What's Hot Today:

▶ NIO (9866 HK, HK$38.14, HK$88.7bn) Earnings Beat on Better Mix and Cost Control

NIO is a leading Chinese EV maker. It reported 4Q25 revenue of RMB34.7bn (+76% YoY / +59% QoQ) while operating profit reached RMB807mn and net profit came in at RMB283mn, marking the company's first profitable quarter. Both revenue and earnings beat market expectations as well as management's prior guidance.

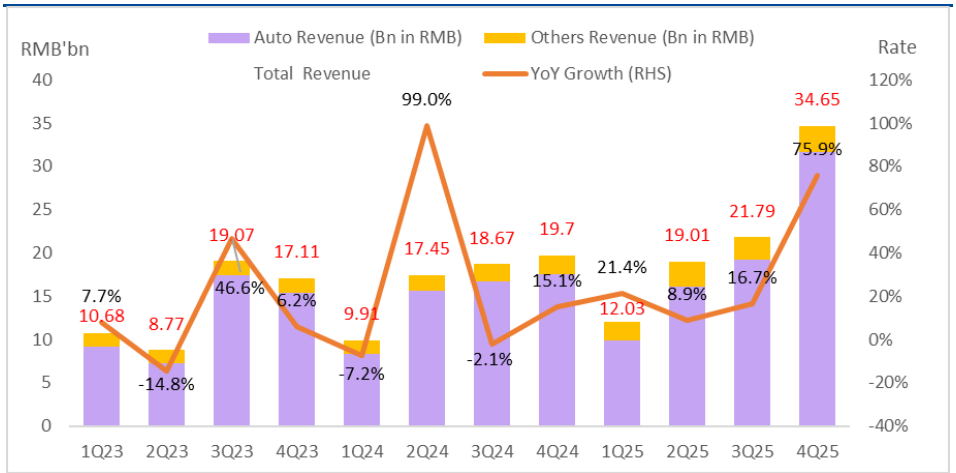
Fig 1: YoY and HoH Comparison (RMB'bn)

9866.HK NIO	4Q24		3Q25		4Q25			
	RMB bn	% of Rev	RMB bn	% of Rev	RMB bn	% of Rev	YoY	QoQ
Total Revenue	19.70		21.79		34.7		76%	59%
COGS	17.39		18.77		28.6		64%	52%
Gross Profit	**2.31**	**11.7%**	**3.02**	**13.9%**	**6.1**	**17.5%**	**5.8 ppt**	**3.6 ppt**
R&D Expense	3.64	18%	2.39	11%	2.0	6%	-44%	-15%
S&GA expense	4.88	25%	4.18	19%	3.5	10%	-27%	-15%
OPEX	8.52	43%	6.57	30%	5.6	16%	-25%	-15%
Core Operating Profit	**(6.2)**	**-32%**	**(3.6)**	**-16%**	**0.5**	**1%**	**TA**	**TA**
Operating Profit	**(6.0)**	**-31%**	**(3.5)**	**-16%**	**0.81**	**2%**	**TA**	TA

Source: Company Data, Sunwah Kingsway Research

Auto revenue beat on stronger volume and richer mix: Auto revenue reached RMB31.6bn (+81% YoY / +65% QoQ), above market expectations of RMB30.6bn, supported by vehicle sales of 124K units (+72% YoY / +43% QoQ). New models ONVO and Firefly maintained steady growth in 4Q25, while the NIO main brand relied on the sales of ES8. This lifted vehicle ASP to RMB253K through product mix optimization, with the higher-value ES8 accounting for 32% of total sales. As a result, vehicle GPM improved to 18.1%, the highest in three years. Other sales also grew solidly, with revenue reaching RMB3.04bn (+36.6% YoY / +17.5% QoQ) and GPM improving to a record high of 11.0%. Supported by stronger vehicle margin and improving profitability in other sales, overall GPM rose to 17.5%, also the highest in three years.

Fig 2: Total Revenue (RMB$ bn)



Source: Company Data, Sunwah Kingsway Research

China & HK Indices	CLOSE	1D	YTD
HSI	25,959	2.2%	1.3%
HSCEI	8,710	1.5%	-2.3%
HSCCI	4,317	0.1%	7.5%
CSI300	4,674	1.3%	1.0%
Shanghai A	4,324	0.6%	5.1%
Shanghai B	266	-0.1%	5.1%
Shenzhen A	2,856	1.8%	7.9%
Shenzhen B	1,228	1.0%	-2.9%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	47,706	-0.1%	-0.7%
S&P 500	6,781	-0.2%	-0.9%
Nasdaq	22,697	0.0%	-2.3%
NIKKEI Index	55,396	2.1%	10.0%
FTSE Index	10,412	1.6%	4.8%
CAC Index	8,057	1.8%	-1.1%
DAX Index	23,968	2.4%	-2.1%

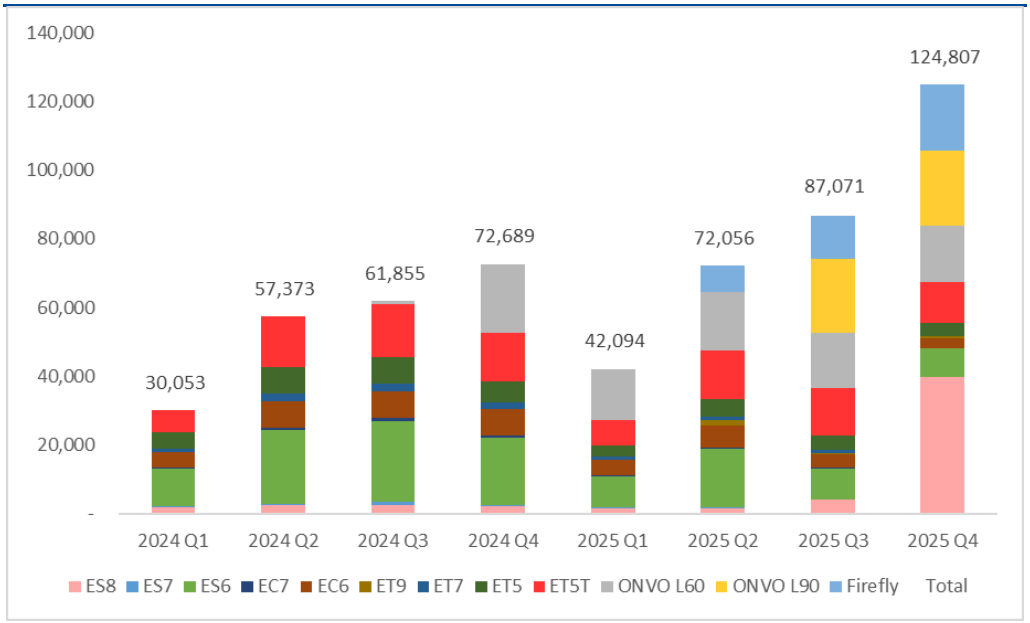
Commodities		CLOSE	1D	YTD
GOLD	(US$/oz.)	5,191	1.0%	20.6%
STEEL	(US$/oz.)	2,801	1.9%	10.1%
SILVER	(US$/oz.)	88	1.6%	23.8%
CRUDE OIL	(US$/bbl)	83	-11.9%	44.9%
COPPER	(US$/oz.)	13,140	2.2%	5.8%
ALUMINIUM	(US$/oz.)	3,406	-1.2%	13.7%
PLATINUM	(US$/oz)	2,202	0.8%	7.6%
ZINC	(US$/oz.)	3,345	1.4%	7.3%
WHEAT	(US¢/bu)	584	-4.3%	15.3%
CORN	(US¢/bu)	452	-0.3%	1.1%
SUGAR	(US¢/lb)	114	-10.0%	
SOYBEAN	(US¢/bu)	1,201	0.5%	13.8%
PVC	(US$/t.)	5,274	-2.7%	25.0%
CRB		348	-1.2%	3.0%
BDI				10.1%

Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.824	0.861	158.050	0.779	6.868
HKD	0.128		0.110	20.201	9.950	0.878
EUR	1.161	9.084		183.500	1.106	7.987
JPY	0.006	4.950	0.545		0.493	0.044
CHF	1.285	10.048	1.106	202.993		8.819
RMB	0.146	1.139	0.125	22.985	0.113	

Market Sentiment	CURRENT	5D
CDS Monitor - USD SR 5Y		
Greece	N/A	N/A
Ireland	83	-2.4%
Italy	139	-0.6%
Portugal	207	-0.0%
Spain	108	0.3%
VIX	24	5.8%

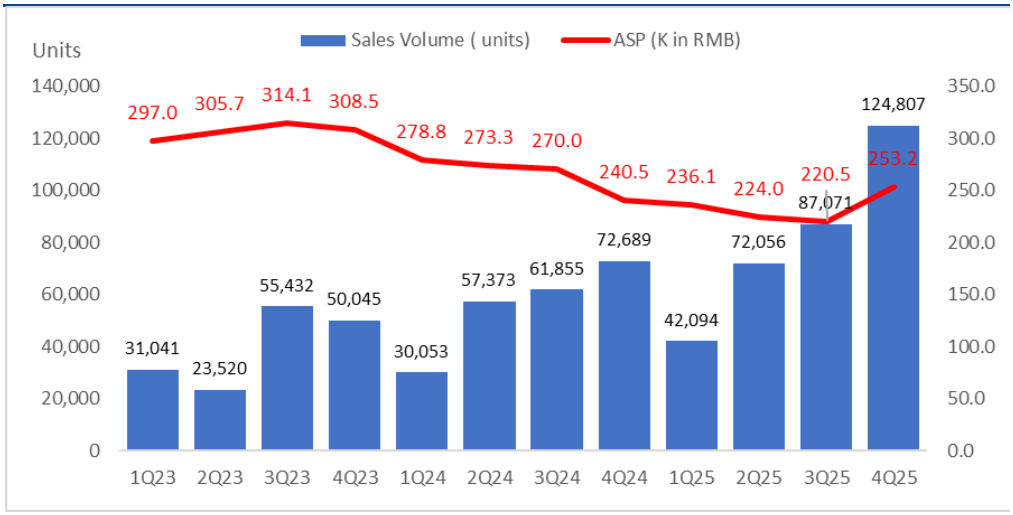
Source: Bloomberg

Fig 3: NIO Product Sales Structure



Source: Company Data, Sunwah Kingsway Research

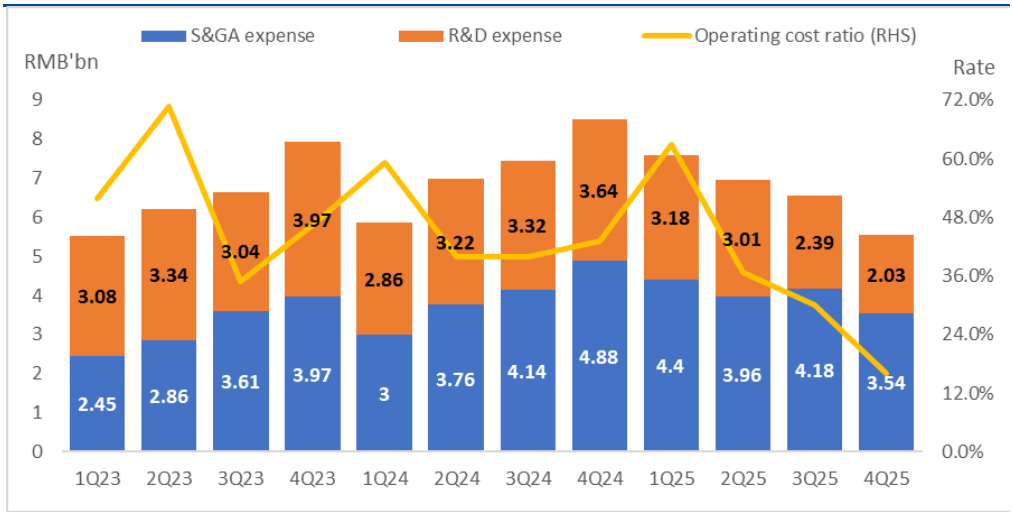
Fig 4: NIO Sales Volume and ASP (RMB'k)



Source: Company Data, Sunwah Kingsway Research

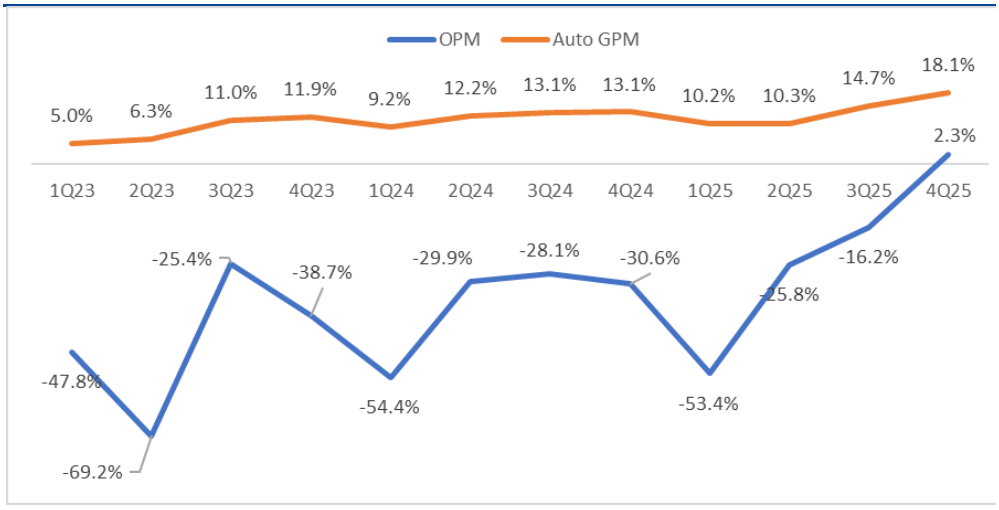
Core operating profit turned positive for the first time: Core operating profit came in at RMB510mn, driven by better cost control and stronger operating leverage. OPEX declined to RMB5.56bn (-35% YoY / -15% QoQ), bringing the OPEX ratio down to a record low of 16.1%. Operating profit also exceeded prior guidance of RMB200mn to 700mn. Cash flow improved as cash balance increased by RMB9.2bn QoQ to RMB45.9bn.

Fig 5: NIO Auto OPEX Breakdown



Source: Company Data, Sunwah Kingsway Research

Fig 6: NIO Profit Breakdown



Source: Company Data, Sunwah Kingsway Research

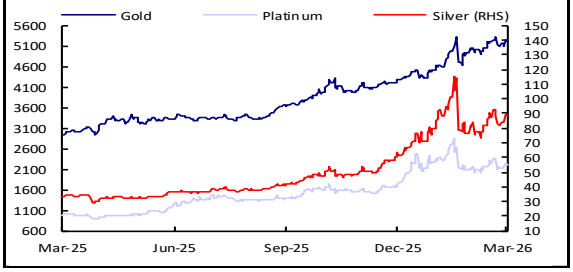
Business Outlook: The Mgt guided 1Q26 deliveries to 80K–83K units, implying YoY growth of 90.1%–97.2%. In 2026, NIO plans to launch three new models, including the ES9 in 2Q26, a new large five-seat SUV on the ES8 platform in 3Q26, and the ONVO L80 in 2Q26. Together with the ONVO L90 and the strong-selling new ES8, these models are expected to support solid sales growth this year. While rising and volatile raw material prices such as copper and lithium carbonate may pressure costs and GPM, management maintained its full-year sales growth target of 40%–50% and its goal of achieving full-year NON-GAAP profitability, supported by a richer mix of higher-margin large vehicles.

Our view: NIO's 4Q25 beat was mainly driven by cost control, as delivery upside had already been largely priced in by the market. Looking into 1Q26, delivery guidance of 80K–83K units came in slightly below market expectations of 89K, likely reflecting near-term ES8 capacity constraints and softer sales in other models. Beyond 1Q26, lower EV tax incentives this year could slow demand growth and intensify competition. Meanwhile, the company's proprietary autonomous driving chip is exploring other applications which could bring new revenue streams. The counter is trading at 0.7X FY26 P/S. (Research Department)

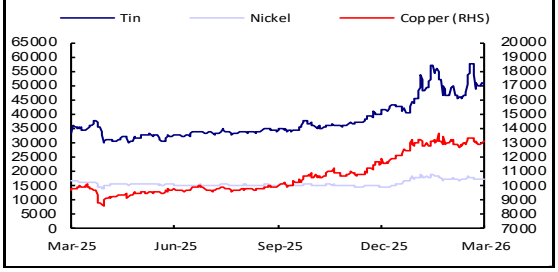
NIO (HK. 9866)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
Unit: RMB'bn												
Total Revenue	10.68	8.77	19.07	17.11	9.91	17.45	18.67	19.7	12.03	19.01	21.79	34.65
YoY Growth	7.7%	-14.8%	46.6%	6.2%	-7.2%	99.0%	-2.1%	15.1%	21.4%	8.9%	16.7%	75.9%
QoQ Growth		-17.9%	117.4%	-10.3%	-42.1%	76.1%	7.0%	5.5%	-38.9%	58.0%	14.6%	59.0%
Gross Profit	0.16	0.1	1.52	1.28	0.49	1.96	2.01	2.31	0.76	1.9	3.02	6.07
GPM	1.5%	1.1%	8.0%	7.5%	4.9%	11.2%	10.8%	11.7%	6.3%	10.0%	13.9%	17.5%
S&GA expense	2.45	2.86	3.61	3.97	3	3.76	4.14	4.88	4.4	3.96	4.18	3.54
S&GA ratio	22.9%	32.6%	18.9%	23.2%	30.3%	21.5%	22.2%	24.8%	36.6%	20.8%	19.2%	10.2%
R&D expense	3.08	3.34	3.04	3.97	2.86	3.22	3.32	3.64	3.18	3.01	2.39	2.03
R&D ratio	28.8%	38.1%	15.9%	23.2%	28.9%	18.5%	17.8%	18.5%	26.4%	15.8%	11.0%	5.8%
Operating Cost	5.53	6.20	6.65	7.94	5.86	6.98	7.46	8.52	7.58	6.97	6.57	5.56
OPEX ratio	51.8%	70.7%	34.9%	46.4%	59.1%	40.0%	40.0%	43.2%	63.0%	36.7%	30.2%	16.1%
Operating Profit	-5.11	-6.07	-4.84	-6.63	-5.39	-5.21	-5.24	-6.03	-6.42	-4.91	-3.52	0.81
OPM	-47.9%	-69.0%	-129.5%	-39.0%	-54.4%	-30.0%	-28.1%	-30.6%	-53.5%	-53.5%	-53.5%	2.3%
Auto Revenue	9.22	7.19	17.41	15.44	8.38	15.68	16.7	17.48	9.94	16.14	19.2	31.6
YoY Growth	-0.2%	-24.9%	45.9%	4.6%	-9.1%	118.1%	-4.1%	13.2%	18.6%	2.9%	15.0%	80.8%
QoQ Growth	-37.5%	-22.0%	142.1%	-11.3%	-45.7%	87.1%	6.5%	4.7%	-43.1%	62.4%	19.0%	64.6%
Auto Cost	8.76	6.74	15.49	13.6	7.61	13.77	14.52	15.19	8.93	14.48	16.38	25.9
Sales Volume (units)	31,041	23,520	55,432	50,045	30,053	57,373	61,855	72,689	42,094	72,056	87,071	124,807
YoY Growth	20.5%	-6.1%	75.4%	25.0%	-3.2%	143.9%	11.6%	45.2%	40.1%	25.6%	40.8%	71.7%
QoQ Growth	-22.5%	-24.2%	135.7%	-9.7%	-39.9%	90.9%	7.8%	17.5%	-42.1%	71.2%	20.8%	43.3%
Auto Gross Profit	0.46	0.45	1.92	1.84	0.77	1.91	2.18	2.29	1.01	1.66	2.82	5.73
Auto GPM	5.0%	6.3%	11.0%	11.9%	9.2%	12.2%	13.1%	13.1%	10.2%	10.3%	14.7%	18.1%
Auto rev per car (RMB'k)	297.0	305.7	314.1	308.5	278.8	273.3	270.0	240.5	236.1	224.0	220.5	253.2
Auto cost per car (RMB'k))	282	287	279	272	253	240	235	209	212	201	188	207
Auto profit per car (RMB'k))	15	19	35	37	26	33	35	32	24	23	32	46
YoY Growth					72.9%	74.0%	1.8%	-14.3%	-6.4%	-30.8%	-8.1%	45.7%
QoQ Growth		29.1%	81.0%	6.1%	-30.3%	29.9%	5.9%	-10.6%	-23.8%	-4.0%	40.6%	41.8%
Others Revenue	1.45	1.59	1.66	1.66	1.53	1.77	1.98	2.23	2.1	2.87	2.59	3.0
Others Gross Profit	-0.3	-0.36	-0.39	-0.56	-0.28	-0.22	-0.17	0.02	-0.09	0.24	0.2	0.4
Others GPM	-20.7%	-22.6%	-23.5%	-33.7%	-18.3%	-12.4%	-8.6%	0.9%	-4.3%	8.4%	7.7%	11.9%
Cash and cash equivalents, rest	37.8	41.6	45.2	57.3	45.3	41.6	42.2	41.9	26	27.2	36.7	45.9

Market Watch – Major Commodities and Currencies

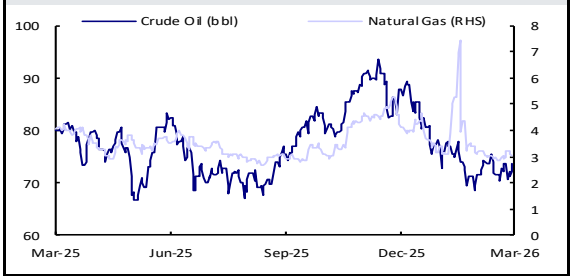
Precious metal	Price (US$)	QTD%	YTD%	YoY%
Gold (oz)	5242	20.8	20.8	79.5
Platinum (oz)	2234	9.8	9.8	128.1
Silver (oz)	89	26.2	26.2	170.9



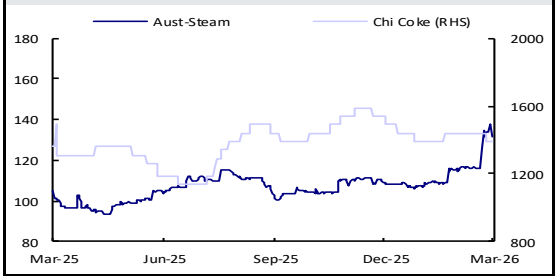
Non-ferrous metals	Price (US$)	QTD%	YTD%	YoY%
Copper (t)	13140	5.8	5.8	36.0
Nickel (t)	17488	5.1	5.1	6.0
Tin (t)	50439	24.4	24.4	52.1



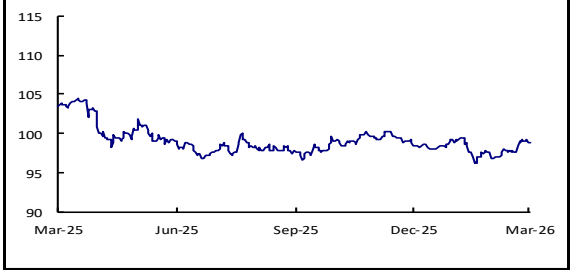
Energy	Price (US$)	QTD%	YTD%	YoY%
Crude Oil (bbl)	83.5	45.3	45.3	26.0
Natural Gas (MMbtu)	3.0	(18.1)	(18.1)	(32.2)



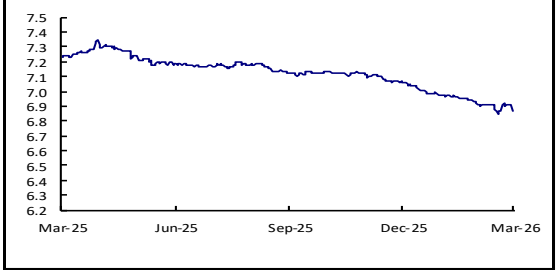
Coal	Price	QTD%	YTD%	YoY%
Chi Coke (Rmb / t)	1390.0	(3.5)	(3.5)	2.2
Aust Steam (US$ / t)	131.6	22.4	22.4	25.4



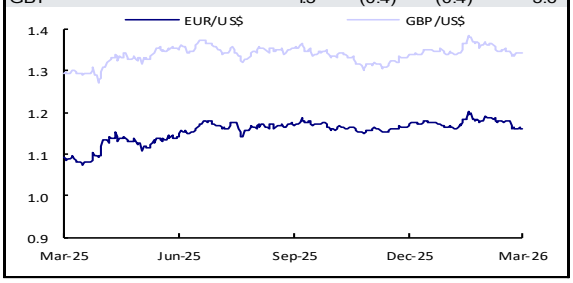
	Price (US$)	QTD%	YTD%	YoY%
Dollar Index Spot	98.8	0.5	0.5	(4.4)



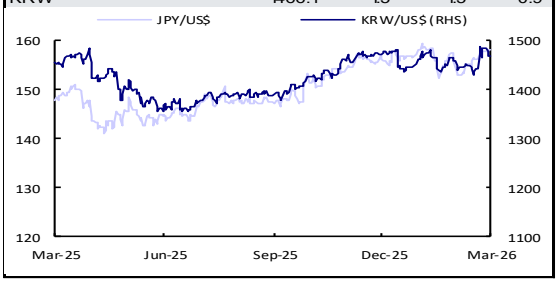
	Price (US$)	QTD%	YTD%	YoY%
Rmb/US$	6.9	(1.7)	(1.7)	(5.0)



	Price (US$)	QTD%	YTD%	YoY%
EUR	1.2	(1.1)	(1.1)	6.3
GBP	1.3	(0.4)	(0.4)	3.6



	Price (US$)	QTD%	YTD%	YoY%
JPY	158.1	0.9	0.9	6.9
KRW	1466.1	1.5	1.5	0.9



Source: Bloomberg

US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Housing Starts / Building Permits	MoM		12-Mar-26
PPI	MoM		18-Mar-26
ISM Manufacturing PMI	MoM		1-Apr-26
Personal Income & Spending	MoM		13-Mar-26
Durable Goods Orders	MoM		13-Mar-26
Factory Orders	MoM		18-Mar-26
Initial Jobless Claims	WoW		12-Mar-26
Trade Balance	MoM		12-Mar-26
Wholesale Inventories	MoM		19-Mar-26
Employment Report	MoM		3-Apr-26
CPI	MoM		11-Mar-26
Retail Sales	MoM		1-Apr-26
Existing Home Sales	MoM		10-Mar-26
Industrial Production	MoM		16-Mar-26
GDP	QoQ		13-Mar-26
Consumer Confidence	MoM		31-Mar-26
New home Sales	MoM		19-Mar-26
Business Inventories	MoM		1-Apr-26
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Money Supply - M2	MoM		11-Mar-26
Industrial Production	MoM		16-Mar-26
PMI Manufacturing	MoM		31-Mar-26
Foreign Exchange Reserves	QoQ		7-Apr-26
PPI	MoM		10-Apr-26
CPI	MoM		10-Apr-26
Trade Balance	MoM		14-Apr-26
Retail Sales	MoM		16-Apr-26
GDP	YoY		16-Apr-26

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Producer Prices Index	QoQ		13-Mar-26
Industrial Production	QoQ		13-Mar-26
Unemployment Rate	MoM		18-Mar-26
CPI	MoM		20-Mar-26
Trade Balance	MoM		26-Mar-26
Money Supply - M2	MoM		31-Mar-26
Retail Sales	MoM		1-Apr-26
PMI	MoM		8-Apr-26
Foreign Currency Reserve	MoM		9-Apr-26
GDP	QoQ		5-May-26
Composite Interest Rate	MoM		

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Notice of interest disclosure filed by substantial shareholders for the two previous trading days

Name of listed corporation	Name of substantial share holder	No. of shares bought/sold/involved	Average price per share
DL Holdings Group Ltd.	Chen Ningdi	2,000,000(L)	HKD 1.0300
DL Holdings Group Ltd.	DA Wolf Investments I Limited	2,000,000(L)	HKD 1.0300
Hong Kong Exchanges and Clearing Ltd.	Chan Yiting Bonnie	67,190(L)	HKD 0.0000
MTT Group Holdings Ltd.	Liu Xia	70,000,000(L)	HKD 0.5700
MTT Group Holdings Ltd.	LUO DONGMEI	50,000,000(L)	HKD 0.5700
MTT Group Holdings Ltd.	QH Technology Holdings Limited	70,000,000(L)	HKD 0.5700
MTT Group Holdings Ltd.	Yan Wei	70,000,000(L)	HKD 0.5700
NIU Holdings Ltd.	Makarov Vitaly	350,000(L)	HKD 0.1999
Texw inca Holdings Ltd.	Poon Bun Chak	1,256,000(L)	HKD 1.1292

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