

ANNUAL REPORT 2025

INSPIRE
GREATER FUTURE



GEELY

吉利汽車控股有限公司

GEELY AUTOMOBILE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
Stock codes: 175 (HKD counter) & 80175 (RMB counter)

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EDITORIAL

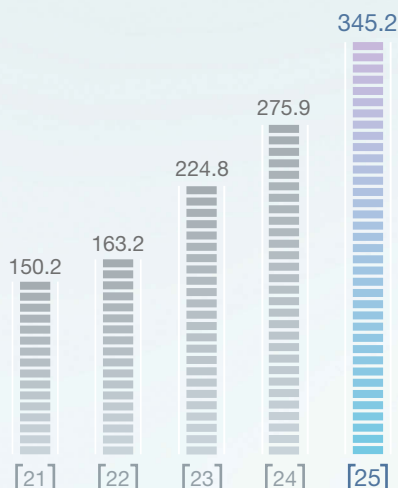
MANAGEMENT REPORT

ACCOUNTS

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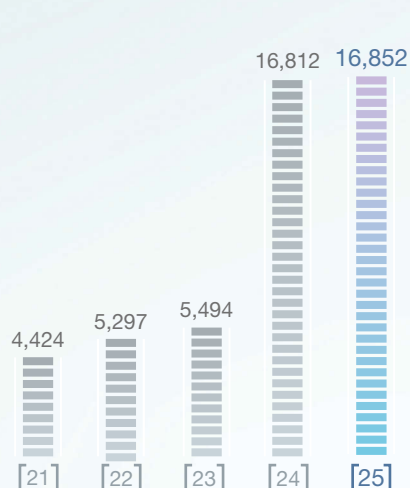
REVENUE

(RMB Billion) (Restated)



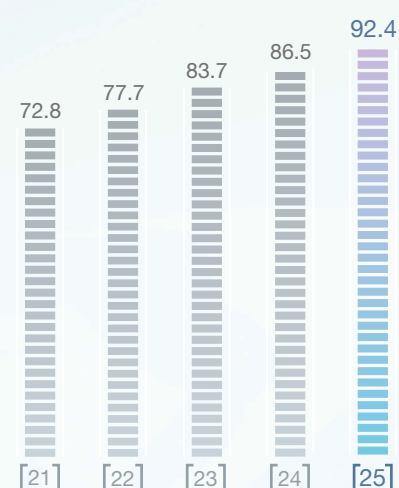
PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

(RMB Million) (Restated)



EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT

(RMB Billion) (Restated)



A summary of the results and the assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements, is set out below:

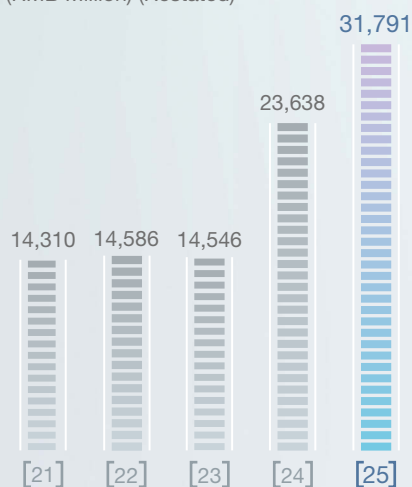
	2025 RMB'000	2024 RMB'000 (Restated)	2023 RMB'000 (Restated)	2022 RMB'000 (Restated)	2021 RMB'000 (Restated)
Revenue	345,232,201	275,910,484	224,823,177	163,193,182	150,164,146
Profit before tax (Income tax expense)/income tax credit	20,229,755 (3,601,429)	18,127,182 (1,782,140)	4,337,396 437,573	4,838,349 (156,340)	4,606,097 (426,253)
Profit for the year	16,628,326	16,345,042	4,774,969	4,682,009	4,179,844
Attributable to:					
Owners of the parent	16,852,231	16,811,878	5,494,494	5,297,400	4,423,871
Non-controlling interests	(223,905)	(466,836)	(719,525)	(615,391)	(244,027)
	16,628,326	16,345,042	4,774,969	4,682,009	4,179,844
Assets and liabilities					
Total assets	290,410,094	271,073,908	241,821,584	192,091,293	190,087,190
Total liabilities	(196,794,886)	(177,082,656)	(151,161,721)	(110,629,987)	(112,820,078)
Total equity	93,615,208	93,991,252	90,659,863	81,461,306	77,267,112
Represented by:					
Equity attributable to owners of the parent	92,398,489	86,538,517	83,666,095	77,652,720	72,847,259
Non-controlling interests	1,216,719	7,452,735	6,993,768	3,808,586	4,419,853
	93,615,208	93,991,252	90,659,863	81,461,306	77,267,112

FIVE YEARS FINANCIAL SUMMARY

OTHER KEY FINANCIAL FIGURES

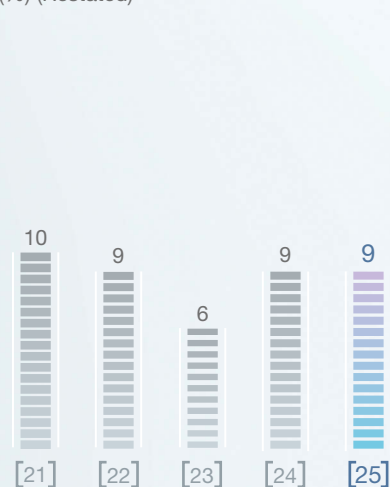
EBITDA⁽¹⁾

(RMB Million) (Restated)



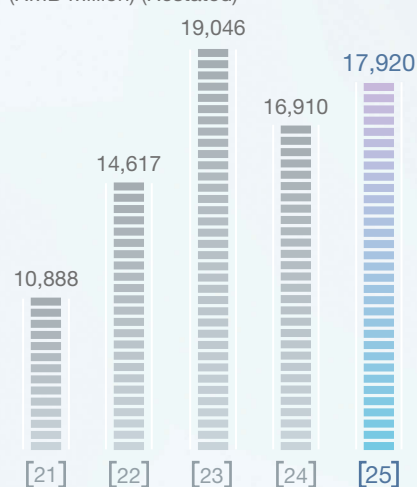
EBITDA Margin⁽²⁾

(%) (Restated)



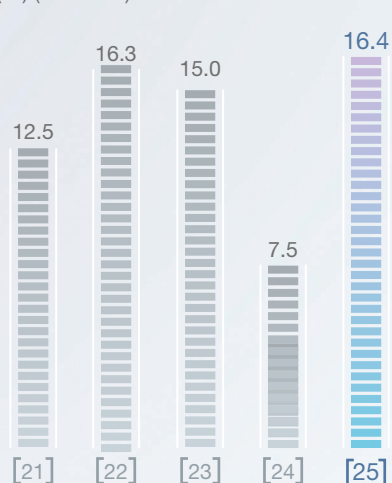
CAPEX⁽³⁾

(RMB Million) (Restated)



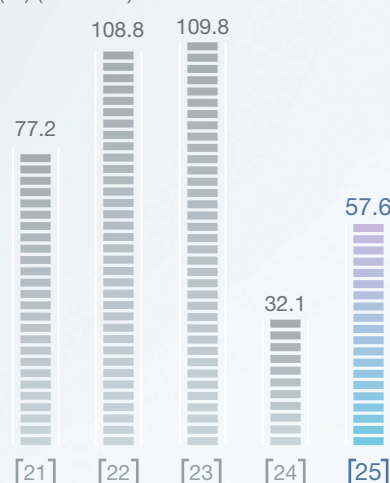
TOTAL DEBT⁽⁴⁾/TOTAL CAPITAL⁽⁵⁾

(%) (Restated)



TOTAL DEBT/EBITDA

(%) (Restated)



- (1) EBITDA is calculated by adding income tax expense, depreciation and amortisation, and finance cost, excluding other gains/(losses), net (other than government subsidies) and net gain on deemed disposal of subsidiaries and partial disposal of a joint venture, to profit for the year.
- (2) EBITDA margin is calculated by dividing EBITDA by revenue for the relevant year, expressed as a percentage.
- (3) CAPEX includes cash outlays on additions to property, plant and equipment, intangible assets and land lease prepayments.
- (4) Total debt is the sum of current and non-current borrowings, convertible bonds, bonds payable and senior notes.
- (5) Total capital includes total non-current borrowings plus total equity.

FIVE YEARS FINANCIAL SUMMARY

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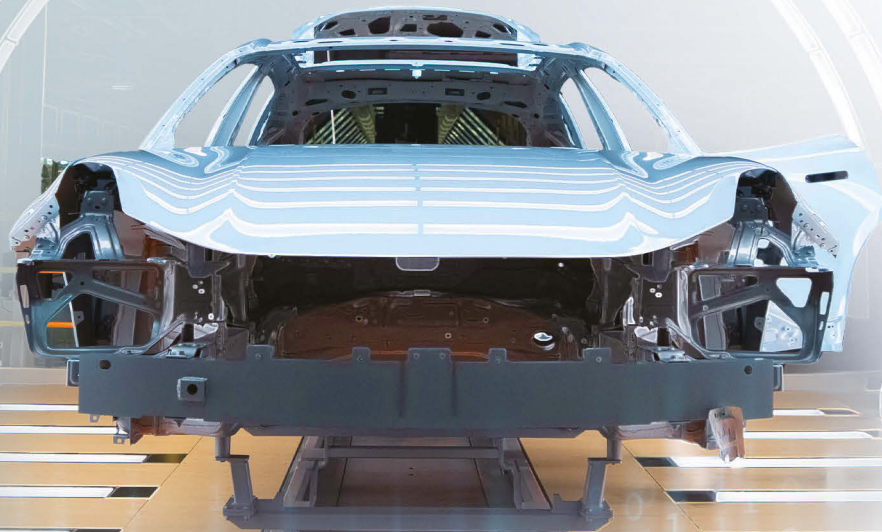
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OUR COMPANY

	Formula	2025	2024 (Restated)	Change in Percentage Increase/ (Decrease)
For the year				
Revenue (RMB'000)		345,232,201	275,910,484	25
Profit attributable to owners of the parent (RMB'000)	(1)	16,852,231	16,811,878	–
Per share				
Basic earnings per share (RMB)		1.67	1.66	1
Diluted earnings per share (RMB)		1.63	1.65	(1)
Final dividend per share (HK\$)		0.50	0.33	52
Net asset value (NAV) per share (RMB)	(2)/(5)	8.48	8.59	(1)
At year end				
Equity attributable to owners of the parent (RMB'000)	(2)	92,398,489	86,538,517	7
Total assets (RMB'000)	(3)	290,410,094	271,073,908	7
Borrowings (including bonds payable) (RMB'000)	(4)	18,315,822	7,594,869	141
Number of shares in issue	(5)	10,897,881,397	10,075,001,783	8
Share closing price during the year				
– High (HK\$)		20.44	16.10	27
– Low (HK\$)		13.42	7.33	83
Financial ratios				
Gearing ratio = (Borrowings/Equity attributable to owners of the parent)	(4)/(2)	19.8%	8.8%	
Return on total assets	(1)/(3)	5.8%	6.2%	
Return on equity attributable to owners of the parent	(1)/(2)	18.2%	19.4%	

EDITORIAL



CHAIRMAN'S STATEMENT

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During the year, the Group advanced to the leading stage of NEV development and further deepened its intelligent, high-end and global layout. The total sales volume, NEV sales volume, and export sales volume reached record highs. The profit attributable to owners of the parent in 2025 slightly increased to RMB16.85 billion as compared to that in 2024.

LI SHU FU, ERIC
Chairman

BUSINESS OVERVIEW

In 2025, new energy vehicles (“NEVs”)* continued to maintain rapid growth in both the global and the Chinese automotive markets. The penetration rate of NEVs in the Chinese market has exceeded 50%, making them the mainstream in the automotive market. As NEVs enter a mature stage, automotive intelligence has become another important direction for promoting industry development. Against the backdrop of the rapid development of artificial intelligence (“AI”), automotive intelligence has gradually extended from its previous application mainly in high-end models to mass-market products. Despite the intense competition in the industry, under the guidance of national and industry policies and initiatives, China’s automotive industry is accelerating its transformation towards higher quality.

*: NEVs include battery electric vehicles (“BEVs”) and plug-in hybrid electric vehicles (“PHEVs”).

Since the release of the “Smart Geely 2025” strategy in 2021, the Group has built a long-term core competitiveness by establishing a “seven vertical” technology system centered on assisted driving, intelligent cockpits, electronic architecture, vehicle architecture, batteries, electric drives, and super electric hybrid, through diversification of new energy and establishment of full-domain AI. During the year, the Group accelerated intelligent innovation by establishing the first “Full-Domain AI” technology system for intelligent vehicles, the Xingrui Intelligent Computing Centre 2.0 and other technical foundations, officially deploying the “G-ASD” driver assistance system in vehicles, and launching the Geely Global Comprehensive Safety Centre. These efforts have enabled the full application of full-domain AI technology achievements in the automotive industry chain.

CHAIRMAN'S STATEMENT

The “Taizhou Declaration” (台州宣言) released in 2024 proposed five strategic pillars: “strategic focus, strategic integration, strategic synergy, strategic robustness, and strategic talent”. The Group, fully upholding the principles of the “Taizhou Declaration”, has resolutely promoted the deep integration and efficient coordination of internal resources, eliminating redundant investments, and comprehensively enhancing the overall competitiveness. During the year, the Group took a crucial step towards the key targets of the “One Geely” strategy by acquiring all outstanding shares of ZEEKR Intelligent Technology Holding Limited (“ZEEKR”).

The Group continued the successful transformation in electrification and intelligentization from last year. During the year, it launched multiple NEV models, which significantly boosted the sales volume of NEVs. Meanwhile, the Group adhered to a balanced development strategy for both internal combustion engine (“ICE”) vehicles and NEVs. By enhancing the intelligence level of ICE vehicles, the Group achieved an increase in the sales volume of ICE vehicles despite the growing penetration rate of NEVs in China. In terms of globalization, the Group accelerated the export of NEVs, and diversified global markets. In terms of wholesale volume (including exports), the Group sold 3,024,567 units of vehicles in 2025, representing a year-on-year (“YoY”) increase of 39%, exceeding the Group’s revised annual sales volume target of 3 million units. Among them, the wholesale volume in China increased by 48% YoY to 2,604,470 units, while the export wholesale volume increased by 1% YoY to 420,097 units.

Geely Galaxy, the mainstream new energy brand of the Group, launched the Geely Galaxy E5, Geely Xingyuan, and Geely Galaxy Xingjian 7, all built on the global intelligent new energy architecture GEA (“**GEA architecture**”), last year. These models continued to sell well during the year, with the Geely Xingyuan becoming the top-selling model in China across all categories of passenger vehicles in 2025. During the year, Geely Galaxy further expanded its product matrix by introducing new models built on the GEA architecture and GEA Evo architecture, including the Geely Galaxy Xingyao 8, Geely Galaxy A7, Geely Galaxy M9, and Geely Galaxy Xingyao 6. As a result, the annual sales volume of Geely Galaxy surged by 150% YoY to 1,235,807 units, firmly securing its position as the second best-selling NEV brand in China.

Lynk&Co, the mid-to-high-end brand of the Group, developed steadily and achieved an annual sales volume of 350,495 units, representing a YoY increase of 23%. Of which, the proportion of NEVs increased to 65%. It launched the popular models Lynk&Co 900 and Lynk&Co 10 EM-P during the year. ZEEKR, the luxury new energy brand of the Group, continued to elevate its brand positioning, and achieved an annual sales volume of 224,133 units, representing a YoY increase of 1%. The ZEEKR 9X, launched during the year, became the sales champion of large SUVs priced over RMB500,000 in China for two consecutive months in November and December. In 2025, the NEV sales volume of the Group increased by 90% YoY to 1,687,767 units, accounting for 56% of the total sales volume, ranking second globally in terms of NEV sales volume.

FINANCIAL REVIEW

In 2025, the total sales volume of the Group increased by 39% YoY. Among them, the most significant growth came from Geely Galaxy, the mainstream NEV brand, driving the total revenue of the Group up by 25% YoY to RMB345.2 billion, reaching another record high. Driven by the significant increase in the sales volume proportion of NEV products in the mainstream market, the Group benefited from the scale effect, the cost effectiveness of new energy architecture, and the launch of high-end products. Despite the fierce price competition in the industry, the gross profit increased by 25% YoY, and the gross profit margin was 16.6%, representing a slight increase of 0.1% YoY.

Meanwhile, through brand integration and scaled lean management, the Group effectively reduced the distribution and selling expense ratio as well as the administrative expense ratio.

Excluding the after-tax net foreign exchange gain attributable to owners of the parent of RMB2.43 billion during the year (2024: net loss of RMB1.36 billion), the impairment loss on non-financial assets of RMB30 million (2024: RMB1.79 billion), as well as the net gain on deemed disposal of subsidiaries and partial disposal of a joint venture, amounting to RMB40 million (2024: RMB9.35 billion), the profit attributable to owners of the parent was RMB14.41 billion (2024: RMB10.61 billion), representing a YoY increase of 36%.

The Group's net profit for 2025 was RMB16.63 billion, up by 2% YoY. After deducting non-controlling interests, the profit attributable to owners of the parent was RMB16.85 billion, representing a YoY increase of 0.2%. The Group continued to maintain sound operating cash flow during the year. This raised the Group's total cash level (bank balances and cash plus restricted bank deposits) by 46% YoY to RMB68.2 billion as at the end of 2025.

SUSTAINABILITY REVIEW

In parallel with enhancing its business and financial performance, the Group actively practices the concept of sustainable development. Based on its environmental, social and governance (“ESG”) strategies, the Group aims to achieve harmonious coexistence between the enterprise and society, as well as the environment, benefiting stakeholders including customers, employees, partners and communities. The Group is committed to advancing a diversified path for new energy and is pragmatically and impartially driving low-carbon transition to address global climate change. During the year, the proportion of NEV sales volume further increased to 56%. As at 31 December 2025, the lifecycle carbon emissions per vehicle of the Group reduced by 25.5% compared to the base year of 2020, successfully achieving the previously set short-term target of a reduction of over 25%, and continuing to move towards the long-term goal of achieving carbon neutrality by 2045.

Meanwhile, the Group is also continuously advancing the implementation path of other ESG strategic directions to address the relevant ESG risks and seize opportunities so as to support the Group's global development. During the year, the Group's Global Comprehensive Safety Centre was officially launched and honored with five Guinness World Records. At the same time, the Group will promote the sustainable development of the upstream and downstream of the automotive value chain through close collaboration with our business partners as a way to build a sustainable and resilient future for the industry.

The Group's sustainability performance has been recognised by various well-known ESG rating agencies. In 2025, the Group has been selected as a constituent of the “Hang Seng Corporate Sustainability Index” for three consecutive years, which comprises 30 Hong Kong-listed companies with the best sustainability performance, and the Group is the only automaker among them. The Group was also included in the Sustainability Yearbook 2026 (Global) by S&P Global, becoming the first and only Chinese automotive enterprise included, and received the “Industry Mover” award.

CHAIRMAN'S STATEMENT

DIVIDENDS

Our board of directors recommended the payment of a final dividend of HK\$0.50 (2024: HK\$0.33) per share for 2025.

PROSPECTS

2026 marks the 40th anniversary of the entrepreneurial journey of Geely. The development of Geely over the past four decades has not all been smooth sailing, but rather a history of endeavor, defined by the courage to make choices, break new ground, and embrace transformation at every “critical juncture”. These critical junctures serve as footnotes to Geely’s growth regardless of hardship, inspiring us to press forward with determination and create value in the industry. Unwavering dedication for forty years is a new proposition bestowed upon us by the times, urging us to strengthen our inner resilience as we stride towards a broader future.

Looking ahead to 2026, Geely will be tested at even more “critical junctures”. From a global perspective, geopolitical fluctuations, supply chain restructuring, and responses to the climate crisis are reshaping the global economic and governance systems. Decoupling and connection, protection and openness, conflict and cooperation – multiple forces are engaged in intense rivalry. The automotive industry, as a quintessential example of modern industrial integration, bears the brunt of these forces. From the perspective of the industry ecosystem, automobile electrification has entered a brutal phase of comprehensive competition encompassing “cost, technology, and scale”. Meanwhile, in the second half of the intelligence race, a systemic contest has unfolded, evolving from “functional intelligence” to “scenario-based intelligence” and from “single-vehicle intelligence” to “full-domain connectivity”. At the same time, as AI transformation deepens across the board, the core value of automobiles is accelerating its evolution from “transportation tools” towards a trinity of “mobile

intelligent terminal, energy storage unit, and digital space”.

This is not merely a technological revolution but a fundamental restructuring of paradigms and business models.

We perceive the essence with the clarity that comes from forty years of experience, and navigate cycles with unyielding perseverance. For Geely, no matter how technologies and markets transform, the human-centric pursuit of safe, green, and joyful mobility experiences will remain the core of the automotive industry. This tests our systematic capabilities and strategic resolve in technological innovation, talent cultivation, and global collaboration.

The blueprint for the 15th Five-Year Plan period has been drawn. Guided by the directions of intelligent, green, and integrated development, our goals are ambitious and resolute: to lead the green and intelligent mobility ecosystem and become a benchmark in the electric-intelligent transformation and high-quality development. In 2026, we will continue to deepen the electric-intelligent transformation, steadfastly enhancing innovation in core areas such as new energy technology, automotive safety, intelligent connectivity, and full-domain AI. We will pay greater attention to how technology can serve people, enhance enterprise efficiency, and create an “intelligent life form” that possesses emotion, warmth, and the ability to evolve, ensuring Geely remains a reliable partner for users.

The competition in the future will no longer be about individual products or brands, but about “platforms + ecosystems”. We will further the construction of a three-dimensional mobility ecosystem of “space-ground integration”, spanning from vehicles to the cloud, from mobility data to low-orbit satellite communications, and from China to the global stage, striving to create a three-dimensional, convenient, open and mutually beneficial intelligent mobility ecosystem.

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“Open collaboration” is the optimal path for technological evolution, and commercial success must resonate with the well-being of people and the sustainable development of human society. Geely will persist in open cooperation, build a safe, green, and sustainable automotive industry ecosystem, and continuously deepen collaborative win-win relationships with global partners. We will continuously strengthen the “meta power guarantee”, constantly unleash the vitality of Geely’s talent forest, and explore multi-level, professional talent cultivation channels.

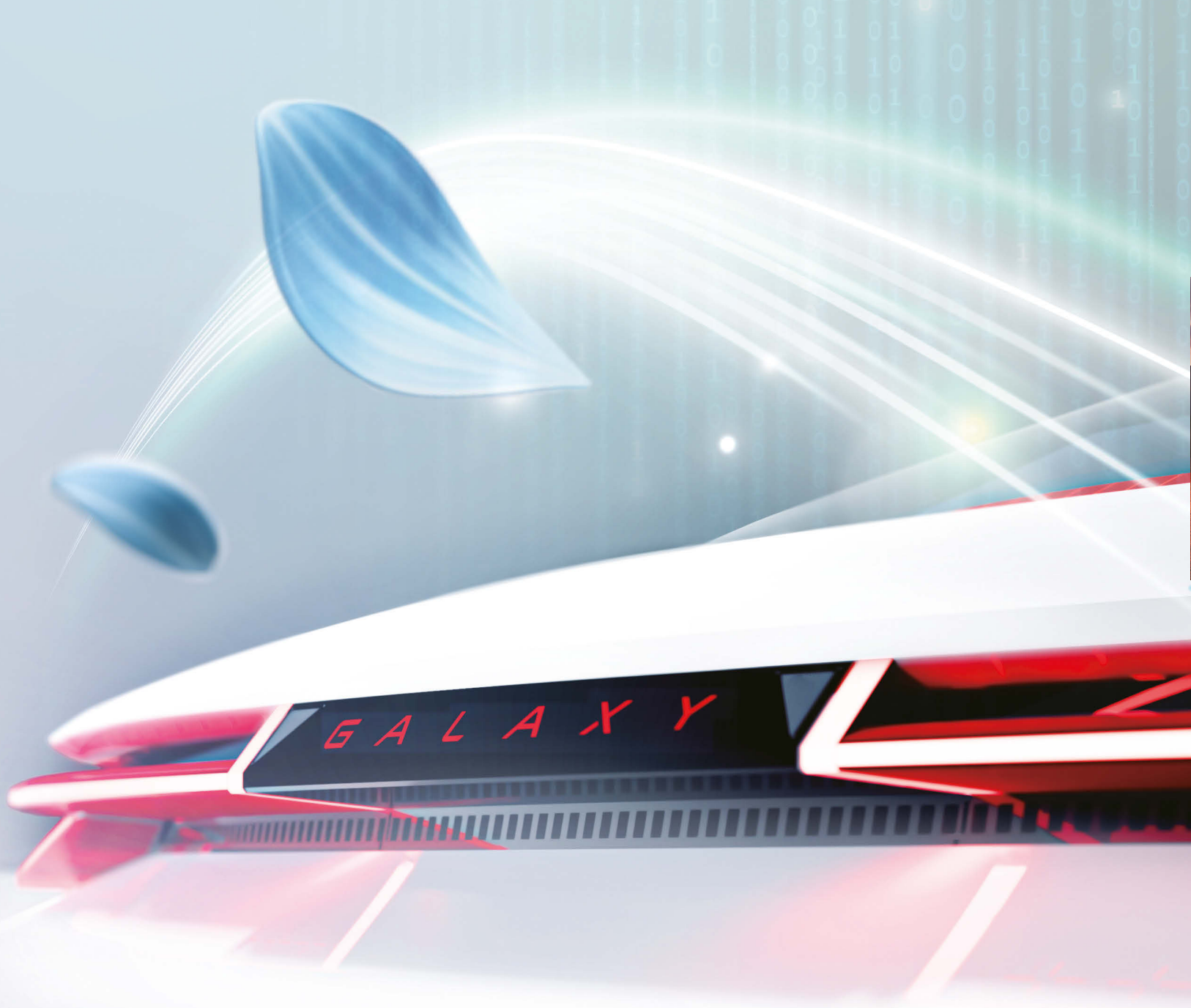
For forty years, the choices we have made and the efforts we have exerted at countless critical junctures have shaped who we are today. The road ahead is by no means smooth, yet I am filled with confidence. This confidence stems from our profound understanding of the rules governing industrial development, from the foundation of systematic capabilities built through deep engagement in the industry, and, most importantly, from our steadfast adherence to and practice of our core values.

In the new year, may we, with the clarity that comes from forty years of experience and unyielding perseverance, move forward together, navigate cycles, and jointly create a new future of green and intelligent mobility!

Li Shu Fu, Eric

Chairman

18 March 2026



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OVERALL PERFORMANCE

According to the data from China Association of Automobile Manufacturers, in 2025, the total wholesale volume of passenger vehicles (including exports) in China reached 30.10 million units, representing a YoY increase of 9.2%, of which the domestic wholesale volume reached 24.07 million units, representing a YoY increase of 6.4%. Supported by policies such as trade-in programs and tax exemptions for NEV purchases, the Chinese passenger vehicle market maintained steady growth amid competition in a saturated market, with the consumption structure continuously shifting towards NEVs. As NEV technology enters a mature phase, the focus of industry competition has extended from electrification to intelligence and globalization. Meanwhile, technological breakthroughs in AI have accelerated the further popularization of intelligent technologies such as driver assistance and intelligent cockpit. Against this backdrop, the domestic wholesale volume of new energy passenger vehicles increased by 17.7% YoY to 13.00 million units, and the penetration rate of NEVs rose by 5.2 percentage points YoY to 54.0%, surpassing the market share of ICE vehicles for the first time. Among them, the domestic wholesale volumes of BEVs and PHEVs reached 8.13 million units and 4.87 million units, respectively, representing YoY increases of 30.8% and 0.9%. Due to the increasing penetration rate of NEVs, the wholesale volume of ICE vehicles decreased by 4.3% YoY to 11.06 million units.

During the year, the rapid growth of indigenous brands in the NEV sector further increased their market share in the wholesale of domestic passenger vehicles to 69.5%, representing a YoY increase of 4.3 percentage points. Meanwhile, NEV exports also became a core driver of the globalization of China's automotive industry, with the export sales volume of passenger vehicles rising by 21.9% YoY to 6.04 million units, and the growth rate further accelerating.

In the face of profound transformations in the automotive industry brought about by globalization, electrification and intelligence, as well as an increasingly competitive market environment, Geely Automobile Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) continued its strong momentum in new energy transformation in 2025, maintaining its position at the forefront of the industry. Through a full-domain AI layout and in-depth integration of brands and resources, the Group accelerated the development in the following areas:

- NEVs: The three major brands, Geely Galaxy, Lynk&Co, and ZEEKR, comprehensively covered the market spectrum from mass-market to luxury segments, with multiple new models launched to expand the product matrix. Geely Galaxy sustained the strong performance of the GEA architecture-based products, with the Geely Xingyuan becoming the top-selling passenger vehicles in China during the year. During the year, the Geely Galaxy Xingyao 8, Geely Galaxy A7, and Geely Galaxy M9, launched based on the GEA and GEA Evo architectures, all ranked among the top products in their respective market segments, driving Geely Galaxy's sales volume to surge by 150% YoY. Lynk&Co 900 and Lynk&Co 10 EM-P launched by Lynk&Co brand during the year also became popular models, further increasing the proportion of NEV sales volume and propelling the brand's total sales volume to a record high. The ZEEKR 9X launched by ZEEKR became the sales champion for large SUVs priced above RMB500,000 in China during November and December following its

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market introduction, successfully elevating the brand positioning;

- ICE vehicles: The Group maintained a streamlined and competitive ICE vehicle product line, enhancing the product competitiveness and intelligence features through facelifts and technological upgrades. The “Xingyue L” became the top-selling ICE SUV in the Chinese passenger vehicle market during the year. The launch of the fifth-generation Emgrand and the fourth-generation Boyue L also contributed to the increased sales volume of ICE vehicles, ensuring the resilience of ICE vehicle business;
- Product Premiumization: During the year, Geely Galaxy, Lynk&Co, and ZEEKR launched three full-size flagship SUVs, namely Galaxy M9, Lynk&Co 900, and ZEEKR 9X. All three models secured leading positions in their respective market segments, marking the full formation of the Group’s premiumization layout in all major market segments;
- Accelerating the globalization of NEVs: The export of Geely Galaxy NEVs was comprehensively initiated, facilitating the diversification of the Group’s export models and export markets; and
- Full-domain AI deployment: The “Smart Geely 2025” strategy was successfully completed, establishing an industry-leading AI technology foundation supported by high computing power, large models, and big data, and deeply integrating AI into core areas of intelligent vehicles such as architecture, chassis, powertrains, intelligent cockpits, and driver assistance.

Driven by the above strategies and other measures, the Group’s sales volume in 2025 exceeded the annual target of 3 million units raised in July of the same year, setting a new historical record. The key sales volume performance of the Group during the year is as follows:

- The total sales volume reached 3,024,567 units, representing a YoY increase of 39%;
- The NEV sales volume reached 1,687,767 units, representing a significant YoY increase of 90%, accounting for 56% of total sales volume, ranking second in terms of global NEV sales volume;
- Sales volumes of ICE vehicles, PHEVs, and BEVs were 1,336,800 units, 613,962 units, and 1,073,805 units, respectively, representing YoY increases of 4%, 97%, and 86%, all higher than the average growth rate of the Chinese passenger vehicle market;
- The sales volume in the Chinese market reached 2,604,470 units, representing a YoY increase of 48%. The domestic market share rose to 10.8%, ranking second among all brands. Among them, the NEV sales volume in the Chinese market was 1,563,465 units, accounting for 60% of the total sales volume in the Chinese market, exceeding the overall penetration rate of new energy passenger vehicles in China of 54.0%; and
- Export sales volume was 420,097 units, representing a YoY increase of 1%, and accounting for 13.9% of total sales volume. Among them, the export volume of NEVs was 124,302 units, representing a significant YoY increase of 240%.

During the year, the increase in sales volume of the Group drove the total revenue in 2025 to increase by 25% YoY to RMB345.2 billion. Geely Galaxy, focusing on the mainstream NEV market, saw a significant increase in sales volume amid the new product cycle based on the GEA architecture, and its share in the Group's overall sales volume increased significantly. As a result, the average selling price per vehicle declined by RMB9,000 YoY to RMB103,000. Despite heightened price competition in the Chinese automobile market and a rising share of NEV sales, the Group still benefited from economies of scale, effective cost control and enhanced profitability of products built on the GEA architecture, the gross margin increased slightly by 0.1% YoY to 16.6%.

In 2025, the Group's distribution and selling expenses climbed 24% YoY to RMB20.4 billion, which were mainly used for the channel construction of NEV brands and the promotion of new products. However, through effective expense control and the synergy effects brought about by business integration, the proportion of distribution and selling expenses to revenue decreased by 0.7% YoY. Meanwhile, administrative expenses increased by 3.7% YoY to RMB6.48 billion against the backdrop of sales growth. Administrative expenses to revenue decreased by 17.1% YoY, demonstrating an improvement in the efficiency of resource utilization.

In addition, the exchange rate of a foreign market currency experienced volatility at the end of 2024 due to geopolitical developments, but rebounded notably during the year, resulting in the after-tax net foreign exchange gain attributable to owners of the parent of RMB2.43 billion (2024: net loss of RMB1.36 billion) for the Group.

In 2024, the Group contributed assets to Horse Powertrain Limited ("**Horse Powertrain**"), a joint venture company, and disposed of a portion of its interest in Horse Powertrain, recording a one-off net gain on deemed disposal of subsidiaries and partial disposal of a joint venture, amounting to RMB9.35 billion, based on the provisional cash consideration. During the year, the provisional cash consideration was adjusted by a gain of RMB40 million based on the final audited financial information of Horse Powertrain, and was recognised in the net gain on deemed disposal of subsidiaries and partial disposal of a joint venture in the consolidated statement of profit or loss for 2025.

Taxation for the year recorded a YoY increase. One of the key contributing factors was the growth in sales performance, which led to a substantial rise in profit before tax, after excluding the impact of the one-off gain in 2024. This increase in profit before tax resulted in a higher overall tax expense.

As a result of the above, the Group's profit attributable to owners of the parent in 2025 was RMB16.85 billion (2024: RMB16.81 billion), representing a YoY increase of 0.2%. Diluted earnings per share was RMB1.63. Excluding the after-tax net foreign exchange gain attributable to owners of the parent of RMB2.43 billion during the year (2024: net loss of RMB1.36 billion), the impairment loss on non-financial assets of RMB30 million (2024: RMB1.79 billion), as well as the net gain on deemed disposal of subsidiaries and partial disposal of a joint venture, amounting to RMB40 million (2024: RMB9.35 billion), the profit attributable to owners of the parent was RMB14.41 billion (2024: RMB10.61 billion), representing a YoY increase of 36%.

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FINANCIAL RESOURCES

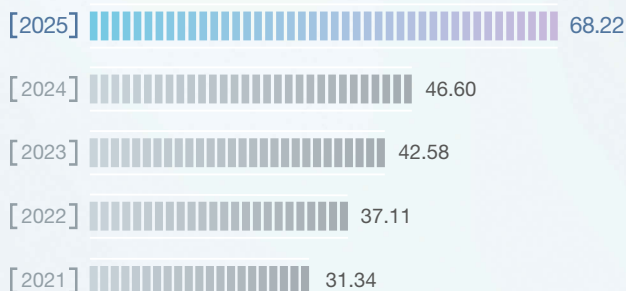
As at 31 December 2025, the Group's financial position remained robust, and the cash reserve also was sufficient. At the end of the year, the total cash level (including bank balances and cash as well as restricted bank deposits) was RMB68.2 billion, representing a significant growth of 46% from RMB46.6 billion as at the end of December 2024.

In 2025, the Group's net cash generated from operating activities amounted to RMB47.3 billion, benefiting from an increase in overall sales volume and other factors. Total capital expenditures of the Group (including property, plant and equipment, capitalised product development costs and land lease prepayments) amounted to RMB17.9 billion, mainly attributable to the higher investment in research and development as the Group accelerated the pace of electrification and intelligentization transformation and expanded its investment in new energy product matrix.

During the year, ZEEKR, a subsidiary of the Company, made a payment of RMB9.105 billion (including interest accrued during the locked box period) for the acquisition of LYNK & CO Automotive Technology Co., Ltd. ("**LYNK & CO**"), and paid an additional RMB367 million for the subscription of newly issued capital in LYNK & CO. In addition, the Group secured RMB10.0 billion in funding through new net bank borrowings (net of repayments). The increased borrowings were mainly used for the acquisition of LYNK & CO, the privatisation of ZEEKR and other general corporate purposes. During the year, the Group also paid consideration shares and cash consideration for the acquisition of all issued and outstanding ZEEKR shares and ZEEKR American Depositary Shares ("**ADSs**"), other than those beneficially owned by the Group, with the cash consideration of approximately RMB5.3 billion paid during the year.

TOTAL CASH LEVEL¹

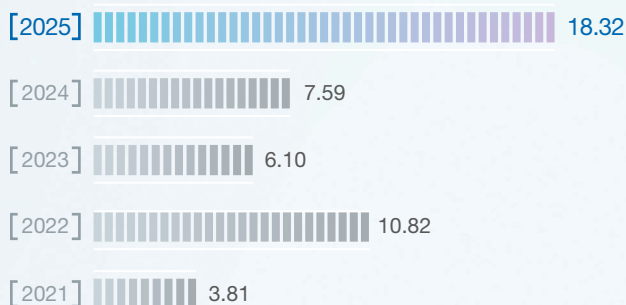
(RMB Billion) (As at 31 December)



¹: Including pledged bank deposits/restricted bank deposits

TOTAL BORROWINGS²

(RMB Billion) (As at 31 December)



²: Including loan from a related company, bank borrowings and bonds payable

Taking into account the above and other factors, as at 31 December 2025:

- The Group's total borrowings (including loans of all kind) increased by 141% to RMB18.32 billion as compared to 31 December 2024;
- The Group's net cash (total cash level minus total borrowings) amounted to RMB49.9 billion, representing an increase of 28% from RMB39.0 billion as at 31 December 2024.

As at 31 December 2025, the Group's net notes receivable (notes receivable minus notes payable) amounted to RMB6.2 billion. The Group may secure additional cash when necessary through discounting the notes receivable with the banks.

The Group has been assigned issuer credit ratings from both Standard & Poor's Ratings Services and Moody's Investors Service, which are "BBB-/Negative" and "Ba1/Positive" respectively, as at the date of this report.

Budgeted capital expenditures (excluding acquisitions through business combinations) of the Group amount to approximately RMB16 billion in 2026. These funds will be used mainly for the research and development of new models and intelligent technologies, as well as the upgrading of existing production facilities of our plants. To meet the aforementioned requirements, the Group will rely on the cash flow generated from daily operations, existing capital reserves, and raise funds through various financing methods as and when required. The above capital allocation arrangement will help the Group achieve its strategic objectives. Meanwhile, the Group will maintain a steady growth path based on sound financial management.

Acquisition of LYNK & CO Shares and Subscription of Increased Capital by ZEEKR

On 14 November 2024, Zhejiang ZEEKR Intelligent Technology Company Limited ("**Zhejiang ZEEKR**", an indirect wholly-owned subsidiary of ZEEKR), Zhejiang Geely Holding Group Company Limited ("**Geely Holding**") 浙江吉利控股集團有限公司, Volvo Cars (China) Investment Co., Ltd. ("**VCI**") and LYNK & CO, entered into an equity transfer agreement, pursuant to which Zhejiang ZEEKR conditionally agreed to acquire 20% and 30% of the equity interests in LYNK & CO from Geely Holding and VCI, for a consideration of RMB3.6 billion and RMB5.4 billion, respectively, together with interest accrued during the locked box period.

In addition, LYNK & CO, Zhejiang ZEEKR and Ningbo Geely Automobile Industry Company Limited ("**Ningbo Geely**"), an indirect wholly-owned subsidiary of the Company, also entered into a capital injection agreement, pursuant to which Zhejiang ZEEKR conditionally agreed to subscribe for the increased registered capital of LYNK & CO for a consideration of approximately RMB367 million.

Acquisition of LYNK & CO by ZEEKR will achieve the following objectives:

- 1) Promote strategic integration and overall synergy of the Group: the Group will continue to focus on the integration and synergy of its automobile business and strengthen technology research and development to enhance competitiveness and promote sustainable development. The acquisition will facilitate the optimisation of shareholding structure, eliminate horizontal competition, and promote the strategic integration of business operations; and
- 2) Enhance resource utilisation and synergy: through integrating the resources of ZEEKR and LYNK & CO, the Group can reduce overlapping investment in various segments and strengthen the synergies in brands and products, technology, supply chain, marketing and service, and international market expansion, leveraging economies of scale to strive towards generating synergies in terms of sales volume, revenue and profit.

The aforementioned transactions were completed on 14 February 2025. Following the completion of these transactions, LYNK & CO is owned as to 49% by Ningbo Geely and 51% by Zhejiang ZEEKR. As a result, LYNK & CO became an indirect subsidiary of the Company and ZEEKR. The financial results of LYNK & CO has been consolidated into the consolidated financial statements of the Group.

PERFORMANCE & GOVERNANCE

Formation of Qianli Intelligent Driving JV

On 2 March 2025, Zhejiang Jirun Automobile Company Limited (“**Jirun Automobile**”, an indirect non-wholly-owned subsidiary of the Company), Maichi Zhixing (Chongqing) Technology Company Limited (“**Chongqing Maichi**”), a partnership to be established by Chongqing Qianli Technology Company Limited (“**Qianli Technology**”) and other partners (“**QL Partnership**”), Ningbo Lotus Robotics Company Limited (“**Lotus Robotics**”) and the incentive platform designed for the employees of the joint venture company (the “**Qianli JV Incentive Platform**”), conditionally agreed to jointly establish Chongqing Qianli Intelligent Driving Technology Company Limited (“**Qianli Intelligent Driving**”) 重慶千里智駕科技有限公司 to engage in the driver assistance business. Jirun Automobile, Chongqing Maichi, the partners of QL Partnership and Lotus Robotics entered into the Joint Venture (“**JV**”) Framework Agreement, and the JV Framework Agreement took effect on 9 April 2025.

On 5 June 2025, Jirun Automobile, Chongqing Maichi, Lotus Robotics and the Qianli JV Incentive Platform entered into the Qianli JV Shareholders Agreement governing the operations and management of Qianli Intelligent Driving. QL Partnership was also formally established under the name of Chongqing Jianghe Qixing Enterprise Management Partnership (Limited Partnership) (“**Chongqing Jianghe**”) 重慶江河啟興企業管理合夥企業(有限合夥) on 27 June 2025. After its establishment, Chongqing Jianghe joined and executed the Qianli JV Shareholders Agreement according to the deed of adherence. Qianli Intelligent Driving was also duly established on the same day, and was held as to 30% by Jirun Automobile, as to 30% by Chongqing Maichi, as to 30% by Chongqing Jianghe, as to 5% by Lotus Robotics and as to 5% by the Qianli JV Incentive Platform.

As the ownership structure and contractual arrangements required unanimous consent of the shareholders over the relevant activities of Qianli Intelligent Driving, the arrangement constituted joint control. Accordingly, Qianli Intelligent Driving was classified as a joint venture and accounted for using the equity method.

Subsequently, in October 2025, Chongqing Maichi irrevocably entrusted the voting rights attached to its 30% interest in Qianli Intelligent Driving to Chongqing Jianghe. Upon completion of the entrustment, Chongqing Jianghe controlled 60% of the voting rights over the relevant activities of Qianli Intelligent Driving and consolidated it in its consolidated financial statements. Although the Group’s ownership interest in Qianli Intelligent Driving remained unchanged, the loss of joint decision-making rights resulted in the Group no longer having joint control under Hong Kong Financial Reporting Standard 11. Nevertheless, the Group still retained significant influence through its board representation and participation in policy-making decisions. Consequently, during the year, the Group reclassified its investment in Qianli Intelligent Driving from a joint venture to an associate. In accordance with Hong Kong Accounting Standard 28, the investment continued to be accounted for using the equity method, and no gain or loss was recognised upon reclassification.

On 18 August 2025, Zhejiang ZEEKR Automotive Research & Development Co., Ltd. (“**ZEEKR R&D**”) 浙江極氪汽車研究開發有限公司, a non-wholly-owned subsidiary of the Company, Qianli Intelligent Driving, and the Qianli JV Incentive Platform entered into an agreement to establish Ningbo Qianli Haohan Technology Co., Ltd. (“**Qianli Haohan**”) 寧波千里浩瀚科技有限公司 through asset injection. The transaction was completed in December 2025.

Qianli Haohan is owned as to 48% by Qianli Intelligent Driving, 47% by ZEEKR R&D and 5% by the Qianli JV Incentive Platform. Pursuant to an irrevocable voting rights entrustment arrangement, the voting rights attached to the 5% equity interest held by the Qianli JV Incentive Platform were delegated to Qianli Intelligent Driving. As a result, upon completion of the transaction in December 2025, Qianli Intelligent Driving obtained control over Qianli Haohan, which consequently became a non-wholly-owned subsidiary of Qianli Intelligent Driving and has been consolidated into the consolidated financial statements of the Qianli Intelligent Driving Group from that date.

In connection with the above transactions, the Group contributed certain driver assistance technologies together with driver-assistance-related research and development technologies to the Qianli Intelligent Driving Group. These technologies were appraised at approximately RMB3.58 billion in total and recognised as intangible assets. Together with a cash contribution of RMB200 million, the Group's total capital contribution amounted to RMB3.78 billion.

The Group is dedicated to developing safe and convenient intelligent automotive products for users, with driver assistance being one of its core R&D strategies. Leveraging its independent R&D efforts, the Group has built up a solid technical foundation in the field of driver assistance. It has adopted an open cooperation approach by jointly establishing Qianli Intelligent Driving with partners to strengthen the Group's R&D capabilities in this field and accelerate the development of driver assistance technologies.

Qianli Intelligent Driving will integrate the strengths of all partners in driver assistance technologies, R&D capabilities, funding, and industrial resources to achieve greater synergies, improve R&D efficiency, and reduce costs, and further form industrial competitive advantages in the field of driver assistance.

Qianli Intelligent Driving will become an important partner for the Group in building an artificial intelligence ecology in the automotive industry and will provide advanced driver assistance solutions for future products. The Group will also work closely with Qianli Intelligent Driving to further enhance the integration capabilities of its products in driver assistance system and application layers, accelerate the iteration and upgrade of such functions, enhance product competitiveness, and deliver a safer and more convenient intelligent mobility experience to users.

Change in Accounting Policy

On 10 April 2025, the Board of the Company approved a change in the accounting policy for business combinations involving entities under common control (the “**Change**”), with effect from 1 January 2025. The implementation of the Change is aimed at enhancing transparency of financial information and investor understanding, improving reflection of operational performance, as well as aligning with the timing of the Group's current strategic integration.

Prior to the implementation of the Change, business combinations involving entities under common control were accounted for by the Company using the acquisition method in accordance with Hong Kong Financial Reporting Standard 3 – “Business Combination” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). Under the acquisition method, the identifiable assets and liabilities of the acquired entities are recognised at fair value as at the acquisition date, with any resulting goodwill or gain recorded in the consolidated financial statements.

Following the implementation of the Change, effective from 1 January 2025, such business combinations will be accounted for using the pooling of interests method, applying the principles of merger accounting in accordance with Accounting Guideline 5 (Revised) – Merger Accounting for Common Control

PERFORMANCE & GOVERNANCE

Combinations issued by the HKICPA. Under this method, the assets and liabilities of the combining entities are recorded at their existing carrying amounts from the controlling party's perspective, and no goodwill or bargain purchase gain is recognised, thereby reflecting continuity of control within the Group.

The Change will be applied retrospectively to all business combinations under common control, including those completed on or before 31 December 2024, with corresponding restatements reflected in comparative figures in the Group's consolidated financial statements.

For details on the financial impact of the Change, please refer to "Basis of preparation and change in accounting policy" in note 4(a) to the consolidated financial statements.

Acquisition of Equity Interests in the Connected Automobile Dealers

On 30 April 2025, Zhejiang Geome Auto Sales Co., Ltd. ("Zhejiang Geome") 浙江幾何汽車銷售有限公司, an indirect subsidiary of the Company, and Lingji Trading Co., Ltd. 領吉商貿有限公司 entered into an equity transfer agreement regarding the acquisition of 70% equity interests in Feixian Lingji Chunhua Auto Sales & Service Co., Ltd. 費縣領吉春華汽車銷售服務有限公司, Linyi Lingji Jianhua Auto Sales & Service Co., Ltd. 臨沂領吉建華汽車銷售服務有限公司, Dongying Lingji Kaihua Auto Sales & Service Co., Ltd. 東營領吉凱華汽車銷售服務有限公司, Linyi Lingji Maohua Auto Sales & Service Co., Ltd. 臨沂領吉茂華汽車銷售服務有限公司, Yishui Lingji Yuantong Auto Sales & Service Co., Ltd. 沂水領吉遠通汽車銷售服務有限公司 and Linyi Lingji Chunhua Auto Sales & Service Co., Ltd. 臨沂領吉春華汽車銷售服務有限公司 (together referred to as the "Connected Automobile Dealers"), for a cash consideration of approximately RMB29,239,000. The acquisition was completed during the year. The Connected Automobile Dealers

were mainly engaged in the sales of automobiles and related parts and components, after-sales maintenance services, and other automobile sales-related services.

Upon completion of the acquisition, the Connected Automobile Dealers became subsidiaries of the Group. As both parties to the equity transfer agreement were under the common control of Mr. Li Shu Fu, the chairman of the Company, the transaction constituted a business combination under common control and was accounted for using the merger accounting method, as if the entities had been combined since the beginning of the earliest reporting period presented or since the date when they first came under common control, whichever is later.

The acquisition enables the Group to establish a direct dealership channel for Geely brand vehicles, reducing reliance on dealership shops owned by Geely Holding, empowers the Group to respond swiftly to market shifts, grants full autonomy, allowing the Group to craft approaches that align with evolving industry trends and consumer preferences. Through the acquisition, the Group can further enhance its brand presence and foster stronger customer relationships. The integration of the Connected Automobile Dealers resources also facilitate streamline operations, reduce reliance on external dealers, and reduce the volume of continuing connected transactions between the Group and the Connected Automobile Dealers.

Disposals of Equity Interests in Geely Sunwoda

On 30 April 2025, Jirun Automobile, Geely Automobile Group Company Limited ("Geely Automobile Group") 吉利汽車集團有限公司 and Zhejiang Jiyao Tongxing Energy Technology Co., Ltd. ("Zhejiang Jiyao") 浙江吉曜通行能源科技有限公司 entered into an equity transfer agreement, pursuant to which Jirun Automobile and Geely Automobile Group sold 41.5% and 28.5% equity interests in Shandong Geely Sunwoda Power

Battery Co., Ltd. (“**Geely Sunwoda**”) 山東吉利欣旺達動力電池有限公司 to Zhejiang Jiyao, respectively, for considerations of RMB49,800,000 and RMB34,200,000. Among which, the disposal of the 41.5% equity interest in Geely Sunwoda was completed during the year.

Geely Sunwoda primarily supplies its products to other brands under Geely Holding, while the Group’s own brands have limited adoption of its products, resulting in limited operational synergies. The disposal of the equity interest in Geely Sunwoda, which specializes in the development, production, and sales of hybrid electric vehicle battery cells, battery modules, and battery packs, enables the Group to divest non-core business investments. This allows the Group to focus on its primary business and optimise cash flow.

Acquisition of Equity Interest in InfiMotion

On 30 May 2025, Zhejiang Geely Powertrain Co., Ltd. (“**Zhejiang Powertrain**”) 浙江吉利動力總成有限公司, an indirect subsidiary of the Company, and Ningbo Lotus Venture Capital Co., Ltd. (“**Ningbo Lotus**”) 寧波路特斯創業投資有限責任公司 entered into an equity transfer agreement, pursuant to which Zhejiang Powertrain has completed the acquisition of 17.5% equity interest in Wuxi InfiMotion Technology Company Limited 無錫星驪科技有限公司 (“**InfiMotion**”) from Ningbo Lotus, for a consideration of RMB420 million. The acquisition was completed in the first half of 2025.

Additionally, in the second half of 2025, the Group entered into a series of investment agreements with other investors, who agreed to make a total capital contribution of RMB295 million to InfiMotion.

Prior to the acquisition, the Group held 24.15% equity interest in InfiMotion and accounted for as an associate due to its ability to exert significant influence over InfiMotion’s financial

and operating policies. Upon completion of the transaction, the Group’s shareholding interests in InfiMotion increased to 38.23%.

In connection with the aforesaid transaction, a gain on deemed disposal of investment in InfiMotion of RMB100 million was recognised under “Other gains/(losses), net” during the year ended 31 December 2025.

InfiMotion supplies electric drive products to multiple brands within the Group. Notably, the Geely Galaxy brand has already adopted its products and plans to further expand their application in the future, leading to strong operational synergies. The acquisition enables the Group to strengthen core business investments, achieve greater integration and synergy in the electric drive industrial chain and further enhance the Group’s competitiveness in the field of electrification core technologies.

Contribution to Renault Brazil

On 20 June 2025, the Company and its subsidiaries, Geely Automobile (Singapore) Pte. Ltd. (“**GA (SGP)**”), Geely Holding and its subsidiaries, Geely (Singapore) Holding Pte. Ltd. (“**GH (SGP)**”), Renault S.A.S. (“**Renault**”), and Renault do Brasil LTDA. (“**Renault Brazil**”) entered into a contribution agreement and a joint venture agreement, pursuant to which (i) GA (SGP) conditionally agreed to contribute the entire issued share capital of its wholly-owned subsidiary, along with cash, to Renault Brazil in exchange for ordinary shares, warrants and convertible preferred share of Renault Brazil, and (ii) GH (SGP) conditionally agreed to contribute the entire issued share capital of its wholly-owned subsidiary to Renault Brazil in exchange for ordinary shares of Renault Brazil. Upon Closing, Renault Brazil will be owned as to 73.57% by Renault, as to 21.29% by GA (SGP), as to 5.11% by GH (SGP) and as to 0.03% by an independent third party.

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The Group is continuously seeking business opportunities to accelerate internationalization. The partnership with Renault provides the Group immediate access to Brazil, the largest automotive market in Latin America. This strategic entry not only boosts the Group's brand visibility in Brazil but also supports the diversification of its global footprint beyond core markets, particularly in light of uncertainties in global trade policies. By leveraging Renault's well-established local production system and deep market insight, the Group is well-positioned to fast-track its expansion across Latin America.

As a shareholder of Renault Brazil, the Group can leverage the advantages from Renault Brazil's distribution infrastructure and wide network of dealers with nationwide coverage. These advantages will help expand the market share of the Group's products in Brazil. Meanwhile, the Group can leverage Renault Brazil's local manufacturing capabilities and established supply chain network to better provide products tailored to local consumer preferences and requirements. The arrangement presents opportunities for the Group to generate operational synergies with Renault in Brazil through shared production facilities and optimised resource allocation.

The Group completed its contribution to Renault Brazil during the year, and the Geely EX5 and Geely EX2 have also been launched in the Brazilian market.

Privatisation of ZEEKR

To drive deep integration and efficient collaboration of internal resources, eliminate redundant investments, reduce costs, enhance corporate competitiveness, and create long-term value, on 7 May 2025, the Company submitted a non-binding proposal to ZEEKR, pursuant to which, the Company preliminarily indicated its interest in pursuing the proposed privatisation by acquiring all of the issued and outstanding ZEEKR shares and ZEEKR ADSs, other than those beneficially owned by the Group.

On 15 July 2025, the Company and its subsidiary, Keystone Mergersub Limited (the "**Merger Sub**"), and ZEEKR entered into a merger agreement, pursuant to which the Company will carry out the privatisation by acquiring all issued and outstanding ZEEKR shares and ZEEKR ADSs, other than the Excluded ZEEKR shares. Each Eligible ZEEKR Holder (excluding Hong Kong Non-Professional Investors, who will be entitled to receive cash consideration only) may elect to receive, for their ZEEKR shares or ZEEKR ADSs, as applicable, (i) US\$2.687 in cash or 1.23 consideration shares for each ZEEKR share; or (ii) US\$26.87 in cash or 12.3 consideration shares for each ZEEKR ADS, which will be delivered in the form of Geely ADS(s). The election results are as follows:

- (i) a total of 777,228,611 consideration shares will be allotted and issued to Eligible ZEEKR Holders who have made a valid election to receive the consideration shares; and
- (ii) a total of approximately RMB5.3 billion cash consideration (the "**Cash Consideration**") will be paid by the Group to the remaining Eligible ZEEKR Holders who have elected, or are deemed to have elected to receive cash consideration.

On 22 December 2025, pursuant to the privatisation, the Company has acquired all issued and outstanding ZEEKR shares and ZEEKR ADSs. Pursuant to the merger, Merger Sub has merged with ZEEKR, with ZEEKR continuing as the surviving entity. As a result, ZEEKR has become a wholly-owned subsidiary of the Company, has been privatised, and has been delisted from the New York Stock Exchange.

The privatisation and the merger are intended to establish a unified listing platform, streamline operational structure, and further enhance the Group’s competitiveness in the global NEV market. Transitioning from the current 62.8% ownership (on a fully-diluted basis) to full equity control of ZEEKR offers substantial strategic, operational, and financial advantages to the Group, including: (1) unified listing platform and simplified equity structure; (2) enhanced strategic control and cohesive direction; (3) strengthened synergies across brands and products; (4) improved supply chain efficiency; (5) optimised marketing and service collaboration; (6) increased technological synergies and innovation; (7) elimination of connected subsidiary compliance burden; and (8) enhanced overall competitiveness and long-term value creation.

Full control will enable streamlined operations, unified strategic deployment, enhanced synergies, and reduced compliance burdens. These changes will position the Group as a leading player in the global NEV market, with improved operational efficiency, innovation, and profitability.

HK\$2.3 Billion Automatic Share Buy-back Program

On 6 October 2025, the Company approved an automatic share buy-back program of up to HK\$2.3 billion. On 18 November 2025, the Company entered into a share buy-back

agreement (the “**Buy-back Agreement**”) with an independent broker, Morgan Stanley & Co. International plc (the “**Broker**”), pursuant to which the Broker or its affiliate will repurchase the shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for up to HK\$2.3 billion. The repurchases will be conducted in accordance with the pre-determined parameters set out in the Buy-back Agreement (the “**Buy-back Program**”) and at the sole discretion of the Broker, independently of the Company and its connected persons.

The Buy-back Program commenced on 8 December 2025, and will terminate upon the earliest of: (i) six months from the commencement date (the “**Scheduled Termination Date**”); or (ii) the completion of the aggregate repurchase amount of HK\$2.3 billion under the Buy-back Program prior to the Scheduled Termination Date.

During the year ended 31 December 2025, the Company repurchased a total of 22,434,000 shares on the Stock Exchange for an aggregate consideration of approximately HK\$384.7 million (before expenses). As at 31 December 2025, the repurchased shares had not yet been cancelled, and were subsequently cancelled in February 2026. The share repurchase was conducted with a view to enhancing long-term shareholder value. Details of the shares repurchased during the year are set out below:

Month of repurchase	No. of shares repurchased	Highest price paid (HK\$)	Lowest price paid (HK\$)
December	22,434,000	17.91	16.26

INVESTMENT IN RESEARCH AND DEVELOPMENT AND NEW PRODUCTS

In 2025, the Group recorded a total of expenses of RMB17.62 billion (2024: RMB13.69 billion) in relation to its research and development activities and such expenses were included in “Research and development expenses” in the consolidated statement of profit or loss.

Items	2025 RMB'000	2024 RMB'000	YoY change
Amortisation of intangible assets (i.e. capitalised product development costs)	9,735,407	7,307,598	33%
Research and development costs (i.e. R&D expenses that do not meet the capitalisation criteria)	7,888,375	6,380,625	24%
Total research and development expenses charged to profit or loss	17,623,782	13,688,223	29%

As most of the ongoing research and development projects focus on new technologies applied to the existing products that have not yet been deployed, a majority of the relevant expenditures had been capitalised, and will be amortised as research and development expenses on a periodic basis after the launch of products using the technologies in the market.

In 2025, the increase in capitalised product development costs of RMB13.98 billion, including those under the intangible assets in the consolidated statement of financial position, was primarily related to intelligent NEV model development. The remaining was mainly for the development of related fields such as intelligent technologies.

In 2025, the Group launched the following NEV products:

- Geely Galaxy: Geely Galaxy Xingyao 8, Geely Galaxy A7, Geely Galaxy M9, and Geely Galaxy Xingyao 6;

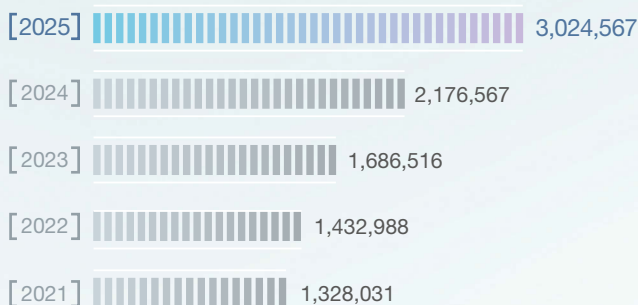
- Lynk&Co: Lynk&Co 900 and Lynk&Co 10 EM-P;
- ZEEKR: ZEEKR 007 GT and ZEEKR 9X.

New products that the Group has launched and plans to release in 2026 include but are not limited to:

- Geely Galaxy V900: a range-extended electric MPV;
- Geely Galaxy M7: a plug-in hybrid SUV;
- Geely Galaxy Xingyao 7: a plug-in hybrid sedan;
- Geely Galaxy Zhanjian 700: a plug-in hybrid hardcore SUV;
- ZEEKR 8X: a super hybrid high-performance flagship SUV developed based on the SEA-S architecture;
- Other BEVs, PHEVs and Hybrid Electric Vehicles (“HEVs”), including sedans and SUVs.

ANNUAL SALES VOLUME³

(Unit)



³: Including the sales volume of “Lynk&Co” vehicles

GEELY BRAND

The total sales volume of the Geely brand in 2025 was 2,449,939 units, representing a YoY increase of 47%. The Geely brand includes the “Geely China Star” for the mainstream ICE vehicle market, and the “Geely Galaxy” brand for the mainstream NEV market. As at 31 December 2025, in China, the Geely brand had 997 first-tier dealer stores for “Geely China Star”, and 1,220 first-tier dealer stores for the “Geely Galaxy”, respectively. Meanwhile, “China Star” series and the “Geely Galaxy” brand are also sold through other distribution networks. In addition, the Geely brand exported products to 86 overseas countries through 76 sales agents and 1,263 sales and service outlets.

With competitive product performance and good market reputation of ICE vehicles, Geely China Star recorded a sales volume of 1,214,132 units during the year, representing a YoY increase of 3%, and ranked first in terms of sales volume of ICE passenger vehicles among indigenous brands in China for nine consecutive years. During the year, while maintaining a consistent focus on best-selling models, further upgrading their intelligent features through facelifts or iteration and upgrade, our main models led indigenous brand sales in their respective ICE passenger vehicle segments. Notably, Xingyue L achieved the highest sales volume among ICE SUVs in China’s passenger

vehicle market. During the year, the fifth-generation Emgrand and the fourth-generation Boyue L were launched, and have maintained robust sales momentum while delivering upgrades in technology and product value. Although export volume saw a decline due to internal and external factors in certain major export markets, the overall sales volume of ICE vehicles of the Geely brand recorded growth during the year. The Geely brand continuously and steadily contributed to the Group’s profit by optimising its product portfolio so as to maintain good profitability of ICE vehicles despite the fierce price competition.

In terms of NEVs, the sales volume of Geely Galaxy brand increased by 150% YoY to 1,235,807 units in 2025. The brand achieved the annual sales target of one million units in just 29 months, making it the fastest NEV brand to reach this target. Products launched last year based on the GEA architecture continued to sell well during the year. Among them, the BEV Geely Xingyuan broke the 40,000-unit sales mark for seven consecutive months in 2025, becoming the top-selling model in China’s passenger vehicle market. The Geely Galaxy E5 and Geely Galaxy Xingjian 7 also achieved average monthly sales volume of over 10,000 units in 2025. During the year, Geely Galaxy expanded its NEV product matrix by launching the Geely Galaxy Xingyao 8, Geely Galaxy A7, Geely Galaxy M9, and Geely Galaxy Xingyao 6, based on the GEA and GEA Evo architectures. The Geely Galaxy Xingyao 8 became the sales champion in the B-class plug-in hybrid sedan segment in China after its launch. The Geely Galaxy M9 recorded cumulative sales volume of 39,000 units in less than four months since its launch, making it one of the top-selling products in its segment. Meanwhile, the Geely EX5, Geely EX2 and Geely EX5 EM-i (known as Geely STARRAY EM-i in certain markets), the international versions developed respectively based on Geely Galaxy E5, Geely Xingyuan and Geely Galaxy Xingjian 7, were also exported during the year and have entered over 30 overseas markets.

PERFORMANCE & GOVERNANCE

LYNK&CO BRAND

LYNK & CO was incorporated in October 2017. It was originally a joint venture established by the Group, Volvo Car Corporation and Geely Holding, with the Group holding a 50% equity interest. The company was set up to facilitate the R&D, manufacture, sales and service business of high-end passenger vehicles in both the Chinese and international markets under the “Lynk&Co” brand. During the year, due to ZEEKR’s acquisition of the equity interests in LYNK & CO held by Volvo Car Corporation and Geely Holding, and the completion of ZEEKR’s privatisation, LYNK & CO has become a wholly-owned subsidiary of the Company.

In 2025, Lynk&Co achieved a sales volume of 350,495 units, representing a YoY increase of 23%, setting a new historical record. In recent years, Lynk&Co has continuously advanced its new energy strategy. In April and September 2025, it launched Lynk&Co 900, a full-size plug-in hybrid flagship SUV, and Lynk&Co 10 EM-P, a mid-to-large-sized plug-in hybrid sedan, respectively. Their sales volumes within the year exceeded 50,000 units and 20,000 units, respectively. Other EM-P plug-in hybrid products also maintained stable sales volume, driving the sales volume of Lynk&Co NEVs to rise by 36% YoY to 228,000 units, with the proportion of NEV sales volume increasing to 65%. As at 31 December 2025, Lynk&Co provided services for customers through a total of 583 channel outlets in China.

In terms of international business, Lynk&Co achieved export sales volume of over 30,000 units during the year, with its 195 overseas stores covering 50 overseas countries/regions.



Lynk&Co’s business in Europe fully focused on the sales mode, while its subscription^{##} ceased accepting new subscriptions during the year, with existing subscriptions not being renewed upon expiry. As at 31 December 2025, Lynk&Co operated 112 stores across Europe, covering 25 countries/regions; and a further 83 stores in markets outside Europe, covering another 25 countries/regions. During the year, Lynk&Co launched the Lynk&Co 08 EM-P in 31 overseas countries/regions, including Europe, Asia-Pacific, and Latin America.

^{##}: Subscription means that consumers use vehicles and relevant ancillary services during the subscription period through regular payments of vehicle subscription fees, including vehicle insurance, daily maintenance, data services, road assistance, etc. Normally, Lynk&Co recognises the corresponding revenue and profit or loss over time as subscription consumers receive and consume relevant economic benefits during the subscription service period.

ZEEKR BRAND

ZEEKR was established in March 2021 as a subsidiary of the Company. The ADSs of ZEEKR commenced trading on the New York Stock Exchange in the United States with stock code ZK on 10 May 2024. During the year, the Company acquired all of the issued and outstanding ZEEKR shares and ZEEKR ADSs. Consequently, ZEEKR was privatised and became a wholly-owned subsidiary of the Company, and was delisted from the New York Stock Exchange. ZEEKR is primarily engaged in the R&D, procurement, sales, and service of intelligent NEVs and other products related to electric mobility.

In 2025, ZEEKR delivered a total of 224,133 NEVs, representing a YoY increase of 1%. As the Group's premium new energy brand, ZEEKR continued to lead breakthroughs in high-end automotive technology. During the year, it unveiled the world's first 900-volt SEA-S architecture, a dedicated platform for luxury PHEVs, and launched ZEEKR 9X, a super hybrid premium flagship SUV, developed based on this architecture. Furthermore, certain configurations of the ZEEKR 9X were equipped with G-ASD H9, designed for L3 driver assistance. Within 13 minutes of its launch at the end of September 2025, the ZEEKR 9X received over 10,000 firm orders, and consecutively ranked first in sales volume among large SUVs priced above RMB500,000 in China in November and December. In addition, during the year, ZEEKR launched the ZEEKR 007 GT, a new battery electric tech shooting brake, and introduced refreshed versions of the ZEEKR 001, ZEEKR 7X, and ZEEKR X.

ZEEKR continuously optimised its channel layout and enhanced user experience to further consolidate its competitiveness in the premium market. As at 31 December 2025, ZEEKR operated 537 stores in the Chinese mainland and 152 stores across nearly 50 other countries/regions. ZEEKR was the annual sales champion among luxury brands in Hong Kong, China, with its ZEEKR 009 and ZEEKR 7X being the best-selling models in the MPV and mid-size SUV segments, respectively, in Hong Kong, China.

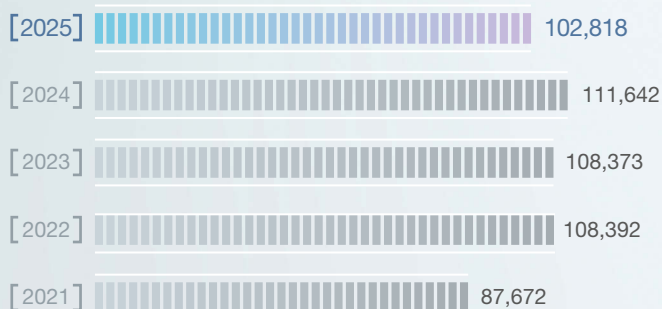
JOINT VENTURES

Genius Auto Finance Company Limited ("**Genius AFC**") is a vehicle financing joint venture held by the Company, BNP Paribas Personal Finance, a wholly-owned subsidiary of BNP Paribas group, and Cofiplan S.A., among which the Company holds 75% of the shares. Genius AFC principally provides auto wholesale financing solutions and retail financing solutions, mainly supporting brands including "Geely", "ZEEKR" and "Lynk&Co". As a result of the sales volume growth of the Group during the year, Genius AFC reported 879,900 vehicle loan contracts, representing a YoY increase of 45%. During the year, affected by intensified industry competition and declining interest rates, Genius AFC recorded a net profit of RMB634 million, representing a YoY decrease of 41%.

Horse Powertrain is a joint venture, which is owned as to 29.7% by the Company, 15.3% by Geely Holding, 45% by Renault, and 10% by Aramco Asia Singapore Pte. Ltd., respectively. Headquartered in London, United Kingdom, the company operates 17 manufacturing bases and 5 R&D centers across Asia, Europe, and South America. The company employs approximately 19,000 people worldwide. Horse Powertrain's products and solutions encompass a wide range of powertrain products required for various models, including ICE vehicles, hybrid electric vehicles and PHEVs, covering approximately 80% of the global market demand. Concurrently, Horse Powertrain has also actively developed alternative fuel technologies, including methanol, ethanol, hydrogen and synthetic fuels, with a commitment to promoting carbon neutrality in the automotive industry. During the year, Horse Powertrain recorded sales volumes of 4.78 million engines and 4.00 million transmissions, with revenue and net profit of RMB99.1 billion and RMB3.95 billion, respectively.

PERFORMANCE & GOVERNANCE

AVERAGE PRE-TAX EX-FACTORY PRICES⁴ (RMB)



⁴: Including the sales volume of "Lynk&Co" vehicles



Name	Interests	Usable Annual	
		Production Capacity (Units Per Double Shift)	Models
Chunxiao plant	99.2%	200,000	Geely Boyue, Geely Boyue L
Xiangtan plant	99.2%	300,000	Binyue, Binyue COOL, Xingyuan
Baoji plant	99.2%	200,000	Geely Boyue, Geely Boyue L, Galaxy L7
Linhai plant	99.2%	300,000	Galaxy Starship 7, Galaxy L6
Jinzhong plant	99.2%	180,000	Geometry G6, Geometry M6, Emgrand EV
Qiantang plant	99.2%	100,000	Galaxy E8, Galaxy M9, Xingyao 8, Geometry E, ICON
Hangzhou Bay DMA plant	99.2%	150,000	Xingrui, Xingrui L, Lynk&Co Z10, Lynk&Co 10 EM-P
Guiyang plant	99.2%	200,000	Galaxy E5, Galaxy A7, Haoyue, Jiaji
Changxing plant	99.2%	180,000	New Emgrand, Binrui COOL, Xingyao 6, Smart #5 [^]
Xi'an plant	99.2%	300,000	Xingyue L, Smart #1 [^] , Smart #3 [^]
Yuyao plant	100.0%	150,000	Lynk&Co 01, Lynk&Co 07, Lynk&Co 08
Chengdu plant	100.0%	200,000	Lynk&Co 06, Lynk&Co Z20, ZEEKR X
Zhangjiakou plant	100.0%	150,000	Lynk&Co 03
Total		2,610,000	

[^] Collaborative manufacturing models

EXPORTS

In 2025, the Group's export sales volume reached 420,097 units, representing a YoY increase of 1%, accounting for 14% of the Group's total sales volume. Among them, the sales volume of exported NEVs reached 124,302 units, representing a significant YoY increase of 240%.

As at 31 December 2025, the Geely brand exported products to 86 overseas countries through 76 sales agents and 1,263 sales and service outlets. The Geely brand actively expanded the overseas NEV business. The Geely EX5, a battery electric SUV, has entered over 30 overseas countries globally, becoming the first Geely model to receive dual five-star safety ratings from both Euro NCAP and ANCAP. It ranked first in terms of sales volume among battery electric C-class SUVs in Brazil for four consecutive months. The Geely EX5 EM-i, a plug-in hybrid SUV, was launched in over ten countries including Australia, Italy, Poland, Mexico, South Africa, and Indonesia, and became the best-selling PHEVs in Australia in November. The Geely EX2, a battery electric model, was launched in multiple countries including Brazil, Indonesia, and Thailand. In the Brazilian market, the Geely EX2 rapidly climbed to the second place in the electric vehicle sales ranking within just 16 working days after its launch.

Meanwhile, the Geely brand accelerated its global market footprint, entering another 13 overseas markets during the year, including the United Kingdom, Italy, Poland, Australia, New Zealand, Vietnam, Indonesia, Brazil, and South Africa. The Group also added another 5 overseas subsidiaries to expedite market penetration abroad. Furthermore, the Group also operates 12 local plants in overseas markets in collaboration with local partners. During the year, the plants in Egypt and Indonesia officially commenced production, and the plant in Kazakhstan achieved dual-line production for both NEVs and ICE vehicles, further strengthening the localized production capabilities.

In 2025, the Group completed the capital injection into Renault Brazil to acquire a 21.29% equity interest. The Group accelerated its expansion in the local market by leveraging Renault's well-established local production footprint and wide network of dealers in Brazil. The Geely brand has commenced sales of the Geely EX5 and Geely EX2 in the local market, and plans to localize production of the Geely EX5 EM-i in 2026.

Lynk&Co has expanded its presence to overseas markets in 50 countries/regions through 195 overseas stores, of which 112 stores are located in Europe covering 25 countries/regions, and 83 stores are located in overseas markets outside Europe covering another 25 countries/regions. During the year, Lynk&Co launched the Lynk&Co 08 EM-P in 31 overseas countries/regions, including Europe, Asia-Pacific, and Latin America.

ZEEKR has established 152 stores in nearly 50 other countries/regions outside the Chinese mainland. In Egypt, ZEEKR became a sales champion in the BEV market, and also ranked among the top three in the luxury BEV market in Brazil and Kazakhstan. The ZEEKR 009 claimed the top spot in sales among luxury battery electric MPVs in both Thailand and Malaysia. The ZEEKR 7X has entered over 40 overseas markets, and became the sales champion of luxury midsize SUV priced above AUD60,000 in Australia in November.

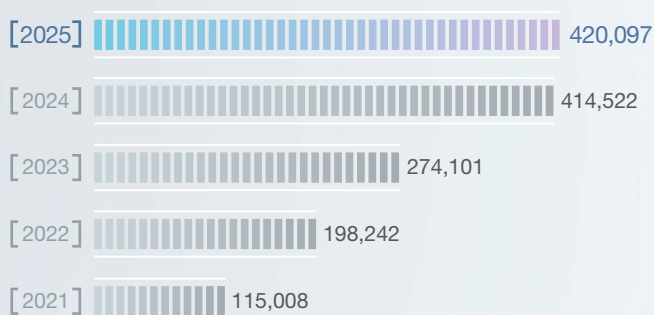
The Group has also broadened the global market presence through the brand cooperation with associates. In Malaysia, the Group maintained a good strategic cooperation with PROTON, and through the export of platforms and the support of technologies, assisted PROTON to launch new vehicle models. PROTON launched BEV e.MAS 7, based on the Geely Galaxy E5, and BEV e.MAS 5, based on Geely Xingyuan. The e.MAS 7 became Malaysia's top-selling BEV model, with sales volume exceeding 9,500 units during the year. The cumulative sales volume of PROTON increased by 7% YoY to 162,601 units. In addition, the Group deepened its cooperation with another associate, Renault Korea, to achieve synergies in technology

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R&D and supply chain, with a view to expanding its export sales volume both locally and in developed countries. The global sales volume of Renault Korea reached 88,000 units in 2025. Among them, the SUV “Grand Koleos”, co-developed with the Group through technological synergy, continued to sell well, with a sales volume of over 48,000 units during the year, maintaining a top-three position in the relevant market segment in South Korea.

EXPORT SALES VOLUME

(Unit)



OUTLOOK

In 2026, the global automotive industry stands at an intersection of structural adjustment and deep transformation. As China’s NEV market gradually enters a mature phase, the routine adjustments to related supportive policies will present certain challenges to the release of short-term demand. Meanwhile, global macroeconomic fluctuations and intense cross-industry competition for electronic components and raw materials are exerting potential upward pressure on production costs. However, under the active guidance of national policies and industry associations, the industry is moving towards a new landscape of fairer, more transparent, and higher-quality competition. Leveraging their early-mover advantages in intelligence and new energy, Chinese automotive enterprises have not only explored broader incremental markets but also are seizing a significant strategic opportunity to accelerate the leapfrog development of their brand internationalization.

The Group has firmly advanced the “One Geely” strategy, and successfully completed the deep integration of Geely, Lynk&Co, and ZEEKR in 2025. This initiative aims to eliminate redundant internal resource deployment and achieve cross-brand synergies across the entire value chain, including R&D, procurement, production, and marketing, thereby significantly enhancing economies of scale and operational efficiency. Looking ahead, the three brands will leverage their technological leadership based on a clearer market positioning to create high-end, high-value product portfolios, enabling them to adeptly cope with policy fluctuations and cost pressures.

Following the successful conclusion of the “Smart Geely 2025” strategy, the Group has established an AI technology foundation supported by high computing power, large models, and big data, and deeply integrated AI into core automotive areas such as architecture, chassis, powertrains, intelligent cockpits, and driver assistance. In 2026, we will advance our full-domain AI strategy to phase 2.0. Early this year, the Group officially unveiled the World Action Model (WAM), enabling cross-domain integration and endowing vehicles with a more comprehensive understanding of the physical world and enhanced decision-making capabilities. Concurrently, we launched the “G-ASD”, a next-generation driver assistance system. This system not only delivers an exceptional iterative experience for L2 driving but also retains a technological evolution pathway towards L3 and L4 autonomous driving, consistently leading the industry towards higher-level assisted driving within the scope permitted by regulations.

In terms of global layout, the Group will continue to optimise its overseas marketing structure, deepen the joint venture cooperation with global strategic partners, and fully utilize existing global production capacity. This approach aims to accelerate the pace of globalization in a more stable and efficient manner.

The Group has set a sales volume target of 3.45 million units for 2026, representing an increase of approximately 14% over the total sales volume achieved in 2025. We will persistently strive towards the ambitious goal of “leading intelligent mobility”.

CAPITAL STRUCTURE AND TREASURY POLICIES

The Group primarily funds its short-term working capital requirements through operating cash flows, short-term bank borrowings from commercial banks in the PRC and Hong Kong, and supplier credit terms. For longer term capital expenditures, including product and technology development costs and investments in the construction, expansion and upgrading of production facilities, the Group utilises a combination of operating cash flows, bank borrowings and capital market fundraising.

As at 31 December 2025, equity attributable to owners of the parent amounted to approximately RMB92.4 billion (as compared with approximately RMB86.5 billion as at 31 December 2024). During the year, the Company issued 14,344,500 ordinary shares upon the exercise of share options and 31,306,503 ordinary shares upon the vesting of share awards. In addition, 777,228,611 ordinary shares were issued as consideration in connection with the privatisation of ZEEKR.

The Group’s capital structure comprises bank borrowings and bonds payable, together with equity attributable to owners of the parent. The Board reviews the capital structure regularly, with reference to the cost of capital, business development needs and prevailing market conditions. While the Group does not adopt a specific target gearing ratio, it continues to closely monitor the balance between debt and equity to support sustainable operations and growth.

The Group’s treasury function is centrally managed to ensure prudent financial management and adequate liquidity. The Group maintains sufficient cash and committed banking facilities to meet its short and long term funding requirements. Interest rate risk arises mainly from borrowings with both fixed and floating rates, and the Group monitors market conditions in assessing its funding mix. The Group is also exposed to foreign exchange risk in connection with transactions and balances denominated in currencies such as Hong Kong dollars, United States dollars, euros, Swedish kronor and Russian rubles. These exposures are managed through natural hedging and selective use of foreign exchange forward contracts.

Credit risk is managed by dealing only with creditworthy counterparties, conducting ongoing credit assessments and applying expected credit loss methodologies. Cash and deposits are placed with financial institutions with strong credit ratings. The Group will continue to adopt prudent treasury and financial risk management practices to support its operations, investments and long term development.

EXPOSURE TO FOREIGN EXCHANGE RISK

During the year, the Group’s primary operations involved the sales of automobiles, automobile parts and components within the PRC. The assets and liabilities of the Group were primarily denominated in RMB, which is the functional currency of both the Company and its principal subsidiaries.

For the year ended 31 December 2025, the Group recorded significant foreign exchange gains. Such gains were mainly attributable to the gradual stabilisation of a certain emerging market currency previously affected by geopolitical conditions, as well as favourable relative movements in the exchange rates of the principal settlement currencies involved in the Group’s business. These foreign currency movements, together with the Group’s ongoing risk management measures, contributed positively to the Group’s financial performance for the year.

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With respect to export operations, a significant portion of the Group's export sales during the year was denominated in RMB, US\$ and EUR. Through its export activities and the establishment of subsidiaries, associates and joint ventures in overseas markets, the Group continues to maintain exposure to foreign exchange risks across multiple emerging markets. Notwithstanding the improvement in certain currencies during the year, geopolitical developments and market uncertainties in some regions continue to give rise to foreign exchange volatility.

To manage foreign exchange risks, the Group has implemented a comprehensive risk management strategy, which includes entering into certain foreign exchange forward contracts, to hedge a portion of its foreign exchange exposures. These foreign exchange forward contracts do not qualify for hedge accounting and are therefore accounted for as financial liabilities at fair value through profit or loss. Due to prevailing market conditions and elevated hedging costs, hedging opportunities in certain markets remain limited.

In addition, the Group has sought to enhance its natural hedging position by increasing the proportion of costs denominated in local currencies at its overseas production facilities, thereby supporting its operations and business development in local markets. To address challenges arising from exchange rate fluctuations and to maintain competitiveness in export markets, the Group has accelerated the upgrading of export vehicle models and implemented various operational efficiency initiatives, with a view to leveraging its comparative advantages.

The Group's management continues to closely monitor market conditions and regularly assesses the effectiveness of its hedging strategies. While certain international factors affecting foreign exchange risks, including movements in major global currencies, remain beyond the Group's control, management remains committed to dynamically managing relevant exposures and deploying appropriate risk management tools to mitigate such risks to the extent practicable.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2025, the Group's current ratio (current assets divided by current liabilities) was approximately 0.89, compared with 0.93 as at 31 December 2024. The Group's gearing ratio was approximately 19.8% (2024: 8.8%), calculated as total borrowings (excluding trade and other payables and lease liabilities) divided by total shareholders' equity attributable to owners of the parent (excluding non-controlling interests).

For the year ended 31 December 2025, the Group generated net cash inflows from operating activities of approximately RMB47.3 billion, primarily driven by an increase in overall sales volume and other operational factors. Total capital expenditures during the year, including investments in property, plant and equipment, capitalised product development costs and land lease prepayments, amounted to approximately RMB17.9 billion, exceeding the budgeted amount of RMB15 billion.

During the year, ZEEKR, a subsidiary of the Company, made a payment of RMB9.105 billion (including interest accrued during the locked box period) for the acquisition of LYNK & CO, and paid an additional RMB367 million for the subscription of newly issued capital in LYNK & CO. In addition, the Group secured approximately RMB10.0 billion in funding through new net bank borrowings (net of repayments). The increased borrowings were primarily used for the acquisition of LYNK & CO, the privatisation of ZEEKR and other general corporate purposes. During the year, the Group also paid consideration shares and cash consideration for the acquisition of all issued and outstanding ZEEKR shares and ZEEKR ADSs, other than those beneficially owned by the Group, with cash consideration of approximately RMB5.3 billion paid during the year.

As a result of the foregoing, the Group's total cash balances, comprising bank balances and cash and restricted bank deposits, increased by approximately 46% year-on-year to RMB68.2 billion as at 31 December 2025. Total borrowings, including bank borrowings and bonds payable, increased by approximately 141% to RMB18.3 billion. Overall, the Group's current ratio slightly decreased as at the end of 2025 compared with the previous year, primarily due to changes in the Group's funding structure during the year.

As at 31 December 2025, the Group's total borrowings (excluding trade and other payables and lease liabilities) amounted to approximately RMB18.3 billion (2024: approximately RMB7.6 billion), comprising loans and bonds payable. Such borrowings were mainly denominated in Renminbi, United States dollars and euros, were unsecured, interest-bearing and repayable upon maturity. The Directors believe that the Group has sufficient financial resources to meet its existing obligations and is well positioned to obtain additional financing should suitable investment or business opportunities arise.

EMPLOYEES' REMUNERATION POLICY

As at 31 December 2025, the Group employed approximately 73,000 people (compared to 72,000 (restated) as at 31 December 2024). Employees' remuneration packages are based on individual experience and job profile. These packages are reviewed annually by management, taking into account the overall performance of the staff and market conditions. The Group also participates in the Mandatory Provident Fund Scheme in Hong Kong and the state-managed retirement benefit scheme in the PRC. In addition, employees are eligible for share options under the share option scheme and share awards under the share award scheme adopted by the Company.

DIRECTORS AND SENIOR MANAGEMENT PROFILES

EXECUTIVE DIRECTORS

Mr. Li Shu Fu, aged 62, joined the Company and its subsidiaries (collectively the “**Group**”) on 9 June 2005 as the Chairman (the “**Chairman**”) of the board of directors of the Company (the “**Board**”) and Executive Director, and is responsible for the overall strategic planning, Board leadership, corporate governance and formulation of the corporate policies of the Group. Mr. Li holds a Master’s Degree in Engineering from Yanshan University. Currently, Mr. Li is the controlling shareholder, founder, chairman of the board of directors of Zhejiang Geely Holding Group Company Limited (“**Geely Holding**”) (a company established in the PRC, and is ultimately owned by Mr. Li and his associate, a substantial shareholder of the Company). Geely Holding and its subsidiaries are principally engaged in the sales of automobiles and related parts and components wholesale and retail business. Mr. Li also serves as the chairperson of the board of Volvo Car AB (Stock Code of Stockholm Stock Exchange: VOLCAR B). Following the completion of the privatisation of ZEEKR Intelligent Technology Holding Limited (“**ZEEKR**”) by the Group on 22 December 2025, ZEEKR has ceased to be listed and is now a non-listed wholly-owned subsidiary of the Group, and Mr. Li continues to serve as the chairman of its board. Mr. Li has extensive experience in the investment and management of the automobile manufacturing business in the PRC. Mr. Li was accredited as one of the “50 Most Influential Persons in China’s Automotive Industry in the 50 Years” by China Automotive News (中國汽車報).

Mr. Li Dong Hui, Daniel, aged 56, joined the Group on 15 July 2016 as an Executive Director and the Vice Chairman of the Board. Mr. Li has been an executive vice president and the Chief Financial Officer (“**CFO**”) of Geely Holding since June 2016. He was appointed as Chief Executive Officer (“**CEO**”) of Geely Holding in November 2020, and was subsequently appointed as the vice chairman of Geely Holding in January 2026. He also serves as a board member of Geely Holding, a member of the board of directors of Volvo Car AB (Stock

Code of Stockholm Stock Exchange: VOLCAR B), chairman of the board of Lotus Technology Inc. (Stock Code of NASDAQ: LOT), and a non-executive director of Aston Martin Lagonda Global Holdings plc (Stock Code of London Stock Exchange: AML), and also formerly served as a director of Polestar Automotive Holding UK PLC (Stock Code of NASDAQ: PSNY). Following the completion of the privatisation of ZEEKR by the Group on 22 December 2025, ZEEKR has ceased to be listed and is now a non-listed wholly-owned subsidiary of the Group, and Mr. Li continues to serve as a director thereof. Mr. Li is also a director of certain subsidiaries of the Group. He is responsible for the coordination of the Board, strategic development and financial system of the Group. Mr. Li was a vice president and CFO of Geely Holding from April 2011 to March 2014, and an Executive Director of the Company from May 2011 to March 2014. Mr. Li has extensive professional and senior managerial experiences with both the PRC and sino-foreign multinational companies, particularly in the fields of accounting and financial management, financing structure, strategic planning and business development. Prior to joining Geely Holding, he held key accounting, financing and corporate management positions as vice president, CFO, general manager and business development director in the PRC companies including Guangxi Liugong Machinery Company Ltd. (2010), and sino-foreign multinational companies; his last position was the vice chairman and the president (finance) of 北京東方園林環境股份有限公司 (Beijing Orient Landscape & Environment Co., Ltd.) (Stock Code of Shenzhen Stock Exchange: 002310) (2014-2016). Mr. Li graduated from the Kelley School of Business of Indiana University in the United States with a Master’s Degree in Business Administration in 2010 and graduated from Beijing Institute of Machinery Industry in the PRC with a Master’s Degree in Management Engineering with a major in Financial Management in 1997. Also, Mr. Li graduated from Renmin University of China with a Bachelor’s Degree in Philosophy in 1991. He is currently the independent non-executive director of YTO International Express and Supply Chain Technology Limited (Stock Code of Hong Kong Stock Exchange (“**HKEx**”): 6123).

DIRECTORS AND SENIOR MANAGEMENT PROFILES

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Mr. Gui Sheng Yue, aged 62, joined the Group on 9 June 2005 as an Executive Director and is responsible for the overall administration, risk management and compliance of the Group. Mr. Gui was appointed as the CEO of the Company with effect from 23 February 2006. Following the completion of the privatisation of ZEEKR by the Group on 22 December 2025, ZEEKR has ceased to be listed and is now a non-listed wholly-owned subsidiary of the Group, and Mr. Gui continues to serve as a director thereof. Mr. Gui was also the chairman of a former wholly-owned subsidiary of the Company. Mr. Gui has over 39 years of experience in administration and project management. Mr. Gui had also worked with China Resources (Holdings) Company Limited. Mr. Gui holds a Bachelor of Science Degree in Mechanical Engineering from Xi'an Jiaotong University and a Master's Degree in Business Administration from University of San Francisco.

Mr. Gan Jia Yue, aged 45, joined the Group on 25 July 2022 as an Executive Director. He has been the CEO of Geely Automobile Group Company Limited ("**Geely Automobile Group**") (a company established in the PRC and is ultimately owned by Mr. Li Shu Fu, a substantial shareholder of the Company and his associate) since 23 March 2021. He is currently responsible for the operation management of Geely Automobile Group. Mr. Gan joined Geely Holding in February 2003. He has previously served as member of the management committee, senior director of management and head of group finance department of Geely Automobile Group, and has been the vice president of Geely Automobile Group since 11 June 2020 and was responsible for the procurement duties of Geely Automobile Group. As a core member of the product strategy committee, the investment committee, the procurement committee and the quality committee of Geely Automobile Group, Mr. Gan participated in critical strategic and business decisions, and made extraordinary contribution in enhancing finance management, operation optimisation, organizational transformation and supplier chain construction of Geely Automobile Group. He also serves as director of certain subsidiaries of the Group. Mr. Gan has extensive financial

knowledge and practical experience in corporate governance. Mr. Gan graduated from Zhengzhou University of Aeronautics with a Bachelor's Degree in Management in 2003.

Mr. Mao Jian Ming, Moosa, aged 44, joined the Group on 12 July 2024 as an Executive Director. Mr. Mao has extensive experience in overseas asset investment, mergers and acquisitions, and board governance. Mr. Mao served as the managing director and board secretary of CMB International Finance Limited from 2020 to 2024. He was the deputy general manager of the investment and development department and the assistant general manager of the strategy and operation management department at China Merchants Holdings (International) Company Limited (later known as China Merchants Port Holdings Company Limited, Stock Code of HKEx: 144), and the deputy general manager of the integrated development department and chief representative for the Middle East and East Africa at China Merchants Port Group Co., Ltd. (Stock Code of Shenzhen Stock Exchange: 001872) from 2011 to 2020. Mr. Mao graduated from Wuhan University with a Doctorate Degree in international law. He is also a professional member of the Institute of Management Accountants (IMA) and holds the Certified Management Accountant (CMA) designation in the United States. Furthermore, he is a founding member of the China Independent Non-executive Directors Association.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Gao Jie, aged 51, joined the Group as an Independent Non-executive Director on 1 November 2021. Ms. Gao has extensive global accounting and management experience. Ms. Gao is currently the CFO of Lightspeed China Partners (Funds III and IV, Selected Fund I and RMB Fund I), and the partner and CFO of Soul Capital. Prior to that, she held key finance positions (as a finance director of McKinsey Greater China office from 2010 to 2019; as a financial controller of McKinsey China office from 2005 to 2010; and as a project

DIRECTORS AND SENIOR MANAGEMENT PROFILES

manager of global Enterprise Resources Planning (ERP) system of McKinsey & Company from 2000 to 2005) within McKinsey & Company. Ms. Gao graduated with a Bachelor's Degree from the School of Business of Sun Yat-Sen University in 1996, a Master of Business Administration Degree in accounting from the Saunders College of Business of Rochester Institute of Technology in 1998, and a Master of Science Degree in Information Systems from the Stern School of Business of New York University in 2000. Ms. Gao is a Chartered Global Management Accountant (CGMA), a fellow of the Chartered Institute of Management Accountants (FCMA) and a member of the American Institute of Certified Public Accountants (USCPA). She is also a council member of the US Chapter of Shanghai Overseas Returned Scholars Association and the advisor of the New York University Shanghai Alumni Group.

Ms. Yu Li Ping, Jennifer, aged 62, joined the Group as an Independent Non-executive Director on 9 October 2023. Ms. Yu currently serves as the chairwoman and founding partner of Auster Capital Partners Limited (co-founded by Rothschild & Co and Ms. Yu). Over the past three decades, Ms. Yu has also held senior management roles in other international financial institutions, including United Overseas Bank, BNP Paribas, and Rothschild & Co. Previously, she served as a global executive committee member and global partner of Rothschild & Co, as well as the chairwoman of Rothschild & Co in Greater China. Ms. Yu has played a leading role in various landmark cross-border mergers and acquisitions for Chinese corporates during her time at Rothschild & Co, including Geely Holding's acquisition of Volvo Cars, which has made a significant contribution to the success of Chinese corporates' globalization strategy in the international market. Ms. Yu is also a Trustee of Shanghai University of Finance and Economics ("SHUFE"). Ms. Yu graduated from SHUFE with a Bachelor's Degree in Finance in 1987 and received a Master's Degree in Business Administration from SHUFE in 1999.

Mr. Zhu Han Song, aged 56, joined the Group as an Independent Non-executive Director on 9 October 2023. Mr. Zhu is currently the founder and chairman of Seekers Capital (Jiangyin) Co., Ltd. Mr. Zhu worked for Goldman Sachs Group Inc. ("**Goldman Sachs**") from June 2000 to December 2019, holding various positions including associate, executive director, managing director, and partner. Before retiring from Goldman Sachs in December 2019, Mr. Zhu served as the co-head of China Investment Banking, the head of Industrial and Natural Resources Group in Asia Ex-Japan, and the CEO of Goldman Sachs Gao Hua Securities Company Limited. He was also a member of the Asia Pacific Commitments Committee and Investment Banking Division Client and Business Standards Committee of Goldman Sachs. Prior to joining Goldman Sachs, he worked at China International Capital Corporation Limited from 1995 to 2000. Mr. Zhu served as an independent director of Kidswant Children Products Co., Ltd. (Stock Code of Shenzhen Stock Exchange: 301078) and Missfresh Limited. Currently, he serves as an independent non-executive director of KE Holdings Inc. (Stock Code of HKEx: 2423 and Stock Code of New York Stock Exchange: BEKE). Mr. Zhu obtained a Bachelor's Degree in Economics from Nanjing University in 1991, and a Master's Degree in Economics from Peking University in 1994.

Ms. Tseng Chin I, aged 57, joined the Group as an Independent Non-executive Director on 24 March 2025. Ms. Tseng currently serves as a host/producer of "Financial Journal" at Phoenix TV. She is also a member of the 14th National Committee of the Chinese People's Political Consultative Conference, the vice president of the Association for the Promotion of Global Chinese Traders Fraternity Limited (GCTF), the founding vice president and secretary-general of the China Independent Non-Executive Directors Association, a standing committee member of Hong Kong Federation of Journalists, the honorary president of the Hong Kong Jiangsu Enterprises Association, the honorary president of the Taoist

Culture of Healthy Living Association Limited, the president of BC Philanthropic Foundation, a partner of BC Capital Group, an honorary advisor to the Hong Kong Science & Technology Youth Federation, an honorary advisor to Hong Kong Web 3.0 Association, an honorary advisor to the Great Bay Area (“GBA”) Association of Listed Companies, and the founding vice president of the GBA Carbon Neutrality Association. Ms. Tseng was also an independent non-executive director of Future Machine Limited (formerly known as “Sprocomm Intelligence Limited”) (HKEx Stock Code: 1401). Ms. Tseng graduated from Fu Jen Catholic University (天主教輔仁大學) with a Bachelor’s Degree in Mass Communication in 1991.

SENIOR MANAGEMENT

Mr. Dai Yong, aged 44, joined Geely in 2018 and is currently the Vice President and CFO of Geely Automobile Group. He has served as the general manager of the Strategic Finance Management Centre and the Strategic Investment Management Centre in Geely Holding, the senior director of the operation management in ZEEKR, deputy CFO and the general manager of the Financial Centre of Geely Automobile Group. Prior to joining Geely, Mr. Dai worked at KPMG and Qingdao Haier in audit and financial management. Mr. Dai obtained a Master’s Degree in Management from Dongbei University of Finance and Economics in 2007 and is also a certified public accountant in the PRC.

Mr. Cheung Chung Yan, David, aged 50, joined the Group as the Financial Controller and Company Secretary on 17 May 2005. Mr. Cheung is a director of two subsidiaries of the Group. He was an independent non-executive director of Ourgame International Holdings Limited (Stock Code of HKEx: 6899). Mr. Cheung holds a Bachelor’s Degree in Business Administration in Accounting from The Hong Kong University of Science and Technology. He is a fellow member of the Association of Chartered Certified Accountants and a member of The Hong Kong Institute of Directors. Mr. Cheung has over 28 years of experience in auditing, accounting and financial management.

Mr. Poon Chi Kit, aged 46, joined the Group on 1 July 2011. He was appointed as the Head of Internal Audit of the Company with effect from 1 October 2015 and is in charge of risk assessment and monitoring, internal audit, and internal control infrastructure development of the Group. He is also the Head of Environmental, Social and Governance of the Company and supports the Sustainability Committee of the Company to promote the Group’s sustainable development. Mr. Poon was the Group Financial Controller of Kandi Electric Vehicles Group Co., Ltd., a former joint venture of the Group. Mr. Poon holds a Bachelor’s Degree in Civil Engineering from the National University of Singapore. He is a fellow of the Hong Kong Institute of Certified Public Accountants. Mr. Poon has over 20 years of experience in auditing, accounting and financial management.

Mr. Chiu Yeung, Adolph, aged 41, joined the Group on 18 August 2010 as a management trainee in support of the senior management and the Board. He was appointed as the Vice President responsible for investment and capital market since October 2015. Mr. Chiu holds a few professional accreditations granted by Hong Kong Securities and Investment Institute. Mr. Chiu obtained a Bachelor of Science Degree from University of Science and Technology of China Special Class for the Gifted Young, and later he carried out scientific research and was employed as teaching assistant independently lecturing the general chemistry courses in the Department of Chemistry of University of Florida.

CORPORATE GOVERNANCE REPORT

Geely Automobile Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) strive to maintain a high standard of corporate governance, with the aim of upholding a strong and balanced board of directors (the “**Board**”) and ensuring transparent and open communication with the Company’s shareholders (the “**Shareholders**”).

In addition to the corporate governance matters discussed in this report, further details regarding the Group’s environmental, social and governance (“**ESG**”) initiatives, including relevant policies and performance in the areas of environmental protection, employment and labour standards, operating practices, and community engagement, as well as compliance with applicable laws and regulations that have a significant impact on the Group, will be provided in the Group’s ESG report. The ESG report will be published on the websites of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Company concurrently with the publication of the Company’s annual report for the year ended 31 December 2025.

For the year ended 31 December 2025, the Company has complied with the code provisions (“**CPs**”) of the Corporate Governance Code (“**CG Code**”), as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), except for CPs C.2.7 and F.1.3. This report further explains how the CG Code has been applied during the year under review, including the considered reasons for any deviation.

• **DIRECTORS**

The directors of the Company (the “**Directors**”) collectively possess extensive experience in the automobile industry, commercial management, and capital market operations. With its diverse composition, the Board is able to provide management with a broad range of perspectives and advice to support effective decision-making. For the biographical details of the Directors, please refer to pages 034 to 037 of this annual report.

The table below sets out the key duties and responsibilities of the Directors, their respective positions on the Board and its committees, as well as the dates of their initial appointment and last re-election at the Company’s general meetings.

Name of Directors	Position(s)	Date of Initial Appointment	Date of Last Re-election	Key Duties and Responsibilities
Mr. Li Shu Fu	Chairman of the Board (the "Chairman") & ED ¹	9 June 2005	25 May 2023	Provides overall corporate strategic direction, Board leadership and corporate governance for the Group
Mr. Li Dong Hui, Daniel	Vice Chairman & ED ¹	15 July 2016	25 May 2023	Oversees the coordination of the Board, strategic development, and the Group's financial system
Mr. Gui Sheng Yue	Chief Executive Officer, ED ¹ & member of SC ⁶	9 June 2005	31 May 2024	Oversees administrative management in Hong Kong, risk management (outside China), compliance, and internal control matters of the Group
Ms. Wei Mei (retired on 30 May 2025)	ED ¹	17 January 2011	25 May 2023	Oversees the Group's operational management, digitalization, and information technology-related matters
Mr. Gan Jia Yue	ED ¹ & chairman of SC ⁶	25 July 2022	30 May 2025	Oversees the Group's overall operational management and risk management in China
Mr. Mao Jian Ming, Moosa	ED ¹	12 July 2024	30 May 2025	Oversees the Group's international business development and capital market activities
Mr. An Qing Heng (retired on 30 May 2025)	INED ² & member of AC ³	17 April 2014	31 May 2024	Provides independent advice to the Board on the automobile industry and strategic deployment
Mr. Wang Yang (retired on 30 May 2025)	INED ² , chairman of NC ⁵ , member of AC ³ , member of RC ⁴ & member of SC ⁶	15 September 2010	31 May 2024	Provides independent advice to the Board on corporate finance, investments, and merger & acquisitions
Ms. Gao Jie	INED ² , chairperson of AC ³ , member of RC ⁴ & member of NC ⁵	1 November 2021	31 May 2024	Provides independent advice to the Board on financial reporting, corporate finance, and investments

CORPORATE GOVERNANCE REPORT

Name of Directors	Position(s)	Date of Initial Appointment	Date of Last Re-election	Key Duties and Responsibilities
Ms. Yu Li Ping, Jennifer	INED ² , member of AC ³ & member of NC ⁵	9 October 2023	31 May 2024	Provides independent advice to the Board on investments and merger & acquisitions
Mr. Zhu Han Song	INED ² , chairman of RC ⁴ & NC ⁵	9 October 2023	31 May 2024	Provides independent advice to the Board on corporate finance and investments
Ms. Tseng Chin I (appointed on 24 March 2025)	INED ² , member of AC ³ , RC ⁴ & SC ⁶	24 March 2025	30 May 2025	Provides independent advice to the Board on investments, public relations, and communication, and enhances Board diversity and strategic insight

Notes:

- 1 ED: Executive Director
- 2 INED: Independent Non-executive Director
- 3 AC: Audit Committee
- 4 RC: Remuneration Committee
- 5 NC: Nomination Committee
- 6 SC: Sustainability Committee

Responsibilities of Directors

The Directors acknowledge their responsibilities to apply the appropriate levels of skill, care, and diligence in the discharge of their duties. The Board also understands that where potential conflicts of interest arise, the non-executive Directors (including the independent non-executive Directors) will take the lead in discussing the relevant transactions being contemplated. Where is a Director or any of his/her associates has a material interest in a transaction, he/she will abstain from voting.

To ensure that every newly appointed Director is fully aware of his/her responsibilities and required conduct (particularly in the case of non-executive Directors and independent non-executive Directors, who are expected to bring independent judgment to the Board), and to provide a general understanding of the Company's business activities and development, the Company arranges a comprehensive, formal, and tailored induction programme upon appointment. Such induction training was arranged for Ms. Tseng Chin I, who was appointed as an independent non-executive Director on 24 March 2025.

In accordance with Rule 3.09D of the Listing Rules, Ms. Tseng Chin I obtained independent legal advice on 21 March 2025 and confirmed that she understood her obligations as a Director of the Company.

The Directors disclose to and update the Company annually on the number and nature of offices they hold in public companies or organizations, as well as other significant commitments, together with the time involved. Any changes during the year are reflected in their profiles and disclosed on the Company's website, interim report, and annual report in due course. All Directors confirmed that they devoted sufficient time and attention to the Group's affairs during the year. The independent non-executive Directors also confirmed their independence and their ability to provide constructive and informed comments on the development of the Company's strategy and policies in the course of discharging their duties. The Board reviewed the relevant disclosures, confirmations, and declarations, as well as the Directors' actual time contributions, and concluded that all Directors had taken an active interest in the Group's affairs during the year.

Board Evaluation

The Board conducted a performance evaluation through a questionnaire to collect Directors' views on the Board's performance and effectiveness for the year ended 31 December 2025. The evaluation covered, among other matters, the Board's composition and skills, board culture and dynamics, board practices, the quality and timeliness of information provided to the Board, the effectiveness of Board meetings, compliance and training, risk management and internal controls, and engagement with stakeholders.

Continuous Professional Development

Rule 3.09F of the Listing Rules requires every director of the Company to receive continuous professional development ("CPD") in each financial year. CP C.1.1 also provides that the Company should be responsible for arranging and funding suitable CPD for all directors. During the year, the Company hosted a CPD session for the Directors on 26 November 2025, which covered the topics set out in Rule 3.09G of the Listing Rules. To support the Directors' development and to refresh their knowledge and skills for their ongoing contribution to the Board, Directors may submit applications, with details of the curriculum and the relevant course fees, to the Chief Executive Officer of the Company ("CEO"). Once the proposed training is considered acceptable, the course fees will be fully reimbursed.

In addition, as the Directors are geographically dispersed, the Company provided them with technical updates issued by the Securities and Futures Commission, as well as listing compliance updates, including, among other things, continuing listing criteria, rule amendments, and a review of issuers' ESG practice disclosures during the year. The Company received written confirmations from the Directors acknowledging their full understanding of these training materials.

The attendance records of the Directors' participation in CPD during the year, maintained by the Company Secretary of the Company (the "Company Secretary"), are set out below:

CORPORATE GOVERNANCE REPORT

	Reading Materials/ Regulatory Updates/ Monthly Board Reports	CPD Session
Executive Directors		
Mr. Li Shu Fu (<i>Chairman</i>)	√	√
Mr. Li Dong Hui, Daniel (<i>Vice Chairman</i>)	√	√
Mr. Gui Sheng Yue (<i>CEO</i>)	√	√
Ms. Wei Mei (<i>retired on 30 May 2025</i>)	√	N/A
Mr. Gan Jia Yue	√	√
Mr. Mao Jian Ming, Moosa	√	√
Independent Non-executive Directors		
Mr. An Qing Heng (<i>retired on 30 May 2025</i>)	√	N/A
Mr. Wang Yang (<i>retired on 30 May 2025</i>)	√	N/A
Ms. Gao Jie	√	√
Ms. Yu Li Ping, Jennifer	√	√
Mr. Zhu Han Song	√	√
Ms. Tseng Chin I (<i>appointed on 24 March 2025</i>) ^{Note}	√	√

Note: Induction training was provided by external legal counsel prior to the appointment.

Supply of and Access to Information

The Company provides the Directors with adequate and timely information to enable them to make informed decisions and discharge their duties and responsibilities properly. The Company also ensures that each Director has separate and independent access to senior management whenever necessary, and that any queries raised by the Directors receive prompt and complete responses.

For notices, intended agendas, papers, and materials relating to meetings of the Board and its committees, the management team provides complete, reliable, and timely information to the Directors, together with appropriate briefings on the matters and issues to be considered at the meetings. The Company also keeps the Directors informed, in a timely manner, of the execution status and latest developments of the matters and issues resolved by them. In addition to regular Board meetings, the Company provides the Board with reports on the Group's consolidated management accounts and sales volume on a monthly basis, as well as investor relations updates and share price performance on an ad hoc basis.

Securities Transactions of the Directors and Senior Management

During the year, the Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Listing Rules as its own guidelines for the dealings in the Company's securities by its relevant employees.

The Directors, having been specifically enquired, confirmed their compliance with the required standards set out in the Model Code during the year, and no cases of non-compliance were reported. As at 31 December 2025, details of the Directors' interests in the Company's securities are set out on pages 076 to 079 of this annual report.

Details of the shareholdings of the senior management as at 31 December 2025 are set out below:

Name	Number of the Company's shares
Mr. Dai Yong	78,250
Mr. Cheung Chung Yan, David	74,625
Mr. Poon Chi Kit	93,850
Mr. Chiu Yeung, Adolph	392,632

In addition, the Company issued notices to all Directors and relevant employees reminding them to comply with the Model Code during the 60 days preceding the publication of the annual results, the 30 days preceding the publication of the interim results and quarterly results, and at any time when they are in possession of, or privy to, any unpublished inside information of the Group before it is properly disclosed by means of an announcement.

The Company has also adopted an internal policy on handling inside information, consistent with the relevant requirements of the Listing Rules. The policy sets out measures and procedures for the Directors and other relevant officers of the Company when dealing with potential inside information, including the preservation of confidentiality whenever applicable. It also provides guidelines for the Board to disclose any material inside information in a timely manner in accordance with statutory and regulatory requirements.

Insurance for Directors and Senior Management

During the year, the Company arranged liability insurance for the Directors and senior management to provide appropriate coverage in respect of the performance of their duties. The Board considered the insured amount to be adequate. The insured amount is subject to annual review by the Audit Committee and the Board.

- **THE BOARD**

The Company is effectively led by the Board, which provides strong leadership in strategic direction and the overall management of corporate matters from a balanced and pragmatic perspective.

Corporate Governance Duties

During the year, the Board performed the following corporate governance duties:

- Reviewed the Company's existing corporate governance policies, including the Whistleblowing Policy, the Remuneration Policy, the Shareholders' Communication Policy, the Dividend Policy, the Director Nomination Policy, the Board Diversity Policy, the Workforce Diversity Policy, and the Anti-Corruption Policy.
- Reviewed the scope of knowledge and skills covered in the CPD arrangements provided by the Company to the Directors and/or senior management.
- Reviewed the effectiveness of the internal procedures for overseeing the timely disclosure of material inside information and preserving its confidentiality.
- Monitored the compliance of the Model Code by the Directors and relevant employees of the Group.
- Reviewed the Company's code of conduct and compliance manual, including the Code of Conduct and the Supplier Code of Conduct.
- Reviewed the Company's compliance with the CG Code and the related disclosures in this report.

Management Functions Delegated by the Board

The Board has delegated responsibility for executing strategies and making day-to-day operational and administrative decisions of the Company to the management team, led by the CEO.

The Board has also established written guidelines for the management team regarding matters for which final decision-making authority rests with the Board and its prior approval is required. These matters include, but are not limited to, proposed notifiable transactions, connected transactions, significant domestic and/or overseas investments, major business decisions relating to operations and business strategy, change in key management personnel of the Group, and the disclosure of inside information.

Composition of the Board

The Company has appointed independent non-executive Directors representing at least one-third of the Board, one of whom possesses appropriate professional qualifications or accounting or related financial management expertise. As at 31 December 2025, the Board comprised five executive Directors and four independent non-executive Directors, namely Ms. Gao Jie (a Chartered Global Management Accountant (CGMA), a fellow of the Chartered Institute of Management Accountants (FCMA), and a member of the American Institute of Certified Public Accountants), Ms. Yu Li Ping, Jennifer, Mr. Zhu Han Song and Ms. Tseng Chin I. Details of the compositions of the Board and its committees are set out on page 303 of this report.

The independent non-executive Directors are identified in all corporate communications that disclose the names of Directors. An updated list of Directors and their roles and functions is available on the Company's website (<http://www.geelyauto.com.hk>) under the "Investor Centre" section headed "Environmental, Social and Corporate Governance", and on the website of the Stock Exchange (<http://www.hkexnews.hk>) for Shareholders' inspection.

Appointments and Re-election of Directors

All Directors, including independent non-executive Directors, are appointed for a specific term of not more than three years and are subject to retirement by rotation at least once every three years at the Company's general meetings. Directors appointed to fill a casual vacancy are also subject to election by Shareholders at the first general meeting following their appointment.

In accordance with Article 116 of the second amended and restated articles of association of the Company (the "**Articles of Association**"), Mr. Li Shu Fu, Mr. Li Dong Hui, Daniel and Mr. Gui Sheng Yue will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting of the Company. None of the Directors proposed for re-election has a service contract with the Group that is not determinable within one year without payment of compensation (other than statutory compensation).

Meetings of the Board

As required by business needs, the Company held a total of 7 regular Board meetings, 19 ad hoc Board meetings, 105 meetings of the Executive Committee of the Board ("**EC**"), 7 meetings of the Audit Committee ("**AC**"), 7 meetings of the Remuneration Committee ("**RC**"), 4 meetings of the Nomination Committee ("**NC**"), 4 meetings of the Sustainability Committee ("**SC**"), 1 annual general meeting ("**AGM**"), and 3 extraordinary general meetings ("**EGMs**") for the financial year ended 31 December 2025.

Most of the meetings of the Board and its committees were duly attended by a majority of the Directors through electronic means in accordance with the Articles of Association, as most Directors were engaged in business activities in the PRC. During the year, the Directors attended the meetings of the Board and its committees in person (including by electronic means) and did not appoint any alternate director. For any Board resolution approving a contract, arrangement, or other proposal in which a Director or any of his/her associates had a material interest ("**Interested Director**"), the Interested Director abstained from voting on the relevant resolutions at such Board meetings and the committee meetings. The presence of the non-interested independent non-executive Directors was ensured in these circumstances.

The following table sets out the attendance of each Director at the meetings of the Board, its committees, and general meetings of the Company. The denominators reflect the total number of meetings held during the year that each Director was entitled to attend, to show accurate attendance rates for Directors who were appointed or retired partway through the year.

CORPORATE GOVERNANCE REPORT

Name of Directors	Attendance Rate for Meetings							AGM	EGMs
	Regular Board	Ad hoc Board	EC	AC	RC	NC	SC		
	Meetings	Meetings	Meetings	Meetings	Meetings	Meetings	Meetings		
Executive Directors									
Mr. Li Shu Fu (<i>Chairman</i>)	7/7	19/19	-	-	-	-	-	0	0/3
Mr. Li Dong Hui, Daniel (<i>Vice Chairman</i>)	7/7	19/19	-	-	-	-	-	0	3/3
Mr. Gui Sheng Yue (<i>CEO</i>)	7/7	19/19	105/105	-	-	-	4/4	1	3/3
Ms. Wei Mei (<i>retired on 30 May 2025</i>)	2/2	7/7	-	-	-	-	-	1	0/1
Mr. Gan Jia Yue	7/7	19/19	105/105	-	-	-	4/4	1	3/3
Mr. Mao Jian Ming, Moosa	7/7	19/19	-	-	-	-	-	1	3/3
Independent Non-executive Directors									
Mr. An Qing Heng (<i>retired on 30 May 2025</i>)	2/2	7/7	-	3/3	-	-	-	1	1/1
Mr. Wang Yang (<i>retired on 30 May 2025</i>)	2/2	7/7	-	3/3	3/3	2/2	1/1	1	0/1
Ms. Gao Jie	7/7	19/19	-	7/7	7/7	4/4	-	1	3/3
Ms. Yu Li Ping, Jennifer	7/7	19/19	-	7/7	-	4/4	-	1	3/3
Mr. Zhu Han Song	7/7	19/19	-	-	7/7	2/2	-	1	3/3
Ms. Tseng Chin I (<i>appointed on 24 March 2025</i>)	6/6	17/17	-	5/5	5/5	-	3/3	1	2/2

Relationship of the Board Members

None of the members of the Board has any relationship (including financial, business, family, or other material/relevant relationships) with one another, and in particular, with the Chairman and the CEO.

Existing Independent Non-executive Directors

Each of the independent non-executive Directors has entered into a three-year term of service with the Company under a formal letter of appointment. They are subject to retirement by rotation at least once every three years and will offer themselves for re-election at the annual general meeting of the Company.

The Company has received annual written confirmations of independence from each independent non-executive Director pursuant to Rule 3.13 of the Listing Rules. Based on such confirmations and having regard to the independence criteria set out in Rule 3.13, the Board considers that all independent non-executive Directors were independent during the year.

When a matter to be resolved at a meeting involves a substantial Shareholder or a Director who has a conflict of interest that is determined by the Board to be material, the independent non-executive Directors with no material interest in the matter will attend the relevant Board or committee meetings and lead the discussions.

Chairman and Chief Executive Officer

The Chairman and the CEO are Mr. Li Shu Fu and Mr. Gui, respectively, ensuring a balance of power and authority.

The Chairman provides leadership for the effective functioning of the Board. He delegates to the Company Secretary the responsibility for facilitating the proper convening of the Board and committee meetings and the dissemination of adequate information. This ensures that Directors are properly briefed on the matters to be considered and are encouraged to discuss key issues of the Group in a timely manner. The Chairman has also authorised the Company Secretary to prepare the agendas for the relevant meetings and circulate them to the Directors for comments. Items proposed by Directors will be included in the agendas for further discussion. A culture of openness and constructive engagement between executive and independent non-executive Directors is promoted.

CP C.2.7 provides that the Chairman should hold meetings with the independent non-executive Directors at least annually without the presence of other Directors. During the year ended 31 December 2025, such a meeting could not be arranged due to conflicting schedules and prior business commitments of the Directors. Although the meeting was not held during the year, the Chairman delegated the Company Secretary to gather any concerns and/or questions raised by the independent non-executive Directors and report them to him for consideration and potential follow-up.

The CEO is primarily responsible for the daily operations of the Group, with support from other executive Directors and the management team. The division of responsibilities between the Board and the management team has been clearly established in writing.

The Chairman has also delegated to the Company Secretary the responsibility for drafting relevant policies and guidelines to uphold good corporate governance practices and procedures of the Group, such as the Shareholders' Communication Policy and the Director Nomination Policy, to maintain effective engagement with Shareholders and channel their views to the Board as a whole. For details of Shareholders' rights, please refer to pages 060 to 063 of this report.

• **BOARD COMMITTEES**

The Company currently has five Board committees: the Executive Committee, the Remuneration Committee, the Nomination Committee, the Audit Committee, and the Sustainability Committee. The written terms of reference for the Remuneration Committee, Nomination Committee, Audit Committee, and Sustainability Committee are published on the Company's website (<http://www.geelyauto.com.hk>) under the "Investor Centre" section headed "Environmental, Social and Corporate Governance", and on the Stock Exchange's website (<http://www.hkexnews.hk>) for Shareholders' inspection.

Executive Committee

An Executive Committee comprising Mr. Gui and Mr. Gan Jia Yue was established in 2015 pursuant to the Articles of Association to primarily handle matters relating to share incentives. Specific written terms of reference have been established to guide the proper performance of its functions. The Executive Committee reports to the Board on its decisions and recommendations, where applicable, at least once every year.

During the year, the Executive Committee held 105 meetings. It approved the issue and allotment of new shares of the Company upon the vesting of restricted share awards and the exercise of share options. Full minutes of the Executive Committee are kept by the Company Secretary and circulated to all committee members for their comments and records within a reasonable period after each meeting. The attendance record, on a named basis, is set out in the table on page 046 of this report.

Remuneration Committee

The Remuneration Committee is responsible for making recommendations to the Board on the remuneration policies and packages for Directors and senior management, with access to independent professional advice at the Company's expense where necessary. Its duties include assessing the performance of executive Directors and senior management; approving the terms of service contracts of executive Directors and senior management; and reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules.

The remuneration packages of executive Directors and senior management may include benefits in kind, pension rights, and compensation payments (including any compensation payable for loss or termination of office or appointment). The level of remuneration should be sufficient to attract, retain, and/or compensate Directors and senior management for the effective operation of the Company without being excessive.

The terms of reference of the Remuneration Committee are published on the Company's website (<http://www.geelyauto.com.hk>) under the "Investor Centre" section headed "Environmental, Social and Corporate Governance" and on the Stock Exchange's website (<http://www.hkexnews.hk>) for Shareholders' inspection.

Proceedings of the Remuneration Committee

The Remuneration Committee, chaired by Mr. Zhu Han Song, an independent non-executive Director, currently comprises three independent non-executive Directors (including the committee chairman). Details of the composition of the Board and its committees are set out on page 303 of this report.

During the year, the Remuneration Committee held 7 meetings. Full minutes of the meetings are kept by the Company Secretary and circulated to all committee members for their comments and records within a reasonable period after each meeting. The attendance record, on a named basis, is set out in the table on page 046 of this report.

During the year, the Remuneration Committee considered the following proposals and made recommendations to the Board, where necessary:

- Reviewed the basic monthly salary, benefits, and year-end bonus of individual executive Directors with reference to their past contributions, experience, duties, the Company's Remuneration Policy, and prevailing market conditions;
- Approved the remuneration package of the newly appointed Director;
- Approved the remuneration package of the retired Directors;
- Approved the remuneration package of an executive Director;
- Approved the grant of share options to eligible grantees;
- Reviewed the Remuneration Policy of the Company; and
- Reviewed and revised the terms of reference of the committee.

Disclosure of Remuneration Payable to Directors and Senior Management

The Remuneration Committee adopts the model described in CP E.1.2(c)(i), under which it is delegated the responsibility to determine the remuneration packages of the Directors, particularly the executive Directors and senior management. In determining remuneration packages, the Remuneration Committee ensures that no Director or any of his/her associate takes part in deciding his/her own remuneration.

CORPORATE GOVERNANCE REPORT

During the year, the Directors conducted self-evaluation of their individual performance and contributions to both the Board and the Group. Under the Company's Remuneration Policy, the remuneration packages of the Directors and senior management comprise two tiers:

1. *Short-term remuneration* – basic monthly salaries and discretionary year-end bonuses; and
2. *Long-term incentives* – share option scheme, share award scheme, and retirement benefits.

This diversified remuneration structure reflects the market value of the Directors' and senior management's responsibilities, encourages them to achieve the Group's corporate objectives, helps attract and retain experienced talent, and provides competitive retirement protection.

For details of the Directors' remuneration, please refer to pages 201 to 203 of this annual report.

No equity-based remuneration with performance-related elements was granted to independent non-executive Directors during the year.

For the year ended 31 December 2025, the remuneration payable to members of senior management fell within the following bands:

	Number of individuals
HK\$2,500,001 – HK\$3,000,000	1
HK\$3,000,001 – HK\$3,500,000	1
HK\$6,000,001 – HK\$6,500,000	1
HK\$7,000,001 – HK\$7,500,000	1
	<u>4</u>

The aggregate emoluments of the above members of senior management were as follows:

	RMB'000
Basic salaries and allowances	9,045
Retirements benefits and scheme contributions	217
Share-based payment expenses	8,606
	<u>17,868</u>

Nomination Committee

The role and function of the Nomination Committee is to determine the policy for the nomination of Directors, with support from independent professional advice at the Company's expense where necessary. The terms of reference of the Nomination Committee are published on the Company's website (<http://www.geelyauto.com.hk>) under the "Investor Centre" section headed "Environmental, Social and Corporate Governance" and on the Stock Exchange's website (<http://www.hkexnews.hk>) for Shareholders' inspection.

Proceedings of the Nomination Committee

The Nomination Committee, chaired by Mr. Zhu Han Song, an independent non-executive Director, currently comprises three independent non-executive Directors (including the committee chairman). Details of the composition of the Board and its committees are set out on page 303 of this report.

The Nomination Committee reviews the composition of the Board annually (or more frequently if necessary) to ensure that the Board maintains an appropriate balance of expertise, skills, knowledge, and experience aligned with the Company's corporate strategy. When selecting and recommending candidates for directorship, the committee considers the candidates' qualifications, abilities, work experience, leadership, professional ethics, and independence (as applicable), before recommending high caliber candidates to the Board for selection and appointment.

During the year, the Nomination Committee held 4 meetings. Apart from the nomination of a new independent non-executive Director, the committee:

- approved the change of the committee chairman;
- reviewed the existing structure, size, and composition of the Board in accordance with the Board Diversity Policy;
- reviewed the Director Nomination Policy and the Board Diversity Policy;
- reviewed the independence of the four existing independent non-executive Directors;
- reviewed the mechanism to ensure independent views and input are available to the Board; and
- reviewed and revised the terms of reference of the committee.

Full minutes of the Nomination Committee are kept by the Company Secretary and circulated to all committee members for their comments and records within a reasonable period after each meeting. The attendance record, on a named basis, is set out in the table on page 046 of this report.

Procedures and Process for Nomination of Director by the Nomination Committee

Upon identifying a director candidate, the Nomination Committee first determines whether there is a need for additional or replacement Board members. It then evaluates the candidate using the objective criteria described above, based on information received with the recommendation or otherwise in its possession, which may be supplemented by further inquiries. If

the Nomination Committee, in consultation with other Board members (including the Chairman), considers that a more comprehensive evaluation is required, it may obtain additional information on the candidate's background and experience, including through interviews. The Nomination Committee will then conduct further evaluation using the established criteria. Feedback from other directors, including the Chairman, is also taken into account before the Nomination Committee recommends suitable candidate(s) to the Board for nomination.

The Nomination Committee may engage an independent professional party to assist in the search for director candidates or in gathering information regarding a candidate's background and experience. If such a professional party is engaged, the Company will bear the related costs to enable the Nomination Committee to discharge its duties effectively.

Board Diversity Policy

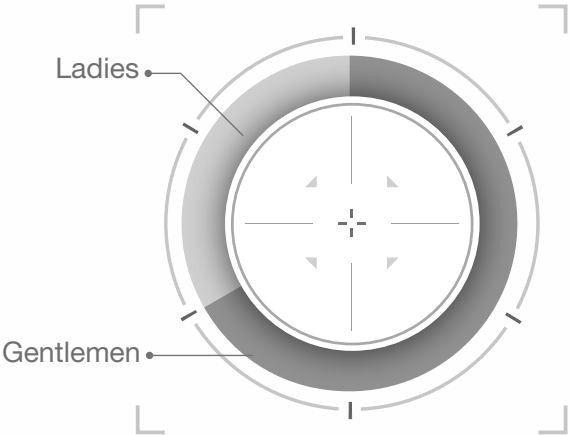
To achieve sustainable and balanced development, the Company considers Board diversity an essential element. The Company's Board Diversity Policy is published on the Company's website (<http://www.geelyauto.com.hk>) under the "Investor Centre" section headed "Environmental, Social and Corporate Governance".

To enhance the effectiveness of the Board and to support the sustainable and balanced development of the Group, the Board ensures that diversity is considered from multiple perspectives when determining its composition. The nomination and selection of Board candidates are based on objective criteria and take into account a wide range of diversity factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, and length of service.

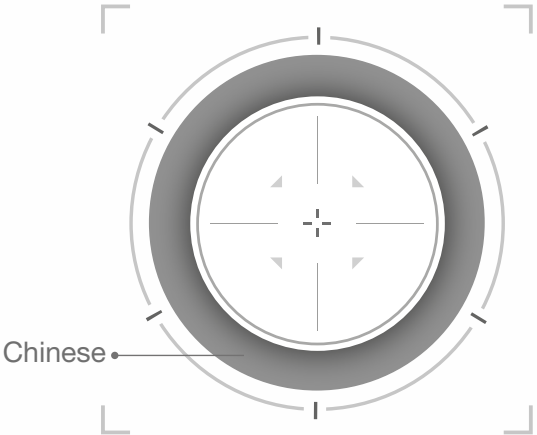
**CORPORATE
GOVERNANCE REPORT**

The Board reviews the Board Diversity Policy at least annually, or as appropriate, to ensure its continued effectiveness. Taking into account the significant development of the consumer products market, various diversity perspectives were analyzed in assessing the Board's composition during the year, as illustrated in the pie charts below.

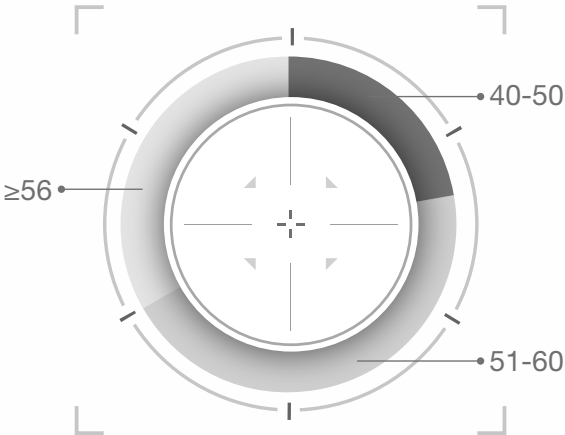
| By Gender



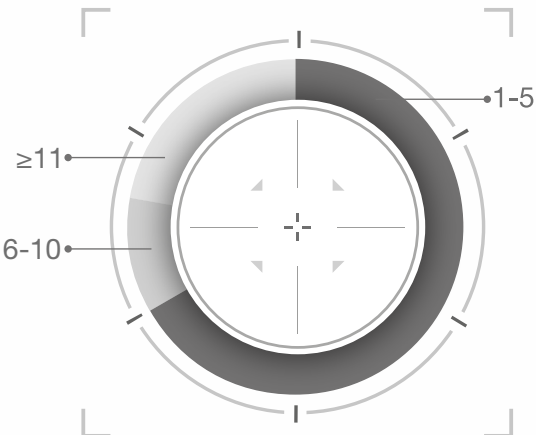
| By Ethnicity



| By Age Range (years old)



| By Length of Service with the Company (years)



The Company set a target in 2023 of achieving 30% or more female Directors on the Board by the end of 2025 to further enhance corporate governance practices. As at 31 December 2025, the Board had three female Directors, representing approximately 33% of its membership.

The Company has adopted the following measures to develop a pipeline of potential successors to the Board:

- Implementing flexible Board arrangements, such as virtual Board meetings or flexible meeting schedules, to support the work-life balance of Board members and enable them to advance in their Board careers;
- Providing access to Board governance training and skills-development opportunities to help potential female Directors build the capabilities required for Board service;
- Setting gender diversity targets in the boardroom to ensure a pipeline of potential female successors; and
- Applying objective criteria in selecting Board members, such as skills, experience, qualifications, and background, to reduce bias and ensure that females are considered fairly.

These measures help create a supportive environment that enables females to develop the skills and experience necessary to advance to the Board level and ensure a sustainable pipeline of potential female successor, thereby supporting the achievement of gender diversity on the Board.

The Company has adopted the Workforce Diversity Policy, which aims to foster a corporate culture that values and promotes diversity, and to create an equal, inclusive and diverse workplace. Details of gender diversity at the workforce level (including senior management) are provided in the Group's ESG report, which is published on the websites of the Stock Exchange and the Company concurrently with the publication of its annual report for the year ended 31 December 2025.

Independent Views and Input

The Company has established a mechanism to ensure that independent views and input are available to the Board by appointing a sufficient number of independent non-executive Directors, all of whom meet the independence requirements under Rule 3.13 of the Listing Rules. Four independent non-executive Directors, representing more than one-third of the Board, devoted adequate time to the Group during the year. These Directors provided their views and opinions through meetings of the Board and/or its committee(s) with management from time to time. Their participation ensures that decisions made by the Board and/or its committee(s) are in the interests of the Company and its Shareholders as a whole, rather than being influenced by personal or financial interests.

To facilitate the proper discharge of their duties, all Directors are entitled to seek advice from the Company Secretary or, upon reasonable request, seek independent professional advice at the Company's expense. Monthly business updates and annual performance reports are also provided to the Board to support their independent views and input.

The Board reviews the implementation and effectiveness of these mechanisms on an annual basis. During the year ended 31 December 2025, the Board reviewed these arrangements and considered that they were effective in ensuring that independent views and input were provided to the Board.

Audit Committee

The role and function of the Audit Committee are to investigate any activity within its terms of reference; to request any information it requires from any employee, with all employees directed to cooperate with its request; to establish and review arrangements for employees and other parties dealing with the Company to raise concerns, in confidence, about possible improprieties in financial reporting, internal controls, risk management, or other matters, and to ensure that proper arrangements are in place for fair and independent investigation and appropriate follow-up action; and to review the Group's financial and accounting, risk management and internal control systems, policies and practices. The Audit Committee is also entitled to seek independent professional advice at the Company's expense where necessary. In addition, it acts as the key representative body overseeing the Company's relationship with the external auditor.

The terms of reference of the Audit Committee are published on the Company's website (<http://www.geelyauto.com.hk>) under the "Investor Centre" section headed "Environmental, Social and Corporate Governance", and on the Stock Exchange's website (<http://www.hkexnews.hk>) for Shareholders' inspection.

Proceedings of the Audit Committee

The Audit Committee, chaired by an independent non-executive Director who is a member of the American Institute of Certified Public Accountants, currently comprises three members (including the committee chairperson), all of whom are independent non-executive Directors. Details of the composition of the Board and its committees are set out on page 303 of this report.

During the year, the Audit Committee held 7 meetings. Full minutes of the meetings are kept by the Company Secretary and circulated to all committee members for their comments and records within a reasonable period after each meeting. The attendance record, on a named basis, is set out in the table on page 046 of this report.

During the year, the Audit Committee considered the following matters and, where necessary, made recommendations to the Board:

- Reviewed and approved the 2024 annual audit plan, including the key audit matters preliminarily identified and the corresponding audit procedures;
- Reviewed the Group's audited annual results for the year ended 31 December 2024, including major accounting and audit issues raised by the external auditor;
- Reviewed the Group's first quarterly results for the three months ended 31 March 2025;
- Reviewed the Group's interim results for the six months ended 30 June 2025;

- Reviewed the Group's third quarterly results for the nine months ended 30 September 2025;
- Assessed the independence and objectivity of the external auditor and approved the annual audit fee for the year ended 31 December 2025;
- Approved the insurance coverage of the Directors' and officers' liabilities of the Group and confirmed the adequacy of such coverage;
- Reviewed the internal audit findings presented by the Internal Audit Department and assessed the effectiveness of the Group's risk management and internal control systems;
- Reviewed the Whistleblowing Policy; and
- Reviewed and revised the terms of reference of the committee.

Relationship with the External Auditor

In addition to meetings with the Company's external auditor four times a year for approving the quarterly, interim, and annual results, the Audit Committee also meets with the external auditor in the absence of management, including executive Directors, whenever necessary to discuss matters related to the audit. These discussions may include the nature and scope of the audit, key audit matters, reporting obligations, audit fees, non-audit services, and issues arising from the audit (such as the judgment used in financial reporting and compliance with financial reporting and auditing standards). The Audit Committee also reviews and monitors the independence and objectivity of the external auditor and the effectiveness of the audit process in accordance with applicable standards.

Risk Management and Internal Control

For the year ended 31 December 2025, the Board conducted an annual review of the effectiveness of the Group's risk management and internal control systems, based on confirmations provided by the management and inputs from the Audit Committee. The Board confirmed that the Group's risk management and internal control systems, including the adequacy of resources for designing, implementing, and monitoring such systems, covering staff qualifications and experience, training programmes, and the budget of the Group's accounting, internal audit, and financial reporting functions, as well as those relating to the Group's ESG performance and reporting, were effective and adequate during the year.

The Board has overall and ongoing responsibility for the Group's risk management and internal control systems, and reviews their effectiveness at least annually. It is acknowledged that these systems are designed to manage rather than eliminate, the risk of failure to achieve business objectives, and can only provide reasonable, and not absolute, assurance against material misstatement or loss.

The Group's risk management framework and internal control systems are developed based on the "Three Lines of Defense" model, with reference to the Committee of Sponsoring Organizations of the Treadway Commission ("COSO")'s "Internal Control – Integrated Framework" and the "Basic Standard for Enterprise Internal Control" issued by the Ministry of Finance of the People's Republic of China and four other ministries.

CORPORATE GOVERNANCE REPORT

The Board fosters a corporate culture that values integrity and ethical conduct, and communicates the tone from the top throughout the Group by advocating these values in internal conferences and through the publication of the Code of Conduct, the Anti-Corruption Policy, and other ESG-related policies.

Through its risk oversight role, the Board ensures that management establishes effective risk management practices consistent with the Group's strategy and risk appetite. Management, in turn, formulates risk management policies and internal control processes to identify, evaluate, and manage risks. Each business unit implements these policies and processes in day-to-day operations and reports significant risks (including ESG-related risks) to management at least annually. Upon assessing these risks, management allocates sufficient resources to mitigate them and monitors risk developments reported by the respective business units. Management communicates its risk management and internal control findings to the Board to facilitate the Board's assessment of system effectiveness.

The Internal Audit Department reviews the Group's material internal control aspects, including financial, operational, and compliance controls as well as the risk management function, and reports its findings to the Audit Committee at least twice a year and on an ad hoc basis, without the presence of management. Findings are communicated to management, and remedial actions are implemented to address identified deficiencies. No material internal control deficiencies were identified during the year.

Where the Board or the Audit Committee raises concerns regarding the Group's risk management and internal control matters, the Internal Audit Department conducts further investigation and reports its findings and recommendations to management. The Internal Audit Department also maintains effective communication with the external auditor during interim review and annual audit with respect to the Group's internal control system.

The Group has established a policy for the handling and dissemination of inside information, including relevant control procedures and safeguards. These procedures and safeguards are implemented monthly and on an as needed basis by the relevant department heads and management involved in handling inside information. The Group has also adopted the Whistleblowing Policy and the Anti-Corruption Policy. The Whistleblowing Policy provides a confidential avenue for employees, suppliers, customers, and other stakeholders to report suspected misconduct or malpractice within the Group. The Anti-Corruption Policy aims to regulate anti-bribery and anti-corruption compliance, promote the conduct of business in a fair, just, and transparent market environment, and support the achievement of the Group's business objectives and sustainable development.

Sustainability Committee

The role and function of the Sustainability Committee are to assist the Board in overseeing the Group's ESG development and to provide guidance on the implementation of related measures to promote the Group's sustainability. The terms of reference of the Sustainability Committee are published on the Company's website (<http://www.geelyauto.com.hk>) under the "Investor Centre" section headed "Environmental, Social and Corporate Governance", and on the Stock Exchange's website (<http://www.hkexnews.hk>) for Shareholders' inspection.

Proceedings of the Sustainability Committee

The Sustainability Committee, chaired by Mr. Gan Jia Yue, an executive Director, currently comprises two executive Directors (including the committee chairman) and one independent non-executive Director. Details of the composition of the Board and its committees are set out on page 303 of this report.

During the year, the Sustainability Committee held 4 meetings. The committee reviewed the Group's performance, risk and opportunity assessments, and resource allocation relating to sustainability, as well as the implementation progress of the Group's ESG strategies, including but not limited to carbon emissions and climate change. It also engaged an external consultant for the preparation of the 2025 ESG report, reviewed the 2024 ESG report, recommended the appointment of a committee member to the Board, reviewed new and revised ESG-related policies (e.g., the Workforce Diversity Policy), and reviewed the terms of reference of the committee.

Full minutes of the Sustainability Committee are kept by the Company Secretary and circulated to all committee members for their comments and records within a reasonable period after each meeting. The attendance record, on a named basis, is set out in the table on page 046 of this report.

• ACCOUNTABILITY AND AUDIT

The Directors were provided with major financial information and related explanations that enabled them to make informed assessments. Such information was provided on a monthly basis and included, among other things, background or explanatory information relating to disclosures, budgets, forecasts, and other relevant internal financial information, such as the consolidated financial statements of the Company.

The Directors acknowledge their responsibility for preparing the accounts for each financial period, which should present a true and fair view of the Company's operating results and financial position, and for monitoring the integrity of the Company's financial statements and corporate communications. The Directors are also aware of the need to ensure that a balanced, clear, and understandable assessment is provided in the Company's annual and interim reports, as well as in other financial disclosures required under the Listing Rules and other applicable regulatory and statutory requirements.

In preparing the financial statements for the year ended 31 December 2025, the Directors selected appropriate accounting policies and applied them consistently, made judgements and estimates that are prudent and reasonable, and prepared the accounts on a going concern basis. The reporting responsibilities of the Company's independent auditor in respect of the audit of the consolidated financial statements for the year ended 31 December 2025 are set out in the independent auditor's report contained in this annual report.

CORPORATE GOVERNANCE REPORT

Although the Group was in a net current liabilities position as at 31 December 2025, the Directors, having considered the cash inflows from profitable operations, the availability of stand-by banking facilities, and the Group's plans to enhance liquidity, believe that the Group has sufficient financial resources to meet its present requirements. Accordingly, the Directors remain satisfied that the Group can continue to operate as a going concern. Details of the Group's going concern assessment are set out in note 4(a) to the consolidated financial statements of this annual report.

During the year, the Directors were not aware of any material uncertainties related to events or conditions that might cast significant doubt on the Company's ability to continue as a going concern. The Board also conducted an annual review of the effectiveness of the Group's risk management and internal control systems. In addition, to enhance information transparency, the Company has voluntarily announced its monthly sales volume figures since January 2010.

Long-term Strategy

The Company's long-term objective is to deliver sustainable growth in Shareholders' returns and to become a leading global automobile group with a strong reputation and integrity, earning the respect from its customers. The strategies adopted to achieve these goals include:

- Achieving economies of scale through the expansion of sales volume and production capacity;
- Broadening the product range and expanding geographically in both domestic and international markets;

- Focusing on quality, technology, customer service, and customer satisfaction;
- Pursuing organic expansion supplemented by mergers and acquisitions, and strategic alliances;
- Preserving competitive strengths in cost effectiveness, flexibility and intellectual property resources;
- Attaining carbon neutrality and building an environmental-friendly mobility ecosystem that aligns with clean, green and sustainable development trends; and
- Integrating comprehensive ESG practices, including climate-related disclosures, risk management, and sustainability initiatives, to meet regulatory requirements and stakeholder expectations.

External Auditor and their Remuneration

Grant Thornton Hong Kong Limited, the independent auditor of the Company, has set out its reporting responsibilities in respect of the audit of the consolidated financial statements of the Company for the year ended 31 December 2025 in the independent auditor's report contained in this annual report.

During the year, there was no disagreement between the Board and the Audit Committee regarding the re-appointment of Grant Thornton Hong Kong Limited or the terms of their engagement, including their fees, following the Audit Committee's assessment of their independence and objectivity. Grant Thornton Hong Kong Limited will hold office until re-election by the Shareholders at the forthcoming annual general meeting of the Company.

For the year ended 31 December 2025, the remuneration paid to the auditor for the provision of audit and non-audit services to the Group (including any entity under common control, ownership, or management with the audit firm, or any entity that a reasonable and informed third party would regard as being part of the audit firm nationally or internationally) was as follows:

	2025
	RMB'000
Audit Service	
Annual audit	7,089
Non-audit Services	
First quarterly results – agreed-upon procedures	80
Interim review	780
Third quarterly results – agreed-upon procedures	80
Other review and agreed-upon procedures on connected transactions and registration of debt financing instruments*	340
General tax advisory and compliance services	100
	1,380
Total	8,469

* Please refer to the Company's announcements dated 2 March 2025, 20 June 2025, and 13 October 2025 for further details.

• COMPANY SECRETARY

The Company Secretary is an employee of the Company and is involved in its day-to-day affairs. He completed more than 15 hours of professional training during the year ended 31 December 2025.

Reporting to the Chairman and/or the CEO, the Company Secretary plays an important role in ensuring that Board procedures are appropriate for the Company's business needs and that the Company complies with all applicable laws, rules, and regulations. Directors may obtain advice and support from the Company Secretary regarding developments in corporate governance, as well as applicable legal and regulatory requirements. Upon reasonable request, the Board has delegated to the Company Secretary the authority to seek independent professional advice, at the Company's expense, to assist Directors in discharging their duties.

As delegated by the Chairman, the Company Secretary is responsible for preparing meeting agendas and issuing notices to the Board and its committees at least 14 days before regular meetings, or within a reasonable time for ad hoc meetings, and for ensuring that management provides relevant Board papers to Directors at least 3 days before the meetings. This enables Directors to receive adequate, accurate, clear, complete and reliable information in a timely manner to support effective and informed decision-making.

The Company Secretary also ensures that meetings of the Board and its committees are convened and conducted in accordance with applicable laws, regulations, and the procedural requirements set out in the Articles of Association and/or the relevant terms of reference. In addition, the Company Secretary prepares minutes of the meetings and circulates them to Directors for comments within a reasonable period after each meeting. Minutes record in sufficient detail the matters considered and decisions reached, including any concerns raised or dissenting views expressed by Directors. After incorporating Directors' comments, the final minutes are maintained by the Company Secretary and are available for inspection by Directors upon request.

• **SHAREHOLDERS' RIGHTS**

The Company had posted the Shareholders' Communication Policy, which sets out its policies on information dissemination, corporate communication, maintaining communication with Shareholders, Shareholders' rights, the procedures for Shareholders to propose a person for election as a Director or to convene an extraordinary general meeting, formalities of the Shareholders' meetings, and Shareholders' privacy, on its website (<http://www.geelyauto.com.hk>) under the "Investor Centre" section headed "Environmental, Social and Corporate Governance" for Shareholders' inspection.

As part of its ongoing commitment to transparency and open communication, the Company conducted a comprehensive review of its Shareholders' Communication Policy during the year and made corresponding revisions to align with the Companies Act (As Revised) of the Cayman Islands and the CG Code. The review process included an assessment of the Policy's effectiveness in facilitating timely and accurate communication between the Company and its Shareholders, as well as gathering stakeholder feedback on potential areas for improvement. Based on this review, the Company concluded that the Shareholders' Communication Policy has been effective in promoting transparency and maintaining positive relationships with stakeholders. The conclusion was reached after evaluating the effectiveness of communication channels, reviewing feedback from shareholders and other stakeholders, and analyzing the frequency and quality of communications throughout the year.

How can Shareholders convene an extraordinary general meeting and put forward proposals at general meetings?

All general meetings other than the annual general meeting ("AGM") are called extraordinary general meetings ("EGM(s)"). General meetings may be held as physical meetings anywhere in the world, as hybrid meetings or as electronic meetings, as determined by the Board in its absolute discretion. An extraordinary general meeting may be convened by Shareholders under the following conditions:

- Upon the written requisition of any Shareholders holding, as at the date of deposit of the requisition, 10% or more of the voting rights (on a one vote per share basis) in the share capital of the Company;
- The requisition must specify the objects of the meeting and the proposed resolutions (if any), be signed by the requisitioner(s), and be deposited at the Company's principal place of business in Hong Kong as set out on page 304 of this annual report under the section headed "Corporate Information";
- If the Board does not, within 21 days from the date of deposit of the requisition, proceed to convene the meeting to be held within a further 21 days, the requisitioner(s) themselves may convene a physical meeting at only one location, which will be the principal meeting place. All reasonable expenses incurred by the requisitioner(s) as a result of the Board's failure shall be reimbursed by the Company; and
- If the Board fails to give Shareholders sufficient notice (i.e., not less than 21 days for an AGM or for passing of special resolutions at an EGM, or at least 14 days for passing ordinary resolutions at an EGM), the meeting is deemed not to have been duly convened.

Enquiries to be properly directed to the Board

The Company's Investor Relations Department, led by the CEO, Mr. Gui, is responsible for responding to Shareholders' general enquiries regarding the Company's business operations. Mr. Gui is delegated by the Board to handle such enquiries and to report them to the Board for further discussion, ensuring that the enquiries are properly directed and addressed.

In handling enquiries, the Investor Relations Department strictly complies with the Company's internal policy on inside information at all times. Contact details of the Company's principal place of business are set out on page 304 of this annual report under the section headed "Corporate Information".

Communication with Shareholders

CP F.1.3 provides that the Chairman and the chairpersons of respective Board committees should attend the Company's annual general meeting. During the year ended 31 December 2025, the Chairman was unable to attend the annual general meeting due to a scheduling conflict and prior business engagements in the PRC. If the Chairman is unable to attend a general meeting, he will assign an executive Director, who does not have a material interest in the matters considered at the meeting, to attend on his behalf and report to him on any enquiries raised by Shareholders. The Company also facilitates conference calls for Shareholders and Directors who are unable to attend in person (including the Chairman), allowing them to address any specific enquiries regarding the meeting agenda. These measures ensure that Shareholders' views are properly communicated to the Board as a whole. In addition, the external auditor is invited to attend the AGM to answer questions regarding the conduct of the audit, the preparation and content of the auditor's report, accounting policies, and auditor's independence.

The Company held its AGM on 30 May 2025. Due to a scheduling conflict and prior business engagements in the PRC, the Chairman, Mr. Li Shu Fu, was unable to attend the meeting, but he assigned an executive Director to report to him on any Shareholders' enquiries after the meeting. Two executive Directors and the external auditor attended the meeting in person and answered questions raised by Shareholders. Six independent non-executive Directors and two executive Directors participated via conference call. A record of the attendance of the relevant Directors, either physically or via conference call, is set out on page 046 of this report.

Voting by Poll

For any resolutions proposed at general meetings of the Company, the bundling of resolutions should be avoided. The Listing Rules stipulate that all votes of shareholders at general meetings must be taken by poll, except where the chairman of the meeting, in good faith, decides to allow a resolution that relates purely to a procedural or administrative matter to be voted by a show of hands.

The chairman of the general meetings will ensure that an explanation of the detailed procedures for conducting a poll is provided and will answer any questions from Shareholders regarding voting by poll to ensure they are familiar with the process.

The Company ensures that notices of annual general meetings and extraordinary general meetings convened for the passing of special resolutions are sent to Shareholders at least 21 clear days before the meeting. Notices for all other EGMs are sent at least 14 clear days in advance.

Policy on Payment of Dividends

The Company has adopted a Dividend Policy that sets out the principles and guidelines governing the declaration, payment, or distribution of the Company's net profits as dividends to Shareholders. The Dividend Policy aims to balance Shareholders' participation in the Company's profits with the need to retain sufficient reserves for future growth and operational requirements, in compliance with the Companies Act (As Revised) of the Cayman Islands and the Corporate Governance Code under Appendix C1 to the Listing Rules.

Subject to the Companies Act (As Revised) of the Cayman Islands and the Articles of Association, the Company may, in a general meeting, declare dividends in any currency to be paid to Shareholders whose names appear on the register of members on a record date determined at the discretion of the Board. No dividend shall exceed the amount recommended by the Board.

The Board may, without convening a general meeting, declare interim dividends when justified by the Company's profits. If the share capital of the Company is divided into different classes, the Board may pay interim dividends on shares carrying deferred, non-preferential, or preferential dividend rights. The Board may also pay dividend half-yearly or at other intervals at a fixed rate if supported by available profits. In addition, the Board may, at its discretion, declare and pay special dividends on shares of any class, in such amounts and on such dates as it considers appropriate.

Dividends may only be declared or paid out of the Company's profits and reserves lawfully available for distribution, including the share premium, in accordance with the Companies Act (As Revised) of the Cayman Islands and the Listing Rules. No dividend shall carry interest against the Company. Before recommending any dividend, the Board may set aside such sums out of profits as it considers prudent to form reserves for meeting liabilities, contingencies, loan repayments, equalising dividends, or for any other purposes it deems appropriate. Such reserves may be applied in the Company's business or invested as the Board determines, and need not be held separately from other Company assets. The Board may also carry forward profits that it considers prudent not to distribute without transferring them into a reserve.

When the Board or the Company in a general meeting resolves to pay or declare a dividend, the Board may determine that such dividend be satisfied wholly or partly by the allotment of fully paid-up shares, provided that Shareholders entitled to the dividend may elect to receive it (or any part of it) in cash instead. In such circumstances, the Company shall comply with the provisions of its Articles of Association relating to scrip dividends.

When considering the declaration and payment of dividends, the Board will take into account the following factors:

- actual and expected financial results of the Group;
- business strategies and expected working capital requirements;
- cash flow and debit position;
- retained profits and distributable reserves of the Group;
- general economic conditions and other internal or external factors affecting the Group's business, financial performance, or position;
- historical dividend distribution patterns;
- Shareholders' interests;
- contractual, statutory, and regulatory restrictions on dividend payments, including those under the Listing Rules; and
- any other factors the Board considers relevant.

The Company will communicate dividend declarations promptly to Shareholders through announcements published on the Stock Exchange's website and the Company's website, ensuring transparency and accessibility in accordance with the Listing Rules.

- **INVESTOR RELATIONS**

Constitutional documents of the Company

The Company's memorandum and articles of association are available on the Company's website (<http://www.geelyauto.com.hk>) under the "Investor Centre" section headed "Environmental, Social and Corporate Governance" and on the website of the Stock Exchange (<http://www.hkexnews.hk>) for Shareholders' inspection. During the year ended 31 December 2025, no changes were made to the Company's memorandum and articles of association.

However, subsequent to the year end and prior to the publication of this annual report, the Board reviewed the Company's constitutional documents and resolved to propose certain amendments to the Memorandum and Articles of Association. These proposed amendments are intended to:

- update the authorised share capital of the Company to reflect the increase approved by Shareholders at the annual general meeting held on 31 May 2024;
- enable Shareholders to attend, participate and vote at general meetings through virtual means via specified conferencing applications and/or communication facilities;

- update the provisions relating to general meeting procedures to align with hybrid and virtual participation;
- bring the Memorandum and Articles of Association in line with the latest regulatory requirements, including those relating to the expanded paperless listing regime under the Listing Rules;
- enable electronic payment mechanisms; and
- incorporate certain other housekeeping and administrative amendments.

These proposed amendments will be subject to approval by the Shareholders at the upcoming AGM to be held on 1 June 2026.

Authorised Share Capital

As at 31 December 2025, the authorised share capital of the Company was HK\$360,000,000, divided into 18,000,000,000 shares of a nominal value of HK\$0.02 each.

Details of substantial Shareholders by aggregate shareholding

Details of Shareholders having a substantial interest in the Company's securities, as defined under the Securities and Futures Ordinance, as at the date of this report are set out on pages 081 to 082 of this annual report.

Details of the last AGM and EGMs in 2025

Event Date & Time	Venue	Major items discussed	Voting results
EGM on 10 January 2025 (Friday) at Hong Kong Time (“HKT”) 4:00 p.m.	Boardrooms 3-4, M/F, Renaissance Hong Kong Harbour View Hotel, 1 Harbour Road, Wan Chai, Hong Kong	approved, ratified and confirmed the LYNK & CO Equity Transfer Agreement and the LYNK & CO Capital Injection Agreement (as defined in the circular of the Company dated 20 December 2024), and the transactions contemplated thereunder.	the resolutions were duly passed by the independent Shareholders as ordinary resolutions by way of poll
AGM on 30 May 2025 (Friday) at HKT 4:00 p.m.	Boardroom 8, Lower Lobby, Renaissance Hong Kong Harbour View Hotel, 1 Harbour Road, Wan Chai, Hong Kong	(i) received and considered the report of the directors, audited financial statements and auditor’s report; (ii) declared a final dividend; (iii) re-election of directors; (iv) authorised the Board to fix the remuneration of the directors; (v) re-appointed Grant Thornton Hong Kong Limited as the auditor of the Company; and (vi) granted a general mandate to the directors to repurchase shares and to issue new shares.	all resolutions were duly passed by the Shareholders as ordinary resolutions by way of poll

CORPORATE GOVERNANCE REPORT

Event Date & Time	Venue	Major items discussed	Voting results
EGM on 5 September 2025 (Friday) at HKT 4:00 p.m.	Boardroom 8, Lower Lobby, Renaissance Hong Kong Harbour View Hotel, 1 Harbour Road, Wan Chai, Hong Kong	(i) approved, ratified and confirmed the Merger Agreement (as defined in the circular of the Company dated 18 August 2025), and the transactions contemplated thereunder; and (ii) granted a specific mandate to the Directors to allot and issue up to 1,098,059,328 Consideration Shares (as defined in the circular of the Company dated 18 August 2025).	the resolutions were duly passed by the independent Shareholders as ordinary resolutions by way of poll
EGM on 18 December 2025 (Thursday) at HKT 4:30 p.m.	Room 2302, 23rd Floor, Great Eagle Centre, 23 Harbour Road, Wan Chai, Hong Kong	(i) approved, ratified and confirmed the CBUs and CKDs Procurement Cooperation Agreement (as defined in the circular of the Company dated 28 November 2025), the transactions contemplated thereunder, and its annual caps; and (ii) approved, ratified and confirmed the R&D Services and Technology Licensing Agreement (as defined in the circular of the Company dated 28 November 2025), the transactions contemplated thereunder, and its annual caps.	all resolutions were duly passed by the independent Shareholders as ordinary resolutions by way of poll

Indication of important dates for the Shareholders in 2026/2027

Event	Date
2026 first quarterly results	: 29 April 2026 (Wednesday)
Closure of the Company's register of members ("Book Close") for determining entitlement to vote at the forthcoming annual general meeting	: 27 May 2026 (Wednesday) to 1 June 2026 (Monday)
Forthcoming annual general meeting	: 1 June 2026 (Monday) at HKT 4:00 p.m. at Room 2302, 23rd Floor, Great Eagle, 23 Harbour Road, Wan Chai, Hong Kong
Ex-entitlement date for final dividend	: 12 June 2026 (Friday)
Book Close for determining entitlement to final dividend	: 16 June 2026 (Tuesday) to 22 June 2026 (Monday)
Record date for final dividend entitlement	: 22 June 2026 (Monday)
Final dividend distribution	: July 2026
2026 interim results announcement	: Late August 2026 (to be confirmed)
2026 third quarterly results	: On or before early November 2026 (to be confirmed)
Financial year end	: 31 December 2026 (Thursday)
2026 annual results announcement	: Late March 2027 (to be confirmed)

DIRECTORS' REPORT

DIRECTORS' REPORT

The directors of the Company (the “**Directors**”) present their annual report together with the audited consolidated financial statements of Geely Automobile Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Company's principal subsidiaries are set out in note 47 to the consolidated financial statements.

RESULTS

The results of the Group for the year ended 31 December 2025 are set out in the consolidated statement of profit or loss and consolidated statement of comprehensive income on page 123 and page 124, respectively of the annual report. The Directors recommend the payment of a final dividend of HK\$0.50 per ordinary share to the shareholders on the register of members on 22 June 2026, amounting to approximately RMB4,732,406,000.

BUSINESS REVIEW

In accordance with section 388 of the Companies Ordinance (Cap. 622) and the disclosure requirements under the Listing Rules, a fair review of the Group's business, including an analysis of the Group's performance during the year using financial and other key performance indicators, as well as a discussion of the Group's likely future development, is set out in the Chairman's Statement on pages 003 to 011 and the Management Report – Performance & Governance on pages 013 to 033 of this annual report. An account of the Group's key relationships with its customers and suppliers, which have a significant impact on the Group and on which its success depends, is set out on page 113 of this annual report and in notes 20 and 25 to the consolidated financial statements. These disclosures form part of this Directors' Report.

Particulars of important events affecting the Group that have occurred since the end of the year ended 31 December 2025 are set out in the Management Report – Performance & Governance on pages 013 to 033.

The principal risks and uncertainties facing the Group are discussed below:

1. It is not certain that the Group may be able to identify or offer popular models to meet changing trends and consumer demands, or to gain market acceptance of the new models

Market trends, consumer demands and needs in the markets where the Group operates change and depend upon various factors, some of which are beyond the Group's control, such as prevailing economic conditions, consumption patterns, disposable income and inherent uncertainty in the market. It is believed that the Group's ability to anticipate, identify and respond to those trends in a timely manner is critical to the Group's success.

However, it is uncertain that the Group may accurately anticipate the shifts in customer needs or timely offer new models that meet those changing trends.

To enrich the Group's model portfolio, the Group plans to continue upgrading its existing product models while simultaneously developing new models. The Group plans to launch multiple new models in 2026 and will continue, in the future, to introduce various new models developed based on modular architectures, including but not limited to the GEA architecture and the SEA architecture. These new models will adopt diversified energy solutions as well as more advanced driver assistance systems, intelligent cockpit features and

other intelligent technologies. However, there can be no assurance that the models developed by the Group will accurately reflect prevailing market trends or customer needs at any given time, or that the new models to be launched will be well received by the market. If the new models fail to gain market acceptance, the Group's brand image, business, financial condition, results of operations and prospects may be materially and adversely affected.

2. It is not certain that the Group's research and development capabilities, on which the Group's continued growth depends, and its research and development efforts will be successful

The automobile market is characterized by changing technologies, periodic new model introductions and evolving end-user customer and industry requirements. The Group's competitors are continuously developing automobiles that adopt advanced technologies to operate more efficiently and cost-effectively. The Group's continued success, therefore, depends on its ability to develop new products that can successfully compete with those offered by its competitors in terms of design, performance and price, which, in turn, depends largely on its research and development capabilities. In addition, the Group's research and development efforts may not be successful or yield the anticipated level of economic benefits. Even if the Group's research and development efforts are successful, the Group may not be able to apply these newly developed technologies to products that will be accepted by the market or apply them in a timely manner to take advantage of the market opportunities.

To further strengthen its research and development capabilities on an ongoing basis, the Group continues

to invest in the development of top-tier talent and to collaborate with various business partners. Such collaborations include, without limitation, Volvo Car Corporation ("**Volvo Car**"), which is majority owned by the Group's parent company, Zhejiang Geely Holding Group Company Limited ("**Geely Holding**"); Horse Powertrain, a joint venture formed with Geely Holding and Renault S.A.S., an independent third party ("**Renault**"); Qianli Intelligent Driving, established in collaboration with Qianli Technology and other partners; a driver assistance systems company jointly formed with Qianli Technology and other joint venture partners; as well as other technical collaborations with industry-leading technology companies and suppliers in the field of intelligent new energy vehicles. At the same time, the Group will accelerate the launch of new energy vehicle products in order to prepare for the challenges arising from increasingly stringent fuel consumption regulatory requirements and the rapidly expanding new energy vehicle market in the future.

3. The Group is subject to product liability exposure, which could harm its reputation and materially and adversely affect its business, financial condition and results of operations

The Group's products can be exposed to potential product liability claims if they fail to perform as expected, are proven to be defective, or if their use causes, results in, or is alleged to have caused, resulted in personal injuries, project delays, damage or other adverse effects. The Group currently does not maintain product liability insurance to cover potential product liability arising from the use of its products and may be unable to obtain sufficient product liability insurance coverage on commercially reasonable terms, or at all.

Furthermore, certain product liability claims may result from defects in parts and components purchased from third party suppliers. Such third party suppliers may not indemnify the Group for defects in these parts and components or may only provide limited indemnification that is insufficient to cover the Group's damages resulting from the product liability claim.

Product liability claims, with or without merit, may result in significant negative publicity and thus materially and adversely affect the marketability of the Group's products and its reputation, as well as its business, financial condition and results of operations. Moreover, a material design, manufacturing or quality-related failure or defect in the Group's products or other safety issues could warrant a product recall by the Group and result in increased product liability claims. If authorities in the jurisdictions in which the Group sells its products decide that its products fail to conform to applicable quality and safety requirements and standards, the Group could be subject to regulatory actions.

The Group regularly monitors the quality of its products via the collection of quality feedback from its customers and extensive product testing. Protective measures such as product recalls will be taken to rectify any concerns if product quality issues are found. To mitigate further warranty liability and ensure compliance with relevant product safety regulations, the Group will continuously strengthen the selection of suppliers to ensure high-quality automobile components are used to minimize the occurrence of product quality and safety issues.

4. The Group's business, financial condition and results of operations may be materially and adversely affected if it fails to manage its purchase costs or obtain raw materials, parts and components on a timely basis or at reasonable prices

Although the Group usually sources important raw materials and parts and components from multiple suppliers to achieve a stable supply, it cannot assure that the suppliers can always adequately serve its needs in a timely manner or at reasonable prices.

If there is any significant increase in the prices of raw materials, parts or components or if their supply is disrupted, the Group may incur additional costs to maintain its production schedules, which, in turn, may decrease its profitability and materially and adversely affect its business, financial condition and results of operations. In addition, global trade barriers and geopolitical factors may also affect the stability of the supply of certain components.

To remain competitive, the Group tries to manage the costs efficiently and aims to produce products at competitive costs. The Group plans to implement cost control policies, such as streamlining the supply chain and localizing production, to further reduce costs in the procurement of raw materials and components used in production and to enhance the stability of the supply chain. At the same time, the Group will continue to take advantage of globalized supply chain, establish strategic partnerships with major suppliers, build manufacturing plants, and develop a medium- and long-term risk identification system for the supply chain to ensure a sufficient supply of raw materials and components.

5. Increasing competition in the PRC automobile market and volatility of consumer demand could have a material adverse effect on the Group's ability to maintain competitiveness

In recent years, the development of intelligent new energy vehicles has attracted an increasing number of competitors to the automotive industry. At the same time, demand in the PRC automobile market has shifted from a period of rapid growth to one of more stable growth, resulting in intensified industry competition. If competition among automobile products further intensifies or leads to additional price reductions, the Group's current market share and profit margins may be diluted or reduced. If competing automobile products, whether domestic or overseas, gain a competitive advantage, the pricing, market acceptance and customer loyalty of the Group's branded products, as well as the financial and technical resources allocated to its products, may be materially and adversely affected.

The demand for automobiles in China and the rest of the world is cyclical in nature and is affected by various factors, including sales and financing incentives, costs of raw materials, parts and components, cost of fuel, environmental concerns and governmental regulations, including tariffs, import regulation and other taxes.

Fluctuations in demand may lead to lower vehicle sales and increased inventory, which may result in further downward price pressure, inevitably adversely affecting the Group's financial condition and results of operations.

Over the years, the Group has increased its production capacities in anticipation of a continuous increase in demand for automobiles in the PRC. Any slowdown in demand for automobiles and the intense competition in the PRC may lead to an inventory surplus and could result in a significant under-utilisation of the Group's production capacity, which would in turn, result in diminished returns on the substantial resources invested in the expansion of the Group's production capacities. If these events occur, the Group's results of operations and financial condition could be materially and adversely affected.

On the other hand, the market response to the Group's products may exceed the Group's expectations. Thus, the Group may not have sufficient production capacity to fulfill customers' demands and as a result, suffer from loss of revenue as the Group cannot deliver the products in a timely manner.

The Group remains committed to continuously developing products to enhance their quality, adopting diversified energy solutions and more advanced intelligent technologies, and improving its production efficiency. Through the development of a series of new products based on the aforementioned modular architectures and related component technologies, as well as intelligent new energy vehicle products, the Group's model portfolio will be further expanded. At the same time, the Group has established prudent sales and marketing strategies to respond to evolving market conditions. Through diversified marketing initiatives and the continued expansion of its sales network, the Group will continue to strengthen its brand image and promote its products more effectively to consumers.

6. Risks of overseas operations

The Group has operations in foreign countries and regions. In recent years, the amount and proportion of overseas operating income and overseas equity investment have been increasing. The Group collaborates with various partners across global markets and primarily conducts its overseas business in other regions through the export of complete vehicles and automotive parts. However, if global trade friction continues to escalate, certain countries implement policies such as increasing tariffs or setting up non-tariff barriers, or geopolitical conflicts escalate, the Group's operations may be adversely affected.

To reduce the risks of overseas operations, the Group is committed to making efforts in several aspects: formulating prices and policies that are tailored to local conditions and controlling the inventory-to-sales ratio within a reasonable range; setting reasonable credit periods and managing overseas funds; adhering to the principle of exchange rate neutrality, reducing the impact of exchange rate fluctuations on business operations through a combination of forward hedging and spot exchange; and insuring overseas equity through Sinasure to prevent extreme situations such as exchange restrictions and wars from causing losses in equity.

The Group will consistently assess the risks and opportunities linked with its export businesses. It will adapt its foreign operations as necessary, adhering to the fundamental principle of global business development compliance. The Group will stay alert to changing conditions, ensuring the protection of its interests.

7. Foreign exchange risk of RMB exchange rate fluctuations

The Group is principally engaged in the sales of automobiles, automotive parts and components in the PRC. The Group's assets and liabilities are mainly denominated in Renminbi, which is also the functional currency of the Company and its principal subsidiaries.

For the year ended 31 December 2025, the Group recorded significant foreign exchange gains, primarily attributable to the gradual stabilisation of a certain emerging market currency previously affected by geopolitical conditions, as well as favourable relative movements in the exchange rates of the principal settlement currencies involved in the Group's business. These foreign exchange movements, together with the Group's ongoing risk management measures, collectively contributed positively to the Group's results for the period.

With respect to export operations, the majority of the Group's sales during the period were denominated in currencies including Renminbi, United States dollars and euros. Through its export activities and the establishment of subsidiaries, associates and joint ventures in local markets, the Group continues to maintain exposure to foreign exchange risks across multiple emerging markets.

To mitigate foreign exchange risks, the Group has implemented a comprehensive risk management strategy, which includes entering into foreign currency forward contracts to hedge a portion of such risks. These contracts do not qualify for hedge accounting and are classified as financial liabilities at fair value through profit or loss. Due to prevailing market conditions and rising hedging costs, hedging opportunities in certain markets remain limited.

The Group's risk management framework encompasses continuous monitoring of movements in major currencies and seeks to enhance natural hedging effects by increasing the proportion of costs denominated in local currencies at overseas production facilities, thereby supporting the Group's business presence in local markets. To address challenges arising from exchange rate fluctuations and to maintain competitiveness in export markets, the Group has accelerated the pace of model upgrades for export vehicles and implemented measures to improve operational efficiency, with a view to leveraging its comparative advantages.

The Group's management continues to closely monitor market conditions and regularly assesses the effectiveness of hedging strategies. While certain international factors affecting foreign exchange risk, including the trends of major global currencies, are beyond the Group's control, management remains committed to dynamically managing relevant risk exposures and deploying appropriate risk management tools to reduce such risks to the extent practicable.

8. Significant adverse impacts due to climate change and regulatory environment changes

The automotive and transportation industry is one of the major sources of global carbon emissions, and as such, the Group also faces risks related to climate change in areas such as policy and legal frameworks, technology, market dynamics, reputation, and physical infrastructure. Climate change also presents opportunities for the development of resilient business models and new products, such as providing new energy transportation services and products, and green financing. If the Group fails to effectively identify, assess, and manage climate-related risks and opportunities, as well as implement effective response measures, it may face adverse financial and non-financial impacts due to the aforementioned risks or missed business opportunities.

To address these issues, the Group has established a Sustainability Committee to oversee the management of climate-related risks and opportunities. Additionally, dedicated teams have been established to manage daily carbon emission tasks and monitor progress. The Group further published emission reduction and carbon neutral targets and related measures in March 2022, as well as an ESG strategy that includes "climate neutrality" in March 2023, to effectively address climate change and promote sustainable development.

The implementation of more stringent regulatory requirements in fuel efficiency, product warranty, product recall and emissions standards in the PRC could put tremendous cost pressure on indigenous brands in the PRC. Further, more major cities in the PRC are expected to introduce local policies to restrict new car licences to ease traffic and combat air pollution, thus restricting the demand for passenger vehicles. The impact could be even bigger for indigenous brands, where their major competitive edges in pricing could be seriously undermined by the introduction of an auction and lottery system to curb the growth of new vehicles.

The Group remains committed to its new energy vehicle strategy in response to challenges arising from fuel efficiency and emissions standards, and leverages the advantages associated with policy exemptions from auction and lottery systems for new energy vehicles in certain regions. The Group will also continue to apply powertrain system technologies for conventional vehicles to comply with applicable regulatory requirements, and will introduce hybrid vehicles and methanol-powered vehicles to further improve the fuel efficiency performance of conventional automobiles.

With the objective of leading intelligent mobility, the Group continues to pursue innovation in automotive research, development and design, while striving for excellence in its manufacturing processes. For the year ended 31 December 2025, the Group complied with the relevant laws and regulations that have a material impact on the Group.

In addition to refining the Group's business strategies, the development goal requires participation of every staff member, customer, supplier and stakeholder. The Group hopes to become a pioneer in demonstrating the sustainable development of the vehicle industry, national economy and society.

The particulars of the Group's environment protection and climate change policies, behavior and compliance with the relevant laws and regulations that have a material influence on the Group are set out in the Environmental, Social and Governance Report of the Company, which will be published on the websites of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Company at the same time as the publication of its annual report for the year ended 31 December 2025.

CLOSING OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 27 May 2026 to 1 June 2026, both dates inclusive. During this period, no transfer of shares will be registered. To establish entitlements for attending and voting at the forthcoming annual general meeting of the Company to be held on 1 June 2026, all completed transfer forms, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, for registration no later than 4:00 p.m. on 26 May 2026.

The register of members of the Company will also be closed from 16 June 2026 to 22 June 2026, both dates inclusive. During this period, no transfer of shares will be registered. In order to qualify for the proposed final dividend, all completed transfer forms, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, for registration no later than 4:00 p.m. on 15 June 2026.

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the past five financial years is set out on page 003 of the annual report.

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

During the year, details of movements in the property, plant and equipment and intangible assets of the Group are set out in notes 14 and 15, respectively, to the consolidated financial statements.

SHARE CAPITAL

During the year, details of the share capital of the Company are set out in note 32(a) to the consolidated financial statements.

BORROWINGS

Particulars of borrowings of the Group as at 31 December 2025 are set out in notes 30 and 35, respectively, to the consolidated financial statements.

RETIREMENT SCHEMES

Particulars of the retirement schemes are set out in note 39 to the consolidated financial statements.

RESERVES

During the year, details of the movements in the reserves of the Group and the reserves of the Company are set out in the consolidated statement of changes in equity on page 127 and page 294 of the annual report, respectively.

As at 31 December 2025, the aggregate amount of reserves available for distribution to owners of the parent was RMB38,658,150,000 (2024: RMB25,003,464,000). After the end of the reporting period, the Directors proposed a final dividend of HK\$0.50 (2024: HK\$0.33) per ordinary share amounting to RMB4,732,406,000 (2024: RMB3,113,411,000). The final dividend proposed has not been recognised as a liability at the end of the reporting period as set out in note 11(a) to the consolidated financial statements.

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive Directors:

Mr. Li Shu Fu (*Chairman*)
Mr. Li Dong Hui, Daniel (*Vice Chairman*)
Mr. Gui Sheng Yue (*Chief Executive Officer*)
Ms. Wei Mei (*retired on 30 May 2025*)
Mr. Gan Jia Yue
Mr. Mao Jian Ming, Moosa

Independent Non-executive Directors:

Mr. An Qing Heng (*retired on 30 May 2025*)
Mr. Wang Yang (*retired on 30 May 2025*)
Ms. Gao Jie
Ms. Yu Li Ping, Jennifer
Mr. Zhu Han Song
Ms. Tseng Chin I (*appointed on 24 March 2025*)

In accordance with Article 116 of the Company's Articles of Association, Mr. Li Shu Fu, Mr. Li Dong Hui, Daniel, and Mr. Gui Sheng Yue, shall retire from office by rotation and being eligible, shall offer themselves for re-election at the forthcoming annual general meeting of the Company.

DIRECTORS' REPORT

To ensure a balance of skills, experience and diversity of perspectives appropriate to the requirements of the business of the Group among members of the Board, the nomination of Directors for appointment or re-election at the annual general meeting were made by the nomination committee of the Board in accordance with the Director Nomination Policy adopted by the Company and the selection criteria as set out in the Board Diversity Policy of the Company (including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service).

The nomination committee of the Board had nominated the retiring Directors to the Board for the Board to make recommendation to the Shareholders for re-election at the annual general meeting, having reviewed the composition of the Board and having regard to the retiring Directors' professional experience, skills, knowledge and/or length of service, their commitment to their respective roles and functions, and their respective contributions brought and continued to be brought to the Group.

The re-election of each of Mr. Li Shu Fu, Mr. Li Dong Hui, Daniel, and Mr. Gui Sheng Yue, was recommended by the nomination committee of the Board, and the Board has accepted the recommendations following a review of their overall contribution and service to the Company including their attendance of Board meetings and general meetings, the level of participation and performance on the Board.

No Director proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

The independent non-executive Directors all have a fixed term of 3-year service and will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Articles of Association.

The Company has received from each of the independent non-executive Directors a written confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers all the independent non-executive Directors to be independent.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SECURITIES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2025, the interests and short positions of the Directors in the securities of the Company and its associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**"), which were required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO, including interest and short positions which they were deemed or taken to have under such provisions of the SFO, or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") to be notified to the Company and the Stock Exchange were as follows:

(I) Interests and short positions in the shares of the Company

Name of Director	Nature of interests	Number or attributable number of shares		Approximate percentage or attributable percentage of shareholding
		Long position	Short position	(%)
Shares				
Mr. Li Shu Fu (<i>Note 1</i>)	Interest in controlled corporations	4,492,778,000	–	41.23
Mr. Li Shu Fu	Personal	23,140,000	–	0.21
Mr. Li Dong Hui, Daniel	Personal	5,853,000	–	0.05
Mr. Gui Sheng Yue (<i>Note 2</i>)	Interest in controlled corporations	11,070,000	–	0.10
Mr. Gui Sheng Yue	Personal	18,707,000	–	0.17
Mr. Gan Jia Yue	Personal	4,371,800	–	0.04

Notes:

- Proper Glory Holding Inc. (“**Proper Glory**”) and its concert parties in aggregate hold interests of 4,492,778,000 shares (excluding those held directly by Mr. Li Shu Fu), representing approximately 41.23% of the total issued share capital of the Company as at 31 December 2025. Proper Glory is a limited liability company incorporated in the British Virgin Islands and is owned as to 68% by Geely Holding and as to 32% by Geely Group Limited.
- GSY Technology Holding Limited is a limited liability company incorporated in the British Virgin Islands and is beneficially wholly-owned by Mr. Gui Sheng Yue.

(II) Interests and short positions in the derivatives of the Company

Name of Director	Nature of interests	Number or attributable number of underlying shares		Approximate percentage or attributable percentage of shareholding
		Long position	Short position	(%)
Share Options				
Mr. Gui Sheng Yue	Personal	13,500,000 (Note 1)	–	0.12
Mr. Gui Sheng Yue	Personal	15,000,000 (Note 2)	–	0.14
Mr. Li Dong Hui, Daniel	Personal	14,000,000 (Note 1)	–	0.13
Mr. Li Dong Hui, Daniel	Personal	9,000,000 (Note 2)	–	0.08
Mr. Gan Jia Yue	Personal	8,000,000 (Note 1)	–	0.07
Mr. Gan Jia Yue	Personal	15,000,000 (Note 2)	–	0.14
Mr. Mao Jian Ming, Moosa	Personal	3,000,000 (Note 3)	–	0.03

Notes:

- (1) The interest relates to share options granted on 15 January 2021 by the Company to the Directors. The share options are exercisable at a subscription price of HK\$32.70 for each Share during the period from 15 January 2023 to 14 January 2028. The percentage of shareholding is calculated on the basis that (i) the options are fully exercised; and (ii) the total number of issued share capital of the Company when the options are exercised is the same as that as at 31 December 2025.

- (2) The interest relates to share options granted on 22 November 2023 by the Company to the Directors. The share options are exercisable at a subscription price of HK\$9.56 for each Share during the period from 22 November 2024 to 21 November 2031. The percentage of shareholding is calculated on the basis that (i) the options are fully exercised; and (ii) the total number of issued share capital of the Company when the options are exercised is the same as that as at 31 December 2025.
- (3) The interest relates to share options granted on 17 July 2024 by the Company to the Director. The share options are exercisable at a subscription price of HK\$9.56 for each Share during the period from 17 July 2025 to 16 July 2032. The percentage of shareholding is calculated on the basis that (i) the options are fully exercised; and (ii) the total number of issued share capital of the Company when the options are exercised is the same as that as at 31 December 2025.

(III) Interests and short positions in the securities of the associated corporations of the Company

Name of Director	Name of the associated corporations	Number of shares/amount of contribution to the registered capital in the associated corporations		Approximate percentage of shareholding (%)
		Long position	Short position	
Mr. Li Shu Fu	Proper Glory Holding Inc.	1,000,000 (Note 1)	–	100
Mr. Li Shu Fu	Geely Group Limited	50,000	–	100
Mr. Li Shu Fu	Zhejiang Geely Holding Group Company Limited	RMB938,021,000 (Note 2)	–	91.07
Mr. Li Shu Fu	Zhejiang Geely Automobile Company Limited	RMB2,859,000,000 (Note 3)	–	100
Mr. Li Shu Fu	Geely Automobile Group Company Limited	RMB900,000,000 (Note 4)	–	100
Mr. Li Shu Fu	Zhejiang Geely Maple Automobile Company Limited	RMB240,000,000 (Note 5)	–	100
Mr. Li Shu Fu	Zhejiang Jirun Automobile Company Limited	US\$7,900,000 (Note 6)	–	0.8

DIRECTORS' REPORT

Notes:

- (1) Proper Glory Holding Inc. (“**Proper Glory**”) is a limited liability company incorporated in the British Virgin Islands and is owned as to 68% by Zhejiang Geely Holding Group Company Limited (“**Geely Holding**”) and as to 32% by Geely Group Limited. Geely Group Limited is a limited liability company incorporated in the British Virgin Islands and is beneficially wholly-owned by Mr. Li Shu Fu. Geely Holding is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li Shu Fu and his associate.
- (2) Geely Holding is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li Shu Fu and his associate.
- (3) Zhejiang Geely Automobile Company Limited (“**Zhejiang Geely**”) is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li Shu Fu and his associate.
- (4) Geely Automobile Group Company Limited (“**Geely Automobile Group**”) is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li Shu Fu and his associate.
- (5) Zhejiang Geely Maple Automobile Company Limited (“**Zhejiang Maple**”) is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li Shu Fu and his associate.
- (6) Zhejiang Jirun Automobile Company Limited (“**Jirun Automobile**”) is established in the PRC and is 0.8%-owned by Zhejiang Geely.

Save as disclosed above, as at 31 December 2025, none of the Directors, the chief executives of the Company, nor their associates had or were deemed to have any interests or short positions in the Shares, underlying Shares, or debentures of the Company or any of its associated corporations (within the meaning of the SFO) which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV and the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of listed issuers contained in the Listing Rules.

INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF OTHER PERSONS

As at 31 December 2025, according to the register of interests maintained by the Company pursuant to section 336 of the SFO and so far as is known to the Directors or the chief executives of the Company, the persons, other than the Directors or the chief executives of the Company, who had interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company and any other members of the Group, and the amount of each of such persons' interests in such securities, together with any options in respect of such capital, were as follows:

Substantial shareholders (as defined in the SFO)

Name	Nature of interests	Number of shares held		Approximate percentage of shareholding (%)
		Long position	Short position	
Proper Glory (Note 1)	Beneficial owner	2,542,535,000	–	23.33
Geely Holding (Note 1)	Interest in controlled corporations	3,688,103,000	–	33.84
	Beneficial owner	261,318,000	–	2.40
Geely Group Limited (Note 1)	Beneficial owner	196,497,000	–	1.80
Geely Automobile Group (Note 2)	Interest in controlled corporations	20,154,000	–	0.18
	Beneficial owner	776,408,000	–	7.12
Zhejiang Geely (Note 3)	Beneficial owner	20,154,000	–	0.18

Notes:

- (1) Proper Glory is a limited liability company incorporated in the British Virgin Islands and is owned as to 68% by Geely Holding and as to 32% by Geely Group Limited. Geely Group Limited is a limited liability company incorporated in the British Virgin Islands and is beneficially wholly-owned by Mr. Li Shu Fu. Geely Holding is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li Shu Fu and his associate.
- (2) Geely Automobile Group is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li Shu Fu and his associate.
- (3) Zhejiang Geely is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li Shu Fu and his associate.

DIRECTORS' REPORT

Mr. Li Shu Fu is a director of each of Proper Glory, Geely Holding, Geely Automobile Group and Geely Group Limited.

Mr. Li Dong Hui, Daniel is a director of each of Geely Holding, Zhejiang Geely and Geely Automobile Group. Mr. Gan Jia Yue is a director of Zhejiang Geely and Geely Automobile Group.

Save as disclosed above, as at 31 December 2025, the directors and the chief executives of the Company are not aware of any other person (other than the directors and the chief executives of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company and of any other member of the Group.

EQUITY-LINKED AGREEMENTS

Details of the equity-linked agreements entered into during the year or subsisting at the end of the year are set out below:

SHARE OPTIONS

2012 Option Scheme

The Company adopted a share option scheme on 18 May 2012 (the “**2012 Option Scheme**”). Particulars of the 2012 Option Scheme and the related accounting policy are set out in notes 40 and 4(o) to the consolidated financial statements, respectively.

The 2012 Option Scheme has a term of ten years and expired on 18 May 2022. While options granted under the 2012 Option Scheme shall remain valid, no further options may be granted under the 2012 Option Scheme upon its expiry. There were 482,050,000 granted options under the 2012 Option Scheme that remained outstanding as at 31 December 2025.

2023 Share Option Scheme

On 28 April 2023, the Company’s shareholders approved the 2023 share option scheme (the “**2023 Share Option Scheme**”) at the extraordinary general meeting. Details of the 2023 Share Option Scheme and the related accounting policy are set out in notes 40 and 4(o) to the consolidated financial statements, respectively.

Details of the share options and share awards granted to each participant or category of participants involving new Shares under the 2012 Option Scheme, the 2023 Share Option Scheme and the Company's share award scheme (“**Share Award Scheme**”) for the year are as follows:

Date of grant	Vesting period	Exercise period		Exercise/purchase price	Outstanding options/unvested share awards as at 1.1.2025	Granted awards during the year	Share options exercised/share awards vested during the year	Reallocated upon retirement during the year	Lapsed during the year	Outstanding options/unvested share awards as at 31.12.2025	Price of share prior to the grant date	Price of share to the exercise/ vesting date of share awards during the year
		From	To								of share options and share awards during the year	HK\$
Directors and their associates												
Mr. Gan Jia Yue												
- Share options												
- Tranche 2	15-01-21	(Note 1)	15-01-23	14-01-28	32.7	8,000,000	-	-	-	8,000,000	-	-
- Tranche 3	22-11-23	(Note 2)	22-11-24	21-11-31	9.56	15,000,000	-	-	-	15,000,000	-	-
- Share awards	30-08-21	(Note 3)	Not applicable		0.02	1,400,000	-	(1,349,600)	-	(50,400)	-	19.56
Mr. Gui Sheng Yue												
- Share options												
- Tranche 2	15-01-21	(Note 1)	15-01-23	14-01-28	32.7	13,500,000	-	-	-	13,500,000	-	-
- Tranche 3	22-11-23	(Note 2)	22-11-24	21-11-31	9.56	15,000,000	-	-	-	15,000,000	-	-
Mr. Li Dong Hui, Daniel												
- Share options												
- Tranche 2	15-01-21	(Note 1)	15-01-23	14-01-28	32.7	14,000,000	-	-	-	14,000,000	-	-
- Tranche 3	22-11-23	(Note 2)	22-11-24	21-11-31	9.56	9,000,000	-	-	-	9,000,000	-	-

DIRECTORS' REPORT

	Date of grant	Vesting period	Exercise period		Exercise/ purchase price	Outstanding options/ unvested share awards as at 1.1.2025	Granted during the year	Share options exercised/ share awards vested during the year	Reallocated upon retirement during the year	Lapsed during the year	Outstanding options/ unvested share awards as at 31.12.2025	Price of share prior to the exercise/	Price of share prior to the exercise/
			From	To								Price of share prior to the exercise/	Price of share prior to the exercise/
												HK\$	HK\$
Ms. Wei Mei													
- Share options													
- Tranche 2	15-01-21	(Note 1)	15-01-23	14-01-28	32.7	7,000,000	-	-	(7,000,000)	-	-	-	-
- Tranche 3	22-11-23	(Note 2)	22-11-24	21-11-31	9.56	3,500,000	-	-	(3,500,000)	-	-	-	-
Mr. Mao Jian Ming, Moosa													
- Share options	17-07-24	(Note 4)	17-07-25	16-07-32	9.56	3,000,000	-	-	-	-	3,000,000	-	-
Employee participants													
- Share options													
- Tranche 1	14-01-20	(Note 6)	14-01-21	13-01-25	16.04	790,000	-	-	-	(790,000)	-	-	-
- Tranche 2	15-01-21	(Note 1)	15-01-23	14-01-28	32.7	459,310,000	-	-	7,000,000	(19,760,000)	446,550,000	-	-
- Tranche 3	22-11-23	(Note 2)	22-11-24	21-11-31	9.56	445,899,500	-	(11,680,000)	3,500,000	(17,000,650)	420,718,850	-	18.48
- Tranche 4	17-07-24	(Note 4)	17-07-25	16-07-32	9.56	20,060,000	-	(424,500)	-	(2,929,500)	16,706,000	-	19.01
- Tranche 5	26-09-25	(Note 5)	30-09-25	29-09-32	18.52	-	3,300,000	-	-	-	3,300,000	18.45	-
	26-09-25	(Note 5)	31-03-26	30-03-33	18.52	-	10,460,000	-	-	(450,000)	10,010,000	18.45	-
	26-09-25	(Note 5)	26-09-26	25-09-33	18.52	-	42,450,000	-	-	(1,400,000)	41,050,000	18.45	-
- Share awards	30-08-21	(Note 3)	Not applicable		0.02	32,379,000	-	(29,956,903)	-	(2,422,097)	-	-	19.56
Related entity participants													
- Share options													
- Tranche 3	22-11-23	(Note 2)	22-11-24	21-11-31	9.56	64,200,500	-	(2,015,000)	-	(2,481,000)	59,704,500	-	18.83
- Tranche 4	17-07-24	(Note 4)	17-07-25	16-07-32	9.56	3,650,000	-	(225,000)	-	-	3,425,000	-	19.81
- Tranche 5	26-09-25	(Note 5)	26-09-26	25-09-33	18.52	-	2,180,000	-	-	(100,000)	2,080,000	18.45	-

Note 1: Such share options will vest in tranches of 20% each, commencing on the second anniversary of the grant date and continuing over five years. These options may be exercised until their expiry on 14 January 2028. As at 31 December 2025, 192,820,000 share options remained unvested.

Note 2: Such share options will vest in tranches of 15% each (or 10% on the seventh anniversary of the grant date), commencing on the first anniversary of the grant date and continuing over seven years. These options may be exercised until their expiry on 21 November 2031. As at 31 December 2025, 363,596,345 share options remained unvested.

Note 3: Such share awards will vest in four tranches of 25% each, on every anniversary of the grant date over a four-year period.

Note 4: Such share options will vest in tranches of 15% each (or 10% on the seventh anniversary of the grant date), commencing on the first anniversary of the grant date and continuing over seven years. These options may be exercised until their expiry on 16 July 2032. As at 31 December 2025, 19,661,350 share options remained unvested.

Note 5: Such share options will vest in tranches of varying percentages, commencing on the first anniversary of the grant date and continuing over a period of approximately 6 to 7 years (72 to 84 months). For employee participants, the options may vest in several batches, with certain initial batches vesting within 12 months of the grant date. For related entity participants, the options will vest in several batches, and the period between the grant date and the first vesting date is not less than 12 months. These options may be exercised until their expiry dates on either 29 September 2032, 30 March 2033, or 25 September 2033. As at 31 December 2025, 55,945,000 share options remained unvested.

Note 6: Such share options were scheduled to vest in tranches of 25% each on every anniversary of the grant date over four years and could be exercised until their expiry on 13 January 2025. As at 31 December 2025, all these share options had lapsed and expired.

Note 7: The stated price was the weighted average closing price of the ordinary shares immediately before the date on which the share options were exercised and share awards were vested.

Note 8: No share option or share award has been granted to service provider(s) (as defined under Chapter 17 of the Listing Rules).

SHARE AWARDS

Share Award Scheme of the Company

Particulars of the Share Award Scheme and the related accounting policy are set out in notes 40 and 4(o) to the consolidated financial statements, respectively.

The Company has adopted the Share Award Scheme pursuant to resolutions passed at the Board meeting of the Company held on 30 August 2021 for the purposes of attracting and retaining the high calibre employees whose contributions will be beneficial to the growth and development of the Group. Details of the Share Award Scheme were set out in the announcement of the Company dated 30 August 2021.

The maximum number of Shares which could be granted under the Share Award Scheme is 350,000,000, representing approximately 3.21% of the total number of issued shares of the Company as at the date of this annual report, which could be satisfied by way of new shares to be issued or existing shares to be purchased from the secondary market.

DIRECTORS' REPORT

Following the adoption of the Share Award Scheme, the Company resolved to award an aggregate of 167,022,000 ordinary shares to 10,884 selected participants by way of issue and allotment of new Shares under the general mandate to issue Shares granted by its Shareholders to the Directors at the annual general meeting held on 24 May 2021. As at 31 December 2025, the number of Shares available for future grant under the Share Award Scheme was 270,027,754, representing 2.46% of the total issued share capital of the Company as at the date of this report.

Unless approved by the Company's Shareholders in a general meeting, the maximum number of Shares granted or cumulatively granted to a selected participant at any point in time shall not exceed 1% of the Company's issued share capital on the adoption date of the Share Award Scheme.

The Shares being granted with respect to a selected participant will vest in 4 tranches of 25% each year from 30 August 2022 to 30 August 2025, on the conditions that the employees will remain in service and meet the performance requirements, including but not limited to meeting the company-level performance target and the selected participant's level performance target. Subject to the satisfaction of the vesting conditions, such new Shares will be transferred to the selected participants at the nominal value of HK\$0.02 per Share on the vesting date. The selected participants are required to pay the nominal value for the award Shares.

The selected participants are employees of the Company and its affiliates, and they are not connected persons of the Company. For the avoidance of doubt, Mr. Gan Jia Yue has subsequently become a connected person of the Company after his appointment as an executive Director of the Company since 25 July 2022.

As at 31 December 2025, the Company has appointed a professional and independent trustee, BOCI Trustee (Hong Kong) Limited ("**Trustee**"), to assist with the administration and vesting of award Shares granted pursuant to the Share Award Scheme.

The Trustee will not exercise the voting rights in respect of any ordinary shares held under the trust. The award Shares will be allotted and issued to the Trustee who will hold the award Shares in trust in accordance with the trust deed for the selected participants.

Movement in the number of award Shares during the year are as follows:

	2025
Balance at 1 January	33,779,000
Granted	-
Vested	(31,306,503)
Lapsed	(2,472,497)
Balance at 31 December	-

The Share Award Scheme will be valid and effective from the adoption date (i.e., 30 August 2021) and will terminate on the earlier of (i) the tenth (10th) anniversary date of the adoption date; and (ii) such date of early termination as determined by the Board, provided that such termination will not affect any subsisting rights of any selected participant under the Share Award Scheme.

Numbers of the share options and share awards available for grant as at 1 January 2025 and 31 December 2025 are as follows:

	As at 1 January 2025	As at 31 December 2025
Share options under the 2023 Share Option Scheme		
Under the mandate limit	(Note A)	(Note B)
Under the sub-limit for service provider(s)	(Note C)	(Note C)
Share awards under the Share Award Scheme		
Under the mandate limit	(Note A)	(Note B)
Under the sub-limit for service provider(s)	(Note C)	(Note C)

Note A: The aggregate of share options and share awards to be granted under the mandate limit should not exceed 420,897,878. In addition, the share awards to be granted under the mandate limit should not exceed 267,555,257.

Note B: The aggregate of share options and share awards to be granted under the mandate limit should not exceed 386,869,028. In addition, the share awards to be granted under the mandate limit should not exceed 270,027,754.

Note C: The aggregate of share options and share awards to be granted under the sub-limit for service provider(s) should not exceed 100,569,737.

For the year ended 31 December 2025, 58,390,000 share options were granted. As at 31 December 2025, the number of shares that may be issued in respect of share options and share awards granted under all share schemes of the Company was 1,081,044,350, representing approximately 10.7% of the weighted average number of issued ordinary shares of the Company.

Conversion of ZEEKR Restricted Stock Units into Share Awards of the Company

As explained in the Company's circular dated 18 August 2025, the privatisation of ZEEKR was completed on 22 December 2025 (the "Closing Date"). Under the terms of the merger agreement, all vested ZEEKR restricted stock units ("RSUs") outstanding immediately prior to the Closing Date will be converted into shares of the Company based on the agreed conversion ratio. Any unvested ZEEKR RSUs outstanding immediately prior to the Closing Date will be converted into share awards to be granted under the Share Award Scheme, which will be subject to a minimum vesting period of twelve months in accordance with Chapter 17 of the Listing Rules, unless a shorter vesting period is permitted under the Listing Rules and granted to eligible employee participants.

It was previously estimated that up to approximately 41.5 million share awards could be granted following the conversion of ZEEKR RSUs. As at 31 December 2025, no such replacement share awards had been granted under the Share Award Scheme. The Company will provide further updates if and when these share awards are granted, in compliance with the requirements of the Listing Rules.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the share options and share awards disclosed above, at no time during the year was the Company, its holding companies or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

PERMITTED INDEMNITY PROVISION

Subject to the provisions of the Companies Ordinance (Cap. 622) of Hong Kong and the Companies Act of the Cayman Islands, the Company has in force permitted indemnity provisions for the benefit of the directors of the Company, which were in force during the year and remained in force as at the date of this report.

Pursuant to the Company's Articles of Association, each director is entitled to be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities incurred in the execution or discharge of his or her duties, or in relation thereto.

To the extent permitted by law, the Company has also arranged and maintained appropriate directors' and officers' liability insurance for directors of companies within the Group during the year and up to the date of this report.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 41 to the consolidated financial statements, there were no transactions, arrangements or contracts of significance to which the Company, its holding companies or any of its subsidiaries was a party, and in which a director of the Company had a material interest, whether directly or indirectly, during the year or subsisting at the end of the year.

Save as disclosed above and contracts amongst group companies, no other transaction, arrangement or contract of significance to which the Company, any of its holding companies, its subsidiaries, or fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in this report, in the section headed "Connected Transactions & Continuing Connected Transactions", and in note 41 to the consolidated financial statements, there were no contracts of significance entered into during the year ended 31 December 2025 or subsisting at the end of that year between the Company or any of its subsidiaries and the controlling shareholders of the Company or any of its subsidiaries.

In addition, no contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder of the Company or any of its subsidiaries was entered into during the year ended 31 December 2025 or subsisted at the end of that year.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended 31 December 2025.

CONNECTED TRANSACTIONS & CONTINUING CONNECTED TRANSACTIONS

During the year, the Group entered into certain related party transactions, some of which constituted connected transactions and continuing connected transactions under Chapter 14A of the Listing Rules.

Save as disclosed in this section, the other material related party transactions as set out in note 41 to the consolidated financial statements did not constitute connected transactions or continuing connected transactions under the Listing Rules.

The connected transactions and continuing connected transactions requiring disclosure under Chapter 14A of the Listing Rules during the year are set out below and are also disclosed in note 41 to the consolidated financial statements for accounting purposes.

The directors of the Company confirm that the Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules in respect of the connected transactions and continuing connected transactions during the year.

CONNECTED TRANSACTIONS

Formation of intelligent driving JV Company

Pursuant to the JV Framework Agreement dated 2 March 2025, Zhejiang Jirun Automobile Company Limited (“**Jirun Automobile**”), an indirect subsidiary of the Company, agreed to form a joint venture company (“**JV Company**”) with Two Rivers Industrial Fund, Chongqing Industrial Master Fund, Chongqing Maichi, Lotus Robotics, Qianli Technology, and Jianghehui to engage in the intelligent driving business. The JV Company will have a registered capital of RMB200 million and an aggregate contribution of RMB4,751.5 million, with Jirun Automobile subscribing for 30% equity interest through a contribution of RMB1.3 billion in intelligent driving-related technologies and RMB200 million in cash.

As at the date of the JV Framework Agreement, Lotus Robotics was indirectly owned as to more than 50% by Mr. Li Shu Fu and his associate. Mr. Li was a substantial shareholder of the Company, holding approximately 41% of the issued share capital of the Company.

Transfer of assets

Pursuant to the assets transfer agreement dated 31 March 2025, the Group agreed to purchase and the Geely Holding Group agreed to: (i) sell assets comprising predominantly equipment for the production of Geely brand, LYNK & CO brand, and ZEEKR brand vehicles to the Group for a maximum cash consideration of RMB660.026 million; and (ii) purchase assets comprising production-related machinery and equipment that are idle for use from the Group for a maximum cash consideration of RMB246.8 million.

As at the date of the assets transfer agreement, Geely Holding was ultimately and beneficially wholly-owned by Mr. Li Shu Fu and his associate. Mr. Li was a substantial shareholder of the Company, holding approximately 41% of the issued share capital of the Company.

Disposal of Geely Sunwoda

Pursuant to the equity transfer agreement dated 30 April 2025, Jirun Automobile, an indirect subsidiary of the Company, agreed to dispose of a 41.5% equity interest in Shandong Geely Sunwoda Power Battery Co., Ltd. (“**Geely Sunwoda**”) to Zhejiang Jiyao Tongxing Energy Technology Co., Ltd. (“**Zhejiang Jiyao**”) for a cash consideration of RMB49.8 million. Separately, Geely Automobile Group Co., Ltd. (“**Geely Automobile Group**”) agreed to dispose of a 28.5% equity interest in Geely Sunwoda to Zhejiang Jiyao for a cash consideration of RMB34.2 million.

As at the date of the equity transfer agreement, Zhejiang Jiya and Geely Automobile Group were ultimately and beneficially wholly-owned by Mr. Li Shu Fu and his associate. Mr. Li was a substantial shareholder of the Company, holding approximately 41% of the issued share capital of the Company.

Acquisition of six companies engaged in sales of automobile and related components

Pursuant to the equity transfer agreement dated 30 April 2025, Zhejiang Geome Auto Sales Co., Ltd., an indirect 99%-owned subsidiary of the Company, agreed to acquire, and Lingji Automobile Trading Co., Ltd. ("**Lingji Automobile**") agreed to sell, a 70% equity interest in six companies engaged in sales of automobiles and related components for a cash consideration of RMB29,239,000.

As at the date of the equity transfer agreement, Lingji Automobile was ultimately and beneficially wholly-owned by Mr. Li Shu Fu and his associate. Mr. Li was a substantial shareholder of the Company, holding approximately 41% of the issued share capital of the Company.

Acquisition of InfiMotion

Pursuant to the equity transfer agreement dated 30 May 2025, Zhejiang Geely Powertrain Co., Ltd. ("**Zhejiang Powertrain**"), an indirect 99%-owned subsidiary of the Company, agreed to acquire, and Ningbo Lotus Venture Capital Co., Ltd. ("**Ningbo Lotus**") agreed to sell, a 17.5% equity interest in Wuxi InfiMotion Technology Co., Ltd. ("**InfiMotion**") for a cash consideration of RMB420 million.

As at the date of the equity transfer agreement, Ningbo Lotus was indirectly owned as to more than 30% by Mr. Li Shu Fu and his associate. Mr. Li was a substantial shareholder of the Company, holding approximately 41% of the issued share capital of the Company.

Contributions to JV Company and Disposal of IP Newco GA

Pursuant to the contribution agreement and joint venture agreement dated 20 June 2025, Geely Automobile (Singapore) Pte. Ltd., an indirect 99% owned subsidiary of the Company, agreed to contribute, and Renault do Brasil LTDA. ("**JV Company**") agreed to accept, the entire issued share capital of IP Newco GA together with cash equivalent to EUR75 million (approximately RMB585 million) in exchange for ordinary shares, warrants and one convertible preferred share of the JV Company. The appraised value of IP Newco GA was approximately EUR429 million (approximately RMB3,345 million). Upon completion, IP Newco GA will cease to be a subsidiary of the Company.

As at the date of the agreements, Geely Holding was ultimately and beneficially wholly-owned by Mr. Li Shu Fu and his associate. Mr. Li was a substantial shareholder of the Company, holding approximately 41% of the issued share capital of the Company.

Privatisation of ZEEKR

Pursuant to the merger agreement dated 15 July 2025, the Company agreed to acquire all issued and outstanding shares and ZEEKR ADSs, other than the Excluded ZEEKR Shares, as part of a privatisation transaction. Each eligible ZEEKR holder may elect to receive either US\$2.687 in cash or 1.23 consideration shares for each ZEEKR share, or US\$26.87 in cash or 12.3 consideration shares for each ZEEKR ADS. Based on the offer price and ratio, the total consideration payable by the Group will be approximately US\$2.4 billion (equivalent to RMB17.2 billion) if settled entirely in cash, or up to 1,098,059,328 consideration shares if settled entirely in shares. Upon completion, ZEEKR will become a wholly-owned subsidiary of the Company and will be delisted from the NYSE.

As at the date of the merger agreement, certain connected ZEEKR holders (including entities controlled by Mr. Li Shu Fu and other directors) held approximately 14.7% of ZEEKR's issued share capital. Mr. Li Shu Fu was a substantial shareholder of the Company, holding approximately 41% of the issued share capital of the Company.

CONTINUING CONNECTED TRANSACTIONS

During the year ended 31 December 2025, the Group entered into certain transactions with the following connected persons, which constitute its continuing connected transactions ("CCTs") under the Listing Rules:

Name	Connected relationship as at 31 December 2025	CCTs reference number
Geely Holding	It was ultimately beneficially wholly-owned by Mr. Li Shu Fu, who was an executive director and a substantial shareholder of the Company, and his associate.	1, 6, 11, 12, 13, 14, 15, 16, 17, 19, 20 & 22
Volvo Car Distribution (Shanghai) Co., Ltd. or " VCDC "	It was an indirect non-wholly-owned subsidiary of Geely Holding.	2
Volvo Car (APAC) Investment Holding Co., Ltd. or " VCIC "	It was an indirect non-wholly-owned subsidiary of Geely Holding.	2
LYNK & CO Automotive Technology Co., Ltd. or " LYNK & CO "	Prior to ZEEKR's privatisation by the Group, it was a connected subsidiary of the Company.	11, 12, 15 & 16
Aurobay Technology Co., Ltd. or " Aurobay Technology "	It was indirectly owned 29.7% by the Group and 15.3% by Mr. Li Shu Fu and his associate. According to Rule 14A.14 of the Listing Rules, it was an associate of Mr. Li Shu Fu and a connected person of the Company.	4, 15 & 16
Aurobay (Changxing) Transmission Co., Ltd. or " Aurobay Changxing " (formerly known as Geely Changxing Automatic Transmission Co., Ltd. or " Geely Changxing ")	It was indirectly owned 29.7% by the Group and 15.3% by Mr. Li Shu Fu and his associate. According to Rule 14A.14 of the Listing Rules, it was an associate of Mr. Li Shu Fu and a connected person of the Company.	4, 15 & 16
LYNK & CO Automotive Sales Company Limited or " LYNK & CO Sales "	It was a wholly-owned subsidiary of LYNK & CO.	5
ZEEKR Intelligent Technology Holding Limited or " ZEEKR "	Prior to its privatisation by the Group, it was a connected subsidiary of the Company.	7, 11, 12, 13, 14, 15, 16 & 18

DIRECTORS' REPORT

Name	Connected relationship as at 31 December 2025	CCTs reference number
smart Automobile Sales (Nanning) Co., Limited or “ smart Sales ”	It was indirectly owned as to 50% by Geely Holding and directly owned as to 50% by an independent third party.	8
Wuhan Lotus Automobile Sales Company Limited or “ Lotus Sales ”	It was indirectly owned as to more than 30% by Mr. Li Shu Fu and his associate.	9
Chongqing Livan Automotive Sales Co., Ltd. or “ Livan Sales ”	It was indirectly owned as to more than 30% by Mr. Li Shu Fu and his associate.	10
Zhejiang LEVC New Energy Automobile Co., Ltd. or “ LEVC ”	It was owned as to 50% by Geely Holding and 50% by Geely Group (Ningbo) Co., Ltd., which was in turn wholly-owned by Mr. Li Shu Fu and his associate.	11, 12, 13 & 14
Geely Technology Group Company Limited or “ Geely Technology ”	It was indirectly owned as to more than 85% by Mr. Li Shu Fu and his associate.	11, 12, 15 & 16
Zhejiang YoeNing Technology Group Co., Ltd. or “ YoeNing Technology ”	It was indirectly owned as to more than 90% by Mr. Li Shu Fu and his associate.	11, 12, 13, 14, 15 & 16
Wuxi InfiMotion Technology Co., Ltd. or “ InfiMotion ”	It was indirectly owned as to more than 30% by Mr. Li Shu Fu and his associate.	11, 12, 13 & 14
Shandong Geely Sunwoda Power Battery Co., Ltd. or “ Geely Sunwoda ”	It was indirectly owned as to 70% by Mr. Li Shu Fu and his associate.	11 & 12
Wuhan Lotus Technology Company Limited or “ Lotus Technology ”	It was indirectly owned as to more than 30% by Mr. Li Shu Fu and his associate.	13, 14, 15 & 16
Polestar Performance AB or “ Polestar AB ”	It was indirectly owned as to more than 80% by Mr. Li Shu Fu and his associate.	13 & 14
Polestar Automotive China Distribution Co., Ltd. or “ Polestar China ”	It was indirectly owned as to more than 80% by Mr. Li Shu Fu and his associate.	13 & 14
JIDU Auto Inc. or “ JIDU ”	It was owned as to more than 30% by Mr. Li Shu Fu and his associate.	15 & 16
smart Automobile Co., Ltd. or “ smart ”	It was owned as to more than 30% by Mr. Li Shu Fu and his associate.	13, 14, 15, 16 & 22
Zhejiang Chunqing Ecological Technology Co., Ltd. or “ Chunqing Ecological ” (formerly known as Tianjin Chunqing Technology Co., Ltd. or “ Tianjin Chunqing ”)	It was ultimately owned as to more than 60% by Mr. Li Shu Fu and his associates.	13, 14, 15 & 16

Name	Connected relationship as at 31 December 2025	CCTs reference number
Farizon Commercial Vehicle Technology Co., Ltd. or “ Farizon Technology ”	It was ultimately owned as to more than 70% by Mr. Li Shu Fu and his associates.	13, 14, 15, 16 & 21
Zhejiang Farizon New Energy Commercial Vehicles Group Co., Ltd. or “ Farizon Commercial Vehicles ” (formerly known as Zhejiang Geely Farizon New Energy Commercial Vehicle Group Co., Ltd. or “ Commercial Vehicle ”)	It was ultimately wholly-owned by Mr. Li Shu Fu and his associates.	13, 14, 15, 16 & 19
Chongqing Livan Automobile Technology Co., Ltd. or “ Livan Automotive ”	It was indirectly owned as to more than 30% by Mr. Li Shu Fu and his associate.	13, 14, 15, 16 & 21
Volvo Car (China) Investment Co., Ltd. or “ VCI ”	It was an indirect non-wholly-owned subsidiary of Geely Holding.	21
ECARX (Hubei) Technology Company Limited or “ ECARX (Hubei) ”	It was indirectly owned as to more than 30% by Mr. Li Shu Fu and his associate.	3
Zhejiang HUANFU Technology Company Limited or “ Zhejiang HUANFU ”	It was indirectly owned as to more than 30% by Mr. Li Shu Fu and his associate.	3
Hangzhou Langge Technology Company Limited or “ Hangzhou Langge ”	It was indirectly owned as to more than 30% by Mr. Li Shu Fu and his associate.	3
Viridi E-Mobility Technology (Ningbo) Co., Ltd. or “ Viridi ”	It was indirectly owned as to more than 30% by Mr. Li Shu Fu and his associate, and was a connected subsidiary of the Company.	13 & 14
ECARX Holdings Inc. or “ ECARX ”	It was indirectly owned as to more than 30% by Mr. Li Shu Fu and his associate.	13 & 14
Aurobay Holding (SG) PTE. LTD. or “ Aurobay ”	It was indirectly owned as to more than 30% by Mr. Li Shu Fu and his associate.	13 & 14
Zhejiang Jiyao Pass Energy Technology Co., Ltd. or “ Jiyao ”	It was ultimately wholly-owned by Mr. Li Shu Fu and his associates.	13 & 14
Shandong Geely New Energy Commercial Vehicle Co., Ltd. or “ Shandong Geely New Energy ”	It was indirectly owned as to more than 90% by Mr. Li Shu Fu and his associate.	13, 14 & 19
CaoCao Inc. or “ CaoCao ”	It was indirectly owned as to more than 70% by Mr. Li Shu Fu and his associate.	13 & 14
Lanzhou Zhidou Automobile Sales Company Limited or “ Zhidou Sales ”	It was indirectly owned as to more than 30% by Mr. Li Shu Fu and his associate.	23

1. Services agreement between the Company and Geely Holding (the services agreement has an effective term until 31 December 2027)

- ***Sales of complete knock-down kits (“CKDs”) from the Group to the Geely Holding Group***

Pursuant to the services agreement dated 15 August 2024, the Group agreed to supply to the Geely Holding Group the CKDs in accordance with the product specifications set out in the services agreement, with an aggregate highest annual cap of RMB219,965 million for the three years ending 31 December 2027.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB90,709 million for sales of CKDs for the year ended 31 December 2025, which did not exceed the annual cap of RMB171,232 million as approved by the independent shareholders of the Company.

- ***Sales of complete build-up units (“CBUs”) from the Geely Holding Group to the Group***

Pursuant to the services agreement dated 15 August 2024, the Geely Holding Group agreed to sell to the Group the CBUs, with the aggregate highest annual cap of RMB227,139 million for the three years ending 31 December 2027.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB99,027 million for purchases of the CBUs for the year ended 31 December 2025, which did not exceed the annual cap of RMB176,630 million as approved by the independent shareholders of the Company.

2. The Volvo finance cooperation agreements amongst Genius AFC, VCDC and VCIC (the Volvo finance cooperation agreements have an effective term until 31 December 2027) (capitalised terms were defined in the announcement of the Company dated 15 August 2024)

- ***Wholesale facility agreements between Genius AFC and Volvo wholesale dealers (the wholesale facility agreements have an effective term until 31 December 2027)***

Pursuant to the Company's announcement dated 15 August 2024, Genius AFC, a jointly controlled entity owned as to 75% by the Company, 20% by BNP Paribas Personal Finance and 5% by Cofiplan S.A., will provide vehicle loans and other financing to Volvo wholesale dealers to facilitate their purchase of Volvo brand vehicles, with the highest annual cap being RMB2,129 million for the three years ending 31 December 2027.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB293 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB2,129 million as set by the Company.

- ***Retail loan cooperation agreements between Genius AFC and Volvo retail customers (the retail loan cooperation agreements have an effective term until 31 December 2027)***

Pursuant to the Company's announcement dated 15 August 2024, dealers of Volvo shall recommend the retail customers to use Genius AFC for obtaining vehicle loans to assist them with purchasing Volvo brand vehicles, auto accessories and services, with the highest annual cap being RMB803 million for the three years ending 31 December 2027.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB3 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB803 million as set by the Company.

3. Components procurement and R&D services agreement among the Company, ECARX (Hubei), Zhejiang HUANFU and Hangzhou Langge (the components procurement and R&D services agreement has an effective term until 31 December 2027)

Pursuant to the components procurement and R&D services agreement dated 14 November 2024, the Group (i) agreed to purchase automobile components; and (ii) agreed to purchase R&D services from the ECARX (Hubei) Group, the Zhejiang HUANFU Group and the Hangzhou Langge Group, with the highest annual cap being RMB6,490 million for the three years ending 31 December 2027.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreement governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB4,068 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB6,387 million as set by the Company.

4. Powertrain purchase agreement among the Company, Aurobay Technology, and Aurobay Changxing (the powertrain purchase agreement has an effective term until 31 December 2026)

Pursuant to the powertrain purchase agreement dated 11 July 2023, the Group agreed to purchase powertrain products from the Aurobay Technology Group and the Aurobay Changxing Group, with the highest annual cap being RMB25,847 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreement governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB24,982 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB25,847 million as approved by the independent shareholders of the Company.

5. LYNK & CO finance cooperation agreement between Genius AFC and LYNK & CO Sales (the LYNK & CO finance cooperation agreement has an effective term until 31 December 2026) (capitalised terms were defined in the circular of the Company dated 8 November 2023)

- *Wholesale facility agreements between Genius AFC and the LYNK & CO Dealers (as defined in the circular of the Company dated 8 November 2023) (the wholesale facility agreements have an effective term until 31 December 2026)*

Pursuant to the LYNK & CO finance cooperation agreement dated 15 September 2023, Genius AFC will provide vehicle financing to the LYNK & CO Dealers to facilitate their purchase of LYNK & CO brand vehicles, auto accessories and services, with the highest annual cap being RMB510 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB218 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB424 million as approved by the independent shareholders of the Company.

- ***Retail loan cooperation agreements between Genius AFC and LYNK & CO Dealers (as defined in the circular of the Company dated 8 November 2023) (the retail loan cooperation agreements have an effective term until 31 December 2026)***

Pursuant to the LYNK & CO finance cooperation agreement dated 15 September 2023, Genius AFC agreed to enter into retail loan cooperation agreements with the LYNK & CO Dealers pursuant to which the LYNK & CO Dealers shall recommend the retail customers to use Genius AFC for the obtaining of vehicle loans to finance their purchase of LYNK & CO brand vehicles, auto accessories and services, with the highest annual cap being RMB6,149 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB5,064 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB5,800 million as approved by the independent shareholders of the Company.

6. **Geely Holding finance cooperation agreement between Genius AFC and Geely Holding (the Geely Holding finance cooperation agreement has an effective term until 31 December 2026) (capitalised terms were defined in the circular of the Company dated 8 November 2023)**

- ***Wholesale facility agreements between Genius AFC, the Geely Holding Dealers, and the Connected Geely Dealers (both as defined in the circular of the Company dated 8 November 2023) (the wholesale facility agreements have an effective term until 31 December 2026)***

Pursuant to the Geely Holding finance cooperation agreement dated 15 September 2023, Genius AFC will provide vehicle financing to the Geely Holding Dealers and Connected Geely Dealers to facilitate their purchase of Geely Holding-owned brand vehicles, auto accessories and services, with the highest annual cap being RMB143 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to Nil (in RMB) for the year ended 31 December 2025, which did not exceed the annual cap of RMB101 million as approved by the independent shareholders of the Company.

- ***Retail loan cooperation agreements between Genius AFC, the Geely Holding Dealers, and the Connected Geely Dealers (both as defined in the circular of the Company dated 8 November 2023) (the retail loan cooperation agreements have an effective term until 31 December 2026)***

Pursuant to the Geely Holding finance cooperation agreement dated 15 September 2023, Genius AFC agreed to provide vehicle financing services to the Geely retail customers to assist them to purchase (a) Geely Holding-owned brand vehicles, auto accessories and services from the Geely Holding Dealers or other sellers; or (b) Geely brand vehicles, auto accessories or services from the Connected Geely Dealers. The highest annual cap under the Geely Holding finance cooperation agreement is RMB1,307 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB494 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB882 million as approved by the independent shareholders of the Company.

7. ZEEKR finance cooperation agreement between Genius AFC and ZEEKR (the ZEEKR finance cooperation agreement has an effective term until 31 December 2026) (capitalised terms were defined in the circular of the Company dated 8 November 2023)

- ***Wholesale facility agreements between Genius AFC and the ZEEKR Dealers (as defined in the circular of the Company dated 8 November 2023) (the wholesale facility agreements have an effective term until 31 December 2026)***

Pursuant to the ZEEKR finance cooperation agreement dated 15 September 2023, Genius AFC will provide vehicle financing to the ZEEKR Dealers to facilitate their purchase of ZEEKR brand vehicles, auto accessories and services, with the highest annual cap being RMB10 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to Nil (in RMB) for the year ended 31 December 2025, which did not exceed the annual cap of RMB10 million as approved by the independent shareholders of the Company.

- ***Retail loan cooperation agreements between Genius AFC and ZEEKR Dealers (as defined in the circular of the Company dated 8 November 2023) (the retail loan cooperation agreements have an effective term until 31 December 2026)***

Pursuant to the ZEEKR finance cooperation agreement dated 15 September 2023, Genius AFC agreed to provide vehicle financing services to the ZEEKR retail customers to assist them to purchase ZEEKR brand vehicles, auto accessories and services. The highest annual cap under the ZEEKR finance cooperation agreement is RMB10,323 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB8,043 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB9,055 million as approved by the independent shareholders of the Company.

8. smart finance cooperation agreement between Genius AFC and smart Sales (the smart finance cooperation agreement has an effective term until 31 December 2026) (capitalised terms were defined in the circular of the Company dated 8 November 2023)

- *Wholesale facility agreements between Genius AFC and the smart Dealers (as defined in the circular of the Company dated 8 November 2023) (the wholesale facility agreements have an effective term until 31 December 2026)*

Pursuant to the smart finance cooperation agreement dated 15 September 2023, Genius AFC will provide vehicle financing to the smart Dealers to facilitate their purchase of smart brand vehicles, auto accessories and services, with the highest annual cap being RMB455 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB38 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB288 million as approved by the independent shareholders of the Company.

- ***Retail loan cooperation agreements between Genius AFC and smart Dealers (as defined in the circular of the Company dated 8 November 2023) (the retail loan cooperation agreements have an effective term until 31 December 2026)***

Pursuant to the smart finance cooperation agreement dated 15 September 2023, Genius AFC agreed to provide vehicle financing services to the smart retail customers to assist them to purchase smart brand vehicles, auto accessories and services. The highest annual cap under the smart finance cooperation agreement is RMB4,141 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB283 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB3,206 million as approved by the independent shareholders of the Company.

9. **Lotus finance cooperation agreement between Genius AFC and Lotus Sales (the Lotus finance cooperation agreement has an effective term until 31 December 2026) (capitalised terms were defined in the circular of the Company dated 8 November 2023)**

- ***Wholesale facility agreements between Genius AFC and the Lotus Dealers (as defined in the circular of the Company dated 8 November 2023) (the wholesale facility agreements have an effective term until 31 December 2026)***

Pursuant to the Lotus finance cooperation agreement dated 15 September 2023, Genius AFC will provide vehicle financing to the Lotus Dealers to facilitate their purchase of Lotus brand vehicles, auto accessories and services, with the highest annual cap being RMB22 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB0.4 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB22 million as approved by the independent shareholders of the Company.

- ***Retail loan cooperation agreements between Genius AFC and Lotus Dealers (as defined in the circular of the Company dated 8 November 2023) (the retail loan cooperation agreements have an effective term until 31 December 2026)***

Pursuant to the Lotus finance cooperation agreement dated 15 September 2023, Genius AFC agreed to provide vehicle financing services to the Lotus retail customers to assist them to purchase Lotus brand vehicles, auto accessories and services. The highest annual cap under the Lotus finance cooperation agreement is RMB1,814 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB67 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB1,164 million as approved by the independent shareholders of the Company.

10. **Livan finance cooperation agreement between Genius AFC and Livan Sales (the Livan finance cooperation agreement has an effective term until 31 December 2026) (capitalised terms were defined in the announcement of the Company dated 15 August 2024)**

Pursuant to the Livan finance cooperation agreement dated 15 August 2024, Genius AFC agreed to provide vehicle financing services to the Livan retail customers to assist them to purchase Livan brand vehicles, auto accessories and services. The highest annual cap under the Livan finance cooperation agreement is RMB220 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB45 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB200 million as set by the Company.

11. Automobile components sales and purchase agreement amongst the Company, Geely Holding, LYNK & CO, ZEEKR, LEVC, Geely Technology, YoeNing Technology, InfiMotion and Geely Sunwoda (the automobile components sales and purchase agreement has an effective term until 31 December 2026)

Pursuant to the automobile components sales and purchase agreement dated 15 August 2024, the Group agreed to sell automobile components to the Geely Holding Group, the LYNK & CO Group, the ZEEKR Group, and the LEVC Group, with the highest annual cap being RMB26,956 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreement governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB17,557 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB22,895 million as approved by the independent shareholders of the Company.

12. Automobile components sales and purchase agreement amongst the Company, Geely Holding, LYNK & CO, ZEEKR, LEVC, Geely Technology, YoeNing Technology, InfiMotion and Geely Sunwoda (the automobile components sales and purchase agreement has an effective term until 31 December 2026)

Pursuant to the automobile components sales and purchase agreement dated 15 August 2024, the Group agreed to purchase automobile components from the Geely Holding Group, the LYNK & CO Group, the ZEEKR Group, the YoeNing Technology Group, the Geely Technology Group, the InfiMotion Group and the Geely Sunwoda Group, with the highest annual cap being RMB40,246 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreement governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB18,616 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB36,413 million as approved by the independent shareholders of the Company.

13. R&D services and technology licensing agreement amongst the Company, Geely Holding, ZEEKR, Viridi, Lotus Technology, Polestar AB, Polestar China, LEVC, smart, ECARX, Aurobay, Livan Automobile, YoeNing Technology, InfiMotion, Jiyao, Chunqing Ecological, Farizon Technology, Farizon Commercial Vehicles, Shandong Geely New Energy, and CaoCao (the R&D services and technology licensing agreement has an effective term until 31 December 2027)

Pursuant to the R&D services and technology licensing agreement dated 15 September 2023 and the Company's announcement dated 24 September 2025, the Group agreed to provide to the Geely Holding Group, the ZEEKR Group, the Viridi Group, the Lotus Technology Group, the Polestar Group, the LEVC Group, the smart Group, the Aurobay Group, the Livan Automobile Group, the YoeNing Technology Group, the InfiMotion Group, the Jiyao Group, the Chunqing Ecological Group, the Farizon Technology Group, the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group and the CaoCao Group the R&D and related technological support services, R&D for automobiles and key auto parts, technical verification and testing, technical consultancy, technical support services, technology licensing, etc., with the highest annual cap being RMB13,544 million for the three years ending 31 December 2027.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreement governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB8,332 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB10,873 million as approved by the independent shareholders of the Company.

14. R&D services and technology licensing agreement amongst the Company, Geely Holding, ZEEKR, Viridi, Lotus Technology, Polestar AB, Polestar China, LEVC, smart, ECARX, Aurobay, Livan Automobile, YoeNing Technology, InfiMotion, Jiyao, Chunqing Ecological, Farizon Technology, Farizon Commercial Vehicles, Shandong Geely New Energy, and CaoCao (the R&D services and technology licensing agreement has an effective term until 31 December 2027)

Pursuant to the R&D services and technology licensing agreement dated 15 September 2023 and the Company's announcement dated 24 September 2025, the Group agreed to procure from the Geely Holding Group, the ZEEKR Group, the Viridi Group, the LEVC Group, the ECARX Group, the Aurobay Group, the Livan Automobile Group, the YoeNing Technology Group, the InfiMotion Group, the Jiyao Group and the CaoCao Group the R&D and related technological support services, including R&D of the NEV technologies and intelligent driver assistance technologies, technical verification and testing, technical consultancy services, technical support services, technology licensing, etc., with the highest annual cap being RMB6,012 million for the three years ending 31 December 2027.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreement governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB3,057 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB6,012 million as approved by the independent shareholders of the Company.

15. Operation services agreement amongst the Company, Geely Holding, LYNK & CO, ZEEKR, Geely Technology, Aurobay Technology, Aurobay Changxing, Lotus Technology, JIDU, smart, Tianjin Chunqing, Farizon Technology, Commercial Vehicle, Livan Automotive and YoeNing Technology (the operation services agreement has an effective term until 31 December 2026)

Pursuant to the operation services agreement dated 15 August 2024, the Group agreed to provide to the Geely Holding Group, the ZEEKR Group, the LYNK & CO Group, the Geely Technology Group, the smart Group, the Farizon Technology Group, the Commercial Vehicle Group, the Tianjin Chunqing Group, the Livan Automotive Group, the Lotus Technology Group, the YoeNing Technology Group, the JIDU Group, the Aurobay Technology Group and the Aurobay Changxing Group operation services that mainly include, but are not limited to, IT, logistics and warehousing services, supplier quality engineering services, procurement services, back-office support services (including but not limited to accounting services, human resources services, etc.), testing and trial production services, and other services, with the highest annual cap being RMB10,083 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreement governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB4,815 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB8,785 million as approved by the independent shareholders of the Company.

16. Operation services agreement amongst the Company, Geely Holding, LYNK & CO, ZEEKR, Geely Technology, Aurobay Technology, Aurobay Changxing, Lotus Technology, JIDU, smart, Tianjin Chunqing, Farizon Technology, Commercial Vehicle, Livan Automotive and YoeNing Technology (the operation services agreement has an effective term until 31 December 2026)

Pursuant to the operation services agreement dated 15 August 2024, the Group agreed to procure from the Geely Holding Group, the LYNK & CO Group, the ZEEKR Group, the Geely Technology Group, the Aurobay Technology Group and the Aurobay Changxing Group operation services that mainly include, but are not limited to, business travel services, IT, back-office support services (including but not limited to marketing and publicity services, legal services, etc.), charging rights services, testing and trial production services, and other services, with the highest annual cap being RMB3,503 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreement governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB2,832 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB3,277 million as approved by the independent shareholders of the Company.

17. CBUs sales agreement and the supplemental CBUs sales agreement both between the Company and Geely Holding (the CBUs sales agreement and the supplemental CBUs sales agreement both have an effective term until 31 December 2027)

Pursuant to the CBUs sales agreement dated 15 August 2024 and the supplemental CBUs sales agreement dated 31 March 2025, the Group agreed to sell to the Geely Holding Group, CBUs and related after-sales parts, components and accessories manufactured by the Group, with the highest annual cap being RMB1,529 million for the three years ending 31 December 2027.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreement governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB1,157 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB1,529 million as set by the Company.

18. CBUs procurement agreement between the Company and ZEEKR (the CBUs procurement agreement has an effective term until 31 December 2026)

Pursuant to the CBUs procurement agreement dated 7 February 2024, the Group agreed to purchase CBUs and related after-sales parts and accessories from the ZEEKR Group for the onward sale to Mexico, with the highest annual cap being RMB3,129 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreement governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB751 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB1,564 million as set by the Company.

19. CBUs and CKDs procurement cooperation agreement between the Company, Geely Holding, Farizon Commercial Vehicles, and Shandong Geely New Energy (the CBUs and CKDs procurement cooperation agreement has an effective term until 31 December 2027)

Pursuant to the CBUs and CKDs procurement cooperation agreement dated 15 September 2023 and the Company's announcement dated 24 September 2025, the Group agreed to purchase the CBUs and CKDs that are primarily for use in Geely, ZEEKR, and LYNK & CO brand vehicles, from the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group, and the Geely Holding Group, with the highest annual cap being RMB167,120 million for the three years ending 31 December 2027.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreement governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB58,008 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB75,320 million as approved by the independent shareholders of the Company.

20. CKDs and automobile components sales agreement between the Company and Geely Holding (the CKDs and automobile components sales agreement has an effective term until 31 December 2025)

Pursuant to the CKDs and automobile components sales agreement dated 12 December 2022, the Group agreed to sell CKDs and automobile components in relation to vehicle models including smart-branded vehicles to the Geely Holding Group, with the highest annual cap being RMB34,110 million for the three years ended 31 December 2025.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreement governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB1,651 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB30,861 million as approved by the independent shareholders of the Company.

21. Integrated services framework agreement between the Company, VCI, Livan Automotive and Farizon Technology (the integrated services framework agreement has an effective term until 31 December 2026)

Pursuant to the integrated services framework agreement dated 21 October 2024, the Group agreed to provide the integrated services which include processing services, value-added services, testing services, assembly services, installation services, maintenance services, modification services, upgrade services and other services related to the conversion of CKDs into CBUs to the VCI Group, the Livan Group and the Farizon Technology Group, with the highest annual cap being RMB127 million for the three years ending 31 December 2026.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreement governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB37 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB98 million as set by the Company.

22. CBUs and CKDs manufacturing services agreement between the Company, Geely Holding and smart (the CBUs and CKDs manufacturing services agreement has an effective term until 31 December 2027)

Pursuant to the CBUs and CKDs manufacturing services agreement dated 31 March 2025, the Group agreed to provide the CBUs and CKDs manufacturing services to the Geely Holding Group and the smart Group, with the highest annual cap being RMB2,808 million for the three years ending 31 December 2027.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreement governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB960 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB2,078 million as set by the Company.

23. Zhidou finance cooperation agreement between Genius AFC and Zhidou Sales (the Zhidou finance cooperation agreement has an effective term until 31 December 2027) (capitalised terms were defined in the announcement of the Company dated 15 August 2024)

Pursuant to the Zhidou finance cooperation agreement dated 15 August 2024, Genius AFC agreed to provide vehicle financing services to the Zhidou retail customers to assist them to purchase Zhidou brand vehicles, auto accessories and services. The highest annual cap under the Zhidou finance cooperation agreement is RMB316 million for the three years ending 31 December 2027.

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and (d) amounted to RMB0.2 million for the year ended 31 December 2025, which did not exceed the annual cap of RMB160 million as set by the Company.

The Company has engaged its auditor to perform an assurance engagement on the aforesaid continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) *“Assurance Engagements Other Than Audits or Reviews of Historical Financial Information”* and with reference to Practice Note 740 (Revised) *“Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules”* issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified assurance report setting out its findings and conclusions in respect of the continuing connected transactions described above.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the year, the Company 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 its own Code for Securities Transactions by the Officers (the “**Code**”). All directors of the Company have confirmed their compliance during the year with the required standards set out in the Model Code and the Code.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2025, the Company repurchased a total of 22,434,000 shares on the Stock Exchange for an aggregate consideration of approximately HK\$384.7 million (before expenses). As at 31 December 2025, the repurchased shares had not yet been cancelled and were subsequently cancelled in February 2026. The share repurchase was conducted with a view to enhancing long-term shareholder value. Details of the shares repurchased during the year are set out below:

Month of Repurchase in 2025	No. of Shares Repurchased	Highest Price Paid (HK\$)	Lowest Price Paid (HK\$)
December	22,434,000	17.91	16.26

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2025.

DONATIONS

During the year ended 31 December 2025, the Group did not make any donations (2024: Nil, in RMB).

EMOLUMENT POLICY

The emolument policy for the employees of the Group is established by the human resources department based on their merits, qualifications and competence.

The emolument policy for the Directors of the Company is determined by the remuneration committee of the Board, taking into account the Company's operating results, individual responsibilities, performance, and prevailing market benchmarks. The Company has adopted a share option scheme and a share award scheme as incentives for Directors, eligible employees, and participants from related entities. Details of these schemes are set out in note 40 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands which would require the Company to offer new shares to its Shareholders on a pro-rata basis.

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief or exemption available to the Shareholders by reason of their holding of the Company's securities.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, purchases attributable to the Group's five largest suppliers accounted for approximately 29% of the Group's total purchases, of which purchases from the largest supplier accounted for approximately 21%. Revenue attributable to the Group's five largest customers accounted for approximately 3% of the Group's total revenue, with revenue from the largest customer accounting for approximately 1%.

During the year, the Group's five largest customers were Ioncor Ltd. (formerly known as Valmet Automotive EV Power Ltd.), Volvo Car Belgium N.V., PROTON Holdings Berhad, Renault do Brasil LTDA., and Zhejiang Liankong Technologies Co., Ltd. (浙江聯控技術有限公司). The Group's five largest suppliers were Zhejiang Geely Automobile Company Limited (浙江吉利汽車有限公司), Shanghai Aurobay Automotive Components Co., Ltd. (上海極光灣汽車零部件有限公司), Qizheng New Energy Vehicle (Jinan) Co., Ltd. (啟征新能源汽車(濟南)有限公司), Quzhou Jidian E Mobility Technology Company Limited (衢州極電電動汽車技術有限公司), and Aurobay (Changxing) Transmission Co., Ltd. (極光灣(長興)變速器有限公司) (formerly known as Geely Changxing Automatic Transmission Company Limited (吉利長興自動變速器有限公司)).

Certain of the above customers and suppliers are companies controlled by Mr. Li Shu Fu (李書福先生), an executive director and substantial shareholder of the Company, or by his associates, and therefore constitute related parties of the Group under Hong Kong Financial Reporting Standards. Transactions with these related parties were conducted in the ordinary and usual course of business and on normal commercial terms. Details of the related party transactions are set out in note 41 to the consolidated financial statements.

Save as disclosed above, at no time during the year did any of the Directors, their associates, or shareholders who, to the knowledge of the Directors, own more than 5% of the Company's issued share capital, have any interest in any of the Group's five largest customers or suppliers.

CORPORATE GOVERNANCE REPORT

Details of the Corporate Governance Report are set out on pages 038 to 067 of the annual report.

FACILITY AGREEMENT WITH COVENANT OF THE CONTROLLING SHAREHOLDER

On 17 December 2025, the Company entered into a short-term facility agreement (the “**Facility Agreement**”) with a syndicate of banks and financial institutions for a principal amount of up to US\$420 million. Bank of China (Hong Kong) Limited acts as the coordinator and agent. The facility is intended to finance the U.S. dollar cash consideration for ZEEKR’s privatisation.

The facility is available for drawdown for three months from the date of the Facility Agreement, and all outstanding amounts must be repaid within 364 days of that date.

As at 31 December 2025, Mr. Li Shu Fu, a controlling shareholder, owns approximately 41.4% of the Company’s issued share capital and is its single largest beneficial shareholder. Under the Facility Agreement, a mandatory prepayment event will occur if Mr. Li Shu Fu ceases to be the single largest beneficial shareholder or ceases to maintain management control of the Group. In such case, the lenders may cancel their commitments and require immediate repayment of all outstanding amounts within 30 days.

AUDIT COMMITTEE

The Company has an audit committee, which was established in accordance with the requirements of the Listing Rules for the purpose of reviewing and providing supervision over the Group’s financial reporting processes, risk management and internal controls. The audit committee comprises Ms. Gao Jie, Ms. Yu Li Ping, Jennifer and Ms. Tseng Chin I, who are the independent non-executive directors of the Company.

SUFFICIENCY OF PUBLIC FLOAT

Rule 8.08(1) of the Listing Rules requires that at least 25% of the Company’s issued share capital be held by the public.

Based on the information publicly available and to the best knowledge of the Directors, the Company maintained the prescribed minimum public float throughout the year and as at the latest practicable date prior to the issue of this annual report, in compliance with the requirements of the Listing Rules.

COMPETING BUSINESSES

The Group is principally engaged in the research, development, production, marketing, and sales of passenger vehicles and related automobile components in the PRC. Geely Holding, which is ultimately owned by Mr. Li Shu Fu and his associates, has established production facilities and distribution networks in the PRC and overseas for various automobile brands. These activities may constitute competing businesses (the “**Competing Businesses**”) with those of the Group.

Mr. Li Shu Fu undertook to the Company on 20 November 2008 that, upon being notified of any decision by the Company pursuant to a resolution approved by a majority of the independent non-executive Directors, he will, and will procure his associates (other than the Group) to, sell to the Group all of the Competing Businesses and related assets, subject to compliance with applicable requirements of the Listing Rules and other laws and regulations, on mutually agreed fair and reasonable terms. In addition, Mr. Li Shu Fu undertakes to inform the Group of all potential Competing Businesses carried out by him or his associates.

In August 2010, Geely Holding completed the acquisition of Volvo Car Corporation (“**Volvo**”), a global premium automobile manufacturer. Geely Holding provided an irrevocable undertaking to the Company on 27 March 2010 that, upon being notified of any decision by the Company pursuant to a resolution approved by a majority of the independent non-executive Directors, it will, and will procure its associates (other than the Group) to, sell to the Group all or any part of the businesses and related assets of Volvo, subject to fair and reasonable terms and compliance with applicable laws and regulations.

On 24 February 2021, the Company announced a series of collaborations with Volvo Car AB (publ) in powertrain, electrification, autonomous driving, and operational areas, while maintaining independent corporate structures. The Board (including independent non-executive Directors) considers that these collaborations have mitigated major potential competition between the parties and fulfilled Geely Holding’s undertakings.

Horizontal competition between the Group and Geely Holding

Although Geely Holding and the Group are engaged in similar business activities, their respective product offerings differ significantly in market positioning and target customer bases. The Group’s major brands—Geely, ZEEKR, and LYNK & CO—focus on economy and mid-to-high-end passenger vehicles, while other brands under Geely Holding target distinct segments such as luxury, performance, and micro-mobility.

The Group’s brands

- **Geely:** Positioned as economical passenger vehicles, primarily sold in the PRC and exported to developing markets. Includes the *China Star* (fuel vehicles) and *Galaxy* (mid-to-high-end new energy vehicles) series.
- **ZEEKR:** A global premium electric vehicle brand emphasizing technology and luxury.
- **LYNK & CO:** A global high-end new energy brand characterized by trendiness and sportiness.

Other Geely Holding brands

1. *Volvo*

A premium global brand renowned for safety and sustainability, targeting high-income consumers in Europe, China, the U.S., and other major global automobile markets. Its luxury positioning and pricing differ significantly from the Group’s offerings, minimizing direct competition.

2. *Lotus*

A high-performance sports car manufacturer. Its niche market and pricing distinguish it from the Group’s mainstream passenger vehicles.

3. *Polestar*

A high-performance electric vehicle brand redefining luxury through sustainability and technology. Polestar recorded strong growth in 2025, with global deliveries exceeding 30,000 units in the first half of the year. Its premium EV positioning is distinct from the Group’s mid-market focus.

4. *London Electric Vehicle Company (LEVC)*

LEVC is a manufacturing brand under Geely Holding. It is positioned as the VAN series of electrified models. As at 31 December 2025, LEVC had launched three models: the TX, VN5 vans, and the L380 pure electric MPV. The TX and VN5 vans are primarily targeted at European and other international markets, while the L380 pure electric MPV is aimed at the global market. The customer base and pricing of these models differ from the Group's major brands, namely Geely, ZEEKR, and LYNK & CO.

5. *Livan*

Livan is an electric mobility brand focused on battery-swapping technology. Its goal is to shape the perception of intergenerational advantage, advocate a battery-swapping lifestyle, and create new value and transformation within the industry. Livan positions itself as a brand that popularizes convenient commuting through battery swapping. It has launched a number of battery-swapping models that not only cater to the operational market but also provide consumers with more choices. Both the business-end and customer-end drive Livan's growth simultaneously. Livan is clearly differentiated from the Group's major brands—Geely, ZEEKR, and LYNK & CO—in terms of product positioning, target market segment, and business operation models.

6. *smart*

A joint venture brand emphasizing light luxury and compact EVs for urban users in China and Europe. Smart targets middle-class consumers who prefer small vehicles suitable for personal use. In terms of target customer base, brand positioning, and sales markets, smart differs significantly from the Group's major brands, including Geely, ZEEKR, and LYNK & CO.

7. *Zhidou*

Focused on micro-electric vehicles for urban mobility. The 2025 Zhidou Rainbow model, priced below RMB40,000, targets young consumers seeking affordable, eco-friendly transport—distinct from the Group's mid-to-high-end positioning.

As at 31 December 2025, businesses controlled by Geely Holding or in which it has substantial interests differ significantly from the Group in terms of product positioning, pricing, and target consumer groups. Consequently, no material horizontal competition exists. Furthermore, neither Mr. Li Shu Fu nor his associates, nor any Directors or their associates, engaged in businesses that compete directly or indirectly with the Group.

AUDITOR

Grant Thornton Hong Kong Limited will retire at the forthcoming annual general meeting and, being eligible, will offer itself for re-appointment. A resolution will be proposed at the forthcoming annual general meeting to reappoint. Grant Thornton Hong Kong Limited as the auditor of the Company.

On behalf of the Board

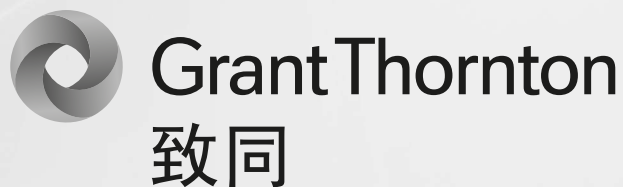
Li Shu Fu

Chairman

18 March 2026

INDEPENDENT AUDITOR'S REPORT

KEY FIGURES
EDITORIAL
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To the members of Geely Automobile Holdings Limited

(incorporated in the Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of Geely Automobile Holdings Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) set out on pages 123 to 302, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of Hong Kong Companies Ordinance (Cap. 622).

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) as issued by the HKICPA. Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report. We are independent of the Group in accordance with the HKICPA’s “Code of Ethics for Professional Accountants” (the “**Code**”), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment assessment of intangible assets

Refer to notes 5 and 15 to the consolidated financial statements and the accounting policies as set out in notes 4(d) and 4(j) to the consolidated financial statements.

The key audit matter

We identified the impairment of intangible assets as a key audit matter due to the significant judgement required in assessing the recoverable amount of such assets, which depends on management's expectations of the business's future performance. As at 31 December 2025, the Group's intangible assets amounted to approximately RMB36,446,096,000, primarily representing capitalised product development costs allocated to a cash generating unit ("CGU").

Management assessed whether there were any indicators that the intangible assets may be impaired. Intangible assets for which impairment indicators were identified were tested for impairment. Management determined the recoverable amount of the CGU based on value in use calculations, using projected future cash flows. The impairment assessment involved significant judgement, including key assumptions in respect of highly uncertain areas, such as the estimated growth rate of future cash flows and the discount rate applied in the value in use model. Based on the results of the assessment, management concluded that no impairment loss on intangible assets had occurred during the year ended 31 December 2025.

How the matter was addressed in our audit

Our audit procedures to assess the impairment of the Group's intangible assets performed by the Company's management included the following:

- Obtained an understanding of and evaluated the internal controls and processes over impairment assessment and tested their operating effectiveness;
- Assessed the valuation methodology applied;
- Compared the current year's actual cash flows with the prior year's cash flow projections to consider whether the projections incorporated any assumptions that were overly optimistic;
- Assessed the reasonableness of key assumptions, including growth rates and discount rates, based on our knowledge of the business and industry;
- Involved a valuation specialist to assess the reasonableness of the discount rate used by management; and
- Reconciled input data to supporting evidence, such as approved budgets, and considered the reasonableness of those budgets.

Key audit matters (Continued)

Revenue recognition on sales of automobiles, automobile parts and components

Refer to notes 5 and 6 to the consolidated financial statements and the accounting policy as set out in note 4(m) to the consolidated financial statements.

The key audit matter

For the year ended 31 December 2025, the Group recorded revenue of approximately RMB345,232,201,000, of which approximately RMB330,826,711,000 was derived from the sales of automobiles, automobile parts and components.

Revenue recognition for sales of automobiles, automobile parts and components has been identified as a key audit matter due to its quantitative significance to the consolidated financial statements and its importance as one of the Group's key performance indicators. There is a risk of material misstatement if revenue is not recognised in the appropriate accounting period or in accordance with the relevant requirements of HKFRS Accounting Standards, particularly in relation to management's judgement over the timing of transfer of control under different contractual arrangements.

How the matter was addressed in our audit

Our audit procedures in relation to revenue recognition for sales of automobiles, automobile parts and components included the following:

- Obtained an understanding of, evaluated, and tested the operating effectiveness of the internal controls and processes over revenue recognition for sales of automobiles, automobile parts and components;
- Reviewed sales agreements, on a sample basis, to understand the terms of the sales transactions and to assess whether the Group's accounting policies relating to revenue recognition were applied appropriately and consistently throughout the year;
- Performed analytical procedures on revenue and gross margin by automobile product category to identify any significant or unusual fluctuations;
- Assessed, on a sample basis, whether revenue transactions recorded around the end of the reporting period were recognised in the appropriate period by comparing selected transactions with relevant underlying documentation, including customers' receipts, goods delivery notes, and the terms of sales set out in the distributor agreements; and
- Obtained external confirmations, on a sample basis, directly from customers to verify outstanding trade receivable balances as at the end of the reporting period.

INDEPENDENT AUDITOR'S REPORT

Other information

The directors are responsible for the other information. The other information comprises all the information included in the 2025 annual report of the Company, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors assisted by the Audit Committee are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Auditor's responsibilities for the audit of the consolidated financial statements (Continued)

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

INDEPENDENT AUDITOR'S REPORT

Auditor's responsibilities for the audit of the consolidated financial statements (Continued)

From the matters communicated with the Audit Committee, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Grant Thornton Hong Kong Limited

Certified Public Accountants
11th Floor, Lee Garden Two
28 Yun Ping Road
Causeway Bay
Hong Kong

18 March 2026

Ng Ka Kong

Practising Certificate No.: P06919

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

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	Note	2025 RMB'000	2024 RMB'000 (Restated)
Revenue	6	345,232,201	275,910,484
Cost of sales		(287,885,471)	(230,106,735)
Gross profit		57,346,730	45,803,749
Other gains/(losses), net	8	6,166,981	1,122,445
Distribution and selling expenses		(20,423,546)	(16,440,512)
Administrative expenses		(6,481,732)	(6,250,031)
Research and development expenses	9(c)	(17,623,782)	(13,688,223)
Impairment loss on trade and other receivables	9(c)	(118,222)	(327,519)
Impairment loss on non-financial assets, net	9(c)	(28,841)	(1,789,082)
Share-based payments	40	(1,181,265)	(1,752,726)
Finance income, net	9(a)	136,770	312,006
Share of results of associates	17	757,646	530,123
Share of results of joint ventures	18	1,641,312	1,252,717
Net gain on deemed disposal of subsidiaries and partial disposal of a joint venture	18	37,704	9,354,235
Profit before tax	9	20,229,755	18,127,182
Income tax expense	10	(3,601,429)	(1,782,140)
Profit for the year		16,628,326	16,345,042
Attributable to:			
Owners of the parent		16,852,231	16,811,878
Non-controlling interests		(223,905)	(466,836)
Profit for the year		16,628,326	16,345,042
Earnings per share			
Basic	12	RMB1.67	RMB1.66
Diluted	12	RMB1.63	RMB1.65

The notes on pages 132 to 302 are an integral part of these consolidated financial statements. Details of dividends payable to owners of the parent attributable to the profit for the year are set out in note 11(a).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025 RMB'000	2024 RMB'000 (Restated)
Profit for the year	16,628,326	16,345,042
Other comprehensive income/(expense):		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
– Notes receivable at fair value through other comprehensive income (“FVOCI”) Change in fair value, net of related income tax	36,060	34,537
– Share of other comprehensive income/(expense) of associates and joint ventures, net of related income tax	831,327	(765,077)
– Exchange differences on translation of financial statements of foreign operations	(36,942)	77,905
– Reclassification adjustment on fair value recycling released on deemed disposal of subsidiaries	–	2,006
<i>Item that will not be reclassified subsequently to profit or loss:</i>		
– Equity investments at FVOCI Change in fair value	(16,063)	(38,949)
Other comprehensive income/(expense) for the year, net of tax	814,382	(689,578)
Total comprehensive income for the year	17,442,708	15,655,464
Attributable to:		
Owners of the parent	17,665,594	16,110,461
Non-controlling interests	(222,886)	(454,997)
Total comprehensive income for the year	17,442,708	15,655,464

The notes on pages 132 to 302 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

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	Note	As at 31 December 2025 RMB'000	As at 31 December 2024 RMB'000 (Restated)	As at 1 January 2024 RMB'000 (Restated)
Non-current assets				
Property, plant and equipment	14	34,370,050	34,851,282	41,150,682
Intangible assets	15	36,446,096	35,625,297	30,836,311
Land lease prepayments	16	3,998,462	4,103,460	3,710,837
Interests in associates	17	15,027,730	5,851,576	5,971,984
Interests in joint ventures	18	24,993,859	22,944,772	6,317,061
Prepayments and other receivables	22	5,227,173	5,071,948	2,093,948
Financial assets at FVOCI	28	62,734	78,797	117,746
Deferred tax assets	37	10,871,082	10,419,101	8,264,559
		130,997,186	118,946,233	98,463,128
Current assets				
Inventories	19	31,934,409	29,359,120	20,631,555
Trade receivables	20	19,449,480	19,183,750	19,360,391
Notes receivable	21	26,772,079	41,344,803	24,526,218
Prepayments and other receivables	22	12,546,126	15,134,870	17,649,091
Prepaid income tax		493,526	227,562	217,929
Restricted bank deposits	24	2,898,009	3,545,883	1,290,910
Bank balances and cash		65,319,279	43,057,737	41,290,747
		159,412,908	151,853,725	124,966,841
Assets classified as held for sale		–	273,950	18,391,615
		159,412,908	152,127,675	143,358,456
Current liabilities				
Trade payables	25	80,972,517	82,363,900	70,467,718
Notes payable	26	20,595,794	26,912,330	8,483,681
Other payables and accruals	27	63,768,891	50,220,403	39,845,918
Derivative financial instruments	23	82	27,918	32,310
Lease liabilities	29	1,101,372	1,029,155	810,280
Bank borrowings	30	10,495,822	1,358,276	4,126,164
Bonds payable	35	1,500,000	–	–
Income tax payable		1,025,049	1,006,770	951,357
		179,459,527	162,918,752	124,717,428
Liabilities directly associated with assets classified as held for sale		–	–	7,885,018
		179,459,527	162,918,752	132,602,446
Net current (liabilities)/assets		(20,046,619)	(10,791,077)	10,756,010
Total assets less current liabilities		110,950,567	108,155,156	109,219,138

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Note	As at 31 December 2025 RMB'000	As at 31 December 2024 RMB'000 (Restated)	As at 1 January 2024 RMB'000 (Restated)
CAPITAL AND RESERVES				
Share capital	32	198,900	184,020	183,807
Perpetual capital securities	33	–	–	3,413,102
Reserves	34	92,199,589	86,354,497	80,069,186
Equity attributable to owners of the parent				
Non-controlling interests				
		92,398,489	86,538,517	83,666,095
		1,216,719	7,452,735	6,993,768
Total equity		93,615,208	93,991,252	90,659,863
Non-current liabilities				
Other payables and accruals	27	6,467,277	4,878,692	3,906,639
Lease liabilities	29	3,688,430	2,440,800	2,318,876
Bank borrowings	30	4,320,000	2,736,593	9,248,795
Loan from a related company	31	–	–	1,100,000
Bonds payable	35	2,000,000	3,500,000	1,500,000
Deferred tax liabilities	37	859,652	607,819	484,965
		17,335,359	14,163,904	18,559,275
		110,950,567	108,155,156	109,219,138

Approved and authorised for issue by the Board of Directors on 18 March 2026.

Gui Sheng Yue
Director

Mao Jian Ming, Moosa
Director

The notes on pages 132 to 302 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

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	Attributable to owners of the parent													
	Share capital RMB'000 (note 32(a))	Perpetual capital securities RMB'000 (note 33)	Share premium RMB'000 (note 34(a))	Capital reserve RMB'000 (note 34(b)) (Restated)	Statutory reserve RMB'000 (note 34(c)) (Restated)	Safety production fund reserve RMB'000 (note 34(d))	Fair value reserve (recycling) RMB'000 (note 34(e)) (Restated)	Fair value reserve (non-recycling) RMB'000 (note 34(f)) (Restated)	Translation reserve RMB'000 (note 34(g)) (Restated)	Share-based compensation reserve RMB'000 (note 34(h))	Retained profits RMB'000 (note 34(j)) (Restated)	Sub-total RMB'000 (Restated)	Non-controlling interests RMB'000 (Restated)	Total RMB'000 (Restated)
Balance at 1 January 2024	183,807	3,413,102	18,166,949	(176,429)	2,339,359	-	(177,970)	(262,224)	(85,315)	3,494,655	53,612,890	80,508,824	4,642,674	85,151,498
Adjustments (note 4(a))	-	-	-	3,679,696	(119,503)	-	(30,493)	-	165,614	-	(538,043)	3,157,271	2,351,094	5,508,365
Balance at 1 January 2024 (restated)	183,807	3,413,102	18,166,949	3,503,267	2,219,856	-	(208,463)	(262,224)	80,299	3,494,655	53,074,847	83,666,095	6,993,768	90,659,863
Profit for the year	-	144,840	-	-	-	-	-	-	-	16,667,038	16,811,878	(466,836)	-	16,345,042
Other comprehensive expense:														
Change in fair value of notes receivable at FVOCI	-	-	-	-	-	-	34,155	-	-	-	34,155	382	-	34,537
Share of other comprehensive expense of associates and joint venture	-	-	-	-	-	-	-	(765,077)	-	-	(765,077)	-	-	(765,077)
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	-	-	-	-	66,448	-	66,448	11,457	-	77,905
Change in fair value of equity investments at FVOCI	-	-	-	-	-	-	(38,949)	-	-	-	(38,949)	-	-	(38,949)
Reclassification adjustment on fair value recycling released on deemed disposal of subsidiaries	-	-	-	-	-	-	2,006	-	-	-	2,006	-	-	2,006
Total comprehensive income for the year	-	144,840	-	-	-	-	36,161	(38,949)	(698,629)	16,667,038	16,110,461	(454,997)	-	15,655,464
Transactions with owners:														
Transfer of reserves	-	-	-	-	2,577,463	-	-	-	-	(2,577,463)	-	-	-	-
Transfer to designated safety production fund	-	-	-	-	-	119,908	-	-	-	(119,908)	-	-	-	-
Utilisation of designated safety production fund	-	-	-	-	-	(119,908)	-	-	-	119,908	-	-	-	-
Issuance of ordinary shares of ZEEKR for ZEEKR Offering (note 42)	-	-	-	(73,317)	-	-	-	-	-	-	(73,317)	1,582,185	-	1,508,868
Share of capital reserve of an associate and a joint venture	-	-	-	(13,495)	-	-	-	-	4,420	-	(9,075)	-	-	(9,075)
Shares issued under share option scheme (note 32(a)(ii))	102	-	63,337	-	-	-	-	-	(14,862)	-	48,577	-	-	48,577
Shares issued under share award scheme (note 32(a)(iii))	111	-	137,094	-	-	-	-	-	(137,094)	-	111	-	-	111
Equity settled share-based payments (note 40)	-	-	-	-	-	-	-	-	724,497	-	724,497	-	-	724,497
Equity settled share-based payments of ZEEKR's share awards (note 40)	-	-	-	-	-	-	-	-	-	-	-	-	1,036,569	1,036,569
Vesting of equity settled share-based payments of ZEEKR's share awards	-	-	-	484,881	-	-	-	-	-	-	484,881	(484,881)	-	-
Acquisition of additional interests in subsidiaries from non-controlling interests	-	-	-	(4,814,176)	-	-	-	-	-	-	(4,814,176)	(1,092,096)	-	(5,906,272)
ZEEKR shares repurchased by ZEEKR (full name of ZEEKR is defined in note 4(a)) (note 40)	-	-	-	(161,421)	-	-	-	-	-	-	(161,421)	(25,324)	-	(186,745)
Distribution paid on perpetual capital securities (note 11(d))	-	(144,840)	-	-	-	-	-	-	-	-	(144,840)	-	-	(144,840)
Redemption of perpetual capital securities (note 33)	-	(3,413,102)	-	-	-	-	-	-	-	(208,798)	(3,621,900)	-	-	(3,821,900)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(126,452)	(126,452)
Special Dividend Distribution (note 11(e))	-	-	-	89	-	-	-	-	-	(69,853)	(69,764)	103	-	(69,661)
Final dividends declared and approved in respect of the previous year (note 11(b))	-	-	-	-	-	-	-	-	-	(2,050,555)	(2,050,555)	-	-	(2,050,555)
Dividend declared by a subsidiary (note 11(c))	-	-	-	-	-	-	-	-	-	(940,529)	(940,529)	-	-	(940,529)
Acquisition of subsidiaries under common control	-	-	-	(4,159,527)	-	-	13,127	-	(188,550)	-	1,724,422	(2,610,528)	23,860	(2,586,668)
Total transactions with owners	213	(3,557,942)	200,431	(8,736,966)	2,577,463	-	13,127	-	(188,550)	576,961	(4,122,776)	(13,238,039)	913,964	(12,324,075)
Balance at 31 December 2024 (restated)	184,020	-	18,367,380	(5,233,699)	4,797,319	-	(159,175)	(301,173)	(806,880)	4,071,616	65,619,109	86,538,517	7,452,735	93,991,252

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Attributable to owners of the parent													
	Repurchased			Capital reserve	Statutory reserve	Safety production fund reserve	Fair value reserve (recycling)	Fair value reserve (non-recycling)	Translation reserve	Share-based compensation reserve	Retained profits	Sub-total	Non-controlling interests	Total
	Share capital	share reserve	Share premium											
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(note 32(a))	(note 34(i))	(note 34(a))	(note 34(b))	(note 34(c))	(note 34(d))	(note 34(e))	(note 34(f))	(note 34(g))	(note 34(h))	(note 34(j))	(Restated)	(Restated)	(Restated)	
Balance at 1 January 2025 (restated)	184,020	-	18,367,380	(5,233,699)	4,797,319	-	(159,175)	(301,173)	(806,880)	4,071,616	65,619,109	86,538,517	7,452,735	93,991,252
Profit for the year	-	-	-	-	-	-	-	-	-	-	16,852,231	16,852,231	(223,905)	16,628,326
Other comprehensive income:														
Change in fair value of notes receivable at FVOCI	-	-	-	-	-	-	35,535	-	-	-	-	35,535	525	36,060
Share of other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-	-	830,645	-	-	830,645	682	831,327
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	-	-	-	-	(36,754)	-	-	(36,754)	(188)	(36,942)
Change in fair value of equity investments at FVOCI	-	-	-	-	-	-	-	(16,063)	-	-	-	(16,063)	-	(16,063)
Total comprehensive income for the year	-	-	-	-	-	-	35,535	(16,063)	793,891	-	16,852,231	17,665,594	(222,886)	17,442,708
Transactions with owners:														
Transfer of reserves	-	-	-	-	2,157,489	-	-	-	-	-	(2,157,489)	-	-	-
Transfer to designated safety production fund	-	-	-	-	-	104,209	-	-	-	-	(104,209)	-	-	-
Utilisation of designated safety production fund	-	-	-	-	-	(102,409)	-	-	-	-	104,209	1,800	-	1,800
Share of other reserves of associates and joint venture	-	-	-	(56,625)	-	-	-	-	-	20,791	-	(35,834)	-	(35,834)
Shares issued under share option scheme (note 32(a)(ii))	260	-	163,159	-	-	-	-	-	-	(38,837)	-	124,582	-	124,582
Shares issued under share award scheme (note 32(a)(iii))	573	-	699,309	-	-	-	-	-	-	(699,309)	-	573	-	573
Equity settled share-based payments (note 40)	-	-	-	-	-	-	-	-	-	1,109,619	-	1,109,619	-	1,109,619
Equity settled share-based payments of ZEEKR's share awards (note 40)	-	-	-	-	-	-	-	-	-	-	-	-	71,407	71,407
Acquisition of additional interests in a subsidiary from non-controlling interests	-	-	-	(7,936)	-	-	-	-	-	-	-	(7,936)	7,936	-
Acquisition of additional interests in ZEEKR (full name of ZEEKR is defined in note 4(a)) from non-controlling interests	-	-	-	(7,665)	-	-	-	-	-	-	-	(7,665)	-	(7,665)
Repurchase of shares (note 32(b))	-	(349,668)	-	-	-	-	-	-	-	-	-	(349,668)	-	(349,668)
Deemed disposal of a subsidiary without loss of control	-	-	-	65,194	-	-	-	-	-	-	-	65,194	14,806	80,000
Privatisation of ZEEKR (full name of ZEEKR is defined in note 4(a)) (note 42)	14,047	-	11,832,393	(16,436,036)	-	-	-	-	-	-	-	(4,589,596)	(759,499)	(5,349,095)
Reissuance and repurchase of ZEEKR shares by ZEEKR (full name of ZEEKR is defined in note 4(a))	-	-	-	(5,855)	-	-	-	-	-	-	-	(5,855)	-	(5,855)
Final dividend approved and paid in respect of the previous year (note 11(b))	-	-	-	-	-	-	-	-	-	-	(3,119,413)	(3,119,413)	-	(3,119,413)
Dividends declared by subsidiaries to non-controlling interests (note 11(c))	-	-	-	-	-	-	-	-	-	-	-	-	(1,205,443)	(1,205,443)
Acquisition of subsidiaries under common control	-	-	-	(4,991,623)	-	-	-	-	-	-	-	(4,991,623)	(4,142,337)	(9,133,960)
Total transactions with owners	14,880	(349,668)	12,694,861	(21,440,546)	2,157,489	1,800	-	-	-	392,464	(5,276,902)	(11,805,622)	(6,013,130)	(17,818,752)
Balance at 31 December 2025	198,900	(349,668)	31,062,241	(26,674,245)	6,954,808	1,800	(123,640)	(317,236)	(12,989)	4,464,080	77,194,438	92,398,489	1,216,719	93,615,208

The notes on pages 132 to 302 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

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	Note	2025 RMB'000	2024 RMB'000 (Restated)
Cash flows from operating activities			
Profit before tax		20,229,755	18,127,182
Adjustments for:			
Depreciation and amortisation		15,920,178	13,750,447
Equity settled share-based payments	40	1,181,265	1,752,726
Finance costs	9(a)	697,635	1,018,868
Net gain on deemed disposal of subsidiaries and partial disposal of a joint venture	18	(37,704)	(9,354,235)
Gain on deemed disposal/partial disposal/disposal of investments accounted for using the equity method	8	(103,760)	(899,060)
Impairment loss on trade and other receivables	9(c)	118,222	327,519
Net impairment loss on non-financial assets	9(c)	28,841	1,789,082
Interest income	9(a)	(834,405)	(1,330,874)
Net foreign exchange (gain)/loss		(1,351,736)	1,972,329
Net gain on disposal/written off of property, plant and equipment, intangible assets and land lease prepayments	9(c)	(385,523)	(29,560)
Share of results of associates		(757,646)	(530,123)
Share of results of joint ventures		(1,641,312)	(1,252,717)
Gain on disposal of a subsidiary		-	(12,898)
Unrealised gain on derivative financial instruments		(27,836)	(4,392)
Operating profit before working capital changes		33,035,974	25,324,294
Inventories		(1,366,287)	(7,350,489)
Trade and other receivables		10,822,180	(17,809,351)
Trade and other payables		8,822,034	40,490,616
Cash generated from operations		51,313,901	40,655,070
Income taxes paid		(4,039,657)	(3,788,236)
<i>Net cash generated from operating activities</i>		47,274,244	36,866,834

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

Note	2025 RMB'000	2024 RMB'000 (Restated)
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,127,869)	(4,194,036)
Proceeds from disposal of property, plant and equipment, intangible assets and land lease prepayments	278,407	2,593,598
Proceeds from disposal of an associate	–	504,000
Proceeds from disposal/partial disposal of joint ventures	87,504	2,164,798
Additions of land lease prepayments	(1,933)	(494,730)
Additions of intangible assets	(13,789,725)	(12,220,784)
Initial/additional capital injection in associates	(1,235,855)	–
Initial/additional capital injection in joint ventures	–	(2,084)
Advance to a related company	–	(480,000)
Repayment of advance to a related company	749,741	914,789
Repayment of advance to an associate	–	431,425
Repayment of loans to joint ventures	2,000,000	2,100,000
Dividend received from a joint venture	356,250	427,500
Dividends received from associates	51,269	275,344
Change in restricted bank deposits	647,874	(2,057,374)
Net cash inflows on disposal of a subsidiary	–	32,434
Net cash outflows on deemed disposal of subsidiaries	–	(3,140,476)
Acquisition of subsidiaries under common control	(9,133,960)	(2,494,652)
Settlement of consideration payable for acquisition of subsidiaries in prior year	–	(152,980)
Interest received	747,922	1,261,309
<i>Net cash used in investing activities</i>	(23,370,375)	(14,531,919)

	Note	2025 RMB'000	2024 RMB'000 (Restated)
Cash flows from financing activities			
Dividends paid to owners of the parent	11(b)	(3,119,413)	(2,050,555)
Special dividend paid	11(e)	–	(69,661)
Dividends paid to non-controlling interests		(644,519)	(126,452)
Distribution paid on perpetual capital securities	11(d)	–	(144,840)
Proceeds from deemed disposal of a subsidiary without loss of control	42	80,000	–
Proceeds from issuance of ordinary shares of ZEEKR for ZEEKR Offering (as defined in note 11(e))	42	–	1,508,868
Proceeds from bank borrowings	36	17,466,116	3,586,447
Repayment of bank borrowings	36	(7,432,910)	(12,757,050)
Advances from related companies	36	–	3,483,902
Repayment of advances from related companies	36	(483,902)	(5,278,523)
Proceeds from issuance of bonds	36	–	2,000,000
Redemption of perpetual capital securities	33	–	(3,621,900)
Proceeds from issuance of shares upon vesting of award shares	32(a)(iii)	573	111
Proceeds from issuance of shares upon exercise of share options	32(a)(ii)	124,582	48,577
ZEEKR shares repurchased by ZEEKR (full name of ZEEKR is defined in note 4(a))	42	–	(186,745)
Acquisition of additional interests in ZEEKR (full name of ZEEKR is defined in note 4(a)) from non-controlling interests	42	(7,665)	(5,900,000)
Privatisation of ZEEKR (full name of ZEEKR is defined in note 4(a))	42	(5,349,095)	–
Repurchase of shares	32(b)	(349,668)	–
Payment of lease liabilities	36	(1,666,820)	(990,365)
Interest paid	36	(456,352)	(1,144,895)
<i>Net cash used in financing activities</i>		(1,839,073)	(21,643,081)
Net increase in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year		43,057,737	42,320,078*
Effect of foreign exchange rate changes		196,746	45,825
Cash and cash equivalents at the end of the year, represented by bank balances and cash		65,319,279	43,057,737

* The amount included bank balances and cash classified under “Assets classified as held for sale” in the consolidated statement of financial position as at 1 January 2024.

The notes on pages 132 to 302 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL INFORMATION

Geely Automobile Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**SEHK**”).

The addresses of the registered office and principal place of business of the Company are disclosed in “Corporate Information” section to the annual report. As at 31 December 2025, the directors consider the immediate holding company of the Company is Proper Glory Holding Inc., which is incorporated in British Virgin Islands (the “**BVI**”). The ultimate holding company of the Company is Zhejiang Geely Holding Group Company Limited[#] (“**Geely Holding**”) 浙江吉利控股集团有限公司, which is incorporated in the People’s Republic of China (the “**PRC**”) and is beneficially owned by Mr. Li Shu Fu, an executive director and substantial shareholder of the Company, and his associates.

The Company is an investment holding company. The principal activities of the Company’s subsidiaries are set out in note 47 to the consolidated financial statements.

[#] The English translation of the name of the company established in the PRC is for reference only. The official name of the company is in Chinese.

2. STATEMENT OF COMPLIANCE

The consolidated financial statements on pages 123 to 302 have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), which is a collective term that includes all applicable individual HKFRS accounting standards, Hong Kong Accounting Standards and Interpretations (“**HKFRS Accounting Standards**”) and the accounting principles generally accepted in Hong Kong. The consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and include the applicable disclosure requirements of the Rules Governing the Listing of Securities on the SEHK (the “**Listing Rules**”). Material accounting policies adopted by the Company and its subsidiaries (together referred to as the “**Group**”) are set out in note 4 below. These policies have been consistently applied to all the years presented unless otherwise stated.

The HKICPA has issued several new and amended HKFRS Accounting Standards that are either effective for the Group’s current accounting period or available for early adoption. Note 3 sets out the changes in accounting policies arising from the initial application of these standards, to the extent that they are relevant to the Group for the current and comparative periods presented in these consolidated financial statements.

3. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS

3.1 Amended HKFRS Accounting Standards that are effective for annual periods beginning on 1 January 2025

In the current year, the Group has applied the Amendments to Hong Kong Accounting Standard (“HKAS”) 21 “Lack of Exchangeability” for the first time. These amendments are effective for the Group’s consolidated financial statements for the annual period beginning on 1 January 2025.

The amendments to HKAS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. In addition, the amendments require an entity to disclose additional information that enables users of its financial statements to understand how a currency that is not exchangeable into another currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows.

The amendments did not have a material impact on the Group’s consolidated financial statements.

3.2 Issued but not yet effective HKFRS Accounting Standards

At the date of authorisation of the consolidated financial statements, certain new and amended HKFRS Accounting Standards have been issued but are not yet effective and have not been early adopted by the Group.

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

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual periods beginning on or after 1 January 2027

³ Effective date not yet determined

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS (Continued)

3.2 Issued but not yet effective HKFRS Accounting Standards (Continued)

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policies for the first period beginning on or after the respective effective dates of the pronouncements. Information on the new and amended HKFRS Accounting Standards that are expected to have an impact on the Group's accounting policies is set out below. Other new and amended HKFRS Accounting Standards are not expected to have a material impact on the Group's consolidated financial statements.

HKFRS 18 "Presentation and Disclosure in Financial Statements" and related amendments to Hong Kong Interpretation 5

HKFRS 18 replaces HKAS 1 "Presentation of Financial Statements". It carries forward many of the existing requirements in HKAS 1 with limited changes, while certain requirements previously included in HKAS 1 will be relocated to HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" ("**HKAS 8**") and HKFRS 7 "Financial Instruments: Disclosures" ("**HKFRS 7**").

HKFRS 18 does not impact the recognition and measurement of financial statement items but will affect their presentation. It introduces three major new requirements, including:

- reporting newly defined subtotals (namely "operating profit" and "profit before financing and income tax"), and classifying income and expenses into five newly defined categories (namely "operating", "investing", "financing", "income tax", and "discontinued operations"), in the statement of profit or loss, depending on the reporting entity's main business activities;
- disclosure of management defined performance measures ("**MPMs**") in a single note to the financial statements; and
- enhanced guidance on the aggregation and disaggregation of information in the financial statements.

In addition, narrow scope amendments have been made to HKAS 7 "Statement of Cash Flows", which includes:

- using "operating profit or loss" as the starting point for the indirect method of presenting operating cash flows; and
- eliminating the option to classify interest and dividend cash flows as operating activities.

Consequential amendments have also been made to several other standards.

3. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS (Continued)

3.2 Issued but not yet effective HKFRS Accounting Standards (Continued)

HKFRS 18 “Presentation and Disclosure in Financial Statements” and related amendments to Hong Kong Interpretation 5 (Continued)

HKFRS 18, together with the related amendments to other HKFRS Accounting Standards, is effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted. The standard is required to be applied retrospectively, subject to specific transition provisions.

The directors of the Group are currently assessing the impact of HKFRS 18, including the implications for the presentation and structure of the Group’s consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows, and the new disclosure requirements for MPMs. The assessment also covers the revised aggregation and disaggregation principles, including how information, particularly items currently presented as “other”, will be grouped in the consolidated financial statements.

Amendments to HKFRS 9 and HKFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

The major changes introduced by the amendments to HKFRS 9 “Financial Instruments” (“**HKFRS 9**”) and HKFRS 7 are summarised as follows:

- clarification of the recognition and derecognition dates for certain financial assets and liabilities, with the introduction of a new exception for certain financial liabilities settled through an electronic cash transfer system;
- clarification of, and additional guidance on, the assessment of whether a financial asset meets the solely payments of principal and interest criterion;
- introduction of new disclosure requirements for certain financial instruments with contractual terms that may change cash flows (for example, instruments with features linked to the achievement of environment, social and governance targets); and
- updates to the disclosure requirements for equity instruments designated at FVOCI.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026 and are to be applied retrospectively, with an adjustment to opening retained profits. The amendments relating to the classification of financial assets and the related disclosures may be early adopted, while the remaining amendments may be applied subsequently. The directors of the Group expect that the amendments will not have a material impact on the Group’s consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation and change in accounting policy

The consolidated financial statements for the year ended 31 December 2025 comprise the Group and the Group's interests in associates and joint ventures.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except for certain financial assets are stated at fair value.

The consolidated financial statements are presented in thousands of Renminbi ("**RMB'000**"), which is also the functional currency of the Company.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The consolidated financial statements have been prepared on a going concern basis. As at 31 December 2025, the Group recorded net current liabilities of approximately RMB20,047 million. Following a comprehensive assessment, the Group has determined that this position does not have a significant impact on its ability to continue as a going concern.

Despite currently being in a net current liabilities position, the Board, after careful evaluation, believes that the Group possesses sufficient financial resources to support its daily operations and meet future obligations. This assessment is based on the following factors:

- a. The Group's profitable business segments continue to generate stable cash inflows;
- b. The Group maintains good relationships with multiple financial institutions, providing access to standby bank financing and other financing arrangements; and
- c. Management has developed and is executing specific plans to enhance liquidity, including optimising the balance sheet structure, accelerating the collection of receivables, and prudently managing capital expenditures.

Based on the above factors, the Board is confident that the Group can continue to operate on a going concern basis, with no material uncertainties affecting its ability to do so. Accordingly, the consolidated financial statements continue to be prepared on a going concern basis.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

Judgements made by management in the application of HKFRS Accounting Standards that have significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in note 5.

Change in accounting policy

On 10 April 2025, the board of directors (the “**Board**”) of the Company approved a change in the accounting policy for business combinations involving entities under common control (the “**Change**”), effective from 1 January 2025. Under the Change, the Company has adopted the principles of merger accounting in accordance with Accounting Guideline 5 (Revised) “Merger Accounting for Common Control Combinations” (“**AG5 (Revised)**”), as issued by the HKICPA, replacing the previous acquisition method.

This decision was made to more accurately reflect the nature of the Group’s internal restructuring efforts. These efforts are a key initiative in implementing the spirit of the Taizhou Declaration®, which emphasizes focusing on the core business of smart electric vehicles and driving transformational upgrades. The restructuring also forms part of the Group’s broader strategy to integrate resources across subsidiaries and enhance overall synergy. By using the pooling of interests method, the Company aims to:

- Improve transparency and clarity in its financial reporting, making it easier for investors to understand the economic substance of internal reorganisations.
- Reduce complexity in financial disclosures by avoiding artificial gains or goodwill that can arise under the acquisition method.
- Present a more accurate picture of operational performance, especially given the Group’s current business conditions.

The Board believes the Change will help investors gain a clearer and more meaningful understanding of the Group’s financial position and performance.

@ For more details, please refer to the following link: <https://mp.weixin.qq.com/s/P81e8yU2htu3SUNOaOzCVQ>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

Change in accounting policy (Continued)

Prior to the Change, such business combinations were accounted for using the acquisition method in accordance with HKFRS 3 “Business Combinations” (“**HKFRS 3**”), as issued by the HKICPA. Under this method, the identifiable assets acquired and liabilities assumed were measured and recognised at their fair values as at the acquisition date, with any resulting goodwill or bargain purchase gain recorded in the Group’s consolidated financial statements.

Following the implementation of the Change, effective from 1 January 2025, and given that the combining entities are under the common control of Mr. Li Shu Fu, an executive director and substantial shareholder of the Company, both before and after the combination, these business combinations are now accounted for using the principles of merger accounting in accordance with AG5 (Revised). The combinations are treated as if the entities had been combined from the date when they first came under the control of the controlling party, or from the beginning of the earliest period presented, whichever is later. Under this method, the assets and liabilities of the combining entities are recorded at their existing carrying amounts from the controlling party’s perspective (i.e., Mr. Li Shu Fu’s perspective), and no goodwill or bargain purchase gain is recognised for the business combination, reflecting the continuity of control within the Group. Equity interests in subsidiaries and/or businesses held by parties other than the substantial shareholder prior to the transaction are presented as non-controlling interests in equity.

The Change has been applied retrospectively to all business combinations under common control, including those prior to 31 December 2024, with restatements reflected in comparative figures in the Group’s consolidated financial statements, as required by HKAS 8.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

Business combination under common control in 2025

Completion of acquisition of LYNK & CO Automotive Technology Co., Ltd.# (“LYNK & CO”) 領克汽車科技有限公司

In November 2024, Zhejiang ZEEKR Intelligent Technology Company Limited# (“Zhejiang ZEEKR”) 浙江極氪智能科技有限公司, an indirect wholly-owned subsidiary of ZEEKR Intelligent Technology Holding Limited (“ZEEKR”), entered into an equity transfer agreement with Geely Holding and Volvo Cars (China) Investment Co., Ltd.# (“VCI”) 沃爾沃汽車(中國)投資有限公司, an indirect wholly-owned subsidiary of Volvo Car AB (publ).

Pursuant to this agreement, Geely Holding and VCI transferred 20% and 30% of their equity interests in LYNK & CO, respectively, to Zhejiang ZEEKR for a total consideration of RMB9,104,721,000. This amount comprised a cash consideration of RMB9,000,000,000, along with interest accrued during the locked box period amounting to RMB104,721,000. Subsequently, Zhejiang ZEEKR immediately subscribed to new capital in LYNK & CO for a cash consideration of approximately RMB367,347,000. Upon completion, LYNK & CO’s registered capital increased from RMB7,500,000,000 to RMB7,653,061,225.

Following these transactions, LYNK & CO became 51% owned by Zhejiang ZEEKR and 49% by another subsidiary of the Group, resulting in its reclassification from a joint venture to a non-wholly-owned subsidiary. The transactions were completed in February 2025.

Prior to the business combination, Zhejiang ZEEKR was accounted for as a subsidiary of the Group, while LYNK & CO was accounted for as the Group’s 50%-owned joint venture using the equity method. All the combining entities are under the control of Mr. Li Shu Fu, an executive director and substantial shareholder of the Company, both before and after the business combination. Therefore, the transaction is accounted for a business combination involving entities under common control using the merger accounting principle, as if the entities had been combined from the date when they first came under the control of the controlling party, or from the beginning of the earliest period presented, whichever is later.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

Business combination under common control in 2025 (Continued)

Completion of acquisition of Target Companies

On 30 April 2025, Zhejiang Geome Auto Sales Co., Ltd.# (“**Zhejiang Geome**”) 浙江幾何汽車銷售有限公司, an indirectly non-wholly-owned subsidiary of the Company, and Lingji Automobile Trading Co., Ltd.# (“**Lingji Automobile**”) 領吉汽車商貿有限公司, a fellow subsidiary owned by the Company’s ultimate holding company, entered into the equity transfer agreement pursuant which Zhejiang Geome agreed to acquire, and Lingji Automobile agreed to sell, 70% equity interest in six target companies, namely Linyi Lingji Maohua Auto Sales & Service Co., Ltd.# 臨沂領吉茂華汽車銷售服務有限公司, Linyi Lingji Chunhua Auto Sales & Service Co., Ltd.# 臨沂領吉春華汽車銷售服務有限公司, Feixian Lingji Chunhua Auto Sales & Service Co., Ltd.# 費縣領吉春華汽車銷售服務有限公司, Dongying Lingji Kaihua Auto Sales & Service Co., Ltd.# 東營領吉凱華汽車銷售服務有限公司, Yishui Lingji Yuantong Auto Sales & Service Co., Ltd.# 沂水領吉遠通汽車銷售服務有限公司, and Linyi Lingji Jianhua Auto Sales & Service Co., Ltd.# 臨沂領吉建華汽車銷售服務有限公司 (collectively, the “**Target Companies**”), for a total cash consideration of approximately RMB29,239,000. The acquisition was completed during the year ended 31 December 2025. Upon completion, the Company holds a 70% equity interest in the Target Companies.

The Target Companies are principally engaged in automobile sales, the sale of related parts and components, and automobile sales-related businesses in the PRC. As a result of the acquisition, the Group can establish a direct dealership channel for Geely-brand vehicles, reducing its reliance on dealership outlets directly owned by Lingji Automobile. By owning the dealership network, the Group can strengthen its brand presence and cultivate deeper customer relationships in a highly competitive environment.

Upon completion, the Target Companies became subsidiaries of the Group. As those entities are under the control of Mr. Li Shu Fu, an executive director and substantial shareholder of the Company, both before and after the business combination, the transaction is accounted for as business combination involving entities under common control using the merger accounting principle, as if the entities had been combined from the date when they first came under the control of the controlling party, or from the beginning of the earliest period presented, whichever is later.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

Business combination under common control in 2024

Completion of acquisitions of subsidiaries from Geely Holding

During the year ended 31 December 2024, certain subsidiaries of the Company and certain subsidiaries of Geely Holding entered into a series of acquisition agreements to acquire 100% equity interests in several subsidiaries of Geely Holding for a total cash consideration of approximately RMB2,494,652,000. These subsidiaries are principally engaged in automotive-related integrated vehicle services, automobile sales, related parts and components, and automobile sales-related businesses. The acquisitions were completed during 2024.

The acquisitions enable the Group to reduce the volume of its current continuing connected transactions with the Geely Holding Group (comprising Geely Holding and its subsidiaries) and to further enhance the Group's operational independence.

Upon completion, these subsidiaries, formally under the control of Geely Holding, became subsidiaries of the Group. As these entities are under the control of Mr. Li Shu Fu, an executive director and substantial shareholder of the Company, both before and after the combinations, the transactions constitute business combinations involving entities under common control. Accordingly, the Group has accounted for the combinations using the merger accounting principle in accordance with AG5 (Revised).

The Change primarily impacted the consolidated statement of financial position by:

- Eliminating goodwill;
- Restating investments in a joint venture (LYNK & CO) as consolidated subsidiaries; and
- Eliminating initial fair value adjustments and the related amortisation/depreciation on non-current assets.

In accordance with HKAS 8, the comparative figures as at 1 January 2024 and 31 December 2024, and for the year ended 31 December 2024, have been restated to reflect the Change.

The English translations of the names of companies established in the PRC are provided for reference only. The official names of the companies are in Chinese.

The effects of the Change and the acquisition of LYNK & CO and the Target Companies on the Group's financial positions as at 31 December 2024 and 1 January 2024, and on the results and cash flows for the year ended 31 December 2024, are summarised as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

(a)(i) Effects on the consolidated statement of profit or loss for the year ended 31 December 2024:

	Business combinations under common control				
	Original amounts RMB'000	31 December 2024 RMB'000	Effect of the Change on business combinations completed on or before the Target Companies RMB'000	Effect of the acquisition of LYNK & CO and Consolidation adjustments RMB'000	Restated amounts RMB'000
Revenue	240,194,270	5,441,997	46,228,046	(15,953,829)	275,910,484
Cost of sales	(201,993,421)	(4,809,827)	(38,950,514)	15,647,027	(230,106,735)
Gross profit	38,200,849	632,170	7,277,532	(306,802)	45,803,749
Other gains/(losses), net	904,742	(19,737)	243,526	(6,086)	1,122,445
Distribution and selling expenses	(13,282,997)	(9,843)	(3,160,448)	12,776	(16,440,512)
Administrative expenses	(4,896,921)	(103,880)	(1,254,804)	5,574	(6,250,031)
Research and development expenses	(10,419,240)	–	(3,361,346)	92,363	(13,688,223)
Impairment loss on trade and other receivables	(127,248)	(2,206)	(198,065)	–	(327,519)
Impairment loss on non-financial assets, net	(987,825)	–	(801,257)	–	(1,789,082)
Share-based payments	(1,746,925)	–	(5,801)	–	(1,752,726)
Finance income, net	692,494	(75,461)	(305,027)	–	312,006
Share of results of associates	530,123	–	–	–	530,123
Share of results of joint ventures	438,790	–	–	813,927	1,252,717
Net gain on deemed disposal of subsidiaries and partial disposal of a joint venture	9,097,711	256,524	–	–	9,354,235
Profit before tax	18,403,553	677,567	(1,565,690)	611,752	18,127,182
Income tax expense	(1,604,458)	(102,552)	(80,370)	5,240	(1,782,140)
Profit for the year	16,799,095	575,015	(1,646,060)	616,992	16,345,042

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

(a)(i) Effects on the consolidated statement of profit or loss for the year ended 31 December 2024 (Continued):

	Business combinations under common control				Restated amounts RMB'000
	Original amounts RMB'000	Effect of the Change on business combinations completed on or before 31 December 2024 RMB'000	Effect of the acquisition of LYNK & CO and the Target Companies RMB'000	Consolidation adjustments RMB'000	
Attributable to:					
Owners of the parent	16,632,398	574,819	(1,642,373)	1,247,034	16,811,878
Non-controlling interests	166,697	196	(3,687)	(630,042)	(466,836)
Profit for the year	16,799,095	575,015	(1,646,060)	616,992	16,345,042
Earnings per share					
Basic	RMB1.64				RMB1.66
Diluted	RMB1.63				RMB1.65

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

(a)(ii) Effects on the consolidated statement of comprehensive income for the year ended 31 December 2024:

	Business combinations under common control				Restated amounts RMB'000
	Original amounts RMB'000	Effect of the Change on business combinations completed on or before 31 December 2024 RMB'000	Effect of the acquisition of LYNK & CO and the Target Companies RMB'000	Consolidation adjustments RMB'000	
Profit for the year	16,799,095	575,015	(1,646,060)	616,992	16,345,042
Other comprehensive expense:					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
– Notes receivable at FVOCI					
Change in fair value, net of related income tax	34,537	–	–	–	34,537
– Share of other comprehensive expense of associates and a joint venture, net of related income tax	(725,873)	–	–	(39,204)	(765,077)
– Exchange differences on translation of financial statements of foreign operations	295	–	77,610	–	77,905
– Reclassification adjustment on fair value recycling released on disposal of subsidiaries	2,006	–	–	–	2,006
<i>Item that will not be reclassified subsequently to profit or loss:</i>					
– Equity investments at FVOCI					
Change in fair value	(38,949)	–	–	–	(38,949)

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

(a)(ii) *Effects on the consolidated statement of comprehensive income for the year ended 31 December 2024 (Continued):*

	Business combinations under common control		Effect of the acquisition of LYNK & CO and the Target Companies	Consolidation adjustments	Restated amounts
	Original amounts	Effect of the Change on business combinations completed on or before 31 December 2024			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Other comprehensive expense for the year, net of tax	(727,984)	–	77,610	(39,204)	(689,578)
Total comprehensive income for the year	16,071,111	575,015	(1,568,450)	577,788	15,655,464
Attributable to:					
Owners of the parent	15,920,383	574,819	(1,592,571)	1,207,830	16,110,461
Non-controlling interests	150,728	196	24,121	(630,042)	(454,997)
Total comprehensive income for the year	16,071,111	575,015	(1,568,450)	577,788	15,655,464

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

(b) Effects on the consolidated statement of financial position as at 31 December 2024:

	Business combinations under common control				
	Original amounts RMB'000	31 December 2024 RMB'000	Effect of the Change on business combinations completed on or before the Target Companies RMB'000	Effect of the acquisition of LYNK & CO and Consolidation adjustments RMB'000	Restated amounts RMB'000
Non-current assets					
Property, plant and equipment	26,383,836	(211,081)	8,678,527	-	34,851,282
Intangible assets	28,750,511	(9,005)	7,192,211	(308,420)	35,625,297
Land lease prepayments	4,126,098	(466,325)	443,687	-	4,103,460
Goodwill	34,218	(34,218)	-	-	-
Interests in associates	5,868,902	(17,326)	-	-	5,851,576
Interests in joint ventures	25,555,301	-	2,084	(2,612,613)	22,944,772
Prepayments and other receivables	4,810,900	-	261,048	-	5,071,948
Financial assets at FVOCI	78,797	-	-	-	78,797
Deferred tax assets	8,461,387	(11,089)	1,963,562	5,241	10,419,101
	104,069,950	(749,044)	18,541,119	(2,915,792)	118,946,233

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

(b) *Effects on the consolidated statement of financial position as at 31 December 2024 (Continued):*

	Business combinations under common control		Effect of the acquisition of LYNK & CO and the Target Companies	Consolidation adjustments	Restated amounts
	Original amounts	31 December 2024			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Current assets					
Inventories	23,078,314	–	6,337,875	(57,069)	29,359,120
Trade receivables	18,424,836	–	2,877,647	(2,118,733)	19,183,750
Notes receivable	29,032,946	–	12,611,857	(300,000)	41,344,803
Prepayments and other receivables	10,848,742	–	4,531,270	(245,142)	15,134,870
Prepaid income tax	190,723	–	36,839	–	227,562
Restricted bank deposits	2,881,148	–	664,735	–	3,545,883
Bank balances and cash	40,865,000	–	1,846,289	346,448	43,057,737
	125,321,709	–	28,906,512	(2,374,496)	151,853,725
Assets classified as held for sale	–	–	273,950	–	273,950
	125,321,709	–	29,180,462	(2,374,496)	152,127,675

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

(b) *Effects on the consolidated statement of financial position as at 31 December 2024 (Continued):*

	Business combinations under common control				
	Original amounts RMB'000	31 December 2024 RMB'000	Effect of the Change on business combinations completed on or before the Target Companies RMB'000	Effect of the acquisition of LYNK & CO and Consolidation adjustments RMB'000	Restated amounts RMB'000
Current liabilities					
Trade payables	70,420,975	-	14,881,228	(2,938,303)	82,363,900
Notes payable	16,019,910	-	11,192,420	(300,000)	26,912,330
Other payables and accruals	38,937,645	-	10,361,882	920,876	50,220,403
Derivative financial instruments	27,918	-	-	-	27,918
Lease liabilities	803,204	-	225,951	-	1,029,155
Bank borrowings	30,300	-	1,327,976	-	1,358,276
Income tax payable	959,714	-	47,056	-	1,006,770
	127,199,666	-	38,036,513	(2,317,427)	162,918,752
Net current liabilities	(1,877,957)	-	(8,856,051)	(57,069)	(10,791,077)
Total assets less current liabilities	102,191,993	(749,044)	9,685,068	(2,972,861)	108,155,156

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

(b) *Effects on the consolidated statement of financial position as at 31 December 2024 (Continued):*

	Business combinations under common control		Effect of the acquisition of LYNK & CO and the Target Companies RMB'000	Consolidation adjustments RMB'000	Restated amounts RMB'000
	Original amounts RMB'000	Effect of the Change on business combinations completed on or before 31 December 2024 RMB'000			
CAPITAL AND RESERVES					
Share capital	184,020	–	7,550,000	(7,550,000)	184,020
Reserves	86,558,205	(583,794)	(2,341,064)	2,721,150	86,354,497
Equity attributable to owners of the parent	86,742,225	(583,794)	5,208,936	(4,828,850)	86,538,517
Non-controlling interests	5,677,705	(88,304)	7,345	1,855,989	7,452,735
Total equity	92,419,930	(672,098)	5,216,281	(2,972,861)	93,991,252
Non-current liabilities					
Other payables and accruals	3,410,715	–	1,467,977	–	4,878,692
Lease liabilities	1,762,438	–	678,362	–	2,440,800
Bank borrowings	414,180	–	2,322,413	–	2,736,593
Bonds payable	3,500,000	–	–	–	3,500,000
Deferred tax liabilities	684,730	(76,946)	35	–	607,819
	9,772,063	(76,946)	4,468,787	–	14,163,904
	102,191,993	(749,044)	9,685,068	(2,972,861)	108,155,156

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

(c) Effects on the consolidated statement of financial position as at 1 January 2024:

	Business combinations under common control				
	Original amounts RMB'000	Effect of the Change on business combinations completed on or before 31 December 2024 RMB'000	Effect of the acquisition of LYNK & CO and the Target Companies RMB'000	Consolidation adjustments RMB'000	Restated amounts RMB'000
Non-current assets					
Property, plant and equipment	27,350,540	(57,517)	13,857,659	-	41,150,682
Intangible assets	23,919,814	(9,005)	7,088,821	(163,319)	30,836,311
Land lease prepayments	3,600,084	(343,375)	454,128	-	3,710,837
Goodwill	34,218	(34,218)	-	-	-
Interests in associates	5,971,984	-	-	-	5,971,984
Interests in joint ventures	9,730,978	(26,580)	-	(3,387,337)	6,317,061
Prepayments and other receivables	1,895,664	-	198,284	-	2,093,948
Financial assets at FVOCI	117,746	6,271	-	(6,271)	117,746
Deferred tax assets	6,341,753	134,019	1,788,787	-	8,264,559
	78,962,781	(330,405)	23,387,679	(3,556,927)	98,463,128

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

(c) *Effects on the consolidated statement of financial position as at 1 January 2024 (Continued):*

	Business combinations under common control		Effect of the acquisition of LYNK & CO and the Target Companies	Consolidation adjustments	Restated amounts
	Original amounts	31 December 2024			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Current assets					
Inventories	15,422,219	39,231	5,170,105	–	20,631,555
Trade receivables	15,780,272	4,765,553	5,491,939	(6,677,373)	19,360,391
Notes receivable	20,118,021	69,338	4,638,859	(300,000)	24,526,218
Prepayments and other receivables	6,812,441	8,016,292	3,133,257	(312,899)	17,649,091
Prepaid income tax	164,412	–	53,517	–	217,929
Restricted bank deposits	943,433	50,124	297,353	–	1,290,910
Bank balances and cash	35,745,963	479,793	5,064,991	–	41,290,747
	94,986,761	13,420,331	23,850,021	(7,290,272)	124,966,841
Assets classified as held for sale	18,648,139	(256,524)	–	–	18,391,615
	113,634,900	13,163,807	23,850,021	(7,290,272)	143,358,456

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

(c) *Effects on the consolidated statement of financial position as at 1 January 2024 (Continued):*

	Business combinations under common control				
	Original amounts RMB'000	31 December 2024 RMB'000	Effect of the Change on business combinations completed on or before the Target Companies RMB'000	Effect of the acquisition of LYNK & CO and Consolidation adjustments RMB'000	Restated amounts RMB'000
Current liabilities					
Trade payables	53,377,095	5,569,167	17,866,808	(6,345,352)	70,467,718
Notes payable	5,693,442	1,172,844	1,917,395	(300,000)	8,483,681
Other payables and accruals	28,327,651	1,280,300	10,882,887	(644,920)	39,845,918
Derivative financial instruments	12,702	-	19,608	-	32,310
Lease liabilities	753,611	1,879	54,790	-	810,280
Bank borrowings	-	2,101,917	2,024,247	-	4,126,164
Income tax payable	774,408	-	176,949	-	951,357
	88,938,909	10,126,107	32,942,684	(7,290,272)	124,717,428
Liabilities directly associated with assets classified as held for sale	7,885,018	-	-	-	7,885,018
	96,823,927	10,126,107	32,942,684	(7,290,272)	132,602,446
Net current assets	16,810,973	3,037,700	(9,092,663)	-	10,756,010
Total assets less current liabilities	95,773,754	2,707,295	14,295,016	(3,556,927)	109,219,138

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

(c) *Effects on the consolidated statement of financial position as at 1 January 2024 (Continued):*

	Business combinations under common control		Effect of the acquisition of LYNK & CO and the Target Companies	Consolidation adjustments	Restated amounts
	Original amounts	31 December 2024			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
CAPITAL AND RESERVES					
Share capital	183,807	–	7,550,000	(7,550,000)	183,807
Perpetual capital securities	3,413,102	–	–	–	3,413,102
Reserves	76,911,915	2,327,916	(746,440)	1,575,795	80,069,186
Equity attributable to owners of the parent	80,508,824	2,327,916	6,803,560	(5,974,205)	83,666,095
Non-controlling interests	4,642,674	(73,331)	7,147	2,417,278	6,993,768
Total equity	85,151,498	2,254,585	6,810,707	(3,556,927)	90,659,863
Non-current liabilities					
Other payables and accruals	2,721,668	29,432	1,155,539	–	3,906,639
Lease liabilities	1,906,338	1,967	410,571	–	2,318,876
Bank borrowings	2,840,240	500,415	5,908,140	–	9,248,795
Loan from a related party	1,100,000	–	–	–	1,100,000
Bonds payable	1,500,000	–	–	–	1,500,000
Deferred tax liabilities	554,010	(79,104)	10,059	–	484,965
	10,622,256	452,710	7,484,309	–	18,559,275
	95,773,754	2,707,295	14,295,016	(3,556,927)	109,219,138

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation and change in accounting policy (Continued)

(d) *Effects on the consolidated statement of cash flows for the year ended 31 December 2024:*

	Original amounts RMB'000	Adjustments RMB'000	Restated amounts RMB'000
Cash flows from operating activities			
<i>Net cash generated from operating activities</i>	26,507,427	10,359,407	36,866,834
Cash flows from investing activities			
<i>Net cash used in investing activities</i>	(9,131,909)	(5,400,010)	(14,531,919)
Cash flows from financing activities			
<i>Net cash used in financing activities</i>	(13,296,534)	(8,346,547)	(21,643,081)
Net increase in cash and cash equivalents	4,078,984	(3,387,150)	691,834

(e) *Impact on earnings per share:*

The Change resulted in an increase of RMB2.0 cents per ordinary share in both basic and diluted earnings per share for the year ended 31 December 2024.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(b) Basis of consolidation

Merger accounting for common control combinations

Business combinations involving entities under common control are accounted for using the pooling of interests method in accordance with AG5 (Revised). Such combinations are accounted for in a manner similar to a uniting of interests.

The assets and liabilities of the combining entities are recognised at their existing carrying amounts from the perspective of the controlling party, with adjustments made only to harmonise accounting policies. No goodwill, bargain purchase gain or other intangible assets are recognised as a result of the common control combination. Any difference between the consideration paid and the aggregate carrying amounts of the assets and liabilities acquired is recognised directly in equity.

The consolidated financial statements incorporate the financial statement items of the combining entities as if they had been combined from the date when the entities first came under the control of the controlling party, or from the beginning of the earliest period presented, whichever is later. Accordingly, the consolidated statement of profit or loss and consolidated statement of comprehensive income include the results of the combining entities for the entire reporting period, even if the common control combination occurred part way through the year. Comparative figures are restated on the same basis.

Acquisition method of accounting for non-common control combinations

Business combinations that are not under common control are accounted for using the acquisition method in accordance with HKFRS 3. The consideration transferred is measured at fair value and represents the aggregate of the acquisition-date fair values of assets transferred, liabilities incurred and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

The Group assesses whether an acquired set of activities and assets constitutes a business by evaluating whether it includes, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

Identifiable assets acquired and liabilities and contingent liabilities assumed are initially measured at their acquisition date fair values, except for items for which HKFRS 3 specifies measurement exemptions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(b) Basis of consolidation (Continued)

Acquisition method of accounting for non-common control combinations (Continued)

A subsidiary is an entity over which the Group has control. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In assessing control, only substantive rights are considered.

Consolidation of a subsidiary commences when the Group obtains control and ceases when the Group loses control. Income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date control is obtained to the date control ceases.

Intra-group balances, transactions and unrealised gains and losses are eliminated on consolidation. Unrealised losses are eliminated unless they provide evidence of impairment of the related asset. Accounting policies of subsidiaries are adjusted where necessary to ensure consistency with those of the Group.

Non-controlling interests represent the equity in a subsidiary not attributable, directly or indirectly, to the Company. Non-controlling interests are presented within equity, separately from equity attributable to owners of the parent.

For each business combination, the Group elects to measure non-controlling interests at their proportionate share of the subsidiary's identifiable net assets.

Profit or loss and total comprehensive income are allocated between owners of the parent and non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(b) Basis of consolidation (Continued)

Acquisition method of accounting for non-common control combinations (Continued)

Changes in the Group's ownership interests in subsidiary that do not result in a loss of control are accounted for as equity transactions. Adjustments are made to the carrying amounts of controlling and non-controlling interests to reflect changes in relative interests, and any difference is recognised directly in equity. No gain or loss is recognised and goodwill is not adjusted.

When the Group loses control of a subsidiary, the transaction is accounted for as a disposal. Any resulting gain or loss is recognised in profit or loss and is measured as the difference between (i) the aggregate of the fair value of the consideration received and any retained interest and (ii) the carrying amount of the subsidiary's net assets, including goodwill and non-controlling interests. Amounts previously recognised in other comprehensive income are accounted for as if the Group had directly disposed of the related assets or liabilities.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less any accumulated impairment losses (see note 4(j)). Cost includes direct attributable costs of investments.

The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable. Dividends are recognised in profit or loss when the right to receive payment is established, irrespective of whether they are paid out of pre or post-acquisition profits.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(c) Interests in associates and joint ventures

An associate is an entity over which the Group or the Company has significant influence, but not control or joint control, over the financial and operating policy decisions of the entity.

A joint venture is an arrangement whereby the Group or the Company and other parties contractually agree to share control of the arrangement and have rights to the net assets of the arrangement.

Investments in associates and joint ventures are accounted for in the Group's consolidated financial statements using the equity method. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and is subsequently adjusted to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture.

When the Group's share of losses in an associate or a joint venture equals or exceeds its interest in the associate or joint venture, the Group discontinues recognising its share of further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. For this purpose, the Group's interest in the associate or joint venture comprises the carrying amount of the investment accounted for using the equity method together with the Group's other long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture, after applying the expected credit loss ("ECL") model to such other long-term interests where applicable.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate or a joint venture at the date of acquisition is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss as part of the Group's share of the profit or loss of the associate or joint venture in the period in which the investment is acquired.

Where a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from such transactions are eliminated to the extent of the Group's interests in the associate or joint venture. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. Where unrealised losses arising from the sale of assets between the Group and its associate or joint venture are eliminated on equity accounting, the underlying asset is also assessed for impairment from the Group's perspective.

In applying the equity method, where necessary, adjustments are made to the financial statements of associates and joint ventures to align their accounting policies with those adopted by the Group.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(c) Interests in associates and joint ventures (Continued)

After applying the equity method, the Group assesses whether there is any objective evidence that an investment in an associate or a joint venture is impaired. When such evidence exists, the Group recognises an impairment loss for the difference between the recoverable amount of the investment (being the higher of its value in use and fair value less costs of disposal) and its carrying amount. In determining the value in use of the investment, the Group estimates its share of the present value of the estimated future cash flows expected to be generated by the associate or joint venture, including cash flows from the operations of the associate or joint venture and from the ultimate disposal of the investment.

The Group discontinues the use of equity method from the date when it ceases to have significant influence over an associate or joint control over a joint venture. Any retained interest in the former associate or joint venture is measured at fair value at that date. The difference between (i) the fair value of any retained interest together with any proceeds from the disposal of the interest; and (ii) the carrying amount of the investment at the date the equity method is discontinued, is recognised in profit or loss.

Where an investment is reclassified during the reporting period between an associate and a joint venture as a result of a change in the contractual arrangement or governance structure, but the investment continues to be accounted for using the equity method, such reclassification is accounted for prospectively. The carrying amount of the investment is not remeasured or restated at the date of reclassification, and no gain or loss is recognised.

In the Company's statement of financial position, investment in a joint venture is stated at cost less accumulated impairment losses (see note 4(j)).

(d) Intangible assets (other than goodwill)

Intangible assets acquired separately are recognised initially at cost. After initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses (see note 4(j)). Intangible assets with finite useful lives include, among others, capitalised product development costs and software. Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over their estimated useful lives. Amortisation commences when the asset is available for use (i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management). The estimated useful lives, residual values and amortisation methods of intangible assets are reviewed at least at the end of each reporting period, and any changes in estimates are accounted for prospectively.

Research and development costs

Costs associated with research activities are recognised as an expense in the period in which they are incurred. Costs that are directly attributable to the development phase are recognised as intangible assets provided that all of the following recognition criteria are met:

- (i) demonstration of technical feasibility of the prospective product for internal use or sale;
- (ii) intention to complete the intangible asset and use or sell it;
- (iii) ability to use or sell the intangible asset;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(d) Intangible assets (other than goodwill) (Continued)

Research and development costs (Continued)

- (iv) availability of probable future economic benefits from internal use or sale;
- (v) availability of sufficient technical, financial and other resources to complete the development; and
- (vi) ability to reliably measure the expenditure attributable to the intangible asset.

The costs capitalised include employee costs incurred on development activities and an appropriate portion of relevant overheads. Internally generated product development costs recognised as intangible assets are subsequently measured in the same manner as externally acquired intangible assets.

Capitalised product development costs are amortised over a period of 2 to 8 years. All other development costs are recognised as expenses in the period in which they are incurred.

Software

Software acquired separately or developed internally that meets the recognition criteria of an intangible asset is recognised at cost. Such software is amortised on a straight-line basis over its estimated useful life, which generally ranges from 3 to 4 years, commencing when the software is available for use.

Both the amortisation period and the amortisation method for all intangible assets with finite useful lives are reviewed at least annually.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, cost of conversion and other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(e) Inventories (Continued)

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. Any write-down of inventories to net realisable value and all inventory losses are recognised as an expense in the period in which the write-down or loss occurs. Any reversal of a previous write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(f) Foreign currency translation

In preparing the financial statements of each individual entity, foreign currency transactions are translated into the functional currency of the individual entity at exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rate ruling at the transaction dates and not retranslated (i.e., only translated using the exchange rates at the transaction date). When a fair value gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is also recognised in profit or loss. When a fair value gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is also recognised in other comprehensive income.

Exchange differences arising on the settlement of, and on the translation of, monetary assets and liabilities, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on monetary assets or liabilities that form part of the Company's net investment in a foreign operation, which are recognised in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company (i.e., Renminbi ("RMB")) at the exchange rates prevailing at the end of reporting period, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the year, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising from translation of functional currency to presentation currency, if any, are recognised in other comprehensive income and accumulated in a separate component of equity (i.e., the translation reserve). Such exchange differences are reclassified from equity to profit or loss as a reclassification adjustment in the period in which the foreign operation is disposed of.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, in case of financial assets or liabilities not at fair value through profit or loss (“FVTPL”), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held within a business model whose objective is to hold the investment and collect its contractual cash flows and the contractual terms of the investment give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from the investment is calculated using the effective interest method (note 4(m)).
- FVOCI (recycling), if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale, subsequent changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of ECLs, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.
- FVTPL, if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

An investment in equity securities is classified as financial assets at FVTPL unless the equity investment is not held for trading purposes. On initial recognition of the investment, the Group may elect to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but only be made if the investment meets the definition of equity from the issuer’s perspective.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group’s right to receive the dividends is established. Dividends are recognised in profit or loss as “Other gains/(losses), net”.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Credit losses

The Group recognises a loss allowance for ECLs on financial assets measured at amortised cost, including bank balances and cash, restricted bank deposits, trade receivables, notes receivable, and other receivables. The Group also recognised ECLs on debt instruments measured at FVOCI (recycling), including notes receivable. For financial assets measured at FVOCI (recycling), the loss allowance does not reduce the carrying amount of the financial assets in the consolidated statement of financial position but is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e., the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls on bank balances and cash, restricted bank deposits, trade receivables, and other receivables are discounted using effective interest rate determined at initial recognition or an approximation thereof where the effect of discounting is material.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the end of reporting period; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs by using a simplified approach. The Group determines the ECLs on these financial assets collectively using a provision matrix with appropriate groupings and/or individually assessed for debtors with significant balances. Both provision matrix and individual assessment are based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Credit losses (Continued)

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the end of the reporting period with that assessed at the date of initial recognition. In making this assessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without taking into account any collateral held by the Group; or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in regulatory, business, financial, economic conditions, or technological environment that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations; and
- an actual or expected significant deterioration in the operating results of the debtor.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Credit losses (Continued)

Significant increases in credit risk (Continued)

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the end of each reporting period. A debt instrument is determined to have low credit risk if it has a low risk of default, the borrower has strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at the end of each reporting period to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment loss or reversal of impairment loss in profit or loss. The Group recognises an impairment loss or reversal of impairment loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for notes receivable measured at FVOCI (recycling), for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

Detailed analysis of the ECL assessment of trade receivables and other financial assets measured at amortised cost are set out in note 45.

Basis of calculation of interest income on financial assets

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e., the gross carrying amount less loss allowance) of the financial asset.

At the end of each reporting period, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial assets (Continued)

Credit losses (Continued)

Basis of calculation of interest income on financial assets (Continued)

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Financial liabilities

The Group's financial liabilities include bank borrowings, loan from a related company, bonds payable, lease liabilities, trade payables, notes payable, and other payables and accruals.

All interest related charges are recognised in accordance with the Group's accounting policy for borrowing costs (see note 4(s)).

Accounting policies of lease liabilities are set out in note 4(q).

4. MATERIAL ACCOUNTING POLICIES (Continued)

(g) Financial instruments (Continued)

Financial liabilities (Continued)

Trade payables, notes payable, and other payables and accruals

Trade payables, notes payable, and other payables and accruals are initially recognised at their fair values, and are subsequently measured at amortised cost, using the effective interest method.

Derivative financial instruments

Details of accounting policy of derivative financial instruments are set out note 4(l).

Interest bearing borrowings

Interest bearing borrowings, including bank borrowings and bonds payable, are classified as financial liabilities and are initially recognised at fair value, net of directly attributable transaction costs. Interest bearing borrowings are subsequently measured at amortised cost, using the effective interest method.

Interest bearing borrowings are classified as current liabilities unless, at the end of the reporting period, the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expired or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised directly in equity, if any, is recognised in profit or loss.

For financial liabilities, they are derecognised from the Group's consolidated statement of financial position when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liabilities derecognised and the consideration paid or payable is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(h) Property, plant and equipment

Property, plant and equipment, other than construction in progress (“**CIP**”) and cost of right-of-use assets (see note 4(q)), are stated at cost less subsequent accumulated depreciation and accumulated impairment loss (see note 4(j)). Cost comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Depreciation is provided to write off the cost of items of property, plant and equipment (other than CIP) over their estimated useful lives less their estimated residual values, if any, using the straight-line method as follows:

Buildings	30 years
Plant and machinery	5 to 10 years
Leasehold improvements	Over the shorter of the unexpired lease term and 3 years
Furniture and fixtures, office equipment and others	3 to 10 years

Accounting policy for depreciation of right-of-use asset is set out in note 4(q).

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Gain or loss arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other costs, such as repairs and maintenance, are charged to profit or loss during the financial period in which they are incurred.

CIP is stated at cost less accumulated impairment losses (see note 4(j)). Cost includes all construction expenditures and other direct costs attributable to such projects. Costs of completed construction works are transferred to the appropriate asset category. No depreciation is provided for CIP until it is completed and available for use.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(i) Land lease prepayments

"Land lease prepayments" (which meet the definition of right-of-use assets) represent upfront payments for long-term land leases, the amounts of which can be reliably measured. They are stated at cost less accumulated amortisation and any accumulated impairment losses (see note 4(j)). Amortisation is calculated on a straight-line basis over the estimated useful lives of the land use rights, unless another basis is more representative of the time pattern in which the economic benefits from the use of the land are expected to be consumed by the Group.

(j) Impairment of non-current assets

Internal and external sources of information are reviewed at the end of the reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (including right-of-use assets);
- land lease prepayments;
- intangible assets;
- interests in associates and joint ventures; and
- investments in subsidiaries and interest in a joint venture in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for intangible assets that are not yet available for use, the recoverable amount is estimated annually whether or not there is any indication of impairment.

- Calculation of recoverable amount

The recoverable amount of an asset is the higher of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e., a cash-generating unit). As a result, some assets, are tested individually for impairment and some are tested at cash-generating unit level. Corporate assets are allocated to individual CGUs, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(j) Impairment of non-current assets (Continued)

- Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

- Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

Impairment losses recognised in an interim period in respect of goodwill, are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

(k) Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand, demand deposits with banks, and short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and subject to an insignificant risk of changes in value. Cash and cash equivalents are subject to ECL assessment in accordance with the accounting policy set out in note 4(g).

Bank balances whose use by the Group is subject to third party contractual restrictions are included as cash and cash equivalents only when such restrictions do not result in the balances no longer meeting the definition of cash. Contractual restrictions affecting the use of bank balances are disclosed in note 24.

(l) Derivative financial instruments

Derivative financial instruments are recognised at fair value. At the end of each reporting period, their fair value is remeasured. Any gain or loss arising from the remeasurement to fair value is recognised immediately in profit or loss, unless the derivatives qualify for hedged accounting under HKFRS 9.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(m) Revenue recognition and other contract costs

(a) *Revenue from contracts with customers*

Sales of automobiles, automobile parts and components

Revenue is generally recognised at a point in time when the customers obtain possession of and control of the promised goods in the contract. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. Revenue excludes value added tax (“**VAT**”) or related sales taxes and discounts.

The estimated variable consideration is included in the transaction price only if it is highly likely that doing so will not lead to a significant reversal of revenue in the future, once the uncertainty regarding the variable consideration is resolved.

At the end of each reporting period, the Group revises the estimated transaction price (including reassessing whether the variable consideration estimate is constrained) to accurately reflect the conditions at the end of the reporting period and any changes that occurred during that period.

A contract liability is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. The Group recognised its contract liabilities under “Other payables and accruals” as receipts in advance from customers in the consolidated statement of financial position.

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

The Group assesses whether a contract contains a significant financing component in accordance with HKFRS 15 “Revenue from Contracts with Customers” (“**HKFRS 15**”). Where a contract provides a significant financing benefit to the customer for a period exceeding 12 months, the transaction price is adjusted to reflect the time value of money. Revenue is measured at the present value of the consideration receivable, discounted using a rate that reflects a separate financing arrangement with the customer. The unwinding of the discount is recognised as interest income using the effective interest method.

Where a contract provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the related contract liability, also recognised using the effective interest method. The Group applies the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for the effects of a significant financing component when the period between payment and the transfer of the promised goods or services is 12 months or less.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(m) Revenue recognition and other contract costs (Continued)

(a) *Revenue from contracts with customers (Continued)*

Sales of automobiles, automobile parts and components (Continued)

Sales-related warranties provided with automobiles cannot be purchased separately and serve only to assure that the products comply with agreed-upon specifications. These warranties are therefore classified as assurance-type warranties and are accounted for in accordance with HKAS 37 “Provisions, Contingent Liabilities and Contingent Assets”.

For warranties associated with automobiles that can be purchased separately or that provide services in addition to assurance-type warranties (i.e., service-type warranties), the Group accounts for such warranties as separate performance obligations under HKFRS 15. The Group allocates a portion of the transaction price to these warranties based on their relative standalone selling prices.

Services income related to sales of automobiles is recognised over time in the period during which the relevant services have been delivered to customers.

Research and development services and licence income

Revenue from research and development services, which forms part of the Group’s aggregated technology related revenue, is recognised over time using the output method, as the customer simultaneously receives and consumes the benefits of the services as they are performed. Revenue is recognised based on direct measurements of the value transferred to the customer to date (“**value to the customer**”), provided that such value can be reliably measured by reference to the completion status reports confirmed by customers.

Revenue from licensing of intellectual properties, which is included within the same aggregated revenue category as research and development services and licence income, is recognised based on the nature of the licence granted.

For the granting of a licence that is distinct from other promised goods or services, the Group assesses whether the licence provides the customer with a right to access or a right to use the Group’s intellectual property.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(m) Revenue recognition and other contract costs (Continued)

(a) *Revenue from contracts with customers (Continued)*

Research and development services and licence income (Continued)

The Group's promise represents a right to access the intellectual property, and the related performance obligation is satisfied over time, if all of the following criteria are met:

- (i) The contract requires, or the customer reasonably expects, that the Group will undertake activities that significantly affect the intellectual property to which the customer has rights;
- (ii) The rights granted by the licence directly expose the customer to any positive or negative effects of the Group's activities; and
- (iii) Those activities do not result in the transfer of a good or a service to the customer as those activities occur.

If the above criteria are not met, the licence provides the customer with a right to use the Group's intellectual property, and the related performance obligation is satisfied at a point in time, being the date on which the licence is granted.

Collaborative manufacturing income

Collaborative manufacturing income mainly comprises the following components: (1) sales of knock-down kits to other automotive manufacturers, for which revenue is recognised at a point in time when customers obtains control of the goods. The Group acts as a principal in these transactions, and revenue is presented on a gross basis in the consolidated statement of profit or loss; and (2) provision of subcontracting services, for which revenue is recognised when the subcontracting goods are delivered and accepted by the customer, and the customer obtains control of the goods. As the Group acts as an agent in these arrangements, revenue is presented on a net basis, representing the fee or commission earned.

Principal versus agent considerations

When another party is involved in providing goods or services to a customer, the Group assesses whether it acts as a principal or an agent by determining whether it controls the specified good or service before it is transferred to the customer.

The Group acts as a principal when it controls the specified good or service before transfer to the customer and recognises revenue on a gross basis.

The Group acts as an agent when its performance obligation is to arrange for another party to provide the specified good or service, in which case it does not control the specified service before transfer. When acting as an agent, the Group recognises revenue on a net basis, being the fee or commission to which it expects to be entitled.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(m) Revenue recognition and other contract costs (Continued)

(b) *Rental income*

The accounting policy for rental income is set out in note 4(q).

(c) *Interest income*

Interest income is recognised on a time-proportion basis using the effective interest method. For financial assets measured at amortised cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the financial asset.

(d) *Other contract costs*

If the costs incurred in fulfilling a contract with a customer which are not capitalised as inventories, property, plant and equipment and intangible assets, the Group capitalises the costs incurred to fulfil a contract with a customer as an asset (included in prepayments and other receivables in the consolidated statement of financial position) if all of the following criteria are met:

- (i) the costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;
- (ii) the costs generate or enhance resources of the entity that will be used in satisfying (or continuing to satisfy) performance obligations in the future; and
- (iii) the costs are expected to be recovered.

An asset is amortised and charged to the profit or loss on a systematic basis (i.e., in line with the recognition of the respective revenue in accordance with the terms of the contracts that are consistent with the transfer to the customer of the goods or services to which the asset relates). The asset is subject to impairment review. Other costs of fulfilling a contract, which are not capitalised, are expensed as incurred.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(n) Income tax expense

Income tax expense comprises current tax and deferred tax.

Current tax and movement in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the end of the reporting period. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in profit or loss.

Deferred tax is recognised for temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses and unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and joint ventures including existing taxable temporary differences, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies the requirements in HKAS 12 “Income Taxes” to the lease liabilities and the related assets separately. The Group recognises a deferred tax asset related to the lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(n) Income tax expense (Continued)

Deferred tax is calculated, without discounting, at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income or equity, in which case the deferred tax is also dealt with in other comprehensive income or equity.

The carrying amount of a deferred tax asset is reviewed at the end of the reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and current tax liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and deferred tax liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - (i) the same taxable entity; or
 - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(o) Equity settled share-based payments

The Company and its subsidiaries, including ZEEKR, operate share incentive plans comprising share option schemes and share award schemes. ZEEKR applies the same accounting policies as the Company for its share-based payment arrangements.

The fair value of share options and award shares granted to employees is recognised as an employee expense and/or capitalised as part of the cost of an asset, with a corresponding credit to the share-based compensation reserve within equity. Fair value is measured at the grant date using appropriate valuation techniques and reflects the terms and conditions attached to the awards.

Where the awards are subject to vesting conditions, the total grant date fair value is recognised over the vesting period, based on the number of awards expected to vest. The expected number of vesting awards is reviewed at the end of each reporting period. Any adjustments arising from changes in expectations are recognised in profit or loss (unless the original expense qualifies for capitalisation), together with a corresponding adjustment to the share-based compensation reserve.

On the vesting date, the cumulative amount recognised is adjusted to reflect the actual number of awards that vest, except where the difference results solely from failure to meet a market-based vesting condition, in which case no adjustment is made.

Amounts recognised in the share-based compensation reserve remain there until the related share options or award shares are exercised or vested, at which point the balance is transferred to share premium. When share options or award shares expire or lapse unexercised, the related balance is transferred directly to retained profits.

If share options or award shares are cancelled or settled during the vesting period for reasons other than failure to satisfy vesting conditions, the cancellation or settlement is accounted for as an acceleration of vesting. The amount that would otherwise have been recognised over the remainder of the vesting period is recognised immediately in profit or loss.

When the Company grants equity instruments to employees of its subsidiaries including ZEEKR, in exchange for services rendered to those subsidiaries, the arrangement is accounted for as an equity settled share-based payment. The subsidiary recognises the related employee expense, and the Company recognises an increase in "Investments in subsidiaries" in its separate financial statements, with a corresponding credit to the share-based compensation reserve.

Following the Group's privatisation of ZEEKR in late December 2025, all unvested ZEEKR award shares outstanding immediately prior to privatisation were subject to conversion into share awards to be granted under the Company's share award scheme, which will be subject to a minimum vesting period of twelve months, unless a shorter vesting period is permitted and granted in accordance with the Listing Rules. As no replacement awards had been granted before 31 December 2025, the Group continued to account for the existing ZEEKR awards under their original terms during the year. No modification accounting was triggered in 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(p) Employee benefits

(i) Retirement benefits

Retirement benefits to employees are provided through defined contribution plans. In addition, employees employed under the Hong Kong Employment Ordinance are entitled to Long Service Payment (“LSP”) if the eligibility criteria are met. The LSP represents a defined benefit plan.

Defined contribution plans

The Group operates defined contribution retirement schemes in the various jurisdictions in which it operates.

In Hong Kong, the Group participates in Mandatory Provident Fund (“MPF”) schemes, which have been progressively migrating to the eMPF Platform, a centralised electronic administration platform established to standardise and automate MPF scheme administration. The onboarding of MPF trustees and schemes to the eMPF Platform commenced in June 2024, with full implementation expected by 2025-2026. After onboarding, the processing of contributions and administrative instructions is performed through the eMPF Platform.

Payments to the Group’s MPF schemes in Hong Kong, the state-managed retirement benefit schemes in the PRC and defined contribution superannuation funds operated by the Group’s subsidiaries in overseas countries in accordance with local laws and regulations, are recognised as expenses in profit or loss as they become payable.

Defined benefit plans

The LSP obligations arise under the Hong Kong Employment Ordinance for eligible employees. The amount of long service benefit that an employee is entitled to receive upon cessation of employment under specified circumstances is determined by reference to the employee’s length of service and final salary. The legal obligation for such benefits lies with the Group.

The LSP obligations recognised in the consolidated statement of financial position represent the present value of the defined benefit obligations at the end of the reporting period.

Management estimates the LSP obligations annually using actuarial assumptions, which include the discount rate, salary growth rate, employee turnover rate, and the expected investment return on offsetable MPF accrued benefits. Discount rates are determined by reference to market yields on high quality corporate bonds that are denominated in the currency in which the benefits will be paid and have maturities approximating the terms of the related defined benefit obligations.

(ii) Short-term employee benefits

Salaries, discretionary bonuses, paid annual leave and the cost of non-monetary benefits are accrued and recognised as an expense in profit or loss in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(q) Leases

(i) *Definition of a lease and the Group as a lessee*

At inception of a contract, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an identified asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition, the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the consolidated statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the underlying asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any lease incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term unless the Group is reasonably certain to obtain ownership at the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicator exists.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(q) Leases (Continued)

(i) *Definition of a lease and the Group as a lessee (Continued)*

Measurement and recognition of leases as a lessee (Continued)

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable payments based on an index or rate, and amounts expected to be payable under a residual value guarantee.

Subsequent to initial measurement, the liability will be reduced for lease payments made and increased for interest cost on the lease liability. It is remeasured to reflect any reassessment or lease modification, or if there are changes in in-substance fixed payments.

When the lease is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit or loss if the right-of-use asset is already reduced to zero.

The Group has elected to apply the short-term lease exemption under HKFRS 16 "Leases" ("**HKFRS 16**"). For leases classified as short-term leases, the Group does not recognise right-of-use assets and lease liabilities. Instead, lease payments associated with these leases are recognised as an expense in profit or loss on a straight-line basis over the lease term. Short-term leases are those with a lease term of 12 months or less and without a purchase option.

On the consolidated statement of financial position, right-of-use assets have been included in "Property, plant and equipment", the same line as it presents the underlying assets of the same nature that it owns. The prepaid lease payments for leasehold land are presented as "Land lease prepayments" under non-current assets.

Refundable rental deposits paid are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(q) Leases (Continued)

(ii) *The Group as a lessor*

As a lessor, the Group classifies its leases as either operating or finance leases.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

The Group also earns rental income from operating leases of certain portion of its building and plant and machinery. Rental income is recognised on a straight-line basis over the term of lease.

(r) Government grants

Government grants are recognised at their fair value when there is a reasonable assurance that the grant will be received and that the Group will comply with all attached conditions. Government grants are deferred and recognised in profit or loss over the periods necessary to match them with the costs that they are intended to compensate.

Government grants relating to the acquisition of land lease prepayments, intangible assets, and property, plant and equipment are deducted from the carrying amounts of the related assets and are consequently recognised in profit or loss over the useful lives of the assets through reduced depreciation and amortisation expenses.

Government grants relating to income are presented on a gross basis under “Other gains/(losses), net” in the consolidated statement of profit or loss.

(s) Borrowing costs

Borrowing costs are expensed in the period in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(t) Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the effect of the time value of money is material, provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

All provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate of the obligation. Such estimates take into account all available information, including events occurring after the reporting period that provide further evidence of conditions that existed at the reporting date.

Where it is not probable that an outflow of economic benefits will be required, or the amount of the obligation cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the possibility of an outflow of economic benefits is remote. Possible obligations whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Group's control are also disclosed as contingent liabilities unless the likelihood of an outflow of economic benefits is remote.

(u) Share capital

Ordinary shares are classified as equity. Share capital is recognised at the amount of consideration of shares issued, after deducting any transaction costs associated with the issuing of shares (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

Perpetual capital securities with no contracted obligation to repay its principal or to pay any distribution are classified as part of equity.

When shares recognised as equity are repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity.

Where repurchased shares are intended to be cancelled but have not yet been cancelled as at the end of the reporting period, such shares are classified as repurchased shares and presented as a deduction from equity under the "Repurchased share reserve" pending cancellation. The repurchased shares do not confer voting rights or rights to dividends.

Upon cancellation of the repurchased shares, the nominal value of the shares cancelled is transferred out of share capital, with any excess of the consideration paid over the nominal value recognised against share premium or other applicable equity reserves, in accordance with the Company's constitutional documents and the applicable laws of the Cayman Islands.

No gain or loss is recognised in profit or loss on the purchase or cancellation of the Company's own equity instruments.

4. MATERIAL ACCOUNTING POLICIES (Continued)

(v) Related parties

For the purposes of these consolidated financial statements, a party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family, and that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group.
- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the same third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in paragraph (a);
 - (vii) a person identified in paragraph (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - (viii) the entity, or any member of a group of which it forms part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES (Continued)

(w) Segment reporting

Operating segments are identified based on internal financial information that is reported regularly to the Group's most senior executive management, being the chief operating decision maker, for the purposes of allocating resources to and assessing the performance of the Group.

Operating segments are aggregated for financial reporting purposes only if they have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment.

Based on the internal reporting reviewed by the chief operating decision maker, the Group's business operations are managed and evaluated as a single operating segment. Accordingly, no separate analysis of segment results by reportable segment is presented.

Notwithstanding the above, geographical information relating to the Group's revenue from external customers and its specified non-current assets is disclosed, based on the geographical location of customers and the physical or operational location of the relevant assets, as appropriate.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment of long-lived assets

If circumstances indicate that the net book value of a long-lived asset, including property, plant and equipment, intangible assets and land lease prepayments (notes 14, 15 and 16), may not be recoverable, the asset may be considered “impaired” and an impairment loss may be recognised in accordance with HKAS 36 “Impairment of Assets” (“**HKAS 36**”). The carrying amounts of long-lived assets are reviewed periodically to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of those long-lived assets exceeds their recoverable amount. The recoverable amount is determined based on the higher of fair value less costs to sell and value in use. Determination of the value in use involves management judgement to assess whether the carrying value of the long-lived assets can be supported by the net present value of future cash flows. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain areas, including management’s expectations of (i) future free cash flows; (ii) estimated annual revenue growth rates; and (iii) the selection of discount rates to reflect the risks involved.

During the year ended 31 December 2025, a reversal of impairment loss of RMB16,451,000 (2024: an impairment loss of RMB1,424,181,000 (restated)) was recognised in respect of long-lived assets.

Revenue recognition

The Group recognises revenue from the sale of automobiles, automobile parts and components when control of the goods is transferred to the customer, which is typically at the point of delivery as stipulated in the sales agreements. Judgement is required in determining the point at which control is transferred, particularly in complex arrangements involving distributors or export sales with extended payment terms. The directors assess the terms of each sales contract, including the relevant delivery and acceptance terms, to ensure that revenue is recognised in accordance with HKFRS 15.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Estimation of impairment of trade and other receivables

The Group makes allowances on items subjects to ECL (including trade and other receivables) based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period (as set out in notes 4(h) and 45). When the actual future cash flows differ from expectations, such differences will impact the carrying amount of trade receivables and other items within the scope of ECL under HKFRS 9, as well as credit losses in the periods in which the estimate has been changed.

As at 31 December 2025 and 2024, the carrying amounts of trade receivables, notes receivable, and prepayments and other receivables are set out in notes 20, 21 and 22, respectively. During the year ended 31 December 2025, an impairment loss of RMB118,222,000 (2024: RMB327,519,000 (restated)) was recognised in respect of trade and other receivables.

Write-down of inventories

The Company's management reviews the condition of inventories, as stated in note 19 to the consolidated financial statements, at the end of each reporting period, and makes allowance for inventories that are identified as obsolete, slow-moving or no longer recoverable or suitable for use in production. The Group carries out the inventory review on a product-by-product basis and makes allowances by reference to the latest market prices and current market conditions. Write-down for slow-moving inventories amounted to RMB45,292,000 (2024: RMB364,901,000 (restated)) was recognised as an expense during the year ended 31 December 2025.

Depreciation and amortisation

Property, plant and equipment and intangible assets (notes 14 and 15) with finite useful lives are depreciated or amortised on a straight-line basis over their estimated useful lives, taking into account any estimated residual values. The Group regularly reviews the condition of property, plant and equipment and intangible assets (i.e., whether they are available for use) as well as their estimated useful lives, in order to determine the depreciation and amortisation expense to be recognised during the financial year. The useful lives are determined based on the Group's historical experience with similar assets and consideration of anticipated technological changes. Depreciation and amortisation expenses for future periods are adjusted if there are significant changes in these estimates.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment of investments

The Group assesses annually and at the end of each interim period whether interests in associates and joint ventures (notes 17 and 18) have suffered any impairment in accordance with HKAS 36. Details of the assessment approach are set out in the accounting policy as set out in note 4(c). The assessment of value in use requires an estimation of future cash flows, including expected dividends, from the investments and the selection of appropriate discount rates. Changes in the future financial performance and financial position of these entities could affect the estimation of impairment losses and result in adjustments to their carrying amounts. During the year ended 31 December 2025, no impairment losses were recognised in respect of interests in joint ventures (2024: no impairment loss) or interests in associates (2024: no impairment loss).

Income taxes

Subsidiaries of the Group are subject to income taxes according to different tax rates of different regions in the PRC. As certain tax affairs are pending from the confirmation of relevant tax authorities, the Group shall make reliable estimates and judgements for the expected tax adjustments and amounts resulting from such affairs based on the current tax laws and relevant policies. Subsequently, if differences exist between the initial estimates of such affairs and the actual amount of tax payable due to certain objective reasons, such difference will affect the taxes for the current period and tax payables of the Group. Details of income tax are set out in note 10.

Deferred tax

As at 31 December 2025, deferred tax assets amounting to RMB4,691,917,000 (2024: RMB5,451,748,000 (restated)), arising from unused tax losses have been recognised in the Group's consolidated statement of financial position. No deferred tax asset were recognised in respect of the remaining unused tax losses of RMB2,500,450,000 (2024: RMB2,608,456,000) and the deductible temporary differences of RMB2,903,466,000 (2024: RMB2,867,388,000), as it is not considered probable that sufficient future taxable profits will be available against which such tax losses and deductible temporary differences can be utilised, having regard to the uncertainty of future profit streams. The recoverability of deferred tax assets is principally dependent on the availability of sufficient future taxable profits or taxable temporary differences in the periods in which the tax losses or deductible temporary differences are expected to be utilised. Management's assessment involves significant judgement and estimation, including assumptions regarding future profitability, the timing of the reversal of taxable temporary differences, and tax planning opportunities. Changes in expectations regarding future taxable profits may result in the reversal or further recognition of deferred tax assets, with the corresponding impact recognised in profit or loss in the period in which such changes occur. Deferred tax assets in respect of unused tax losses and deductible temporary differences are recognised only when management considers that future taxable profits will be available.

As at 31 December 2025, deferred tax liabilities amounting to RMB749,063,000 (2024: RMB575,408,000) were recognised in respect of withholding taxes on distributable profits of the PRC subsidiaries that have not yet been paid out as dividends.

Deferred tax liabilities have not been recognised in respect of temporary differences relating to the post-2007 undistributed profits of the PRC subsidiaries amounting to RMB5,650,208,000 (2024: RMB2,919,318,000), as the Company is able to control the dividend policies of these subsidiaries and it has been determined that it is probable that such profits will not be distributed in the foreseeable future. Accordingly, no withholding tax is expected to be payable on these profits. Further details are set out in note 37.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Equity settled share-based payments

Determining the fair value of equity settled share-based payment awards granted by the Company and its subsidiaries, including ZEEKR, requires the use of valuation techniques involving significant judgement. Fair value measurements for share options and award shares incorporate assumptions such as expected volatility, expected dividends, risk-free interest rates and, critically, the expected option life. Certain inputs, most notably the expected option life, are not directly observable and must be estimated using available data, including historical employee exercise and forfeiture patterns.

The valuation models applied, such as binomial option pricing model, are designed for instruments traded in active markets. However, the share options and award shares issued by the Group include features specific to the Group's share incentive plans, making them not directly comparable to market traded options. As a result, the selection of valuation assumptions and model parameters requires careful judgement.

Changes in key assumptions or the use of alternative valuation methodologies could materially affect the estimated fair values of the awards. Such differences would, in turn, impact the amount of employee expenses recognised in profit or loss and/or any capitalised amounts, as well as the timing of those recognitions. This judgement also extends to awards granted by the Company to employees of its subsidiaries, including ZEEKR, where the determination of which entity recognises the expense and corresponding equity entries requires careful assessment of the substance of the arrangement.

Moreover, following the Group's privatisation of ZEEKR in late December 2025, all unvested ZEEKR award shares outstanding immediately prior to the privatisation became subject to conversion into share awards to be granted under the Company's share award scheme. Such share awards will be subject to a minimum vesting period of twelve months, unless a shorter vesting period is permitted and granted in accordance with the Listing Rules. As no replacement awards were granted before 31 December 2025, management concluded that the existing ZEEKR awards continued to be accounted for under their original terms, and therefore no modification accounting was triggered. This assessment required significant judgement in determining whether the terms of the awards had been substantively changed.

Critical accounting judgements

Interests in joint ventures

Genius Auto Finance Company Limited# ("Genius AFC") 吉致汽車金融有限公司

The Group invested in Genius AFC as at 31 December 2025 and 2024. Unanimous consent from the Group and the other investor, BNP Paribas Personal Finance ("BNPP PF") or unanimous resolution of all directors (present in person or represented by proxy for the board meeting) of Genius AFC for certain key corporate matters is needed. Therefore, Genius AFC is under the joint control of the Group and BNPP PF, despite the Group has an equity interest of 75%. Also, the Group and BNPP PF have rights to the net assets of Genius AFC. Accordingly, the investment in Genius AFC is classified as a joint venture of the Group and is accounted for using the equity method.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical accounting judgements (Continued)

Interests in joint ventures (Continued)

Horse Powertrain Limited (“Horse Powertrain”)

The Group invested in Horse Powertrain as at 31 December 2025. Pursuant to the joint venture agreement, the shareholdings in Horse Powertrain are held as follows: 29.7% by the Group, 15.3% by Geely Holding, 45% by Renault S.A.S. (“**Renault**”), and 10% by Aramco Asia Singapore Pte. Ltd. (“**Aramco Asia Singapore**”). The board of directors comprises up to ten directors, and each shareholder is entitled to appoint one director for every 10% equity interest held. Certain key corporate matters require either (i) majority approval from both Renault appointed directors and the directors appointed by the Group/Geely Holding collectively, or (ii) unanimous consent from the Group and the other shareholders. These decision-making requirements establish joint control because strategic and key corporate decisions cannot be made without the agreement of the relevant parties. Accordingly, the Group’s investment in Horse Powertrain is classified as a joint venture and is accounted for using the equity method.

Further details are disclosed in note 18.

The English translation of the name of the company established in the PRC is for reference only. The official name of the company is in Chinese.

Determination of the discount rate for leases

In determining the discount rate, the Group is required to exercise considerable judgement, taking into account the nature of the underlying assets and the terms and conditions of the leases, both at the commencement date and at the effective date of any lease modification.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

6. REVENUE

Revenue represents sales of automobiles, automobile parts and components, the provision of collaborative manufacturing services and the provision of research and development services and licence income, net of VAT or related sales taxes and discounts. Revenue was mainly derived from customers located in the PRC.

	2025	2024
	RMB'000	RMB'000 (Restated)
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products/services		
– Sales of automobiles and related services	310,979,986	242,995,569
– Sales of automobile parts and components	19,846,725	18,466,865
– Collaborative manufacturing income	6,511,519	7,141,313
– Research and development services and licence income (note)	7,893,971	7,306,737
	345,232,201	275,910,484
Disaggregated by timing of revenue recognition		
– At a point in time	339,657,756	268,577,905
– Over time	5,574,445	7,332,579
	345,232,201	275,910,484

Note: During the year, revenue from research and development and related technological support services and licensing of intellectual properties was aggregated into a single revenue category, as both represent income streams derived from the Group's technology and intellectual property portfolios and are considered by management to share a similar economic nature.

7. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the executive directors of the Company, collectively. They determine the Group's operating segments and review the internal reporting to assess performance and allocate resources. All of the Group's business operations relate to the production and sales of automobiles, automobile parts and components, the provision of collaborative manufacturing services, and the provision of research and development services and licence income, all of which share similar economic characteristics.

Accordingly, the executive directors review the performance of the Group as a single business segment. Therefore, no separate analysis of segment results by reportable segment is presented.

Geographical information

The following tables set out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment (including right-of-use assets), intangible assets, and land lease prepayments ("**specified non-current assets**"). The geographical location of customers is based on the location at which the services are provided or the goods are delivered. The geographical location of the specified non-current assets is based on the physical location of the assets in the case of property, plant and equipment (including right-of-use assets) and land lease prepayments, the location of the operations to which they are allocated in the case of intangible assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

7. SEGMENT INFORMATION (Continued)

Geographical information (Continued)

	2025	2024
	RMB'000	RMB'000 (Restated)
Revenue from external customers		
The PRC	271,312,369	218,391,667
Eastern Europe	29,220,482	30,296,260
Pan Europe (note)	17,690,647	13,074,768
Asia Pacific (excluding the PRC)	14,685,375	5,788,947
Middle East	8,174,495	5,739,285
Latin America	3,011,736	2,047,644
Africa	1,050,762	488,151
Other countries	86,335	83,762
	345,232,201	275,910,484

Note: Pan Europe represents countries including the Netherlands, Sweden and France.

Specified non-current assets		
The PRC	72,339,556	72,383,193
Other countries	2,475,052	2,196,846
	74,814,608	74,580,039

Information about a major customer

During the years ended 31 December 2025 and 2024, none of the Group's customers accounted for 10% or more of the Group's revenue.

8. OTHER GAINS/(LOSSES), NET

	2025 RMB'000	2024 RMB'000 (Restated)
Government grants and subsidies (note)	1,148,192	1,218,089
Net foreign exchange gain/(loss)	3,185,696	(1,750,703)
Net realised and unrealised loss on derivative financial instruments	(262,435)	(331,612)
Net gain on disposal/written off of property, plant and equipment, intangible assets and land lease prepayments	385,523	29,560
Referral service income	384,101	212,398
Compensation income	308,541	235,361
Logistic service income	209,233	146,692
Gain on deemed disposal/partial disposal/disposal of investments accounted for using the equity method	103,760	899,060
Service income	94,135	51,156
Rental income	78,887	62,772
Gain on written off of long outstanding payables	42,291	55,100
Gain on disposal of scrap materials	30,074	113,265
Sundry income	458,983	181,307
	6,166,981	1,122,445

Note: Government grants and subsidies mainly related to cash subsidies from government in respect of operating activities which are either unconditional grants or grants with conditions having been satisfied.

9. PROFIT BEFORE TAX

Profit before tax is arrived at after (crediting)/charging:

	2025 RMB'000	2024 RMB'000 (Restated)
(a) Finance income and costs		
Finance costs		
Interest on bank and other borrowings	393,042	778,502
Interest on discounted notes receivable	167,129	57,285
Interest on lease liabilities	137,464	119,418
Interest on loans from a related company	-	63,663
	697,635	1,018,868

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

9. PROFIT BEFORE TAX (Continued)

Profit before tax is arrived at after (crediting)/charging (Continued):

	2025 RMB'000	2024 RMB'000 (Restated)
Finance income		
Bank and other interest income	(834,405)	(1,330,874)
Net finance income	(136,770)	(312,006)
(b) Staff costs (including directors' emoluments (note 13(a)))		
Salaries, wages and other benefits	19,910,898	18,094,649
Retirement benefit scheme contributions (note)	1,822,510	1,525,277
Equity settled share-based payments (note 40)	1,202,017	1,765,486
	22,935,425	21,385,412
Less: Staff costs capitalised	(7,249,193)	(6,516,280)
	15,686,232	14,869,132
(c) Other items		
Cost of inventories recognised as an expense	287,885,471	230,106,735
Depreciation:		
– Owned assets	4,171,434	4,804,309
– Right-of-use assets (including land lease prepayments)	1,457,866	1,231,578
Total depreciation	5,629,300	6,035,887
Research and development costs:		
– Amortisation of intangible assets (related to capitalised product development costs)	9,735,407	7,307,598
– Research and development costs	7,888,375	6,380,625
Total research and development costs	17,623,782	13,688,223

9. PROFIT BEFORE TAX (Continued)

Profit before tax is arrived at after (crediting)/charging (Continued):

	2025 RMB'000	2024 RMB'000 (Restated)
(Reversal of impairment loss)/Impairment loss on non-financial assets, net:		
– Property, plant and equipment	(16,451)	785,915
– Intangible assets	–	638,266
– Inventories	45,292	364,901
Total impairment loss on non-financial assets, net	28,841	1,789,082
Impairment loss/(Reversal of impairment loss) on trade and other receivables:		
– Trade receivables	169,753	191,897
– Other receivables	(51,452)	129,147
– Prepayments	(79)	6,475
Total impairment loss on trade and other receivables	118,222	327,519
Auditor's remuneration:		
– Audit services	7,089	8,897
– Non-audit services	1,380	1,890
Net foreign exchange (gain)/loss	(3,185,696)	1,750,703
Net gain on disposal/written off of property, plant and equipment, intangible assets and land lease prepayments	(385,523)	(29,560)
Lease charges on short-term leases	725,185	457,517

Note: As at 31 December 2025, there were no forfeited contributions available under the Group's pension schemes to reduce future employer contributions (2024: Nil, in RMB).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10. INCOME TAX EXPENSE

	2025 RMB'000	2024 RMB'000 (Restated)
Current tax:		
– Enterprise income tax	2,884,503	3,608,220
– Under-provision in prior years	504,969	191,913
	3,389,472	3,800,133
Deferred tax	211,957	(2,017,993)
	3,601,429	1,782,140

Provision for Hong Kong profits tax has been made at 16.5% (2024: 16.5%) of the estimated assessable profits of the Hong Kong-incorporated companies within the Group for the years ended 31 December 2025 and 2024.

The income tax provision of the Group in respect of its operations in the PRC has been calculated at the applicable tax rate on the estimated assessable profits for the year based on the existing legislation, interpretations and practices in respect thereof. The PRC enterprise income tax rate is 25% (2024: 25%).

Pursuant to the relevant laws and regulations in the PRC, certain PRC subsidiaries of the Group have obtained High and New Technology Enterprise qualification. In addition, certain PRC subsidiaries of the Group located in the western region of the PRC are engaged in encouraged businesses. Accordingly, these subsidiaries enjoyed a preferential income tax rate of 15% for the years ended 31 December 2025 and 2024.

In accordance with the latest regulations and implementation guidelines issued by the State Taxation Administration of the PRC, research and development (“**R&D**”) expenses incurred by an enterprise in the course of conducting R&D activities that do not result in the formation of intangible assets and are expensed in profit or loss for the current year are eligible for a super deduction (the “**Super Deduction**”). In addition to deducting the actual amount of R&D expenses incurred, an enterprise may claim an additional 100% deduction when calculating its taxable income for the relevant year. For R&D expenditures that result in the formation of intangible assets, tax amortisation may be based on 200% of the cost of the intangible assets.

The share of results of associates and joint ventures presented in the consolidated statement of profit or loss is after accounting for income taxes accrued in the relevant tax jurisdictions. Tax arising in other jurisdictions is calculated at the rates prevailing in those jurisdictions.

10. INCOME TAX EXPENSE (Continued)

The tax charge for the year can be reconciled from the profit before tax per consolidated statement of profit or loss as follows:

	2025 RMB'000	2024 RMB'000 (Restated)
Profit before tax	20,229,755	18,127,182
Tax at the PRC enterprise income tax rate of 25% (2024: 25%)	5,057,439	4,531,796
Tax effect of non-deductible expenses	366,694	395,118
Tax effect of non-taxable income	(797,570)	(3,188,434)
Tax effect of unrecognised tax losses	1,374,135	1,145,610
Tax effect of unrecognised deductible temporary differences	98,322	273,908
Utilisation of previously unrecognised tax losses/deductible temporary differences	(188,245)	(41,145)
Tax effect of different tax rates of entities operating in other jurisdictions	(61,704)	128,217
Deferred tax charge related to withholding tax on undistributed profits of the PRC subsidiaries (note 37)	173,655	84,981
Withholding tax on dividends declared by subsidiaries, a joint venture and associates	21,414	628,832
Effect of tax concessions and preferential tax rates for certain PRC subsidiaries	(1,477,342)	(949,645)
Super Deduction for research and development costs	(1,432,483)	(1,460,881)
Changes in deferred tax assets/liabilities arising from changes in tax rates	(37,855)	41,870
Under-provision in prior years	504,969	191,913
Tax expense for the year	3,601,429	1,782,140

The Group is also liable to withholding tax on dividends to be distributed from the Group's subsidiaries in the PRC in respect of their profits generated from 1 January 2008. Deferred tax liabilities of RMB173,655,000 (2024: RMB84,981,000) were recognised for the distributable profits not yet paid out as dividends that are generated by the PRC subsidiaries of the Group during the year.

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For the year ended 31 December 2025

11. DIVIDENDS

(a) Dividends payable to ordinary owners of the parent attributable to the year:

	2025 RMB'000	2024 RMB'000
Final dividend proposed after the end of reporting period of Hong Kong dollars ("HK\$") 0.50 (2024: HK\$0.33) per ordinary share	4,732,406	3,113,411

The final dividend proposed after the end of the reporting period has not been recognised as a liability as at 31 December 2025.

(b) Dividends payable to ordinary owners of the parent attributable to the previous financial year, approved and paid during the year:

	2025 RMB'000	2024 RMB'000
Final dividend in respect of the previous financial year, approved and paid during the year of HK\$0.33 (2024: HK\$0.22) per ordinary share	3,119,413	2,050,555

(c) Dividend declared by subsidiaries

During the year ended 31 December 2024, a subsidiary declared a dividend of approximately RMB940,529,000 to its then shareholder, prior to the subsidiary's combination with the Group under common control. As the business combination is accounted for using the pooling of interests method, which requires the consolidated financial statements to be presented as if the entities had always been combined, this dividend has been retrospectively reflected in the Group's consolidated statement of changes in equity for the year ended 31 December 2024. During the year ended 31 December 2025, other subsidiaries declared total dividends of approximately RMB1,205,443,000 to non-controlling interests, of which RMB560,924,000 remained payable as at year-end.

(d) Distribution on perpetual capital securities

The Company made a distribution of RMB144,840,000 on perpetual capital securities to the securities holders during the year ended 31 December 2024. Due to the early redemption of all issued perpetual capital securities in December 2024, no such distribution was made during the year ended 31 December 2025.

11. DIVIDENDS (Continued)

(e) Special Dividend Distribution

In May 2024, ZEEKR, a subsidiary of the Company, was spin-off and separately listed its American Depositary Shares (“ADSs”) on the New York Stock Exchange (the “ZEEKR Offering”). Pursuant to Practice Note 15 of the Listing Rules, in connection with the ZEEKR Offering, the Company resolved on 16 May 2024 to declare a special dividend of approximately HK\$75,208,000 (equivalent to approximately RMB69,853,000) to the Company’s qualifying shareholders for a certain portion of the ZEEKR ADSs, by way of a distribution in specie or a cash distribution (the “Special Dividend Distribution”).

The Special Dividend Distribution was approved by shareholders at the extraordinary general meeting of the Company held on 18 June 2024. Please refer to the Company’s announcements dated 16 May 2024 and 18 June 2024 for further details.

Specifically, during the year ended 31 December 2024, approximately HK\$75,000,000 (equivalent to approximately RMB69,661,000) and 1,266 ZEEKR ADSs (equivalent to 12,660 ordinary shares of ZEEKR) were distributed from retained profits to the Company’s qualifying shareholders.

12. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of the basic earnings per share is based on profit for the year attributable to ordinary equity holders of the parent of RMB16,852,231,000 (2024: RMB16,667,038,000 (restated)) and weighted average number of ordinary shares of 10,109,061,738 shares (2024: 10,065,835,498 shares), calculated as follows:

Profit attributable to ordinary equity holders of the parent

	2025	2024
	RMB'000	RMB'000 (Restated)
Profit for the year attributable to owners of the parent	16,852,231	16,811,878
Distribution paid on perpetual capital securities (note 11(d))	–	(144,840)
Profit for the year attributable to ordinary equity holders of the parent	16,852,231	16,667,038

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12. EARNINGS PER SHARE (Continued)

(a) Basic earnings per share (Continued)

Weighted average number of ordinary shares (basic)

	2025	2024
Issued ordinary shares as at 1 January (note 32(a))	10,075,001,783	10,063,382,383
Effect of shares repurchased	(1,006,997)	–
Effect of share options exercised	7,388,197	353,834
Effect of award shares vested	10,292,549	2,099,281
Effect of the issuance of consideration shares arising from the privatisation of ZEEKR	17,386,206	–
Weighted average number of ordinary shares as at 31 December	10,109,061,738	10,065,835,498

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on profit for the year attributable to ordinary equity holders of the parent of RMB16,852,231,000 (2024: RMB16,667,038,000 (restated)) and the weighted average number of ordinary shares (diluted) of 10,353,696,070 shares (2024: 10,103,269,390 shares), calculated as follows:

Weighted average number of ordinary shares (diluted)

	2025	2024
Weighted average number of ordinary shares (basic) as at 31 December	10,109,061,738	10,065,835,498
Effect of deemed issue of shares under the Company's share option scheme (excluding those share options with anti-dilutive effect)	206,813,531	3,654,892
Effect of dilutive potential ordinary shares arising from award shares issued under the Company's share award scheme	–	33,779,000
Effect of dilutive potential ordinary shares from unvested ZEEKR Award Shares (note 40) to be converted under the Company's share award scheme	37,820,801	–
Weighted average number of ordinary shares (diluted) as at 31 December	10,353,696,070	10,103,269,390

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

(a) Directors' and chief executive's remuneration

Directors' and chief executive's emoluments, disclosed in accordance with the Listing Rules and, in respect of directors, section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

2025

Name of directors	Fees RMB'000	Salaries RMB'000	Discretionary bonus RMB'000	Rental allowance RMB'000	Retirement scheme contribution RMB'000	Sub-total RMB'000	Equity settled	Total RMB'000
							share-based payments RMB'000 (note (i))	
Executive directors								
Mr. Gan Jia Yue	5	396	-	-	7	408	12,380	12,788
Mr. Gui Sheng Yue (Chief Executive Officer)	-	4,613	2,276	588	33	7,510	12,455	19,965
Mr. Li Dong Hui, Daniel (Vice Chairman)	9	-	-	-	-	9	7,554	7,563
Mr. Li Shu Fu (Chairman)	-	360	-	-	17	377	-	377
Mr. Mao Jian Ming, Moosa (note (iv))	-	2,757	268	-	17	3,042	2,514	5,556
Ms. Wei Mei (note (v))	4	-	-	-	-	4	2,959	2,963
Independent non-executive directors								
Mr. An Qing Heng (note (vi))	139	-	-	-	-	139	-	139
Mr. Wang Yang (note (vi))	139	-	-	-	-	139	-	139
Ms. Gao Jie	332	-	-	-	-	332	-	332
Ms. Yu Li Ping, Jennifer	332	-	-	-	-	332	-	332
Mr. Zhu Han Song	332	-	-	-	-	332	-	332
Ms. Tseng Chin I (note (vii))	255	-	-	-	-	255	-	255
	1,547	8,126	2,544	588	74	12,879	37,862	50,741

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13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

(a) Directors' and chief executive's remuneration (Continued)

2024

Name of directors	Discretionary		Rental	Retirement	Equity settled		Total	
	Fees	Salaries	bonus	allowance	scheme	share-based		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
							(note (i))	
Executive directors								
Mr. An Cong Hui (note (ii))	9	-	-	-	-	9	25,361	25,370
Mr. Ang Siu Lun, Lawrence (note (iii))	-	2,137	1,327	-	17	3,481	2,137	5,618
Mr. Gan Jia Yue	9	-	-	-	-	9	12,104	12,113
Mr. Gui Sheng Yue (Chief Executive Officer)	-	4,185	1,430	596	33	6,244	25,766	32,010
Mr. Li Dong Hui, Daniel (Vice Chairman)	9	-	-	-	-	9	19,662	19,671
Mr. Li Shu Fu (Chairman)	-	359	-	-	17	376	-	376
Mr. Mao Jian Ming, Moosa (note (iv))	-	1,326	-	-	8	1,334	666	2,000
Ms. Wei Mei (note (v))	9	-	-	-	-	9	8,755	8,764
Independent non-executive directors								
Mr. An Qing Heng (note (vii))	331	-	-	-	-	331	-	331
Mr. Wang Yang (note (vi))	331	-	-	-	-	331	-	331
Ms. Gao Jie	331	-	-	-	-	331	-	331
Ms. Yu Li Ping, Jennifer	331	-	-	-	-	331	-	331
Mr. Zhu Han Song	331	-	-	-	-	331	-	331
	1,691	8,007	2,757	596	75	13,126	94,451	107,577

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

(a) Directors' and chief executive's remuneration (Continued)

Note:

- (i) These mainly represent the estimated value of share options granted to the directors under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policy for equity settled share-based payments as set out in note 4(o) and, in accordance with that policy, includes adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited prior to vesting.

Details of these benefits in kind, including the principal terms and number of options granted, are disclosed in the paragraph headed "Share Options" in the Directors' Report and in note 40 to the consolidated financial statements.

- (ii) Mr. An Cong Hui resigned as an executive director of the Company on 10 May 2024.
- (iii) Mr. Ang Siu Lun, Lawrence retired as an executive director of the Company on 1 July 2024.
- (iv) Mr. Mao Jian Ming, Moosa was appointed as an executive director of the Company on 12 July 2024.
- (v) Ms. Wei Mei retired as an executive director of the Company on 30 May 2025.
- (vi) Mr. An Qing Heng and Mr. Wang Yang retired as independent non-executive directors of the Company on 30 May 2025.
- (vii) Ms. Tseng Chin I was appointed as an independent non-executive director of the Company on 24 March 2025.
- (viii) No director waived any emoluments during the years ended 31 December 2025 and 2024.
- (ix) No emoluments were paid by the Group to any directors as an inducement to join the Group, or upon joining the Group, or as compensation for loss or termination of office during the years ended 31 December 2025 and 2024.

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For the year ended 31 December 2025

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

(b) Employees' emoluments

Of the five individuals with the highest emoluments, three (2024: five) were directors of the Company whose emoluments are included in the disclosures in note 13(a) above. The aggregate emoluments of the remaining two individuals for the year ended 31 December 2025 are as follows:

	2025 RMB'000	2024 RMB'000
Salaries and allowances	5,237	–
Discretionary bonuses	915	–
Retirement scheme contributions	170	–
Equity settled share-based payments	6,181	–
	12,503	–

The emoluments of the two individuals for the year ended 31 December 2025 with the highest emoluments are within the following bands:

	2025 Number of individuals	2024 Number of individuals
HK\$6,000,001 – HK\$6,500,000	1	–
HK\$7,000,001 – HK\$7,500,000	1	–

Note: No emoluments were paid by the Group to the remaining two individuals as an inducement to join the Group, upon joining the Group, or as compensation for loss or termination of office during the years ended 31 December 2025 and 2024.

14. PROPERTY, PLANT AND EQUIPMENT

	CIP	Buildings	Plant and machinery	Leasehold improvements	Furniture and fixtures, office equipment and others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
COST						
At 1 January 2024 (Restated)	2,801,843	21,667,415	21,515,143	1,060,768	10,237,717	57,282,886
Lease reassessment (note 29)	-	160,839	-	-	-	160,839
Additions	2,163,415	895,376	1,229,938	387,273	400,538	5,076,540
Transfer from CIP	(3,803,736)	447,877	2,981,397	-	374,462	-
Transfer to inventories	-	-	-	-	(2,162,396)	(2,162,396)
Disposals/written off	(559,791)	(3,757)	(3,636,138)	(7,654)	(348,688)	(4,556,028)
Derecognised on disposal of a subsidiary	-	-	-	-	(99,957)	(99,957)
Early termination/expiration of leases	-	(726,100)	-	-	-	(726,100)
Exchange realignment	-	(35,142)	156	-	(188,137)	(223,123)
At 31 December 2024 and 1 January 2025 (Restated)	601,731	22,406,508	22,090,496	1,440,387	8,213,539	54,752,661
Lease reassessment (note 29)	-	43,911	-	-	-	43,911
Additions	2,445,343	1,062,488	2,537,731	149,169	296,234	6,490,965
Transfer from CIP	(2,209,789)	100,673	1,907,449	1,440	200,227	-
Transfer to inventories	-	-	-	-	(2,024,130)	(2,024,130)
Disposals/written off	(15,469)	(92,878)	(808,322)	(143,385)	(148,512)	(1,208,566)
Early termination/expiration of leases	-	(1,063,405)	(98,645)	-	(17,408)	(1,179,458)
Exchange realignment	835	189,896	35,602	13,656	317,774	557,763
At 31 December 2025	822,651	22,647,193	25,664,311	1,461,267	6,837,724	57,433,146

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For the year ended 31 December 2025

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

	CIP	Buildings	Plant and machinery	Leasehold improvements	Furniture and fixtures, office equipment and others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
DEPRECIATION AND IMPAIRMENT						
At 1 January 2024 (Restated)	-	4,339,400	8,268,672	340,925	3,183,207	16,132,204
Charge for the year	-	1,853,278	2,843,839	414,273	819,811	5,931,201
Transfer to inventories	-	-	-	-	(522,534)	(522,534)
Written back on disposals/written off	-	(10,042)	(1,624,905)	-	(119,329)	(1,754,276)
Early termination/expiration of leases	-	(669,944)	-	-	-	(669,944)
Exchange realignment	-	(627)	-	-	(560)	(1,187)
Impairment loss (notes (c) and 15(b))	-	-	272,144	-	513,771	785,915
At 31 December 2024 and 1 January 2025 (Restated)	-	5,512,065	9,759,750	755,198	3,874,366	19,901,379
Charge for the year	-	1,965,829	2,235,034	375,121	946,385	5,522,369
Transfer to inventories	-	-	-	-	(769,836)	(769,836)
Written back on disposals/written off	-	(12,960)	(432,365)	(72,859)	(80,359)	(598,543)
Early termination/expiration of leases	-	(901,214)	(83,025)	-	(16,628)	(1,000,867)
Exchange realignment	-	72,453	20,782	3,839	(72,029)	25,045
Reversal of impairment loss (note (c))	-	-	11,252	-	(27,703)	(16,451)
At 31 December 2025	-	6,636,173	11,511,428	1,061,299	3,854,196	23,063,096
NET BOOK VALUE						
At 31 December 2025	822,651	16,011,020	14,152,883	399,968	2,983,528	34,370,050
At 31 December 2024 (Restated)	601,731	16,894,443	12,330,746	685,189	4,339,173	34,851,282

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Note:

- (a) As at 31 December 2025 and 2024, included in the net carrying amount of property, plant and machinery are right-of-use assets with the following carrying amounts and depreciation charges:

	Carrying amount		Depreciation	
	2025 RMB'000	2024 RMB'000 (Restated)	2025 RMB'000	2024 RMB'000 (Restated)
Buildings	2,851,577	3,310,597	1,130,159	1,101,884
Vessels	1,855,996	–	198,275	–
Others*	14,974	28,910	22,501	25,008
	4,722,547	3,339,507	1,350,935	1,126,892

* Others comprise plant and machinery and motor vehicles.

During the year ended 31 December 2025, additions to right-of-use assets recognised within property, plant and equipment amounted to RMB2,730,317,000 (2024: RMB1,295,467,000 (restated)). These additions primarily arose from the recognition of new lease arrangements and represent non-cash transactions. Details of these leases are set out in note 29.

- (b) The title certificates for certain buildings with an aggregate carrying value of RMB365,456,000 (2024: RMB268,727,000 (restated)) had not yet been obtained as at 31 December 2025. The directors of the Company are of the opinion that the relevant certificates will be obtained in the near future and that the Group continues to have lawful and valid rights to occupy and use these buildings. Accordingly, this matter did not have any significant impact on the Group's consolidated financial positions as at 31 December 2025 and 2024.
- (c) During the year ended 31 December 2025, a reversal of impairment loss of RMB16,451,000 (2024: an impairment loss of RMB785,915,000 (restated)) was recognised. For details of the impairment assessment of property, plant and equipment, please refer to note 15(b). Further details of the impairment recognised for the year ended 31 December 2024 were disclosed in the Group's annual report for that year.

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15. INTANGIBLE ASSETS

	Capitalised product development costs RMB'000	Software RMB'000	Total RMB'000
COST			
At 1 January 2024 (Restated)	56,263,370	2,410,011	58,673,381
Additions	12,673,261	1,143,900	13,817,161
Disposal/written off	(2,047,326)	(37,321)	(2,084,647)
Reclassified as assets held for sale	(273,950)	–	(273,950)
At 31 December 2024 and 1 January 2025 (Restated)	66,615,355	3,516,590	70,131,945
Additions	13,188,932	790,539	13,979,471
Disposal/written off	(3,567,824)	(11,963)	(3,579,787)
Exchange realignment	(3)	47,919	47,916
At 31 December 2025	76,236,460	4,343,085	80,579,545
AMORTISATION AND IMPAIRMENT			
At 1 January 2024 (Restated)	26,844,656	992,414	27,837,070
Charge for the year	7,307,598	406,962	7,714,560
Impairment losses (note (b))	638,266	–	638,266
Disposal/written off	(1,649,515)	(33,733)	(1,683,248)
At 31 December 2024 and 1 January 2025 (Restated)	33,141,005	1,365,643	34,506,648
Charge for the year	9,790,004	500,874	10,290,878
Disposal/written off	(679,280)	(1,661)	(680,941)
Exchange realignment	–	16,864	16,864
At 31 December 2025	42,251,729	1,881,720	44,133,449
NET BOOK VALUE			
At 31 December 2025	33,984,731	2,461,365	36,446,096
At 31 December 2024 (Restated)	33,474,350	2,150,947	35,625,297

15. INTANGIBLE ASSETS (Continued)

Note:

- (a) The amortisation charge for the year is mainly included in “Research and development expenses” in the consolidated statement of profit or loss. As at 31 December 2025, the proportion of intangible assets not yet available for use to total intangible assets was approximately 22% (2024: 27% (restated)).
- (b) During the year ended 31 December 2024, the Group reassessed its product portfolio as part of its optimised brand strategy and decided to phase out certain legacy automobile models in response to intensified market competition and evolving technological developments. As a result, impairment losses were recognised on the related property, plant and equipment and intangible assets to reflect the changes in their recoverable amounts.

In accordance with HKAS 36, impairment assessments were performed on the relevant CGUs, and impairment losses of RMB638,266,000 and RMB279,799,000 were recognised in respect of intangible assets and property, plant and equipment, respectively.

As explained in note 4(a) to the consolidated financial statements, the Group retrospectively applied merger accounting to a business combination involving entities under common control. Following this retrospective application, the Group reassessed the carrying amounts of certain property, plant and equipment and the composition of the related CGUs as at 31 December 2024. Based on this reassessment, an additional loss of RMB506,116,000 was recognised, primarily relating to vehicles held for the subscription rental business. The recoverable amounts of these assets were determined based on fair value less costs of disposal, with reference to observable second-hand market prices.

Accordingly, the total impairment loss recognised in respect of property, plant and equipment for the year ended 31 December 2024 amounted to RMB785,915,000 (restated). The additional impairment loss arose solely from the retrospective reassessment following the application of merger accounting and did not result from new impairment indicators identified after the end of the reporting period.

As at 31 December 2025, based on management’s assessment, the Group’s property, plant and equipment and intangible assets were operating as expected, and no further indicators of impairment were identified.

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For the year ended 31 December 2025

16. LAND LEASE PREPAYMENTS

	2025 RMB'000	2024 RMB'000 (Restated)
The Group's land lease prepayments comprise:		
Outside Hong Kong, held on:		
– Leases of between 10 to 50 years	3,998,462	4,103,460
Opening net carrying amount	4,103,460	3,710,837
Additions	1,933	497,309
Annual amortisation charges of land lease prepayments	(106,931)	(104,686)
Closing net carrying amount	3,998,462	4,103,460

The land lease prepayments fall into the scope of HKFRS 16 as they meet the definition of right-of-use assets.

The land use right certificates for certain parcels of land, with an aggregate carrying value of Nil, in RMB (2024: RMB29,534,000 (restated)), had not yet been obtained as at 31 December 2025. The directors of the Company are of the opinion that, notwithstanding the delay in obtaining the relevant certificates, the Group has lawful and valid rights to occupy and use the land and expects that the relevant certificates will be obtained in due course. Accordingly, this matter did not have any significant impact on the Group's financial position as at 31 December 2025 and 2024.

17. INTERESTS IN ASSOCIATES

	2025	2024
	RMB'000	RMB'000 (Restated)
Unlisted investments	15,027,730	5,851,576
At the beginning of the year	5,851,576	5,971,984
Additions	6,905,402	65,995
Disposals	–	(357,159)
Share of results, net	757,646	530,123
Transfer from a joint venture (note 18)	1,379,272	–
Share of other comprehensive income/(expense), net	142,282	(294,745)
Gain on deemed disposal of investments in associates	101,630	231,258
Change in other equity	(56,625)	(13,495)
Dividends distributed from associates	(53,933)	(294,080)
Exchange differences	480	11,695
At the end of the year	15,027,730	5,851,576

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17. INTERESTS IN ASSOCIATES (Continued)

Guangdong Xinyueneng Semiconductor Company Limited# (“Xinyueneng”) 廣東芯粵能半導體有限公司

As at 31 December 2024, the Group and external investors entered into an equity transfer agreement and a capital injection agreement, pursuant to which the Group partially disposed of approximately 9.9% equity interest in Xinyueneng for a cash consideration of RMB536,000,000, while the external investors injected RMB840,000,000 into the entity.

Following these transactions, the Group’s equity interest in Xinyueneng changed from 40% to 26.07%, and the Group can now only exert significant influence over the financial and operating activities of Xinyueneng.

Therefore, the Group’s investment in Xinyueneng was reclassified from a joint venture to an associate.

As a result of these transactions, a gain on deemed and partial disposal of investment in Xinyueneng of RMB717,719,000 was recognised in “Other gains/(losses), net” in the consolidated statement of profit or loss during the year ended 31 December 2024. The capital injection from external investors resulted in an increase of Xinyueneng’s registered capital by RMB57,931,035 from RMB400,000,000 to RMB457,931,035.

Wuxi InfiMotion Technology Company Limited# (“InfiMotion”) 無錫星驅科技有限公司

On 30 May 2025, the Group entered into an equity transfer agreement with Ningbo Lotus Venture Capital Co., Ltd.# 寧波路特斯創業投資有限責任公司, a limited liability company established in the PRC, which is indirectly owned as to more than 30% by Mr. Li Shu Fu and his associate, to acquire an additional 17.5% equity interest in InfiMotion for a cash consideration of RMB420,000,000. In addition, during the second half of 2025, the Group and other investors entered into a series of investment agreements pursuant to which other investors agreed to inject a total of RMB295,000,000 into InfiMotion.

Prior to the acquisition, the Group held a 24.15% equity interest in InfiMotion, which was accounted for as an associate, as the Group had significant influence over InfiMotion’s financial and operating policies. Following the transactions, the Group’s equity interest in InfiMotion increased to 38.23%.

In accordance with the amended articles of association, the shareholders’ meeting is the highest authority of InfiMotion, and voting rights at the shareholders’ meeting are proportionate to each shareholder’s equity interest. Certain key corporate matters require approval by shareholders holding more than 50% the voting rights. Accordingly, the Group continues to exert significant influence over InfiMotion.

As a result, InfiMotion remains an associate of the Group and continues to be accounted for using the equity method. A gain on deemed disposal of investment in InfiMotion of RMB101,630,000 was recognised in “Other gains/(losses), net” during the year ended 31 December 2025.

17. INTERESTS IN ASSOCIATES (Continued)

Chongqing Qianli Intelligent Driving Technology Company Limited[#] (“Qianli Intelligent Driving”) 重慶千里智駕科技有限公司 and **Ningbo Qianli Haohan Technology Co., Ltd.[#] (“Qianli Haohan”)** 寧波千里浩瀚科技有限公司

In June 2025, Zhejiang Jirun Automobile Company Limited[#] (“**Jirun Automobile**”) 浙江吉潤汽車有限公司, an indirect non-wholly-owned subsidiary of the Company, Maichi Zhixing (Chongqing) Technology Company Limited (“**Chongqing Maichi**”), Chongqing Jianghe Qixing Enterprise Management Partnership (Limited Partnership) (“**Chongqing Jianghe**”), Ningbo Lotus Robotics Company Limited (“**Lotus Robotics**”), and an employee incentive platform established for the joint venture (the “**Qianli JV Incentive Platform**”) entered into the Qianli JV Shareholders’ Agreement governing the operations and management of Qianli Intelligent Driving, which was established on 27 June 2025.

Upon establishment, Qianli Intelligent Driving was owned 30% by Jirun Automobile, 30% by Chongqing Maichi, 30% by Chongqing Jianghe, 5% by Lotus Robotics, and 5% by the Qianli JV Incentive Platform. As the ownership structure and contractual arrangements required unanimous consent of the shareholders over the relevant activities of Qianli Intelligent Driving, the arrangement constituted joint control. Accordingly, Qianli Intelligent Driving was classified as a joint venture and accounted for using the equity method.

In October 2025, Chongqing Maichi irrevocably entrusted Chongqing Jianghe with the voting rights attached to its 30% equity interest in Qianli Intelligent Driving. Following this arrangement, Chongqing Jianghe controls 60% of the voting rights over the relevant activities of Qianli Intelligent Driving and consolidates it in its consolidated financial statements. Although the Group’s ownership interest in Qianli Intelligent Driving remained unchanged, the loss of joint decision-making rights resulted in the Group no longer having joint control under HKFRS 11 “Joint Arrangements”. Nevertheless, the Group continues to exercise significant influence through its board representation and participation in policy decisions. Accordingly, the Group reclassified its investment in Qianli Intelligent Driving from a joint venture to an associate during the year. In accordance with HKAS 28, the investment continued to be accounted for using the equity method, and no gain or loss was recognised upon reclassification.

On 18 August 2025, Zhejiang ZEEKR Automotive Research & Development Co., Ltd.[#] (“**ZEEKR R&D**”) 浙江極氪汽車研究開發有限公司, a non-wholly-owned subsidiary of the Company, together with Qianli Intelligent Driving and the Qianli JV Incentive Platform, entered into an agreement to establish Qianli Haohan through the contribution of assets. The transaction was completed in December 2025. Qianli Haohan is owned 48% by Qianli Intelligent Driving, 47% by ZEEKR R&D and 5% by the Qianli JV Incentive Platform. Pursuant to an irrevocable voting rights entrustment arrangement, the voting rights attached to the Qianli JV Incentive Platform’s 5% interest were delegated to Qianli Intelligent Driving. As a result, upon completion of the transaction in December 2025, Qianli Intelligent Driving obtained control over Qianli Haohan, which consequently became a non-wholly-owned subsidiary of Qianli Intelligent Driving and is consolidated within the Qianli Intelligent Driving Group from that date.

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17. INTERESTS IN ASSOCIATES (Continued)

Chongqing Qianli Intelligent Driving Technology Company Limited[#] (“Qianli Intelligent Driving”) 重慶千里智駕科技有限公司 and Ningbo Qianli Haohan Technology Co., Ltd.[#] (“Qianli Haohan”) 寧波千里浩瀚科技有限公司 (Continued)

In connection with the above transactions, the Group contributed certain driver assistance technologies and driver-assistance-related research and development technologies to the Qianli Intelligent Driving Group. These technologies were appraised at approximately RMB3,575,540,000 in aggregate and recognised as intangible assets. Together with a cash contribution of RMB200,000,000, the Group’s total capital contribution amounted to RMB3,775,540,000.

Qianli Intelligent Driving Group aims to integrate the strengths of its partners in driver assistance technologies, R&D capabilities, funding and industrial resources, to generate synergies, enhance development efficiency, and reduce costs, thereby accelerating the establishment of a leading position in the driver assistance industry.

Renault do Brasil LTDA. (“Renault Brazil”)

On 20 June 2025, the Company and its subsidiaries, Geely Automobile (Singapore) Pte. Ltd. (“**GA (SGP)**”), Geely Holding and its subsidiaries, Geely (Singapore) Holding Pte. Ltd. (“**GH (SGP)**”), Renault, and Renault Brazil, entered into a contribution agreement and a joint venture agreement, pursuant to which GA (SGP) conditionally agreed to contribute the entire issued share capital of its wholly-owned subsidiary, together with cash, to Renault Brazil in exchange for a 21.29% equity interest in Renault Brazil, one convertible preferred share, and 48,592,693,459 warrants.

The transaction was completed in October 2025. Following completion, Renault Brazil is owned as follows: 73.57% by Renault, 21.29% by GA (SGP), 5.11% by GH (SGP), and 0.03% by an independent third party.

The joint venture agreement stipulates that the warrants entitle the holders to subscribe for ordinary shares of Renault Brazil at an exercise price of approximately EUR0.0056 per share, exercisable once in each twelve month period during the three years following the date of issuance.

Furthermore, the agreement provides for Renault Brazil to issue one convertible preferred share at a subscription price of one tenth of one Brazilian real, convertible into ordinary shares based on a variable conversion ratio linked to specified performance targets.

At the inception date and as at 31 December 2025, the fair values of the warrants and the convertible preferred share, as assessed by the independent valuer, were determined to be immaterial. Accordingly, although the Group has evaluated these instruments in accordance with HKFRS 9 and HKFRS 13 “Fair Value Measurement” (“**HKFRS 13**”), no fair value amounts have been recognised in the consolidated financial statements, and these instruments are therefore not included in the fair value measurement hierarchy disclosures required by HKFRS 13.

Renault Brazil’s principal business is the production and distribution of passenger vehicles under the Renault and Geely brands, as well as light commercial vehicles under the Renault brand in Brazil. Renault Brazil also focuses on developing and expanding both brands in the Brazilian market to attract new customers.

[#] The English translations of the names of the companies established in the PRC are for reference only. The official names of these companies are in Chinese.

18. INTERESTS IN JOINT VENTURES

	2025 RMB'000	2024 RMB'000 (Restated)
Unlisted investments	24,993,859	22,944,772
At the beginning of the year	22,944,772	6,317,061
Additions	1,500,000	18,153,251
Disposals	(47,670)	(1,795,471)
Share of results, net	1,641,312	1,252,717
Transfer to an associate (note 17)	(1,379,272)	–
Share of other comprehensive income/(expense), net	689,045	(470,332)
Change in other equity	20,791	4,420
Dividend distributed from a joint venture	(375,000)	(450,000)
Exchange differences	(119)	(66,874)
At the end of the year	24,993,859	22,944,772

Details of the Group's principal joint ventures which are unlisted corporate entities whose quoted market prices are not available and accounted for using the equity method in the consolidated financial statements as at 31 December 2025 and 2024, are as follows:

Name of joint ventures	Place of establishments and operations	Form of business structure	Particulars of registered capital	Proportion of ownership interest held by the Group		Principal activities
				2025	2024	
Genius AFC*	The PRC	Incorporated	RMB4,000,000,000	75%	75%	Vehicles financing business
Horse Powertrain	The United Kingdom	Incorporated	Euro ("EUR") 6,000,000,000	29.7%	29.7%	Research, development, production and sales of vehicle engines, transmissions and related after-sales parts

* Genius AFC is directly held by the Company.

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18. INTERESTS IN JOINT VENTURES (Continued)

Genius AFC

As at 31 December 2025, the aggregate bank balances deposited by the Group with Genius AFC amounted to approximately RMB5,850,000,000 (2024: RMB6,150,000,000).

Horse Powertrain

On 8 November 2022, the Company, Geely Holding, and Renault (collectively, the “**Parties**”) entered into a framework agreement to establish a joint venture company (the “**JV**”). The Parties agreed to contribute all their respective shares in certain subsidiaries to the JV in exchange for share capital issued by the JV (the “**Contribution**”), integrating their expertise in internal combustion engine, hybrid, and plug-in hybrid powertrain technologies.

On 11 July 2023, the Parties executed contribution and joint venture agreements to form Horse Powertrain, which engages in the manufacturing and sales of powertrain products. Under these agreements, the Company agreed to contribute its entire equity interest in Aurobay Holding (SG) PTE. LTD. and its subsidiaries (“**Aurobay Holding**”) to Horse Powertrain. The contribution value of each subsidiary’s issued share capital (the “**Contribution Values**”) would be determined based on the enterprise value of each subsidiary, adjusted for cash, debts, debt-like instruments, and minority interests. The maximum Contribution Values agreed by the Parties were EUR2,310,000,000 for the Company, EUR1,190,000,000 for Geely Holding, and EUR3,500,000,000 for Renault, subject to adjustments in the ratio of 33:17:50 respectively.

In May 2024, the Contribution and establishment of the JV were completed under the name Horse Powertrain, incorporated in the United Kingdom. Under the contribution agreement dated 11 July 2023, the Contribution Values were to be finalised based on the enterprise values of subsidiaries contributed and the applicable adjustments determined by reference to the audited consolidated or combined accounts at the completion date (the “**Definitive Contribution Values**”).

Upon completion of the transaction on 31 May 2024, the Group’s interest in Aurobay Holding was diluted from 100% to 33%, resulting in a gain on deemed disposal of subsidiaries of RMB7,660,446,000, being the difference between the fair value of 33% equity interest in Horse Powertrain and the net assets disposed of. In October 2024, the Definitive Contribution Values were re-calculated and exceeded the maximum Contribution Values agreed by the Parties, exceeding the Company’s maximum Contribution Value by approximately EUR215,451,000 (equivalent to RMB1,695,189,000, based on the exchange rate at the completion date). Under the contribution agreement, the Parties entered into a shareholder loan agreement with Horse Powertrain. Horse Powertrain recognised the excess of the Definitive Contribution Values over the maximum Contribution Values as a liability under the shareholder loan, while the Group recognised a corresponding loan to the joint venture as an asset and recorded an upward adjustment to the gain on deemed disposal of subsidiaries of approximately EUR215,451,000 (equivalent to RMB1,695,189,000).

Accordingly, after an upward adjustment of RMB256,524,000 arising from the change in accounting policy as set out in note 4(a)(i), the total gain on the deemed disposal of subsidiaries amounted to approximately RMB9,520,908,000 (restated), net of transaction costs. The loan bears interest at the 3-month Euro Interbank Offered Rate (“**EURIBOR**”) plus 2.75%, is unsecured, and is repayable in May 2027.

18. INTERESTS IN JOINT VENTURES (CONTINUED)

Horse Powertrain (Continued)

Investment from Aramco Asia Singapore

On 28 June 2024, the Parties entered into an agreement with Aramco Asia Singapore to sell a 10% equity interest in Horse Powertrain. Upon completion, the ownership structure was as follows: Aramco Asia Singapore (10%), the Company (29.7%), Geely Holding (15.3%), and Renault (45%). This transaction was completed in December 2024. Consequently, the Company disposed of 3.3% of its equity interest in Horse Powertrain, which had a carrying amount of EUR231,000,000 (equivalent to approximately RMB1,795,471,000), for a provisional cash consideration of EUR213,840,000 (equivalent to approximately RMB1,628,798,000). This resulted in a provisional loss on partial disposal of a joint venture of EUR17,160,000 (equivalent to approximately RMB166,673,000), which was recognised within “Net gain on deemed disposal of subsidiaries and partial disposal of a joint venture” in the consolidated statement of profit or loss for the year ended 31 December 2024.

Upon completion of the transaction, the Parties, Aramco Asia Singapore, and Horse Powertrain entered into an amended joint venture agreement, replacing the initial joint venture agreement dated 11 July 2023. Under the amended joint venture agreement, the board of directors comprises up to ten directors, with each shareholder entitled to appoint one director for each 10% equity interest. Certain key corporate decisions require either (i) majority approval from both Renault directors and Company/Geely Holding directors collectively, or (ii) unanimous consent from the Company and the other shareholders. This governance structure establishes joint control.

Accordingly, Horse Powertrain is jointly controlled by the Group and other shareholders, and the Group’s investment in Horse Powertrain is accounted for as a joint venture using the equity method.

During the year ended 31 December 2025, the cash consideration for the disposal of a 3.3% equity interest in Horse Powertrain to Aramco Asia Singapore was finalised in accordance with the post completion price adjustment mechanism under the sale agreement. Based on the final audited financial information of Horse Powertrain, an amount of approximately EUR4,950,000 (equivalent to approximately RMB37,704,000) became receivable from Aramco Asia Singapore. This amount represents an adjustment to the provisional consideration previously recognised and was accounted for as a financial asset under HKFRS 9. The adjustment was recognised in profit or loss within “Net gain on deemed disposal of subsidiaries and partial disposal of a joint venture” for the year ended 31 December 2025. The carrying amount of the Group’s investment in Horse Powertrain was adjusted accordingly.

As at 31 December 2025 and 2024, pursuant to the amended joint venture agreement, the shareholding structure of Horse Powertrain remained as follows: 29.7% held by the Group, 15.3% by Geely Holding, 45% by Renault and 10% by Aramco Asia Singapore.

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18. INTERESTS IN JOINT VENTURES (Continued)

Summarised financial information of the Horse Powertrain and its subsidiaries (“Horse Powertrain Group”), and Genius AFC, adjusted for any differences in accounting policies, and reconciled to the carrying amount in the consolidated financial statements, are disclosed below:

	Horse Powertrain Group	
	2025 RMB'000	2024 RMB'000
Non-current assets	71,451,062	69,641,928
Current assets	37,668,932	31,620,209
Current liabilities	(29,514,374)	(25,879,873)
Non-current liabilities	(17,623,356)	(20,070,309)
Net assets	61,982,264	55,311,955
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	9,876,130	7,650,198
Current financial liabilities (excluding trade and other payables and provisions)	(3,304,036)	(2,541,414)
Non-current financial liabilities (excluding trade and other payables and provisions)	(13,214,526)	(15,666,271)
	Genius AFC	
	2025 RMB'000	2024 RMB'000
Total assets	77,629,105	60,733,584
Total liabilities	(68,953,177)	(52,191,673)
Net assets	8,675,928	8,541,911
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	7,649,149	4,752,362
Financial liabilities (excluding trade and other payables and provisions)	(65,247,171)	(49,453,422)

18. INTERESTS IN JOINT VENTURES (Continued)

	Horse Powertrain Group		Genius AFC	
	For the year ended 31 December 2025 RMB'000	For the period from 31 May 2024 (date of completion) to 31 December 2024 RMB'000	For the year ended 31 December 2025 RMB'000	For the year ended 31 December 2024 RMB'000
Revenue	99,099,148	54,713,640	3,833,567	4,071,776
Profit for the year/period	3,951,302	1,149,291	634,017	1,070,170
Other comprehensive income/(expense) for the year/period	2,649,004	(1,534,749)	–	–
Total comprehensive income/(expense) for the year/period	6,600,306	(385,458)	634,017	1,070,170
Movement of reserves	70,003	(18,834)	–	–
Dividend received from a joint venture	–	–	375,000	450,000
The above profit for the year/period including the following:				
Depreciation and amortisation	(6,960,698)	(4,680,464)	(41,409)	(51,121)
Interest income	233,097	138,658	3,505,998	3,834,726
Interest expense	(686,746)	(535,780)	(1,217,409)	(1,468,294)
Income tax expense	(295,688)	(55,645)	(255,608)	(419,468)

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18. INTERESTS IN JOINT VENTURES (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the Group's interests in joint ventures recognised in the consolidated statement of financial position:

	Horse Powertrain Group		Genius AFC	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
Net assets of the joint ventures	61,982,264	55,311,955	8,675,928	8,541,911
Non-controlling interests of the subsidiaries	(722,872)	(654,421)	-	-
	61,259,392	54,657,534	8,675,928	8,541,911
The Group's effective interests in the joint ventures	29.7%	29.7%	75%	75%
Carrying amount of the Group's interests in joint ventures	18,194,039	16,233,288	6,506,946	6,406,433

Aggregate financial information of joint ventures that are not individually material:

	2025 RMB'000	2024 RMB'000 (Restated)
Aggregate amounts of the Group's share of profit for the year	35,460	120,746
Aggregate amounts of the Group's share of other comprehensive income for the year (including reserves)	152	-
Aggregate carrying amount of the Group's interests in these joint ventures	292,874	305,051

19. INVENTORIES

	2025	2024
	RMB'000	RMB'000 (Restated)
Raw materials	3,317,429	3,210,736
Work in progress	376,086	460,864
Finished goods	28,392,968	26,132,029
Less: provision for inventories	32,086,483 (152,074)	29,803,629 (444,509)
	31,934,409	29,359,120

20. TRADE RECEIVABLES

	2025	2024
	RMB'000	RMB'000 (Restated)
Trade receivables, net of loss allowance		
– Third parties	4,926,815	4,726,468
– Joint ventures	79,585	66,288
– Associates	1,170,644	1,452,905
– Related companies controlled by the substantial shareholder of the Company	13,272,436	12,938,089
	19,449,480	19,183,750

The Group allows average credit periods ranging from 30 days to 90 days (2024: 30 days to 90 days) to its PRC customers for the sales of automobiles, automobile parts and components, as well as for the provision of collaborative manufacturing services, and research and development services and licensing. In respect of the trade receivable from related companies arising from a portion of the research, development and technology licensing service income, settlement is expected to occur within five years in accordance with the contractual terms.

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20. TRADE RECEIVABLES (Continued)

An ageing analysis of the trade receivables from the PRC customers, based on invoice date and net of loss allowance, as at the end of the reporting period was as follows:

	2025	2024
	RMB'000	RMB'000 (Restated)
0 – 60 days	12,259,998	12,532,272
61 – 90 days	676,708	461,162
91 – 365 days	1,446,370	1,045,060
Over 365 days	212,304	312,440
	14,595,380	14,350,934

For overseas customers, the Group allows credit periods ranging from 30 days to 210 days (2024: 30 days to 210 days). An ageing analysis of the trade receivables from overseas customers, based on invoice date and net of loss allowance, as at the end of the reporting period was as follows:

	2025	2024
	RMB'000	RMB'000 (Restated)
0 – 60 days	3,751,956	4,030,753
61 – 90 days	242,482	106,156
91 – 365 days	832,360	454,932
Over 365 days	27,302	240,975
	4,854,100	4,832,816

As at 31 December 2025, the Group adopted average expected loss rates ranging from 0.7% to 3.2% (2024: 0.7% to 3.1% (restated)) on the gross carrying amount of trade receivables, which amounted to RMB19,925,638,000 (2024: RMB19,490,155,000 (restated)). The loss allowance as at 31 December 2025 amounted to RMB476,158,000 (2024: RMB306,405,000 (restated)).

21. NOTES RECEIVABLE

	2025 RMB'000	2024 RMB'000 (Restated)
At amortised cost	979,257	–
At FVOCI	25,792,822	41,344,803
	26,772,079	41,344,803

All notes receivable are denominated in RMB. As at 31 December 2025 and 2024, all notes receivable were guaranteed by established banks in the PRC and had maturities of less than one year from the end of the reporting period. The Group classifies its notes receivable based on the business model for managing the financial assets and the contractual cash flow characteristics, in accordance with HKFRS 9.

During the year ended 31 December 2025, a portion of notes receivable with a carrying amount of RMB979,257,000 were measured at amortised cost, as these notes are held primarily to collect contractual cash flows.

For the remaining notes receivables, the Group manages them under a business model whose objective is achieved through both the collection of contractual cash flows and the sales of the assets. Accordingly, these notes receivable are classified as financial assets at FVOCI (recycling) and are measured at fair value.

The fair value of notes receivable classified as FVOCI is determined using a discounted cash flow approach based on their net present value as at 31 December 2025 and 2024. The valuation incorporates the expected timing of endorsements and discounts the estimated cash flows using the applicable market interest rates for the respective notes. The resulting fair value measurement is categorised within Level 2 of the fair value hierarchy in accordance with HKFRS 13.

As at 31 December 2025, the Group endorsed certain notes receivable accepted by banks in the PRC (the “**Endorsed Notes**”), with a carrying amount of RMB911,725,000 (2024: RMB1,398,252,000 (restated)), to certain suppliers to settle trade payables due to them (the “**Endorsement**”). In the opinion of the directors, the Group has retained substantially all the risks and rewards associated with the Endorsed Notes, including the risk of default. Accordingly, the Group has continued to recognise the full carrying amounts of the Endorsed Notes and the related trade payables settled.

Following the Endorsement, the Group no longer retains any rights to use the Endorsed Notes, including the rights to sell, transfer, or pledge them to other third parties. As at 31 December 2025, the aggregate carrying amount of the trade payables settled by the Endorsed Notes for which the suppliers have recourse to the Group was RMB911,725,000 (2024: RMB1,398,252,000 (restated)).

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21. NOTES RECEIVABLE (Continued)

In addition, as at 31 December 2025, the Group endorsed certain notes receivable accepted by banks in the PRC (the “**Derecognised Notes**”) to suppliers to settle trade payables, with an aggregate carrying amount of RMB121,922,125,000 (2024: RMB82,267,485,000 (restated)). The Derecognised Notes had maturities of less than one year as at the end of the reporting period (2024: less than one year).

In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Notes have a right of recourse against the Group in the event of default by the PRC banks, which constitutes the Group’s continuing involvement in these notes. In the opinion of the directors, the Group has transferred substantially all the risks and rewards associated with the Derecognised Notes. Accordingly, the Group has derecognised the full carrying amounts of the Derecognised Notes and the related liabilities.

The maximum exposure to loss arising from the Group’s continuing involvement in the Derecognised Notes, which also represents the undiscounted cash flows that would be required to repurchase these notes, is equal to their carrying amounts.

22. PREPAYMENTS AND OTHER RECEIVABLES

	Note	2025 RMB’000	2024 RMB’000 (Restated)
Prepayment to suppliers			
– Third parties		1,221,437	2,005,486
– Joint ventures		8,477	22,308
– Associates		172,866	29,919
– Related companies controlled by the substantial shareholder of the Company		449,528	2,286,180
		1,852,308	4,343,893
Deposits paid for acquisition of property, plant and equipment and intangible assets		236,989	92,013
Other contract costs	(a)	700,246	1,064,914
Utility deposits and other receivables	(b)	5,306,488	3,195,047
Loans to joint ventures	(c)	1,766,374	3,632,019
VAT and other taxes receivables		7,869,165	7,056,957
		17,731,570	19,384,843
Amounts due from related companies controlled by the substantial shareholder of the Company	(d)	41,729	821,975
		17,773,299	20,206,818
<i>Representing:</i>			
– Current		12,546,126	15,134,870
– Non-current		5,227,173	5,071,948
		17,773,299	20,206,818

22. PREPAYMENTS AND OTHER RECEIVABLES (Continued)

(a) **Other contract costs**

Other contract costs capitalised as at 31 December 2025 and 2024 related to the costs incurred in providing internet connectivity services, which are used to satisfy the performance obligations under automobile sales contracts. These contract costs are amortised in line with the recognition of the corresponding revenue, in accordance with the terms of the contracts. No impairment was recognised in relation to the capitalised contract costs during the year ended 31 December 2025 (2024: Nil, in RMB).

(b) **Utility deposits and other receivables**

Utility deposits and other receivables mainly represent (i) receivables from third parties in respect of warranty claims reimbursable to the Group, (ii) refundable utility and vendor deposits paid in the ordinary course of business, and (iii) accrued interest income.

Warranty claim receivables primarily arise from after-sales warranty services provided by the Group and are recoverable in accordance with contractual arrangements. Utility and vendor deposits are unsecured, interest-free and refundable upon termination of the relevant service or contractual arrangements.

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22. PREPAYMENTS AND OTHER RECEIVABLES (Continued)

(c) Loans to joint ventures

As at 31 December 2024, advances to Horse Powertrain amounted to RMB2,000,000,000 in aggregate. These advances included entrusted loans receivable of RMB1,500,000,000, representing amounts advanced to a subsidiary of Horse Powertrain through a bank. The entrusted loans are unsecured, bear interest rates ranging from 3.6% to 4.65% per annum, are repayable between 2026 and 2027, and are measured at amortised cost. All advances were fully settled during the year ended 31 December 2025.

In October 2024, a loan agreement with Horse Powertrain was entered into by the Parties (as defined in note 18), pursuant to which the Group recognised a loan to a joint venture amounted to approximately EUR215,451,000 (equivalent to RMB1,766,374,000 as at 31 December 2025). The loan was denominated in EUR, unsecured, and measured at amortised cost. It bears interest at a rate of 3-month EURIBOR plus a margin of 2.75% per annum and is repayable in May 2027.

The above loans were granted on terms equivalent to those that prevail in arm's length transactions with independent third parties.

(d) Amounts due from related companies

The amounts due are unsecured, interest-free and repayable on demand.

Further details of the Group's credit policy and the credit risk arising from trade receivables, other financial assets measured at amortised cost and debt instruments at FVOCI (recycling) are set out in note 45.

23. DERIVATIVE FINANCIAL INSTRUMENTS

The Group held foreign exchange forward contracts classified as held for trading and not qualified under hedge accounting. Foreign exchange forward contracts entered into by the Group with banks were financial liabilities measured at FVTPL. The fair value of these contracts has been measured as described in note 45.

23. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

As at 31 December 2025 and 2024, the Group had entered into the following foreign exchange forward contracts, which remained outstanding at the end of the reporting period:

2025

Contracts	Notional amount	Settlement date	Term	Forward rate on foreign exchange
A	EUR4,000,000	6 January 2026	42 days	RMB8.21 per EUR1.00
B	EUR18,000,000	6 January 2026 to 7 April 2026	100 days to 147 days	RMB8.22 to RMB8.41 per EUR1.00
C	Australian Dollar ("AUD") 7,000,000	5 January 2026 to 20 May 2026	81 days to 142 days	Renminbi (offshore) ("CNH") 4.61 to CNH4.68 per AUD1.00
	Mexican Peso ("MXN") 1,465,000,000	5 January 2026 to 22 June 2026	54 days to 196 days	CNH0.37 to CNH0.39 per MXN1.00
	Philippine Peso ("PHP") 111,000,000	4 February 2026 to 10 March 2026	129 days to 131 days	PHP58.37 to PHP58.95 per US\$1.00
	Chilean Peso ("CLP") 5,308,000,000	20 January 2026 to 15 April 2026	49 days to 142 days	CLP929.72 to CLP945.38 per US\$1.00
D	PHP71,000,000	16 March 2026 to 15 April 2026	109 days to 139 days	PHP58.94 per US\$1.00
	MXN288,000,000	20 March 2026 to 20 May 2026	107 days to 163 days	CNH0.38 to CNH0.39 per MXN1.00
E	PHP69,000,000	7 January 2026	101 days	PHP58.32 per US\$1.00
	CLP2,438,000,000	6 February 2026	100 days	CLP944.07 per US\$1.00
F	AUD10,000,000	12 January 2026 to 20 April 2026	37 days to 139 days	CNH4.58 to CNH4.67 per AUD1.00
	PHP9,000,000	15 January 2026	49 days	PHP58.76 per US\$1.00
	US\$24,000,000	20 January 2026 to 20 April 2026	54 days to 144 days	RMB7.07 per US\$1.00
	MXN87,000,000	26 February 2026 to 22 June 2026	79 days to 196 days	CNH0.39 per MXN1.00
	CLP553,000,000	20 January 2026 to 20 May 2026	22 days to 142 days	CLP916.39 to CLP916.92 per US\$1.00
G	Indonesian Rupiah ("IDR") 1,500,000,000	7 January 2026	134 days	IDR2,308.94 per RMB1.00
	US\$85,000,000	5 January 2026 to 20 April 2026	54 days to 144 days	RMB7.03 to RMB7.10 per US\$1.00
H	IDR71,750,000,000	5 January 2026 to 10 April 2026	43 days to 134 days	IDR2,351.00 to IDR2,380.00 per RMB1.00

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23. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

As at 31 December 2025 and 2024, the Group had entered into the following foreign exchange forward contracts, which remained outstanding at the end of the reporting period (Continued):

2024

Contracts	Notional amount	Settlement date	Term	Forward rate on foreign exchange
A	EUR41,000,000	8 January 2025 to 8 May 2025	43 days to 148 days	RMB7.58 to RMB7.89 per EUR1.00
B	EUR12,000,000	8 January 2025 to 3 April 2025	44 days to 146 days	RMB7.58 to RMB7.80 per EUR1.00
C	MXN28,000,000	8 January 2025	45 days to 132 days	RMB0.35 to RMB0.36 per MXN1.00
D	MXN25,000,000	8 January 2025	136 days	RMB0.35 per MXN1.00
E	US\$6,000,000	15 January 2025	30 days	RMB7.05 per US\$1.00
F	US\$23,000,000	15 January 2025 to 18 February 2025	310 days to 334 days	RMB7.03 to RMB7.08 per US\$1.00
G	US\$27,000,000	5 March 2025 to 3 July 2025	196 days to 310 days	RMB6.92 to RMB7.14 per US\$1.00
	MXN117,000,000	26 February 2025 to 15 April 2025	66 days to 139 days	RMB0.35 to RMB0.36 per MXN1.00
	CLP1,675,000,000	21 March 2025 to 22 April 2025	108 days to 140 days	CLP975 to CLP977 per US\$1.00
H	US\$50,000,000	12 August 2025 to 2 September 2025	1,077 days to 1,099 days	RMB6.82 per US\$1.00
I	US\$50,000,000	12 August 2025 to 2 September 2025	1,077 days to 1,099 days	RMB6.83 per US\$1.00
J	US\$100,000,000	12 August 2025 to 2 September 2025	1,077 days to 1,099 days	RMB6.82 per US\$1.00
K	MXN52,000,000	26 February 2025 to 8 May 2025	66 days to 136 days	RMB0.35 to RMB0.36 per MXN1.00
L	US\$77,000,000	5 March 2025 to 5 August 2025	192 days to 313 days	RMB6.86 to RMB7.17 per US\$1.00
	CLP2,931,000,000	21 January 2025 to 24 February 2025	51 days to 78 days	CLP970 to CLP975 per US\$1.00

24. RESTRICTED BANK DEPOSITS

The amounts represent bank deposits pledged as guarantee for the Group's notes payable and foreign exchange forward contracts and are subject to contractual restrictions on use.

25. TRADE PAYABLES

	2025	2024
	RMB'000	RMB'000 (Restated)
Trade payables		
– Third parties	57,598,361	57,146,007
– Joint ventures	3,509,584	2,752,542
– Associates	1,226,737	1,289,135
– Related companies controlled by the substantial shareholder of the Company	18,637,835	21,176,216
	80,972,517	82,363,900

Ageing analysis of trade payables, based on invoice date, at the end of the reporting period was as follows:

	2025	2024
	RMB'000	RMB'000 (Restated)
0 – 60 days	76,344,225	74,399,566
61 – 90 days	2,374,119	5,942,430
91 – 365 days	2,083,282	1,935,228
Over 365 days	170,891	86,676
	80,972,517	82,363,900

Trade payables are non-interest bearing. In response to the PRC's revised Regulations on Ensuring Timely Payment to Small and Medium-Sized Enterprises and related industry initiatives, the Group announced in June 2025 that its payment terms for suppliers would be standardised to generally within 60 days, subject to the time required for account reconciliation and other practical considerations. These revised payment terms were fully implemented in the second half of 2025. Trade payables aged over 60 days primarily comprised amounts due to related companies controlled by a substantial shareholder of the Company, amounting to RMB2,614,769,000 (2024: RMB2,468,886,000 (restated)).

As a result, during the year ended 31 December 2025, the Group's average credit period for the settlement of purchase invoices shortened compared with the prior year and generally fell within a range of up to 60 days (2024: up to 90 days).

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For the year ended 31 December 2025

26. NOTES PAYABLE

	2025	2024
	RMB'000	RMB'000 (Restated)
Notes payable	20,595,794	26,912,330

All notes payable are denominated in RMB and represent payments made and/or payable to third parties for the settlement of trade payables. As at 31 December 2025 and 2024, all notes payable had maturities of less than six months from the end of the reporting period.

The decrease in notes payable as at 31 December 2025 resulted in a corresponding reduction in deposits with restricted use.

27. OTHER PAYABLES AND ACCRUALS

	Note	2025 RMB'000	2024 RMB'000 (Restated)
Receipts in advance from customers	(a)		
– Third parties		33,731,157	25,690,150
– Joint ventures		46,941	57,052
– Associates		2,001,642	264,131
– Related companies controlled by the substantial shareholder of the Company		485,874	479,393
		36,265,614	26,490,726
Deferred government grants which conditions have not been satisfied		925,838	344,843
Payables for acquisition of property, plant and equipment		1,784,778	1,688,225
Payables related to research and development costs	(b)	7,184,490	6,596,876
Dividend payable to non-controlling interests (note 11(c))		560,924	–
VAT and other taxes payables		5,071,516	4,670,131
Accrued staff salaries and benefits		3,474,101	3,457,426
Other accrued charges and payables	(c)	14,968,907	11,366,966
		70,236,168	54,615,193
Amounts due to related companies controlled by the substantial shareholder of the Company	(d)	–	483,902
		70,236,168	55,099,095
<i>Representing:</i>			
– Current		63,768,891	50,220,403
– Non-current		6,467,277	4,878,692
		70,236,168	55,099,095

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For the year ended 31 December 2025

27. OTHER PAYABLES AND ACCRUALS (Continued)

(a) Receipts in advance from customers

The following amounts represent (i) advance payments received from customers for the sales of automobiles, automobile parts and components; and (ii) obligations to provide services agreed to as part of the automobile sales. Related revenue is recognised when the respective performance obligations are satisfied, i.e., when control of the automobiles, automobile parts and components, and services is transferred to customers.

	2025 RMB'000	2024 RMB'000 (Restated)
Relating to the sales of automobiles, automobile parts and components	29,744,941	21,144,345
Relating to obligations to provide services agreed as part of the automobile sales	6,520,673	5,346,381
	36,265,614	26,490,726

The increase in receipts in advance from customers (2024: increase) was mainly due to the increase (2024: increase) in advances received from customers in relation to sales of automobiles, automobile parts and components for the year ended 31 December 2025.

Receipts in advance from customers outstanding at the beginning of the year amounting to RMB22,509,784,000 (2024: RMB15,989,245,000 (restated)) have been recognised as revenue during the year.

Transaction price allocated to the remaining performance obligations as at the end of the reporting period was as follows:

	2025 RMB'000	2024 RMB'000 (Restated)
Within one year	2,371,183	1,365,439
More than one year	4,149,490	3,980,942
	6,520,673	5,346,381

27. OTHER PAYABLES AND ACCRUALS (Continued)

(a) Receipts in advance from customers (Continued)

As at 31 December 2025 and 2024, the remaining performance obligations (unsatisfied or partially satisfied) relate to contracts for the sales of automobiles, parts, and the provision of related services, all of which have an original expected duration of one year or less. Accordingly, the transaction price allocated to the remaining performance obligations is not disclosed, as permitted by HKFRS 15.

(b) Payables related to research and development costs

The payment terms for payables relating to research and development costs are generally based on the contractual milestone schedules. The related party transactions giving rise to these payables were conducted on terms equivalent to those prevailing in arm's length transactions with independent third parties.

(c) Other accrued charges and payables

The amounts mainly comprised: (i) deposits provided by automobile dealers and other third parties amounting to RMB2,609,947,000 (2024: RMB1,932,251,000 (restated)); and (ii) payables for warranty, advertising and promotion, transportation and general operations amounting to RMB7,738,554,000 (2024: RMB5,244,284,000 (restated)).

(d) Amounts due to related companies

The amounts due are unsecured, interest-free and repayable on demand.

28. FINANCIAL ASSETS AT FVOCI

	2025 RMB'000	2024 RMB'000
Equity investments stated at fair value Listed in the United States	62,734	78,797

The Group designated its investment in listed equity securities as financial assets at FVOCI (non-recycling). These investments are held for strategic purposes, and the Group considers this classification to be the most relevant and appropriate.

The fair value of the Group's investment in the listed equity securities has been measured as described in note 45.

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For the year ended 31 December 2025

29. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities, based on undiscounted lease payments:

	2025	2024
	RMB'000	RMB'000 (Restated)
Total minimum lease payments:		
Due within one year	1,221,213	1,119,489
Due in the second to fifth years	3,495,068	2,641,985
Due after five years	620,646	–
	5,336,927	3,761,474
Less: Future finance charges on lease liabilities	(547,125)	(291,519)
Present value of lease liabilities	4,789,802	3,469,955
<i>Analysis of lease liabilities by maturity (present value)</i>		
Present value of minimum lease payments:		
Due within one year	1,101,372	1,029,155
Due in the second to fifth years	3,161,303	2,440,800
Due after five years	527,127	–
	4,789,802	3,469,955
Less: Portion due within one year included under current liabilities	(1,101,372)	(1,029,155)
Portion due after one year included under non-current liabilities	3,688,430	2,440,800

During the year ended 31 December 2025, the total cash outflows for leases amounted to RMB2,455,316,000 (2024: RMB1,594,181,000 (restated)).

29. LEASE LIABILITIES (Continued)

Details of lease activities

As at 31 December 2025, the Group had entered into leases primarily for office and factory premises, retail and service centres, vessels and others (2024: office and factory premises, retail and service centres and others).

Summary of right-of-use assets and lease characteristics:

Types of right-of-use assets	Financial statement line item	Number of leases	Range of remaining lease term	Key terms
Office and factory premises	Buildings included in "Property, plant and equipment"	179 (2024: 162 (restated))	1 to 9 years (2024: 1 to 10 years (restated))	<ul style="list-style-type: none"> Do not contain any renewal or termination options Include both fixed and variable lease payments during the lease term
Retail and service centres	Buildings included in "Property, plant and equipment"	282 (2024: 322 (restated))	1 to 8 years (2024: 1 to 6 years (restated))	<ul style="list-style-type: none"> Do not contain renewal or termination options Fixed lease payments during the lease term
Vessels	Plant and machinery included in "Property, plant and equipment"	2 (2024: Nil)	9 to 10 years (2024: Nil)	<ul style="list-style-type: none"> Do not contain renewal or termination options Fixed lease payments during the lease term
Others	Furniture and fixtures, office equipment and others included in "Property, plant and equipment"	317 (2024: 326 (restated))	1 to 2 years (2024: 1 to 2 years (restated))	<ul style="list-style-type: none"> Do not contain renewal or termination options Fixed lease payments during the lease term

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30. BANK BORROWINGS

	Note	2025 RMB'000	2024 RMB'000 (Restated)
Bank loans	(a)	14,055,822	4,094,869
Other bank borrowings	(b)	760,000	–
		14,815,822	4,094,869

As at 31 December 2025 and 2024, the Group's bank borrowings were repayable as follows:

	2025 RMB'000	2024 RMB'000 (Restated)
Carrying amounts repayable (notes (a) and (b))		
In the first year	10,495,822	1,358,276
In the second year	784,982	2,622,413
In the third to fifth year	2,204,057	114,180
More than five years	1,330,961	–
	14,815,822	4,094,869
<i>Representing:</i>		
– Current	10,495,822	1,358,276
– Non-current	4,320,000	2,736,593
	14,815,822	4,094,869

30. BANK BORROWINGS (Continued)

Note:

- (a) The amounts are based on the scheduled repayment dates set out in the loan agreements.

As at 31 December 2025, the Group had an outstanding balance of unsecured borrowings from several banks, totalling RMB14,055,822,000 (as at 31 December 2024: RMB4,094,869,000 (restated)). The annual interest rates of these borrowings ranged from 2.17% to 4.27% (as at 31 December 2024: 2.95% to 3.98% (restated)). The borrowings are repayable between January 2026 and January 2032 (as at 31 December 2024: June 2025 to May 2027) and are denominated in RMB, US\$ and EUR.

On 17 December 2025, the Company entered into a short-term facility agreement (the “**Facility Agreement**”) with a syndicate of banks and financial institutions for a principal amount of up to US\$420 million, under which Bank of China (Hong Kong) Limited acts as the coordinator and agent. The facility is intended to finance the U.S. dollar cash consideration for ZEEKR’s privatisation. The facility is available for drawdown for a period of three months from the date of the Facility Agreement, and all outstanding amounts drawn thereunder are required to be repaid within 364 days from that date.

As at 31 December 2025, Mr. Li Shu Fu, a controlling shareholder of the Company, beneficially owned approximately 41.4% of the issued share capital of the Company and was its single largest beneficial shareholder. Pursuant to the Facility Agreement, a mandatory prepayment event will be triggered if Mr. Li Shu Fu ceases to be the single largest beneficial shareholder of the Company or ceases to maintain management control of the Group. Upon the occurrence of such event, the lenders may cancel their commitments under the Facility Agreement and require all outstanding amounts to be repaid within 30 days.

- (b) Other bank borrowings comprised (i) payables finance arrangements and (ii) letters of credit.

- (i) Payables finance arrangements

As at 31 December 2025, the Group had entered into certain payables finance arrangements with banks, amounted to RMB560,000,000 (as at 31 December 2024: Nil, in RMB). Under these arrangements, suppliers may receive payment from the bank on or before the agreed payment date. Upon settlement by the banks, the Group’s obligations to suppliers are legally settled. The Group subsequently repays the banks within one year of their payments, at an interest rate of 2.24% (as at 31 December 2024: Nil), which may extend beyond the original invoice due dates. These interest rates are consistent with the Group’s short-term borrowing rates.

Considering the nature and substance of these arrangements, the Group presents the related payables to banks as “bank borrowings” in the consolidated statement of financial position. In the consolidated statement of cash flows, repayments to banks are classified as financing cash flows, reflecting the financing nature of the arrangements. Payments made by the banks to suppliers amounting to RMB560,000,000 (as at 31 December 2024: Nil, in RMB) are disclosed as non-cash transactions.

- (ii) Letters of credit

Letters of credit amounting to RMB200,000,000 were issued by banks to facilitate transaction settlements with suppliers. Upon issuance, the banks undertake to pay the suppliers (the letter of credit holders) upon maturity. These letters of credit are irrevocable and represent short-term obligations that are required to be settled within twelve months. Accordingly, they are classified as current, variable-rate borrowings and carry effective interest rates ranging from 1.50% to 1.75% per annum as at 31 December 2025 (as at 31 December 2024: Nil, in RMB).

- (c) During the years ended 31 December 2025 and 2024, none of the covenants relating to the Group’s bank borrowings had been breached.

Further details of the Group’s management of liquidity risk were set out in note 45.

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31. LOAN FROM A RELATED COMPANY

As at 1 January 2024, a loan from a fellow subsidiary was granted to the Group's subsidiary in the PRC. The loan was unsecured, bore an interest rate of 4.5% per annum, and was originally scheduled to be repaid in 2032. However, the loan was fully repaid by the end of 2024.

32. SHARE CAPITAL AND REPURCHASED SHARES

(a) Share Capital

	2025		2024	
	Number of shares	Nominal value RMB'000	Number of shares	Nominal value RMB'000
Authorised:				
Ordinary shares of HK\$0.02 each				
At 1 January	18,000,000,000	357,864	12,000,000,000	246,720
Addition (note (iv))	-	-	6,000,000,000	111,144
At 31 December	18,000,000,000	357,864	18,000,000,000	357,864
Issued and fully paid:				
Ordinary shares of HK\$0.02 each				
At 1 January	10,075,001,783	184,020	10,063,382,383	183,807
Privatisation of ZEEKR (full name of ZEEKR is defined in note 4(a)) (note (i))	777,228,611	14,047	-	-
Shares issued under share option scheme (note (ii))	14,344,500	260	5,489,500	102
Shares issued under share award scheme (note (iii))	31,306,503	573	6,129,900	111
At 31 December	10,897,881,397	198,900	10,075,001,783	184,020

32. SHARE CAPITAL AND REPURCHASED SHARES (Continued)

(a) Share Capital (Continued)

Note:

- (i) On 15 July 2025, the Company entered into a merger agreement (the “**Merger Agreement**”) in relation to the proposed privatisation of ZEEKR, a non-wholly-owned subsidiary of the Group whose ADSs are listed on the New York Stock Exchange. Pursuant to the Merger Agreement, the Group will acquire all the issued and outstanding ZEEKR shares and ZEEKR ADSs from existing ZEEKR shareholders by way of a merger, with the consideration to be satisfied by cash and/or new shares of the Company, as elected by eligible ZEEKR security holders, subject to applicable restrictions. Under the Merger Agreement, the offer ratio is defined as 1 ZEEKR share for 1.23 consideration shares of the Company, and 1 ZEEKR ADS (representing 10 ZEEKR shares) for 12.3 consideration shares of the Company, in each case for eligible ZEEKR holders.

During the year ended 31 December 2025, pursuant to the Merger Agreement, 631,893,185 ZEEKR shares were converted into 777,228,611 consideration shares of the Company. The share conversion formed part of a common control combination accounted for using the pooling of interests method in accordance with AG5 (Revised).

The share consideration amounted to approximately RMB11,846,440,000 and was recognised as part of the equity restructuring arising from the merger. Transaction costs directly attributable to the issuance of these shares were recognised as a deduction from equity in accordance with HKAS 32 “Financial Instruments: Presentation” (“**HKAS 32**”). Of this amount, RMB14,047,000 was credited to share capital and approximately RMB11,832,393,000 was credited to the share premium account, net of the related transaction costs.

In addition to the share consideration, cash consideration of approximately RMB5,349,095,000, including transaction costs, was paid to ZEEKR securities holders who elected, or were required, to receive cash pursuant to the Merger Agreement. Further details of the transaction are set out in the Company’s announcements dated 15 July 2025, 9 December 2025 and 22 December 2025.

- (ii) During the year ended 31 December 2025, share options were exercised to subscribe for 14,344,500 (2024: 5,489,500) ordinary shares of the Company at a consideration of approximately RMB124,582,000 (2024: RMB48,577,000) of which approximately RMB260,000 (2024: RMB102,000) was credited to share capital and approximately RMB124,322,000 (2024: RMB48,475,000) was credited to the share premium account. As a result of the exercise of share options, share-based compensation reserve of RMB38,837,000 (2024: RMB14,862,000) has been transferred to the share premium account in accordance with the accounting policy set out in note 4(o).
- (iii) During the year ended 31 December 2025, award shares representing a total of 31,306,503 (2024: 6,129,900) ordinary shares were issued under the share award scheme. Meanwhile, 31,306,503 (2024: 6,137,400) award shares were vested to certain participants of the share award scheme of the Company at a consideration of approximately RMB573,000 (2024: RMB111,000). As at 31 December 2025 and 2024, no award shares were retained and administrated by the appointed trustee for the share award scheme. As a result of the vesting of award shares, share-based compensation reserve of RMB699,309,000 (2024: RMB137,094,000) has been transferred to the share premium account in accordance with the accounting policy set out in note 4(o).

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32. SHARE CAPITAL AND REPURCHASED SHARES (Continued)

(a) Share Capital (Continued)

- (iv) During the year ended 31 December 2024, the Company increased its authorised share capital from HK\$240,000,000 (divided into 12,000,000,000 shares of a nominal value of HK\$0.02 each) to HK\$360,000,000 (divided into 18,000,000,000 shares of a nominal value of HK\$0.02 each). This increase was approved by the shareholders at the annual general meeting held on 31 May 2024.

The primary purpose of this increase is to provide flexibility to the Company for future investment opportunities and facilitate the Company in determining its future business plan and development, thus serving the interests of the Company and the shareholders as a whole. The increase in authorised share capital does not immediately affect the issued share capital or the shareholding structure of the Company.

(b) Repurchased shares

In October 2025, the Board approved a share buy-back programme of up to HK\$2.3 billion (the “**Programme**”), pursuant to which the Company may repurchase its own ordinary shares on the SEHK.

During the year ended 31 December 2025, the Company repurchased a total of 22,434,000 ordinary shares at prices ranging from HK\$16.26 to HK\$17.91 per share from its existing shareholders. The total cash consideration paid for the repurchased shares amounted to approximately HK\$384,673,000 (equivalent to approximately RMB349,668,000).

In accordance with HKFRS, the repurchased shares were recognised as a deduction from equity upon repurchase. As at 31 December 2025, the repurchased shares had not yet been cancelled but were subsequently cancelled in February 2026.

During the year ended 31 December 2025, new shares of the Company were also issued as a result of (i) the exercise of share options, (ii) the vesting of share awards under the Company’s share award scheme, and (iii) the issue of consideration shares in connection with the privatisation of ZEEKR. Details of these share issuances are set out in the relevant sections and notes to the consolidated financial statements.

Save as disclosed above, there were no other movements in the share capital of the Company during the year ended 31 December 2025.

The Board believes that the implementation of the Programme is in the best interests of the Company and its shareholders as a whole. Share repurchases under the prevailing uncertain market conditions demonstrate the Board’s confidence in the Company’s business outlook and prospects and are expected to enhance the shareholder value over the long term.

33. PERPETUAL CAPITAL SECURITIES

On 9 December 2019, the Company (the “**Issuer**”) issued 4% senior perpetual capital securities with an aggregate principal amount of US\$500,000,000 (equivalent to approximately RMB3,425,857,000) (the “**Securities**”) which are listed on Singapore Exchange Securities Trading Limited at an issue price of 99.641%. Transaction costs relating to the issue of the Securities amounted to approximately RMB12,755,000. Distribution is payable semi-annually in arrears in equal instalments on 9 June and 9 December of each year based on the distribution rate as defined in the subscription agreement. Distribution by the Issuer may be deferred at its sole discretion. The Securities have no fixed maturity and are redeemable in whole, but not in part, at the Issuer’s option on 9 December 2024, or any distribution payment date falling thereafter at their principal amounts together with any accrued, unpaid or deferred distributions. While any distributions are unpaid or deferred, the Company will not declare, pay dividends or make distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower rank.

As the Securities do not contain any contractual obligation to pay cash or other financial assets, in accordance with HKAS 32, they are classified as equity for accounting purpose. Any distributions made by the Issuer to the holders of the Securities will be deducted directly to equity in the consolidated financial statements.

In December 2024, the Group exercised its optional redemption right to early redeem all issued perpetual capital securities with a total principal amount of US\$500,000,000 (equivalent to approximately RMB3,621,900,000) held by the Securities’ holders.

34. RESERVES

(a) Share premium

Share premium represents the excess of the net proceeds from issuance of the Company’s shares over its par value.

(b) Capital reserve

Capital reserve represents (i) differences between the consideration paid/received and the fair value of net assets acquired/disposed of by the Group from/to Geely Holding, the ultimate holding company of the Company in prior years; (ii) the differences between the considerations paid and the proportionate share of the carrying amount of the net assets attributable to the relevant interest upon the acquisition of additional interests in subsidiaries; and (iii) the differences between the considerations received and the proportionate share of the carrying amount of the net assets attributable to the relevant interests upon the deemed disposal of partial interest in subsidiaries.

(c) Statutory reserve

Pursuant to the relevant PRC laws and regulations, the Company’s subsidiaries established in the PRC are required to appropriate certain amounts from their profits to statutory reserves.

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34. RESERVES (Continued)

(d) Safety production fund reserve

Pursuant to the relevant PRC regulations, the Group is required to appropriate a certain percentage, determined based on a progressive rate, of revenue generated from the manufacturing of automobiles to a designated safety production fund. The fund is used for the installation, repair and maintenance of safety facilities.

The movement during the year represents the difference between the amounts appropriated in accordance with the relevant PRC regulations and the amounts utilised during the year. The safety production fund is earmarked for improving production safety and is appropriated from retained profits to other reserves, and transferred back to retained profits when utilised. This reserve represents the unutilised balance of the safety production fund as at the end of the reporting period.

(e) Fair value reserve (recycling)

Fair value reserve (recycling) comprises the cumulative net change in the fair value of financial assets at FVOCI (recycling) (less related deferred tax charge) held at the end of the reporting period.

(f) Fair value reserve (non-recycling)

Fair value reserve (non-recycling) comprises the cumulative net change in the fair value of financial assets at FVOCI (non-recycling) (less related deferred tax charge) held at the end of the reporting period.

(g) Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 4(f).

(h) Share-based compensation reserve

Share-based compensation reserve represents the fair value of share options and/or award shares granted to directors, employees, and related entity participants. It is recognised and dealt with in accordance with the accounting policy set out in note 4(o).

(i) Repurchased share reserve

Repurchased share reserve represents the cost of the Company's own shares that have been repurchased and recognised as a deduction from equity.

(j) Retained profits

Retained profits represent accumulated net profit or losses less dividends paid plus other transfers to or from other reserves.

35. BONDS PAYABLE

On 17 August 2023 and 1 August 2024, the Company issued medium-term notes (the “**MTNs**”) on the China Interbank Bond Market in the PRC, with an aggregate principal amount of RMB1,500,000,000 and RMB2,000,000,000 respectively. The MTNs carried interest at 3.25% and 2.18% per annum respectively and adopt a simple interest annual payment method (excluding compound interest). The maturity dates are 17 August 2026 and 2 August 2027 respectively, unless terminated earlier according to the terms of the MTNs. The proceeds from the MTNs’ issuance will be entirely invested domestically in China, aiming to supplement the working capital of the Company’s indirect non-wholly-owned subsidiary, Jirun Automobile.

The carrying amount of the MTNs at initial recognition amounted to RMB1,500,000,000 and RMB2,000,000,000 and the effective interest rate were 3.25% and 2.18% per annum respectively. The MTNs were measured at amortised cost at the end of the reporting period.

The movements of the MTNs during the year are set out below:

	2025	2024
	RMB'000	RMB'000
Carrying amount		
At 1 January	3,500,000	1,500,000
Issuance	–	2,000,000
At 31 December	3,500,000	3,500,000
<i>Representing:</i>		
– Current	1,500,000	–
– Non-current	2,000,000	3,500,000
	3,500,000	3,500,000

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36. CASH FLOW INFORMATION

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Dividends payable RMB'000	Lease liabilities RMB'000 (note 29)	Bank borrowings RMB'000 (note 30)	Amounts due to related companies RMB'000 (note 27(d))	Loan from a related company RMB'000 (note 31)	Bonds payable RMB'000 (note 35)	Total RMB'000
At 1 January 2024 (Restated)	-	3,129,156	13,374,959	1,222,533	1,100,000	1,500,000	20,326,648
Changes from financing cash flows:							
Advances from related companies	-	-	-	483,902	3,000,000	-	3,483,902
Repayment of advances from related companies	-	-	-	(1,178,523)	(4,100,000)	-	(5,278,523)
Proceeds from bank borrowings	-	-	3,586,447	-	-	-	3,586,447
Proceeds from issuance of bonds	-	-	-	-	-	2,000,000	2,000,000
Repayment of bank borrowings	-	-	(12,757,050)	-	-	-	(12,757,050)
Capital element of lease rentals paid	-	(990,365)	-	-	-	-	(990,365)
Interest paid	-	(146,299)	(734,692)	(44,010)	(171,144)	(48,750)	(1,144,895)
Special dividend paid	(69,661)	-	-	-	-	-	(69,661)
Dividends paid	(2,050,555)	-	-	-	-	-	(2,050,555)
Total changes from financing cash flows	(2,120,216)	(1,136,664)	(9,905,295)	(738,631)	(1,271,144)	1,951,250	(13,220,700)
Exchange adjustments	-	(57,559)	79,591	-	-	-	22,032
Other changes (note):							
Entering into new leases	-	1,295,467	-	-	-	-	1,295,467
Lease reassessment (note 14)	-	160,839	-	-	-	-	160,839
Termination of leases (note 14)	-	(56,156)	-	-	-	-	(56,156)
Interest expenses	-	119,418	710,409	-	63,663	68,093	961,583
Dividends declared (notes 11(b) and 11(e))	2,120,216	-	-	-	-	-	2,120,216
Others (note)	-	15,454	(164,795)	-	107,481	(19,343)	(61,203)
Total other changes	2,120,216	1,535,022	545,614	-	171,144	48,750	4,420,746

36. CASH FLOW INFORMATION (Continued)

Reconciliation of liabilities arising from financing activities (Continued)

	Dividends payable RMB'000	Lease liabilities RMB'000 (note 29)	Bank borrowings RMB'000 (note 30)	Amounts due to related companies RMB'000 (note 27(d))	Loan from a related company RMB'000 (note 31)	Bonds payable RMB'000 (note 35)	Total RMB'000
At 31 December 2024 and 1 January 2025 (Restated)	-	3,469,955	4,094,869	483,902	-	3,500,000	11,548,726
Changes from financing cash flows:							
Repayment of advances from related companies	-	-	-	(483,902)	-	-	(483,902)
Proceeds from bank borrowings	-	-	17,466,116	-	-	-	17,466,116
Repayment of bank borrowings	-	-	(7,432,910)	-	-	-	(7,432,910)
Capital element of lease rentals paid	-	(1,666,820)	-	-	-	-	(1,666,820)
Interest paid	-	(63,311)	(299,408)	-	-	(93,633)	(456,352)
Dividends paid	(3,119,413)	-	-	-	-	-	(3,119,413)
Others	-	-	410,000	-	-	-	410,000
Total changes from financing cash flows	(3,119,413)	(1,730,131)	10,143,798	(483,902)	-	(93,633)	4,716,719
Exchange adjustments	-	316,877	277,746	-	-	-	594,623
Other changes (note):							
Entering into new leases	-	2,730,317	-	-	-	-	2,730,317
Lease reassessment (note 14)	-	43,911	-	-	-	-	43,911
Termination of leases (note 14)	-	(178,591)	-	-	-	-	(178,591)
Interest expenses	-	137,464	299,409	-	-	93,633	530,506
Dividends declared (note 11(b))	3,119,413	-	-	-	-	-	3,119,413
Total other changes	3,119,413	2,733,101	299,409	-	-	93,633	6,245,556
At 31 December 2025	-	4,789,802	14,815,822	-	-	3,500,000	23,105,624

Note: Others include non-cash reclassifications of financing liabilities to/from "Liabilities directly associated with assets classified as held for sale" and interest accruals.

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For the year ended 31 December 2025

37. DEFERRED TAX ASSETS AND LIABILITIES

The following is the deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements thereon during the year:

	2025 RMB'000	2024 RMB'000 (Restated)
At 1 January	(9,811,282)	(7,779,594)
Derecognised on disposal of a subsidiary	-	6,107
Recognised in other comprehensive income	11,809	12,128
Recognised in profit or loss	(211,957)	(2,049,923)
At 31 December	(10,011,430)	(9,811,282)

The movement in deferred tax assets and liabilities (prior to offsetting balances within the same taxation jurisdiction) during the years are as follow:

Deferred tax assets

	Unused tax losses RMB'000	Amortisation of intangible assets RMB'000	Unrealised profit on inventories RMB'000	Change in fair value of notes receivable RMB'000	Lease liabilities RMB'000	Provisions and accrued charges RMB'000	Others RMB'000	Total RMB'000
At 1 January 2024 (Restated)	3,640,479	2,652,589	320,382	52,253	753,652	208,633	1,140,167	8,768,155
Recognised in profit or loss	1,817,376	180,231	596,192	-	(394,074)	(120,929)	123,793	2,202,589
Recognised in other comprehensive income	-	-	-	(12,128)	-	-	-	(12,128)
Derecognised on disposal of a subsidiary	(6,107)	-	-	-	-	-	-	(6,107)
At 31 December 2024 and 1 January 2025 (Restated)	5,451,748	2,832,820	916,574	40,125	359,578	87,704	1,263,960	10,952,509
Recognised in profit or loss	(759,831)	172,836	151,606	-	145,375	793,072	(39,827)	463,231
Recognised in other comprehensive income	-	-	-	(11,809)	-	-	-	(11,809)
At 31 December 2025	4,691,917	3,005,656	1,068,180	28,316	504,953	880,776	1,224,133	11,403,931

37. DEFERRED TAX ASSETS AND LIABILITIES (Continued)

Deferred tax liabilities

	Withholding tax on undistributed profits from the PRC subsidiaries RMB'000	Right-of-use assets RMB'000	Others RMB'000	Total RMB'000
At 1 January 2024 (Restated)	490,427	442,937	55,197	988,561
Recognised in profit or loss	84,981	(120,438)	188,123	152,666
At 31 December 2024 and 1 January 2025 (Restated)	575,408	322,499	243,320	1,141,227
Recognised in profit or loss	173,655	159,704	(82,085)	251,274
At 31 December 2025	749,063	482,203	161,235	1,392,501

The amounts recognised in the consolidated statement of financial position are as follows:

	2025 RMB'000	2024 RMB'000 (Restated)
Deferred tax assets recognised in the consolidated statement of financial position	(10,871,082)	(10,419,101)
Deferred tax liabilities recognised in the consolidated statement of financial position	859,652	607,819
Net deferred tax assets	(10,011,430)	(9,811,282)

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37. DEFERRED TAX ASSETS AND LIABILITIES (Continued)

Deferred tax liabilities (Continued)

Withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred tax liabilities have been recognised in the consolidated financial statements in respect of temporary differences attributable to the profits earned by the PRC subsidiaries based on the expected dividends payout ratios of these PRC subsidiaries. Deferred tax liabilities have not been recognised in respect of temporary differences relating to the post-2007 profits earned by the PRC subsidiaries amounting to approximately RMB5,650,208,000 (2024: RMB2,919,318,000), as it has been determined that such profits will not be distributed in the foreseeable future.

As at the end of the reporting period, the Group has not recognised deferred tax assets in respect of unused tax losses and deductible temporary differences of approximately RMB2,500,450,000 (2024: RMB2,608,456,000) and RMB2,903,466,000 (2024: RMB2,867,388,000), respectively. Of the total unrecognised tax losses, approximately RMB2,170,212,000 (2024: RMB2,151,131,000) may be carried forward for a period of five years from the year in which the losses were incurred, while the remaining unrecognised tax losses may be carried forward indefinitely. No deferred tax asset has been recognised in respect of these tax losses and deductible temporary differences, as it is not considered probable that sufficient future taxable profits will be available for their utilisation, given the uncertainty of future profit streams.

38. COMMITMENTS

Capital commitments

As at the end of the reporting period, the Group's capital commitments not provided for in the consolidated financial statements were as follows:

	2025 RMB'000	2024 RMB'000 (Restated)
Contracted but not provided for, net of deposits/investments paid:		
– purchase of property, plant and equipment	592,894	1,299,207
– capital injection into an associate	257,694	–
– investment in an associate (note (a))	244,510	244,510
– investment in a joint venture	–	686,125
	1,095,098	2,229,842

38. COMMITMENTS (Continued)

Capital commitments (Continued)

Note:

- (a) On 20 December 2018, the Group entered into an investment agreement (the “**Investment Agreement 1**”) with Contemporary Amperex Technology Company Limited# (“**CATL Battery**”) 寧德時代新能源科技股份有限公司, an independent third party, pursuant to which the parties agreed to establish an associate, Times Geely Power Battery Company Limited# (“**Times Geely**”) 時代吉利動力電池有限公司. Under the Investment Agreement 1, Times Geely is owned as to 49% by the Group and 51% by CATL Battery. The registered capital of Times Geely is RMB1,000,000,000, of which RMB490,000,000 (49%) is required to be contributed by the Group and RMB510,000,000 (51%) by CATL Battery. As at 31 December 2025 and 2024, the Group and CATL Battery contributed RMB245,490,000 (2024: RMB245,490,000) and RMB255,510,000 (2024: RMB255,510,000), respectively, to Times Geely.

The English translations of the names of the companies established in the PRC are for reference only. The official names of these companies are in Chinese.

As lessee

At the end of the reporting period, the lease commitments in respect of short-term leases were as follows:

	2025	2024
	RMB'000	RMB'000 (Restated)
Office and factory premises		
– Within one year	236,596	23,881
Plant and machinery		
– Within one year	327,413	61,011
	564,009	84,892

As at 31 December 2025 and 2024, the Group had a number of lease arrangements for office and factory premises and plant and machinery, that qualified for, and to which the Group applied, the short-term lease exemption under HKFRS 16.

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38. COMMITMENTS (Continued)

As lessor

As at the end of the reporting period, the total future minimum lease receipts in respect of certain portions of buildings and plant and machinery under non-cancellable operating leases were receivable as follows:

	2025 RMB'000	2024 RMB'000
Buildings		
– Within one year	8,824	17,648
– After one year but within two years	–	8,824
	8,824	26,472
Plant and machinery		
– Within one year	38,508	154,030
– After one year but within two years	–	38,508
	38,508	192,538
	47,332	219,010

Leases are generally negotiated and fixed rentals for an initial period of two years (2024: two years).

39. RETIREMENT BENEFIT SCHEMES

The Group participates in the MPF schemes established under the Mandatory Provident Fund Schemes Ordinance. The MPF system began operation in December 2000, and the onboarding of MPF trustees and schemes to the eMPF Platform, a centralised electronic platform designed to streamline, standardise and automate MPF administration, commenced in June 2024 with full implementation expected during 2025-2026. The assets of the MPF schemes are held separately from those of the Group in funds under the control of authorised trustees.

For members of the MPF Scheme, the Group contributes 5% of the employees' relevant income to the schemes. Both employer and employee contributions are subject to a statutory cap based on a maximum monthly relevant income of HK\$30,000 (equivalent to RMB27,000) per employee. Contributions vest immediately in the employees. Upon onboarding of the relevant MPF scheme to the eMPF Platform, the processing of contributions and related administrative instructions is conducted through the eMPF Platform in accordance with Mandatory Provident Fund Schemes Authority requirements.

39. RETIREMENT BENEFIT SCHEMES (Continued)

Employees of the Company's subsidiaries in the PRC participate in a state-managed retirement benefit scheme operated by the PRC government. The subsidiaries are required to contribute a fixed percentage of employees' basic salaries to the scheme. The Group's only obligation with respect to this scheme is to make the specified contributions.

The Company's subsidiaries in other overseas countries make contributions to defined contribution superannuation funds in accordance with the relevant laws and regulations of those countries. The Group has no further payment obligations once such contributions have been made.

During the year ended 31 December 2025, the Group's aggregate employer contributions amounted to RMB1,822,510,000 (2024: RMB1,525,277,000 (restated)) (note 9(b)).

In addition, there were no forfeited contributions under the Group's retirement benefit schemes that could be utilised to reduce the level of employer contributions during the years ended 31 December 2025 and 2024.

40. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS

Share option scheme of the Company

A share option scheme was adopted by the Company on 18 May 2012 (the "2012 Option Scheme") pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 18 May 2012 and is valid and effective for a period of ten years until 18 May 2022. Pursuant to the ordinary resolution, a total of 747,486,045 shares were available for grant under the 2012 Option Scheme.

The 2012 Option Scheme was adopted for the purpose of providing eligible participants with the opportunity to acquire proprietary interests in the Company and to encourage participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole. All directors, full-time employees and any other persons who, in the sole discretion of the Board of Directors, have contributed or will contribute to the Group are eligible to participate in the 2012 Option Scheme.

The exercise price of the shares under the 2012 Option Scheme is determined by the directors, but shall not be less than the highest of (i) the closing price of shares as stated on the SEHK on the date of the offer of grant; (ii) the average closing price of the shares as stated on the SEHK's daily quotations sheets for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the shares.

The 2012 Option Scheme expired on 18 May 2022 and therefore there was no shares available for future grant under the 2012 Option Scheme as at 31 December 2022.

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40. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

Share option scheme of the Company (Continued)

In substitution of the 2012 Option Scheme, the Board resolved on 23 December 2022 to adopt the 2024 share option scheme (the “**2023 Share Option Scheme**”). The 2023 Share Option Scheme was approved by the Company’s shareholders at the extraordinary general meeting of the Company held on 28 April 2023 and is valid and effective for a period of ten years until 28 April 2033. Pursuant to the ordinary resolution, a total of 1,005,697,378 shares could be available for future grant under the 2023 Share Option Scheme and other share scheme of the Company (e.g., share award scheme of the Company adopted on 30 August 2021 (the “**Share Award Scheme**”)).

The purpose of the 2023 Share Option Scheme is to enable the Company to grant the Company’s share options to the eligible participants as incentives or rewards for their contribution to the Group. The eligible participants of the 2023 Share Option Scheme include all directors or employees (including full-time or part-time) of the Group or the holding companies, fellow subsidiaries or associated companies of the Company or service providers to the Group who, in the sole discretion of the Board of Directors or its remuneration committee, have contributed or will contribute to the Group.

The total number of shares which may be issued in respect of all options and awards which may be granted under the 2023 Share Option Scheme and any other share scheme(s) (including the Share Award Scheme) shall not exceed 10% of the total number of shares in issue on 28 April 2023 (the “**Overall Scheme Limit**”). Within the Overall Scheme Limit, the total number of shares which may be issued in respect of all options and awards which may be granted to the services providers to the Group under the 2023 Share Option Scheme and any other share scheme(s) (including the Share Award Scheme) shall not exceed 1% of the total number of shares in issue on 28 April 2023 (the “**Service Provider Sub-limit**”). Options lapsed in accordance with the terms of the 2023 Share Option Scheme will not be regarded as utilised for the purpose of calculating the aforesaid limits. The Company may obtain an approval from its shareholders for refreshing the Overall Scheme Limit and the Service Provider Sub-limit after three years from the date of the approval for the aforesaid limits.

The total number of shares of the Company issued and to be issued in respect of all options and awards granted to each eligible participant under the 2023 Share Option Scheme and any other share scheme(s) (including the Share Award Scheme) (excluding any options or awards lapsed in accordance with the terms of the respective share schemes) in the twelve-month period up to and including the date of such grant must not exceed 1% of the issued share capital of the Company. Where any options and awards granted to each eligible participant may result in exceeding 1% of the issued share capital of the Company, the Company shall not grant such options or awards unless it is separately approved by the Company’s shareholders in general meeting, with such eligible participant and his/her close associates (or associates if the participant is a connected person) abstaining from voting.

The exercise price of the shares under the 2023 Share Option Scheme is determined by the directors, but shall not be less than the highest of: (i) the closing price of the shares as stated on the SEHK on the date of the offer of grant; (ii) the average closing price of the shares as stated on the SEHK’s daily quotations sheets for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the shares.

40. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

Share option scheme of the Company (Continued)

Under the 2012 Option Scheme and the 2023 Share Option Scheme, the period within which the options must be exercised will be specified by the Company at the time of grant. This period must expire no later than ten years from the date of grant of the options. At the time of grant of the options, the Company may specify a minimum period for which an option must be held before it can be exercised. The offer of a grant of share options may be accepted within five business days from the date of offer, the offer is delivered to that participant and the amount payable on acceptance of share options is HK\$1 per participant.

For those share options granted after 1 January 2010 and prior to 1 January 2015, one-tenth of share options granted will vest in every year from the grant date with one-tenth of options being vested immediately at the date of grant. For those share options granted after 1 January 2015 and prior to 1 January 2021, none of the share options will be vested in the first year, one-fourth of share options granted will vest in every year after the first year of the grant date. For those share options granted after 1 January 2021 and prior to 1 January 2023, none of the share options will be vested in the first two years, one-fifth of share options granted will vest in every year after the second year of the grant date. For those share options granted after 1 January 2023 and prior to 1 January 2025, 15% of share options granted will vest in every year after the first year of the grant date and 10% of share options granted will vest after the seventh years of the grant date. For those share options granted after 1 January 2025, the share options will vest in tranches of varying percentages, commencing on the first year of the grant date and continuing over a period of approximately 6 to 7 years. For employee participants, the options may vest in several batches, with certain initial batches vesting within 1 year of the grant date. For related entity participants, the options will vest in several batches, and the period between the grant date and the first vesting date is not less than 1 year.

No options may be granted under the 2012 Option Scheme or the 2023 Share Option Scheme after the tenth anniversary of their respective adoption dates.

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40. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

Share option scheme of the Company (Continued)

The following table discloses details of the Company's share options under the schemes held by each participant or category of participants:

2025

Exercisable period	Exercise price per share HK\$	Outstanding at 1 January	Granted during the year	Exercised during the year	Lapsed during the year	Reallocated upon retirement		
						during the year	Outstanding at 31 December	
Directors								
Mr. Li Dong Hui, Daniel		14,000,000	-	-	-	-	14,000,000	
	15 January 2023 to 14 January 2028	32.70	-	-	-	-	-	
		9,000,000	-	-	-	-	9,000,000	
	22 November 2024 to 21 November 2031	9.56	-	-	-	-	-	
Ms. Wei Mei		7,000,000	-	-	-	(7,000,000)	-	
	15 January 2023 to 14 January 2028	32.70	-	-	-	-	-	
		3,500,000	-	-	-	(3,500,000)	-	
	22 November 2024 to 21 November 2031	9.56	-	-	-	-	-	
Mr. Gui Sheng Yue		13,500,000	-	-	-	-	13,500,000	
	15 January 2023 to 14 January 2028	32.70	-	-	-	-	-	
		15,000,000	-	-	-	-	15,000,000	
	22 November 2024 to 21 November 2031	9.56	-	-	-	-	-	
Mr. Gan Jia Yue		8,000,000	-	-	-	-	8,000,000	
	15 January 2023 to 14 January 2028	32.70	-	-	-	-	-	
		15,000,000	-	-	-	-	15,000,000	
	22 November 2024 to 21 November 2031	9.56	-	-	-	-	-	
Mr. Mao Jian Ming, Moosa	17 July 2025 to 16 July 2032	3,000,000	-	-	-	-	3,000,000	
		88,000,000	-	-	-	(10,500,000)	77,500,000	

40. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

Share option scheme of the Company (Continued)

The following table discloses details of the Company's share options under the schemes held by each participant or category of participants (Continued):

2025 (Continued)

Exercisable period	Exercise price per share HK\$	Outstanding at 1 January	Granted during the year	Exercised during the year	Lapsed during the year	Reallocated upon retirement	Outstanding at 31 December
						during the year	
Employees	14 January 2021 to 13 January 2025	790,000	-	-	(790,000)	-	-
	15 January 2023 to 14 January 2028	459,310,000	-	-	(19,760,000)	7,000,000	446,550,000
	22 November 2024 to 21 November 2031	445,899,500	-	(11,680,000)	(17,000,650)	3,500,000	420,718,850
	17 July 2025 to 16 July 2032	20,060,000	-	(424,500)	(2,929,500)	-	16,706,000
	30 September 2025 to 29 September 2032	-	3,300,000	-	-	-	3,300,000
	31 March 2026 to 30 March 2033	-	10,460,000	-	(450,000)	-	10,010,000
	26 September 2026 to 25 September 2033	-	42,450,000	-	(1,400,000)	-	41,050,000
		926,059,500	56,210,000	(12,104,500)	(42,330,150)	10,500,000	938,334,850
Related entity participants	22 November 2024 to 21 November 2031	64,200,500	-	(2,015,000)	(2,481,000)	-	59,704,500
	17 July 2025 to 16 July 2032	3,650,000	-	(225,000)	-	-	3,425,000
	26 September 2026 to 25 September 2033	-	2,180,000	-	(100,000)	-	2,080,000
		67,850,500	2,180,000	(2,240,000)	(2,581,000)	-	65,209,500
		1,081,910,000	58,390,000	(14,344,500)	(44,911,150)	-	1,081,044,350

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For the year ended 31 December 2025

40. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

Share option scheme of the Company (Continued)

The following table discloses details of the Company's share options under the schemes held by each participant or category of participants (Continued):

2025 (Continued)

	Outstanding at 1 January HK\$	Granted during the year HK\$	Exercised during the year HK\$	Lapsed during the year HK\$	Outstanding at 31 December HK\$
Weighted average exercise price per share	20.30	18.52	9.56	20.24	20.35
Weighted average remaining contractual life of options outstanding as at 31 December 2025					4.28 years
Number of options exercisable as at 31 December 2025					211,931,907
Weighted average exercise price per share of options exercisable as at 31 December 2025					HK\$24.60

40. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

Share option scheme of the Company (Continued)

The following table discloses details of the Company's share options under the schemes held by each participant or category of participants (Continued):

2024

Exercisable period	Exercise price per share HK\$	Outstanding at 1 January	Granted during the year	Exercised during the year	Lapsed during the year	Reallocated upon resignation or retirement	
						during the year	Outstanding at 31 December
Directors							
Mr. Li Dong Hui, Daniel	15 January 2023 to 14 January 2028	14,000,000	-	-	-	-	14,000,000
	22 November 2024 to 21 November 2031	9,000,000	-	-	-	-	9,000,000
Ms. Wei Mei	15 January 2023 to 14 January 2028	7,000,000	-	-	-	-	7,000,000
	22 November 2024 to 21 November 2031	3,500,000	-	-	-	-	3,500,000
Mr. An Cong Hui	15 January 2023 to 14 January 2028	22,000,000	-	-	-	(22,000,000)	-
	22 November 2024 to 21 November 2031	9,000,000	-	-	-	(9,000,000)	-
Mr. Ang Siu Lun, Lawrence	15 January 2023 to 14 January 2028	3,000,000	-	-	-	(3,000,000)	-
Mr. Gui Sheng Yue	15 January 2023 to 14 January 2028	13,500,000	-	-	-	-	13,500,000
	22 November 2024 to 21 November 2031	15,000,000	-	-	-	-	15,000,000
Mr. Gan Jia Yue	15 January 2023 to 14 January 2028	8,000,000	-	-	-	-	8,000,000
	22 November 2024 to 21 November 2031	15,000,000	-	-	-	-	15,000,000
Mr. Mao Jian Ming, Moosa	17 July 2025 to 16 July 2032	-	3,000,000	-	-	-	3,000,000
		119,000,000	3,000,000	-	-	(34,000,000)	88,000,000

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For the year ended 31 December 2025

40. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

Share option scheme of the Company (Continued)

The following table discloses details of the Company's share options under the schemes held by each participant or category of participants (Continued):

2024 (Continued)

Exercisable period	Exercise price per share HK\$	Outstanding at 1 January	Granted during the year	Exercised during the year	Lapsed during the year	Reallocated upon resignation or retirement	Outstanding at 31 December
						during the year	
Employees							
14 January 2021 to 13 January 2025	16.04	790,000	-	-	-	-	790,000
15 January 2023 to 14 January 2028	32.70	455,390,000	-	-	(21,080,000)	25,000,000	459,310,000
22 November 2024 to 21 November 2031	9.56	458,780,000	-	(4,840,500)	(17,040,000)	9,000,000	445,899,500
17 July 2025 to 16 July 2032	9.56	-	21,860,000	-	(1,800,000)	-	20,060,000
		914,960,000	21,860,000	(4,840,500)	(39,920,000)	34,000,000	926,059,500
Related entity participants							
22 November 2024 to 21 November 2031	9.56	68,150,000	-	(649,000)	(3,300,500)	-	64,200,500
17 July 2025 to 16 July 2032	9.56	-	3,650,000	-	-	-	3,650,000
		68,150,000	3,650,000	(649,000)	(3,300,500)	-	67,850,500
		1,102,110,000	28,510,000	(5,489,500)	(43,220,500)	-	1,081,910,000

40. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

Share option scheme of the Company (Continued)

The following table discloses details of the Company's share options under the schemes held by each participant or category of participants (Continued):

2024 (Continued)

	Outstanding at 1 January HK\$	Granted during the year HK\$	Exercised during the year HK\$	Lapsed during the year HK\$	Outstanding at 31 December HK\$
Weighted average exercise price per share	20.54	9.56	9.56	20.85	20.30
Weighted average remaining contractual life of options outstanding as at 31 December 2024					5.11 years
Number of options exercisable as at 31 December 2024					72,279,643
Weighted average exercise price per share of options exercisable as at 31 December 2024					HK\$32.56

During the year ended 31 December 2025, a total of 58,390,000 share options were granted on 26 September 2025 with an estimated total fair value of approximately RMB390,412,000. The closing price of the Company's shares on the date the options were granted was HK\$18.23. The exercise price of the share options granted was HK\$18.52 per share.

During the year ended 31 December 2024, a total of 28,510,000 share options were granted on 17 July 2024, with an estimated total fair value of approximately RMB90,918,000. The closing price of the Company's shares on the date the options were granted was HK\$8.23. The exercise price of the share options granted was HK\$9.56 per share.

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For the year ended 31 December 2025

40. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

Share option scheme of the Company (Continued)

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The fair values were estimated using the Binomial Option Pricing Model. The inputs used in the model were as follows:

Grant date	26 September 2025	17 July 2024	22 November 2023	15 January 2021
Share price	HK\$18.23	HK\$8.23	HK\$9.34	HK\$31.20
Exercise price	HK\$18.52	HK\$9.56	HK\$9.56	HK\$32.70
Expected volatility	49.09% to 49.45%	48.29%	46.20%	38.95%
Expected life (expressed as weighted average life used in the modelling under the Binomial Option Pricing Model)	7.01 years to 8 years	8 years	8 years	7 years
Risk-free interest rate	2.90% to 3%	3.20%	3.74%	0.55%
Expected dividend yield	2.07%	1.8%	1.49%	2%

Expected volatility was determined based on the historical volatility of the share prices of comparable companies. The expected life used in the model was adjusted, based on management's best estimate, to reflect the effects of non-transferability, exercise restrictions, and behavioural considerations. Expected dividend yields were based on historical dividend distributions. Changes in these subjective input assumptions could materially affect the estimated fair values.

The share options were granted subject to service conditions. These service conditions were not taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share options granted.

40. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

Share award scheme of the Company

The Company has adopted the Share Award Scheme pursuant to resolutions passed by the Board at the board meeting of the Company held on 30 August 2021 for the purposes of attracting and retaining the high calibre employees whose contributions will be beneficial to the growth and development of the Group. The Share Award Scheme has a term of 10 years from 30 August 2021.

Following amendments to the Listing Rules governing share schemes, the Board resolved on 23 December 2022 to amend the terms of the Share Award Scheme to ensure compliance with the applicable requirements. The amendments were approved by the Company's shareholders at an extraordinary general meeting held on 28 April 2023.

The eligible participants of the Share Award Scheme included all directors or employees (including full-time or part-time) of the Group or the holding companies, fellow subsidiaries or associated companies of the Company or service providers to the Group.

The maximum number of shares which could be granted under the Share Award Scheme is 350,000,000, which could be satisfied by way of new shares to be issued or existing shares to be purchased from the secondary market.

The shares being granted with respect to a selected participant will vest in 4 tranches of 25% each year from 30 August 2022 to 30 August 2025, on the conditions that the employee will remain in service and meet the performance requirements, including but not limited to meeting the company-level performance target and the selected participant's level performance target. Subject to the satisfaction of the vesting conditions, such new award shares will be transferred to the selected participants at nominal value on the vesting date. The selected participants are required to pay the nominal value for the award shares.

As at 31 December 2025 and 2024, the Company has appointed a professional and independent trustee ("**Trustee**"), to assist with the administration and vesting of award shares granted pursuant to the Share Award Scheme. The Trustee will not exercise the voting rights in respect of any ordinary shares held under the trust. The award shares will be allotted and issued to the Trustee who will hold the award shares in trust in accordance with the trust deed for the selected participants. As at 31 December 2025, the total number of award shares available for grant under the Share Award Scheme is 270,027,754 (2024: 267,555,257) and the remaining life of the Share Award Scheme is approximately 5 years and 8 months (2024: 6 years and 8 months).

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For the year ended 31 December 2025

40. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

Share award scheme of the Company (Continued)

Movements in the number of award shares outstanding are as follows:

	2025	2024
Balance at 1 January	33,779,000	70,841,000
Vested	(31,306,503)	(6,137,400)
Lapsed	(2,472,497)	(30,924,600)
Outstanding balance at 31 December	-	33,779,000

The fair value of each award share was determined based on the market price of the Company's shares on the grant date.

Share award scheme of ZEEKR

ZEEKR adopted a share award scheme (the "**ZEEKR Share Award Scheme**") on 20 August 2021. The purpose of the scheme was to encourage selected participants to contribute to the long-term growth of ZEEKR and its subsidiaries (the "**ZEEKR Group**"), to enhance value for shareholders, and to attract and retain high calibre talent.

Participants of the ZEEKR Share Award Scheme included directors, employees, officers and consultants of ZEEKR or its affiliates. The maximum number of ordinary shares of ZEEKR ("**ZEEKR Shares**") that could be granted under the scheme was 150,000,000 ZEEKR Shares, issuable by way of new shares.

During the year ended 31 December 2024, ZEEKR granted 31,771,808 ordinary shares ("**ZEEKR Award Shares**") to 6,298 selected participants by way of reserving and authorising the future issuance of new ZEEKR shares. Except for four independent directors of ZEEKR (one of whom resigned on 18 October 2024), all other selected participants were not connected persons of the Company.

The vesting schedule of the ZEEKR Award Shares was subject to an initial public offering condition and to service-and-performance-based vesting conditions. To align with market practice, the vesting date was amended from 15 April to 25 May with effect from 2025. Subject to satisfaction of the applicable vesting conditions, the granted ZEEKR Award Shares would vest in four annual batches on 25 May following the grant date (or the subsequent 25 May if the period between the grant date and the first 25 May was less than six months).

40. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

Share award scheme of ZEEKR (Continued)

Following the completion of ZEEKR's privatisation in late December 2025, the ZEEKR Share Award Scheme ceased to operate as a share-based payment arrangement involving a listed entity. Consequently, no ZEEKR Shares were available for future issuance under the scheme as at 31 December 2025 (2024: 39,810,692 ZEEKR Shares). The previously disclosed remaining life of the scheme is therefore no longer applicable.

The aggregate fair value of the ZEEKR Award Shares granted on 5 April 2024 and 10 May 2024 was measured by reference to ZEEKR's initial public offering price. The total fair value of the 31,771,808 ZEEKR Award Shares granted on those dates was approximately US\$66,720,797 (equivalent to approximately RMB481,831,000).

The movements in the number of ZEEKR Award Shares outstanding are as follows:

	2025	2024
Balance at 1 January	64,633,894	93,011,731
Granted	-	31,771,808
Lapsed	(13,818,542)	(14,594,231)
Vested	(20,066,733)	(45,555,414)
Balance at 31 December	30,748,619	64,633,894

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40. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

Share award scheme of ZEEKR (Continued)

Under the Merger Agreement, (i) all vested ZEEKR Award Shares outstanding immediately prior to the privatisation will to be converted into shares of the Company based on the agreed conversion ratio, and (ii) all unvested ZEEKR Award Shares outstanding immediately prior to the privatisation will be converted into share awards to be granted under the Share Award Scheme, which will be subject to a minimum vesting period of twelve months in accordance with Chapter 17 of the Listing Rules, unless a shorter vesting period is permitted under the Listing Rules and granted to eligible employee participants. All holders of ZEEKR Share Awards will be eligible to participate in the Share Award Scheme following conversion.

As at 31 December 2025, the conversion mechanism under the Merger Agreement had become effective; however, no replacement share awards under the Share Award Scheme had yet been granted. Accordingly, the outstanding balance of ZEEKR Award Shares at year end represents awards subject to conversion but not yet replaced.

Equity settled share-based payments have been recorded in the consolidated financial statements as follows:

	2025				2024				
	Expensed RMB'000	Capitalised as investment in a joint venture RMB'000	Capitalised as investment in an associate RMB'000	Total RMB'000	Expensed RMB'000 (Restated)	Capitalised as product development cost of intangible assets RMB'000	Capitalised as investment in a joint venture RMB'000	Capitalised as investment in an associate RMB'000	Total RMB'000 (Restated)
Share option scheme of the Company	446,172	11,865	-	458,037	977,091	7,913	7,039	-	992,043
Share award scheme of the Company	663,647	8,926	-	672,573	(259,221)	(1,286)	(2,619)	-	(263,126)
Share award scheme of ZEEKR (note)	71,446	-	(39)	71,407	1,034,856	-	-	1,713	1,036,569
	1,181,265	20,791	(39)	1,202,017	1,752,726	6,627	4,420	1,713	1,765,486

Note: During the year ended 31 December 2024, ZEEKR completed its ZEEKR Offering. Due to the satisfaction of the initial public offering vesting condition, the Group had recognised the equity settled share-based payments for the ZEEKR Share Award Scheme.

41. MATERIAL RELATED PARTY TRANSACTIONS

In addition to the disclosures made elsewhere in these consolidated financial statements, the Group entered into the following material related party transactions during the years ended 31 December 2025 and 2024. Most of these transactions also constitute continuing connected transactions (“**CCTs**”) as defined under Chapter 14A of the Listing Rules.

While the transactions disclosed below include those classified as CCTs, the amounts presented may differ from those disclosed in the Directors’ Report due to differences in reporting scope, accounting presentation and netting arrangements adopted in accordance with applicable accounting standards. Further details of these CCTs are set out in the section headed “Continuing Connected Transactions” in the Directors’ Report.

(a) Transactions

Sales of automobiles and related services and/or automobile parts and components (note (b))

Nature of relationship	CCTs reference in Directors’ Report	Year ended 31 December	
		2025	2024
		RMB’000	RMB’000 (Restated)
Associates		6,466,919	10,416,697
Joint ventures (note (e))		–	26,631
Other related parties (note (a))	1,11,17 and 21	9,143,361	10,760,750
Total		15,610,280	21,204,078

Purchase of automobiles and related services and/or automobile parts and components (note (b))

Nature of relationship	CCTs reference in Directors’ Report	Year ended 31 December	
		2025	2024
		RMB’000	RMB’000 (Restated)
Associates	12	9,429,370	8,117,020
Joint ventures	4 and 12	25,656,941	17,575,414
Other related parties (note (a))	1, 3, 12, 14 and 19	81,103,622	52,806,698
Total		116,189,933	78,499,132

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions (Continued)

Research and development, related technological support services, and licence income

Nature of relationship	CCTs reference in Directors' Report	Year ended 31 December	
		2025	2024
		RMB'000	RMB'000 (Restated)
Associates	13	1,644,014	188,806
Joint ventures (note (e))	13	–	22,536
Other related parties (note (a))	13	5,140,434	6,460,866
Total		6,784,448	6,672,208

Research and development, related technological support services, and licence fee

Nature of relationship	CCTs reference in Directors' Report	Year ended 31 December	
		2025	2024
		RMB'000	RMB'000 (Restated)
Joint ventures	14	376,371	167,310
Other related parties (note (a))	3 and 14	2,033,284	1,849,896
Total		2,409,655	2,017,206

41. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions (Continued)

Collaborative manufacturing income

Nature of relationship	CCTs reference in Directors' Report	Year ended 31 December	
		2025	2024
		RMB'000	RMB'000 (Restated)
Associates		4,277,807	2,619,284
Other related parties (note (a))	11,13, 20 and 22	2,186,541	3,711,410
Total		6,464,348	6,330,694

Collaborative manufacturing expenses

Nature of relationship	CCTs reference in Directors' Report	Year ended 31 December	
		2025	2024
		RMB'000	RMB'000 (Restated)
Joint ventures	16	18,820	12,419
Other related parties (note (a))	14 and 19	357,045	49,818
Total		375,865	62,237

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For the year ended 31 December 2025

41. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions (Continued)

Interest income

Nature of relationship	Year ended 31 December	
	2025 RMB'000	2024 RMB'000 (Restated)
Joint ventures	165,559	359,895

Administrative expenses

Nature of relationship	CCTs reference in Directors' Report	Year ended 31 December	
		2025 RMB'000	2024 RMB'000 (Restated)
Other related parties (note (a))	16	949,317	846,191

41. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions (Continued)

Research and development expenses

Nature of relationship	CCTs reference in Directors' Report	Year ended 31 December	
		2025 RMB'000	2024 RMB'000 (Restated)
Associates		113,442	–
Other related parties (note (a))	16	641,901	424,058
Total		755,343	424,058

Distribution and selling expenses

Nature of relationship	CCTs reference in Directors' Report	Year ended 31 December	
		2025 RMB'000	2024 RMB'000 (Restated)
Associates	16	43,873	52,782
Other related parties (note (a))	16	758,369	546,602
Total		802,242	599,384

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions (Continued)

Dividend income

Nature of relationship	Year ended 31 December	
	2025 RMB'000	2024 RMB'000 (Restated)
Associates	53,933	294,080
Joint ventures	375,000	450,000
Total	428,933	744,080

Dividend declared and/or paid

Nature of relationship	Year ended 31 December	
	2025 RMB'000	2024 RMB'000 (Restated)
Other related parties (note (a))	1,205,443	940,529

41. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions (Continued)

Disposal of property, plant and equipment and intangible assets

Nature of relationship	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000 (Restated)
Other related parties (notes (a), (c) and (d))	34,881	109,810

Purchase of property, plant and equipment and intangible assets

Nature of relationship	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000 (Restated)
Other related parties (notes (a), (c) and (d))	124,240	205,681

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions (Continued)

Disposal of joint venture/associate

	Year ended 31 December	
	2025	2024
Nature of relationship	RMB'000	RMB'000 (Restated)
Other related parties (note (a))	49,800	504,000

Acquisition of subsidiaries under common control

	Year ended 31 December	
	2025	2024
Nature of relationship	RMB'000	RMB'000 (Restated)
Other related parties (note (a))	9,133,960	2,494,652

41. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions (Continued)

Note:

- (a) Other related parties comprise entities that are under the common control of, or are controlled, jointly controlled or significantly influenced by the ultimate controlling shareholder of the Company, Geely Holding and/or his close family members.
- (b) Prior to the end of October 2024, the Group did not possess the automobile catalogue issued by the National Development Reform Commission in the PRC required for settlement of the PRC consumption tax. Accordingly, certain sales of complete knock down kits to, and purchases of complete build-up units from, related parties were presented on a net basis in the consolidated statement of profit or loss to the extent that such arrangements constituted back-to-back transactions. Related claims income and expenses were similarly presented on a net basis.

All related party transactions were conducted in the ordinary and usual course of business and on terms no less favourable than those available to independent third parties.

- (c) Pursuant to the assets transfer agreement dated 15 September 2023, the Company entered into a transaction with Geely Holding, pursuant to which the Group agreed to purchase, and the Geely Holding Group agreed to sell, assets comprising predominantly equipment for use in the Group's research and development of LYNK & CO-branded, ZEEKR-branded and Geely-branded vehicle-related products, such as vehicles engines and transmissions, as well as a small amount of office equipment and software systems, for a maximum cash consideration of approximately RMB508,500,000. In addition, the Group agreed to sell, and the Geely Holding Group agreed to purchase, assets comprising vehicle testing-related machinery and equipment, for a maximum cash consideration of approximately RMB168,400,000.
- (d) Pursuant to the assets transfer agreement dated 31 March 2025, the Company entered into a transaction with Geely Holding, pursuant to which the Group agreed to purchase, and the Geely Holding Group agreed to sell, assets comprising predominantly production-related equipment for Geely-branded, LYNK & CO-branded and ZEEKR-branded vehicles for a maximum cash consideration of approximately RMB660,026,000. In addition, the Group agreed to sell, and the Geely Holding Group agreed to purchase, assets comprising production-related machinery and equipment that were idle for use, for a maximum cash consideration of RMB246,800,000.
- (e) Pursuant to the powertrain sales agreement dated 15 September 2023, the Group agreed to sell powertrain products to LYNK & CO and its subsidiaries (the "**LYNK & CO Group**") and to the Geely Holding Group, with the highest annual cap of RMB1,961 million applicable for the year ended 31 December 2024. However, following the Group's acquisition of LYNK & CO under common control, the transactions between the Group and the LYNK & CO Group were retrospectively consolidated and eliminated in accordance with the applicable accounting treatment for business combinations under common control.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(b) Remuneration of key management personnel

The remuneration of directors (as disclosed in note 13) and other members of key management personnel for the year was as follows:

	2025 RMB'000	2024 RMB'000
Short-term benefits	21,655	22,665
Retirement scheme contributions	220	756
Equity settled share-based payments	55,048	106,000
	76,923	129,421

The remuneration of directors and key management personnel is determined by the remuneration committee with reference to individual performance and prevailing market conditions and is included in "Staff costs" (note 9(b)).

Except as disclosed above, there were no other transactions, arrangements or contracts of significance to which the Company was a party and in which a director of the Company or a connected entity of a director had a material interest, whether directly or indirectly, during the year or subsisting at the end of the year.

42. TRANSACTIONS WITH NON-CONTROLLING INTERESTS

2025

During the year ended 31 December 2025, the Group undertook transactions that changed its ownership interests in certain subsidiaries without losing control. In accordance with HKFRS 10 “Consolidated Financial Statements” (“**HKFRS 10**”), such changes are accounted for as equity transactions; no gain or loss is recognised in profit or loss and no goodwill is recognised. Any difference between the consideration transferred or received and the corresponding adjustment to the carrying amount of the non-controlling interests is recognised directly in equity and attributed to owners of the parent (presented within capital reserve).

Acquisition of subsidiaries under common control in 2025

In November 2024, Zhejiang ZEEKR, an indirect wholly-owned subsidiary of ZEEKR, entered into an equity transfer agreement with Geely Holding and VCI, an indirect wholly-owned subsidiary of Volvo Car AB (publ). Pursuant to the agreement, Geely Holding and VCI transferred 20% and 30% of their equity interests in LYNK & CO, respectively, to Zhejiang ZEEKR for a total consideration of RMB9,104,721,000 (including interest accrued during the locked-box period).

In addition, the acquisitions of the Target Companies for total cash consideration of approximately RMB29,239,000 were completed during the year ended 31 December 2025.

As these transactions constituted business combinations under common control, they were accounted for using the predecessor value method. The assets and liabilities of the acquired businesses were recognised at their existing carrying amounts, and no goodwill was recognised.

As a result of the above transactions, the Group recognised a decrease in both non-controlling interests and equity attributable to owners of the parent, amounting to RMB4,142,337,000 and RMB4,991,623,000, respectively.

Deemed disposal of a partial interest in a subsidiary without loss of control

During the year, the Group received cash consideration of RMB80,000,000 from an investor for the acquisition of a partial non-controlling interest in a subsidiary. As control over the subsidiary was retained, the transaction was accounted for as an equity transaction. The Group recognised an increase in both non-controlling interests and equity attributable to owners of the parent, amounting to RMB14,806,000 and RMB65,194,000, respectively.

Privatisation of ZEEKR

Pursuant to the Merger Agreement, eligible ZEEKR securities holder were entitled to elect to receive either cash consideration or consideration shares of the Company in exchange for their ZEEKR Shares or ZEEKR ADSs. Following approvals by ZEEKR’s shareholders and the Grand Court of the Cayman Islands, the privatisation was completed, and ZEEKR, previously a 65.15% owned listed subsidiary, became a wholly-owned subsidiary of the Group upon the withdrawal of its ADS listing from the New York Stock Exchange on 22 December 2025.

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For the year ended 31 December 2025

42. TRANSACTIONS WITH NON-CONTROLLING INTERESTS (Continued)

2025 (Continued)

Privatisation of ZEEKR (Continued)

Upon completion, 631,893,185 ZEEKR Shares were converted into 777,228,611 new ordinary shares of the Company.

The share conversion resulted in share consideration of approximately RMB11,846,440,000, which was recognised as part of the equity restructuring arising from the transaction. Transaction costs directly attributable to the issuance of the consideration shares were recognised as a deduction from equity in accordance with HKAS 32.

In addition to the share consideration, cash consideration of approximately RMB5,349,095,000, including transaction costs, was paid to ZEEKR securities holders who elected, or were required, to receive cash pursuant to the Merger Agreement.

As the Group retained control over ZEEKR throughout the transaction, the privatisation was accounted for as a transaction with non-controlling interests in accordance with HKFRS 10. The difference between the consideration transferred (including the issue of consideration shares and cash paid) and the carrying amount of the non-controlling interests acquired was recognised directly in equity and attributable to owners of the parent.

A summary of the impact of the transaction recognised directly in capital reserve is as follows:

	For the year ended 31 December 2025 RMB'000
Consideration transferred to acquire non-controlling interests	17,195,535
Carrying amount of non-controlling interests acquired	(759,499)
Recognised in capital reserve	16,436,036

42. TRANSACTIONS WITH NON-CONTROLLING INTERESTS (Continued)

2024

Restatement for the completion of the acquisitions of LYNK & CO and the Target Companies in 2025, the completion of the acquisitions of subsidiaries from Geely Holding in 2024, and the Change in accounting for business combinations completed on or before 31 December 2023

The Change resulted in the completion of the acquisitions of LYNK & CO and the Target Companies in 2025, the completion of the acquisitions of subsidiaries from Geely Holding in 2024, and also affected the accounting for business combinations completed on or before 31 December 2023. These transactions were accounted for as business combinations involving entities under common control and are therefore recognised using the merger accounting principle, as if the combining entities had been combined from the date when they first came under the control of the controlling party, or from the beginning of the earliest period presented, whichever is later. In accordance with HKAS 8, the comparative information as at 1 January 2024 and 31 December 2024, and for the year ended 31 December 2024, have been restated to reflect the Change. As a result of the restatement, the Group recognised an increase in non-controlling interests of RMB1,775,030,000 and RMB2,351,094,000 as at 31 December 2024 and 1 January 2024.

In addition, during the year ended 31 December 2024, the Group undertook several corporate transactions that affected the Group's ownership interest and non-controlling interests of ZEEKR. These transactions included:

ZEEKR Offering

ZEEKR issued (i) 21,000,000 ADSs, representing 210,000,000 ZEEKR Shares, of which the Company subscribed for 12,900,952 ADSs, representing 129,009,520 ZEEKR Shares, and (ii) an additional 3,150,000 ADSs, representing 31,500,000 ZEEKR Shares, pursuant to the full exercise of the underwriters' over-allotment option. ZEEKR received net proceeds of approximately US\$208,764,000 (equivalent to RMB1,508,868,000), net of issuance costs and after deducting US\$270,920,000 (equivalent to RMB1,956,476,000) subscribed and paid by the Group. The Group also recognised a decrease of RMB73,317,000 in its capital reserve and an increase of RMB1,582,185,000 in non-controlling interests.

Immediately prior to the completion of the ZEEKR Offering, the Series A and Pre-A Preferred Shares were converted into ordinary shares of ZEEKR on a one-to-one basis by the holders during the year ended 31 December 2024.

Special Dividend Distribution

Out of the 12,900,952 ADSs subscribed by the Company in the ZEEKR Offering, 1,266 ADSs, representing 12,660 ZEEKR Shares, were distributed to the Company's qualifying shareholders as part of the Special Dividend Distribution (as described in note 11(e)).

Recognition of equity settled share-based payments

Due to the satisfaction of the initial public offering vesting condition, the Group recognised equity settled share-based payments of RMB1,036,569 for the ZEEKR Share Award Scheme.

Vesting of ZEEKR Share Award Scheme

A total of 45,555,414 ZEEKR Award Shares were vested to certain participants.

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For the year ended 31 December 2025

42. TRANSACTIONS WITH NON-CONTROLLING INTERESTS (Continued)

2024 (Continued)

In addition, during the year ended 31 December 2024, the Group undertook several corporate transactions that affected the Group's ownership interest and non-controlling interests of ZEEKR. These transactions included (Continued):

ZEEKR Award Shares repurchased by ZEEKR

ZEEKR repurchased 10,930,530 ZEEKR Award Shares from employees for a net cash consideration of approximately RMB187 million, which was remitted to the tax authority to satisfy statutory withholding tax obligations. These repurchased shares are held by ZEEKR as treasury shares as at 31 December 2024.

Acquisition of additional interest in ZEEKR from Geely International (Hong Kong) Limited ("GIHK")

In December 2024, the Group purchased 300,000,000 ZEEKR Shares from GIHK for approximately RMB5,900 million to simplify ZEEKR's shareholding structure and enhance the Group's influence in ZEEKR.

The effect of changes in ownership interest of ZEEKR on the Group's equity is summarised as follows:

Corporate transactions completed	Consideration received/(paid) RMB'000	Increase/ (Decrease) in carrying amount of non-controlling interests RMB'000	Increase/ (Decrease) in capital reserve RMB'000
ZEEKR Offering	1,508,868	1,582,185	(73,317)
Special Dividend Distribution (note (a))	(69,661)	103	89
Recognition of equity settled share-based payments	–	1,036,569	–
Vesting of ZEEKR Share Award Scheme	–	(484,881)	484,881
Repurchase of ZEEKR Shares (note (b))	(186,745)	(25,324)	(161,421)
Acquisition of additional interest in ZEEKR	(5,900,000)	(1,058,568)	(4,841,432)
Total	(4,647,538)	1,050,084	(4,591,200)

Note:

- (a) The non-controlling interests effect for the Special Dividend Distribution reflects the transfer of 12,660 ZEEKR shares to the Company's qualifying shareholders, increasing non-controlling interests based on their proportionate carrying amount.
- (b) The non-controlling interests effect for the repurchase of ZEEKR Shares is calculated based on the reduction in non-controlling interests due to the repurchase of 10,930,530 ZEEKR shares, with the difference between the cash paid and non-controlling interests reduction recognised in capital reserve.

As a result of these transactions, the Group's ownership interest in ZEEKR increased from 54.73% to 65.66% during the year ended 31 December 2024.

43. NON-CASH TRANSACTIONS

Except as disclosed elsewhere in the consolidated financial statements, the Group had no other material non-cash investing and financing activities that were not reflected in the consolidated statement of cash flows:

During the year ended 31 December 2025, no share-based payment expenses were capitalised as product development costs of intangible assets (2024: RMB6,627,000).

44. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balances. The Group's overall strategy remains unchanged from the prior year.

The Group's capital structure consists of debt (which includes bonds payable and bank borrowings) and equity attributable to owners of the parent, comprising issued share capital and reserves.

Gearing ratio

The Company's Board of Directors reviews the capital structure on a regular basis. As part of this review, the Board of Directors considers the cost of capital and the risks associated with each class of capital. Although the Group has not established a specific target gearing ratio, it closely monitors the fluctuations in the ratio.

The gearing ratio as at the end of the reporting period was as follows:

	2025	2024
	RMB'000	RMB'000 (Restated)
Debt	18,315,822	7,594,869
Equity attributable to owners of the parent	92,398,489	86,538,517
Debt to equity ratio	20%	9%

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For the year ended 31 December 2025

45. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to market risks (including interest rate risk and currency risk), credit risk and liquidity risk arise in the normal course of the Group's business. Market risk exposures are measured using sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

These risks are limited by the Group's financial management policies and practices described below.

45. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

Categories of financial assets and liabilities

The carrying amounts presented in the consolidated statement of financial position relate to the following categories of financial assets and financial liabilities:

	2025 RMB'000	2024 RMB'000 (Restated)
Financial assets		
<i>Financial assets at FVOCI (recycling)</i>		
– Notes receivable	25,792,822	41,344,803
<i>Financial assets at FVOCI (non-recycling)</i>		
– Listed equity investments	62,734	78,797
<i>Financial assets carried at amortised cost</i>		
– Trade receivables	19,449,480	19,183,750
– Notes receivable	979,257	–
– Other receivables	7,114,591	7,649,041
– Restricted bank deposits	2,898,009	3,545,883
– Bank balances and cash	65,319,279	43,057,737
	121,616,172	114,860,011
Financial liabilities		
<i>Financial liabilities measured at amortised cost</i>		
– Trade payables	80,972,517	82,363,900
– Notes payable	20,595,794	26,912,330
– Other payables and accruals	27,973,200	23,593,395
– Bank borrowings	14,815,822	4,094,869
– Bonds payable	3,500,000	3,500,000
– Lease liabilities	4,789,802	3,469,955
<i>Financial liabilities measured at FVTPL</i>		
– Derivative financial instruments	82	27,918
	152,647,217	143,962,367

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

45. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

Credit risk

Credit risk refers to the risk that a counterparty to a financial instrument will fail to discharge its obligation under the terms of the financial instrument, resulting in a financial loss to the Group. The Group's exposure to credit risk mainly arises from the granting of credit to customers in the ordinary course of its operations and from its investing activities.

The Group's maximum exposure to credit risk, without taking into account any collateral held, is represented by the carrying amounts of its financial assets as presented in the consolidated statement of financial position after deducting any loss allowance. The Group does not provide any guarantees that would expose the Group to credit risk.

Trade receivables

The Group's policy is to deal only with creditworthy counterparties. Credit terms are granted to new customers following a creditworthiness assessment performed by the credit control department. When considered appropriate, customers may be requested to provide evidence of their financial position. External credit ratings and/or credit reports on customers are obtained and used, where available at reasonable cost. Customers that are not considered creditworthy are required to make payments in advance or upon delivery of goods. Customers' payment records are closely monitored. It is not the Group's policy to request collateral from its customers. As at 31 December 2025, 8% (2024: 13%) of the total trade receivables was due from the Group's five largest customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which are assessed either on an individual basis or using a provision matrix, as appropriate. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished among the Group's different customer bases.

As at 31 December 2025, the Group adopted average expected loss rates ranging from 0.7% to 3.2% (2024: 0.7% to 3.1% (restated)) on gross trade receivables amounting to RMB19,925,638,000 (2024: RMB19,490,155,000 (restated)). The loss allowance as at 31 December 2025 amounted to RMB476,158,000 (2024: RMB306,405,000 (restated)).

Expected loss rates are based on actual historical loss experience over the past years. These rates are adjusted to reflect differences between the economic conditions during the period over which the historic data was collected, current conditions, and the Group's expectations of economic conditions over the expected lives of the receivables. In incorporating forward-looking information, the Group has taken into account the possible impacts of volatility or disruptions in energy, financial, foreign currency, or commodity markets on the overall economic environment.

45. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

Credit risk (Continued)

Trade receivables (Continued)

Movements in the loss allowance account in respect of trade receivables during the year are as follows:

	2025	2024
	RMB'000	RMB'000 (Restated)
Balance at 1 January	306,405	114,508
Impairment losses recognised during the year	169,753	191,897
Balance at 31 December	476,158	306,405

Debts instruments at FVOCI (recycling) and other financial assets at amortised cost

Other financial assets at amortised cost include notes receivable carried at amortised cost, utility deposits and other receivables, loans to joint ventures, restricted bank deposits, and bank balances and cash.

In order to minimise the credit risk of utility deposits and other receivables, management performs periodic collective and individual assessments of their recoverability based on historical settlement records, past experience, and current external information, adjusted to reflect probability-weighted forward-looking information, including default rates in the jurisdictions in which the relevant debtors operate. Other monitoring procedures are in place to ensure that appropriate follow-up actions are taken to recover overdue balances. In this regard, the credit risk of utility deposits and other receivables is considered to be low.

In addition, management is of the opinion that there has been no significant increase in credit risk on utility deposits and other receivables and loans to joint ventures since initial recognition. This assessment is based on a combination of qualitative and quantitative factors, including historical and current default experience, past settlement and collection records, the financial strength and creditworthiness of the debtors, and relevant forward-looking information, taking into account the factors set out in note 4(g). As the risk of default is considered to be low, the ECLs recognised are based on 12-month ECLs.

As at 31 December 2025, a reversal of 12-month ECL allowance of RMB51,452,000 (2024: 12-month ECL allowance of RMB129,147,000 (restated)) was recognised in respect of other receivables, after taking into account the debtors' creditworthiness, financial strength, past collection records, and other relevant information. No 12-month ECL allowance was recognised for loans to joint ventures as at 31 December 2025 (2024: Nil, in RMB). No lifetime ECL was provided for other receivables (2024: Nil, in RMB) or loans to joint ventures (2024: Nil, in RMB).

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For the year ended 31 December 2025

45. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

Credit risk (Continued)

Debts instruments at FVOCI (recycling) and other financial assets at amortised cost (Continued)

The credit risks on restricted bank deposits and bank balances and cash are considered to be insignificant, as the counterparties are banks and financial institutions with high credit ratings assigned by international credit-rating agencies.

The credit risk on notes receivable is considered to be insignificant, as there has been no material default by the counterparties in the past.

Liquidity risk

Liquidity risk refers to the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group is exposed to liquidity risk arising from settlement of trade payables, notes payable, other payables and accruals, its financing obligations, as well as from its cash flow management. The Group's objective is to maintain an appropriate level of liquid assets and committed funding facilities to meet its liquidity requirements in both the short and longer term.

Set out below is an analysis of the Group's remaining contractual maturities for its non-derivative financial liabilities as at 31 December 2025 and 2024. When a creditor has the option to determine the timing of settlement, the liability is included based on the earliest date on which the Group can be required to make payment. Where settlement of a liability is made in instalments, each instalment is allocated to the earliest period in which the Group is committed to pay.

45. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

Liquidity risk (Continued)

The contractual maturity analysis below is based on the undiscounted cash flows of the financial liabilities.

	Weighted average effective interest rate %	Within one year or on demand RMB'000	More than one year but less than two years RMB'000	More than two years RMB'000	Total contractual undiscounted cash flows RMB'000	Total carrying amount as at 31 December RMB'000
2025						
Financial liabilities measured at amortised cost:						
Trade payables	N/A	80,972,517	-	-	80,972,517	80,972,517
Notes payable	N/A	20,595,794	-	-	20,595,794	20,595,794
Other payables and accruals	N/A	27,973,200	-	-	27,973,200	27,973,200
Bank borrowings	3.09	10,878,749	895,372	3,800,072	15,574,193	14,815,822
Bonds payable	2.64	1,592,350	2,043,600	-	3,635,950	3,500,000
Lease liabilities	3.17	1,221,213	823,583	3,292,131	5,336,927	4,789,802
		143,233,823	3,762,555	7,092,203	154,088,581	152,647,135

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45. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

Liquidity risk (Continued)

	Weighted average effective interest rate %	Within one year or on demand RMB'000	More than one year but less than two years RMB'000	More than two years RMB'000	Total contractual undiscounted cash flows RMB'000	Total carrying amount as at 31 December RMB'000
2024 (Restated)						
Financial liabilities measured at amortised cost:						
Trade payables	N/A	82,363,900	–	–	82,363,900	82,363,900
Notes payable	N/A	26,912,330	–	–	26,912,330	26,912,330
Other payables and accruals	N/A	23,593,395	–	–	23,593,395	23,593,395
Bank borrowings	4.24	1,513,705	2,724,337	115,988	4,354,030	4,094,869
Bonds payable	2.64	92,350	1,592,350	2,043,600	3,728,300	3,500,000
Lease liabilities	3.38	1,119,489	1,299,905	1,342,080	3,761,474	3,469,955
		135,595,169	5,616,592	3,501,668	144,713,429	143,934,449

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from borrowings. Lease liabilities (note 29) and bonds payable (note 35), that bear fixed interest rates, expose the Group to fair value interest rate risk, while bank borrowings (note 30) that bear both fixed and variable interest rates expose the Group to fair value and cash flow interest rate risks, respectively. The interest rate risk associated with the Group's short-term bank deposits is considered immaterial.

The interest rate profile of the Group as at the end of the reporting period has been set out in the liquidity risk section of this note.

As at 31 December 2025, it is estimated that an increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have decreased/increased the Group's profit after tax and retained profits by approximately RMB62,162,000 (2024: RMB19,356,000 (restated)).

The assumed changes in interest rates are considered to be reasonably possible based on observation of current market conditions and represents management's assessment of a reasonably possible change in interest rate over the next twelve-month period.

45. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

Interest rate risk (Continued)

The calculations are based on changes in average market interest rates for each period, and the financial instruments held at the end of each reporting period that are sensitive to changes in interest rates. All other variables are held constant. The analysis is performed on the same basis as in 2024.

Currency risk

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to currency risks primarily through sales and purchases which give rise to receivables, payables, interest bearing borrowings, and bank balances that are denominated in a foreign currency, i.e., a currency other than the functional currency of the operations to which the transactions relate. The foreign currencies giving rise to this risk are primarily HK\$, US\$, Swedish Krona (“**SEK**”), EUR, and Russian Rubles (“**RUB**”).

Foreign exchange risk

During the year, the Group’s primary operations involved the sales of automobiles, automobile parts and components within the PRC. The assets and liabilities of the Group were primarily denominated in RMB, which is the functional currency of both the Company and its principal subsidiaries.

For the year ended 31 December 2025, the Group recorded significant foreign exchange gains. Such gains were mainly attributable to the gradual stabilisation of a certain emerging market currency previously affected by geopolitical conditions, as well as favourable relative movements in the exchange rates of the principal settlement currencies involved in the Group’s business. These foreign currency movements, together with the Group’s ongoing risk management measures, contributed positively to the Group’s financial performance for the year.

With respect to export operations, a significant portion of the Group’s export sales during the year was denominated in RMB, US\$ and EUR. Through its export activities and the establishment of subsidiaries, associates and joint ventures in overseas markets, the Group continues to maintain exposure to foreign exchange risks across multiple emerging markets. Notwithstanding the improvement in certain currencies during the year, geopolitical developments and market uncertainties in some regions continue to give rise to foreign exchange volatility.

Risk management strategy

To manage foreign exchange risks, the Group has implemented a comprehensive risk management strategy, which includes entering into certain foreign exchange forward contracts, as disclosed in note 23, to hedge a portion of its foreign exchange exposures. These foreign exchange forward contracts do not qualify for hedge accounting and are therefore accounted for as financial liabilities at FVTPL. Due to prevailing market conditions and elevated hedging costs, hedging opportunities in certain markets remain limited.

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45. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

Currency risk (Continued)

Foreign exchange risk (Continued)

Risk management strategy (Continued)

In addition, the Group has sought to enhance its natural hedging position by increasing the proportion of costs denominated in local currencies at its overseas production facilities, thereby supporting its operations and business development in local markets. To address challenges arising from exchange rate fluctuations and to maintain competitiveness in export markets, the Group has accelerated the upgrading of export vehicle models and implemented various operational efficiency initiatives, with a view to leveraging its comparative advantages.

The Group's management continues to closely monitor market conditions and regularly assesses the effectiveness of its hedging strategies. While certain international factors affecting foreign exchange risks, including movements in major global currencies, remain beyond the Group's control, management remains committed to dynamically managing relevant exposures and deploying appropriate risk management tools to mitigate such risks to the extent practicable.

The following table details the Group's exposure as at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate.

	2025					2024				
	HK\$ RMB'000	US\$ RMB'000	SEK RMB'000	EUR RMB'000	RUB RMB'000	HK\$ RMB'000 (Restated)	US\$ RMB'000 (Restated)	SEK RMB'000 (Restated)	EUR RMB'000 (Restated)	RUB RMB'000 (Restated)
Bank balances and cash	1,036,751	3,043,526	305,017	1,771,667	488,446	156,184	2,378,961	328,287	618,484	28,610
Trade receivables	-	665,540	382,378	918,233	10,514	-	179,228	1,019,123	972,705	32,844
Other receivables	7	3,613	417,746	220,495	30,428	10	26,558	106,800	192,990	7,593
Bank borrowings	-	(4,263,412)	-	(2,582,410)	-	-	-	-	(3,295,094)	-
Trade payables	-	(89,912)	(424,431)	(82,952)	(252,166)	-	(1,916)	(296,525)	(42,724)	(172,950)
Other payables and accruals	(3,255)	(74,663)	(338,569)	(450,096)	(68,596)	(28)	(302,927)	(900,153)	(47,193)	(1,519,600)
Net exposure arising from recognised assets and liabilities	1,033,503	(715,308)	342,141	(205,063)	208,626	156,166	2,279,904	257,532	(1,600,832)	(1,623,503)

45. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

Currency risk (Continued)

Foreign exchange risk (Continued)

Risk management strategy (Continued)

As the Group is mainly exposed to the effects of fluctuation in HK\$/US\$/SEK/EUR/RUB, the following table indicates the approximate change in the Group's profit after tax and retained profits. The sensitivity analysis includes outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rate. The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting date. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for 2024. Results of the analysis as presented in the below table represent an aggregation of the effects on each of the Group entities' profit after tax and retained profits measured in the respective functional currencies, translated into RMB at the exchange rate ruling at the end of the reporting period for presentation purposes.

	Impact of HK\$		Impact of US\$		Impact of SEK		Impact of EUR		Impact of RUB	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	RMB'000	RMB'000 (Restated)	RMB'000	RMB'000 (Restated)	RMB'000	RMB'000 (Restated)	RMB'000	RMB'000 (Restated)	RMB'000	RMB'000 (Restated)
Profit after tax/Retained profits	51,629	7,804	(66,125)	97,693	12,830	10,044	(6,063)	(54,617)	7,823	(64,940)

Fair value measurements of financial instruments

Financial assets and liabilities measured at fair value in the consolidated statement of financial position are classified into three levels of the fair value hierarchy in accordance with HKFRS 13. The three levels are defined based on the observability and significance of the inputs used in the valuation, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and not using significant unobservable inputs.
- Level 3: significant unobservable inputs for the asset or liability.

The classification of a financial asset or liability within the fair value hierarchy is determined based on the lowest level of input that is significant to the fair value measurement in its entirety.

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45. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

The financial assets and liabilities measured at fair value on a recurring basis in the consolidated statement of financial position are categorised within the fair value hierarchy as follows:

	Fair value as at 31 December		Fair value hierarchy
	2025 RMB'000	2024 RMB'000 (Restated)	
Financial assets at FVOCI (recycling)			
Notes receivable measured at FVOCI (recycling)	25,792,822	41,344,803	Level 2
Financial assets at FVOCI (non-recycling)			
Listed equity investments	62,734	78,797	Level 1
Financial liabilities at FVTPL			
Foreign exchange forward contracts not designated as hedging instruments	82	27,918	Level 2

There were no transfers between Levels 1, 2 and 3 of the fair value hierarchy during the year ended 31 December 2025 (2024: Nil).

The methods and valuation techniques used for fair value measurements categorised within Levels 1, 2 and 3 remain consistent with those applied in previous reporting periods and are described below.

45. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Listed equity investments

The fair value of listed equity investments classified as Level 1 is determined by reference to quoted market prices in active market.

Notes receivable measured at FVOCI (recycling)

The fair value of notes receivable classified within Level 2 is determined using a discounted cash flow methodology. The discount rates applied are based on rates currently available for instruments issued by commercial banks or government entities with similar terms, credit risk and remaining maturities.

Foreign exchange forward contracts not designated as hedging instruments

For derivatives traded on exchanges or in liquid over-the-counter markets, the Group uses the closing price at the end of the reporting period. As the derivatives entered into by the Group are generally not traded in active markets, their fair values are estimated by discounting the difference between the contractual forward price and the current forward price for the remaining maturity of the contract, using a risk-free interest rate. The effects of non-observable inputs are not significant for the derivative financial instruments.

Fair value of financial assets and liabilities carried at amortised cost

The directors of the Company consider that the carrying amounts of financial instruments measured at amortised cost approximate their fair values as at 31 December 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

46. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2025 RMB'000	2024 RMB'000
Non-current assets		
Property, plant and equipment	7,719	1,604
Investments in subsidiaries	36,125,399	17,147,881
Interest in a joint venture	6,506,946	6,406,432
Financial assets at FVOCI	62,734	78,797
	42,702,798	23,634,714
Current assets		
Prepayments and other receivables	2,526	2,069
Amounts due from subsidiaries	15,653,993	15,614,737
Bank balances and cash	1,692,105	1,401,604
	17,348,624	17,018,410
Current liabilities		
Other payables	469,070	113,046
Derivative financial instruments	-	8,042
Amounts due to subsidiaries	8,516,278	7,775,905
Lease liabilities	2,488	1,451
Bank borrowings	4,263,412	-
Bonds payable	1,500,000	-
	14,751,248	7,898,444
Net current assets	2,597,376	9,119,966
Total assets less current liabilities	45,300,174	32,754,680

46. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

	2025 RMB'000	2024 RMB'000
CAPITAL AND RESERVES		
Share capital	198,900	184,020
Reserves (note)	43,097,019	29,070,660
Total equity	43,295,919	29,254,680
Non-current liabilities		
Lease liabilities	4,255	–
Bonds payable	2,000,000	3,500,000
	2,004,255	3,500,000
	45,300,174	32,754,680

Approved and authorised for issue by the Board of Directors on 18 March 2026.

Gui Sheng Yue

Director

Mao Jian Ming, Moosa

Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

46. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

The movement of reserves represents:

	Repurchased share reserve [#] RMB'000	Share premium [#] RMB'000	Share-based compensation reserve RMB'000	Fair value reserve (non-recycling) [#] RMB'000	(Accumulated losses)/ Retained profits [#] RMB'000	Total RMB'000
Balance at 1 January 2024	-	18,166,949	3,494,655	(262,224)	(2,084,126)	19,315,254
Profit for the year	-	-	-	-	11,350,589	11,350,589
Other comprehensive expense: Change in fair value of equity investments at FVOCI	-	-	-	(38,949)	-	(38,949)
Total comprehensive income for the year	-	-	-	(38,949)	11,350,589	11,311,640
Transactions with owners:						
Equity settled share-based payments (note 40)	-	-	724,497	-	-	724,497
Shares issued under share option scheme (note 32(a)(iii))	-	63,337	(14,862)	-	-	48,475
Shares issued under share award scheme (note 32(a)(iii))	-	137,094	(137,094)	-	-	-
Dividends paid to owners of the parent (note 11(b))	-	-	-	-	(2,050,555)	(2,050,555)
Special Dividend Distribution (as defined in note 11(e))	-	-	-	-	(69,853)	(69,853)
Redemption of perpetual capital securities (note 33)	-	-	-	-	(208,798)	(208,798)
Total transactions with owners	-	200,431	572,541	-	(2,329,206)	(1,556,234)
Balance at 31 December 2024	-	18,367,380	4,067,196	(301,173)	6,937,257	29,070,660
Balance at 1 January 2025	-	18,367,380	4,067,196	(301,173)	6,937,257	29,070,660
Profit for the year	-	-	-	-	4,444,969	4,444,969
Other comprehensive expense: Change in fair value of equity investments at FVOCI	-	-	-	(16,063)	-	(16,063)
Total comprehensive income for the year	-	-	-	(16,063)	4,444,969	4,428,906
Transactions with owners:						
Equity settled share-based payments (note 40)	-	-	1,109,819	-	-	1,109,819
Shares issued under share option scheme (note 32(a)(iii))	-	163,159	(38,837)	-	-	124,322
Shares issued under share award scheme (note 32(a)(iii))	-	699,309	(699,309)	-	-	-
Repurchase of shares (note 32(b))	(349,668)	-	-	-	-	(349,668)
Privatisation of ZEEKR	-	11,832,393	-	-	-	11,832,393
Dividends paid to owners of the parent (note 11(b))	-	-	-	-	(3,119,413)	(3,119,413)
Total transactions with owners	(349,668)	12,694,861	371,673	-	(3,119,413)	9,597,453
Balance at 31 December 2025	(349,668)	31,062,241	4,438,869	(317,236)	8,262,813	43,097,019

[#] As at 31 December 2025, the aggregate amount of reserves available for distribution to owners of the parent was RMB38,658,150,000 (2024: RMB25,003,464,000).

47. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries represent unlisted shares at cost. Particulars of the principal subsidiaries as at 31 December 2025 and 2024 are as follows:

Name of companies	Place of incorporation/ registration and operations		Issued and fully paid up/ registered capital	Percentage of equity interests held in 2025		Percentage of equity interests held in 2024		Principal activities
	Type of legal entity	Directly		Indirectly	Directly	Indirectly		
Centurion Industries Limited	British Virgin Islands	Limited liability company	US\$2	100%	-	100%	-	Investment holding
Aurobay Holding Limited	British Virgin Islands	Limited liability company	US\$50,000	-	100%	-	100%	Investment holding
ZEEKR	Cayman Islands	Limited liability company	US\$1 [®] (2024: US\$508,394)	-	100%	-	65.66%	Investment holding
ZEEKR Automobile (Shanghai) Company Limited* 極氪汽車(上海)有限公司	The PRC	Limited liability company	RMB1,855,538,567	-	100%	-	65.66%	Research, development, production, marketing and sales of vehicles and related automobile components in the PRC
ZEEKR Automobile (Ningbo Hangzhou Bay New Zone) Company Limited [†] 極氪汽車(寧波杭州灣新區)有限公司	The PRC	Limited liability company	RMB500,000,000	-	100%	-	65.66%	Research and development, purchase and sales of electric mobility related products under the ZEEKR brand in the PRC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

47. INVESTMENTS IN SUBSIDIARIES (Continued)

Investments in subsidiaries represent unlisted shares at cost. Particulars of the principal subsidiaries as at 31 December 2025 and 2024 are as follows (Continued):

Name of companies	Place of incorporation/ registration and operations		Issued and fully paid up/ registered capital	Percentage of equity interests held in 2025		Percentage of equity interests held in 2024		Principal activities
	Type of legal entity	Directly		Indirectly	Directly	Indirectly		
ZEEKR Technology Europe AB (formerly known as China-Euro Vehicle Technology AB)	Sweden	Limited liability company	SEK10,000,000	-	100%	-	65.66%	Automotive design, software systems development, modular development, virtual engineering of intelligent electric vehicles and provision of mobility technology solutions
Viridi E-Mobility Technology (Ningbo) Company Limited [#] 威睿電動汽車技術(寧波)有限公司	The PRC	Limited liability company	RMB122,448,980	-	51%	-	33.49%	Research, development, production and sales of automobile components including electric powertrain and battery systems and related products and provision of after-sales services in the PRC
Geely Auto Middle East FZE	The United Arab Emirates	Limited liability company	United Arab Emirates Dirham 10,000,000	-	100%	-	100%	Marketing and sales of vehicles in the Middle East
Jirun Automobile ^A	The PRC	Limited liability company	US\$92,489,886 (2024: US\$891,389,886)	-	99.2%	-	99%	Research, development, production, marketing and sales of vehicles and related automobile components in the PRC
Hunan Geely Automobile Components Company Limited [#] 湖南吉利汽車部件有限公司	The PRC	Limited liability company	RMB612,348,777	-	99.2%	-	99%	Research, development, production, marketing and sales of vehicles and related automobile components in the PRC

47. INVESTMENTS IN SUBSIDIARIES (Continued)

Investments in subsidiaries represent unlisted shares at cost. Particulars of the principal subsidiaries as at 31 December 2025 and 2024 are as follows (Continued):

Name of companies	Place of incorporation/ registration and operations	Type of legal entity	Issued and fully paid up/ registered capital	Percentage of equity interests held in 2025		Percentage of equity interests held in 2024		Principal activities
				Directly	Indirectly	Directly	Indirectly	
Baoji Geely Automobile Components Company Limited [‡] 寶雞吉利汽車部件有限公司	The PRC	Limited liability company	RMB1,500,000,000	-	99.2%	-	99%	Research, development, production, marketing and sales of vehicles and related automobile components in the PRC
Shanxi Geely Automobile Components Company Limited [‡] 山西吉利汽車部件有限公司	The PRC	Limited liability company	RMB1,500,000,000	-	99.2%	-	99%	Research, development, production, marketing and sales of vehicles and related automobile components in the PRC
Hangzhou Geely Automobile Company Limited [‡] 杭州吉利汽車有限公司	The PRC	Limited liability company	RMB1,500,000,000	-	99.2%	-	99%	Research and development, manufacturing, promotion and sales of vehicles and related automobile components and provision of related after-sales and technical services in the PRC
Guizhou Geely Automobile Manufacturing Company Limited [‡] 貴州吉利汽車製造有限公司	The PRC	Limited liability company	RMB1,500,000,000	-	99.2%	-	99%	Research and development, manufacturing, promotion and sales of vehicles and related automobile components and provision of related after-sales and technical services in the PRC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

47. INVESTMENTS IN SUBSIDIARIES (Continued)

Investments in subsidiaries represent unlisted shares at cost. Particulars of the principal subsidiaries as at 31 December 2025 and 2024 are as follows (Continued):

Name of companies	Place of incorporation/ registration and operations	Type of legal entity	Issued and fully paid up/ registered capital	Percentage of equity interests held in 2025		Percentage of equity interests held in 2024		Principal activities
				Directly	Indirectly	Directly	Indirectly	
Zhejiang Ruhoo Automobile Company Limited [†] 浙江陸虎汽車有限公司	The PRC	Limited liability company	RMB521,676,992	-	99.2%	-	99%	Research, development, production, marketing and sales of vehicles and related automobile components in the PRC
Changxing Geely Automobile Components Company Limited [†] 長興吉利汽車部件有限公司	The PRC	Limited liability company	RMB600,000,000	-	99.2%	-	99%	Research, development, production and sales of complete knock- down kits, related automobile components and provision of after-sales services in the PRC
Xi'an Geely Automobile Company Limited [†] 西安吉利汽車有限公司	The PRC	Limited liability company	RMB350,000,000	-	99.2%	-	99%	Manufacturing and sales of complete knock-down kits, automobile parts and components in the PRC
Zhejiang Geely Holding Group Automobile Sales Company Limited [†] 浙江吉利控股集團汽車銷售有限公司	The PRC	Limited liability company	RMB60,559,006	-	99.2%	-	99%	Marketing and sales of vehicles in the PRC
Zhejiang Geely International Limited [†] 浙江吉利汽車國際貿易有限公司	The PRC	Limited liability company	RMB10,000,000	-	99.2%	-	99%	Export of vehicles outside the PRC
Geely-Motors Limited Liability Company	Russia	Limited liability company	RUB14,010,000	-	99.2%	-	99%	Marketing and sales of vehicles in Russia
Geely Auto International Limited	Hong Kong	Limited liability company	HK\$235,294,120	-	100%	-	100%	Investment holding and export of vehicles outside the PRC

47. INVESTMENTS IN SUBSIDIARIES (Continued)

Investments in subsidiaries represent unlisted shares at cost. Particulars of the principal subsidiaries as at 31 December 2025 and 2024 are as follows (Continued):

Name of companies	Place of incorporation/ registration and operations	Type of legal entity	Issued and fully paid up/ registered capital	Percentage of equity interests held in 2025		Percentage of equity interests held in 2024		Principal activities
				Directly	Indirectly	Directly	Indirectly	
Geely Automobile Research Institute (Ningbo) Company Limited [†] 吉利汽車研究院(寧波)有限公司	The PRC	Limited liability company	RMB30,000,000	-	99.2%	-	99%	Research and development of vehicles and related automobile components in the PRC
Zhejiang Geely Automobile Engineering Technology Development Company Limited [†] 浙江吉利汽車工程技術開發有限公司	The PRC	Limited liability company	RMB30,000,000	-	99.2%	-	99%	Research and development of vehicles and related automobile components in the PRC
Zhejiang Geely Automobile Spare Parts Company Limited [†] 浙江吉利汽車備件有限公司	The PRC	Limited liability company	RMB1,500,000,000	-	99.2%	-	99%	Research, development, production, marketing and sales of vehicles and related automobile components in the PRC
Ningbo Jirun Automobile Components Company Limited [†] 寧波吉潤汽車部件有限公司	The PRC	Limited liability company	RMB1,500,000,000	-	99.2%	-	99%	Research and development, manufacturing, promotion and sales of vehicles and related automobile components and provision of related after-sales and technical services in the PRC
Zhejiang Jisu Logistics Company Limited [†] 浙江吉速物流有限公司	The PRC	Limited liability company	RMB50,000,000	-	99.2%	-	99%	Provision of general logistic, packing, and storage services in the PRC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

47. INVESTMENTS IN SUBSIDIARIES (Continued)

Investments in subsidiaries represent unlisted shares at cost. Particulars of the principal subsidiaries as at 31 December 2025 and 2024 are as follows (Continued):

Name of companies	Place of incorporation/ registration and operations	Type of legal entity	Issued and fully paid up/ registered capital	Percentage of equity interests held in 2025		Percentage of equity interests held in 2024		Principal activities
				Directly	Indirectly	Directly	Indirectly	
Zhejiang Haoqing Automobile Manufacturing Company Limited [#] 浙江豪情汽車製造有限公司	The PRC	Limited liability company	RMB3,530,000,000	-	100%	-	100%	Provision of automotive-related integrated vehicle services in the PRC

[@] On 22 December 2025, the privatisation of ZEEKR was completed. Pursuant to the Merger Agreement, Keystone MergerSub Limited, a wholly-owned subsidiary of the Group with an issued and fully paid-up share capital of US\$1, merged with ZEEKR, with ZEEKR being the surviving entity. Upon completion of the merger, ZEEKR became an indirectly wholly-owned subsidiary of the Group, and its issued and fully paid-up share capital was restructured accordingly.

* The Company's subsidiary is a wholly foreign-owned enterprise established in the PRC with an operating period of 30 years.

[^] The Company's subsidiary is a sino-foreign equity joint venture established in the PRC with an unlimited operating period.

[#] The English translations of the names of the companies established in the PRC are for reference only. The official names of these companies are in Chinese.

Neither the Company nor any of its subsidiaries issued any debt securities during the year ended 31 December 2025, nor did they have any debt securities outstanding as at the end of the year.

47. INVESTMENTS IN SUBSIDIARIES (Continued)

The following table sets out information relating to the Jirun Automobile subgroup, which is a subsidiary of the Group with material non-controlling interests. The summarised financial information presented below represents amounts before any inter-company eliminations.

	Jirun Automobile	
	2025 RMB'000	2024 RMB'000 (Restated)
Non-controlling interests percentage	0.8%	1%
Non-current assets	45,881,437	47,954,426
Current assets	124,520,081	95,932,016
Current liabilities	(103,148,017)	(86,967,108)
Non-current liabilities	(4,981,378)	(2,408,477)
Net assets	62,272,123	54,510,857
Carrying amount of non-controlling interests	521,958	503,173
Revenue	244,040,438	182,754,946
Profit for the year	15,623,678	7,910,307
Other comprehensive income for the year	101,352	55,573
Total comprehensive income for the year	15,725,030	7,965,880
Profit allocated to non-controlling interests	25,308	18,116
Other comprehensive expense allocated to non-controlling interests	811	556
Dividend paid to non-controlling interests	(154,518)	(126,452)
Cash flows generated from operating activities	10,911,258	13,554,712
Cash flows generated from/(used in) investing activities	15,071,071	(5,309,928)
Cash flows used in financing activities	(9,956,364)	(13,050,983)
Net cash inflows/(outflows)	16,025,965	(4,806,199)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

48. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, on 4 February 2026, the Company announced an update in relation to the Programme.

As at the date of the announcement, a total of 67,431,000 ordinary shares had been repurchased under the Programme. All shares repurchased prior to 4 February 2026 were, or will be, cancelled in accordance with the Company's previously stated intention. With effect from 4 February 2026, the Company determined that any shares repurchased under the Programme on or after that date will be held as treasury shares instead of being cancelled. Save as disclosed above, all other terms and conditions of the Programme remain unchanged.

This event occurred after the reporting period and did not affect the Group's financial position as at 31 December 2025. Accordingly, no adjustment has been made to the consolidated financial statements for the year ended 31 December 2025.

Except as disclosed above, no other significant event took place subsequent to 31 December 2025 and up to the date of authorisation of these consolidated financial statements.

49. COMPARATIVE FIGURES

Certain comparative figures in the consolidated financial statements have been reclassified to conform with the current year's presentation.

CORPORATE INFORMATION

KEY FIGURES
EDITORIAL
MANAGEMENT REPORT
ACCOUNTS
OUR COMPANY

EXECUTIVE DIRECTORS:

Mr. Li Shu Fu (*Chairman*)
Mr. Li Dong Hui, Daniel (*Vice Chairman*)
Mr. Gui Sheng Yue (*Chief Executive Officer*)
Mr. Gan Jia Yue
Mr. Mao Jian Ming, Moosa

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Ms. Gao Jie
Ms. Yu Li Ping, Jennifer
Mr. Zhu Han Song
Ms. Tseng Chin I

AUDIT COMMITTEE:

Ms. Gao Jie (*Committee's Chairperson*)
Ms. Yu Li Ping, Jennifer
Ms. Tseng Chin I

REMUNERATION COMMITTEE:

Mr. Zhu Han Song (*Committee's Chairman*)
Ms. Gao Jie
Ms. Tseng Chin I

NOMINATION COMMITTEE:

Mr. Zhu Han Song (*Committee's Chairman*)
Ms. Gao Jie
Ms. Yu Li Ping, Jennifer

SUSTAINABILITY COMMITTEE:

Mr. Gan Jia Yue (*Committee's Chairman*)
Mr. Gui Sheng Yue
Ms. Tseng Chin I

EXECUTIVE COMMITTEE:

Mr. Gui Sheng Yue
Mr. Gan Jia Yue

COMPANY SECRETARY:

Mr. Cheung Chung Yan, David

AUDITOR:

Grant Thornton Hong Kong Limited

LEGAL ADVISOR ON HONG KONG LAW:

Sidley Austin

LEGAL ADVISOR ON CAYMAN ISLANDS LAW:

Maples and Calder

PRINCIPAL BANKERS IN HONG KONG (IN ALPHABETICAL ORDER):

Bank of China (Hong Kong) Limited
Bank of Communications (Hong Kong) Limited
BNP Paribas, Hong Kong Branch
China Construction Bank Corporation Hong Kong Branch
Citibank N.A., Hong Kong Branch
DBS Bank (Hong Kong) Limited
Industrial and Commercial Bank of China (Asia) Limited
Industrial Bank Co., Ltd., Hong Kong Branch
JPMorgan Chase Bank, N.A., Hong Kong Branch
Standard Chartered Bank (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited

CORPORATE INFORMATION

PRINCIPAL BANKERS IN THE PEOPLE'S REPUBLIC OF CHINA (IN ALPHABETICAL ORDER):

Bank of China Limited
BNP Paribas (China) Limited
China CITIC Bank Corporation Limited
China International Capital Corporation Limited
CITIC Securities Company Limited
Industrial and Commercial Bank of China Limited

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REGISTERED OFFICE:

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HONG KONG SHARE REGISTRARS & TRANSFER OFFICE:

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Suites 3301-04, 33/F.,
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Hong Kong

INVESTOR & MEDIA RELATIONS:

Prime International Consultants Limited

LISTING INFORMATION:

The Stock Exchange of Hong Kong Limited
Stock codes: 175 (HKD counter) & 80175 (RMB counter)

COMPANY'S WEBSITE:

<http://www.geelyauto.com.hk>

GEELY

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GEELY AUTOMOBILE HOLDINGS LIMITED

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