

Stock code: 000570, 200570

Stock name: Changchai A, Changchai B

Announcement Number: 2026-004

Changchai Company, Limited 2025 Annual Report Abstract

I. Important Notes

This annual report abstract is derived from the full text of the annual report. To obtain a comprehensive understanding of the Company's operating results, financial position, and future development plans, investors should carefully read the full text of the annual report on the media designated by the China Securities Regulatory Commission.

All directors attended the board meeting to deliberate on this report.

Non-standard Audit Opinion

Applicable Not Applicable

Profit Distribution Proposal or Capital Reserve Conversion Proposal Deliberated by the Board for the Reporting Period

Applicable Not Applicable

Whether to Convert Capital Reserve into Share Capital

Yes No

The profit distribution proposal approved by the Board is as follows:

Base: 705,692,507 shares

Cash Dividend: RMB 0.22 per 10 shares (tax inclusive)

Bonus Shares: 0 shares (tax inclusive)

Capital Reserve Conversion into Share Capital: Not applicable

Profit Distribution Proposal for Preferred Shares Deliberated and Approved by the Board for the Reporting Period

Applicable Not Applicable

II. Corporate Information

1. Corporate Information

Stock name	Changchai A, Changchai B	Stock code	000570, 200570
Stock exchange for stock listing	Shenzhen Stock Exchange		
Contact Information	Board Secretary	Securities Representative	
Name	He Jianjiang		
Address	123 Huaide Middle Road, Changzhou, Jiangsu, China		

Fax	(86) 519-86630954	
Tel.	(86) 519-68683155	
Email address	cchjj@changchai.com	

2. Principal Activity of the Company in the Reporting Period



(1) Principal Operations of the Company

We mainly specialize in the R&D, manufacture and sales of diesel engines under the brand "Changchai" and gasoline engines under the brand "Robin". Our products are mainly used in agricultural machinery, small engineering machinery, generator sets and shipborne machinery and other fields closely related to people's livelihood.

In the Reporting Period, there were no major changes in the Company's core business and main products.

(2) Main Products of the Company

Our main products are divided into two categories: diesel engines and gasoline engines. The details are as follows:

Main products	Graphic display	Product description	Product features	Application fields
Diesel engine		Our diesel engine products include single-cylinder diesel engines and multi-cylinder engines, covering power range from 3kW to 180kW, and cylinder diameters from 70mm to 140mm. Besides sale in domestic market, our diesel engines are sold to Southeast Asia, South America, the Middle East and Africa.	High power, low oil consumption, low noise, compact structure, low emission, good reliability	Agricultural machinery, construction machinery, generator sets, shipborne machinery
Gasoline engine		Our gasoline engines are mainly general-purpose small gasoline engines, covering the power range from 1.5kW to 9.0kW. Besides sale in domestic market, our gasoline engines are sold to Southeast Asia, the Middle East, Europe and America, Africa, Japan and other countries and regions.	Simple structure, good reliability, easy maintenance	Agricultural machinery, small construction machinery

(3) Industry Overview

We are a manufacturer of internal combustion engines and fittings in general equipment manufacturing. According to the classification of fuel used, internal combustion engines are mainly divided into diesel engines and gasoline engines. Our diesel engines and gasoline engines are mainly used in non-road mobile machinery fields such as harvesters, tractors, plant protection machinery, small engineering machinery, and shipborne machinery.

1) Basic information on the industry

The internal combustion engine is an important support for China's manufacturing industry security, energy security and national defense security, and an important basic industry of national economy and national defense construction. The internal combustion engine is the most power-dense, thermally efficient and widely used heat engine power unit.

In order to implement the national overall development strategy of energy conservation, emission reduction, transformation, and upgrading, the internal combustion engine industry and agricultural machinery industry will strengthen independent innovation and research and development, accelerate the construction of a common basic technology platform, optimize the construction of the upstream and downstream industry chain, implement intelligent manufacturing, and actively carry out international exchange and cooperation to accelerate the realization of industrial technology upgrading.

2) Development pattern and trend of the industry

The "15th Five-Year Plan" period marks a crucial stage for China to achieve its carbon peaking goal, and the internal combustion engine (ICE) industry is entering a strategic window for transformation and reshaping. The "two new" policies of 2026 provide clear guidance for the promotion of green and intelligent products and the low-carbon upgrading of industries, making energy conservation and carbon reduction the core task for high-quality development in the sector. Driven by both policy guidance and market demand, the industry is accelerating its layout of a diversified fuel power technology system, with the application of low-carbon and zero-carbon fuels becoming an important direction. Hybrid power (including extended range) serves as a key path for the transition from internal combustion power to new energy, continuously playing an irreplaceable role in the commercial vehicle and non-road sectors. Through the concerted efforts of combustion optimization, emission control, and intelligent monitoring, ICEs are accelerating their upgrade towards high efficiency, intelligence, cleanliness, and low carbon. The deep integration of digital technology and manufacturing processes, coupled with continuously enhanced synergy across the industrial chain, is injecting new momentum into the industry's leap towards high-end development. Relying on technological breakthroughs and systematic innovations, the ICE industry will continue to consolidate its foundation as a driving force for national economic and defense security.

In recent years, the country has introduced a series of policies to support the development of the agricultural machinery market, including policies on agricultural machinery purchase subsidies, scrapping and renewal subsidies, and support for the agricultural machinery circulation industry. The No. 1 central document of 2026 focuses on agricultural and rural modernization and comprehensive rural revitalization. With the core objectives of enhancing comprehensive agricultural production capacity and stabilizing food security, it proposes three major upgrading directions for agricultural machinery: high-end intelligence, green and low-carbon, and hillside adaptability. By optimizing subsidies and expanding scenarios, it aims to release industrial dividends and promote the transformation of agricultural machinery equipment into new productive forces.

In 2025, influenced by factors such as low grain prices and frequent abnormal weather, China's agricultural machinery market as a whole performed below expectations. The industry underwent accelerated differentiation amidst adjustments, with the trend of structural transformation becoming increasingly evident. In terms of product structure, traditional mainstay products exhibited sluggish performance, but there was uneven performance in different segments. The tractor market saw a year-on-year decline in production, yet large tractors achieved growth, and high-end models such as power-shift tractors experienced leapfrog growth, breaking the dominant position of traditional mechanical-shift tractors. The harvesting machinery market declined overall, but its structure continued to be optimized, with an increase in the proportion of large-feed models, and tracked harvesters bucked the trend with their export advantages. The rice transplanter market showed differentiation, with high-speed riding models experiencing a decline in production due to subsidy adjustments, while hand-guided models achieved growth due to price advantages and adjusted agronomic needs. Micro-tillers, as a representative category of mechanization in hilly and mountainous areas, performed impressively.

From the perspective of competition, the industry reshuffle is accelerating, and market concentration is continuously increasing. Leading enterprises, leveraging their technological, channel, and brand advantages, have steadily expanded their market share and occupy a dominant position in niche areas. Most small and medium-sized enterprises operate on a smaller scale and face increased survival pressures. Looking at the trend of upgrading, high-end and intelligent products have become the focus of enterprises' efforts. High-end tractors such as power shift and infinitely variable speed have entered large-scale applications; the integration of high-precision automatic drive systems with Beidou is accelerating; the industrialization of new energy agricultural machinery is accelerating, with breakthroughs in hybrid tractors and electric drive seeders. In terms of export performance, agricultural machinery exports have become an important driving force for industry development, with a rapid growth in total volume, with countries along the Belt and Road contributing the majority of the share. Looking at policy orientation, 2026, as the first year of the 15th Five-Year Plan, will see continued efforts in large-scale equipment renewal and subsidies for agricultural machinery purchase and application, with policies oriented towards "preferential subsidies for superior machinery" forcing enterprises to transform towards high-tech and high-value-added fields. With technological development, agricultural machinery is shifting towards high-end,

intelligent, digital, and green directions, with significant growth potential in areas such as intelligent agricultural machinery equipment, machinery for hilly and mountainous areas and specialty economic crops, new energy agricultural machinery, agricultural robots and unmanned systems, and agricultural machinery after-market services. In the process of national strategic deployment and transformation and upgrading, the agricultural machinery market still has vast potential for development.

(4) The Company's Market Position

The Company mainly engages in R&D, production and sales of "Changchai" brand diesel engines and "Robin" brand gasoline engines. Through its development, it has successfully developed multiple advanced core technologies with independent intellectual property rights. For diesel engines, according to China Internal Combustion Engine Industry Association statistics, the Company's single-cylinder engine products hold relatively high market shares, ranking among the top nationally for certain power range single-cylinder diesel engines. Over the years, while achieving steady corporate economic development, the Company has cultivated and developed "Changchai"-a famous Chinese brand in the small diesel engine industry with independent IP and domestic/international recognition.

3. Major Accounting Data and Financial Indicators

(1) Major Accounting Data and Financial Indicators for the Past Three Years

Whether the Company Needs to Retrospectively Adjust or Restate Prior Years' Accounting Data

Yes No

Unit: RMB

	31 December 2025	31 December 2024	Change of 31 December 2025 over 31 December 2024	31 December 2023
Total assets (RMB)	5,578,281,300.02	5,381,900,903.82	3.65%	5,159,394,958.92
Equity attributable to the listed company's shareholders (RMB)	3,443,190,677.55	3,362,683,464.32	2.39%	3,398,946,911.23
	2025	2024	2025-over-2024 change (%)	2023
Operating revenue (RMB)	2,476,325,822.68	2,415,869,028.32	2.50%	2,155,698,787.49
Net profit attributable to the listed company's shareholders (RMB)	50,820,986.84	18,489,896.00	174.86%	108,495,607.05
Net profit attributable to the listed company's shareholders before exceptional gains and losses (RMB)	20,573,578.22	52,958,683.45	-61.15%	-47,466,184.54
Net cash generated from/used in operating activities (RMB)	289,562,549.07	-154,292,968.70	—	137,189,827.35
Basic earnings per share (RMB/share)	0.0720	0.0262	174.81%	0.1537
Diluted earnings per share (RMB/share)	0.0720	0.0262	174.81%	0.1537
Weighted average return on	1.49%	0.55%	0.94%	3.19%

equity (%)				
------------	--	--	--	--

(2) Key Financial Information by Quarter

Unit: RMB

	Q1	Q2	Q3	Q4
Operating revenue	897,763,657.72	663,422,968.11	501,193,579.88	413,945,616.97
Net profit attributable to the listed company's shareholders	43,720,636.95	29,702,177.74	-28,933,980.40	6,332,152.55
Net profit attributable to the listed company's shareholders before exceptional gains and losses	40,468,902.21	15,828,598.38	-40,744,294.49	5,020,372.12
Net cash generated from/used in operating activities	-14,769,195.97	-59,536,914.66	-140,609,621.01	504,478,280.71

Indicate by tick mark whether any of the quarterly financial data in the table above or their summations differs materially from what have been disclosed in the Company's quarterly or interim reports.

Yes No

4. Share Capital and Shareholders' Information**(1) Table of Ordinary Shareholders and Shareholders with Restored Voting Rights of Preferred Shares, and Shareholding Details of the Top 10 Shareholders**

Unit: share

Number of ordinary shareholders	45,144	Number of ordinary shareholders at the month-end prior to the disclosure of this Report	45,635	Number of preferred shareholders with resumed voting rights	0	Number of preferred shareholders with resumed voting rights at the month-end prior to the disclosure of this Report	0
Shareholding of the top 10 shareholders (excluding shares lent through refinancing)							
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held at the period-end	Number of shares with restricted trading conditions	Restricted shares held		
					Status	Shares	
Changzhou Investment Group Co., Ltd	State-owned legal person	32.26%	227,663,417	0	N/A	0	
Chen Jian	Domestic natural person	0.71%	4,988,800				
KGI ASIA LIMITED	Foreign legal person	0.44%	3,100,195				
BARCLAYS BANK PLC	Foreign legal person	0.43%	3,042,917				
Bank of China Limited - Huashang Zhenxuan Return Hybrid Securities	Other	0.41%	2,895,200				

Investment Fund						
Dai Xuerong	Domestic natural person	0.34%	2,396,600			
Lv Qiang	Domestic natural person	0.34%	2,383,800			
Goldman Sachs International - Own Funds	Foreign legal person	0.32%	2,257,888			
China Minsheng Banking Corp., Ltd. - Jinyuan Shun'an Yuanqi Flexible Allocation Hybrid Securities Investment Fund	Other	0.29%	2,072,600			
Li Suinan	Domestic natural person	0.23%	1,602,000			
Explanation of the aforementioned shareholder related-party relationships or concerted actions	It is unknown whether there is among the top 10 public shareholders and the top 10 unrestricted public shareholders any related parties or acting-in-concert parties as defined in the Administrative Measures for Information Regarding Shareholding Alteration.					
Explanation of shareholders involved in margin trading and securities lending business (if any)	Shareholder Chen Jian holds 4,988,800 shares of the company's stock through a credit account.					

Information on shares lent by shareholders holding more than 5% of the shares, top 10 shareholders, and top 10 shareholders of unrestricted tradable shares participating in the refinancing business

Applicable Not applicable

The top 10 shareholders and the top 10 shareholders of unrestricted tradable shares have changed from the previous period due to refinancing lending/return reasons

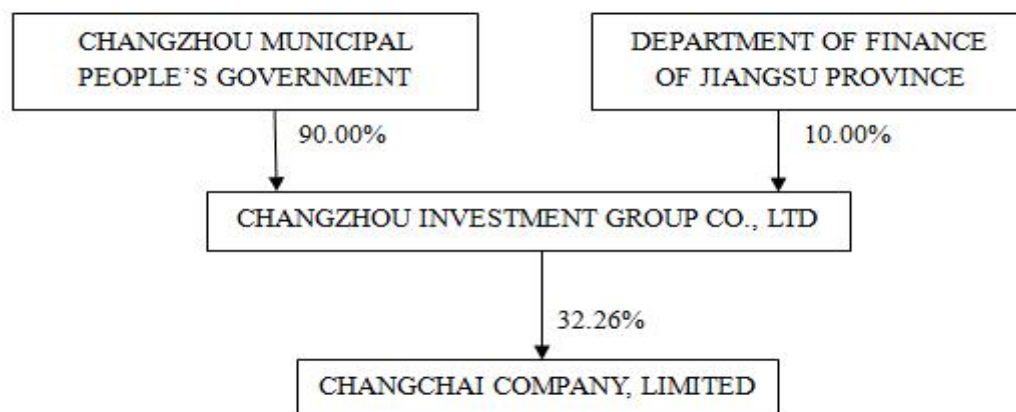
Applicable Not applicable

(2) Table of Total Number of Preferred Share Shareholders and Shareholding Details of the Top 10 Preferred Share Shareholders

Applicable Not applicable

The Company had no preferred share shareholders during the reporting period.

(3) Disclosure of Ownership and Control Relationships Between the Company and Its Ultimate Controlling Party in Diagram Form



5. Bond Information Outstanding as of the Date of Annual Report Approval

Applicable Not Applicable

III. Significant Events

1. Expropriation and compensation for some buildings (street-side shops) at the company headquarters

On February 26, 2025, the company received the "Announcement on the Publication of the 'Changzhou City Urban Rail Transit Line 5 Project Xiheng Street Station Project Housing Expropriation Compensation Plan' and Solicitation of Opinions" issued by the People's Government of Zhonglou District, Changzhou City. Due to public interest requirements, the People's Government of Zhonglou District, Changzhou City intends to expropriate part of the houses at No. 123 Huaide Middle Road, Changzhou City (i.e., the company's headquarters street-side shops). On July 21, 2025, the company held the fourth extraordinary meeting of the board of directors and the third extraordinary meeting of the board of supervisors in 2025, and deliberated and approved the "Proposal on Signing the 'Changzhou City State-owned Land Housing Expropriation Compensation Agreement' for the headquarters street-side shops". This matter was deliberated and approved by the second extraordinary shareholders' meeting in 2025 on August 6, 2025, agreeing to the company signing a compensation agreement with the Zhonglou District Housing and Urban-Rural Development Bureau. The total compensation amount agreed upon in the agreement is 48.7877 million yuan. On August 7, 2025, the company signed the "Changzhou City State-owned Land Housing Expropriation Compensation Agreement" with the Housing and Urban-Rural Development Bureau of Zhonglou District, Changzhou City, and received the first installment of compensation totaling 14.6363 million yuan in September 2025. In November 2025, the company received the remaining compensation amount of 34.1514 million yuan. As of the end of the reporting period, the company has received the full amount of compensation for the headquarters street-side shops.

2. Expropriation and compensation for the company's foundry building

On March 6, 2025, the company received the "Decision on the Expropriation of Houses on State-owned Land by the People's Government of Xinbei District, Changzhou City" (Changxin Zheng [2025] No. 1) issued by the People's Government of Xinbei District, Changzhou City. Due to the public interest in the reconstruction of the old urban area, the People's Government of Xinbei District, Changzhou City, decided to expropriate the houses within the scope of the old urban area reconstruction project (Phase I) of the company's foundry and surrounding plots in Sanjing Street. On May 8, 2025, the company held the second extraordinary meeting of the board of directors and the second extraordinary meeting of the board of supervisors in 2025, and deliberated and

approved the "Proposal on Signing the Foundry's 'Changzhou Xinbei District Non-Residential House Expropriation Compensation Agreement'". This matter was deliberated and approved by the first extraordinary shareholders' meeting in 2025 on May 26, 2025, agreeing to the company signing compensation agreements with the Xinbei District Housing and Urban-Rural Development Bureau and Sanjing Street. The total compensation amount agreed upon in the agreement is 346.8569 million yuan, and the expropriation compensation agreement is yet to be signed.

3.The subsidiary company, Horizon Investment, participated in the establishment of Changzhou Changtuo Xinhui No.1 Equity Investment Fund (Limited Partnership)

On November 5, 2025, the company held the eighth extraordinary meeting of the board of directors in 2025, which deliberated and approved the "Proposal on Jointly Establishing an Equity Investment Fund with Changzhou Investment Group Co., Ltd." The wholly-owned subsidiary, Changzhou Horizon Investment Co., Ltd., served as a limited partner, contributing 30 million yuan to jointly establish the Changzhou Changtuo Xinhui No.1 Equity Investment Fund (Limited Partnership) (hereinafter referred to as "Xinhui No.1 Fund") with the company's controlling shareholder, Changzhou Investment Group Co., Ltd. (hereinafter referred to as "Investment Group"), and the controlling shareholder's wholly-owned subsidiary, Changzhou Xinhui Private Equity Fund Management Co., Ltd. (hereinafter referred to as "Xinhui Private Equity"). The fund invests in advanced manufacturing projects, focusing on strategic emerging industries and future industries such as high-end manufacturing, intelligent agricultural machinery, new energy, and new power. In November 2025, Horizon Investment, Investment Group, and Xinhui Private Equity jointly signed the "Partnership Agreement for Changzhou Changtuo Xinhui No.1 Equity Investment Fund (Limited Partnership)". The initial contribution of 3.91 million yuan has been paid in full; Xinhui No.1 Fund has completed the business registration procedures, obtained a business license issued by the Zhonglou District Government Service Management Office of Changzhou City, completed the private equity fund filing procedures with the Asset Management Association of China, and obtained the "Private Equity Fund Filing Certificate".

4.The subsidiary company, Horizon Investment, participated in the establishment of Yuanzhi Changtuo Xingyu (Changzhou) Equity Investment Partnership (Limited Partnership)

On December 4, 2025, the company held the ninth extraordinary meeting of the board of directors in 2025, and deliberated and approved the "Proposal on the Subsidiary Participating in the Establishment of Equity Investment Funds and Related Transactions". Changzhou Housen Investment Co., Ltd., a wholly-owned subsidiary, contributed 50 million yuan as a limited partner to establish the Yuanzhi Changtuo Xingyu (Changzhou) Equity Investment Partnership (Limited Partnership) together with Changzhou Investment Group Co., Ltd., a controlling shareholder, Changzhou Xinhui Private Equity Fund Management Co., Ltd., a wholly-owned subsidiary of the controlling shareholder, Shenzhen Yuanzhi Venture Capital Co., Ltd., Changzhou Xingyu Industrial Investment Co., Ltd., Changzhou Xingyu Investment Management Co., Ltd., Shenzhen Capital Operation Group Co., Ltd., Shanghai Zhuguang Julian Hard Technology Venture Capital Partnership (Limited Partnership), and Changzhou Zhonglou Science and Technology Innovation Investment Partnership (Limited Partnership). The partnership focuses on the upstream and downstream industrial chain of new energy vehicles and new energy, including but not limited to equipment, materials, and components.

5. Changchai Robin's Merger with Horizon Agricultural Equipment

On November 22, 2024, the Company held the Fifth Interim Board Meeting of 2024 and passed the Proposal on the Merger between Changzhou Changchai Horizon Agricultural Equipment Co., Ltd. and Changzhou Fuji Changchai Robin Gasoline Engine Co., Ltd. The Board approved the wholly-owned subsidiary Changzhou Fuji Changchai Robin Gasoline Engine Co., Ltd. to absorb and merge another wholly-owned subsidiary, Changzhou Changchai Horizon Agricultural Equipment Co., Ltd., inheriting all assets, liabilities, business operations, and other rights and obligations. Post-merger, Changchai Robin continues normal operations, while Horizon Agricultural Equipment's legal entity status has been deregistered. In February 2025, the Company received the Registration Notice (No. Deng Zi [2025] 02270081) issued by the Government Services Management Office of Changzhou National Hi-Tech District (Xinbei District), confirming the completion of Horizon Agricultural

Equipment's business deregistration procedures.

6.Changniu Company has merged with Changben Company

On June 9, 2025, the company held the third extraordinary meeting of the board of directors in 2025, which deliberated and approved the "Proposal on the Merger of Changzhou Changchai Benniu Diesel Engine Parts Co., Ltd. and Changzhou Changniu Machinery Co., Ltd.". The board of directors agreed that Changzhou Changniu Machinery Co., Ltd. (hereinafter referred to as "Changniu Company") would merge with Changzhou Changchai Benniu Diesel Engine Parts Co., Ltd. (hereinafter referred to as "Changben Company") through an overall merger, incorporating all assets, liabilities, businesses, and all other rights and obligations of Changben Company, and inheriting the original registered capital, equity structure, and governance structure of Changben Company. In September 2025, the company received the "Registration Notice" (Deng Zi [2025] No. 09080200) and "Registration Notice" (Deng Zi [2025] No. 09080101) issued by the Government Service Management Office of Changzhou High-tech Industrial Development Zone (Xinbei District). Changben Company completed the industrial and commercial deregistration, and Changniu Company completed the industrial and commercial change registration, marking the completion of the merger.

7.Acquisition of 3% equity held by individual shareholders of Zhenjiang Siyang

In August 2025, the company acquired a 3% equity stake held by six individual shareholders of Zhenjiang Siyang, a controlling subsidiary, for a price of RMB 3.06 million. As of the end of the reporting period, the company held a total of 52% equity in Zhenjiang Siyang, remaining its largest shareholder.