

BMW  
GROUP



ROLLS-ROYCE  
MOTOR CARS LTD



ANNUAL REPORT 2025

BMW US CAPITAL, LLC

# CONTENTS

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

# MANAGEMENT REPORT

Dear Ladies and Gentlemen,

Management submits their report and the financial statements of BMW US Capital, LLC ("BMW US Capital" or "the Company") for the period ended December 31, 2025.

## Principal activities and Risk Management

The Company was formed on January 14, 1993, and until December 31, 2000, was a wholly owned subsidiary of BMW (US) Holding Corp., which is ultimately owned by Bayerische Motoren Werke Aktiengesellschaft (BMW AG). Effective January 1, 2001, the Company adopted a legal structure permitted under the Delaware Limited Liability Company Act dated August 1, 1999, and became a limited liability company whose sole member is BMW (US) Holding Corp, which is ultimately owned by BMW AG. The main purpose of the Company was and is to assist in the financing of business activities conducted by companies of the BMW Group and its affiliates, primarily in the United States, as well as to provide financial services in connection therewith.

The core business of the Company comprises primarily financing BMW Group companies priced in accordance with the "at arm's length" principle. Consequently, the main activities are providing long-term liquidity and inter-company funding for and factoring receivables of BMW Group companies, being the leader of the US and Canadian Dollar cash pools, and operating as the in-house bank for USD, CAD and MXN for the BMW Group. Based on its activities, the Company has identified the most important risks associated with its activities. Group policies, guidelines, control systems, and threshold structures are essential to making the Company's risk appetite an intrinsic part of the business, as they help minimize all the risks and control them at an acceptable level.

Firstly, protection against such risks is provided by so-called natural hedges, that arise when the values of non-derivative financial assets and liabilities have matching maturities, amounts (netting), and other characteristics. Derivative financial instruments are used to reduce the risk remaining after considering the effects of natural hedges.

The main categories of risk are credit and counterparty default risk, currency risk, interest rate risk, liquidity risk, and operational risk. Non-financial risk could arise from operating risks such as the risk of fraud and compliance risk. Risk of fraud is mainly identified in misappropriation of assets. The Company has aligned its internal control and risk management system on misappropriation of assets and financial reporting with the BMW Group policy.

The employees of the Company follow regular training as well as information events, which are invaluable ways to prepare new or additional requirements. The overall risk management process within the BMW Group is managed centrally and reviewed for appropriateness and effectiveness by the BMW Group's internal audit department, which is acting upon this as an independent authority. Please refer to the BMW Group's financial statements for more detailed information.

Given the objectives of the Company, the Company is economically interrelated with the ultimate holding company, BMW AG, Germany. In assessing the solvency of the Company, the solvency of the BMW Group as a whole, headed by BMW AG, needs to be considered. Solvency is assured by managing and monitoring the liquidity situation based on a rolling cash flow forecast. The resulting funding requirements are secured by a variety of instruments placed on the world's financial markets. The objective is to minimize risk by matching maturities for the BMW Group's financing requirements within the framework of the target debt ratio. The BMW Group has good

**3 Management Report**

7 Responsibility Statement

9 Independent Auditor's Report

15 Statements of Financial Position

16 Statements of Comprehensive Income

17 Statements of Changes in Member's Capital

18 Statements of Cash Flows

19 Notes to Financial Statements

access to capital markets because of its solid financial position and a diversified refinancing strategy. In 2025 Rating agencies Moody's and Standard & Poor's (S&P) have confirmed BMW AG's existing high investment-grade credit ratings. Moody's has held its long-term rating at "A2 with stable outlook", while the short-term rating is unchanged at "P-1". Standard & Poor's has confirmed its longterm rating of "A" and its short-term rating of "A-1". However, given the challenging market and industry environment, S&P has adjusted the outlook for its long-term rating from stable to negative. The debt securities are guaranteed by BMW AG.

At present, no risks have been identified which could threaten the going-concern status of the Company or which could have a materially adverse impact on the net assets, financial position or results of operations of the Company. Further, there are no special events that should be considered for the financial statements 2025.

**Operations during the year**

During the financial year ended December 31, 2025, the Company reported income before taxation of USD 45.1 million (2024: USD 14.9 million). This result was primarily driven by a negative interest margin of USD 62.1 million (2024: negative interest margin of USD 47.8 million) and a profit on financial transactions of USD 111.6 million (2024: profit of USD 68.0 million) and a factoring commission income related to factoring activities of USD 8.7 million (2024: USD 5.6 million). Factoring commission income is presented in interest income.

Furthermore, regarding the interest margin results the company can inform that they were primarily attributable to income / expense generated from liquidity management arrangements with affiliated companies and the net interest margin earned on intercompany financing activities. Also, it is important to mention that, in October 2020 the company updated its business model and implemented a liquidity fee to be received from BMW AG, for which the company received a total of USD 139.8 million in 2025 (2024: 125.6 million). Such liquidity fee adjustments are included under the financial transactions results.

Fair value movements on financial instruments had a limited impact on the overall result.

The Company's balance sheet total increased by 5.8 billion to USD 41.7 billion by 31 December 2025 (2024: 35.9 billion). The Company's portfolio moved upward, and the increase was mainly due to intercompany funding activities from affiliates. Debt securities increased to USD 26.3 billion (2024: USD 22.3 billion).

The Company applies IFRS 9 for the valuation of its financial instruments. IFRS 9 requires that all derivative instruments be recorded on the statements of financial position at their respective fair values upon initial recognition. Fair value changes are reflected in the statements of comprehensive income / (loss). Further details can be found in the appropriate footnotes throughout the report.

The progress of the Company is monitored by financial and non-financial data on a regular basis with emphasis on key performance indicators, including net interest margin, and loan outstanding at the reporting date. These key performance indicators are reviewed and adjusted regularly and in line with the requirements of the business.

The Company did not pay dividends to its parent company BMW US Holding Corp in 2025 (2024: nil). During 2025, the Company did not engage in any research and development or other events, and no such events are expected to occur during 2025.

**Debt Capital Markets**

The Company continues to have good access to the international capital markets and benefits from attractive refinancing conditions. A variety of instruments in the international capital markets are used to finance the business.

The Company has access to the US capital markets through the issuance of 144a bonds, which is the main instrument, in terms of volume, for the company to access the local capital markets. In the year under report the company issued a total volume of USD 6.75 Billion of 144a bonds (2024: 6.95 billion).

<b>3</b>	<b>Management Report</b>
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

The Company has also successfully utilized the Euro Medium Term Note ("EMTN") Program of EUR 50 billion and the USD 7.0 billion Commercial Paper Program in the year under report with the objective to refinance the BMW Group companies. The programs give the Company the ability to raise funds without significant administrative efforts.

In the year under report the company issued a total volume of EUR .6 Billion of EMTN Bonds (2024: 2.0 billion). Regarding US Commercial Paper, the company ended the year with a position of USD 2.3 billion (2024: 1.9 billion).

### Global Developments and outlook

Global growth over 2026–2027 is expected to be steady but below pre-pandemic norms, with the eurozone recovering modestly and the US remaining a key growth engine, all against a backdrop of easing inflation, lower interest rates and tightening sustainability regulation. Structural forces such as AI driven investment and the energy transition are increasingly shaping both macroeconomic conditions and corporate strategies.

The IMF projects global GDP growth of about 3.3% in 2026 and 3.2% in 2027, roughly the same pace as in 2025 but still below the pre pandemic average of around 3.7%. This steady, moderate growth reflects a balance between headwinds from trade tensions and geopolitical risks and tailwinds from strong technology related investment, more accommodative monetary policy and private sector adaptability.

Global headline inflation is forecast to fall from an estimated 4.1% in 2025 to 3.8% in 2026 and 3.4% in 2027, helped by weaker demand, lower energy prices and fading supply bottlenecks. However, inflation is expected to remain slightly above central bank targets in several advanced economies, implying that interest rates are likely to stay supportive but not overly loose.

In the Euro area, growth is expected to gradually recover after a period of near stagnation, with real GDP projected at around 1.3% in 2026 and 1.4% in 2027. The improvement is driven mainly by stronger domestic demand as real wages rise, financing conditions ease and public investment in defense, infrastructure and the green transition picks up. Eurozone inflation has fallen sharply from its peak and is now close to the ECB's 2% target, with

headline inflation expected to hover around that level over the next two years. The ECB has already cut rates from their earlier highs and is expected to keep policy settings consistent by maintaining price stability while cautiously supporting growth.

Growth within Europe remains uneven. Germany is projected to grow only slowly as it emerges from a period marked by weak industry and energy price shocks, while France and Italy see modest but growth on the back of domestic demand. Spain continues to outperform, supported by tourism, EU funds and relatively strong labor market dynamics. The United Kingdom is expected to expand by a little over 1% in 2026, helped by lower inflation and gradual rate cuts, although post Brexit frictions and structural constraints keep potential growth subdued. Across Europe, labor markets have been surprisingly resilient, with unemployment generally low despite weak investment and slower exports.

The United States remains a key driver of global activity, with growth in the range of about 2–2.4% expected for 2026–2027, supported by solid consumption, fiscal measures and strong investment in AI and related technologies. Over time, higher tariffs, elevated public debt and tighter immigration policy may weigh on potential growth and slow the return of inflation to the Federal Reserve's 2% target. In emerging markets, China is projected to grow a bit above 4% in the medium term as policy support and easing US tariffs offset structural headwinds, while India remains one of the fastest growing major economies with growth above 6%. Many lower income countries are expected to see gradually improving growth but continue to face constraints from high debt levels, climate shocks and limited fiscal space.

The Company acknowledges the potential challenges that may arise due to various factors. These include the economic outlook, political climate and potential trade frictions. Despite the potential difficulties, we firmly believe that our status as a going concern will not be threatened. Our management team is dedicated to proactively addressing any challenges that may arise, ensuring the long-term sustainability of our operations. Furthermore, we expect our financial position to remain stable in 2026. We have taken measures to meet our current liquidity needs by utilizing available resources to secure the necessary funding to support our operations and growth.

3	<b>Management Report</b>
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

Since 28 February 2026, the situation in the Middle East has escalated significantly because of military conflicts. The escalation is increasing geo-political tensions and leading to heightened uncertainty regarding further political and economic developments. Possible effects on supply chains, energy and commodity markets, international trade flows and thus on the results of operations, financial position or net assets of the BMW Group cannot be ruled out in the event of a prolonged conflict. The BMW Group is continuously monitoring and analyzing the situation.

### Internal Control over Financial Reporting

The Company actively participates in the internal control system throughout the BMW Group aimed at ensuring the effectiveness of operations. It adheres to the principal features of the internal control system, in relation to the Company and its financial reporting processes. A detailed description and explanation of the internal control system is available within the BMW Group Annual Report for the year 2025.

Management assesses the design and effectiveness of the internal control over financial reporting on the basis of internal review procedures performed at regular intervals. Effective measures are implemented whenever weaknesses are identified and reported. Based on these assessments, management believes that the Company maintained effective internal controls over financial reporting during the period ended December 31, 2025.

### Creditor payment policy

The Company's policy concerning the payment of its trade creditors is to pay in accordance with contractual and other legal obligations.

### Members and members' interests

The members who held office during the year or subsequently were as follows: BMW (US) Holding Corporation, as the sole member.

### Employees

During the period ended December 31, 2025, the Company employed 16 persons, all of which are included within these accounts.

### Political and charitable contributions

The company made no political or charitable contributions during the period ended December 31, 2025.

### Disclosure of information to auditors

Management who held office at the date of approval of this management report confirms that, to the best of their knowledge and belief, there is no relevant audit information of which the Company's auditors are unaware; and management has taken all the steps that ought to have taken to make itself aware of any relevant audit information and has made such information available to the Company's auditors.

### Auditors

The independent auditor ("certified public accountants") of BMW US Capital is PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Frankfurt, Germany.

BMW US Capital, LLC



April 28, 2026  
Moritz Lindemann  
President

3	Management Report
7	<b>Responsibility Statement</b>
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

# RESPONSIBILITY STATEMENT

## Statement of Management responsibilities in respect of financial statements and the Management Report

Management is responsible for preparing the financial statements and the Management Report in accordance with applicable laws and regulations of Luxembourg, which BMW US Capital, LLC has chosen as its Home Member State under the regulations of the EU Transparency Directive.

Luxembourg Law, pursuant to the EU Transparency Directive, requires Management to prepare audited financial statements for each financial year. Management has elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board. Management makes every effort to ensure the financial statements present fairly the financial position of the Company and the performance for that period.

Management is also responsible for preparing the Management Report that complies with the law.

The financial information contained in the Management Report concerning the operations, economic performance and financial condition of the Company is subject to known and unknown risks, uncertainties and contingencies, many of which are beyond the control of the Management of the Company, which may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements.

Also, the financial information is based upon Management's estimates of fair values and future costs, using currently available information. Factors that could cause such differences include, but are not limited to:

- risks of economic slowdown, downturn or recession,
- risks inherent in changes in market interest rates and spreads,
- lending conditions to companies turning to the worse, thereby increasing the cost of borrowing,
- changes in funding markets, including commercial paper and term debt,
- uncertainties associated with risk management, including credit, prepayment, asset/liability, interest rate and currency risks,
- changes in laws or regulations governing BMW US Capital, LLC's business and operations, and
- changes in competitive factors.

Management has a general responsibility to design and implement controls to prevent and detect fraud and other irregularities.

3	Management Report
7	<b>Responsibility Statement</b>
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

### **Responsibility Statement by the Company's legal representatives**

To the best of Management's knowledge, and in accordance with the applicable reporting principles, International Financial Reporting Standards as issued by the International Accounting Standard Board, the financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of BMW US Capital, LLC, and the Management Report includes a fair review of the development and performance of the business and the position of BMW US Capital, LLC, together with a description of the principal opportunities and risks associated with the expected development of BMW US Capital, LLC.

BMW US Capital, LLC



April 28, 2026  
Moritz Lindemann  
President

3	Management Report
7	Responsibility Statement
<b>9</b>	<b>Independent Auditor's Report</b>
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

# INDEPENDENT AUDITOR'S REPORT

To Bayerische Motoren Werke Aktiengesellschaft, München

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of BMW US Capital, LLC, Woodcliff Lake, New Jersey, which comprise the statement of financial position as at December 31, 2025, and the statement of comprehensive income / (loss), statement of changes in member's capital and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Germany, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the

audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

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

In our view, the matter of most significance in our audit was as follows:

#### 1 Accounting treatment of hedging relationships

Our presentation of this key audit matter has been structured as follows:

- 1 Matter and issue
- 2 Audit approach and findings
- 3 Reference to further information

Hereinafter we present the key audit matter:

#### 1 Accounting treatment of hedging relationships

- 1 The company uses derivative financial instruments to hedge in particular interest rate risks in combination with foreign exchange rate risks arising from its ordinary business activities. The management's hedging policy is documented in internal guidelines and serves as the basis for

3	Management Report
7	Responsibility Statement
<b>9</b>	<b>Independent Auditor's Report</b>
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

these transactions. The company enters into interest rate derivatives for the purpose of achieving a desired ratio of fixed to variable interest rate exposures. Interest rate risk is mitigated by concluding interest rate swaps and cross-currency interest rate swaps. In addition, FX forwards are used for the hedging of pure foreign currency risk.

Derivatives are measured at fair value with changes in fair value recognized in profit or loss. The sum of all derivatives with positive fair values amounts to \$624 million as of the reporting date, while the sum of all derivatives with negative fair values amounts to \$802 million. Hedges of the exposure to changes in fair value of recognized assets and liabilities that are attributable to interest rate risk are designated as fair value hedge relationships, if hedge accounting requirements pursuant to IFRS 9 are met. When applying fair value hedge accounting the cross-currency basis spread is not designated as part of the hedge relationship. At the reporting date, the company held derivatives designated as hedging instruments with positive fair values amounting to \$396 million and negative fair values amounting to \$614 million.

The effective portion of the cumulative gain or loss from measuring the derivative hedging instruments at fair value is recognized in financial result (profit or loss). The cumulative gain or loss of the hedged item attributable to the hedged risk is recognized as hedged fair value in financial result. Changes in the fair value of the hedging instruments caused by changes in the cross-currency basis spread are not designated in the hedge relationship, instead these fair value changes are recognized in other comprehensive income and are accumulated in the "cost of hedging reserve". The accumulated changes due to the cross-currency basis spread are reclassified from other comprehensive income to profit or loss in the periods during which the hedged cash flows of the hedged items affect profit or loss. Insofar the reclassification of accumulated changes due to cross-currency basis spreads takes place over the duration of the hedging relationship.

As of the balance sheet date, a cumulative amount of \$295 million (before deferred taxes) was recognized as hedge fair value adjustment of designated hedged items. In the cost of hedging reserve, a cumulative amount of \$14 million was recognized (including deferred taxes).

From our point of view these matters were of particular significance for our audit due to the high nominal amounts of hedged items as well as the extensive accounting and disclosure requirements of IFRS 9 and IFRS 7.

- 2 As part of our audit and with the assistance of our internal specialists, we assessed, among other things, the contractual and financial parameters and evaluated the accounting treatment, including the effects on profit or loss and equity, of the various hedge relationships.

Together with our specialists, we also evaluated the company's internal control system regarding derivative financial instruments, including the internal activities to record and maintain data in the treasury management system. In addition to evaluating the internal control system, we obtained bank confirmations for the hedging instruments in order to assess completeness. With regards to the assessment of the ineffectiveness of designated hedge relationships, we obtained and evaluated the quantitative assessment conducted by management. In doing so, we were able to satisfy ourselves that the requirements for applying fair value hedge accounting according to IFRS 9 were substantiated and sufficiently documented.

- 3 The company's disclosures on hedge accounting are contained in sections entitled "Basis of Preparation and Significant Accounting Policies and Practices" and "Risk Management" in the notes to the financial statements.

3	Management Report
7	Responsibility Statement
<b>9</b>	<b>Independent Auditor's Report</b>
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

### Other information

Management is responsible for the other information. The other information comprises the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the 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 management for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

3	Management Report
7	Responsibility Statement
<b>9</b>	<b>Independent Auditor's Report</b>
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

- Conclude on the appropriateness of management's 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 Company'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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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 those charged with governance 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 of safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

### Report on the Assurance on the Electronic Rendering of the Financial Statements Prepared for Publication Purposes

#### Assurance Opinion

We have performed assurance work to obtain reasonable assurance as to whether the rendering of the financial statements (hereinafter the "ESEF documents") contained in the electronic file BMW\_US\_Capital\_Annual\_Report\_ESEF-2025-12-31-0-en.zip and prepared for publication purposes complies in all material respects with the requirements of the Delegated Regulation (EU) 2019 / 815 ("ESEF format"). This assurance work extends only to the conversion of the information contained in the financial statements into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the financial statements contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of the Delegated Regulation (EU) 2019 / 815 for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying financial statements for the financial year from January 1 to December 31, 2025 contained in the "Report on the Audit of the Financial Statements" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

3	Management Report
7	Responsibility Statement
<b>9</b>	<b>Independent Auditor's Report</b>
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

### **Basis for the Assurance Opinion**

We conducted our assurance work on the rendering of the financial statements contained in the electronic file identified above in accordance with the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the International Standard on Quality Management 1.

### **Responsibilities of the Management for the ESEF Documents**

The management of the Company is responsible for the preparation of the ESEF documents including the electronic renderings of the financial statements in accordance with the Delegated Regulation (EU) 2019 / 815.

In addition, the management of the Company is responsible for such internal control as management has considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of the Delegated Regulation (EU) 2019 / 815 for the electronic reporting format, whether due to fraud or error.

### **Auditor's Responsibilities for the Assurance Work on the ESEF Documents**

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of the Delegated Regulation (EU) 2019 / 815, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of the Delegated Regulation (EU) 2019 / 815, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019 / 815 in the version in force at the date of the financial statements on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited financial statements.

## **REFERENCE TO AN OTHER MATTER – USE OF THE AUDITOR'S REPORT**

Our auditor's report must always be read together with the audited financial statements as well as the assured ESEF documents. The financial statements converted to the ESEF format – including the versions to be published to the operator of the Luxembourg Stock Exchange – are merely electronic renderings of the audited financial statements and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Financial Statements Prepared for Publication Purposes" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.



3	Management Report
7	Responsibility Statement
<b>9</b>	<b>Independent Auditor's Report</b>
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

## GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The engagement partner on the audit resulting in this independent auditor's report is Michael Popp.

Munich, April 28, 2026

PricewaterhouseCoopers GmbH  
Wirtschaftsprüfungsgesellschaft

Ralf Räßle	Michael Popp
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
<b>15</b>	<b>Statements of Financial Position</b>
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

## STATEMENTS OF FINANCIAL POSITION

### YEARS ENDED DECEMBER 31, 2025 AND 2024

in thousands of dollars	Notes	2025	2024	in thousands of dollars	Notes	2025	2024
Receivables from BMW Group companies	3a	12,335,632	11,924,567	Member's capital		11,000	11,000
Derivative assets	3e	537,852	162,352	Capital reserves		144,000	144,000
Deferred tax assets		25,616	26,047	Accumulated other comprehensive loss		(16,286)	(21,611)
<b>Total non-current assets</b>		<b>12,899,100</b>	<b>12,112,966</b>	Retained earnings		137,261	103,289
Cash and cash equivalents		181,022	1,271,753	<b>Total member's capital</b>		<b>275,975</b>	<b>236,678</b>
Receivables from BMW Group companies	3a	28,526,588	22,401,317	Pension obligation		162	117
Derivative assets	3e	85,811	51,002	Term debt	3d	21,445,785	17,907,995
<b>Total current assets</b>		<b>28,793,421</b>	<b>23,724,072</b>	Liabilities due to BMW Group companies	3a	675,000	425,000
<b>Total assets</b>		<b>41,692,521</b>	<b>35,837,038</b>	Derivative liabilities	3e	599,879	1,056,128
				<b>Total non-current liabilities</b>		<b>22,720,826</b>	<b>19,389,240</b>
				Term debt	3d	4,942,333	4,424,509
				Commercial paper	3c	2,285,935	1,914,801
				Liabilities due to BMW Group companies	3a	11,264,748	9,761,733
				Derivative liabilities	3e	202,046	109,285
				Other liabilities	3b	658	792
				<b>Total current liabilities</b>		<b>18,695,720</b>	<b>16,211,120</b>
				<b>Total liabilities</b>		<b>41,416,546</b>	<b>35,600,360</b>
				<b>Total member's capital and liabilities</b>		<b>41,692,521</b>	<b>35,837,038</b>



See accompanying notes to financial statements

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
<b>16</b>	<b>Statements of Comprehensive Income</b>
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

## STATEMENTS OF COMPREHENSIVE INCOME

### YEARS ENDED DECEMBER 31, 2025 AND 2024

in thousands of dollars	Notes	2025	2024	in thousands of dollars	Notes	2025	2024
BMW Group companies		2,035,090	1,972,897	Remeasurement of the net defined benefit liability for pension and post-retirement plans		(30)	(25)
Third parties		1,813,314	1,804,601	Deferred taxes		12	(2)
<b>Interest income</b>	<b>4a</b>	<b>3,848,404</b>	<b>3,777,498</b>	<b>Items not to be expected to be reclassified to net income</b>		<b>(18)</b>	<b>(27)</b>
BMW Group companies		(756,847)	(866,824)	Costs of hedging		7,015	(22,034)
Third parties		(3,153,746)	(2,958,447)	Deferred taxes (expense) / benefit		(1,672)	5,336
<b>Interest expense</b>	<b>4a</b>	<b>(3,910,593)</b>	<b>(3,825,271)</b>	<b>Items that can be reclassified to the income statement in the future</b>		<b>5,343</b>	<b>(16,698)</b>
<b>Net Interest margin</b>		<b>(62,189)</b>	<b>(47,773)</b>	<b>Other comprehensive income, (loss) net of tax</b>		<b>5,325</b>	<b>(16,725)</b>
Gains from financial transactions		1,071,634	851,337	<b>Total comprehensive income, (loss)</b>		<b>39,297</b>	<b>(6,198)</b>
Losses from financial transactions		(960,040)	(783,320)				
<b>Financial result</b>	<b>4b</b>	<b>111,594</b>	<b>68,017</b>				
General and administrative expenses		(4,343)	(5,312)				
<b>Net income before taxation</b>		<b>45,062</b>	<b>14,932</b>				
Income taxes	4c	(11,090)	(4,405)				
<b>Net income after taxation</b>		<b>33,972</b>	<b>10,527</b>				



See accompanying notes to financial statements

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
<b>17</b>	<b>Statements of Changes in Member's Capital</b>
18	Statements of Cash Flows
19	Notes to Financial Statements

## STATEMENTS OF CHANGES IN MEMBER'S CAPITAL YEARS ENDED DECEMBER 31, 2025 AND 2024

in thousands of dollars	Member's capital	Capital reserves	Accumulated other comprehensive (loss) / income		Retained earnings	Total member's capital
			Pension	Cost of hedging		
<b>Balance at December 31, 2024</b>	<b>11,000</b>	<b>144,000</b>	<b>(2,247)</b>	<b>(19,364)</b>	<b>103,289</b>	<b>236,678</b>
Other comprehensive income /(loss) for the period			(18)	5,343		5,325
Net income					33,972	33,972
<b>Balance at December 31, 2025</b>	<b>11,000</b>	<b>144,000</b>	<b>(2,265)</b>	<b>(14,021)</b>	<b>137,261</b>	<b>275,975</b>
<b>Balance at December 31, 2023</b>	<b>11,000</b>	<b>144,000</b>	<b>(2,220)</b>	<b>(2,666)</b>	<b>92,762</b>	<b>242,876</b>
Other comprehensive income /(loss) for the period			(27)	(16,698)		(16,725)
Net income					10,527	10,527
<b>Balance at December 31, 2024</b>	<b>11,000</b>	<b>144,000</b>	<b>(2,247)</b>	<b>(19,364)</b>	<b>103,289</b>	<b>236,678</b>

See accompanying notes to financial statements

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
<b>18</b>	<b>Statements of Cash Flows</b>
19	Notes to Financial Statements

## STATEMENTS OF CASH FLOWS

### YEARS ENDED DECEMBER 31, 2025 AND 2024

in thousands of dollars	Notes	2025	2024	in thousands of dollars	Notes	2025	2024
<b>Net income</b>		<b>33,972</b>	<b>10,526</b>	Proceeds from term debt issuances	3d	7,382,354	9,098,240
Change in pension obligation		(18)	(27)	Repayment of term debt issuances	3d	(4,157,323)	(4,148,980)
Foreign exchange losses / (gains)		(5,990)	23,855	Proceeds from commercial paper issuances	3c	17,154,657	25,178,172
Fair value change due to hedge accounting	7	796,024	1,735	Repayment of commercial paper issuances	3c	(16,782,149)	(25,467,915)
Amortization of financial instruments*	7	(6,009)	(26,696)	Interest paid – term debt		(1,000,790)	(730,532)
Fair value measurement losses / (gains) – derivatives		(398,776)	485,074	Interest Received/ Paid on fair value hedge derivatives		(426,569)	(643,276)
Interest expense – term debt		1,039,984	832,836	<b>Cash flow from financing activities</b>		<b>2,170,180</b>	<b>3,285,709</b>
Change in deferred tax assets / (liabilities)	4c	431	(13,869)	<b>Change in cash and cash activities</b>		<b>(1,090,731)</b>	<b>733,521</b>
Interest income		(12,545)	(118,500)	Cash and cash equivalents at beginning of year		1,271,753	538,232
Interest expense		6,208	479,549	<b>Cash and cash equivalents at end of period</b>		<b>181,022</b>	<b>1,271,753</b>
<b>Total adjustments for non-cash items</b>		<b>1,419,309</b>	<b>1,663,957</b>				
Change in receivables from / (liabilities) to BMW Group companies	3a	(5,887,839)	(5,433,495)				
Change in pension obligation		45	43				
Change in other (liabilities)	3b	(134)	(87)				
Interest received on derivatives		1,306,867	796,450				
Interest paid on derivatives		(1,249,977)	(431,185)				
Interest received		(412,607)	(479,549)				
Interest paid		1,529,453	1,321,152				
<b>Total adjustments for cash items</b>		<b>(4,714,192)</b>	<b>(4,226,671)</b>				
<b>Cash flow from operating activities</b>		<b>(3,260,911)</b>	<b>(2,552,188)</b>				

\*Change in presentation

See accompanying notes to financial statements



3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	<b>Notes to Financial Statements</b>

# NOTES TO FINANCIAL STATEMENTS

## YEARS ENDED DECEMBER 31, 2025 AND 2024

### 1 Nature of Operations

BMW US Capital, LLC (the Company) was formed on January 14, 1993, and until December 31, 2000, was a wholly owned subsidiary of BMW (US) Holding Corp., which is ultimately owned by BMW AG (Bayerische Motoren Werke Aktiengesellschaft).

Effective January 1, 2001, the Company adopted a legal structure permitted under the Delaware Limited Liability Company Act dated August 1, 1999, and became a limited liability company whose sole member is BMW (US) Holding Corp., which is ultimately owned by BMW AG. The conversion of the Company to a Limited Liability Company (LLC) did not have any effect on the liabilities or obligations of the organization and did not constitute dissolution of the converting entity. As a result of the conversion, the stockholder's equity of BMW US Capital Corp. was contributed to the Company and is now accounted for as member's capital.

The Company's purpose is to assist, via long and short term advances, the financing of the activities and managing interest and foreign exchange risks for BMW AG or the Parent and its affiliates (BMW Group), primarily in the United States, and to provide services in connection therewith.

The Company's U.S. affiliates operate primarily in the automotive industry and generate revenues across North America, with a concentration in states with large populations such as California, Texas, Florida, New York, and New Jersey.

The Company's business as a service provider is connected to the automotive and financial activities of BMW Group with respect to yearly fluctuations due to overall economic changes and their impact over BMW Group's businesses.

The Company's revenues and expenses arise primarily from interests on deposits and borrowings and fair value gains and losses on financial instruments, which include derivatives executed for hedging purposes.

The debts, obligations, and liabilities of the Company, whether arising in contract, tort, or otherwise, shall be solely the debts, obligations, and liabilities of the Company, and no member, manager, and / or officer of the Company shall be obligated personally for any such debt, obligation, or liability of the Company solely by reason of being a member, manager and / or officer.

These financial statements have been prepared on a going concern basis, which management considers appropriate. No material uncertainties related to going concern have been identified.

### 2 Basis of Preparation and Significant Accounting Policies and Practices

#### (a) Statement of Compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

All Interpretations issued by the IFRS Interpretations Committee which are mandatory at December 31, 2025 have been applied.

In April 2024, the International Accounting Standards Board (IASB) published IFRS 18 Presentation and Disclosure in Financial Statements. The Standard replaces IAS 1 and contains new rules on the structure of the income statement, on key performance indicators defined by management, as well as on the aggregation and disaggregation of information which may also have an impact on the disclosures made in the notes. In addition, the regulations for

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

cash flow statements have also been partially amended. The new rules are mandatory for financial years beginning on or after 1 January 2027. The BMW Group is at an advanced stage of analysing the impact of IFRS 18 on the Group Financial Statements. Early adoption of IFRS 18 is not intended.

Other financial reporting standards issued by the IASB and not yet applied are not expected to have any significant impact on the Company Financial Statements.

The financial statements were authorized for issuance by management of the Company on April 28, 2026.

#### **(b) Basis of Measurement**

The financial statements have been prepared on the historical cost / accrual basis except for the following material items in the financial statements of position:

- Derivative financial instrument, and
- Recognized financial assets and liabilities that are part of fair value hedge relationships are measured at fair value in respect of the risk being hedged in accordance with IFRS 9.

#### **(c) Use of Estimates in Financial Statement Preparation**

The preparation of financial statements in conformity with IAS 1, Presentation of Financial Statements, requires management to estimate the effects of uncertain future events on assets and liabilities at the statement of financial position date in order to determine the carrying amounts of those assets and liabilities.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected. Due to the current financial market conditions, the estimates contained in these financial statements concerning the operations, economic performance, and financial condition

of the Company are subject to known and unknown risks, uncertainties and contingencies many of which are beyond the control of Company management, which may cause actual results, performance or achievements to differ materially from anticipated results, performance, or achievements. Also, the estimates are based upon management's estimates of fair values, using currently available information. Factors that could cause differences include, but are not limited to the following:

- risks of economic slowdown, downturn or recession
- risks inherent in changes in market interest rates and credit especially in an environment of unpredictable financial market conditions
- lending conditions to companies turning to the worse, thereby increasing the cost of borrowing
- changes in funding markets, including commercial paper and term debt
- uncertainties associated with risk management, including credit, prepayment, asset / liability, interest rate and currency risks
- changes in laws or regulations governing our business and operations
- changes in competitive factors

For the valuation of financial instruments, the most significant assumptions and estimates relate to the interest rates and expected cash flows used in the valuation models.

#### **(d) Functional and Presentation Currency**

These financial statements are presented in United States dollars (USD), which is the functional currency of the Company. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

### **(e) Foreign Currency Transactions**

Transactions in foreign currencies are translated into the functional currency using spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency using the spot exchange rate at that date. The economic effect of foreign currency transactions is recognized in the statements of comprehensive income / (loss).

### **(f) Financial Instruments**

Financial instruments are contracts that give rise to a financial asset of one company and a financial liability or an equity instrument of another. Financial instruments are recognized when the Company becomes party to the contractual provisions of the instrument. Regular way purchases or sales of financial assets are recognized at the settlement date.

Derivative financial instruments of the Company are subject to legally enforceable master netting agreements or similar contracts. However, receivables and payables relating to derivative financial instruments are not netted due to non-fulfilment of the stipulated criteria. Offsetting would have the impact on the carrying amounts of derivatives shown in the additional disclosures to financial instruments.

Non-derivative financial assets and liabilities are only offset if a legally enforceable right currently exists and it is actually intended to offset the relevant amounts. No financial assets and liabilities have been netted in the Company due to the fact that the necessary requirements for netting have not been met.

#### **Non-Derivative Financial Instruments**

Regular way purchases or sales of non-derivative financial instruments are recognized at the settlement date.

Financial assets that represent debt instruments according to IAS 32 are classified either as

- financial assets measured at amortized cost (AC); or
- financial assets measured at fair value through profit or loss (FVPL).

The measurement category AC is applicable to financial assets (debt instruments) that meet the following requirements:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Financial assets (debt instruments) not meeting the conditions mentioned above are classified and measured at fair value through profit or loss. The measurement categories "fair value through other comprehensive income with recycling" (in regard to debt instruments under IAS 32) and "fair value through other comprehensive income without recycling" (regarding equity instruments under IAS 32) are not applicable for the Company.

The Company's non-derivative financial assets include receivables from BMW Group companies as well as cash and cash equivalents and are classified as financial assets measured at amortized cost.

All highly liquid investments with an original maturity of three months or less are considered as cash and cash equivalents. Cash and cash equivalents consist primarily of short term deposits with original maturities of three months or less from inception. For cash and cash equivalents, the carrying amount approximates the respective fair value due to its short maturity.

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

Non-derivative financial liabilities are classified into the following measurement categories:

- financial liabilities at fair value through profit or loss (FVPL); or
- financial liabilities measured at amortized cost (AC).

Non-derivative financial liabilities mainly include term debt, commercial paper and liabilities due to BMW Group companies and are classified as AC. The company does not apply the fair value option for financial assets or financial liabilities.

Financial instruments belonging to the measurement category FVPL are recognized at their fair value. Resulting transaction costs are immediately recorded in profit or loss.

Non-derivative financial assets and liabilities measured at amortized cost are initially recognized at fair value under consideration of directly attributable transactions costs. On initial measurement, fair value generally corresponds to the transaction price, i.e. the consideration given or received. Subsequently, non-derivative financial assets and liabilities are measured at amortized cost using the effective interest rate method.

Financial assets are derecognized when the rights to receive contractual cash-flows have expired or been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the contractual obligations have expired or otherwise terminated.

According to IFRS 9, the Company recognizes expected credit losses (ECL), for receivables from BMW Group companies as well as cash and cash equivalents measured at amortized cost. The receivables are aggregated to determine expected credit losses based on similar risk characteristics.

The general approach according to IFRS 9 outlines a three-stage model to determine the amount of ECL. At initial recognition loss allowances are recognized at an amount equal to 12-month ECL (stage 1). In case of significant increases in the credit risk since initial recognition, loss allowances are determined as lifetime ECL (stage 2).

The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition. If the internal risk management and control systems do not indicate a significant increase in credit risk any earlier, the rebuttable presumption is that a significant increase in credit risk has occurred when payments are more than 30 days overdue. The Company considers the probability of defaults and continually monitors the development of the credit risk in each reporting period, considering all reasonable and supportable information and forecasts. This includes especially historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Receivables are credit-impaired when one or more events have occurred that have a detrimental impact on the estimated future cash flow (stage 3). Such events comprise situations of delayed payment over a certain period, the institution of enforcement measures, the threat of insolvency or over-indebtedness, the application bankruptcy proceedings, or the failure of reorganization measures.

A default of a financial asset is assumed, if bankruptcy proceedings have been opened or if there is a high probability that no reasonable expectation of repayment exists. In case of default, the financial assets are derecognized. When derecognizing financial assets, the Company continues to undertake enforcement measures to attempt to collect the receivables due.

The simplified approach is not applicable at the Company.

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

### Derivative Financial Instruments

Derivative financial instruments are used for hedging purposes in order to reduce the currency and interest rate risks from operating activities and related financing requirements as well as to support the overall value at risk approach applied by BMW AG.

All derivative financial instruments (such as interest, currency, and combined interest / currency swaps as well as forward currency contracts and options) are measured initially and subsequently at their fair value in the statement of comprehensive income in the financial result (FVPL). They are generally recognized at the trade date.

The fair values of derivative financial instruments are measured using market information prevailing at the end of the reporting period and recognized valuation techniques. They correspond to the prices that would be received for the sale of an asset or paid for the transfer of a liability between market participants in an arm's length transactions.

Additional information is discussed in [note 5](#).

### Application of Hedge Accounting

Hedge accounting is applied if all requirements according to IFRS 9 are met. On the date the derivative contract is entered, the Company designates the derivative as a hedging instrument. The hedging instrument used, and the hedged items are affected by the same risk. In each hedging relationship for which hedge accounting is used, the designated amount of the hedged item corresponds to the volume of the hedging instrument. The resulting economic relationship between the hedging instrument and hedged item is not dominated by the effect of the credit risk. The Company formally documents details of the respective economic relationships between hedging instruments and hedged items, including its risk management objective and strategy for undertaking various hedge transactions, together with the method that will be used to assess the effectiveness of the hedging relationship.

The Company especially enters into interest rate derivative agreements as part of its overall interest rate risk management program and applies fair value hedge accounting. These transactions are entered as hedges against the effects of future interest rate fluctuations on term debt issued by the Company or financial receivables and liabilities due to BMW Group companies. The cumulative gain or loss from measuring the derivative hedging instrument at fair value is recognized in profit or loss. The cumulative gain or loss of the hedged item attributable to the hedged risk is recognized as basis adjustment in the profit or loss immediately. Accordingly, the change in fair values attributable to the hedged risk of both, the derivative and the underlying hedged item, are offset in the financial result, so long as a highly effective relationship is maintained between the derivative instruments and the corresponding position being hedged. The Company has exercised the option of designating cross-currency basis spreads as cost of hedging rather than as part of the hedging relationship and presenting them separately in equity (Cost of Hedging).

The Company discontinues hedge accounting when it is determined that the hedge relationship ceases to meet the qualifying criteria, including instances when the derivative expires or is sold, terminated, or exercised, the forecasted transaction is no longer highly probable, or management changes its risk management objective.

Where hedge accounting is applied, changes in fair value are presented as part of other financial result in the income statement or within other comprehensive income as a component of accumulated other equity (Cost of Hedging).

Additional information regarding the Company's objectives and strategies regarding the management of foreign currency and interest rate risk, including the use of derivative instruments, is discussed in notes [3\(e\)](#) and [6\(c\)](#).

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

### **(g) Recognition of Interest Income and Expenses**

Interest income or expense is recognized using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the financial liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the credit impaired financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

### **(h) Income Taxes**

BMW US Capital, LLC is a member of the US Tax Group und BMW (US) Holding Corp. for federal as well as state tax purposes and therefore does not have a separate tax obligation. BMW (US) Holding Corp. has an internal tax sharing arrangement whereby the Company settles its separate company tax receivables or liabilities annually with BMW (US) Holding Corp. As a single member limited liability company, the Company is treated as a division of BMW (US) Holding Corp., which files a consolidated federal, state, and local income tax return.

Income taxes are determined on a separate company basis and allocated to each company based upon the BMW (US) Holding Corp.'s internal tax sharing arrangement. Deferred tax assets and liabilities are determined based on the differences between the carrying amount of assets and liabilities for financial reporting purposes and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

As a subsidiary of BMW AG, BMW US Capital LLC, a legal entity in the U.S., falls within the scope of the Minimum Tax Act to ensure a minimum global tax of 15%. According to this, BMW AG must pay additional tax to the extent that the specific tax rate under the Minimum Tax Act falls below the minimum rate of 15% per jurisdiction if no recognized additional tax is levied in the respective jurisdiction. Currently, there is no similar tax regime in the U.S. The Minimum Tax Act applies to financial years beginning after December 31, 2024. BMW AG is currently in the process of assessing the effects

from fiscal year 2025. For this purpose, BMW AG will analyze the jurisdictions that could be affected by an additional tax based on a preliminary minimum tax calculation, considering the statutory temporary simplification regulations (Transitional Safe Harbour). In principle, BMW US Capital LLC will not be subject to any additional tax burden from the national supplementary tax in the future, as BMW AG owes the additional tax in accordance with the Minimum Tax Act.

### **(i) Provisions for Pension and Similar Obligations**

The Company's net obligation for defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method in accordance with IAS 19, Employee Benefits. When the calculation results in the potential asset for the company, the recognized asset is limited to the present value of economic benefit available in the form of any future refund from the plan or reduction in the future contribution to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net pension liability, which comprises actuarial gains and losses, the return on plan assets (excluding interest), are recognized immediately in OCI. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning annual period to the net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to the defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or a plan is curtailed, the resulting change in benefit that relates to the past service or the gain or loss on curtailments is recognized in profit or loss. The Company recognizes the gains and losses on the settlement of the defined benefit plan when the settlement occurs.

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	<b>Notes to Financial Statements</b>

### 3 Notes on the Items of the Balance Sheet

#### (a) Receivables from BMW Group companies, Liabilities to BMW Group companies

The Company makes and accepts loans to / from various BMW Group companies in the course of normal business operations. Receivables from BMW Group companies due within 12 months and the related accrued interest receivable from BMW Group companies are short term in nature. The fair value of long-term amounts receivable from BMW Group companies is the estimated discounted future cash flows based on rates currently available for debt with similar terms and remaining maturities. The Company serves as the In-house bank service provider for the Americas region and is the cash pool leader for USD, CAD and MXN currencies. The Company receives deposits from and / or lends funds to participating entities of the BMW Group. Balances from participating entities are not subject to offsetting.

In accordance with IFRS 9, the Company has adjusted the carrying value of receivables subject to fair value hedges by the change in fair value to the risk being hedged as of December 31, 2025 and December 31, 2024. At December 31, 2025, the resulting adjustment increased the related value of the underlying receivable by \$55,141k. At December 31, 2024, the resulting adjustment decreased the related value of the underlying receivable by \$8,282k. Concurrently with this adjustment, the derivative instruments classified as fair value hedges were carried at fair value with changes in fair value recorded in profit of loss.

Receivables from BMW Group companies at December 31, 2025 and 2024, along with the range of interest rates charged on such loans are as follows:

in thousands of dollars	Long-term		Short-term	
	2025	2024	2025	2024
	12,335,632	11,924,567	28,526,588	22,401,317
	4.09%– 5.59%	4.16%– 5.75%	2.89%– 5.09%	2.36%– 5.69%

Maturities of receivables from BMW Group companies are as follows at December 31, 2025 and 2024:

in thousands of dollars	2025		2024	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Maturity:</b>				
Due within one year	28,526,588	28,575,197	22,401,317	20,006,748
Due between one and five years	12,335,632	12,366,097	11,924,567	11,256,285
<b>Total</b>	<b>40,862,220</b>	<b>40,941,294</b>	<b>34,325,884</b>	<b>31,263,033</b>

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

Liabilities due to BMW Group Companies at December 31, 2025 and 2024, along with the range of annual interest rates on such loans, are as follows:

in thousands of dollars	Long-term		Short-term	
	2025	2024	2025	2024
	675,000	425,000	11,264,748	9,761,733
	3.24%– 3.72%	3.67%– 4.67%	3.50%– 4.55%	3.89%– 5.29%

Maturities of liabilities due to BMW Group companies are as follows at December 31, 2025 and December 31, 2024:

in thousands of dollars	2025		2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Maturity:				
Due within one year	11,264,748	11,264,858	9,761,733	9,780,391
Due between one and five years	675,000	670,419	425,000	429,970
<b>Total</b>	<b>11,939,748</b>	<b>11,935,277</b>	<b>10,186,733</b>	<b>10,210,361</b>

#### (b) Other Liabilities

Other liabilities include mainly trade payables and period end accruals.

#### (c) Commercial Paper

The Company maintains a BMW AG guaranteed U.S. commercial paper program of \$7 billion. The following details apply to commercial paper at December 31, 2025:

2025 in thousands of dollars	Outstanding	Weighted average maturity period (in days)	Weighted average nominal interest rate (in %)
	2,285,935	17	3.74

in thousands of dollars

<b>Balance as of December 31, 2024</b>	<b>1,914,801</b>
Issues	17,154,657
Repayments	(16,782,149)
Fee amortization	(1,373)
<b>Balance as of December 31, 2025</b>	<b>2,285,935</b>

in thousands of dollars

<b>Balance as of December 31, 2023</b>	<b>2,205,545</b>
Issues	25,178,172
Repayments	(25,467,915)
Fee amortization	(1,001)
<b>Balance as of December 31, 2024</b>	<b>1,914,801</b>

Commercial paper is an unsecured and discounted promissory note issued to finance the short term credit needs of institutions. Although commercial paper is occasionally issued as an interest bearing note, it typically trades at a discount to its par value. In other words, the purchaser usually purchases commercial paper below par and then receives its face value at maturity. The discount, or the difference between the purchase price and the face value of the note, is amortized over the term of the commercial paper as

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

interest expense by applying the effective interest rate method. At December 31, 2025 and December 31, 2024, the commercial paper unamortized discount was \$4,065k and \$6,449k, respectively.

At December 31, 2025 and December 31, 2024, the fair value of the Company's commercial paper obligations approximated the recorded value primarily due to the short-term nature of the outstanding commercial paper.

#### (d) Term Debt and Line of Credit

Term debt consists of the following at December 31, 2025:

Interest	Currency	Issue volume in thousands in relevant currency	Weighted average maturity period (in years)	Weighted average nominal interest rate (in %)
Variable	USD	3,600,000	2.3	1.5
Variable	EUR	500,000	2.0	2.5
Fixed	USD	19,250,000	6.7	4.2
Fixed	EUR	2,500,000	8.0	2.8

The carrying amounts of term debt due in the following five fiscal years, and thereafter, are as follows as of December 31, 2025 and December 31, 2024:

	2025	2024
in thousands of dollars	Carrying amounts	Carrying amounts
<b>Maturity:</b>		
Due within one year	4,942,333	4,424,509
Due between one and five years	16,203,167	13,053,611
Due later than five years	5,242,618	4,854,384
<b>Total</b>	<b>26,388,118</b>	<b>22,332,504</b>

The movements in term debt are as follows for the years ended December 31, 2025 and 2024:

in thousands of dollars

<b>Balance as of December 31, 2024</b>	<b>22,332,504</b>
Issues	7,382,354
Repayments	(4,157,323)
Accrued interest payable	39,194
Change in fees amortized by the effective interest method	(4,635)
Fair value change due to hedge accounting	796,024
<b>Balance as of December 31, 2025</b>	<b>26,388,118</b>

in thousands of dollars

<b>Balance as of December 31, 2023</b>	<b>17,304,903</b>
Issues	9,098,240
Repayments	(4,148,980)
Accrued interest payable	102,304
Change in fees amortized by the effective interest method	(25,698)
Fair value change due to hedge accounting	1,735
<b>Balance as of December 31, 2024</b>	<b>22,332,504</b>

Term Debt by Category:

in thousands of dollars	2025	2024
Debt part of a fair value hedge relationship	22,183,569	19,508,317
Debt at amortized cost	4,204,549	2,824,187
<b>Total</b>	<b>26,388,118</b>	<b>22,332,504</b>

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	<b>Notes to Financial Statements</b>

In accordance with IFRS 9, the Company has adjusted the carrying value of term debt subject to fair value hedges by the change in fair value to the risk being hedged as of December 31, 2025 and December 31, 2024. At December 31, 2025 and December 31, 2024, the resulting adjustment decreased the related value of the underlying debt by \$240,032k and \$633,766k respectively. Concurrently with this adjustment, the derivative instruments classified as fair value hedges were carried at fair value with changes in fair value recorded through earnings.

At December 31, 2025 and December 31, 2024, \$26,388,118k and \$22,332,504k respectively, of the unsecured debt is guaranteed by BMW AG. The Company has access to a syndicated credit line, which underwent renewal in June 2023. This credit line, totaling €8 billion, remains accessible until June 2028 without the need to exercise extension options. It is facilitated by a consortium consisting of 43 international banks. As of December 31, 2025, no funds had been drawn from this credit facility.

Bond discount and private placement fees incurred related to the issuance of term debt are taken into account when initially recording the term debt and are recognized in the statements of comprehensive income / (loss) as interest expense under the effective interest rate method over the remaining lives of the debt. Bond discount is the difference between the face value and the proceeds received when the term debt is issued below face value. Private placement fees relate to legal and administrative fees associated with the issuance of the term debt.

#### **(e) Derivative Financial Assets and Liabilities**

The Company enters into payer interest rate swaps, combined interest / currency swaps and option agreements with both BMW Group companies and external parties to manage and hedge its interest rate exposure arising from mismatches between the interest earned on non-derivative financial assets and the interest paid on non-derivative financial liabilities. Floating rates are fixed periodically and are based on USD secured overnight financing rate (SOFR) as published by The New York Federal Reserve. Depending on the respective hedge relationship interest rate swaps and combined interest / currency swaps are accounted for as designated hedging instruments applying hedge accounting as well as stand-alone financial derivatives categorized as FVPL.

In addition, foreign exchange forward and swap agreements are concluded with affiliates and external parties to hedge foreign exchange rate risk. In general, the Company concludes foreign exchange derivatives with external parties and simultaneously enters into reciprocal contracts with its affiliates in order to manage currency risk on the level of the affiliates.

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

The below table summarizes the Company's derivative notional amounts and corresponding fair values:

in thousands of dollars	2025		2024	
	Notional	Fair value	Notional	Fair value
<b>Derivative assets</b>				
Interest rate derivatives	22,875,364	623,663	16,344,733	213,354
Foreign exchange rate derivatives	-	-	-	-
<b>Total</b>	<b>22,875,364</b>	<b>623,663</b>	<b>16,344,733</b>	<b>213,354</b>

in thousands of dollars	2025		2024	
	Notional	Fair value	Notional	Fair value
<b>Derivative liabilities</b>				
Interest rate derivatives	26,974,238	793,510	35,150,854	1,165,413
Foreign exchange rate derivatives	424,223	8,414	-	-
<b>Total</b>	<b>27,398,461</b>	<b>801,924</b>	<b>35,150,854</b>	<b>1,165,413</b>

Additional information is provided in note 7(c).

#### 4 Notes on the Items of the Comprehensive Income Statement

##### (a) Interest income and expense

Interest income with BMW Group Companies relates to loans to affiliates, derivatives and factoring of short-term BMW AG trade receivables. The factored receivable is accounted for at amortized cost. The company earns a premium which is the difference between the present value and face value of the receivable factored and is earned as the receivable comes due (terms 30-90 days). Interest expense with BMW Group Companies relates to loans with affiliates and derivatives.

Interest income with third parties relates to derivatives and bank deposits. Interest expense with third parties relates to derivatives, interest on debt and commercial paper.

##### (b) Financial Result

The caption "Financial Result" in the statements of comprehensive income / (loss) includes: the liquidity fee between BMW US Capital and BMW AG, the fee remitted to BMW AG to guarantee the unsecured debt, and foreign exchange gains and losses on operational transactions, stand-alone interest rate derivatives, fair value adjustments of hedged items, debt and other financial instruments. Operational transactions include routine transactions denominated in foreign currencies.

in thousands of dollars	2025	2024
Liquidity fee	139,833	125,570
Gains on stand-alone derivatives	69,774	95,276
Gains on fair value adjustments from applying hedge accounting	831,001	502,635
Foreign exchange gains on term debt	-	116,837
Foreign exchange gains on other financial instruments	31,026	11,019
<b>Total gains</b>	<b>1,071,634</b>	<b>851,337</b>
Guarantee fee	(32,068)	(27,328)
Losses on stand-alone derivatives	(18,557)	(169,388)
Losses on fair value adjustments from applying hedge accounting	(503,721)	(529,884)
Foreign exchange losses on term debt	(401,836)	(3,269)
Foreign exchange losses on other financial instruments	(3,858)	(53,451)
<b>Total losses</b>	<b>(960,040)</b>	<b>(783,320)</b>
<b>Total</b>	<b>111,594</b>	<b>68,017</b>

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

**(c) Income taxes**

The Company's federal and state income tax payments are made by BMW (US) Holding Corp. as part of a consolidated tax return. Included in Payables to BMW Group companies at December 31, 2025 is \$12,319k of current income tax payable. At December 31, 2024 a current income tax payable of \$12,940k is included in Payables from BMW Group companies. The provision for federal, and state income taxes for the years ended December 31, 2025 and 2024 consists of the following:

in thousands of dollars	2025	2024
<b>Current:</b>		
Federal	(9,904)	(10,004)
State and local	(2,415)	(2,936)
	<b>(12,319)</b>	<b>(12,940)</b>
<b>Deferred:</b>		
Federal	873	7,205
State and local	356	1,330
	<b>1,229</b>	<b>8,535</b>
<b>Total income tax expense</b>	<b>(11,090)</b>	<b>(4,405)</b>

The effective tax rate for the years ended December 31, 2025 and 2024 was 24.61% and 29.50%, respectively. The deferred tax expense from OCI amounts \$1,672k in 2025.

The components of deferred taxes for the years ended December 31, 2025 and 2024 are as follows:

in thousands of dollars	2025	2024
<b>Deferred tax assets:</b>		
Accrued employee bonus	107	116
Pension	37	25
Deferred income	4,271	4,987
Credit reserve	978	816
Derivative instruments	20,223	20,103
<b>Total deferred tax assets</b>	<b>25,616</b>	<b>26,047</b>

The following table presents a reconciliation between the reported income taxes and the income taxes which would be computed by applying the normal federal tax rate to income before taxes:

in thousands of dollars	2025	2024
Net (loss) before provision for income taxes	45,062	14,932
Applicable statutory federal income tax rate	21%	21%
Computed federal income tax	(9,463)	(3,136)
State income tax	(1,754)	(1,158)
Others	-	(1)
Effect of tax rate change	127	(110)
<b>Total income tax expense</b>	<b>(11,090)</b>	<b>(4,405)</b>

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

## 5 Additional Disclosures to Financial Instruments

The following table presents the carrying amounts and fair values of the Company's financial instruments at December 31, 2025 and 2024 under consideration of the respective measurement categories according to IFRS 9:

2025 in thousands of dollars	Category	Carrying amount	Fair value	Level 1	Level 2	Level 3
<b>Financial instruments included on the statement of financial position:</b>						
<b>Non-current financial assets:</b>						
Receivable from BMW Group companies	AC	12,335,632	12,366,097	-	12,366,097	-
Derivative assets						
Thereof stand-alone	FVPL	155,841	155,841	-	155,841	-
Thereof within hedge accounting	n/a	382,011	382,011	-	382,011	-
<b>Current financial assets:</b>						
Cash	AC	181,022	181,022	181,022	-	-
Receivable from BMW Group companies	AC	28,526,588	28,575,197	-	28,575,197	-
Derivative assets						
Thereof stand-alone	FVPL	72,155	72,155	-	72,155	-
Thereof within hedge accounting	n/a	13,656	13,656	-	13,656	-
<b>Non-current financial liabilities:</b>						
Term debt	AC	21,445,785	21,723,164	-	21,723,164	-
Liabilities due to BMW Group companies	AC	675,000	670,419	-	670,419	-
Derivative liabilities						
Thereof stand-alone	FVPL	107,725	107,725	-	107,725	-
Thereof within hedge accounting	n/a	492,154	492,154	-	492,154	-
<b>Current financial liabilities:</b>						
Term debt	AC	4,942,333	4,639,738	-	4,639,738	-
Commercial paper	AC	2,285,935	2,285,935	-	2,285,935	-
Liabilities due to BMW Group companies	AC	11,264,748	11,264,858	-	11,264,858	-
Derivative liabilities						
Thereof stand-alone	FVPL	80,513	80,513	-	80,513	-
Thereof within hedge accounting	n/a	121,533	121,533	-	121,533	-

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	<b>Notes to Financial Statements</b>

2024 in thousands of dollars	Category	Carrying amount	Fair value	Level 1	Level 2	Level 3
<b>Financial instruments included on the statement of financial position:</b>						
<b>Non-current financial assets:</b>						
Receivable from BMW Group companies	AC	11,924,567	11,256,285	-	11,256,285	-
Derivative assets						
Thereof stand-alone	FVPL	137,764	137,764	-	137,764	-
Thereof within hedge accounting	n/a	24,588	24,588	-	24,588	-
<b>Current financial assets:</b>						
Cash	AC	1,271,753	1,271,753	1,271,753	-	-
Receivable from BMW Group companies	AC	22,401,317	20,006,748	-	20,006,748	-
Derivative assets						
Thereof stand-alone	FVPL	33,316	33,316	-	33,316	-
Thereof within hedge accounting	n/a	17,686	17,686	-	17,686	-
<b>Non-current financial liabilities:</b>						
Term debt	AC	17,907,995	18,765,583	-	18,765,583	-
Liabilities due to BMW Group companies	AC	425,000	429,970	-	429,970	-
Derivative liabilities						
Thereof stand-alone	FVPL	131,147	131,147	-	131,147	-
Thereof within hedge accounting	n/a	924,981	924,981	-	924,981	-
<b>Current financial liabilities:</b>						
Term debt	AC	4,424,509	4,168,880	-	4,168,880	-
Commercial paper	AC	1,914,801	1,914,801	-	1,914,801	-
Liabilities due to BMW Group companies	AC	9,761,733	9,780,391	-	9,780,391	-
Derivative liabilities						
Thereof stand-alone	FVPL	28,636	28,636	-	28,636	-
Thereof within hedge accounting	n/a	80,649	80,649	-	80,649	-

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

The Company measures the fair value of the financial instruments based on the fair value hierarchy that reflects the significance of the inputs used in making the measurement:

Level 1: Level 1 inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.

Level 2: Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of financial instruments in Level 2 are based on valuation techniques using observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices) at the measurement date.

Level 3: Level 3 inputs are unobservable inputs for the asset or liability. The fair value of financial instruments in Level 3 are based on valuation techniques using significant unobservable inputs.

The Company generally uses the discounted cash flow model as the valuation technique to determine the fair value of financial instruments at the measurement date. The objective of the valuation technique is to arrive at a fair value measurement that reflects the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Essential observable inputs used in this valuation technique include observable current market variables, such as interest rates, credit risk and foreign exchange rates.

Derivatives are classified in Level 2 of the fair value hierarchy using the discounted cash flow model to determine the fair value using yield curves of the cash flow currency and relevant credit spreads.

In the case of financial liabilities, the BMW Group's own default risk is taken into account either on the basis of credit default swaps available on the market or on the basis of a company specific issuer curve derived from bonds that have been issued by the Group and are traded on the market. This results in an allocation to Level 2.

For reasons of materiality, the fair value of current non-derivative financial assets and liabilities is generally deemed to be approximated by the carrying amount.

For the periods ended December 31, 2025 and 2024, the fair value of the financial instruments has been measured by using either Level 1 or Level 2 inputs.

The transfers between the level of the fair value hierarchy are reported at the respective reporting dates. There have been no transfers between the levels during the reporting period.

The following table shows net gains and losses by category:

in thousands of dollars	2025	2024
Financial instruments measured at fair value through profit or loss	(51,217)	74,112
Financial assets measured at amortized cost	1,304,316	1,190,052
Financial liabilities measured at amortized cost	(1,081,950)	(918,643)

Net gains and losses from financial instruments at fair value through profit or loss are composed of derivative financial instruments not included in a hedging relationship.

Financial assets and liabilities measured at amortized cost are subject to changes in fair value that are recognized through profit or loss due to designated hedging relationships. These changes in fair value are largely neutralized by the offsetting changes in fair value arising on hedging transactions and for this reason are not recognized in net gains and losses. Net gains and losses from financial assets at amortized cost only include interest income. Financial liabilities at amortized cost only include interest expense.

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

The below table represents the offsetting of financial instruments, which have the following impact on the carrying amounts of derivatives:

in thousands of dollars	2025		2024	
	Reported on assets side	Reported on liabilities side	Reported on assets side	Reported on liabilities side
Balance sheet amounts as reported	623,663	801,925	213,354	1,165,413
Gross amount of derivatives which can be offset in case of insolvency	199,060	199,060	(52,493)	(52,493)
Net amount after offsetting	822,723	1,000,985	160,861	1,112,920

## 6 Related Parties

In accordance with IAS 24 (Related Party Disclosures), related individuals or entities, which have the ability to control the Company or which are controlled by the Company, must be disclosed unless such parties are already included in the financial statements as affiliated companies. Control is defined as ownership of more than one half of the voting power of the Company or the power to direct, by statute or agreement, the financial and operating policies of the management of the Company.

The disclosure requirements of IAS 24 also cover transactions with associates, joint ventures, and individuals that have the ability to exercise significant influence over the financial and operating policies of the Company.

In addition, the requirements contained in IAS 24 relating to key management personnel and close members of their families or intermediary entities are also applied.

BMW AG guarantees the unsecured debt of the Company, for this the Company remits a fee to BMW AG. The guarantee fee of 12.5bps is defined based upon a transfer pricing policy and arm's length principle defined by

BMW AG and it is remitted from the Company to BMW AG on a monthly basis. For the periods ended December 31, 2025 and 2024 the amount paid for this guarantee was \$32,068k and \$27,328k respectively.

The Company provides a factoring service of short-term inter-group BMW AG trade receivables. For this service the Company earns a commission equal to 0.05% of the receivables. The Company also earns interest which is equal to the designed benchmark rate for maturities between 30 and 90 days plus a defined margin. The defined margin is set by the Company monthly and is communicated to seller at the beginning of each month.

The Company earns interest on loans granted to affiliates and pays interest on loans received from affiliates. The interest rate is defined according to the BMW Group pricing policies and based upon the Arm's length principle plus a defined margin which is derived from BMW Group borrowing costs and service fees. For the periods ended December 31, 2025 and 2024 the Company received interest in the amounts of \$2,035,090k, and \$1,972,897k. For the same periods, the Company paid interest in the amounts of \$756,847k, and \$866,824k respectively.

For the periods ended December 31, 2025 and 2024 the Company received a liquidity fee from BMW AG related to its business model of \$139,833k, and \$125,570k respectively. The liquidity fee is to mitigate volatility that arises from asset/liability maturity mismatches and to keep the Company's return on assets (RoA) at arm's length principle.

For the periods ended December 31, 2025 and December 31, 2024, the disclosure requirements of IAS 24 only affect the Company with regard to relationships with the Parent, affiliated entities, and members of management and officers.

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

The related party balances for the years periods ended December 31, 2025 and December 31, 2024 were as follows:

in thousands of dollars	2025	2024
Receivable from BMW AG	43,283	166,217
All other receivables from BMW Group companies	40,818,937	34,159,667
<b>Total</b>	<b>40,862,220</b>	<b>34,325,884</b>
Liabilities due to BMW AG	94,691	-
All other liabilities due to BMW Group companies	11,845,057	10,186,733
<b>Total</b>	<b>11,939,748</b>	<b>10,186,733</b>

The Company did not enter into any contracts with any member of management or officers. The same applies to close members of the families of those persons. For the periods ended December 31, 2025 and 2024 the remuneration of key management is \$1,630k and \$1,381k respectively. The remuneration consists of:

in thousands of dollars	2025	2024
Short-term employee benefits	1,578	1,333
Post-employment benefits	52	48
<b>Total</b>	<b>1,630</b>	<b>1,381</b>

## Risk Management

The exposure of the Company can be broken down into two main categories: financial and nonfinancial risks.

### (i) Financial Risks

The formal procedures and policies operated by the Company to cover bank, credit, interest rate, foreign exchange, and other treasury matters are consistent with objectives and policies for the financial risk management within BMW AG. The Company's policy is not to take positions in derivative financial instruments with the aim of profit realization. On a daily basis, the Company measures the risk of outstanding positions, which are managed within the established limits in compliance with the BMW AG policies. Financial risks arise mainly from credit, liquidity and market risks including currency and interest rate risks.

### (a) Credit Risk

The Company is exposed to credit risk because of its group external business operation and financing activities within the BMW Group. Credit risk is the risk of financial loss to the Company if any counterparty fails to meet its contractual obligations associated with a financial instrument. This risk is partly mitigated by entering into financial instruments only with parties, which have the investment grade credit standing. Further, the Company participates in a comprehensive limit system that assesses and limits the credit exposure to any single external counterparty on an ongoing basis. The Company continually monitors its position to ensure that it stays within the credit exposure limits set by BMW AG.

The maximum credit risk is reflected by the carrying amount of the financial assets recognized in the balance sheet. Expected Credit Losses (ECL) according to IFRS 9 are determined using the general approach for receivables from BMW Group companies based on historical credit loss experience, adjusted for factors that are specific to the debtors as well as general economic conditions. Due to the structure of the debtors encompassing mostly BMW Group companies the credit risk is deemed to be low. Therefore, the company does not hold any material collaterals or other credit enhance-

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

ments. Other than the credit risk exposure resulting from the BMW Group companies, there are no material concentrations of credit risk in the Company. The amounts in the below table have an S&P credit rating of A.

The Company recognized the following loss allowance for receivables from BMW Group companies as of December 31, 2025 and 2024, respectively:

2025 in thousands of dollars	Stage 1 12 month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL (credit-impaired)
Cash and cash equivalents	181,022		
Receivables from BMW Group companies			
Gross carrying amounts	40,866,225	-	-
Recognized loss allowances	(4,005)	-	-
<b>Total</b>	<b>41,043,242</b>	<b>-</b>	<b>-</b>

2024 in thousands of dollars	Stage 1 12 month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL (credit-impaired)
Cash and cash equivalents	1,271,753		
Receivables from BMW Group companies			
Gross carrying amounts	34,329,247	-	-
Recognized loss allowances	(3,363)	-	-
<b>Total</b>	<b>35,597,637</b>	<b>-</b>	<b>-</b>

Considering the stable portfolio of the receivables from BMW Group companies and the mostly unchanged circumstances regarding the inputs, assumptions and estimation techniques for calculating the expected credit losses, no material changes in the recognized loss allowance were determined as of December 31, 2025. Due to the change in balances of the Group receivables the expected credit loss increased year-over-year by \$642k to \$4,005k.

#### (b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they come due. With its access to the BMW AG Euro Medium Term Note Program, as well as its commercial paper program and short term deposits, the Company has ample resources to mitigate this risk. The Company believes it has a comprehensive funding strategy that incorporates a diverse set of funding options.

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

The following table shows how the undiscounted cash flows relating to financial liabilities and derivatives affect the Company's liquidity position as of December 31, 2025 and 2024, respectively:

Future cash flows at December 31, 2025	Maturity within one year	Maturity between one and five years	Maturity later than five years	Total
in thousands of dollars				
<b>Non-derivative financial liabilities</b>				
Term debt	3,957,187	13,931,261	4,598,994	22,487,442
Interest payments on term debt	858,893	1,765,685	571,700	3,196,278
Commercial paper	1,953,008	-	-	1,953,008
Loans due to BMW Group companies	10,000,465	588,168	-	10,588,633
<b>Total</b>	<b>16,769,553</b>	<b>16,285,114</b>	<b>5,170,694</b>	<b>38,225,361</b>
<b>Derivative financial liabilities</b>				
With gross settlement	6,116	(701)	-	5,415
Cash outflows	428,148	91,404	-	519,552
Cash inflows	422,032	92,105	-	514,137
With net settlement	315,567	493,770	26,394	835,731
Cash outflows	315,567	493,770	26,394	835,731
<b>Total</b>	<b>321,683</b>	<b>493,069</b>	<b>26,394</b>	<b>841,146</b>

Future cash flows at December 31, 2024	Maturity within one year	Maturity between one and five years	Maturity later than five years	Total
in thousands of dollars				
<b>Non-derivative financial liabilities</b>				
Term debt	4,165,000	13,316,325	5,257,550	22,738,875
Interest payments on term debt	854,144	1,832,455	584,327	3,270,926
Commercial paper	1,921,250	-	-	1,921,250
Loans due to BMW Group companies*	10,488,350	434,027	-	10,922,377
<b>Total</b>	<b>17,428,744</b>	<b>15,582,807</b>	<b>5,841,877</b>	<b>38,853,428</b>

\* Change in presentation

<b>Derivative financial liabilities</b>				
With gross settlement	72,783	218,210	109,816	400,809
Cash outflows	144,115	1,987,233	1,322,453	3,453,801
Cash inflows	71,332	1,769,023	1,212,637	3,052,992
With net settlement	304,889	744,937	84,493	1,134,319
Cash outflows	304,889	744,937	84,493	1,134,319
<b>Total</b>	<b>377,672</b>	<b>963,147</b>	<b>194,309</b>	<b>1,535,128</b>

In prior periods, certain loans with BMW Group companies were presented as "loan – external" in the liquidity table. Management reassessed this presentation and presents these loans as "Loans due to BMW Group companies" starting in 2025.

In 2024, the amount classified as "loan – external" amounted to USD 5,787 thousand.

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

The comparative information for 2024 has been reclassified on a consistent basis in accordance with IAS 8 and IAS 1. This reclassification relates solely to presentation and has no impact on profit or loss, equity, or cash flows.

Cash outflows from derivatives concluded as part of hedging relationships are also taken into account.

### (c) Market Risk

Market risk is the risk from changes in market prices, such as foreign exchange rates, interest rates, and credit spreads, which will affect the Company's income or the value of its holdings of the financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable limits.

Increases in credit spreads could arise from changes in demand for term debt instruments in capital markets, the removal of the unconditional and irrevocable guarantees of BMW AG for the debt issuance programs in which the Company participates, a weakening credit profile of the BMW Group, and a decreasing willingness of banks to provide credit lines and loans. This risk is managed centrally within the BMW Group with a wide range of organizational components to identify and mitigate such events.

### Currency Risk

Currency risk refers to the potential changes of value or cash flows in financial assets and liabilities including derivatives in response to fluctuations in exchange rates. The Company manages this risk for its affiliates by entering into forward, swap and option contracts denominated in foreign currencies with third parties, which are used to hedge certain operating cycle commitments in accordance with the cash flow exposure strategy managed by BMW AG. Simultaneously, the Company enters into reciprocal contracts with affiliates. Therefore, no material net gain or loss is realized by the Company. In addition, the Company utilizes foreign exchange rate derivatives to hedge foreign exchange rate exposures arising from foreign currency loans.

At December 31, 2025 and, 2024, the Company had foreign currency forward and swap contracts with external parties to buy and / or sell foreign currencies with notional amounts totaling approximately \$424,223k and \$0k, respectively. The fair value of these contracts at December 31, 2025 and December 31, 2024 was \$8,414k and \$0k, respectively. The currency exposure at December 31, 2025 and, 2024 is detailed below. Hedge Accounting is not applied to account for these economic hedge relationships at December 31, 2025 and, 2024.

2025 in thousands (all currencies)	Non-derivative financial assets	Non-derivative financial liabilities	Derivative financial instruments
CAD	789,204	(3,900)	(701,928)
MXN	320,226	(418,441)	-
EUR	-	(3,202,779)	3,000,000
2024 in thousands (all currencies)	Non-derivative financial assets	Non-derivative financial liabilities	Derivative financial instruments
CAD	1,088,286	(149,272)	(270,000)
MXN	468,282	(306,201)	-
EUR	-	(2,500,000)	-

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

The sensitivity of the Company's results to changes in foreign currencies against the functional currency shows:

2025 Currency	Effects on result of a 10% rise in the USD against the respective currency (in thousands dollars)	Effects on result of a 10% decrease in the USD against the respective currency (in thousands dollars)
CAD	(6,078)	6,078
MXN	546	(546)
EUR	11,791	(11,791)

  

2024 Currency	Effects on result of a 10% rise in the USD against the respective currency (in thousands dollars)	Effects on result of a 10% decrease in the USD against the respective currency (in thousands dollars)
CAD	(42,293)	51,692
MXN	(710)	868
EUR	-	-

The sensitivity analysis assumes that all other variables, in particular interest rates, remain the same. A concentration of currency risk has not been identified.

#### Interest Rate Risk

Interest rate risk refers to potential changes of value in non-derivative financial assets and liabilities including derivatives in response to fluctuations in interest rates. The Company holds a substantial volume of interest rate sensitive non-derivative financial assets and liabilities for operational and

financial activities. Changes in interest rates can have adverse effects on the financial position and operating result of the Company. In order to mitigate the impact of interest rate risk, the Company aims in general to change interest rates from fixed to floating. Furthermore, interest rate risk is managed through economic hedges, using derivative financial instruments. To manage the maturity gaps, appropriate interest rate derivatives are used.

All interest rate derivative instruments not formally designated as hedging instruments in hedging relationships are recorded at fair value with the changes in fair value recognized in the financial result on the statements of comprehensive income or loss. The fair value of these interest rate derivative positions are reflected as of December 31, 2025 and, 2024 in interest rate derivative assets in the amount of \$227,996k and \$171,080, respectively, and interest rate derivative liabilities in the amount of \$188,238k and \$159,783k, respectively. The realized and unrealized loss on stand-alone interest rate derivatives was \$51,217k in 2025 and gain of \$74,112k in 2024.

For those hedging relationships for which fair value hedge accounting is applied according to IFRS 9, the fixed rate debt designated as hedged item are accounted for as an amount equal to the amortized cost and an amount representing the change in fair value of the interest rate risk being hedged (basis adjustment). Changes in the fair value of interest rate swap contracts and the offsetting changes in the adjusted carrying value of the related portion of the fixed rate debt being hedged are recognized in the statement of comprehensive income or loss. The ineffective portion of a fair value hedge is recognized immediately in profit or loss.

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

The nominal amounts of hedging instruments at December 31, 2025 and 2024 were as follows:

2025 in thousands of dollars	Maturity within one year	Maturity between one and five years	Maturity later than five years
<b>Nominal amounts of hedging instruments</b>			
Interest rate swaps	8,340,000	19,015,000	4,220,000
Combined interest / currency swaps	-	1,758,825	1,172,550
<b>2024</b>			
in thousands of dollars	Maturity within one year	Maturity between one and five years	Maturity later than five years
<b>Nominal amounts of hedging instruments</b>			
Interest rate swaps	6,715,000	18,985,000	4,220,000
Combined interest / currency swaps	-	1,556,325	1,037,550

The following table provides information on the nominal amounts, carrying amounts and fair value changes of derivative financial instruments designated as hedging instruments:

	Carrying amounts / Fair values			
				Change in fair value of designated components in reporting period for determining ineffective- ness
2025 in thousands of dollars	Nominal amounts	Derivative assets	Derivative liabilities	
<b>Fair value hedges</b>				
Interest rate risks	31,575,000	183,757	(613,687)	343,565
Combined interest rate / currency risk	2,931,375	211,910	-	(16,451)
<b>2024</b>				
in thousands of dollars	Nominal amounts	Derivative assets	Derivative liabilities	Change in fair value of designated components in reporting period for determining ineffective- ness
<b>Fair value hedges</b>				
Interest rate risks	29,920,000	42,274	883,121	19,334
Combined interest rate / currency risk	2,593,875	-	122,509	46,817

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

The following table summarizes key information on hedged items for each risk category:

2025 in thousands of dollars	Carrying amount of hedged items (incl. cumulative fair value hedge adjustment)	Balance of cumulative adjustments to the carrying amount of the designated fair value hedges	Change in the fair value of the hedged items for determining ineffectiveness in the reporting period	Change in the FV of the hedged item for determining hedge ineffectiveness, where hedging relationships terminated in the reporting period
<b>Fair value hedges</b>				
Receivables from BMW Group companies	12,380,141	55,141	54,021	9,402
Term debt	(18,973,671)	230,725	(393,919)	(17,011)
<b>Combined interest rate / currency risk</b>				
Term debt	(2,914,502)	9,307	17,197	-
<b>Total</b>	<b>(9,508,032)</b>	<b>295,173</b>	<b>(322,701)</b>	<b>(7,609)</b>

2024 in thousands of dollars	Carrying amount of hedged items (incl. cumulative fair value hedge adjustment)	Balance of cumulative adjustments to the carrying amount of the designated fair value hedges	Change in the fair value of the hedged items for determining ineffectiveness in the reporting period	Change in the FV of the hedged item for determining hedge ineffectiveness, where hedging relationships terminated in the reporting period
<b>Fair value hedges</b>				
Receivables from BMW Group companies	12,566,718	(8,282)	29,698	94,283
Term debt	(16,664,364)	641,656	(12,918)	(40,290)
<b>Combined interest rate / currency risk</b>				
Term debt	(2,592,798)	(7,890)	(45,968)	-
<b>Total</b>	<b>(6,690,444)</b>	<b>625,484</b>	<b>(29,188)</b>	<b>53,993</b>

The recorded ineffectiveness in the financial result in the income statement amounts to \$4,412k in the reporting year and \$105k in the prior year and mainly results from currency basis adjustments.

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

The cost of hedging reserve, showing the not designated components, has developed as follows:

	2025	2024
in thousands of dollars	Cost of hedging	Cost of hedging
Balance at January 1	19,364	2,666
Reclassification to profit or loss	(7,015)	22,034
Deferred taxes	1,672	(5,336)
<b>Balance at December 31</b>	<b>14,021</b>	<b>19,364</b>

The Company assesses its interest rate exposure by using a value at risk analysis. This is based on a historical simulation, in which the potential future fair value losses of the interest rate portfolio are compared with expected amounts on the basis of a holding period of 250 days and a confidence level of 99.98%. For year ended December 31, 2025 and 2024, the potential volume of fair value fluctuations measured on the basis of the value at risk approach was \$23,205k and \$50,917k, respectively.

#### (ii) Nonfinancial Risks

Nonfinancial risks could arise from the Company's operations. Operational risks mainly result from the use of computer systems and information technology. The Company uses computer systems to monitor financial positions and daily cash flows and process payments to internal and external counterparties. System failures can result in delays in payment processing. Further operational risk can arise from the settlement of financial transactions. The management of daily cash flows at the Company depends on the timely receipt of funds from external institutions who act as counterparties of financial transactions, such as bonds, swaps, or other derivative financial instruments. To mitigate negative impacts of system failures, all key systems are set up in parallel and / or have backup facilities.

#### (a) Capital Management

The Company's objectives, when managing capital at an individual company level, are to safeguard the Company's ability to continue as a going concern in order to provide returns the sole member and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may issue new shares or adjust the amount of dividends paid to its sole member. The Company has no prescribed dividend policy.

The Company's equity, as disclosed on the face of the statement of financial position, constitutes its capital. The Company maintains its level of capital by reference to its financial obligations and commitments arising from operations requirements. In view of the extent of the Company's borrowings or debt, the capital level as at the end of the reporting period is deemed adequate by the board of management of the Company.

There were no changes in the Company's approach to capital management during the first half of the year. The Company is not subject to externally imposed capital requirements.

#### (b) Concentration of Risk

The Company's business activities are closely integrated with the BMW Group, as it primarily provides financing services and manages interest rate and foreign exchange risks for BMW Group entities, mainly in the United States. Consequently, a significant portion of the Company's assets and liabilities relates to transactions with BMW Group counterparties. The Company assesses concentration of credit risk at the level of individual BMW Group entities. Although this results in a concentration of exposure within the Group, the associated credit risk is considered not material, given the BMW Group's strong credit profile, diversified operations, and consistently stable financial performance.

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

## 7 Cash Flow

The statements of cash flows show how the cash and cash equivalents of the Company have changed during the year as a result of cash inflows and cash outflows. In accordance with IAS 7, cash flows are classified into cash flows from operating and financing activities. The Company's purpose is to assist the financing of the activities conducted by companies of the BMW Group. The cash flows from operating activities are presented under the

indirect method (profit or loss for the period reconciled to the total net cash flow from operating activities). Under this method, changes in assets and liabilities relating to operating activities are adjusted for currency translation effects. The cash flows from financing activities are based on actual payments and receipts.

Liabilities related to financing activities can be reconciled as follows:

in thousands of dollars	2024	Cash flows	Accrued interest	Foreign exchange	Fair value adjustments	Fee amortization	2025
Term debt	22,332,504	3,225,031	39,194	401,836	394,188	(4,635)	26,388,118
Commercial paper	1,914,801	372,508	-	-	-	(1,374)	2,285,935
	<b>24,247,305</b>	<b>3,597,539</b>	<b>39,194</b>	<b>401,836</b>	<b>394,188</b>	<b>(6,009)</b>	<b>28,674,053</b>

## 8 Segment Information

According to the definition of an operating segment under IFRS 8 and as presented in [Note \(1\)](#) Nature of Operations, BMW US Capital, LLC has one segment, and figures included in the statements of comprehensive income / (loss) represent the nature and financial effects of the business activities. Regarding the major customers and the geographical areas we refer to [Note \(1\)](#).

## 9 Additional Disclosures

During 2025, no events have occurred, that could be considered unusual due to their nature, size or incidence, that have not been disclosed in previous notes and that could have a major impact on the earnings performance, financial position and net assets of the Company. There have been no changes in the composition of the Company during 2025. The Company did not become an investment entity under the definition of IFRS 10.

3	Management Report
7	Responsibility Statement
9	Independent Auditor's Report
15	Statements of Financial Position
16	Statements of Comprehensive Income
17	Statements of Changes in Member's Capital
18	Statements of Cash Flows
19	Notes to Financial Statements

## 10 Contingent Liabilities

As of December 31, 2025, the Company confirms that there are no contingent liabilities requiring disclosure in the financial statements. The Company diligently reviewed all relevant records, contracts, and guarantees, ensuring compliance with accounting standards. While the Company remains committed to transparency, it is possible that future events may give rise to contingent liabilities. The company will continue to remain vigilant in monitoring and assessing any potential contingencies that may arise.

## 11 Subsequent Events

On 20 February 2026, the US Supreme Court ruled that the International Emergency Economic Powers Act (IEEPA) does not provide a legal basis for imposing tariffs and that import duties imposed on this basis are invalid due to lack of legal authority. As a result, the US administration introduced a temporary 10% import duty on the basis of Section 122 of the Trade Act of 1974. In view of the fact that the BMW Group in the USA is primarily affected by Section 232 tariffs, the Supreme Court ruling and the temporary 10% import duty do not have a significant impact on the results of operations, financial position or net assets of the BMW Group.

Since 28 February 2026, the situation in the Middle East has escalated significantly as a result of military conflicts. The escalation is increasing geopolitical tensions and leading to heightened uncertainty regarding further political and economic developments. Possible effects on supply chains, energy and commodity markets, international trade flows and thus on the results of operations, financial position or net assets of the BMW Group cannot be ruled out in the event of a prolonged conflict. The BMW Group is continuously monitoring and analysing the situation.

No other events have occurred after the balance sheet date with a particular significance for the results of operations, financial position or net assets of the BMW US Capital, LLC.

BMW US Capital, LLC



April 28, 2026  
Moritz Lindemann  
President



[WWW.BMWGROUP.COM](http://WWW.BMWGROUP.COM)