

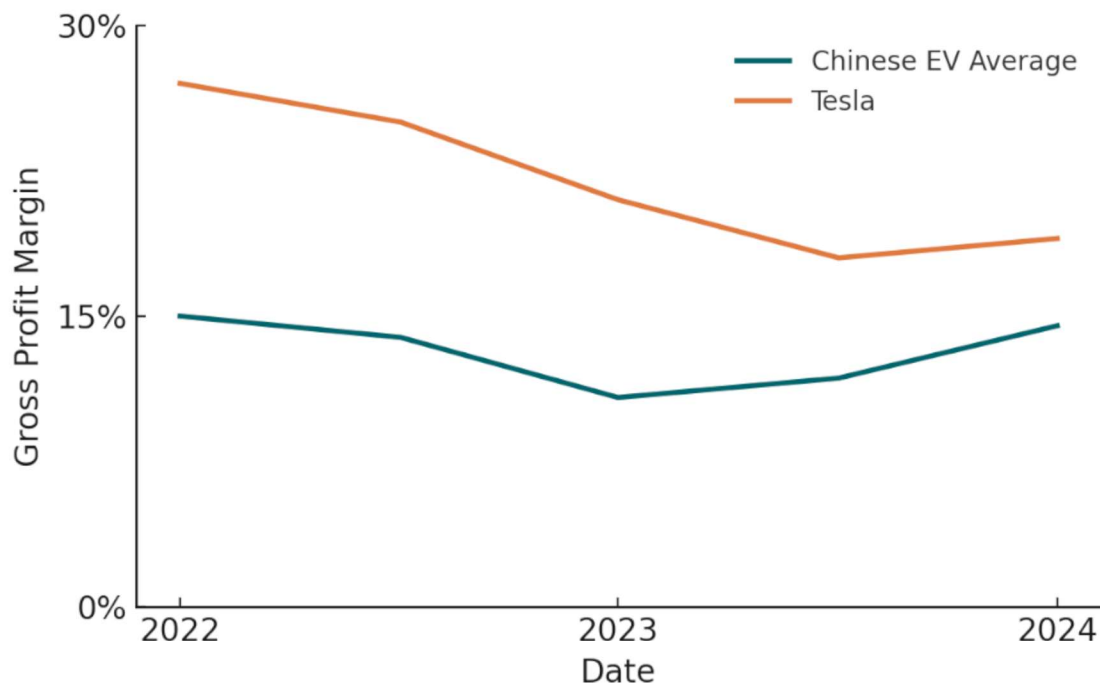
Thin Margins, Big Ambitions: How Chinese EV Firms Compete on Price

Chinese EV makers are rapidly scaling by offering vehicles at nearly half the cost of a Tesla. Since 2022, companies like Li Auto and BYD have shown impressive revenue growth, as seen in the chart.

But there's a catch: they're trading profit for market share, with consistently thinner margins than Tesla's stable ~25–28%. It's a classic China playbook—grab the market now, consolidate later.



Thin Margins, Big Ambitions Chinese EV Firms Compete on Price



Sources:

BYD Company Limited, Annual Reports: https://www.bydglobal.com/cn/en/BYD_ENInvestor/InvestorAnnals_mob.html

SAIC Motor Corporation Limited, Annual Report: https://www.saicmotor.com/english/investor_relations/annual_report/index.shtml

NIO Inc., Annual Reports: <https://ir.nio.com/financials/annual-reports>

Li Auto Inc., Financial Reports: <https://liauto.gcs-web.com/financial-information/financial-reports>

XPeng Inc., Annual Reports: <https://ir.xiaopeng.com/financials/annual-reports>

Tesla, Inc., Quarterly Disclosure and Financials: <https://ir.tesla.com/#quarterly-disclosure>

Companies data: <https://docs.google.com/spreadsheets/d/1aLpbxJXMv3lCiHMUynS37dJ5lo8A-QDft5flq5f6mUY/edit?usp=sharing>

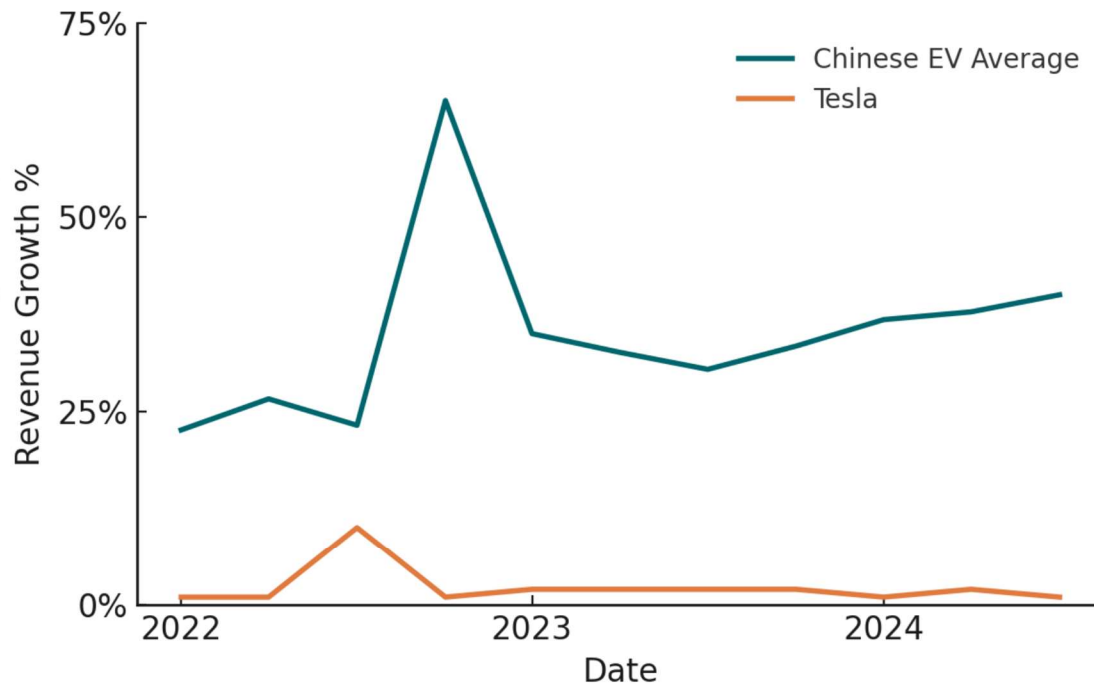
While Tesla leans on tech innovation and strong margins, China's EV firms push volume and affordability. This approach has led China to dominate global EV adoption and expand into Europe, Southeast Asia, and Latin America.

To learn more, contact Global Delta Capital at info@globaldeltacapital.com.

But razor-thin margins raise questions about long-term survival. In an ongoing price war, not every brand may make it to the next round.



Big Ambitions: Growth of Chinese EV Companies



Sources:

BYD Company Limited, Annual Reports: https://www.bydglobal.com/cn/en/BYD_ENInvestor/InvestorAnnals_mob.html
 SAIC Motor Corporation Limited, Annual Report: https://www.saicmotor.com/english/investor_relations/annual_report/index.shtml
 NIO Inc., Annual Reports: <https://ir.nio.com/financials/annual-reports>
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 Companies data: <https://docs.google.com/spreadsheets/d/1aLpbxJXMv3CiHMuYnS37dJ5Io8A-QDft5f1q5f6mUY/edit?usp=sharing>

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