# China showcases rapid innovation in tech and new energy vehicles at Shanghai auto show



At the recent Shanghai auto show, held from April 23 to 25, 2025, Chinese tech and automotive companies showcased a rapid succession of innovations, underscoring a robust momentum in the country’s technology and new energy vehicle (NEV) industries. This event, reportedly the world’s largest auto show, highlighted significant developments in electric vehicles, autonomous driving, and artificial intelligence (AI).

The auto show’s opening day featured announcements from leading Chinese automotive players such as BYD, which unveiled five new electric vehicle models. Zeekr introduced its new hybrid 9X SUV, while Pony.ai, a U.S.-listed robotaxi operator, revealed three new autonomous vehicles claiming to cut autonomous driving costs by 70%, moving closer to profitability. Huawei also made a notable announcement: its latest driver-assist system will enable cars to automatically park, mimicking a valet service, with the software being sold to electric car manufacturers. Tu Le, founder and managing director at Sino Auto Insights, remarked on the rapid pace of innovation: “The intense competition has pushed innovation in [China’s new energy vehicles]... things we thought were still a decade away, are more or less now at our fingertips.” He highlighted advancements such as high-speed charging and driver-assist systems now present in mass-market models.

On the AI front, generative AI has become a cornerstone of technological progress, aided by supportive Chinese policies. iQiyi, commonly referred to as China’s “Netflix,” demonstrated in Beijing the ability of its AI tools to reduce production costs and improve scriptwriting through a virtual studio set. Liu Wenfeng, president of iQiyi’s infrastructure and intelligent content distribution business group, told reporters, “This conversion effect was not achievable last year, or even in March. It’s only recent technology that can achieve better consistency and stability in [generating] images.” He noted that while AI has yet to match the consistency of live-action video fully, current applications in virtual production accelerate responsiveness to audience preferences. Other firms in the sector are advancing rapidly, with Kuaishou releasing an updated AI video model called Kling, Alibaba launching an open-source AI video generation model, and startup Shengshu Technology enhancing its cinematic-grade AI visual effects product, Vidu Q1. Alibaba also rolled out its latest AI model, Qwen 3.

Tim Wang, co-founder of Hong Kong-based Monolith Management, underscored the rising pace of AI investment in China, stating, “Key breakthroughs in foundational models are closing the gap with global leaders,” and expressed optimism about consumer AI applications regardless of ongoing trade tensions.

In e-commerce, Baidu is utilising AI-powered virtual human technology to cut costs in livestreaming sales by more than 80%, while reportedly achieving better purchase rates than human streamers. Baidu recently introduced an enhanced virtual human and more affordable AI models.

Chinese government policy has played a significant role in fostering AI and tech innovation. Following DeepSeek’s release of a free AI model and chatbot rivaling OpenAI’s ChatGPT earlier this year, the government has intensified support for startups through connecting them with suppliers, financing, and talent attraction initiatives. Tourongbang Management Consulting noted generous incentives for highly skilled individuals, including substantial payouts and rental subsidies, as well as employer subsidies and research funding. Ding Wenjie, investment strategist at China Asset Management Co., hailed this body of research investment and education as the foundation for anticipated future Chinese tech champions.

Economic data from the first quarter reveal strong profit growth concentrated in high-tech industries, with other sectors showing limited gains. The European Union Chamber of Commerce in China observed that China did not fully meet its “Made in China 2025” targets set a decade ago, with overproduction issues cited in some sectors. Consultancy AlixPartners commented that intense competition in the NEV industry has led to a plateau in development, highlighting the challenge for automakers to build distinctive brands in a market traditionally dominated by foreign companies. Nonetheless, local market dominance and international ambitions for Chinese-made electric vehicles appear set to continue.

Policy measures targeting employment were announced on April 25 following a Politburo meeting, encouraging companies to hire recent graduates amid ongoing trade tensions. On the diplomatic and economic front, claims surfaced of conversations between U.S. President Donald Trump and Chinese President Xi Jinping, although Beijing denied any contact. Meanwhile, Xi Jinping emphasised AI and tech development during a visit to Shanghai, and Chinese finance officials participated in IMF and World Bank meetings in Washington, D.C.

China is also advancing alternative energy projects to reduce reliance on U.S. crude oil, approving five nuclear power projects and setting plans for hydrogen energy research and services in 2025.

In financial markets, Chinese and Hong Kong stocks experienced fluctuating movements on April 23, with the CSI 300 index remaining flat and the Hang Seng index up slightly. Year-to-date, CSI 300 has declined more than 4%, while the Hang Seng index gained nearly 10%. The 10-year Chinese government bond yield edged down to 1.625%, and the offshore Chinese yuan strengthened marginally against the U.S. dollar.

This comprehensive overview reflects a dynamic period for China’s tech and auto industries, marked by significant innovation, supportive policies, and evolving market conditions as the country navigates both domestic challenges and international trade complexities. The CNBC report serves as the source for these developments.

Source: [Noah Wire Services](https://www.noahwire.com)

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