the Group carried out an "AI+ digital intelligence" transformation by integrating online and offline approaches. Through a dual-track approach of case-based teaching and practical exploration, the Company has gradually established a "business + AI" systems thinking among all staff, promoting the deep integration of AI intelligent assistance into the entire value chain of production and operation, and solidifying the results of these empowerment efforts. Beijing Benz built a digital hub with an AI portal and created four major intelligent tool matrices that cover the entire business chain of analysis, communication, creation, and execution, achieving a dual improvement in organizational capabilities and operational efficiency. Beijing Hyundai has deeply integrated AI technology into key tasks such as new energy transformation, cost reduction and efficiency improvement, and brand enhancement, accelerating the implementation of its "AI+ digital intelligence" strategy.

Part Three
Company Profile and Business Overview

Accelerating the Expansion of Overseas Markets

In the First Half of 2026, Beijing Brand iterated its strategic planning for overseas markets, while accelerating the rollout of its localization strategy. The operation registration and establishment plans for several overseas companies were completed. Meanwhile, by focusing on core base markets in the Middle East and North Africa, a breakthrough in sales was achieved. The overseas product matrix was further improved and the planning for different categories of application ecosystems was completed. Beijing Hyundai's export business was in a period of rapid growth, achieving incremental breakthroughs across all vehicle models, business formats, and market coverages. In the First Half of 2026, export sales of Beijing Hyundai reached 47 thousand units, a year-on-year increase of 15.8%, with overseas markets becoming a new engine for sales growth.

Innovating Marketing Models

Through brand-sales synergy, Beijing Brand achieved an efficient conversion of brand visibility into market value. Focusing on the two core models, BJ40 and BJ30, Beijing Brand conducted systematic communications around key milestones including the Spring Festival Gala, auto shows, and production-sales achievements, comprehensively enhancing brand popularity and industry influence. A long-term customer acquisition matrix was built through new media communication models. Beijing Benz explored new models of manufacturer-dealer cooperation and vigorously promoted the transformation towards "integrated direct sales". It bridged user needs directly with production, and gradually established a long-term and stable pricing system. Beijing Hyundai leveraged intelligent tools to reduce costs and increase efficiency in content production, accumulate high-quality sales leads, and empower end-user sales in all aspects. It continued to promote the transformation of customer services, focusing on optimizing the online O2O direct sales platform to achieve an end-to-end digital closed loop from car selection and test drives to contract signing, creating a one-stop transparent online service platform.

Part Three
Company Profile and Business Overview

Extending Green and Low-Carbon Development to the Entire Value Chain

Centering on energy conservation and emission reduction, new energy technology application and energy structure optimization, we have continuously promoted operational carbon reduction and collaborative carbon reduction across the industrial chain. We improved resource utilization efficiency while reducing energy consumption and carbon emissions, thereby driving the high-quality corporate development. Focusing on cost reduction, efficiency improvement and green and low-carbon development, Beijing Brand has extended its carbon reduction efforts from the source design stage throughout the entire value chain. With the aim of building a "green and clean factory", Beijing Hyundai vigorously promoted cleaner and more energy-efficient production processes. Fujian Benz actively responded to the national dual-carbon goals, promoting a full-chain low-carbon transformation by relying on its national-level green factory system.

Sales Network

The Group has always attached great importance to customer interests, strived to improve its product and service system, and is committed to ensuring its product distributors and customers receive timely, efficient, accurate and high-quality service. Each of our brands has independent sales channels.

During the Reporting Period, Beijing Brand continued to broaden sales channels and increase its brand penetration rate in cities. In the First Half of 2026, it focused on precise expansion along the southeast coast, innovating store formats to increase coverage. The dealer system was strengthened through a three-in-one approach of "strict governance, layered training, and precise empowerment" to promote a dual leap in both scale and quality of the channels. Beijing Benz continued to advance its network upgrade program, and constantly enhanced its offline touchpoints by upgrading their image, optimizing functions, redesigning processes and improving service teams, which helped elevate the customer experience and dealer operational efficiency to a new level. At the same time, it focused on digital marketing based on data and new media, and strengthened dealer training and talent development to digitally empower retail. By focusing on key cost areas, it continued to improve the quality and efficiency of its dealers. Beijing Hyundai actively optimized its network layout and maintained the stability of existing channels. It formulated differentiated and lightweight dealer recruitment policies, and actively explored potential channels, with 11 new stores opened and 11 under construction in the First Half of 2026. Concurrently, it focused on strengthening channel foundations and enhancing comprehensive operational capabilities at dealerships, including customer acquisition, conversion, and service.

Production Facilities

We have specialised production facilities to manufacture and assemble products. All of our production facilities are equipped with flexible production lines. This not only enables us to flexibly change production plans and respond quickly to changes in market demand, but also reduces our capital expenditures and operating costs.

In order to ensure excellent product quality, we have established an advanced digital and intelligent quality management system in Beijing Brand's plants. The system is deeply integrated into the entire vehicle design and manufacturing process, achieving precise management and control of core processes and data-driven decision-making and enabling continuous improvement in product quality through the precision of digital execution. Guided by the principle of "digitalization, flexibility, effectiveness and sustainability", Beijing Benz continuously builds Mercedes-Benz's most comprehensive production base in the world to continuously promote its own high-quality development. Beijing Benz has established a quality centre based on Mercedes-Benz Group's global standards to ensure that every unit of Mercedes-Benz vehicles is up to its globally unified standards and quality management system. Upholding the production philosophy of "greenness, quality, intelligence and efficiency", Beijing Hyundai promotes digital intelligence transformation and relies on intelligent production equipment, international management systems and an automation rate of over 90% to fully ensure accuracy and manufacture high-quality products. In the meantime, it reasonably uses flexible production plans and mixed model production, driving a leap in manufacturing efficiency with digital intelligence power to effectively reduce manufacturing costs.

Employees

As at 30 June 2026, the Group had a total of 34,338 employees (as at 31 December 2025: 35,298).

V. OUTLOOK FOR THE SECOND HALF OF 2026

Looking ahead to the second half of 2026, the intensive introduction of industrial policies is driving a fundamental shift in the industry's logic – from short-term stimulus dominated by "new car purchase subsidies" in the past to the construction of a medium-to-long-term ecosystem covering the entire automotive industry chain. The internal and external environment for industry operation remains challenging: sharp rises in the prices of upstream core raw materials continue to squeeze the profit margins of vehicle manufacturers. In overseas markets, trade barriers continue to escalate and competition for going overseas is intensifying, presenting both opportunities and risks in the international market. In a complex market environment, how to balance domestic cost pressures with overseas market expansion will be a key issue for auto companies.

Part Three

Company Profile and Business Overview

In the second half of 2026, the Group will meet the severe challenges with a competitive strategy of enhancing the value of the entire system. We will maintain strategic focus, keep abreast of market changes, continue to reform and innovate, make every effort to enhance system capabilities and market share, continue to expand the sales structure of high-value and high-volume products, and form a synergy for volume growth in various segmented markets. Beijing Brand will successively launch luxury off-road and light off-road sub-brands, consolidating its leading advantages with core technologies. Relying on a series of new flagship products such as the new energy intelligent luxury off-road SUV Taitan 700, the Company will empower and enrich its product line with intelligent and electrified technologies and drive growth in sales volume and scale. We will consolidate our sales foundation through meticulous efforts, with the BJ30 and BJ40 extended-range models strengthening the product line and serving as a cornerstone for our sales volume. Beijing Benz will accelerate the comprehensive implementation of high-quality projects, provide full support for the launch of several new models such as the all-new all-electric GLC, to further consolidate and expand its leading position in the domestic high-end luxury car market. Beijing Hyundai will stabilize its sales rhythm and continue to expand its exports to achieve its full-year goal. Fujian Benz will maintain stable operations and steadily advance its quality and efficiency enhancement initiatives, continuing to strive towards its goal of "becoming a respected leader in the premium business vehicle market in the new era".

Part Four
Governance Practice

I. CORPORATE GOVERNANCE

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to building and maintaining a high level of corporate governance so as to protect the rights and interests of shareholders and enhance corporate value and sense of responsibility. The Company has put together a sound and market-oriented corporate governance structure and established the general meeting, the Board of Directors, the strategy and sustainability committee of the Board (the "Strategy Committee"), the audit committee of the Board (the "Audit Committee"), the remuneration committee of the Board (the "Remuneration Committee"), and the nomination committee of the Board (the "Nomination Committee") (the "Special Committees"), and implemented corporate governance in strict accordance with the Articles of Association. The Company has adopted the code provisions under Part 2 of the Corporate Governance Code as set forth in Appendix C1 to the Listing Rules (the "CG Code"), and has formulated the purposes, values and strategies that are consistent with its culture and established a modern corporate governance structure comprising the general meeting, the Board and senior management that operate independently and are subject to checks and balances.

The Company has complied with all applicable code provisions under the CG Code throughout the Reporting Period.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

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 as the code of conduct for dealing in securities of the Company by all Directors and senior management.

In response to the Company's enquiries, all Directors and senior management have confirmed that they strictly complied with the Model Code during the Reporting Period.

Part Four
Governance Practice

CHANGES IN COMPOSITION OF THE BOARD AND THE COMMITTEES

On 14 April 2026, due to work adjustment, (1) Mr. Wang Hao ceased to be the Chairman, an executive Director, the chairman of the Strategy Committee and the Nomination Committee; (2) Ms. Zhu Yan ceased to be an executive Director and a member of the Strategy Committee; and (3) Mr. Sun Li ceased to be a non-executive Director and a member of the Strategy Committee. On the same day, the Company convened the 2026 first extraordinary general meeting, at which (1) Mr. Zhang Guofu was appointed as a non-executive Director; (2) Ms. Zheng Mingying was appointed as an executive Director; and (3) Mr. Zhou Jianyu was appointed as a non-executive Director, all for a term commencing from 14 April 2026 until the expiration of the term of the fifth session of the Board. On the same day, the Board convened a Board meeting and resolved to appoint (1) Mr. Zhang Guofu as the Chairman and the chairman of the Strategy Committee and the Nomination Committee; (2) Ms. Zheng Mingying as a member of the Strategy Committee; (3) Mr. Zhou Jianyu as a member of the Strategy Committee; and (4) Mr. Zhao Jinlun as a member of the Strategy Committee, all for a term commencing from 14 April 2026 until the expiration of the term of the fifth session of the Board. For details, please refer to the announcements of the Company dated 20 March 2026 and 14 April 2026, and the circular of the Company dated 25 March 2026.

On 25 June 2026, due to work adjustment, Mr. Kevin Walter Binder ceased to be a non-executive Director. On the same day, the Company held its 2025 annual general meeting, at which Mr. Tolga Oktay was appointed as a non-executive Director for a term commencing from 25 June 2026 until the expiration of the term of the fifth session of the Board. For details, please refer to the announcements of the Company dated 21 May 2026 and 25 June 2026, and the circular of the Company dated 26 May 2026.

Save as disclosed above, there was no other change in the composition of the Board, the Strategy Committee, the Audit Committee, the Remuneration Committee and the Nomination Committee from 1 January 2026 and up to the Latest Practicable Date.

CHANGES IN INFORMATION OF SENIOR MANAGEMENT AND COMPANY SECRETARY

On 20 March 2026, Ms. Zheng Mingying was elected as the vice president of the Company at the 23rd meeting of the fifth session of the Board for a term commencing from 20 March 2026 until the expiration of the term of the fifth session of the Board. Starting from 20 March 2026, Ms. Zhu Yan ceased to serve as the vice president of the Company due to work adjustment.

On 30 April 2026, Mr. Wu Fei was elected as the vice president of the Company at the 26th meeting of the fifth session of the Board for a term commencing from 30 April 2026 until the expiration of the term of the fifth session of the Board. Starting from 30 April 2026, Mr. Li Jian ceased to serve as the vice president of the Company due to work adjustment.

On 30 April 2026, Ms. Yu Dan resigned as the company secretary of the Company (the "Company Secretary"). On the same day, Mr. Huang Yan has been appointed as the Company Secretary and Ms. Li Ka Wai has been appointed as the joint Company Secretary. For details, please refer to the announcement of the Company dated 30 April 2026.

Starting from 7 September 2026, Mr. Dong Hao ceased to serve as the vice president of the Company due to work adjustment.

Save as disclosed above, there was no other change in senior management and company secretary of the Company from 1 January 2026 and up to the Latest Practicable Date. Meanwhile, the Directors, the senior management and Company Secretary of the Company confirmed that there was no information to be disclosed in accordance with Rule 13.51B(1) of the Listing Rules.

INTERIM DIVIDEND

The Board has not made any recommendation on the payment of an interim dividend for the First Half of 2026.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference. As at the Latest Practicable Date, the Audit Committee comprises Mr. Edmund Sit (Chairman), Mr. Gu Xin, Mr. Ye Qian, Mr. Tang Jun and Mr. Ji Xuehong, among which three members are independent non-executive Directors. The Audit Committee has reviewed with the management the accounting standards and practices adopted by the Group and reviewed the unaudited interim financial statements for the First Half of 2026, the 2026 interim results and the Interim Report 2026 of the Group.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company and its subsidiaries did not purchase, sell or redeem any of the Company's listed securities (including the sale of treasury shares) during the Reporting Period.

As at 30 June 2026, the Company did not hold any treasury shares.

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO") which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or to be entered in the register as referred to therein pursuant to section 352 of the SFO, or to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Part Four
Governance Practice

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

As at 30 June 2026, to the best knowledge of the Directors, the following entities/persons (except for the Directors and chief executives) had interests or short positions in the Shares or underlying Shares of the Company which were required to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of SFO, or recorded in the register required to be kept under section 336 of the SFO, or who were directly and/or indirectly deemed to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at the general meeting of the Company:

Name of Shareholder	Class of Shares	Number of Shares/ Underlying Shares Held Note 1	Percentage of Relevant Class of Shares (%) Note 2	Percentage of the Total Share Capital (%)
Beijing Automotive Group Co., Ltd.	Domestic Shares	3,758,798,622(L)	68.41	46.90
Shougang Group Co., Ltd.	Domestic Shares	1,028,748,707(L)	18.72	12.83
Mercedes-Benz Group AG	H Shares	765,818,182(L)	30.38	9.55

Note 1: (L) – Long position, (S) – Short position, (P) – Lending pool.

Note 2: The percentage is calculated based on the number of Shares held by relevant shareholders/the number of relevant classes of Shares of the Company in issue as at 30 June 2026.

MATERIAL LITIGATION AND ARBITRATION

As of 30 June 2026, the Company had no material litigation or arbitration. The Directors were also not aware of any material litigations or claims which were pending or had a significant adverse impact on the Company.

EVENTS AFTER THE REPORTING PERIOD

There were no events that had a significant impact on the Group after the end of the Reporting Period.

II. DIRECTORS, SENIOR MANAGEMENT AND COMPANY SECRETARIES

As at the Latest Practicable Date, the Directors, senior management and company secretaries of the Company are as follows:

Directors

Name	Position
Mr. Zhang Guofu	Chairman of the Board and non-executive Director
Mr. Gu Xin	Non-executive Director
Mr. Chen Geng	Executive Director
Ms. Zheng Mingying	Executive Director
Mr. Ye Qian	Non-executive Director
Mr. Paul Gao	Non-executive Director
Mr. Tolga Oktay	Non-executive Director
Mr. Gu Tiemin	Non-executive Director
Mr. Zhou Jianyu	Non-executive Director
Ms. Yin Yuanping	Independent non-executive Director
Mr. Xu Xiangyang	Independent non-executive Director
Mr. Tang Jun	Independent non-executive Director
Mr. Edmund Sit	Independent non-executive Director
Mr. Ji Xuehong	Independent non-executive Director
Mr. Zhao Jinlun	Employee representative Director

Senior Management and Company Secretaries

Name	Position
Mr. Chen Geng	President
Ms. Zheng Mingying	Vice President
Mr. Huang Yan	Vice President, Secretary to the Board and Company Secretary
Mr. Jiang Qing	Vice President
Mr. Wu Fei	Vice President
Mr. Zhang Zuyuan	General Counsel (Chief Compliance Officer)
Ms. Li Ka Wai	Joint Company Secretary

Part Five
Management Discussion and Analysis

REVENUE AND NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The Group is principally engaged in the research and development, manufacturing, sales and after-sales services of passenger vehicles. The above businesses have brought sustained and stable revenue to the Group. The Group achieved revenue of RMB57,725.7 million in the First Half of 2026, representing a decrease of 29.9% compared to the same period in 2025, primarily due to the impact of price competition and a decline in sales.

The Group recorded a net loss attributable to equity holders of the Company of RMB1,593.9 million in the First Half of 2026, turning from profit to loss compared with the same period of 2025. The Group recorded basic loss per share of RMB0.20 in the First Half of 2026.

GROSS PROFIT

The Group achieved a gross profit of RMB5,809.6 million in the First Half of 2026, representing a decrease of 51.3% compared to the same period in 2025, mainly due to the impact of price competition and sales decline.

WORKING CAPITAL AND FINANCIAL RESOURCES

The Group usually satisfies its daily working capital requirements through self-owned cash and borrowings. The Group recorded a net cash outflow from operating activities of RMB8,232.8 million in the First Half of 2026, compared with a net cash inflow of RMB1,961.0 million in the same period of 2025. The swing from net inflow to net outflow during the Reporting Period was mainly attributable to the decrease in net cash inflow generated from operating activities.

As at 30 June 2026, the Group had cash and cash equivalents of RMB10,521.4 million, bills receivable of RMB6,485.5 million, bills payable of RMB12,079.6 million, outstanding borrowings of RMB8,666.6 million, unused short-term and long-term bank credit lines of RMB39,292.6 million and commitments for capital expenditure of RMB10,021.4 million.

CAPITAL STRUCTURE

The Group maintained a reasonable combination of equity and debt to ensure an effective capital structure.

The Group's asset-liability ratio (total liabilities/total assets) was 48.8% as at 30 June 2026, representing a decrease of 4.9 percentage points from 31 December 2025 (the "end of 2025").

The Group's net gearing ratio ((total borrowings less cash and cash equivalents)/(total equity plus total borrowings less cash and cash equivalents)) was -2.6% as at 30 June 2026, representing an increase of 22.5 percentage points from the end of 2025, which was mainly due to a significant decrease in cash and cash equivalents.

As at 30 June 2026, the total outstanding borrowings were RMB8,666.6 million, including short-term borrowings of RMB5,318.8 million in aggregate and long-term borrowings of RMB3,347.8 million in aggregate. The Group will repay the aforesaid borrowings in a timely manner at maturity.

As at 30 June 2026, none of the Group's debt covenants in effect included any agreement on the obligations to be performed by controlling shareholders of the Company. In the meantime, the Group also strictly followed all the terms and conditions in its debt covenants, and no default took place.

SIGNIFICANT INVESTMENTS

The Group incurred total capital expenditures of RMB2,352.0 million in the First Half of 2026, compared to RMB2,464.1 million in the same period of 2025.

The Group incurred total research and development expenditures of RMB1,133.6 million in the First Half of 2026, compared to RMB1,372.3 million in the same period of 2025. Research and development expenditures were mainly incurred by the Group for its product research and development activities. Based on accounting standards and the Group's accounting policy, the research and development expenditures mentioned above complied with capitalization conditions had been capitalized accordingly.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not carry out material acquisitions and disposals of subsidiaries, associates or joint ventures during the First Half of 2026.

FOREIGN EXCHANGE GAINS OR LOSSES[3]

The Group incurred foreign exchange gains of RMB129.1 million in the First Half of 2026, compared to foreign exchange gains of RMB43.5 million in the same period of 2025, mainly due to (i) the effective hedging of exchange rate risks through forward foreign exchange contracts; and (ii) an increase in exchange gains from Euro-denominated payments as a result of changes in the exchange rate of RMB against the Euro.

The Group used foreign currencies (primarily Euro) to pay for part of its imported parts and components. Foreign exchange fluctuations may affect the Group's operating results.

The Group has a well-developed foreign exchange management strategy that continuously and orderly controls foreign exchange rate risks of foreign exchange exposure. At present, the Group mainly uses foreign exchange forward contracts as its hedging tool.

EMPLOYEES REMUNERATION POLICIES

Through the implementation of its human resources strategy, the Group has established a performance- and competence-oriented remuneration system on the basis of job classification. The annual business objectives are linked to the performance appraisal of employees via a performance appraisal system, providing an effective guarantee for the Group to recruit, retain and motivate talents, and carry out its human resources strategy.

In addition, the Group has established an enterprise annuity system to provide the qualified and voluntary employees with the supplementary pension system with certain guarantee on retirement income.

PLEDGE OF ASSETS

As at 30 June 2026, the Group pledged bills receivable of RMB4,153.3 million.

CONTINGENT LIABILITIES

As at 30 June 2026, the Group had no material contingent liabilities.

3 Foreign exchange gains or losses include foreign exchange forward contracts at fair value through profit or loss

Part Six

Report on Review of Unaudited Interim Condensed Consolidated Financial Information

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Independent review report

To the board of directors of BAIC Motor Corporation Limited

(Incorporated in People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 23 to 45, which comprises the condensed consolidated statement of financial position of BAIC Motor Corporation Limited (the "Company") and its subsidiaries (the "Group") as at 30 June 2026 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity as issued by the International Auditing and Assurance Standards Board.* A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young
Certified Public Accountants

Hong Kong, 28 August 2026

Part Seven

Interim Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2026

	Note	For the six months ended 30 June 2026 (Unaudited) RMB'000	 2025 (Unaudited) RMB'000
REVENUE	5	**57,725,704**	82,398,455
Cost of sales		**(51,916,128)**	(70,477,919)
Gross profit		**5,809,576**	11,920,536
Other gains and losses		**488,073**	205,248
Selling and distribution expenses		**(3,152,865)**	(3,883,378)
Administrative expenses		**(2,065,886)**	(2,023,801)
Impairment losses on financial assets, net		**(31,692)**	(16,348)
Finance cost, net		**(89,512)**	(13,022)
Share of profits and losses of:			
Joint ventures		**(512,343)**	(188,114)
Associates		**86,274**	153,932
PROFIT BEFORE TAX	6	**531,625**	6,155,053
Income tax expense	7	**(877,308)**	(2,380,665)
(LOSS)/PROFIT FOR THE PERIOD		**(345,683)**	3,774,388
Attributable to:			
Owners of the parent		**(1,593,893)**	359,961
Non-controlling interests		**1,248,210**	3,414,427
		(345,683)	3,774,388
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (expressed in RMB)	9	**(0.20)**	0.04

Part Eight

Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026 (Unaudited) RMB'000	**2025 (Unaudited) RMB'000**
(LOSS)/PROFIT FOR THE PERIOD	**(345,683)**	3,774,388
OTHER COMPREHENSIVE (LOSS)/INCOME		
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:		
Cash flow hedges:		
(Losses)/gains on cash flow hedges, net of tax	**(120,799)**	393,215
Exchange difference:		
Exchange differences on translation of foreign operations	**(67,867)**	75,482
Share of other comprehensive loss of joint ventures	**(1,712)**	–
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods	**(190,378)**	468,697
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	**(1,751,042)**	(414,881)
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD, NET OF TAX	**(1,941,420)**	53,816
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD	**(2,287,103)**	3,828,204
Attributable to:		
Owners of the parent	**(3,470,161)**	194,621
Non-controlling interests	**1,183,058**	3,633,583
	(2,287,103)	3,828,204

Part Nine

Interim Condensed Consolidated Statement of Financial Position

30 June 2026

	Note	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	10	42,843,123	43,401,247
Investment properties		200,465	207,799
Land use rights	10	6,194,330	6,276,392
Intangible assets	10	13,318,194	13,335,438
Investments in joint ventures		3,505,144	4,021,464
Investments in associates		7,416,660	7,421,076
Equity investments designated at fair value through other comprehensive income		6,350,162	8,512,517
Financial assets at fair value through profit or loss		329,882	166,989
Prepayments, other receivables and other assets		315,926	333,307
Deferred tax assets		6,154,547	6,894,264
Total non-current assets		86,628,433	90,570,493
CURRENT ASSETS			
Inventories		22,180,703	21,604,473
Trade and bills receivables	11	15,457,821	25,603,801
Advances to suppliers		483,156	244,381
Prepayments, other receivables and other assets		4,922,206	2,918,527
Pledged deposits		1,530,199	2,197,100
Cash and cash equivalents		10,521,402	23,366,389
Total current assets		55,095,487	75,934,671

Part Nine

Interim Condensed Consolidated Statement of Financial Position (Continued)

30 June 2026

	Note	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
CURRENT LIABILITIES			
Lease liabilities		152,954	164,018
Trade and bills payables	12	33,935,073	43,668,332
Other payables and accruals		16,880,034	25,720,387
Contract liabilities		1,049,320	2,126,888
Interest-bearing bank and other borrowings		5,318,835	5,934,723
Tax payable		151,422	483,049
Provision		1,746,205	1,784,924
Total current liabilities		59,233,843	79,882,321
NET CURRENT LIABILITIES		(4,138,356)	(3,947,650)
TOTAL ASSETS LESS CURRENT LIABILITIES		82,490,077	86,622,843
NON-CURRENT LIABILITIES			
Lease liabilities		163,514	224,876
Deferred income		1,727,589	1,880,174
Interest-bearing bank and other borrowings		3,347,800	1,986,800
Deferred tax liabilities		23,349	436,720
Provision		4,682,071	5,009,265
Total non-current liabilities		9,944,323	9,537,835
Net assets		72,545,754	77,085,008
EQUITY			
Equity attributable to owners of the parent			
Share capital	13	8,015,338	8,015,338
Reserves		46,459,123	49,929,284
		54,474,461	57,944,622
Non-controlling interests		18,071,293	19,140,386
Total equity		72,545,754	77,085,008

Part Ten

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Attributable to owners of the parent					
	Share capital (Unaudited) RMB'000	Other reserves (Unaudited) RMB'000	Retained earnings (Unaudited) RMB'000	Sub-total (Unaudited) RMB'000	Non-controlling interests (Unaudited) RMB'000	Total (Unaudited) RMB'000
At 31 December 2025 (Audited)	8,015,338	23,454,986	26,474,298	57,944,622	19,140,386	77,085,008
(Loss)/Profit for the period	–	–	(1,593,893)	(1,593,893)	1,248,210	(345,683)
Other comprehensive (loss)/income:						
Cash flow hedges, net of tax	–	(61,607)	–	(61,607)	(59,192)	(120,799)
Share of other comprehensive loss of investments accounted for using the equity method	–	(1,712)	–	(1,712)	–	(1,712)
Change in fair value of equity investments at fair value through other comprehensive income, net of tax	–	(1,751,042)	–	(1,751,042)	–	(1,751,042)
Exchange differences on translation of foreign operations	–	(61,907)	–	(61,907)	(5,960)	(67,867)
Total comprehensive (loss)/income for the period	–	(1,876,268)	(1,593,893)	(3,470,161)	1,183,058	(2,287,103)
Transactions with owners						
Capital injection from non-controlling interest holders	–	–	–	–	99,849	99,849
Dividends to non-controlling interest holders of a subsidiary	–	–	–	–	(2,352,000)	(2,352,000)
Balance at 30 June 2026 (Unaudited)	8,015,338	21,578,718	24,880,405	54,474,461	18,071,293	72,545,754

Part Ten

Interim Condensed Consolidated Statement of Changes in Equity (Continued)

For the six months ended 30 June 2026

	Attributable to owners of the parent					
	Share capital (Unaudited) RMB'000	Other reserves (Unaudited) RMB'000	Retained earnings (Unaudited) RMB'000	Sub-total (Unaudited) RMB'000	Non-controlling interests (Unaudited) RMB'000	Total (Unaudited) RMB'000
At 31 December 2024 (Audited)	8,015,338	22,947,878	26,351,602	57,314,818	21,166,655	78,481,473
(Loss)/Profit for the period	–	–	359,961	359,961	3,414,427	3,774,388
Other comprehensive (loss)/income:						
Cash flow hedges, net of tax	–	200,539	–	200,539	192,676	393,215
Change in fair value of equity investments at fair value through other comprehensive income, net of tax	–	(414,881)	–	(414,881)	–	(414,881)
Exchange differences on translation of foreign operations	–	49,002	–	49,002	26,480	75,482
Total comprehensive (loss)/income for the period	–	(165,340)	359,961	194,621	3,633,583	3,828,204
Transactions with owners						
Dividends to non-controlling interest holders of a subsidiary	–	–	–	–	(4,067,000)	(4,067,000)
Balance at 30 June 2025 (Unaudited)	8,015,338	22,782,538	26,711,563	57,509,439	20,733,238	78,242,677

Part Eleven

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Cash flows from operating activities		
Cash (used in)/generated from operations	(6,895,158)	4,685,538
Interest paid	(101,304)	(139,228)
Interest received	47,644	140,963
Income tax paid	(1,284,022)	(2,726,313)
Net cash (used in)/generated from operating activities	(8,232,840)	1,960,960
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,045,015)	(3,288,897)
Addition of intangible assets	(871,373)	(1,124,458)
Purchases of financial assets designated at fair value through profit and loss	(150,000)	–
Receipt of government grants for capital expenditures	4,390	–
Proceeds from disposals of property, plant and equipment	9,422	4,467
Dividends received from financial assets	4,473	–
Dividends received from investments accounted for using equity method	51,412	560,162
Investments accounted for using equity method	–	(1,968,799)
Net cash used in investing activities	(2,996,691)	(5,817,525)
Cash flows from financing activities		
Proceeds from borrowings	3,722,536	4,432,447
Repayments of borrowings	(3,024,105)	(4,644,496)
Contribution from non-controlling interest holder of a subsidiary	99,849	–
Payment of lease liabilities (principal)	(43,045)	(52,914)
Dividends paid to non-controlling interest holders of a subsidiary	(2,352,000)	(4,067,000)
Net cash used in financing activities	(1,596,765)	(4,331,963)
Net decrease in cash and cash equivalents	(12,826,296)	(8,188,528)
Cash and cash equivalents at 1 January	23,366,389	33,598,355
Exchange differences on cash and cash equivalents	(18,691)	131,021
Cash and cash equivalents at 30 June	10,521,402	25,540,848

Part Twelve

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

1 GENERAL INFORMATION

BAIC Motor Corporation Limited (the "Company"), together with its subsidiaries (collectively referred to as the "Group"), are principally engaged in the manufacturing and sales of passenger vehicles, engines and auto parts in the People's Republic of China (the "PRC").

The address of the Company's registered office is A5-061, Unit 101, 5th Floor, Building No. 1, Courtyard No. 99, Shuanghe Street, Shunyi District, Beijing, the PRC.

The Company was incorporated in the PRC on 20 September 2010 as a joint stock company with limited liability under Company Law of the PRC. The immediate parent company of the Company is Beijing Automotive Group Co., Ltd. ("BAIC Group"), which is beneficially owned by the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality. The Company's ordinary shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 19 December 2014.

This interim condensed consolidated financial information ("Condensed Financial Information") is presented in thousands of Renminbi Yuan ("RMB'000"), unless otherwise stated, and is approved for issue by the Board of Directors on 28 August 2026.

This Condensed Financial Information has not been audited.

2 BASIS OF PREPARATION

The Condensed Financial Information for the six months ended 30 June 2026 has been prepared in accordance with the International Accounting Standard (the "IAS") 34 Interim Financial Reporting. The Condensed Financial Information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

Going concern

As at 30 June 2026, the current liabilities of the Group exceeded its current assets by approximately RMB4,138,356 thousand. In respect of the debt obligations and working capital requirements, management has thoroughly considered the Group's available sources of the funds as follows:

- the Group consistently generates cash inflows from its operating activities; and

- undrawn short-term and long-term banking facilities of approximately RMB39,293 million as at 30 June 2026.

Based on the above considerations, the directors of the Company are of the opinion that the Group has sufficient available financial resources to meet or refinance its working capital requirements as and when they fall due. As a result, these financial statements have been prepared on a going concern basis.

3 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Condensed Financial Information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Annual Improvements to IFRS Accounting Standards – Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

The nature and impact of the amended IFRS Accounting Standards are described below:

Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the Condensed Financial Information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.

Amendments to IFRS 9 and IFRS 7 Contracts Referencing Nature-dependent Electricity clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the Condensed Financial Information.

Annual Improvements to IFRS Accounting Standards – Volume 11 set out narrow scope amendments to IFRS 1, IFRS 7 (and the accompanying Guidance on implementing IFRS 7), IFRS 9, IFRS 10 and IAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding IFRS Accounting Standards. The amendments did not have any impact on the Condensed Financial Information.

Part Twelve

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

4 OPERATING SEGMENT INFORMATION

All business operations of the Group are related to the production and sales of automobiles and auto parts, research and development, and related technical services. Accordingly, the Group's performance is comprehensively reviewed under a single business category.

Geographical information

The Group is domiciled in the PRC. The percentage of its revenue from external customers residing in the PRC is approximately 98.8% for the six months ended 30 June 2026 (six months ended 30 June 2025: 96.4%).

As at 30 June 2026, the percentage of the Group's non-current assets, other than financial instruments and deferred income tax assets, located in the mainland of the PRC is approximately 98.5% (31 December 2025: 98.6%).

Information about major customers

Revenue from continuing operations of approximately RMB9,405,870 thousand for the six months ended 30 June 2026 (six months ended 30 June 2025: RMB8,911,592 thousand) was derived from a single customer, including sales to a group of entities which are known to be under common control with that customer.

5 REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Revenue from contracts with customers	**57,681,421**	82,359,285
Revenue from other sources		
Lease	**44,283**	39,170
Total	**57,725,704**	82,398,455

Part Twelve
Notes to Interim Condensed Consolidated Financial Information
30 June 2026

5 REVENUE (CONTINUED)

Revenue from contracts with customers

Disaggregated revenue information

	For the six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Types of goods or services		
Sales of vehicles	**52,189,360**	79,051,240
Others	**5,492,061**	3,308,045
Total	**57,681,421**	82,359,285
Geographical markets		
Mainland China	**57,050,185**	80,249,568
Other countries/regions	**631,236**	2,109,717
Total	**57,681,421**	82,359,285
Timing of revenue recognition		
Goods transferred at a point in time	**57,200,479**	81,646,023
Services transferred over time	**480,942**	713,262
Total	**57,681,421**	82,359,285

6 PROFIT BEFORE TAX

The Group's (loss)/profit before tax from continuing operations is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Depreciation and amortisation	**3,843,573**	4,281,433
Employee benefit costs	**1,868,229**	2,138,710
Warranty expenses	**401,851**	1,199,577
Impairment losses on financial assets, net	**31,692**	16,348
Impairment of non-financial assets	**1,068,960**	764,101
Foreign exchange (gains)/losses	**(228,323)**	92,755
Losses/(gains) on forward foreign exchange contracts with fair value through profit or loss	**99,256**	(136,253)
Losses on disposals of property, plant and equipment	**3,625**	532
Government grants	**(298,573)**	(163,172)

Part Twelve

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

7 INCOME TAX

According to the New and High-Technology Enterprise Certificate issued by relevant government regulatory bodies, certain entities of the Group in the PRC were recognized as High and New Technology Enterprises with preferential income tax rate of 15%.

Except for the aforementioned enterprises and certain overseas subsidiaries which are subject to statutory income tax rates in respective tax jurisdictions, provision for income tax is calculated based on the statutory income tax rate of 25% for each of the periods ended 30 June 2026 and 2025 on the assessable income of respective Group entities in accordance with relevant PRC enterprise income tax rules and regulations.

	For the six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Current income tax	**95,638**	1,574,179
Deferred income tax	**781,670**	806,486
Total tax charge for the period from continuing operations	**877,308**	2,380,665

8 DIVIDENDS

The Board of Directors of the Company does not recommend the payment of any interim dividends for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

9 (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares in issue during the period.

	For the six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
(Loss)/profit attributable to ordinary shareholders of the parent	**(1,593,893)**	359,961
Weighted average number of ordinary shares in issue (thousand)	**8,015,338**	8,015,338
(Loss)/earnings per share for profit attributable to ordinary shareholders of the parent for the period (RMB)	**(0.20)**	0.04

Note:

During the six months ended 30 June 2026 and 2025, there were no potential dilutive ordinary shares and diluted earnings per share was equal to basic earnings per share.

Part Twelve
Notes to Interim Condensed Consolidated Financial Information
30 June 2026

10 PROPERTY, PLANT AND EQUIPMENT, LAND USE RIGHTS AND INTANGIBLE ASSETS

	Property, plant and equipment [(a)] (Unaudited) RMB'000	Land use rights (Unaudited) RMB'000	Intangible assets (Unaudited) RMB'000
Six months ended 30 June 2026			
Net book amount at 1 January 2026 (Audited)	43,401,247	6,276,392	13,335,438
Additions	2,318,661	–	890,872
Lease Modification	61	–	–
Disposals	(15,912)	–	(8,983)
Exchange differences	(5,886)	–	(3)
Depreciation/Amortisation	(2,855,048)	(82,062)	(899,130)
Net book amount at 30 June 2026 (Unaudited)	42,843,123	6,194,330	13,318,194

(a) The right-of-use assets included in property, plant and equipment as of 30 June 2026 amounted to RMB303,525 thousand (31 December 2025: RMB365,768 thousand).

(b) The Group has material balances of property, plant and equipment, land use rights and intangible assets related to Beijing Brand passenger vehicle business, a separate cash generating unit ("CGU") with operating losses during the six months ended 30 June 2026. The recoverable amount of this CGU as at 30 June 2026 was evaluated using value-in-use (VIU) approach based on cash flow projections. As a result of management's assessment, the recoverable amount of this CGU exceeded its carrying amount as of 30 June 2026.

Part Twelve

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

11 TRADE AND BILLS RECEIVABLES

Trade receivables	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Trade receivables, gross (a)	**10,493,568**	14,902,268
Less: allowance	**1,521,231**	1,340,870
Total	**8,972,337**	13,561,398

(a) The majority of the Group's sales are on credit. A credit period may be granted in respect of sales to customers with good credit history and long-established relationship with the Group. The credit period is generally 15 days, extending up to six months for major customers. Each customer has a maximum credit limit. The aging analysis of trade receivables based on invoice date is as follows:

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Within 1 year	**6,669,531**	10,861,903
1 to 2 years	**200,336**	243,257
2 to 3 years	**18,215**	44,664
Over 3 years	**3,605,486**	3,752,444
Total	**10,493,568**	14,902,268

Bills receivables	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Bills receivables measured at (b)		
– FVOCI	**1,138,982**	1,338,008
– Amortised cost	**5,381,953**	10,752,758
Less: allowance	**35,451**	48,363
Total	**6,485,484**	12,042,403

Part Twelve
Notes to Interim Condensed Consolidated Financial Information
30 June 2026

11 TRADE AND BILLS RECEIVABLES (CONTINUED)

(b) The amounts of bills receivables pledged as collateral for bills payables issued by banks as at the respective ends of the reporting period are as follows:

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Bills receivables	**4,153,266**	7,390,215

12 TRADE AND BILLS PAYABLES

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Trade payables	**21,855,519**	32,371,895
Bills payable	**12,079,554**	11,296,437
Total	**33,935,073**	43,668,332

An aging analysis of trade payables as at the end of the reporting period, based on the transaction date, is as follows:

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Within 1 year	**21,815,025**	32,336,209
1 to 2 years	**9,115**	2,166
2 to 3 years	**1,628**	4,326
Over 3 years	**29,751**	29,194
Total	**21,855,519**	32,371,895

Part Twelve

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

13 SHARE CAPITAL

	Number of ordinary shares of RMB1 each (thousand)	RMB'000
At 1 January 2026 and 30 June 2026 (Unaudited)	**8,015,338**	**8,015,338**
At 1 January 2025 and 31 December 2025 (Audited)	8,015,338	8,015,338

14 CAPITAL COMMITMENTS

The Group has the following capital commitments for property, plant and machinery, and equity investment as at 30 June 2026 and 31 December 2025 respectively.

	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Property, plant and equipment, intangible assets	**9,821,402**	9,151,554
Equity Investment (a)	**200,000**	350,000
Total	**10,021,402**	9,501,554

(a) BAIC announced that, on 25 July 2025, the Company entered into the Partnership Agreement with Shenzhen Anpeng, BAIC Group, BAIC Investment and Beiqi Foton, pursuant to which the Company will participate in the Partnership as a limited partner and has agreed to contribute RMB500 million. As of 30 June 2026, BAIC Motor has already paid RMB300 million.

Part Twelve

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

15 RELATED PARTY TRANSACTIONS

The followings are related party transactions which were carried out in the ordinary course of the Group's business and determined based on mutually agreed terms for each of the six months ended 30 June 2026 and 2025.

(a) The Group had the following transactions with related parties during the period:

	Notes	For the six months ended 30 June 2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Sale of goods and materials, property, plant and equipment and intangible assets to	(i)		
– fellow subsidiaries		**7,414,427**	8,876,762
– a joint venture		**129,859**	299,829
– an associate		**1,873,255**	–
– other related companies		**1,539,751**	1,244,975
Services provided to			
– fellow subsidiaries		**113,331**	14,491
– joint ventures		**8,328**	1,048
– an associate		**7**	16,670
– other related companies		**6,450**	20,679
Purchases of goods and materials from	(ii)		
– fellow subsidiaries		**12,978,645**	5,652,066
– an associate		**1,526**	–
– other related companies		**17,366,345**	30,448,728

Part Twelve

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

15 RELATED PARTY TRANSACTIONS (CONTINUED)

(a) The Group had the following transactions with related parties during the period: (Continued)

	Notes	For the six months ended 30 June 2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Services received from			
– immediate parent company		**23,751**	296,080
– fellow subsidiaries		**1,548,927**	1,049,857
– joint ventures		**425,819**	477,126
– other related companies		**1,881,600**	2,439,590
Lease income from			
– fellow subsidiaries		**4,850**	3,667
– other related companies		**33,143**	31,868
Lease expenses to			
– fellow subsidiaries		**77,792**	57,705
Interest income from			
– an associate		**25,207**	45,838
– an other related company		**32**	100
Interest expenses to			
– immediate parent company		**511**	297
– a fellow subsidiary		**844**	–
– an associate		**25,874**	1,496
– an other related company		**193**	–
Borrowings from an associate		**421,200**	1,015,000
Repayment of borrowings		**1,173,810**	739,589

Part Twelve

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

15 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Outstanding balances with related parties:

	Notes	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Assets			
Financial assets at FVOCI			
– fellow subsidiaries		6,347,162	8,509,517
Trade receivables			
– fellow subsidiaries		1,330,153	2,081,326
– joint ventures		94,863	206,540
– an associate		1,461,084	3,486,193
– other related companies		554,529	534,467
Bills receivables			
– fellow subsidiaries		1,068,975	397,764
– a joint venture		7,352	17,517
– an associate		131,847	–
Advances to suppliers			
– immediate parent company		17,910	5,664
– fellow subsidiaries		31,093	80,528
– an associate		1,214	35,859
Other receivables			
– immediate parent company		793,676	803,787
– fellow subsidiaries		183,282	245,167
– joint ventures		242,868	208,202
– associates		1,997	4,305
– other related companies		210,500	471,024
Cash and cash equivalents			
– an associate		7,879,213	12,897,964
– an other related company		195	127,955

Part Twelve

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

15 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Outstanding balances with related parties: (Continued)

	Notes	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
Liabilities			
Trade payables			
– immediate parent company		–	1,132
– fellow subsidiaries		2,101,963	4,809,492
– a joint venture		–	213,014
– an associate		79,087	30,246
– other related companies		3,950,337	7,711,140
Bills payable			
– fellow subsidiaries		5,387,251	5,653,793
– a joint venture		–	88,445
– an associate		5,674	504
– other related companies		401	8,539
Contract liabilities			
– fellow subsidiaries		15,295	69,168
– an associate		–	1,328,362
Other payables and accruals			
– immediate parent company		934,205	308,391
– fellow subsidiaries		1,074,165	322,408
– joint ventures		201,731	269,833
– an associate		291,794	131,859
– other related companies		1,221,008	2,236,991
Borrowings from			
– an associate		1,575,700	2,328,310
Lease liabilities	(iii)		
– a fellow subsidiary		177,774	233,816

Part Twelve
Notes to Interim Condensed Consolidated Financial Information
30 June 2026

15 RELATED PARTY TRANSACTIONS (CONTINUED)

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

	Notes	For the six months ended 30 June 2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Salaries, allowances and other benefits		**2,563**	3,627
Employer's contributions to pension schemes		**241**	338
Total compensation paid to key management personnel		**2,804**	3,965

Notes:

(i) The sales to the related parties was based on mutually agreed terms between the relevant parties.

(ii) The purchases from the related parties was based on mutually agreed terms between the relevant parties.

(iii) The Group has entered into a lease agreement in respect of R&D Base Housing with Beijing Automotive Research Institute Co., Ltd. The transaction was made according to the price and terms agreed with Beijing Automotive Research Institute Co., Ltd.

16 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts of the Group's current financial assets and liabilities, including cash and cash equivalents, pledged deposits, trade and bills receivables, trade and bills payables, the current portion of financial assets included in prepayments, other receivables and other assets, financial liabilities included in other payables and accruals approximate their fair values. The fair value of financial assets is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

As at 30 June 2026, the mark-to-market value of the derivative asset position was net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationship and other financial instruments recognised at fair value.

For the financial assets and liabilities, including level 3 fair values, the Company's finance department performs the valuations. The finance department reports directly to the chief financial officer ("CFO"). Discussions of valuation processes and results are held between the CFO and finance department semiannually, in line with the Company's semiannual reporting dates.

Part Twelve

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

16 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

The fair values of listed equity investments are based on quoted market prices.

For the fair value of the unlisted equity investments at fair value through other comprehensive income, management has estimated the potential effect of using reasonably possible alternatives as inputs to the valuation model.

Set out below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 30 June 2026 and 31 December 2025:

Description	Valuation technique	Significant unobservable inputs
Unlisted equity investments	Market approach	Average P/E multiple of peers Discount for lack of marketability

As at 30 June 2026 and 31 December 2025, the Group has used market approach to estimate the fair value RMB2.4 billion of equity investments designated at fair value through other comprehensive income.

The discount for lack of marketability represents the amounts of premiums and discounts determined by the Group that market participants would take into account when pricing the investments.

Fair value hierarchy

The table below analyzed financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Part Twelve

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

16 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (Continued)

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Assets				
At 30 June 2026 (Unaudited)				
Financial assets designated as fair value through other comprehensive income	**–**	**1,132,414**	**–**	**1,132,414**
Equity investments designated at fair value through other comprehensive income	**–**	**3,934,162**	**2,416,000**	**6,350,162**
Financial assets at fair value through profit or loss	**–**	**–**	**329,882**	**329,882**
	–	**5,066,576**	**2,745,882**	**7,812,458**
At 31 December 2025 (Audited)				
Financial assets designated as fair value through other comprehensive income	–	1,332,635	–	1,332,635
Equity investments designated at fair value through other comprehensive income	–	6,096,517	2,416,000	8,512,517
Financial assets at fair value through profit or loss	–	–	166,989	166,989
Derivative financial instruments	–	86,472	–	86,472
	–	7,515,624	2,582,989	10,098,613
Liabilities				
At 30 June 2026 (Unaudited)				
Derivative financial instruments	–	367,660	–	367,660

Part Thirteen
Definitions

"Audit Committee"	audit committee of the Board
"BAIC Group"	Beijing Automotive Group Co., Ltd.
"BAIC Investment"	BAIC Investment Co., Ltd.
"Beijing Benz"	Beijing Benz Automotive Co., Ltd. (previously known as Beijing Jeep Motor Co., Ltd. and Beijing Benz-DaimlerChrysler Automotive Co., Ltd.)
"Beijing Brand"	when referring to a brand, "Beijing Brand" refers to the passenger vehicle business of our proprietary brand. When referring to a business segment, "Beijing Brand" refers to the combined business of the Company and its subsidiaries (excluding Beijing Benz)
"Beijing Hyundai"	Beijing Hyundai Motor Co., Ltd.
"Board" or "Board of Directors"	the board of Directors of the Company
"CAAM"	China Association of Automobile Manufacturers
"Company" or "BAIC Motor"	BAIC Motor Corporation Limited
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Corporate Governance Code"	the Corporate Governance Code as set forth in Appendix C1 to the Listing Rules
"Director(s)"	director(s) of the Company
"Date of Issue of the Report"	28 August 2026, i.e. the date on which the report is approved by the Board of Directors
"Domestic Share(s)"	ordinary shares in the Company's share capital, with a nominal value of RMB1.0 each, which are subscribed for and paid up in Renminbi
"end of 2025"	31 December 2025
"First Half of 2025"	six months ended 30 June 2025
"First Half of 2026" or "Reporting Period"	six months ended 30 June 2026

Part Thirteen
Definitions

"Fujian Benz"	Fujian Benz Automotive Co., Ltd.
"Group" or "we" or "our"	the Company and its subsidiaries
"H Share(s)"	overseas listed foreign shares in the ordinary share capital of the Company with a nominal value of RMB1.0 each, which are subscribed for and traded in HK dollars and listed and traded on the Stock Exchange
"HK dollar(s)"	the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hyundai Motor"	Hyundai Motor Company
"IFRS"	International Financial Reporting Standards issued by the International Accounting Standards Board
"Latest Practicable Date"	13 September 2026, being the latest practicable date prior to the printing of this interim report for the purpose of ascertaining the relevant information contained in this interim report
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Main Board"	the stock market operated by the Stock Exchange (excluding options market), independent of the GEM of the Stock Exchange and under parallel operation with the GEM
"Mercedes-Benz Group"	Mercedes-Benz Group AG (formerly known as Daimler AG)
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set forth in Appendix C3 to the Listing Rules
"Nomination Committee"	the nomination committee of the Board
"Remuneration Committee"	the remuneration committee of the Board
"RMB" or "Renminbi"	the lawful currency of the PRC

Part Thirteen
Definitions

"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
"Share(s)"	Domestic Share(s) and H Share(s)
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Strategy Committee"	strategy and sustainability committee of the Board
"subsidiary(ies)"	has the meaning ascribed thereto in section 15 of the Companies Ordinance
"2025"	the year ended 31 December 2025

BAIC 北京汽车股份有限公司

BAIC MOTOR CORPORATION LIMITED*