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If you are in any doubt about this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Nexteer Automotive Group Limited, you should at once hand this circular, together with the accompanying form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Nexteer Automotive Group Limited **耐世特汽車系統集團有限公司**

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 1316)

PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES; RE-ELECTION OF RETIRING DIRECTORS; PAYMENT OF FINAL DIVIDEND; AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of Nexteer Automotive Group Limited to be held on June 18, 2025 at 9 a.m. at Harbour Room I in Kowloon Shangri-La, 64 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong is set out on pages 17 to 22 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the Company at www.nexteer.com. Whether or not you intend to attend the Annual General Meeting, you are required to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude any shareholder from attending and voting in person at the Annual General Meeting if they so wish and in such event the form of proxy shall be deemed to be revoked.

May 26, 2025

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held on June 18, 2025 at 9 a.m. at Harbour Room I in Kowloon Shangri-La, 64 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong, or any adjournment thereof
“Articles of Association”	the memorandum and articles of association of the Company adopted on June 20, 2023, as amended and/or restated from time to time
“AVIC”	中國航空工業集團有限公司 (Aviation Industry Corporation of China, Ltd., formerly known as Aviation Industry Corporation of China*), a state-owned limited liability company established in the PRC on November 6, 2008, a Controlling Shareholder of the Company
“AVIC Auto”	中國航空汽車系統控股有限公司 (AVIC Automotive Systems Holding Co., Ltd.*), a limited liability company established in the PRC on November 7, 1985, which is owned as to 70.11% by AVIC, a Controlling Shareholder of the Company
“Beijing E-Town”	北京亦莊國際投資發展有限公司 (Beijing E-Town International Investment & Development Co. Ltd.*), a limited company established in the PRC on February 6, 2009
“Beijing E-Town Auto”	北京亦莊國際汽車投資管理有限公司 (Beijing E-Town International Automotive Investment & Management Co. Ltd.*), a limited company established in the PRC on December 2, 2014 and directly and wholly-owned by Beijing E-Town
“Board”	board of Directors of the Company
“Companies Act”	the Companies Act (as revised) of the Cayman Islands as amended, supplemented and/or otherwise modified from time to time

DEFINITIONS

“Company”	Nexteer Automotive Group Limited (耐世特汽車系統集團有限公司), a company incorporated as an exempted company with limited liability under the laws of the Cayman Islands on August 21, 2012 and the issued Shares of which are listed on the main board of the Stock Exchange
“Controlling Shareholder(s)”	has the meaning ascribed thereto in the Listing Rules and, unless the context requires otherwise, refers to AVIC, AVIC Auto, PCM China and Nexteer Hong Kong
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and/or deal in Shares not exceeding 20% of the aggregate number of issued Shares as at the date of passing of the relevant resolution granting such mandate
“Latest Practicable Date”	May 19, 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Nexteer Hong Kong”	Nexteer Automotive (Hong Kong) Holdings Limited (耐世特汽車系統(香港)控股有限公司), a company incorporated in Hong Kong on August 10, 2012, which is wholly-owned by PCM China. It directly holds approximately 44.03% of the issued share capital of the Company, and is a Controlling Shareholder of the Company

DEFINITIONS

“PCM China”	太平洋世紀(北京)汽車零部件有限公司 (Pacific Century Motors, Inc.*), a limited liability company established in the PRC on September 10, 2010, which is owned as to 72.88% by AVIC Auto and as to 27.12% by Beijing E-Town Auto
“PRC”	the People’s Republic of China, and for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the aggregate number of issued Shares (excluding treasury shares) as at the date of passing of the relevant resolution granting such mandate
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Share(s)”	ordinary share(s) of nominal value of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs, as amended from time to time
“treasury shares”	has the meaning ascribed to it under the Listing Rules, which came into effect on June 11, 2024 and as amended from time to time
“US” or “United States”	the United States of America
“US\$”	United States dollar, the lawful currency of the United States
“%”	per cent

* Denotes an English translation of a Chinese name and is for identification purpose only



Nexteer Automotive Group Limited

耐世特汽車系統集團有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 1316)

Executive Directors:

Mr. LEI, Zili (*Chairman and Chief Executive Officer*)

Mr. MILAVEC, Robin Zane

Non-Executive Directors:

Mr. WANG, Jian

Ms. ZHANG, Wendong

Mr. QIAO, Kun

Independent non-Executive Directors:

Mr. LIU, Jianjun

Dr. WANG, Bin

Mr. YUE, Yun

Registered office:

P.O. Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

Corporate headquarters:

1272 Doris Road

Auburn Hills, Michigan 48326

United States

Principal place of business in

Hong Kong:

31/F, Tower Two, Times Square

1 Matheson Street

Causeway Bay

Hong Kong

May 26, 2025

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES;
RE-ELECTION OF RETIRING DIRECTORS;
PAYMENT OF FINAL DIVIDEND;
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide Shareholders with the notice of Annual General Meeting and further information in relation to, amongst other matters, the following resolutions to be proposed at the Annual General Meeting: (a) the grant to the Directors of the Issue Mandate and the Repurchase Mandate; (b) the re-election of the retiring Directors; and (c) the payment of final dividend.

LETTER FROM THE BOARD

ISSUE MANDATE

In order to ensure flexibility and give discretion to the Directors in the event that it becomes desirable for the Company to issue any new Shares, an ordinary resolution 5(A) will be proposed at the Annual General Meeting to grant a general mandate to the Directors to exercise all powers of the Company to allot, issue and deal with additional Shares up to 20% of the total number of issued Shares (excluding treasury shares) as at the date of passing of the resolution in relation to the Issue Mandate.

As at the Latest Practicable Date, the issued share capital of the Company was at HK\$250,982,429.30 and comprised of 2,509,824,293 Shares. Subject to the passing of the proposed ordinary resolution 5(A) and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the Annual General Meeting, the Company will be allowed to issue a maximum of 501,964,858 Shares under the Issue Mandate.

The Issue Mandate will remain in effect until the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held pursuant to the applicable laws or the Articles of Association; or (iii) the date on which such an authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

REPURCHASE MANDATE

An ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Repurchase Mandate to the Directors to exercise all powers of the Company to repurchase Shares representing up to 10% of the total number of issued Shares (excluding treasury shares) as at the date of passing of the resolution, amounting to 250,982,429 Shares, in relation to the Repurchase Mandate, assuming that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing of such resolution at the Annual General Meeting.

The Repurchase Mandate will remain in effect until the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held pursuant to the applicable laws or the Articles of Association; or (iii) the date on which such an authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

LETTER FROM THE BOARD

With effect from 11 June 2024, the Listing Rules have been amended to remove the requirement to cancel repurchased shares and to adopt a framework to allow the repurchased shares to be held in treasury and to govern the resale of the treasury shares. As at the Latest Practicable Date, the Company has no repurchased shares and the Company's present intention on the repurchase shares, if any, is that any Shares to be bought back under the Repurchase Mandate would be cancelled rather than held as treasury shares. If the Company intends to hold such Shares in treasury instead, the Company will ensure that it is made in accordance with the Listing Rules, the Articles of Association, the Bye-laws and the laws of the Cayman Islands, and that any sale or transfer of Shares in treasury, if any, will be made subject to the terms of the Issue Mandate. As at the Latest Practicable Date, the Company did not have any treasury shares.

The Board advises that it has no present intention to repurchase any Shares pursuant to the Repurchase Mandate or issue any new Shares pursuant to the Issue Mandate in the event that the relevant resolutions are approved.

GENERAL EXTENSION MANDATE

In addition, if the Repurchase Mandate and the Issue Mandate are granted, an ordinary resolution will be proposed at the Annual General Meeting to extend the Issue Mandate by adding to the Issue Mandate those Shares repurchased by the Company under the Repurchase Mandate provided that such extended amount shall not exceed 10% of the total number of issued Shares (excluding treasury shares) on the date of passing of the resolution for the grant of the Issue Mandate.

RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 16.2 of the Articles of Association, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his or her appointment and shall then be eligible for re-election at that meeting. Accordingly, non-Executive Director Mr. QIAO, Kun, who had been appointed as Director on August 14, 2024, will hold office until the Annual General Meeting and, being eligible, have offered himself for re-election at the Annual General Meeting.

Pursuant to Article 16.18 of the Articles of Association, at every annual general meeting of the Company, one-third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. Any Director appointed pursuant to Article 16.2 of the Articles of Association shall not be taken into account in determining which Directors are to retire by rotation. Accordingly, Executive Director Mr. MILAVEC, Robin Zane, non-Executive Director Mr. WANG, Jian and Independent non-Executive Director Dr. WANG, Bin will retire from office by rotation at the Annual General Meeting. Except for Mr. WANG, Jian, the remaining retiring Directors Mr. MILAVEC, Robin Zane and Dr. WANG, Bin (together with Mr. QIAO, Kun, the "**Re-electing Directors**"), indicated that they intend to retire at the Annual General Meeting and, being eligible, will offer themselves for re-election at the Annual General Meeting. Mr. WANG, Jian has informed

LETTER FROM THE BOARD

the Company that he will not seek re-election at the Annual General Meeting due to personal pursuits and will retire as a non-Executive Director with effect from the conclusion of the Annual General Meeting. Mr. WANG, Jian confirmed that he has had no disagreement with the Board and that no matters need to be brought to the attention of the Shareholders and the Stock Exchange in relation to his retirement from the Board.

Recommendation to the Board for the proposal for re-election of the Re-electing Directors was made by the remuneration and nomination committee of the Board (the “**Remuneration and Nomination Committee**”) on March 18, 2025, in accordance with the Company’s director nomination policy and objective criteria (including but not limited to gender, age, ethnicity, years of work experience and professional experience), with due regard for the benefits of diversity, as set out under the Company’s board diversity policy. The Board has also taken into account the contributions of the Re-electing Directors and their commitment to their roles.

In addition, the Remuneration and Nomination Committee has assessed the independence of Dr. WANG, Bin by reference to the independence guidelines set out in Rule 3.13 of the Listing Rules. Having considered Dr. WANG, Bin’s views, skills and experience, as detailed in Appendix I to this circular, and his valuable contributions and insights to the Board, with reference to the objective criteria set out in the Company’s director nomination policy and the Company’s board diversity policy, the Remuneration and Nomination Committee is of the view that Dr. WANG, Bin has the necessary integrity, honesty and experience to continue to perform his duties as an independent non-Executive Director and considers that he is not involved in the daily management of the Company nor in any relationship or circumstances which would materially interfere with the exercise of his independent judgment. The Board has also obtained confirmation from Dr. WANG, Bin of his independence and is satisfied with his independence, and considers that he remains independent. The Board confirms the independence of Dr. WANG, Bin as an independent non-Executive Director eligible for re-election at the Annual General Meeting.

In view of the above, the Board believes that the Directors eligible for re-election at the Annual General Meeting will provide valuable insight and diversity to the Board by virtue of their relevant education, background and experience. On March 19, 2025, the Board accepted the nomination of the Remuneration and Nomination Committee and recommended the Re-electing Directors for re-election as Directors by Shareholders at the Annual General Meeting. The Board considers that the re-election of the Re-electing Directors as Directors is in the best interests of the Company and its Shareholders as a whole and therefore recommends to Shareholders the re-election of the retiring Directors.

Details of the above retiring Directors proposed for re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules. The re-election of each of the retiring Directors will be proposed by way of a separate resolution.

LETTER FROM THE BOARD

FINAL DIVIDEND

Subject to Shareholders' approval at the Annual General Meeting, the Board has recommended a final dividend of US\$0.0087 per Share for the year ended December 31, 2024 (the "**Final Dividend**"). The Final Dividend is payable on July 9, 2025 and the record date for entitlement to the Final Dividend is June 27, 2025.

For determining the entitlement to the Final Dividend, the register of members of the Company will be closed from June 25, 2025 to June 27, 2025, both days inclusive, during which no transfer of Shares will be registered. In order to qualify for the Final Dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on June 24, 2025.

NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 17 to 22 of this circular is the notice of the Annual General Meeting containing, inter alia, the ordinary resolutions in relation to the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate, the re-election of the retiring Directors, and the payment of the Final Dividend.

For determining the eligibility to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from June 11, 2025 to June 18, 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfer of Shares, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on June 10, 2025.

FORM OF PROXY

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.nexteer.com. Whether or not you intend to attend the Annual General Meeting, you are required to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the holding of the Annual General Meeting or any adjournment thereof.

Completion and delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the Annual General Meeting if they so wish and in such event the form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any resolution put to the vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the Annual General Meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, each of the resolutions set out in the notice of Annual General Meeting will be taken by way of poll.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every fully paid Share of which he/she/it is the holder. A Shareholder entitled to more than one vote need not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

RECOMMENDATION

The Directors consider that all the proposed resolutions including the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate are in the best interests of the Company and the Shareholders as a whole. The Directors also consider that the re-election of retiring Directors, and the payment of the Final Dividend are in the best interests of the Company and its Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the Appendices to this circular.

Yours faithfully
By order of the Board
Nexteer Automotive Group Limited
LEI Zili
Chairman and Chief Executive Officer

The following are the particulars of the Directors (as required by the Listing Rules) standing for re-election at the Annual General Meeting.

As at the Latest Practicable Date, save as disclosed herein, none of the following Directors, had any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, no Director holds any position with the Company or any other member of the Group, nor has any directorships in other listed companies in the past three years.

In addition, save as disclosed herein, no Director has any relationship with any other Directors, senior management, substantial Shareholders or Controlling Shareholders of the Company.

Save as disclosed herein, there is no other matter relating to any of the following Directors that needs to be brought to the attention of the Shareholders and there is no other information relating to the following Directors which is required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

DIRECTORS:

Executive Director

MILAVEC, Robin Zane, aged 57, was appointed as an Executive Director on June 30, 2020. He was appointed as President of the Company on August 17, 2021 and was appointed as Chief Technology Officer and Chief Strategy Officer of the Company on July 1, 2019. In his combined responsibilities, Mr. MILAVEC will facilitate global alignment and teamwork, while spearheading the strategic direction of Nexteer and ensuring technology roadmap alignment with industry mega-trends to proactively capture growth opportunities. Mr. MILAVEC is a member of the GSC, and chairs the management committees for sustainability and enterprise risk management matters. He has over 35 years of relevant experience in the automotive industry, including positions in Product Engineering, Manufacturing Engineering, Operations and Quality. Mr. MILAVEC has been appointed as a director of Nexteer (China) Holding Co., Ltd., a subsidiary of the Group, with effect from August 17, 2021. At the Company, he served as Senior Vice President from July 2019 to August 2021, Vice President of Global Engineering from January 2018 to July 2019, Vice President of Global Current Product Engineering from June 2017 to January 2018, Executive Director of Global Product Engineering from August 2016 to June 2017, Director of Corporate Engineering and Global Programme Office from 2012 to 2016 and Chief Product Engineer for electric power steering from 2009 to 2012. At Delphi Saginaw Steering Systems, he served as Chief Product Engineer for driveline from 2005 to 2009, Chief Manufacturing Engineer for driveline from 2003 to 2005, and as Quality Manager for Saginaw plants 4 and 5 from 2000 to 2003. He served as an Engineering Supervisor at the Delphi Automotive Mexico Technical Centre in Juarez, Mexico from 1995 to 1997. Mr. MILAVEC began his career with General Motors in 1989 as a Product Engineer at the former Saginaw Steering Gear Division, and held several positions in engineering, quality and operations prior to his Mexico assignment in 1995. He obtained a bachelor's degree in mechanical engineering from New Mexico State

University in Las Cruces, the US, in 1989 and a master's degree in mechanical engineering from the University of Michigan in Ann Arbor, the US, in 1992.

Mr. MILAVEC has entered into a service contract with the Company for a term of three years with effect from June 30, 2023, subject to re-election and retirement as required by the Articles of Association. As an Executive Director, he does not receive any emoluments; as the President, Chief Technology Officer and Chief Strategy Officer, he is entitled to receive emoluments of US\$809,025 per annum and a discretionary bonus as determined by the Board with reference to the experience, responsibility, workload, time devoted, contribution to the Group, emoluments paid by comparable companies and performance of the Group.

As at the Latest Practicable Date, Mr. MILAVEC has an interest in 1,053,450 underlying Shares of the Company in respect of the share options granted under the share option scheme of the Company within the meaning of Part XV of SFO. Mr. MILAVEC has not exercised the share options.

Non-Executive Director

QIAO, Kun (喬堃) ("Mr. QIAO"), aged 57, was appointed as a non-Executive Director on August 14, 2024. Mr. QIAO is a senior accountant with over 37 years of experience in corporate finance. He held various positions including Executive Director of the Finance Department at 620 Research Institute of AVIC from 1995 to 2000, Senior Business Manager of General Office, Executive Director of Financial Management Department and Executive Director of Treasure Management Department at AVIC I from 2000 to 2007, Board Director, Deputy General Manager and Chief Financial Officer at AVIC Xihang Group Co., Ltd. from 2007 to 2010, Board Director (from March 2017 to August 2019), Deputy General Manager and Chief Financial Officer at AVIC Heavy Machinery Co., Ltd. from 2010 to 2022, and member of the Second Office of the Full-time Directors and Supervisors Committee of AVIC from March 2022 to May 2024. Since June 2024, he has served as Chief Financial Officer and General Counsel at AVIC Automobile System Holding Co., Ltd. He has served as the board of director at Guizhou Guihang Automotive Components Co., Ltd since September 2024. He holds a master's degree in international finance from the School of Economics and Management, Beihang University.

Mr. QIAO has entered into a service contract with the Company with effect from August 14, 2024 for a term of three years, subject to re-election and retirement as required by the Articles of Association. Mr. QIAO is entitled to receive a director's fee of US\$50,700 per annum and a discretionary bonus as determined by the Board with reference to his experience, responsibility, workload, time devoted, contribution to the Group, emoluments paid by comparable companies and performance of the Group and the recommendations of the Remuneration and Nomination Committee.

As at the Latest Practicable Date, Mr. QIAO did not have any interest in the Shares within the meaning of Part XV of SFO.

Independent Non-Executive Director

WANG, Bin (王斌) (“Dr. WANG”), aged 59, was appointed as an Independent non-Executive Director on June 21, 2022. Dr. WANG is a professor of finance at the business school of Beijing Technology and Business University, as well as a member of its university-level academic committee. He is currently an independent director of UBS Securities Co., Ltd and China Tea Co., Ltd, respectively. Dr. WANG had retired as an independent non-executive director and chairman of the audit and risk management committee of China Tourism Group Duty Free Corporation Limited (listed on the Shanghai and Hong Kong Stock Exchanges) on June 29, 2023 due to the expiration of the current term of office.

Dr. WANG graduated from Beijing Technology and Business University with a bachelor’s degree in accounting in July 1987 and a master’s degree in accounting in December 1989, and from the Chinese Academy of Fiscal Science (Ministry of Finance of China) with a doctorate in accounting in July 2001. Dr. WANG is the author of over 50 academic papers in top domestic and foreign academic publications and journals. He is one of the directors of Accounting Society of China, as well as the vice-chairman of its management accounting research committee since 2007. Dr. WANG has received various accolades in relation to his work as a top academic in China.

Dr. WANG has entered into a service contract with the Company with effect from June 14, 2022 for a term of three years, subject to re-election and retirement as required by the Articles of Association. Dr. WANG is entitled to receive a director’s fee of US\$82,400 per annum, which is determined by the Board with reference to his duties and responsibilities with the Company, the prevailing market conditions and the recommendations of the Remuneration and Nomination Committee.

Dr. WANG has confirmed his independence with respect to each of the factors outlined in Rules 3.13(1) to (8) of the Listing Rules. He does not have any past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person (as defined under the Listing Rules) of the Company, and there are no other factors that may affect his independence.

As at the Latest Practicable Date, Dr. WANG did not have any interest in the Shares within the meaning of Part XV of SFO.

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was at HK\$250,982,429.30 and comprised of 2,509,824,293 Shares and the Company did not have any treasury shares. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 250,982,429 Shares which represent 10% of the issued share capital of the Company during the period ending on the earlier of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of Association to be held; or (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

FUNDING OF REPURCHASES

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Articles of Association, the Listing Rules, the Companies Act and any other applicable laws. The Companies Act provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company, the share premium account of the Company or the proceeds of a fresh issue of Shares made for the purpose of the repurchase, or out of capital provided that the Company is able to pay its debts as they fall due in the ordinary course of business and the payment out of capital is authorized by the Articles of Association, subject to and in accordance with the Companies Act. The amount of premium payable on repurchase may only be paid out of either or both the profits of the Company or the share premium account of the Company before or at the time the Company's Shares are repurchased, or in the manner provided for in the Companies Act.

A listed company in Hong Kong may not repurchase its own securities on the Stock Exchange for, inter alia, a consideration other than for cash or for settlement otherwise than in accordance with the Listing Rules.

IMPACT OF THE REPURCHASES

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interest of the Company and the Shareholders as a whole. The Directors consider that if the Repurchase Mandate was to be exercised in full, it may have a material adverse impact on the working capital or the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at December 31, 2024, being the date on which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) currently intends to sell any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken that, so far as the same may be applicable, they will exercise their power to repurchase any Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and applicable laws of the Cayman Islands.

As at the Latest Practicable Date, no core connected person (as defined in the Listing Rules) of the Company had notified the Company that he/she/it has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the proposed Repurchase Mandate is approved by the Shareholders.

Neither this explanatory statement nor the repurchase of Shares pursuant to the Repurchase Mandate has any unusual features.

EFFECT OF TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, if a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company, it will become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, the following Shareholders had beneficial interests representing 5% or more of the issued share capital of the Company within the meaning of Part XV of the SFO:

Name of Shareholders	Number of Shares held	Current percentage interest in the issued share capital of the Company ⁽¹⁾	Percentage interest in the issued share capital of the Company in event the Repurchase Mandate is exercised in full ⁽¹⁾
Nexteer Hong Kong (<i>Note 2</i>)	1,105,000,000	44.03%	48.92%
PCM China (<i>Note 2</i>)	1,105,000,000	44.03%	48.92%
AVIC Auto (<i>Note 3</i>)	1,105,000,000	44.03%	48.92%
AVIC (<i>Note 3</i>)	1,105,000,000	44.03%	48.92%
Beijing E-Town (<i>Note 4</i>)	525,000,000	20.92%	23.24%
Beijing E-Town Auto (<i>Note 4</i>)	525,000,000	20.92%	23.24%

Notes:

- (1) The calculation is based on the total number of 2,509,824,293 Shares in issue as at the Latest Practicable Date.
- (2) Nexteer Hong Kong is the beneficial owner of 1,105,000,000 Shares. Nexteer Hong Kong is wholly-owned by PCM China, which is owned as to 72.88% by AVIC Auto and as to 27.12% by Beijing E-Town Auto. Each of PCM China and AVIC Auto is deemed to be interested in the 1,105,000,000 Shares held by Nexteer Hong Kong.
- (3) AVIC Auto is owned as to 70.11% by AVIC. AVIC is deemed to be interested in the 1,105,000,000 Shares held by Nexteer Hong Kong.
- (4) On September 23, 2022, Beijing E-Town Auto became a direct holder of 525,000,000 shares of the Company. Beijing E-Town is deemed to be interested in the 525,000,000 Shares held by Beijing E-Town Auto.

In the opinion of the Directors, if the Repurchase Mandate was to be exercised in full and assuming that there is no change in the issued share capital of the Company and the shareholding of the abovementioned Shareholders prior to the repurchase of Shares, the percentage shareholding of Nexteer Hong Kong would be increased from approximately 44.03% to approximately 48.92% of the issued share capital of the Company. In such event, such an increase would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors are not aware of any other consequences which arise under the Takeovers Code as a result of any purchase of its Shares by the Company. The Directors have no intention to repurchase any Shares to the extent that it will trigger the obligations under the Takeover Code to make a mandatory offer.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

SHARE REPURCHASE MADE BY THE COMPANY

The Company had not repurchased any Shares on the Stock Exchange in the six months preceding the Latest Practicable Date.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the previous twelve months were as follows:

Month	Highest prices <i>HK\$</i>	Lowest prices <i>HK\$</i>
2024		
May	4.67	4.00
June	4.56	3.48
July	3.75	3.11
August	3.52	2.34
September	3.45	2.29
October	3.81	2.68
November	3.67	2.73
December	3.70	2.87
2025		
January	3.62	2.96
February	6.13	3.34
March	6.13	4.85
April	5.40	3.25
May (up to the Latest Practicable Date)	6.41	5.07

NOTICE OF ANNUAL GENERAL MEETING



Nexteer Automotive Group Limited 耐世特汽車系統集團有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 1316)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Annual General Meeting**”) of Nexteer Automotive Group Limited (the “**Company**”) will be held on June 18, 2025 at 9 a.m. at Harbour Room I in Kowloon Shangri-La, 64 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong for the purposes of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and adopt the audited consolidated financial statements of the Company and the reports of the directors (the “**Directors**”) and auditor of the Company for the year ended December 31, 2024.
2. To declare a final dividend of US\$0.0087 per ordinary share of HK\$0.10 each (“**Shares**”) for the year ended December 31, 2024.
3. (a) To re-elect the following Directors:
 - (i) Mr. MILAVEC, Robin Zane as an Executive Director;
 - (ii) Mr. QIAO, Kun as a non-Executive Director; and
 - (iii) Dr. WANG, Bin as an independent non-Executive Director.
- (b) To authorise the board of Directors (the “**Board**”) of the Company to fix the remuneration of the Directors.
4. To re-appoint Deloitte Touche Tohmatsu as auditor of the Company and to authorise the Board to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

5. To consider as special business and, if thought fit, pass the following resolutions as ordinary resolutions:

(A) “**THAT:**

- (i) subject to paragraph (iii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and otherwise deal with additional Shares, or options, warrants or similar rights to subscribe for Shares or other securities convertible into Shares and to make or grant offers, agreements and/or options (including bonds, warrants and debentures exchangeable for or convertible into Shares) and rights of exchange or conversion which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options (including bonds, warrants and debentures exchangeable or convertible into Shares) and rights of exchange or conversion which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the directors of the Company during the Relevant Period pursuant to paragraph (i) or (ii) of this resolution 5(A) above, otherwise than pursuant to:
 - (1) a Rights Issue (as hereinafter defined);
 - (2) the grant or exercise of any option under any share option scheme of the Company (if applicable) or any other option scheme or similar arrangements for the time being adopted for the grant or issue to the directors of the Company, officers and/or employees of the Company and/or any of its subsidiaries and/or other eligible participants specified thereunder of options to subscribe for Shares or rights to acquire Shares;
 - (3) any scrip dividend or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company; or

NOTICE OF ANNUAL GENERAL MEETING

- (4) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into Shares,

shall not exceed 20% of the total number of issued Shares (excluding treasury shares) as at the date of passing this resolution and the approval shall be limited accordingly; and

- (iv) for the purpose of this resolution 5(A):

- (a) **“Relevant Period”** means the period from the passing of this resolution until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; or
- (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

- (b) **“Rights Issue”** means an offer of Shares, or an offer or issue of warrants, options or other securities which carry a right to subscribe for Shares, open for a period fixed by the directors of the Company to holders of Shares whose names appear on the register of members on a fixed record date in proportion to their holdings of Shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

(B) “THAT:

- (i) subject to paragraph (ii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange in accordance with all applicable laws including The Codes on Takeovers and Mergers and Share Buy-backs and the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;
- (ii) the aggregate number of Shares, which may be repurchased pursuant to the approval in paragraph (i) above of this resolution 5(B) during the Relevant Period shall not exceed 10% of the total number of issued Shares (excluding treasury shares) as at the date of passing of this resolution 5(B), and the said approval shall be limited accordingly; and
- (iii) for the purpose of this Resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; or
- (c) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

- (C) “**THAT** conditional upon the passing of the resolutions 5(A) and 5(B), the general mandate referred to in the resolution 5(A) be and is hereby extended by the addition to the aggregate number of Shares which may be allotted, issued or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with by the Directors pursuant to such general mandate of an amount representing the aggregate number of issued Shares repurchased or otherwise acquired by the Company pursuant to the general mandate pursuant to resolution 5(B), provided that such aggregate number of Shares so repurchased shall not exceed 10% of the total number of issued Shares (excluding treasury shares) as at the date of passing this resolution.”

By order of the Board
Nexteer Automotive Group Limited
LEI Zili
Chairman and Chief Executive Officer

Hong Kong, May 26, 2025

<i>Registered office:</i> P.O. Box 309 Ugland House Grand Cayman KY1-1104 Cayman Islands	<i>Corporate headquarters:</i> 1272 Doris Road Auburn Hills, Michigan 48326 United States	<i>Principal place of business in Hong Kong:</i> 31/F, Tower Two, Times Square 1 Matheson Street Causeway Bay Hong Kong
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Notes:

- (i) A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A proxy need not be a shareholder.
- (ii) In the case of joint holders of any Share, any one of such persons may vote at the Annual General Meeting, either personally or by proxy, in respect of such Share as if he/she were solely entitled thereto. However, if more than one of such joint holders be present at the above Annual General Meeting personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Share shall alone be entitled to vote in respect thereof.
- (iii) In order to be valid, a form of proxy must be completed, signed and returned to the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. The completion and return of the form of proxy shall not preclude the shareholders from attending and voting in person at the Annual General Meeting (or any adjourned meeting thereof) if they so wish.
- (iv) In respect of the ordinary resolution 2 above, the payment of the final dividend shall be made in US dollars, except that payment to shareholders whose names appear on the register of members in Hong Kong shall be paid in Hong Kong dollars. The relevant exchange rate shall be the opening buying rate of Hong Kong dollars to US dollars as announced by the Hong Kong Association of Banks (www.hkab.org.hk) on the day of the approval of the distribution at the above Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

- (v) For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from June 11, 2025 to June 18, 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on June 10, 2025.
- (vi) The final dividend is payable on July 9, 2025 and the record date for entitlement to the proposed final dividend is June 27, 2025. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from June 25, 2025 to June 27, 2025, both days inclusive, during which no transfer of Shares will be registered. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited (address as per above) for registration no later than 4:30 p.m. on June 24, 2025.
- (vii) In respect of ordinary resolution 3 above, Mr. MILAVEC, Robin Zane, Mr. QIAO, Kun and Dr. WANG, Bin will retire and being eligible, have offered themselves for re-election at the Annual General Meeting while Mr. WANG, Jian has informed the Company that he will not seek re-election at the Annual General Meeting due to his personal pursuits. The biographical details of each of the above retiring directors standing for re-election are set out in Appendix I to the circular dated May 26, 2025.
- (viii) In respect of the ordinary resolution 5(A) above, the directors wish to state that they have no immediate plans to issue any new Shares. Approval is being sought from shareholders of the Company as a general mandate for the purposes of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").
- (ix) In respect of ordinary resolution 5(B) above, the directors wish to state that they will exercise the powers conferred by the general mandate to repurchase Shares in circumstances which they deem appropriate for the benefits of shareholders of the Company. The explanatory statement containing the information necessary to enable shareholders of the Company to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix II to the circular dated May 26, 2025.