
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

GEELY

吉利汽車控股有限公司

GEELY AUTOMOBILE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock codes: 175 (HKD counter) and 80175 (RMB counter)

CONTINUING CONNECTED TRANSACTIONS

Financial adviser to Geely Automobile Holdings Limited



**Independent Financial Adviser to the Independent Board Committee and
the Independent Shareholders**

BALLAS

C A P I T A L

A letter from the Board is set out on pages 11 to 31 of this circular. A letter from the Independent Board Committee is set out on pages 32 to 33 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 34 to 62 of this circular. A notice convening the EGM to be held at Room 2302, 23rd Floor, Great Eagle Centre, 23 Harbour Road, Wan Chai, Hong Kong on Thursday, 18 December 2025 at 4:30 p.m. is set out on pages EGM-1 to EGM-3 of this circular. Whether or not you are able to attend and/or vote at the EGM in person, you are requested to complete the enclosed form of proxy and return it to the Company's Hong Kong share registrar and transfer office, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong in accordance with the instructions printed thereon as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from subsequently attending and voting in person at the EGM or any adjournment thereof (as the case may be) should you so wish.

28 November 2025

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	11
LETTER FROM THE INDEPENDENT BOARD COMMITTEE	32
LETTER FROM THE INDEPENDENT FINANCIAL ADVISER	34
APPENDIX I – GENERAL INFORMATION	I-1
NOTICE OF EGM	EGM-1

DEFINITIONS

Unless the context otherwise requires, the following expressions shall have the meanings ascribed to them in this circular:

“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Automobile Components Sales and Purchase Agreement”	the master agreement dated 15 August 2024, entered into among the Company, Geely Holding, LYNK & CO, ZEEKR, LEVC, Geely Technology, YoeNing Technology, InfiMotion and Geely Sunwoda, pursuant to which the Group conditionally agreed to (i) sell automobile components to the Geely Holding Group, the LYNK & CO Group, the ZEEKR Group, and the LEVC Group; and (ii) purchase automobile components from the Geely Holding Group, the LYNK & CO Group, the ZEEKR Group, the YoeNing Technology Group, the Geely Technology Group, the InfiMotion Group and the Geely Sunwoda Group
“Aurobay”	Aurobay Holding (SG) PTE. LTD., a private company limited by shares incorporated in the Republic of Singapore, which was owned as to more than 30% by Mr. Li and his associate as at the Latest Practicable Date
“Aurobay Group”	Aurobay and its subsidiaries
“Aurobay Technology”	極光灣科技有限公司 (Aurobay Technology Co., Ltd.*), a limited liability company established in the PRC, which was indirectly owned as to 29.7% by the Group and as to 15.3% by Mr. Li and his associate as at the Latest Practicable Date
“Aurobay Technology Group”	Aurobay Technology and its subsidiaries
“Board”	the board of Directors
“CaoCao”	曹操出行有限公司 (CaoCao Inc.*), a limited liability company incorporated in the Cayman Islands, the shares of which are listed on the Stock Exchange (stock code: 2643), and which was indirectly owned as to more than 70% by Mr. Li and his associates as at the Latest Practicable Date
“CaoCao Group”	CaoCao and its subsidiaries
“CBU(s)”	fully functional vehicles that meet relevant corporate standards, industry requirements, and regulatory requirements, and can be sold directly to customers

DEFINITIONS

“CBUs and CKDs Manufacturing Services Agreement”	the master agreement dated 31 March 2025, entered into between the Company, Geely Holding and smart, pursuant to which the Group conditionally agreed to provide the CBUs and CKDs manufacturing services to the Geely Holding Group and the smart Group
“CBUs and CKDs Procurement Cooperation Agreement”	the master CBUs and CKDs procurement cooperation agreement dated 24 September 2025 entered into among the Company, Geely Holding, Farizon Commercial Vehicles, and Shandong Geely New Energy for the procurement of CBUs and CKDs
“CBUs Sales Agreement”	the master agreement dated 15 August 2024, entered into between the Company and Geely Holding, pursuant to which the Group conditionally agreed to sell CBUs and related after-sales parts and accessories manufactured by the Group to the Geely Holding Group
“Chunqing Ecological” or “Tianjin Chunqing”	浙江醇氫生態科技有限公司 (Zhejiang Chunqing Ecological Technology Co., Ltd.*), formerly known as 天津醇氫生態科技有限公司 (Tianjin Chunqing Technology Co., Ltd.*), a limited liability company established in the PRC, which was ultimately owned as to more than 59% by Mr. Li and his associates as at the Latest Practicable Date
“Chunqing Ecological Group” or “Tianjin Chunqing Group”	Chunqing Ecological and its subsidiaries
“CKD(s)”	all parts and components in a disassembled state that can be assembled into CBU(s)
“CKDs and Automobile Components Sales Agreement”	the master agreement dated 12 December 2022, entered into between the Company and Geely Holding, pursuant to which the Group conditionally agreed to sell CKDs and automobile components in relation to vehicle models including smart-branded vehicles to the Geely Holding Group
“Company”	Geely Automobile Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the main board of the Stock Exchange (stock codes: 175 (HKD counter) and 80175 (RMB counter))
“Components Procurement and R&D Services Agreement”	the framework agreement dated 14 November 2024, entered into between the Company, ECARX (Hubei), Zhejiang HUANFU and Hangzhou Langge, pursuant to which the Group (i) conditionally agreed to purchase automobile components; and (ii) conditionally agreed to purchase R&D services from the ECARX (Hubei) Group, the Zhejiang HUANFU Group and the Hangzhou Langge Group

DEFINITIONS

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Continuing Connected Transactions”	the transactions contemplated under each of the CBUs and CKDs Procurement Cooperation Agreement and the R&D Services and Technology Licensing Agreement
“Director(s)”	directors of the Company, each a “Director”
“ECARX”	ECARX Holdings Inc., a limited liability company incorporated in the Cayman Islands and listed on NASDAQ (ticker symbol: ECX), which was owned as to more than 30% by Mr. Li and his associate as at the Latest Practicable Date
“ECARX Group”	ECARX and its subsidiaries
“ECARX (Hubei)”	ECARX (Hubei) Technology Company Limited* (億咖通(湖北)科技有限公司), a limited liability company established in the PRC, which was owned as to more than 30% by Mr. Li and his associate as at the Latest Practicable Date
“ECARX (Hubei) Group”	ECARX (Hubei) and its subsidiaries
“EGM”	an extraordinary general meeting of the Company to be held to consider and, if thought fit, approve the Continuing Connected Transactions
“Existing CBUs and CKDs Procurement Cooperation Agreement”	the master CBUs and CKDs procurement cooperation agreement dated 15 September 2023, entered into by and between the Company and Geely Holding for the procurement of CBUs and CKDs
“Existing R&D Services and Technology Licensing Agreement”	the master R&D services and technology licensing agreement dated 15 September 2023, entered into by and among the Company, Geely Holding, LYNK & CO, ZEEKR, Lotus Technology, Polestar AB, Polestar China, JIDU, LEVC, and smart, pursuant to which: (i) the Group conditionally agreed to provide to the Geely Holding and related party groups R&D and related technological support services, including R&D for automobiles and key auto parts, technical verification and testing, technical consultation services, technical support services, technology licensing, etc.; and (ii) the Group conditionally agreed to procure from the Geely Holding Group and ZEEKR Group R&D and related technological support services, including R&D of NEV technologies and intelligent driver assistance technologies, technical verification and testing, technical consultation services and technical support services, technology licensing, etc.

DEFINITIONS

“Farizon Commercial Vehicles” or “Commercial Vehicle”	浙江遠程新能源商用車集團有限公司 (Zhejiang Farizon New Energy Commercial Vehicles Group Co., Ltd.*), formerly known as 浙江吉利遠程新能源商用車集團有限公司 (Zhejiang Geely Farizon New Energy Commercial Vehicle Group Co., Ltd.*), a limited liability company established in the PRC, which was ultimately wholly-owned by Mr. Li and his associates as at the Latest Practicable Date
“Farizon Commercial Vehicles Group” or “Commercial Vehicle Group”	Farizon Commercial Vehicles and its subsidiaries
“Farizon Technology”	遠程商用車科技有限公司 (Farizon Commercial Vehicle Technology Co., Ltd.*), a limited liability company established in the PRC, which was ultimately owned as to more than 70% by Mr. Li and his associates as at the Latest Practicable Date
“Farizon Technology Group”	Farizon Technology and its subsidiaries
“Geely Automobile Group”	吉利汽車集團有限公司 (Geely Automobile Group Company Limited*), a limited liability company established in the PRC, which was ultimately beneficially wholly-owned by Mr. Li and his associate as at the Latest Practicable Date
“Geely Changxing”	吉利長興自動變速器有限公司 (Geely Changxing Automatic Transmission Co., Ltd.*), a limited liability company established in the PRC, which was indirectly owned as to 29.7% by the Group and as to 15.3% by Mr. Li and his associate as at the Latest Practicable Date
“Geely Changxing Group”	Geely Changxing and its subsidiaries
“Geely Holding”	浙江吉利控股集團有限公司 (Zhejiang Geely Holding Group Company Limited*), a limited liability company established in the PRC, which was ultimately beneficially wholly-owned by Mr. Li and his associate as at the Latest Practicable Date
“Geely Holding and Related Party Groups”	collectively, the Geely Holding Group, the ZEEKR Group, the LYNK & CO Group, the Geely Technology Group, the smart Group, the Farizon Technology Group, the Commercial Vehicle Group, the Tianjin Chunqing Group, the LIVAN Automobile Group, the Lotus Technology Group, the Farizon Technology Group, the JIDU Group, the YoeNing Technology Group, the Aurobay Technology Group and the Geely Changxing Group
“Geely Holding Group”	Geely Holding and its subsidiaries

DEFINITIONS

“Geely Ningbo”	吉利集團(寧波)有限公司 (Geely Group (Ningbo) Co., Ltd.*), a limited liability company established in the PRC, which was ultimately beneficially wholly-owned by Mr. Li and his associate as at the Latest Practicable Date. Geely Ningbo is principally engaged in investment holding
“Geely Sunwoda”	山東吉利欣旺達動力電池有限公司 (Shandong Geely Sunwoda Power Battery Co., Ltd.*), a limited liability company established in the PRC and was indirectly owned as to 70% by Mr. Li and his associate as at the Latest Practicable Date.
“Geely Sunwoda Group”	Geely Sunwoda and its subsidiaries
“Geely Technology”	吉利科技集團有限公司 (Geely Technology Group Company Limited*), a limited liability company established in the PRC. As at the Latest Practicable Date, Geely Technology was indirectly owned as to more than 85% by Mr. Li and his associate
“Geely Technology Group”	Geely Technology and its subsidiaries
“Group”	the Company and its subsidiaries
“Hangzhou Langge”	Hangzhou Langge Technology Company Limited* (杭州朗歌科技有限公司), a limited liability company established in the PRC, which was owned as to more than 30% by Mr. Li and his associate as at the Latest Practicable Date
“Hangzhou Langge Group”	Hangzhou Langge and its subsidiaries
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors, formed for the purpose of advising the Independent Shareholders on the Continuing Connected Transactions
“Independent Financial Adviser”	Ballas Capital Limited, a licensed corporation authorized under the SFO to carry out Type 6 (advising on corporate finance) regulated activities, and the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Continuing Connected Transactions

DEFINITIONS

“Independent Shareholders”	Shareholders other than Mr. Li, Mr. Li Dong Hui, Daniel, Mr. Gui Sheng Yue, Mr. Gan Jia Yue, and their respective associates (as the case may be)
“InfiMotion”	無錫星驅科技有限公司 (Wuxi InfiMotion Technology Co., Ltd.*), a limited liability company established in the PRC, which was indirectly owned as to more than 30% by Mr. Li and his associate as at the Latest Practicable Date
“InfiMotion Group”	InfiMotion and its subsidiaries
“Integrated Services”	a comprehensive range of services including processing services; value-added services; testing services; assembly services; installation services; maintenance services; modification services; upgrade services; and other services related to the conversion of CKDs into CBUs
“Jiyao”	浙江吉曜通行能源科技有限公司 (Zhejiang Jiyao Pass Energy Technology Co., Ltd.*), a limited liability company established in the PRC, which was ultimately wholly-owned by Mr. Li and his associates as at the Latest Practicable Date
“Jiyao Group”	Jiyao and its subsidiaries
“JIDU”	JIDU Auto Inc. (集度汽車公司*), a company incorporated in the Cayman Islands and was owned as to more than 30% by Mr. Li and his associate as at the Latest Practicable Date
“JIDU Group”	JIDU and its subsidiaries
“Latest Practicable Date”	26 November 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“LEVC”	浙江翼真新能源汽車有限公司 (Zhejiang LEVC New Energy Automobile Co., Ltd.*), a limited liability company established in the PRC, which was owned as to 50% by Geely Holding and 50% by Geely Ningbo as at the Latest Practicable Date
“LEVC Group”	LEVC and its subsidiaries
“LIVAN Automobile”	重慶睿藍汽車科技有限公司 (Chongqing LIVAN Automobile Technology Co., Ltd.*), a limited liability company established in the PRC, which was owned as to more than 30% by Mr. Li and his associate as at the Latest Practicable Date

DEFINITIONS

“LIVAN Automobile Group”	LIVAN Automobile and its subsidiaries
“Lotus Technology”	武漢路特斯科技有限公司 (Wuhan Lotus Technology Company Limited*), a limited liability company established in the PRC, which was indirectly owned as to more than 30% by Mr. Li and his associate as at the Latest Practicable Date
“Lotus Technology Group”	Lotus Technology and its subsidiaries
“LYNK & CO”	領克汽車科技有限公司 (LYNK & CO Automotive Technology Co., Ltd.*), a limited liability company established in the PRC, which was an indirect non wholly-owned subsidiary of the Company as at the Latest Practicable Date
“Mr. Li”	Mr. Li Shu Fu, an executive Director and a substantial shareholder holding approximately 41.20% of the total issued share capital of the Company as at the Latest Practicable Date
“NASDAQ”	the National Association of Securities Dealers Automated Quotations, a U.S.-based stock exchange that specializes in technology and growth companies
“NEV(s)”	new energy vehicle(s)
“PBOC”	the People’s Bank of China
“percentage ratio(s)”	has the meaning ascribed to it under Rule 14.07 of the Listing Rules
“Polestar AB”	Polestar Performance AB, a limited liability company incorporated in Sweden, which was owned as to more than 80% by Mr. Li and his associate as at the Latest Practicable Date
“Polestar China”	極星汽車銷售有限公司 (Polestar Automotive China Distribution Co., Ltd.*), a limited liability company established in the PRC, which was owned as to more than 80% by Mr. Li and his associate as at the Latest Practicable Date
“Polestar Group”	Polestar AB and its subsidiaries, as well as Polestar China and its subsidiaries
“PRC”	the People’s Republic of China, but for the purposes of this circular only, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“R&D”	research and development

DEFINITIONS

“R&D Services and Technology Licensing Agreement”	the master R&D services and technology licensing agreement dated 24 September 2025, entered into by and among the Company, Geely Holding, ZEEKR, Viridi, Lotus Technology, Polestar AB, Polestar China, LEVC, smart, ECARX, Aurobay, LIVAN Automobile, YoeNing Technology, InfiMotion, Jiyao, Chunqing Ecological, Farizon Technology, Farizon Commercial Vehicles, Shandong Geely New Energy and CaoCao, pursuant to which: (i) the Group has conditionally agreed to provide to the Related Party Service Recipients R&D and related technological support services, including R&D for automobiles and key auto parts, technical verification and testing, technical consultation services, technical support services, technology licensing, etc.; and (ii) the Group has conditionally agreed to procure from the Related Party R&D Service Providers R&D and related technological support services, including R&D of NEV technologies and intelligent driver assistance technologies, technical verification and testing, technical consultation services and technical support services, technology licensing, etc.
“Related Party R&D Service Providers”	collectively, the Geely Holding Group, the ZEEKR Group, the Viridi Group, the LEVC Group, the ECARX Group, the Aurobay Group, the LIVAN Automobile Group, the YoeNing Technology Group, the InfiMotion Group, the Jiyao Group and the CaoCao Group
“Related Party Service Recipients”	collectively, the Geely Holding Group, the ZEEKR Group, the Viridi Group, the Lotus Technology Group, the Polestar Group, the LEVC Group, the smart Group, the Aurobay Group, the LIVAN Automobile Group, the YoeNing Technology Group, the InfiMotion Group, the Jiyao Group, the Chunqing Ecological Group, the Farizon Technology Group, the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group and the CaoCao Group
“RMB”	Renminbi, the lawful currency of the PRC
“Services Agreement”	the master agreement dated 15 August 2024, entered into between the Company and Geely Holding, which conditionally provided for (i) the sale of CKDs by the Group to the Geely Holding Group; and (ii) the purchase of CBUs by the Group from the Geely Holding Group
“SFO”	Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong)

DEFINITIONS

“Shandong Geely New Energy”	山東吉利新能源商用車有限公司 (Shandong Geely New Energy Commercial Vehicle Co., Ltd.*), a limited liability company established in the PRC, which was indirectly owned as to approximately 90% by Mr. Li and his associates as at the Latest Practicable Date
“Shandong Geely New Energy Group”	Shandong Geely New Energy and its subsidiaries
“Share(s)”	ordinary share(s) of HK\$0.02 each in the share capital of the Company
“Shareholders”	the holder(s) of the Share(s)
“smart”	智馬達汽車有限公司 (smart Automobile Co., Ltd.*), a limited liability company established in the PRC, which was owned as to more than 30% by Mr. Li and his associate as at the Latest Practicable Date
“smart Group”	smart together with its subsidiaries
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Viridi”	威睿電動汽車技術(寧波)有限公司 (Viridi E-Mobility Technology (Ningbo) Co., Ltd.*), a limited liability company established in the PRC, which was owned as to approximately 51% by ZEEKR and indirectly owned as to approximately 49% by Geely Holding as at the Latest Practicable Date
“Viridi Group”	Viridi and its subsidiaries
“Volvo Dealer(s)”	enterprises that are authorised sellers of Volvo brand vehicles
“YoeNing Technology”	浙江耀寧科技集團有限公司 (Zhejiang YoeNing Technology Group Co., Ltd.*), a limited liability company established in the PRC, which was indirectly owned as to more than 90% by Mr. Li and his associate as at the Latest Practicable Date
“YoeNing Technology Group”	YoeNing Technology and its subsidiaries
“ZEEKR”	ZEEKR Intelligent Technology Holding Limited, a limited liability company incorporated in the Cayman Islands and listed on the New York Stock Exchange (ticker symbol: ZK), which was an indirect subsidiary of the Company as at the Latest Practicable Date

DEFINITIONS

“ZEEKR Group”	ZEEKR together with its subsidiaries
“Zhejiang Geely”	浙江吉利汽車有限公司 (Zhejiang Geely Automobile Company Limited*), a limited liability company established in the PRC, which was wholly-owned by Mr. Li and his associate as at the Latest Practicable Date
“Zhejiang HUANFU”	Zhejiang HUANFU Technology Company Limited* (浙江寰福科技有限公司), a limited liability company established in the PRC, which was owned as to more than 30% by Mr. Li and his associate as at the Latest Practicable Date
“Zhejiang HUANFU Group”	Zhejiang HUANFU and its subsidiaries
“Zhejiang Jirun”	浙江吉潤汽車有限公司 (Zhejiang Jirun Automobile Co., Ltd.*), a limited liability company established in the PRC, which was an indirectly 99% owned subsidiary of the Company as at the Latest Practicable Date
“Zhejiang Maple”	浙江吉利華普汽車有限公司 (Zhejiang Geely Maple Automobile Company Limited*), a limited liability company established in the PRC, which was wholly-owned by Geely Holding as at the Latest Practicable Date
“%”	per cent

* *For reference purposes only, the English names of the companies, persons, or documents mentioned herein are translations of their respective Chinese names. In the event of any discrepancies between the Chinese names and their English translations, the Chinese version shall prevail.*

LETTER FROM THE BOARD



吉利汽車控股有限公司

GEELY AUTOMOBILE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock codes: 175 (HKD counter) and 80175 (RMB counter)

Executive Directors:

Mr. Li Shu Fu (*Chairman*)
Mr. Li Dong Hui, Daniel (*Vice Chairman*)
Mr. Gui Sheng Yue (*Chief Executive Officer*)
Mr. Gan Jia Yue
Mr. Mao Jian Ming, Moosa

Registered Office:

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

Independent Non-executive Directors:

Ms. Gao Jie
Ms. Yu Li Ping, Jennifer
Mr. Zhu Han Song
Ms. Tseng Chin I

Principal Place of Business in Hong Kong:

Room 2301, 23rd Floor
Great Eagle Centre
23 Harbour Road, Wan Chai
Hong Kong

28 November 2025

To the Shareholders,

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

Reference is made to the announcement of the Company dated 24 September 2025 in relation to the Continuing Connected Transactions.

The purpose of this circular is to provide you with, among other things, (i) further information on the Continuing Connected Transactions; (ii) the recommendation of the Independent Board Committee in respect of the Continuing Connected Transactions; (iii) the advice of the Independent Financial Adviser regarding the Continuing Connected Transactions; and (iv) other information as required under the Listing Rules, together with the notice of the EGM.

LETTER FROM THE BOARD

CONTINUING CONNECTED TRANSACTIONS

(A) CBUs and CKDs Procurement Cooperation Agreement

Reference is made to the Company's announcement dated 15 September 2023 in relation to the Existing CBUs and CKDs Procurement Cooperation Agreement, which will expire on 31 December 2026.

In light of the introduction of new vehicle models under the Geely, ZEEKR and LYNK & CO brands, and the Company's insufficient production capacity, on 24 September 2025 (after trading hours), the Company, Geely Holding, Farizon Commercial Vehicles, and Shandong Geely New Energy entered into the CBUs and CKDs Procurement Cooperation Agreement, commencing from its completion date (upon the fulfillment of the relevant condition precedent) and ending on 31 December 2027. This new agreement will supersede the Existing CBUs and CKDs Procurement Cooperation Agreement.

Subject matter

Pursuant to the CBUs and CKDs Procurement Cooperation Agreement, the Group has conditionally agreed to purchase the CBUs and CKDs primarily used for Geely brand vehicles ZEEKR brand vehicles, and LYNK & CO brand vehicles from the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group, and the Geely Holding Group. These entities are designated by the Group as manufacturing partners for the CBUs and CKDs.

The purchase of CBUs and CKDs by the Group under the agreement will be conducted in the ordinary and usual course of business, on normal commercial terms, and on terms no less favourable to the Group than those available from independent third parties (as applicable).

Term

From the completion date (upon the fulfillment of the relevant condition precedent) of the CBUs and CKDs Procurement Cooperation Agreement until 31 December 2027.

Payment terms

All payments in respect of the CBUs and CKDs provided under the CBUs and CKDs Procurement Cooperation Agreement shall generally be settled within sixty (60) days from the date of invoice, or within such other period as may be agreed by the parties to the agreement. Payments may be made by cash, wire transfer, acceptance, or any other method mutually agreed upon by the parties. Any overdue payment shall accrue interest, calculated with reference to the loan interest rate of the PBOC for the corresponding period.

Taking into account that: (i) the credit period under the CBUs and CKDs Procurement Cooperation Agreement falls within the range of credit periods offered to the Group by independent suppliers; and (ii) the overdue interest rate is calculated based on the loan interest rate of the PBOC for the same

LETTER FROM THE BOARD

period, the Board is of the view that the payment terms of the CBUs and CKDs Procurement Cooperation Agreement are fair and reasonable, and in the interests of the Company and the Shareholders.

Condition precedent to the CBUs and CKDs Procurement Cooperation Agreement

The CBUs and CKDs Procurement Cooperation Agreement and the transactions contemplated thereunder are subject to the Company having complied with the relevant requirements of the Listing Rules in relation to the continuing connected transactions.

If the above condition is not fulfilled on or before 31 December 2025 (or such later date as the parties may agree in writing), the CBUs and CKDs Procurement Cooperation Agreement will lapse, and all obligations and liabilities of the parties under the agreement will cease and terminate.

Pricing basis

Pursuant to the CBUs and CKDs Procurement Cooperation Agreement, the CBUs and CKDs will be sold to the Group at prices calculated on a cost-plus basis, based on the actual manufacturing costs incurred by the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group and the Geely Holding Group, plus an agreed margin rate.

The CBUs refer to fully functional vehicles that meet relevant corporate standards, industry requirements, and regulatory requirements, and are ready for direct sale to customers. The CKDs, on the other hand, refer to all parts and components in a disassembled state that can be assembled into the CBUs. Due to their similar nature, both CBUs and CKDs are subject to a consistent pricing policy.

The margin rate will be determined by the Company, Farizon Commercial Vehicles, Shandong Geely New Energy, and Geely Holding after arm's length negotiations on the date of the CBUs and CKDs Procurement Cooperation Agreement. This determination will be made with reference to the lower and upper quartiles of the three-year weighted average cost-plus-margin of: ten comparable companies principally engaged in procurement activities relating to raw material components; and seven comparable companies principally engaged in the manufacturing of vehicle and automobile components, as stated in a transfer pricing analysis report prepared by an independent certified public accountant or a similarly qualified institution (the "**Purchase Pricing Analysis Report**"). The Purchase Pricing Analysis Report is prepared solely for internal reference by the parties to the CBUs and CKDs Procurement Cooperation Agreement. As advised by an internationally renowned independent certified public accountant, it is consistent with industry norms to determine the cost-plus-margin with reference to the lower and upper quartiles of the weighted average cost-plus-margin of comparable companies.

Having considered the pricing basis with reference to the Purchase Pricing Analysis Report, the Board (including the independent non-executive Directors) is of the view that the pricing basis under the CBUs and CKDs Procurement Cooperation Agreement is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Historical transaction amounts and proposed annual caps

The table below sets out: (i) the historical transaction amounts for the year ended 31 December 2024 and the nine months ended 30 September 2025; and (ii) the announced annual caps for the purchase of CBUs and CKDs by the Group from the Geely Holding Group.

	Historical transaction amount for the year ended 31 December 2024 RMB million (Audited)	Historical transaction amount for the nine months ended 30 September 2025 RMB million (Unaudited)	Announced annual caps for the year ended/ending 31 December		
			2024 RMB million	2025 RMB million	2026 RMB million
Purchase of CBUs and CKDs from the Geely Holding Group	47,993.7	39,972.9	70,380.0	116,082.7	154,897.7
Utilisation rate of annual caps			68.2%	34.4% ^(Note)	

Note: The utilisation rate of the annual cap for the year ending 31 December 2025 was calculated by dividing the historical transaction amount for the nine months ended 30 September 2025 by the announced annual cap for the full financial year ending 31 December 2025.

The low utilisation rate of the annual cap under the Existing CBUs and CKDs Procurement Cooperation Agreement for the nine months ended 30 September 2025 was primarily due to cyclical effects, as production demand in the second half of the year is generally higher than in the first half. Additionally, with the launch of new models in the second half of 2025, utilisation rates are expected to increase.

The table below sets out the proposed annual caps for the purchase of CBUs and CKDs under the CBUs and CKDs Procurement Cooperation Agreement for each of the three years ending 31 December 2027.

	Proposed annual caps for the year ending 31 December		
	2025 RMB million	2026 RMB million	2027 RMB million
Purchase of CBUs and CKDs by the Group from the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group, and the Geely Holding Group	75,319.5	131,396.9	167,120.3

LETTER FROM THE BOARD

Basis of determination of the proposed annual caps

The proposed annual caps for the Group's purchase of CBUs and CKDs from the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group, and the Geely Holding Group were determined with reference to: (i) the estimated number of units of CBUs and CKDs required for existing and new vehicle models primarily under the Geely, ZEEKR, and LYNK & CO brands, which were in turn based on the projected unit sales of these vehicles for the three years ending 31 December 2027; (ii) the estimated manufacturing costs of CBUs and CKDs by the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group, and the Geely Holding Group in relation to the existing and anticipated new vehicle models under the Geely, ZEEKR, and LYNK & CO brands for the same period; and (iii) the margin rates applied on top of the cost of raw materials and other operating expenses, determined with reference to the lower and upper quartiles of three-year weighted average of cost-plus-margin of comparable companies as stated in the Purchase Pricing Analysis Report. These margin rates are used solely for the purpose of calculating the proposed annual caps and should not be regarded as fixed rates for transactions throughout the term of the CBUs and CKDs Procurement Cooperation Agreement.

The proposed annual cap for the year 2025 represents an increase of approximately 57% and 41% compared to the historical transaction amount for 2024 and the annualised transaction amount for the nine months ended 30 September 2025, respectively. The increase is primarily attributable to the anticipated rise in demand following the expected launch of new models, resulting in higher purchase volumes of CBUs and CKDs for use in the Geely, ZEEKR, and LYNK & CO brand vehicles in the fourth quarter of 2025. The Board considers the increase to be reasonable, as the actual average monthly purchase amount for the three months ended 30 September 2025 rose by approximately 29% compared to the average for the six months ended 30 June 2025, reflecting a growing trend in the actual purchase amount of CBUs and CKDs in the second half of 2025.

The proposed annual caps for 2026 and 2027 represent year-on-year increases of approximately 74% and 27%, respectively. These increases are mainly attributable to the expected growth in purchase volumes of CBUs and CKDs under the Geely, ZEEKR, and LYNK & CO brands, driven by anticipated demand for new models from these brands scheduled for launch in 2026 and 2027. The significant higher growth rate of the proposed annual cap for 2026 is primarily due to the greater number of new Geely, ZEEKR and LYNK & CO models expected to be launched in 2026 compared to 2027. It is expected that the purchase volumes of CBUs and CKDs related to the Geely, ZEEKR and LYNK & CO brand vehicles will increase year-on-year by approximately 56% and 23%, respectively. The average selling prices are also projected to increase year-on-year by approximately 12% and 3%, respectively. These projections are based on the sales plans for Geely, ZEEKR, and LYNK & CO brand vehicles for the three years ending 31 December 2027. The higher increase in 2026 reflects the anticipated introduction of new vehicle models with higher average selling prices compared to those expected in 2027. These estimates were determined with reference to several factors, including: (i) expected customer demand; (ii) sales volume targets; (iii) product life cycles; (iv) strategic objectives and business performance; and (v) potential market fluctuations. The assumptions underlying these projections are considered fair and reasonable given the planned product mix and market conditions.

LETTER FROM THE BOARD

It is expected that the purchase volume of CBUs and CKDs related to ZEEKR brand vehicles will remain unaffected following the Company's privatization of ZEEKR by the end of 2025, as under the CBUs and CKDs Procurement Cooperation Agreement, the contracting parties are not ZEEKR or its subsidiaries, but the Company and its connected parties.

The Board (including the independent non-executive Directors) is of the view that the proposed annual caps under the CBUs and CKDs Procurement Cooperation Agreement for the three years ending 31 December 2027 are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CBUs AND CKDs PROCUREMENT COOPERATION AGREEMENT

Pursuant to the CBUs and CKDs Procurement Cooperation Agreement, the Group will purchase the CBUs and CKDs from the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group and the Geely Holding Group. These products will be manufactured by the respective groups based on instructions provided by the Group. The CBUs and CKDs are primarily for vehicles under the Geely, ZEEKR, and LYNK & CO brands.

In anticipation of increasing demand for Geely, ZEEKR, and LYNK & CO brand vehicles, which may exceed the Group's current manufacturing capacity, this arrangement ensures a stable and reliable supply of these vehicles. Additionally, it is more cost effective for the Group to procure CBUs and CKDs from the respective related party groups than to establish new factories.

The mutual provision of similar products and services between the Group and Geely Holding Group is primarily driven by operational efficiency and cost optimization. Manufacturing facilities are typically designed and equipped for specific vehicle models. When introducing new models, the Group conducts comprehensive cost-benefit analyses to determine the most cost-effective approach, weighing the costs of retrofitting existing facilities against outsourcing production to related-party manufacturers.

Furthermore, when the Group has surplus production capacity, it utilizes this capacity to manufacture vehicle models for related parties. This approach not only generates incremental revenue for the Group but also enhances asset utilization. Such flexibility enables the Group to optimize its manufacturing network, improve operational efficiency, and ultimately maximize shareholder value.

The Board (including the independent non-executive Directors) is of the view that entering into the CBUs and CKDs Procurement Cooperation Agreement and the transactions contemplated thereunder does not present any specific disadvantage to the Company.

Having considered the above, the Board (including the independent non-executive Directors) is of the view that the CBUs and CKDs Procurement Cooperation Agreement is entered into in the ordinary and usual course of business of the Group, on normal commercial terms. Furthermore, the terms and the proposed annual caps under the agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

INTERNAL CONTROL MEASURES IN RELATION TO PRICING FOR THE CBUs AND CKDs PROCUREMENT COOPERATION AGREEMENT

The finance manager of the finance department (the “**Finance Department**”) of the Group will monitor relevant costs and expenses by obtaining detailed monthly breakdowns from the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group and the Geely Holding Group. This will include reviewing supporting documentation for accuracy and performing regular variance analyses to assess reasonableness and ensure that the purchase prices of the CBUs and CKDs comply with the pricing policy set out in the CBUs and CKDs Procurement Cooperation Agreement. The Company will also negotiate the terms of such transactions with Farizon Commercial Vehicles, Shandong Geely New Energy, and Geely Holding to ensure that the purchase price properly reflects the actual costs incurred by the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group, and the Geely Holding Group.

The Company, together with Farizon Commercial Vehicles, Shandong Geely New Energy, and Geely Holding, will conduct annual reviews (or more frequent reviews if deemed necessary due to material changes in the external market environment, new policy and regulatory requirements, or changes in internal strategy and costs) to determine whether an updated transfer pricing analysis report should be obtained for the purpose of determining the margin rate. The margin rate will be determined with reference to the lower and upper quartiles of the three-year weighted average cost-plus-margin of comparable companies, as stated in the updated transfer pricing analysis report. In the event of any proposed change to the margin rate, the finance manager of the Finance Department and the tax department of the Group will review and assess the proposed adjustment. Following their review and approval, the revised margin rate will be submitted to all parties to the CBUs and CKDs Procurement Cooperation Agreement for consideration and confirmation.

To ensure that the annual transaction amounts under the CBUs and CKDs Procurement Cooperation Agreement do not exceed the proposed annual caps for the respective years, the Group will implement the following measures: (a) the subsidiaries of the Company will record and report the amounts of continuing connected transaction to the finance manager of the finance department (the “**Finance Department**”) on a monthly basis; and (b) the finance manager of the Finance Department will compile statistics on the transaction amounts and calculate the utilisation rate of the relevant annual cap monthly. These statistics will be submitted to the Group’s management for review.

If (i) the finance manager of the Finance Department is informed by the relevant business department of the subsidiaries that there will be a significant increase in transaction volume in a particular month that may lead to exceeding the relevant annual cap; or (ii) the utilisation rate of the applicable annual cap reaches a substantial majority at any time during the year, the Group will either restrict the purchase volume of the CBUs and CKDs to ensure that the annual caps are not exceeded, or initiate the necessary procedures to revise the respective annual caps in accordance with the requirements under Chapter 14A of the Listing Rules.

The internal audit department of the Group will also conduct reviews (subject to the annual review and disclosure requirements under the Listing Rules) on the Company’s continuing connected transactions at least annually (or more frequently in the case of substantial market changes such as a significant shortage of chips, coupled with the latest business developments of the Group) to confirm whether the internal control measures have been properly implemented and are effective.

LETTER FROM THE BOARD

The independent non-executive Directors will also conduct annual reviews of the continuing connected transactions and confirm whether such transactions have been entered into in the ordinary and usual course of business of the Group; are on normal commercial terms or better; and are carried out according to the principal terms of the agreements and are in the interests of the Company and the Shareholders as a whole. The independent auditor of the Group will also conduct an annual review of the pricing terms and annual caps.

Having considered the foregoing, the Directors (including the independent non-executive Directors) are of the view that the Company has sufficient internal control measures in place to ensure that the proposed annual caps under the CBUs and CKDs Procurement Cooperation Agreement will not be exceeded.

(B) R&D Services and Technology Licensing Agreement

Reference is made to the Company's announcement dated 15 September 2023 in relation to the Existing R&D Services and Technology Licensing Agreement, which will expire on 31 December 2026.

In light of the increasing demand for R&D and technology licensing services, on 24 September 2025 (after trading hours), the Company, Geely Holding, ZEEKR, Viridi, Lotus Technology, Polestar AB, Polestar China, LEVC, smart, ECARX, Aurobay, LIVAN Automobile, YoeNing Technology, InfiMotion, Jiyao, Chunqing Ecological, Farizon Technology, Farizon Commercial Vehicles, Shandong Geely New Energy, and CaoCao entered into the R&D Services and Technology Licensing Agreement. The agreement has a term of three years, commencing from its completion date (upon the fulfillment of the relevant condition precedent) and ending on 31 December 2027. This new agreement will supersede the Existing R&D Services and Technology Licensing Agreement.

Subject matter

Pursuant to the R&D Services and Technology Licensing Agreement, (i) the Group has conditionally agreed to provide R&D and related technological support services to the Related Party Service Recipients. These services include R&D for automobiles and key automobile parts, technical verification and testing, technical consultation, technical support, technology licensing, etc.; and (ii) the Group has conditionally agreed to procure R&D and related technological support services from the Related Party R&D Service Providers. These services include R&D of NEV technologies and intelligent driver assistance technologies, technical verification and testing, technical consultation, technical support, technology licensing, etc.

Term

From the completion date (upon the fulfillment of the relevant condition precedent) of the R&D Services and Technology Licensing Agreement until 31 December 2027.

LETTER FROM THE BOARD

Payment terms

All payments in respect of the R&D and related technological support services rendered under the R&D Services and Technology Licensing Agreement shall generally be settled within sixty (60) days from the date of invoice, or within such other period as may be agreed by the parties to the agreement. Payments may be made by cash, wire transfer, acceptance, or any other method mutually agreed upon by the parties. Any overdue payment shall accrue interest, calculated with reference to the loan interest rate of the PBOC for the corresponding period.

Taking into account that: (i) the credit period under the R&D Services and Technology Licensing Agreement falls within the range of credit periods offered to the Group by independent suppliers; and (ii) the overdue interest rate is calculated based on the loan interest rate of the PBOC for the same period, the Board is of the view that the payment terms of the R&D Services and Technology Licensing Agreement are fair and reasonable, and in the interests of the Company and the Shareholders.

Condition precedent to the R&D Services and Technology Licensing Agreement

The R&D Services and Technology Licensing Agreement and the transactions contemplated thereunder are subject to the Company having complied with the relevant requirements of the Listing Rules in relation to the continuing connected transactions.

If the above condition is not fulfilled on or before 31 December 2025 (or such later date as the parties may agree in writing), the R&D Services and Technology Licensing Agreement will lapse, and all obligations and liabilities of the parties under the agreement will cease and terminate.

Pricing basis

The service and licensing fees under the R&D Services and Technology Licensing Agreement shall be determined based on: (i) market rates for comparable R&D or technology licensing services; or (ii) a cost-plus basis if no comparable market rates are available on the date of the R&D Services and Technology Licensing Agreement. For R&D services with market-based pricing, the Company will obtain at least two quotations from independent suppliers for reference. For R&D services without a market price, pricing will be based on the cost of providing the relevant service plus a margin rate, with reference to the range between the lower and upper quartiles of the three-year weighted average cost-plus-margin of 18 comparable companies providing similar services, as stated in the transfer pricing analysis report prepared by an independent certified public accountant or a similarly qualified institution (the “**R&D Services Pricing Analysis Report**”). For technology licensing services, pricing will be based on a percentage of the revenue from each vehicle sold that utilises the relevant technology. This percentage is determined using the platform rate and the applicable licensing fee rate. The platform rate is calculated with reference to the R&D cost as a proportion of the total R&D cost of the respective vehicle model. The licensing fee rate will be determined with reference to the range between the lower and upper quartiles of the three-year weighted average licensing fee rates of 11 samples of comparable technology licensing agreements, as stated in the transfer pricing analysis report prepared by an independent certified public accountant or a similarly qualified institution (the

LETTER FROM THE BOARD

“**Licensing Fees Pricing Analysis Report**”). The R&D Services Pricing Analysis Report and the Licensing Fees Pricing Analysis Report are prepared solely for internal reference by the parties to the R&D Services and Technology Licensing Agreement.

Historical transactions amounts and proposed annual caps

The table below sets out: (i) the historical transaction amounts for the year ended 31 December 2024 and the nine months ended 30 September 2025; and (ii) the announced annual caps under the Existing R&D Services and Technology Licensing Agreement.

	Historical transaction amount for the year ended 31 December 2024 RMB million (Audited)	Historical transaction amount for the nine months ended 30 September 2025 RMB million (Unaudited)	Announced annual caps for the year ended/ending 31 December		
			2024 RMB million	2025 RMB million	2026 RMB million
Services and licensing fees receivable for the R&D services and technology licensing	8,844.2	6,143.8	12,601.4	9,845.7	8,243.8
Utilisation rate of annual caps			70.2%	62.4% ^(Note)	
Services and licensing fees payable for the R&D services and technology licensing	1,843.0	1,857.3	1,891.3	2,413.1	2,468.7
Utilisation rate of annual caps			97.4%	77.0% ^(Note)	

Note: The utilisation rate of the annual cap for the year ending 31 December 2025 was calculated by dividing the historical transaction amount for the nine months ended 30 September 2025 by the announced annual cap for the full financial year ending 31 December 2025.

The table below sets out the proposed annual caps for the R&D services and technology licensing fees receivable and payable by the Group pursuant to the R&D Services and Technology Licensing Agreement for each of the three years ending 31 December 2027.

LETTER FROM THE BOARD

	Proposed annual caps for the year ending 31 December		
	2025	2026	2027
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
R&D services and licensing fees receivable from Related Party Service Recipients	10,873.3	12,466.9	13,543.7
R&D services and licensing fees payable to the Related Party R&D Service Providers	6,012.2	4,904.5	5,347.5

Basis of determination of the proposed annual caps

The proposed annual caps for R&D services and technology licensing services were determined by with reference to: (i) projected total staff hours required for each R&D and technology support project; (ii) projected hourly cost for the R&D staff, based on historical costs or current market hourly wages; (iii) other relevant costs incurred for the R&D and technology support projects; (iv) estimated stage of completion of the R&D and technology support projects during the period from 1 January 2025 to 31 December 2027; (v) the range of margin rates stated in the R&D Services Pricing Analysis Report, applied over the estimated costs; (vi) projected unit sales of vehicles utilising the relevant technologies licensed from/to the Group; (vii) the range of licensing fee rates stated in the Licensing Fees Pricing Analysis Report for relevant technologies; and (viii) the estimated average platform rate for technologies licensed from/to the Group for the manufacturing of Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles. The aforementioned margin rate, licensing fee rate, and estimated platform rate are used solely for the purpose of calculating the proposed annual caps and should not be regarded as fixed rates for transactions throughout the term of the R&D Services and Technology Licensing Agreement.

The proposed annual cap for R&D services and licensing fees receivable from Related Party Service Recipients for 2025: (i) represents an increase of approximately 10% compared to the existing annual cap under the Existing R&D Services and Technology Licensing Agreement; and (ii) reflects an increase of approximately 23% and 33% compared to the historical transaction amount for 2024 and the annualised transaction amount for the nine months ended 30 September 2025, respectively.

The increase in the 2025 annual cap is attributable to the projected rise in demand for R&D and related services in the second half of 2025, in light of the Company's accumulated R&D efforts and capabilities. The Board considers the increase to be reasonable, as the actual average monthly transaction amount for the three months ended 30 September 2025 increased by more than 70% compared to the average for the six months ended 30 June 2025, reflecting a growing trend in actual transaction amount for the second half of 2025.

LETTER FROM THE BOARD

The proposed annual caps for R&D services and licensing fees receivable from Related Party Service Recipients further increase by approximately 15% and 9% for 2026 and 2027, respectively, on a year-on-year basis. These increases are mainly attributable to new technical projects expected to commence in 2026.

The proposed annual cap for R&D services and licensing fees payable to Related Party R&D Service Providers for 2025 represents an increase of approximately 226% and 143% compared to the historical transaction amount for 2024 and the annualised transaction amount for the nine months ended 30 September 2025, respectively. This increase is primarily due to the anticipated rise in demand for R&D and technology support projects related to the development of Geely, ZEEKR, and LYNK & CO brand vehicles in the second half of 2025, following the inclusion of additional contracting parties to the R&D Services and Technology Licensing Agreement. The Board considers the increase to be reasonable, as the actual average monthly transaction amount for the three months ended 30 September 2025 increased by more than 170% compared to the average for the six months ended 30 June 2025, indicating a strong upward trend in actual transaction amount for the second half of 2025.

The proposed annual cap for R&D services and licensing fees receivable payable to Related Party R&D Service Providers for 2026 is expected to decrease by 18% compared to 2025, primarily due to: (i) the exclusion of ZEEKR, assuming the Group's privatisation of ZEEKR is completed by the end of 2025; and (ii) a reduced number of technical projects, as certain R&D and technology support projects related to Geely, ZEEKR, and LYNK & CO brand vehicles are expected to be gradually completed in 2026. The cap is expected to remain relatively stable in 2027 compared to 2026.

Having considered the above, the Board (including the independent non-executive Directors) is of the view that the R&D Services and Technology Licensing Agreement is entered into in the ordinary and usual course of business of the Group, on normal commercial terms. Furthermore, the terms and proposed annual caps under the agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

REASONS AND BENEFITS OF ENTERING INTO THE R&D SERVICES AND TECHNOLOGY LICENSING AGREEMENT

The Group primarily provides R&D and technology licensing services to the Related Party Service Recipients. These services are mainly focused on vehicle engines, transmissions, and other automobile-related products used in models under brands such as Lotus, Polestar, LEVC, smart, and other brands owned by the Geely Holding Group. These services also generate additional income for the Group.

The technology licensing services provided by the Geely Holding Group support the development of electric batteries, power systems, and control system for use in Geely, ZEEKR and LYNK & CO brand vehicles. Furthermore, the R&D and technology licensing services provided by the Related Party R&D Services Providers grant the Group access to global R&D resources and technologies maintained by the Geely Holding Group.

LETTER FROM THE BOARD

The Board (including the independent non-executive Directors) is of the view that entering into the R&D Services and Technology Licensing Agreement and the transactions contemplated thereunder does not present any specific disadvantage to the Company.

The Board (including the independent non-executive Directors) is of the view that entering into the R&D Services and Technology Licensing Agreement is beneficial to the Group as it: (i) enhances synergy and technology sharing among the parties, thereby improving the efficiency of the Group's R&D efforts; and (ii) facilitates technology upgrades that further support the Group's development, ultimately strengthening the competitiveness of Geely, ZEEKR, and LYNK & CO brand vehicles.

INTERNAL CONTROL MEASURES IN RELATION TO PRICING FOR THE R&D SERVICES AND TECHNOLOGY LICENSING AGREEMENT

For R&D and technology licensing services provided by the Group to the Related Party Service Recipients, the finance manager of the Finance Department will obtain at least two quotations from independent suppliers (if any) and will compare the scope of services and pricing with similar existing transactions involving independent suppliers (if any), or refer to transfer pricing analysis reports prepared by an independent certified public accountant or a similarly qualified institution to determine market rates for R&D and technology licensing services. If no market rates are available, the finance manager of the Finance Department will review the relevant cost items incurred by the Group for the services provided, on an annual basis (or more frequently in the case of substantial market changes such as a material shortage of research personnel, coupled with the latest business developments of the Group), to ensure the accuracy of such costs.

For licensing of relevant technologies, the finance manager of the Finance Department will review the selling prices of vehicles utilising the licensed technologies and assess the proportion of the cost of the relevant technology relative to the total R&D cost of the respective vehicle models. This review will be conducted annually (or more frequently if deemed necessary) to ensure the accuracy of the licensing fees.

The Company, together with each of the Related Party Service Recipients and Related Party R&D Service Providers, will determine the margin rate and licensing fee rate for R&D and technology licensing services with reference to the respective transfer pricing analysis reports prepared by an independent certified public accountant or a similarly qualified institution. The finance manager of the Finance Department will also review the scope of R&D and technology licensing services annually (or more frequently if deemed necessary due to material changes in the external market environment, new policy and regulatory requirements, or changes in internal strategy and costs) to assess whether updated transfer pricing analysis reports should be obtained for determining the margin and licensing fee rates. In the event of any proposed change to the margin rate or licensing fee rate for R&D and technology licensing services, the finance manager of the Finance Department and the tax department of the Group will review and assess the proposed adjustment. Following their review, the revised rate will be submitted to the Related Party Service Recipients and Related Party R&D Service Providers for consideration and confirmation, taking into account the fairness of pricing benchmarked against independent third parties, compliance with applicable policies and regulations, and strategic considerations.

To ensure that the annual transaction amounts under the R&D Services and Technology Licensing Agreement do not exceed the proposed annual caps for the respective years, the Group will implement the following measures: (a) the subsidiaries of the Company will record and report the amounts of continuing

LETTER FROM THE BOARD

connected transaction to the finance manager of the Finance Department on a monthly basis; and (b) the finance manager will compile statistics on the transaction amounts and calculate the utilisation rate of the relevant annual cap monthly. These statistics will be submitted to the Group's management for review.

If (i) the finance manager is informed by the relevant business department of the subsidiaries that there will be a significant increase in transaction volume in a particular month that may lead to exceeding the relevant annual cap; or (ii) the utilisation rate of the applicable annual cap reaches a substantial majority at any time during the year, the Group will either restrict the volume of R&D and technology licensing services to ensure the annual caps are not exceeded, or initiate the necessary procedures to revise the respective annual caps in accordance with the requirements under Chapter 14A of the Listing Rules.

The Group's internal audit department will also conduct reviews (subject to the annual review and disclosure requirements under the Listing Rules) of the Company's continuing connected transactions at least annually (or more frequently if deemed necessary) to confirm whether the internal control measures have been properly implemented and are effective. The independent non-executive Directors will also conduct annual reviews of the continuing connected transactions and confirm whether such transactions: (i) have been entered into in the ordinary and usual course of business of the Group; (ii) are on normal commercial terms or better; and (iii) are carried out according to the principal terms of the agreements and are in the interests of the Company and the Shareholders as a whole. The Group's independent auditor will also conduct an annual review of the pricing terms and annual caps.

Having considered the foregoing, the Board (including the independent non-executive Directors) is of the view that the Company has sufficient internal control measures in place to ensure that the proposed annual caps under the R&D Services and Technology Licensing Agreement will not be exceeded.

INFORMATION OF THE PARTIES

The Company

The Company is principally engaged in investment holding. The Group is principally engaged in the research and development, manufacturing, and trading of automobiles, automobile parts, and related automobile components, as well as investment holding.

Geely Holding

Geely Holding is principally engaged in the wholesale and retail sales of automobiles and related parts and components. As at the Latest Practicable Date, Geely Holding was beneficially wholly-owned by Mr. Li and his associate. Mr. Li is an executive Director and a substantial shareholder, holding approximately 41.20% of the issued share capital of the Company. Accordingly, Geely Holding is considered an associate of Mr. Li and a connected person of the Company under the Listing Rules.

LETTER FROM THE BOARD

Aurobay

Aurobay is a private company incorporated in the Republic of Singapore. As at the Latest Practicable Date, it was indirectly owned more than 30% by Mr. Li and his associate. Aurobay and its subsidiaries are principally engaged in the research and development, manufacturing, processing, sales, technical services and supply of relevant after-sales parts for engines and transmissions in the PRC.

CaoCao

CaoCao is a limited liability company incorporated in the Cayman Islands. As at the Latest Practicable Date, it was indirectly owned more than 70% by Mr. Li and his associates. CaoCao and its subsidiaries operate a ride-hailing platform in the PRC, engaging in the ride-hailing business.

Chunqing Ecological

Chunqing Ecological is a limited liability company established in the PRC. As at the Latest Practicable Date, it was ultimately owned more than 59% by Mr. Li and his associates. Chunqing Ecological is principally engaged in the research and development of commercial vehicles, trading of complete vehicles and auto parts, preparation, trading and refueling services of methanol, vehicle leasing, transportation services, as well as investment and holding activities.

ECARX

ECARX is a limited liability company established in the Cayman Islands. As at the Latest Practicable Date, it was more than 30% owned by Mr. Li and his associate. ECARX is principally engaged in promoting the transformation of automotive intelligence and providing one-stop advanced intelligent vehicle solutions for global automotive manufacturers.

Farizon Commercial Vehicles

Farizon Commercial Vehicles is a limited liability company established in the PRC. As at the Latest Practicable Date, it was ultimately wholly-owned by Mr. Li and his associates. Farizon Commercial Vehicles is principally engaged in the research and development, manufacturing, trading of commercial vehicles and automotive parts, as well as investment and holding activities.

Farizon Technology

Farizon Technology is a limited liability company established in the PRC. As at the Latest Practicable Date, it was ultimately owned more than 70% by Mr. Li and his associates. Farizon Technology is principally engaged in the research and development, trading of commercial vehicles, production and trading of automotive parts, construction and operation of charging and swapping stations, vehicle leasing, transportation services, as well as investment and holding activities.

LETTER FROM THE BOARD

InfiMotion

InfiMotion is a limited liability company established in the PRC. As at the Latest Practicable Date, InfiMotion was indirectly owned more than 30% by Mr. Li and his associate. InfiMotion's core businesses include the research, development, manufacturing, and sales of electric drive systems for pure electric and hybrid vehicles, as well as technology development services.

Jiyao

Jiyao is a limited liability company established in the PRC. As at the Latest Practicable Date, it was ultimately wholly-owned by Mr. Li and his associates. Jiyao is a cell technology company focused on innovation in the electrochemical industry and new energy solutions. It is dedicated to providing high-performance and highly safe lithium iron phosphate (LFP) battery technologies and products to the global market.

LEVC

LEVC is a limited liability company established in the PRC. As at the Latest Practicable Date, it was owned as to 50% by Geely Holding and 50% by Geely Ningbo, which was wholly-owned by Mr. Li and his associate. LEVC is principally engaged in the R&D, procurement, and sale of electric mobility related products, including intelligent pure electric vehicles, and provides related services.

Lotus Technology

Lotus Technology is a limited liability company established in the PRC. As at the Latest Practicable Date, it was indirectly owned more than 30% by Mr. Li and his associate. Lotus Technology is principally engaged in the R&D, procurement, and sales of Lotus-branded sports and life-style vehicles, and offers related services.

Polestar AB and Polestar China

Polestar AB is a limited liability company incorporated in Sweden, and Polestar China is a limited liability company established in the PRC. As at the Latest Practicable Date, each was owned more than 80% by Mr. Li and his associate. The Polestar Group is primarily engaged in the R&D, manufacturing, and sale of high-end electric performance vehicles under the Polestar brand.

LIVAN Automobile

LIVAN Automobile is a limited liability company established in the PRC. As at the Latest Practicable Date, it was more than 30% owned by Mr. Li and his associate. LIVAN Automobile is principally engaged in providing battery swapping services for vehicles.

LETTER FROM THE BOARD

Shandong Geely New Energy

Shandong Geely New Energy is a limited liability company established in the PRC. As at the Latest Practicable Date, it was indirectly owned approximately 90% by Mr. Li and his associates. Shandong Geely New Energy is primarily engaged in the research and development, manufacturing, and sales of complete vehicle kits, automobile parts, and related components.

smart

smart is a limited liability company established in the PRC. As at the Latest Practicable Date, it was owned more than 30% by Mr. Li and his associate. smart is principally engaged in the R&D, sales, and export of electric vehicle and related parts.

Viridi

Viridi is a limited liability company established in the PRC. As at the Latest Practicable Date, it was approximately 51% owned by ZEEKR and approximately 49% indirectly owned by Geely Holding. Viridi is principally engaged in the research and development, manufacturing, sales, and after-sales service of new energy vehicle battery power units, electric drive systems, charging systems, and energy storage systems.

YoeNing Technology

YoeNing Technology is a limited liability company established in the PRC. As at the Latest Practicable Date, it was indirectly owned more than 90% by Mr. Li and his associate. YoeNing Technology is principally engaged in the automotive and NEV industries in the PRC, with a business scope covering auto parts, new energy, and phosphate-related sectors.

ZEEKR

ZEEKR is a limited liability company incorporated in the Cayman Islands. As at the Latest Practicable Date, it was approximately 62.8% owned (on a fully-diluted basis) by the Company. ZEEKR is part of the ZEEKR Group, a leading global premium new energy vehicle group headquartered in Zhejiang, the PRC, and a subsidiary of the Group. ZEEKR is principally engaged in the research, development, and sale of intelligent electric vehicles and related services.

IMPLICATION UNDER THE LISTING RULES

As at the Latest Practicable Date, Geely Holding was a substantial shareholder of the Company holding 3,949,421,000 Shares, representing approximately 39% of the total issued share capital of the Company. Accordingly, Geely Holding is a connected person of the Company under the Listing Rules.

As at the Latest Practicable Date, each of Aurobay, ECARX, InfiMotion, Lotus Technology, LIVAN Automobile and smart was directly or indirectly owned as to more than 30% by Mr. Li and his associates. Accordingly, the aforesaid parties are associates of Mr. Li and connected persons of the Company under the Listing Rules.

LETTER FROM THE BOARD

As at the Latest Practicable Date, CaoCao was indirectly owned as to more than 70% by Mr. Li and his associates. Accordingly, CaoCao is an associate of Mr. Li and a connected person of the Company under the Listing Rules.

As at the Latest Practicable Date, Chunqing Ecological was ultimately owned as to more than 59% by Mr. Li and his associates. Accordingly, Chunqing Ecological is an associate of Mr. Li and a connected person of the Company under the Listing Rules.

As at the Latest Practicable Date, Farizon Commercial Vehicles was ultimately wholly-owned by Mr. Li and his associates. Accordingly, Farizon Commercial Vehicles is an associate of Mr. Li and a connected person of the Company under the Listing Rules.

As at the Latest Practicable Date, Farizon Technology was ultimately owned as to more than 70% by Mr. Li and his associates. Accordingly, Farizon Technology is an associate of Mr. Li and a connected person of the Company under the Listing Rules.

As at the Latest Practicable Date, Jiyao was ultimately wholly-owned by Mr. Li and his associates. Accordingly, Jiyao is an associate of Mr. Li and a connected person of the Company under the Listing Rules.

As at the Latest Practicable Date, LEVC was owned as to 50% by Geely Holding and 50% by Geely Ningbo, which was wholly-owned by Mr. Li and his associate. Accordingly, LEVC is an associate of Mr. Li and a connected person of the Company under the Listing Rules.

As at the Latest Practicable Date, each of Polestar AB and Polestar China was owned as to more than 80% by Mr. Li and his associates. Accordingly, Polestar AB and Polestar China are associates of Mr. Li and connected persons of the Company under the Listing Rules.

As at the Latest Practicable Date, Shandong Geely New Energy was indirectly owned as to approximately 90% by Mr. Li and his associates. Accordingly, Shandong Geely New Energy is an associate of Mr. Li and a connected person of the Company under the Listing Rules.

As at the Latest Practicable Date, Viridi was owned as to approximately 51% by ZEEKR and indirectly owned as to approximately 49% by Geely Holding. Accordingly, Viridi is a connected subsidiary of the Company under the Listing Rules.

As at the Latest Practicable Date, YoeNing Technology was owned as to more than 90% by Mr. Li and his associate. Accordingly, YoeNing Technology is an associate of Mr. Li and a connected person of the Company under the Listing Rules.

As at the Latest Practicable Date, ZEEKR was owned as to approximately 62.8% (on a fully-diluted basis) by the Company and more than 10% (on a fully-diluted basis) by Mr. Li and his associate. Accordingly, ZEEKR is a connected subsidiary of the Company under the Listing Rules.

LETTER FROM THE BOARD

The transactions contemplated under the CBUs and CKDs Procurement Cooperation Agreement and the R&D Services and Technology Licensing Agreement constitute continuing connected transactions of the Company. Pursuant to Rule 14A.81 of the Listing Rules, as the transactions contemplated under the R&D Services and Technology Licensing Agreement and the Components Procurement and R&D Services Agreement (in respect of R&D services) were entered into or completed within a 12-month period with associates of Mr. Li, a connected person of the Company, these transactions are required to be aggregated for the purpose of calculating the relevant percentage ratios to determine the classification of the transactions under the R&D Services and Technology Licensing Agreement. Similarly, pursuant to Rule 14A.81 of the Listing Rules, as the transactions contemplated under the CBUs and CKDs Procurement Cooperation Agreement, the Components Procurement and R&D Services Agreement (in respect of components procurement), the Services Agreement and the Automobile Components Sales and Purchase Agreement were entered into or completed within a 12-month period with associates of Mr. Li, a connected person of the Company, these transactions are required to be aggregated for the purpose of calculating the relevant percentage ratios to determine the classification of the transactions under the CBUs and CKDs Procurement Cooperation Agreement.

As one or more of the applicable percentage ratios of the proposed annual caps for each of (i) the CBUs and CKDs Procurement Cooperation Agreement, after aggregation with the transactions under the Components Procurement and R&D Services Agreement (in respect of components procurement), the Services Agreement and the Automobile Components Sales and Purchase Agreement; and (ii) the R&D Services and Technology Licensing Agreement, after aggregation with the transactions under the Components Procurement and R&D Services Agreement (in respect of R&D services), exceed 5% on an annual basis, the transactions contemplated under each of the aforesaid agreements are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

Mr. Li and Mr. Li Dong Hui, Daniel, both executive Directors, are considered to be interested in the Continuing Connected Transactions by virtue of their interests and/or directorship in Geely Holding. Accordingly, each of them has abstained from voting on the Board resolutions for approving the Continuing Connected Transactions.

In addition, Mr. Gui Sheng Yue and Mr. Gan Jia Yue, both executive Directors, are deemed to be interested in the R&D Services and Technology Licensing Agreement by virtue of their interests in ZEEKR. Accordingly, each of them has abstained from voting on the Board resolution approving the said agreement.

As at the Latest Practicable Date, (i) Mr. Li and his associates held an aggregate of 4,169,058,000 Shares, representing approximately 41.20% of the total issued share capital of the Company, and controlled or were entitled to exercise control over the voting rights in respect of such Shares; and (ii) Mr. Li Dong Hui, Daniel and his associates held an aggregate of 5,853,000 Shares, representing approximately 0.06% of the total issued share capital of the Company, and controlled or were entitled to exercise control over the voting rights in respect of such Shares. All of the above individuals and their associates will abstain from voting on the ordinary resolutions to be proposed at the EGM to approve the Continuing Connected Transactions.

LETTER FROM THE BOARD

As at the Latest Practicable Date, (i) Mr. Gui Sheng Yue and his associates held an aggregate of 18,707,000 Shares, representing approximately 0.18% of the total issued share capital of the Company, and controlled or were entitled to exercise control over the voting rights in respect of such Shares; and (ii) Mr. Gan Jia Yue and his associates held an aggregate of 4,371,800 Shares, representing approximately 0.04% of the total issued share capital of the Company, and controlled or were entitled to exercise control over the voting rights in respect of such Shares. All of the above individuals and their associates will abstain from voting on the ordinary resolution to be proposed at the EGM to approve the R&D Services and Technology Licensing Agreement and the transactions contemplated thereunder.

Save as disclosed above, no other Directors or Shareholders are required to abstain from voting on the resolutions to be proposed at the EGM to approve the Continuing Connected Transactions.

EGM

The EGM will be convened to consider and approve the Continuing Connected Transactions. A notice to convene the EGM is set out on pages EGM-1 to EGM-3 of this circular.

The EGM will be held at Room 2302, 23rd Floor, Great Eagle Centre, 23 Harbour Road, Wan Chai, Hong Kong on Thursday, 18 December 2025 at 4:30 p.m. The form of proxy for use by the Shareholders at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and deposit the same at the office of the Company's share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not later than 48 hours before the time scheduled for the holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof (as the case may be).

To establish entitlements to attend and vote at the EGM, all transfers of Shares, accompanied by the relevant share certificates, must be lodged for registration with the Company's share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, no later than 4:00 p.m. on 12 December 2025 (being the record date of the EGM).

RECOMMENDATION

The Independent Board Committee has been established to advise the Independent Shareholders on whether the terms of the Continuing Connected Transactions are fair and reasonable insofar as the Independent Shareholders are concerned. The Independent Financial Adviser has also been appointed to advise both the Independent Board Committee and the Independent Shareholders in this regard.

The text of the letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 34 to 62 of this circular and the text of the letter from the Independent Board Committee to the Independent Shareholders is set out on pages 32 to 33 of this circular.

LETTER FROM THE BOARD

The Board (including the independent non-executive Directors) considers that the Continuing Connected Transactions (including their respective annual caps) are entered into in the ordinary and usual course of business of the Group, on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Board recommends that the Independent Shareholders vote in favour of the relevant ordinary resolutions to be proposed at the EGM.

ADDITIONAL INFORMATION

Your attention is drawn to the letters from the Independent Board Committee and from the Independent Financial Adviser, which are respectively set out on pages 32 to 33 and pages 34 to 62 of this circular. Additional information is also set out in the Appendix I to this circular.

Yours faithfully,
By order of the Board
Geely Automobile Holdings Limited
David C.Y. Cheung
Company Secretary

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of the letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Continuing Connected Transactions prepared for the purpose of incorporation in this circular.



吉利汽車控股有限公司

GEELY AUTOMOBILE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock codes: 175 (HKD counter) and 80175 (RMB counter)

28 November 2025

To the Independent Shareholders,

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS

We refer to the circular dated 28 November 2025 (the “**Circular**”) issued by the Company, of which this letter forms part. Terms defined in the Circular shall have the same meanings when used herein unless the context otherwise requires.

We, being the independent non-executive Directors constituting the Independent Board Committee, are writing to advise you, as an Independent Shareholder, on whether the Independent Board Committee considers the Continuing Connected Transactions to be entered into in the ordinary and usual course of business of the Group, on normal commercial terms, and to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

We wish to draw your attention to the letter from the Board set out on pages 11 to 31 of the Circular, and the letter from the Independent Financial Adviser set out on pages 34 to 62 of the Circular, which contains, inter alia, their advice and recommendation to us regarding the terms of the Continuing Connected Transactions, together with the principal factors and reasons underlying such advice and recommendation.

RECOMMENDATION

Having considered the advice and recommendation of the Independent Financial Adviser, we are of the view that the terms of the Continuing Connected Transactions are entered into in the ordinary and usual course of business of the Group, on normal commercial terms, and are fair and reasonable and in the interests of the

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Company and the Shareholders as a whole. Accordingly, we recommend that the Independent Shareholders vote in favour of the ordinary resolutions to be proposed at the EGM to approve the Continuing Connected Transactions.

Yours faithfully,

For and on behalf of the Independent Board Committee of
Geely Automobile Holdings Limited

Ms. Gao Jie

Mr. Zhu Han Song

Ms. Yu Li Ping, Jennifer

Ms. Tseng Chin I

Independent Non-executive Directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER



Room 1005
Jubilee Centre
46 Gloucester Road
Wanchai, Hong Kong

28 November 2025

*To the Independent Board Committee and
the Independent Shareholders*

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

We refer to our engagement as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the continuing connected transactions (the “**Continuing Connected Transactions**”), details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company to the Shareholders dated 28 November 2025 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires. The Group has historically been conducting the Continuing Connected Transactions which include (a) purchasing the CBUs and CKDs that are mainly used for Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles; and (b) receiving and providing the R&D and related technological support services including the R&D for automobiles and key automobile parts, technical verification and testing, technical consultation services, technical support services, R&D of NEV technologies and intelligent driver assistance technologies, technology licensing, etc.

In light of the introduction of new vehicle models under the Geely, ZEEKR and LYNK & CO brands and the Company’s insufficient production capacity, as well as increasing demand for R&D and technology licensing services, on 24 September 2025, the Company has entered into the CBUs and CKDs Procurement Cooperation Agreement and the R&D Services and Technology Licensing Agreement with various connected persons of the Company in relation to the Continuing Connected Transactions such that the Company is able to continue to conduct the Continuing Connected Transactions. The new agreements will supersede the Existing CBUs and CKDs Procurement Cooperation Agreement and the Existing R&D Services and Technology Licensing Agreement.

As at the Latest Practicable Date, Geely Holding was a substantial shareholder of the Company holding 3,949,421,000 Shares, which represented approximately 39% of the total issued share capital of the Company. Accordingly, Geely Holding is a connected person of the Company under the Listing Rules.

As at the Latest Practicable Date, (a) each of Aurobay, ECARX, InfiMotion, Lotus Technology, LIVAN Automobile and smart was directly or indirectly owned as to more than 30% by Mr. Li and his associates. Accordingly, the aforesaid parties are associates of Mr. Li and connected persons of the Company under the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Listing Rules; (b) CaoCao was indirectly owned as to more than 70% by Mr. Li and his associates. Accordingly, CaoCao is an associate of Mr. Li and a connected person of the Company under the Listing Rules; (c) Chunqing Ecological was ultimately owned as to more than 59% by Mr. Li and his associates. Accordingly, Chunqing Ecological is an associate of Mr. Li and a connected person of the Company under the Listing Rules; (d) Farizon Commercial Vehicles was ultimately wholly-owned by Mr. Li and his associates. Accordingly, Farizon Commercial Vehicles is an associate of Mr. Li and a connected person of the Company under the Listing Rules; (e) Farizon Technology was ultimately owned as to more than 70% by Mr. Li and his associates. Accordingly, Farizon Technology is an associate of Mr. Li and a connected person of the Company under the Listing Rules; (f) Jiyao was ultimately wholly-owned by Mr. Li and his associates. Accordingly, Jiyao is an associate of Mr. Li and a connected person of the Company under the Listing Rules; (g) LEVC was owned as to 50% by Geely Holding and 50% by Geely Ningbo, which was in turn wholly-owned by Mr. Li and his associate. Accordingly, LEVC is an associate of Mr. Li and a connected person of the Company under the Listing Rules; (h) each of Polestar AB and Polestar China was owned as to more than 80% by Mr. Li and his associates. Accordingly, Polestar AB and Polestar China are associates of Mr. Li and connected persons of the Company under the Listing Rules; (i) Shandong Geely New Energy was indirectly owned as to approximately 90% by Mr. Li and his associates. Accordingly, Shandong Geely New Energy is an associate of Mr. Li and a connected person of the Company under the Listing Rules; (j) Viridi was owned as to approximately 51% by ZEEKR and is indirectly owned as to approximately 49% by Geely Holding. Accordingly, Viridi is a connected subsidiary of the Company under the Listing Rules; (k) YoeNing Technology was owned as to more than 90% by Mr. Li and his associate. Accordingly, YoeNing Technology is an associate of Mr. Li and a connected person of the Company under the Listing Rules; and (l) ZEEKR was owned as to approximately 62.8% (on a fully diluted basis) by the Company and more than 10% (on a fully diluted basis) by Mr. Li and his associate. Accordingly, ZEEKR is a connected subsidiary of the Company under the Listing Rules.

The transactions contemplated under the CBUs and CKDs Procurement Cooperation Agreement and the R&D Services and Technology Licensing Agreement constitute continuing connected transactions for the Company. Pursuant to Rules 14A.81 of the Listing Rules, as the transactions contemplated under the R&D Services and Technology Licensing Agreement and the Components Procurement and R&D Services Agreement (in respect of R&D services) were entered into or completed within a 12-month period with associates of Mr. Li, a connected person of the Company, these transactions are required to be aggregated for the purpose of calculating the relevant percentage ratios to determine the classification of the transactions under the R&D Services and Technology Licensing Agreement. Similarly, pursuant to Rule 14A.81 of the Listing Rules, as the transactions contemplated under the CBUs and CKDs Procurement Cooperation Agreement, the Components Procurement and R&D Services Agreement (in respect of components procurement), the Services Agreement and the Automobile Components Sales and Purchase Agreement were entered into or completed within a 12-month period with associates of Mr. Li, a connected person of the Company, these transactions are required to be aggregated for the purpose of calculating the relevant percentage ratios to determine the classification of the transactions under the CBUs and CKDs Procurement Cooperation Agreement.

As one or more of the applicable percentage ratios of the proposed annual caps for each of (i) the CBUs and CKDs Procurement Cooperation Agreement, after aggregation with the transactions under the Components Procurement and R&D Services Agreement (in respect of components procurement), the Services Agreement and the Automobile Components Sales and Purchase Agreement; and (ii) the R&D Services and Technology Licensing Agreement, after aggregation with the transactions under the Components Procurement and R&D

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Services Agreement (in respect of R&D services), exceed 5% on an annual basis, the transactions contemplated under each of the CBUs and CKDs Procurement Cooperation Agreement and the R&D Services and Technology Licensing Agreement are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders with respect to the Continuing Connected Transactions.

INDEPENDENCE DECLARATION

We are not associated or connected with the Company, the counterparties of the Continuing Connected Transactions or their respective core connected persons or associates. In the two years immediately preceding the Latest Practicable Date, we were appointed as the independent financial adviser of the Company in relation to (i) certain continuing connected transactions as disclosed in the circular of the Company dated 8 November 2023; (ii) certain continuing connected transactions as disclosed in the circular of the Company dated 24 September 2024; (iii) certain disclosable and connected transactions regarding the privatisation of ZEEKR by the Group as disclosed in the circular of the Company dated 18 August 2025; and (iv) this appointment in relation to the Continuing Connected Transactions (collectively, the “**IFA Engagements**”). We were also appointed as the independent financial adviser of Honbridge Holdings Limited (“**Honbridge**”), a company ultimately approximately 59.36% controlled by Mr. Li and his associates and listed on GEM of the Stock Exchange (stock code: 8137) in relation to a continuing connected transaction as disclosed in the circular of Honbridge dated 28 February 2025 (the “**Other IFA Engagement**”). Save for the IFA Engagements and the Other IFA Engagement, we did not have any other relationship with or interests in the Company, the counterparties of the Continuing Connected Transactions or their respective core connected persons or associates nor had we acted as an independent financial adviser to other transactions of the Company that could reasonably be regarded as hindrance to our independence as defined under the Listing Rules. Furthermore, our remuneration for each of the IFA Engagements and the Other IFA Engagement represented normal professional fees and did not affect our independence. Accordingly, we consider we are eligible to give independent advice on the Continuing Connected Transactions.

BASIS OF OUR OPINION

In formulating our recommendation, we have relied on the information and facts contained or referred to in the Circular as well as the representations made or provided by the Directors and the senior management of the Company.

The Directors have declared in a responsibility statement set out in the Circular that they collectively and individually accept full responsibility for the accuracy of the information contained and representations made in the Circular and that there are no other matters the omission of which would make any statement in the Circular misleading. We have also assumed that the information and the representations made by the Directors as contained or referred to in the Circular were true and accurate at the time they were made and continue to be so up to the date of the EGM. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and the senior management of the Company. We have also been advised by the Directors and believe that no material facts have been omitted from the Circular.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We consider that we have reviewed sufficient information to reach an informed view, to justify reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our recommendation. The documents we reviewed included (i) the CBUs and CKDs Procurement Cooperation Agreement; (ii) the R&D Services and Technology Licensing Agreement; (iii) the sales plans for the respective brand vehicles; (iv) the calculation of annual caps under each of the agreements; (v) respective transfer pricing analysis reports; and (vi) the Circular. We have not, however, conducted an independent verification of the information nor have we conducted any form of in-depth investigation into the businesses and affairs or the prospects of the Company, the counterparties of the CBUs and CKDs Procurement Cooperation Agreement and the R&D Services and Technology Licensing Agreement or any of their respective subsidiaries or associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and advice to the Independent Board Committee and the Independent Shareholders, we have considered the following principal factors and reasons:

1. The CBUs and CKDs Procurement Cooperation Agreement

1.1 Principal terms of the CBUs and CKDs Procurement Cooperation Agreement

Major terms of the CBUs and CKDs Procurement Cooperation Agreement are summarised below:

Term

From the completion date (upon the fulfillment of the relevant condition precedent) of the CBUs and CKDs Procurement Cooperation Agreement until 31 December 2027.

Payment terms

All payments in respect of the CBUs and CKDs provided under the CBUs and CKDs Procurement Cooperation Agreement shall generally be settled within sixty (60) days from the date of invoice, or within such other period as may be agreed by the parties to the agreement. Payments may be made by cash, wire transfer, acceptance, or any other method mutually agreed upon by the parties. Any overdue payment shall accrue interest, calculated by reference to the loan interest rate of the PBOC for the corresponding period.

Taking into account that (i) the credit period under the CBUs and CKDs Procurement Cooperation Agreement is within the range of credit periods offered to the Group by the independent suppliers; and (ii) the overdue interest rate is calculated based on the loan interest rate of the PBOC for the corresponding period, we concur with the view that the payment terms of the CBUs and CKDs Procurement Cooperation Agreement are fair and reasonable and in the interests of the Company and the Shareholders.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Subject matter

Pursuant to the CBUs and CKDs Procurement Cooperation Agreement, the Group has conditionally agreed to purchase the CBUs and CKDs primarily used for Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles from the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group and the Geely Holding Group. These entities are designated by the Group as manufacturing partners for the CBUs and CKDs.

The purchase of CBUs and CKDs by the Group under the agreement will be conducted in the ordinary and usual course of business of the Group, on normal commercial terms and on terms no less favourable to the Group than those available from the independent third parties (as applicable).

Pricing basis

Pursuant to the CBUs and CKDs Procurement Cooperation Agreement, the CBUs and CKDs will be sold to the Group at prices calculated on a cost-plus basis, based on the actual manufacturing costs incurred by the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group and the Geely Holding Group plus an agreed margin rate.

The CBUs refer to fully functional vehicles that meet relevant corporate standards, industry requirements, and regulatory requirements, and are ready for direct sale to customers. The CKDs, on the other hand, refer to all parts and components in a disassembled state that can be assembled into the CBUs. Due to their similar nature, both CBUs and CKDs are subject to a consistent pricing policy.

The margin rate will be determined by the Company, Farizon Commercial Vehicles, Shandong Geely New Energy and Geely Holding after arm's length negotiation on the date of the CBUs and CKDs Procurement Cooperation Agreement, with reference to the lower and upper quartiles of the three-year weighted average cost-plus-margin of comparable companies as stated in a transfer pricing analysis report prepared by an independent certified public accountant or a similarly qualified institution.

According to the updated transfer pricing analysis report dated 18 March 2025 for the CBUs and CKDs Procurement Cooperation Agreement (the "**Purchase Pricing Analysis Report**"), prepared by the internationally renowned independent certified public accountant (the "**Independent CPA**"), the lower and upper quartiles of the three-year weighted average cost-plus-margin fall within the range of cost-plus-margin of ten comparable companies identified for raw materials and seven comparable companies identified for other operating expenses. As advised by the Independent CPA, it is consistent with industry norms to determine the cost-plus-margin with reference to the lower and upper quartiles of the weighted average cost-plus-margin of comparable companies. According to the internal control policy under the Existing CBUs and CKDs Procurement Cooperation Agreement, the Company and Geely Holding would review on an annual basis (or more frequently in the event of substantial market changes such as a material shortage of chips, coupled with the latest business developments of the Group) to determine whether an updated transfer pricing analysis report

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

should be obtained for the purpose of determining the margin rate. The Company is of the view that there has been no substantial market change since 18 March 2025 and therefore it is not necessary to obtain a further updated transfer pricing analysis report. Given that the transfer pricing analysis report has been updated less than a year ago and the Company considers that no substantial market change has occurred since that date, we are of the view that determining the margin rates based on the Purchase Pricing Analysis Report dated 18 March 2025 for the purpose of calculating the annual caps is fair and reasonable.

Our view on pricing basis

In assessing the fairness and reasonableness of the pricing basis, we have considered the following factors and performed the relevant work as below:

- the purchase price of the CBUs and CKDs is determined based on the actual manufacturing cost plus an agreed margin rate. In this regard, the Company has adopted a margin rate for direct materials (the “**Direct Materials Margin Rate**”); and another margin rate for expenses other than direct material costs (the “**Non-Direct Materials Margin Rate**”) in calculating the unit purchase price of the CBUs and CKDs for the three years ending 31 December 2027. The Direct Materials Margin Rate and the Non-Direct Materials Margin Rate are determined with reference to the margin rates set out in the Purchase Pricing Analysis Report prepared by the Independent CPA for the purpose of calculating the annual caps (details of our assessment of the margin rates are set out below);
- based on our review of the Purchase Pricing Analysis Report furnished by the Independent CPA prepared solely for the internal reference by the parties to the CBUs and CKDs Procurement Cooperation Agreement (which we consider a reputable source of reference), we note that the Independent CPA had distinguished the contract manufacturing process into procurement activities and production and assembly activities, and identified (a) ten comparable companies principally engaged in procurement activities relating to raw material components (the “**Relevant Raw Material Companies**”), to reflect the margin rate relating to the procurement activities in the contract manufacturing process (which involve raw material cost component); and (b) seven comparable companies principally engaged in the manufacturing of vehicle and automobile components (the “**Relevant Vehicle Manufacturing Companies**”), to reflect the margin rate relating to production and assembly activities in the contract manufacturing process. We understand that the Independent CPA has selected the above comparable companies mainly based on similar business activities, the Group’s geographical location, ownership structure and available financial data. Given that the Relevant Raw Material Companies and the Relevant Vehicle Manufacturing Companies (i) are principally engaged in procurement activities relating to raw material components and in the manufacturing of vehicle and automobile components, respectively in Asia; (ii) recorded a three-year weighted average positive net income from 2021 to 2023; and (iii) are not directly or indirectly held by a sole shareholder with more than 50% ownership, which could compromise the independence or reliability of the results for

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

the purpose of transfer pricing analysis due to potential material connected transactions or controlling relationships, we consider the selection of these comparable companies to be fair and representative for the purpose of the pricing analysis.

We note that the Direct Materials Margin Rate adopted in the underlying calculations of the unit purchase price (for direct materials) of the relevant CBUs and CKDs falls within the range and is similar to the median of the cost-plus-margins of the Relevant Raw Material Companies as set out in the Purchase Pricing Analysis Report. As such, we consider that the Direct Materials Margin Rate is fair and reasonable. We also note that the Non-Direct Materials Margin Rate adopted in the underlying calculations of the unit purchase price of the relevant CBUs and CKDs (for expenses other than direct materials costs) falls within the range and is similar to the median of the cost-plus-margins of the Relevant Vehicle Manufacturing Companies as set out in the Purchase Pricing Analysis Report. As such, we consider that the Non-Direct Materials Margin Rate is fair and reasonable; and

- In conducting our review of the Purchase Pricing Analysis Report, we have interviewed the respective team members of the Independent CPA with respect to the terms of engagement of the Independent CPA. We have also considered the qualifications and experience of the Independent CPA, and the steps and measures taken by the Independent CPA in preparing the Purchase Pricing Analysis Report. Based on our review, we are satisfied that the scope of work of the Independent CPA is appropriate, without limitation, to perform pricing analysis for the CBUs and CKDs (which we note that the scope of services of the Independent CPA includes conducting pricing assessment for connected transactions). We note that the Independent CPA has more than 30 years of experience in performing transfer pricing assessments and that the relevant team members of the Independent CPA are qualified personnel. In light of the above, we (i) are not aware of any matters that would cause us to question the competence of the Independent CPA and consider that the Independent CPA has sufficient knowledge and expertise to perform the pricing analysis and prepare the Purchase Pricing Analysis Report; (ii) are not aware of any formal or informal representations made by the Company or any other party to the transaction to the Independent CPA; and (iii) consider that the Purchase Pricing Analysis Report is an appropriate reference for determining the Direct Materials Margin Rate and Non-Direct Materials Margin Rate used in calculating the purchase price of the CBUs and CKDs based on cost-plus-margin approach. To the best of our knowledge, the Independent CPA is independent of the Group, as well as its respective directors and controlling shareholders. During the two years immediately preceding the Latest Practicable Date, save for the transfer pricing analysis reports furnished by the Independent CPA for the continuing connected transactions as disclosed in (i) the circular of the Company dated 24 September 2024; and (ii) the announcements of the Company dated 7 February 2024 and 21 October 2024; and (iii) this Circular, there has been no association between the personnel of the Independent CPA executing the related service projects and the Group, as well as its respective directors and controlling shareholders.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Given the above, we are satisfied that the pricing terms of the CBUs and CKDs Procurement Cooperation Agreement are on normal commercial terms or better, and are fair and reasonable.

1.2 Internal control measures

The Group will monitor the relevant costs and expenses by obtaining detailed monthly breakdown from the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group and the Geely Holding Group. This will include reviewing supporting documentation for accuracy and performing regular variance analyses to assess reasonableness and ensure that the purchase prices of the CBUs and CKDs comply with the pricing policy as set out in the CBUs and CKDs Procurement Cooperation Agreement. The Company will also negotiate the terms of such transactions with Farizon Commercial Vehicles, Shandong Geely New Energy and Geely Holding to ensure that the purchase price properly reflects the actual costs incurred by Farizon Commercial Vehicles Group, Shandong Geely New Energy Group and the Geely Holding Group.

The Company, together with Farizon Commercial Vehicles, Shandong Geely New Energy and Geely Holding will conduct annual reviews (or more frequent reviews if deemed necessary due to material changes in the external market environment, new policy and regulatory requirements, or changes in internal strategy and costs) to determine whether an updated transfer pricing analysis report should be obtained for determining the margin rate. The margin rate will be determined with reference to the lower and upper quartiles of the three-year weighted average cost-plus-margin of comparable companies as stated in such updated transfer pricing analysis report. In the event of any proposed change to the margin rate, the finance manager of the Finance Department and the tax department of the Group will review and assess the proposed adjustment. Following their review and approval, the revised margin rate will be submitted to all parties to the CBUs and CKDs Procurement Cooperation Agreement for consideration and confirmation.

To ensure that the annual transaction amounts under the CBUs and CKDs Procurement Cooperation Agreement do not exceed the proposed annual caps for respective years, the Group will implement the following measures: (a) the subsidiaries of the Company will record and report the continuing connected transaction amounts to the finance manager of the finance department of the Group (the “**Finance Department**”) on a monthly basis; and (b) the finance manager of the Finance Department will compile statistics on the transaction amounts and calculate the utilisation rate of the relevant annual cap monthly. These statistics will be submitted to the Group’s management for review. If (i) the finance manager of the Finance Department is informed by the relevant business department of the subsidiaries that there will be significant increase in the transaction volume in a particular month that may lead to exceeding the relevant annual cap; or (ii) the utilisation rate of the applicable annual cap reaches a substantial majority at any time during the year, the Group will either restrict the purchase volume of the CBUs and CKDs to ensure that the respective annual caps under the CBUs and CKDs Procurement Cooperation Agreement are not exceeded, or initiate the necessary procedures to revise the respective annual caps in accordance with the requirements under Chapter 14A of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Our view on the internal control measures

Based on our discussion with the management of the Company on the internal control measures that govern the transactions contemplated under the CBUs and CKDs Procurement Cooperation Agreement and our review of the internal control procedures that include:

- (i) the Group will monitor relevant costs and expenses by obtaining detailed monthly breakdowns from the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group and the Geely Holding Group. This will include reviewing supporting documentation for accuracy and performing regular variance analyses to assess reasonableness. These measures aim to ensure that the purchase prices of the CBUs and CKDs comply with the pricing policy as set out in the CBUs and CKDs Procurement Cooperation Agreement. The Company will also negotiate the terms of such transactions with Farizon Commercial Vehicles, Shandong Geely New Energy and Geely Holding to ensure the purchase price properly reflect the actual costs incurred by the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group and the Geely Holding Group;
- (ii) the purchase price of the CBUs and CKDs will be calculated on a cost-plus basis according to the actual manufacturing costs incurred by the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group and the Geely Holding Group plus an agreed margin rate which is within the lower and upper quartiles of the three-year weighted average cost-plus-margin of comparable companies as stated in the transfer pricing analysis report prepared by an independent certified public accountant or a similarly qualified institution, subject to the annual review by the relevant parties. Given that the Direct Materials Margin Rate and the Non-Direct Materials Margin Rate fall within the range of the cost-plus-margins of the Relevant Raw Material Companies and the Relevant Vehicle Manufacturing Companies, respectively, as set out in the Purchase Pricing Analysis Report, the margin rates adopted by the Group in calculating the purchase price of the CBUs and CKDs ensures that the price of the CBUs and CKDs will be at a margin comparable to the margin adopted in the market by comparable companies engaged in similar business;
- (iii) the purchase price of the CBUs and CKDs will be collectively reviewed by the Company, Farizon Commercial Vehicles, Shandong Geely New Energy and Geely Holding on an annual basis (or more frequent reviews if deemed necessary due to material changes in the external market environment, new policy and regulatory requirements, or changes in internal strategy and costs) to determine whether updated margin rates should be obtained, and any updated margin rates will be determined with reference to the lower and upper quartiles of the three-year weighted average cost-plus-margin of comparable companies in an updated transfer pricing analysis report. In the event of any proposed change to the margin rate, the finance manager of the Finance Department and the tax department of the Group will review and assess the proposed adjustment. Following their review and approval, the revised margin rate will be submitted to all parties to the CBUs and CKDs Procurement Cooperation Agreement for consideration and confirmation;

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (iv) the Group has measures in place to ensure that the annual transaction amounts under the CBUs and CKDs Procurement Cooperation Agreement will not exceed the proposed annual caps of respective years, that include (a) the subsidiaries of the Company will record and report the transaction amounts to the finance manager of the Finance Department on a monthly basis. The finance manager of the Finance Department will compile the statistics on the transaction amounts and calculate the utilisation rate of the relevant annual cap on a monthly basis. These statistics will be submitted to the Group's management for review. If the finance manager of the Finance Department is informed by the relevant business department of the subsidiaries of the Company that there will be significant increase in the transaction volume which may exceed the relevant annual cap; or the utilisation rate of the applicable annual cap reaches a substantial majority at any time during the year, the Group will either restrict the purchase volume of the CBUs and CKDs to ensure that the respective annual caps under the CBUs and CKDs Procurement Cooperation Agreement are not exceeded or initiate the necessary procedures to revise the respective annual caps in accordance with the requirements under Chapter 14A of the Listing Rules; and (b) the internal audit department of the Group will conduct reviews in respect of the Group's compliance with the internal control procedures on an annual basis (or more frequently in the case of substantial market changes such as a significant shortage of chips, coupled with the latest business developments of the Group). We understand from management of the Company that if they expect that the transaction amounts will reach or exceed the annual cap, the Company will consider measures to be taken in a timely manner (which include restricting the purchase volume of the CBUs and CKDs or re-complying with disclosure and independent shareholders' approval requirements under the Listing Rules);
- (v) the independent non-executive Directors will conduct annual review on the transactions contemplated under the CBUs and CKDs Procurement Cooperation Agreement to confirm whether these transactions have been entered into (a) in the ordinary and usual course of business of the Group; (b) on normal commercial terms or better; and (c) whether the transactions are carried out according to the principal terms of the agreement and in the interests of the Company and the Shareholders as a whole; and
- (vi) we have obtained and reviewed the internal control reports for FY2022, FY2023 and FY2024 prepared by the finance manager of the Finance Department and note that (i) the transaction amount of the CBUs and CKDs were monitored to ensure that the respective annual caps under the Existing CBUs and CKDs Procurement Cooperation Agreement were not exceeded; and (ii) the pricing terms of the CBUs and CKDs followed the pricing policies under the Existing CBUs and CKDs Procurement Cooperation Agreement,

we consider that the Company has sufficient and effective internal control measures in place to ensure that (i) the proposed annual caps of the CBUs and CKDs Procurement Cooperation Agreement will not be exceeded (or if it is expected to be exceeded, the Company will consider measures to be taken in a timely manner, which include restricting the purchase volume of the CBUs and CKDs or re-complying with disclosure and independent shareholders' approval requirements under the Listing Rules); (ii) the purchase price of the CBUs and CKDs

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

will be determined on a cost-plus basis based on the actual manufacturing costs obtained from the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group and the Geely Holding Group plus agreed margin rates for direct material and non-direct material respectively, (subject to annual review) with reference to the Purchase Pricing Analysis Report prepared by an independent certified public accountant firm, and any updated margin rate will be determined with reference to an updated transfer pricing analysis report prepared by an independent certified public accountant firm.

1.3 Reasons for and benefits of entering into the CBUs and CKDs Procurement Cooperation Agreement

The reasons for and benefits of entering into the CBUs and CKDs Procurement Cooperation Agreement are stated in the Letter from the Board.

The main reasons can be summarised to include (a) the Group is able to continue to conduct the transactions in relation to the purchase of the CBUs and CKDs that are mainly used for the Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles at arm's length basis with reference to market price and within its ordinary and usual course of business with various connected persons of the Company under the terms of CBUs and CKDs Procurement Cooperation Agreements; and (b) the expected increasing demand for Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles may exceed the Group's current manufacturing capacity.

Our view

Having considered that:

- (i) the CBUs and CKDs will be sold at prices calculated on a cost-plus basis according to the actual manufacturing costs plus an agreed margin rate which will be determined with reference to the lower and upper quartiles of the three-year weighted average cost-plus-margin rate of comparable companies as stated in a pricing analysis report prepared by an independent certified public accountant or a similarly qualified institution;
- (ii) the Group has put in place internal control measures to monitor that the expected purchase prices of the CBUs and CKDs under the CBUs and CKDs Procurement Cooperation Agreement will be determined on an arm's length basis and on normal commercial terms; and
- (iii) the purchase of the CBUs and CKDs under the CBUs and CKDs Procurement Cooperation Agreement are conducted at arm's length basis and within the ordinary and usual course of business of the Company,

we are of the view that the terms of the CBUs and CKDs Procurement Cooperation Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and they are in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

1.4 Fairness and Reasonableness of the CBUs and CKDs Procurement Annual Caps

Historical transaction amounts

The table below sets out (i) the historical transaction amounts for the year ended 31 December 2024 (“**FY2024**”) and the nine months ended 30 September 2025; and (ii) the announced annual caps for the purchase of CBUs and CKDs by the Group from the Geely Holding Group under the Existing CBUs and CKDs Procurement Cooperation Agreement for the three years ended/ending 31 December 2026 and their respective utilisation rates.

	Historical transaction amount for the year ended 31 December 2024	Historical transaction amount for the nine months ended 30 September 2025	Announced annual caps for the year ended/ending 31 December		
			2024	2025	2026
	RMB million (Audited)	RMB million (Unaudited)	RMB million	RMB million	RMB million
Purchase of CBUs and CKDs from the Geely Holding Group	47,993.7	39,972.9	70,380.0	116,082.7	154,897.7
Utilisation rate of annual caps			68.2%	34.4% ^(note)	

Note: The utilisation rate of the annual cap for the year ending 31 December 2025 was calculated by dividing the historical transaction amount for the nine months ended 30 September 2025 by the announced annual cap for the full financial year ending 31 December 2025.

The low utilisation rate of the annual cap under the Existing CBUs and CKDs Procurement Cooperation Agreement for the nine months ended 30 September 2025 was primarily due to cyclical effects, as production demand in the second half of the year is generally higher than in the first half. Additionally, with the launch of new models in the second half of 2025, utilisation rates are expected to increase.

Proposed annual caps

The table below sets out the proposed annual caps for the purchase of CBUs and CKDs from the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group, and the Geely Holding Group (the “**CBUs and CKDs Procurement Annual Caps**”) for the three years ending 31 December 2025 (“**FY2025**”), 2026 (“**FY2026**”) and 2027 (“**FY2027**”).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

	Proposed annual caps for the year ending 31 December		
	2025	2026	2027
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
CBUs and CKDs Procurement			
Annual Caps	75,319.5	131,396.9	167,120.3

As stated in the Letter from the Board, the CBUs and CKDs Procurement Annual Caps were determined with reference to: (i) the estimated number of units of CBUs and CKDs in relation to the existing and new vehicle models under the Geely brand, ZEEKR brand and LYNK & CO brand, which were in turn determined based on the projected unit sales of these vehicles for the three years ending 31 December 2027; (ii) the estimated manufacturing costs of CBUs and CKDs by Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group and the Geely Holding Group in relation to the existing and anticipated new vehicle models under the Geely brand, ZEEKR brand, and LYNK & CO brand for the same period; and (iii) the margin rates applied on top of the cost of raw materials and other operating expenses, determined with reference to the lower and upper quartiles of three-year weighted average of cost-plus-margin of comparable companies as stated in the Purchase Pricing Analysis Report. These margin rates are used solely for the purpose of calculating the proposed annual caps and should not be regarded as fixed rates for transactions throughout the term of the CBUs and CKDs Procurement Cooperation Agreement.

In our assessment of the fairness and reasonableness of the CBUs and CKDs Procurement Annual Caps, we have reviewed and discussed with the Company with regards to the underlying calculations. We have obtained and reviewed (i) the projected purchase volume of CBUs and CKDs for use in the Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles for the three years ending 31 December 2027; (ii) the sales plans for Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles for the three years ending 31 December 2027; and (iii) the Purchase Pricing Analysis Report prepared by the Independent CPA.

From our review of the aforesaid documents and discussion with management of the Company, we have taken into consideration the following in assessing the fairness and reasonableness of the CBUs and CKDs Procurement Annual Caps:

- the projected purchase volume of CBUs and CKDs for FY2025, FY2026 and FY2027 are mainly determined based on the sales plans for Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles for the respective years in which set out the projected sales volume of the Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles to be equipped with the CBUs and CKDs.

FY2024 vs FY2025: We note that the CBUs and CKDs Procurement Annual Caps for FY2025 decreases by approximately 35% as compared to the existing annual cap under the Existing CBUs and CKDs Procurement Cooperation Agreement mainly due to (i)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

the projected purchase volume of the CBUs and CKDs for use in ZEEKR brand vehicles to be lower than originally expected; and (ii) the purchase price of the CBUs and CKDs for use in Geely brand vehicles and LYNK & CO brand vehicles are lower. Nevertheless, we note that the CBUs and CKDs Procurement Annual Caps for FY2025 represents an increase of approximately 57% and 41% as compared to the historical transaction amount for FY2024 and the annualised transaction amount for the nine months ended 30 September 2025, respectively. The increase was primarily due to the expected increase in demand following the expected launch of new models, resulting in higher purchase volumes of CBUs and CKDs for use in the Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles in the second half of FY2025. We consider the increase to be reasonable given that the actual average monthly transaction amount for the three months ended 30 September 2025 increased by approximately 29% when compared to that of the six months ended 30 June 2025, which reflects an increasing trend of actual transaction amount of CBUs and CKDs for the second half FY2025;

- *FY2025 vs FY2026 vs FY2027:* The CBUs and CKDs Procurement Annual Caps further increase by approximately 74% and 27% for FY2026 and FY2027, respectively, on a year-on-year basis. Such increase was mainly attributable to the expected increase in purchase volume of CBUs and CKDs under the Geely, ZEEKR, and LYNK & CO brands driven by anticipated demand for new models from these brands scheduled for launch in 2026 and 2027. The significant higher growth rate of the CBUs and CKDs Procurement Annual Caps for FY2026 was mainly due to the greater number of new Geely, ZEEKR and LYNK & CO models expected to be launched in 2026 compared to 2027. It is expected that the purchase volumes of CBUs and CKDs related to the Geely, ZEEKR and LYNK & CO brand vehicles will increase year-on-year by approximately 56% and 23%, respectively. The average selling prices are also projected to increase year-on-year by approximately 12% and 3%, respectively. These projections are based on the sales plans for Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles for the three years ending 31 December 2027. The higher increase in 2026 reflects the anticipated year-on-year increase in average selling price for 2026 is expected to be higher based on more expected introduction of new vehicle models with higher average selling prices compared to those expected in 2027; and
- Based on our discussion with the management of the Company, we understand that the sales plans for Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles for the three years ending 31 December 2027 were determined with reference to several factors including (i) expected customer demand, assessed through comprehensive market analysis and an understanding of target customer profiles, including their preferences, seasonality effects, economic conditions, and competing products; (ii) sales volume targets, established by reviewing historical data, defining clear business objectives, and setting measurable goals aligned with business growth and market share ambitions; (iii) product life cycle which includes introduction, growth, maturity, and decline stages, addressed through tailoring marketing activities, pricing strategies, and inventory management to optimise positioning and profitability throughout the product's lifespan; (iv) strategy and business performance which are

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

regularly reviewed through operational processes such as customer service excellence, effective sales management, financial oversight, and robust marketing campaigns, with adjustments made in response to performance data and changing market conditions; and (v) potential market fluctuations including economic trends, regulatory changes, supply chain disruptions, and competitive actions — which are continuously monitored to ensure proactive readiness and operational flexibility, mitigating risks and leveraging opportunities as they arise. Based on the above, we consider that the sales plans for Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles are determined on fair and reasonable bases and assumptions. Accordingly, we also consider the sales plans to be fair and reasonable.

To ascertain whether the projected purchase volume is fairly estimated, we have reviewed the sales plans for Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles for the three years ending 31 December 2027. We note that the projected purchase volume of CBUs and CKDs for the same period reflects the sales plans for Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles, which were determined based on fair and reasonable bases and assumptions according to the above analysis. Therefore, we consider the projected purchase volume to be determined on a fair and reasonable basis.

Our view

Taking into consideration that (i) CBUs and CKDs Procurement Annual Caps are determined with reference to the sales plans for Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles at prices based on estimated manufacturing cost plus an estimated cost-plus margin with reference to the Purchase Pricing Analysis Report, and (ii) the increase in the proposed annual caps is mainly driven by the expected demand of the relevant brand vehicles, we consider that the CBUs and CKDs Procurement Annual Caps are fair and reasonable and we concur with the Directors' view that it is fair and reasonable and in the interests of both the Company and the Shareholders to set the CBUs and CKDs Procurement Annual Caps at the proposed levels. However, as the CBUs and CKDs Procurement Annual Caps relate to future events and are based on assumptions that may or may not remain valid for the whole period up to 31 December 2027, we express no opinion as to how closely the transactions contemplated under the CBUs and CKDs Procurement Cooperation Agreement shall correspond to the CBUs and CKDs Procurement Annual Caps.

2. R&D Services and Technology Licensing Agreement

2.1 Principal terms of the R&D Services and Technology Licensing Agreement

The major terms of the R&D Services and Technology Licensing Agreement are summarised below.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Term

From the completion date (upon the fulfillment of the relevant condition precedent) of the R&D Services and Technology Licensing Agreement until 31 December 2027.

Payment terms

All payments in respect of the R&D and related technological support services rendered under the R&D Services and Technology Licensing Agreement shall generally be settled within sixty (60) days from the date of invoice, or within such other period as may be agreed by the parties to the agreement. Payments may be made by cash, wire transfer, acceptance, or any other method mutually agreed upon by the parties. Any overdue payment shall accrue interest, calculated by reference to the loan interest rate of the PBOC for the corresponding period.

Taking into account that (i) the credit period under the R&D Services and Technology Licensing Agreement falls within the range of credit periods offered to the Group by the independent suppliers; and (ii) the overdue interest rate is calculated based on the loan interest rate of the PBOC for the corresponding period, we concur with the view that the payment terms of the R&D Services and Technology Licensing Agreement are fair and reasonable and in the interests of the Company and the Shareholders.

Subject matter

Pursuant to the R&D Services and Technology Licensing Agreement, (i) the Group has conditionally agreed to provide R&D and related technological support services to the Related Party Service Recipients. These services include the R&D for automobiles and key automobile parts, technical verification and testing, technical consultation services, technical support services, technology licensing, etc.; and (ii) the Group has conditionally agreed to procure the R&D and related technological support services from the Related Party R&D Service Providers. These services include R&D of NEV technologies and intelligent driver assistance technologies, technical verification and testing, technical consultation services, technical support and technology licensing, etc.

Pricing basis

The services or licensing fees under the R&D Services and Technology Licensing Agreement shall be determined based on (i) market rates for comparable R&D services or technology licensing services; or (ii) a cost-plus basis if no comparable market rates are available on the date of the R&D Services and Technology Licensing Agreement. For R&D services with market price, the Company will obtain at least two quotations from independent suppliers for reference. For R&D services without a market price, pricing will be based on the cost of providing the relevant service plus a margin rate with reference to the range between the lower and upper quartiles of the three-year weighted average cost-plus-margin of 18 comparable companies providing similar services, as stated in the updated transfer pricing analysis report dated 4 December 2024 prepared by an independent certified public accountant or a similarly qualified institution (the “**R&D Services Pricing Analysis Report**”). According to the internal

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

control policy under the Existing R&D Services and Technology Licensing Agreement, the Company would review the scope of the R&D services and technology licensing services on an annual basis (or more frequently if deemed necessary) to determine whether an updated transfer pricing analysis report should be obtained for the purpose of determining the margin rate. The Company is of the view that there has been no substantial change since 4 December 2024 and therefore it is not necessary to obtain a further updated transfer pricing analysis report. Given that the transfer pricing analysis report was updated less than a year ago and the Company considers that no substantial change has occurred since 4 December 2024, we are of the view that determining the margin rates based on the R&D Services Pricing Analysis Report dated 4 December 2024 for the purpose of calculating the annual caps is fair and reasonable.

For the technology licensing services, the pricing will be based on a percentage of the revenue from each vehicle sold that utilises the relevant technology. This percentage is determined using the platform rate and the applicable licensing fee rate. The platform rate is calculated with reference to the R&D cost as a proportion of the total R&D cost of the respective vehicle model. The licensing fee rate will be determined with reference to the range between the lower and upper quartiles of the three-year weighted average licensing fee rates of 11 samples of comparable technology licensing agreements, as stated in the updated transfer pricing analysis report dated 10 September 2025 prepared by an independent certified public accountant or a similarly qualified institution (the “**Licensing Fees Pricing Analysis Report**”).

Our view on pricing basis

In assessing the fairness and reasonableness of the pricing basis, we have considered the following factors and performed the relevant work as below:

- the cost of each technical project, which includes the total R&D staff costs mainly based on the estimated staff hours and the staff hourly rate according to historical cost or current market wages, with reference to the estimated stage of completion of the R&D and technology support projects;
- the estimated platform rates adopted in calculating the licensing fees in the Technology Provision Annual Caps (defined below) and the Technology Procurement Annual Caps (defined below), for which we have obtained the underlying calculation and note that such estimated platform rate is determined with reference to the estimated R&D cost as a proportion of the total R&D cost of respective vehicle model. We have also obtained the historical platform rates for FY2024 and note that the estimated platform rates used in the calculation of the Technology Provision Annual Caps and the Technology Procurement Annual Caps are generally comparable to the range of historical platform rates for FY2024;
- the margin rate adopted in calculating the R&D services fees in the Technology Provision Annual Caps and the Technology Procurement Annual Caps (the “**R&D Margin Rate**”), which is determined with reference to the margin rates set out in the R&D Services Pricing Analysis Report prepared by the Independent CPA. We have reviewed the R&D Services Pricing Analysis Report dated 4 December 2024 prepared

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

by the Independent CPA solely for the internal reference by the parties to the R&D Services and Technology Licensing Agreement. We consider that the R&D Services Pricing Analysis Report is a reputable source of reference for the purpose of determining the margin rate for the R&D services fees. We note that the Independent CPA had identified 18 comparable companies (the “**Technology Relevant Companies**”) that are principally engaged in the research and development and relevant technology support services in relation to vehicle engine and transmission products and evaluated their cost-plus-margins. We understand that the Independent CPA has selected the above comparable companies mainly based on similar business activities, the Group’s geographical location, ownership structure and available financial data. Given that the Technology Relevant Companies (i) are principally engaged in research and development and relevant technology support services in Asia and Europe; (ii) recorded a three-year weighted average positive net income from 2021 to 2023; and (iii) are not directly or indirectly held by a sole shareholder with more than 50% ownership, which could compromise the independence or reliability of the results for the purpose of transfer pricing analysis due to potential material connected transactions or controlling relationships, we consider the selection of these comparable companies to be fair and representative for the purpose of the pricing analysis.

We note that the R&D Margin Rate falls within the range and is the same as the median of the cost-plus-margins of the Technology Relevant Companies as set out in the R&D Services Pricing Analysis Report. As such, we consider that the R&D Margin Rate is fair and reasonable and is in the interests of the Company and the Shareholders as a whole;

- the margin rate adopted in calculating the licensing fees in the Technology Procurement Annual Caps and the Technology Provision Annual Caps (the “**Licensing Fees Margin Rate**”), which is determined with reference to the margin rates set out in the Licensing Fees Pricing Analysis Report prepared by the Independent CPA. We have reviewed the Licensing Fees Pricing Analysis Report dated 10 September 2025 prepared by the Independent CPA solely for the internal reference of the Group. We consider that the Licensing Fees Pricing Analysis Report is a reputable source of reference for the purpose of determining the margin rate for the licensing fees. We note that the Independent CPA had identified 11 comparable technology licensing agreements (the “**Comparable Licensing Agreements**”) related to the licensing of technologies for related products and evaluated their cost-plus-margins. We understand that the Independent CPA has selected the above comparable agreements mainly based on the similar nature of the agreements and the basis for determining licensing fee. Given that the Comparable Licensing Agreements (i) all relate to the licensing of technologies for related products; and (ii) set out licensing fee based on net revenue or total revenue, we consider the selection of these comparable agreements to be fair and representative for the purpose of the pricing analysis.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We further note that the Licensing Fees Margin Rate falls within the range and is equal to the median of the cost-plus-margins of the Comparable Licensing Agreements, as set out in the Licensing Fees Pricing Analysis Report. As such, we consider that the Licensing Fees Margin Rate adopted in calculating the licensing fees is fair and reasonable and is in the interests of the Company and the Shareholders as a whole; and

- in respect of our due diligence on the qualification and experience of the Independent CPA, please refer to the paragraph headed “*1.1 Principal terms of the CBUs and CKDs Procurement Cooperation Agreement*” above in this letter. In light of the above, we (i) are not aware of any matters that would cause us to question the competence of the Independent CPA and consider that the Independent CPA has sufficient knowledge and expertise to perform pricing analysis and prepare the R&D Services Pricing Analysis Report and the Licensing Fees Pricing Analysis Report; and (ii) consider that the R&D Services Pricing Analysis Report and the Licensing Fees Pricing Analysis Report are appropriate references for determining the margin rates used in calculating the R&D services fees and licensing fees in the Technology Provision Annual Caps and the Technology Procurement Annual Caps;

Given the above, we are satisfied that pricing terms of the R&D Services and Technology Licensing Agreement are on normal commercial terms or better, and are fair and reasonable.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

2.2 *Internal control measures*

For the R&D and technology licensing services provided by the Group to Related Party Service Recipients, the finance manager of the Finance Department will obtain at least two quotations from independent suppliers (if any) and will compare the scope of the services and rates with similar existing transactions involving independent suppliers (if any) or refer to transfer pricing analysis reports prepared by an independent certified public accountant or a similarly qualified institution to determine the market rates for the R&D services or technology licensing services. If no market rates are available, the finance manager of the Finance Department will review the relevant cost items incurred by the Group for the services provided on an annual basis (or more frequently in the case of substantial market changes such as a material shortage of research personnel, coupled with the latest business developments of the Group) to ensure the accuracy of such costs.

For the licensing of relevant technologies, the finance manager of the Finance Department will review the selling prices of vehicles utilising the licensed technologies and assess the proportion of the cost of the relevant technology relative to the total R&D cost of the respective vehicle models. This review will be conducted annually (or more frequently if deemed necessary) to ensure the accuracy of the licensing fees.

The Company, together with each of Related Party Service Recipients and Related Party R&D Service Providers will determine the margin rate and licensing fee rate of R&D services and technology licensing services with reference to the respective transfer pricing analysis reports prepared by an independent certified public accountant or a similarly qualified institution. The finance manager of the Finance Department will also review the scope of the R&D and technology licensing services annually (or more frequently if deemed necessary due to material changes in the external market environment, new policy and regulatory requirements, or changes in internal strategy and costs) to assess whether updated transfer pricing analysis reports should be obtained for determining the margin and licensing fee rates. In the event of any proposed change to the margin rate or licensing fee rate for R&D and technology licensing services, the finance manager of the Finance Department and the tax department of the Group will review and assess the proposed adjustment. Following their review, the revised rates will be submitted to the Related Party Service Recipients and Related Party R&D Service Providers for consideration and confirmation, taking into account the fairness of pricing benchmarked against independent third parties, compliance with applicable policies and regulations, and strategic consideration.

To ensure that the annual transaction amounts under the R&D Services and Technology Licensing Agreement do not exceed the proposed annual caps of respective years, the Group will implement the following measures: (a) the subsidiaries of the Company will record and report the continuing connected transaction amounts to the finance manager of the Finance Department on a monthly basis; (b) the finance manager will compile the statistics on the amounts of continuing connected transactions and calculate the utilisation rate of the relevant annual cap monthly. These statistics will be submitted to the Group's management for review. If (i) the finance manager is informed by the relevant business department of the subsidiaries of the Company that there will be a significant increase in the transaction volume in a

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

particular month that may lead to exceeding the relevant annual caps; or (ii) the utilisation rate of the applicable annual cap reaches a substantial majority at any time during the year, the Group will either restrict the volume of R&D services and technology licensing services to ensure that the annual caps are not exceeded or initiate the necessary procedures to revise the respective annual caps in accordance with the requirements under Chapter 14A of the Listing Rules.

Our view on the internal control measures

Based on our discussion with the management of the Company on the internal control measures that govern the transactions contemplated under the R&D Services and Technology Licensing Agreement and our review of the internal control procedures that include:

- (i) by comparing scope of services and rates with the similar existing transactions with the independent suppliers or referring to transfer pricing analysis report prepared by the Independent CPA, the Group will be able to ensure that the rate of R&D services and technology licensing services is no less favourable than the prevailing market price and on normal commercial terms;
- (ii) if no market rate is available, the finance manager of the Finance Department will review the relevant cost items incurred by the Group for the relevant R&D services and technology licensing services performed on an annual basis (or more frequently in the case of substantial market changes such as a material shortage of research personnel, coupled with the latest business developments of the Group) to ensure the accuracy of such costs. For the licensing of the relevant technology, the finance manager of the Finance Department will review the selling price of the vehicles utilising the licensed technologies and the cost of the relevant technology to the total R&D cost of the respective vehicle models annually (or more frequently if deemed necessary) to ensure the accuracy of the licensing fees;
- (iii) the pricing of R&D services will be calculated on a cost-plus basis based on the costs of providing the relevant service plus a margin rate while the pricing of technology licensing services will be determined based on a percentage of revenue of each vehicle utilising the relevant technology plus a margin rate. Both of the margin rates are with reference to the range within the lower and upper quartiles of the three-year weighted average cost-plus-margin of comparable companies as stated in the transfer pricing analysis reports prepared by an independent certified public account or a similarly qualified institution, subject to the annual review by the relevant parties. Given that the margin rates fall within the range of the cost-plus-margins as set out in the R&D Services Pricing Analysis Report and the Licensing Fees Pricing Analysis Report, the margin rates adopted by the Group in calculating the pricing of R&D services and the technology licensing services ensures that the price will be at a margin comparable to the margins adopted in the market by comparable companies engaged in similar business;

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (iv) the scope of R&D services and the technology licensing services will be reviewed on an annual basis (or more frequently if deemed necessary due to material changes in the external market environment, new policy and regulatory requirements, or changes in internal strategy and costs) to determine whether updated transfer pricing analysis reports should be obtained, and any updated margin rates will be determined with reference to the lower and upper quartiles of the three-year weighted average cost-plus-margin of comparable companies in an updated transfer pricing analysis report. In the event of any proposed change to the margin rate or licensing fee rate for R&D and technology licensing services, the finance manager of the Finance Department and the tax department of the Group will review and assess the proposed adjustment. Following their review, the revised rates will be submitted to the Related Party Service Recipients and Related Party R&D Service Providers for consideration and confirmation, taking into account the fairness of pricing benchmarked against independent third parties, compliance with applicable policies and regulations, and strategic consideration;
- (v) the Group has measures in place to ensure that the annual transaction amounts under the R&D Services and Technology Licensing Agreement will not exceed the proposed annual caps of respective years, that include (a) the subsidiaries of the Company will record and report the transaction amounts to the finance manager of the Finance Department on a monthly basis; and (b) the finance manager of the Finance Department will then compile the statistics on the transaction amounts and calculate the utilisation rate of the relevant annual cap on a monthly basis. These statistics will be submitted to the Group's management for review. If the finance manager of the Finance Department of the Group is informed by the relevant business department of the subsidiaries of the Company that there will be significant increase in the transaction volume in a particular month which may exceed the relevant annual cap; or the utilisation rate of the applicable annual cap reaches a substantial majority at any time during the year, (a) the Group will either restrict the volume of the R&D Services and technology licensing services to ensure that the respective annual caps under the R&D services and Technology Licensing Agreement are not exceeded or initiate the necessary procedures to revise the respective annual caps in accordance with the requirements under Chapter 14A of the Listing Rules; and (b) the internal audit department of the Group will conduct review in respect of the Group's compliance with the internal control procedures at least annually (or more frequently if deemed necessary). We understand from management of the Company that if they expect that the transaction amounts will reach or exceed the annual cap, the Company will consider measures to be taken in a timely manner (which include restricting the volume of the R&D services and technology licensing services or re-complying with disclosure and independent shareholders' approval requirements under the Listing Rules);
- (vi) the independent non-executive Directors will conduct annual review on the transactions contemplated under the R&D Services and Technology Licensing Agreement to confirm whether these transactions have been entered into (a) in the ordinary and usual course of business of the Group; (b) on normal commercial terms or better; and (c) whether the transactions are carried out according to the principal terms of the agreement and in the interests of the Company and the Shareholders as a whole; and

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (vii) we have obtained and reviewed the internal control reports for FY2022, FY2023 and FY2024 prepared by the finance manager of the Finance Department and note that (i) the annual transaction amounts under the Existing R&D Services and Technology Licensing Agreement were monitored to ensure that the annual caps were not exceeded; and (ii) the pricing terms of the transactions followed the pricing policies under the Existing R&D services and Technology Licensing Agreement.

we consider that the Company has sufficient and effective internal control measures in place to ensure that (i) the proposed annual caps of the R&D Services and Technology Licensing Agreement will not be exceeded (or if it is expected to be exceeded, the Company will consider measures to be taken in a timely manner, which include restricting the volume of the R&D services and technology licensing services or re-complying with disclosure and independent shareholders' approval requirements under the Listing Rules); (ii) the pricing of the R&D services and technology licensing services will be determined on a cost-plus basis under which the margin rates (subject to annual review) with reference to the R&D Services Pricing Analysis Report and the Licensing Fees Pricing Analysis Report prepared by an independent certified public accountant firm, and any updated margin rate will be determined with reference to an updated transfer pricing analysis report prepared by an independent certified public accountant firm.

2.3 *Reasons for and benefits of entering into the R&D Services and Technology Licensing Agreement*

The reasons for and benefits of entering into the R&D Services and Technology Licensing Agreement are stated in the Letter from the Board.

The Directors consider that entering into the R&D Services and Technology Licensing Agreement will enhance synergy and technology sharing among the parties, thereby improving the efficiency of the Group's R&D efforts; and such cooperation facilitates technology upgrade that further support the Group's development, ultimately strengthening the competitiveness of Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles.

Our view

Having considered that:

- (i) the services and the licensing fees to be payable or receivable by the Group under the R&D Services and Technology Licensing Agreement will be determined with reference to the prevailing market price for similar services with independent suppliers or with reference to the transfer pricing analysis reports prepared by an independent certified public accountant;
- (ii) the Group has put in place internal control measures to monitor the services and the licensing fees to be payable or receivable by the Group under the R&D Services and Technology Licensing Agreement will be determined on arms' length basis and on normal commercial terms; and

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (iii) the provision and the procurement of technological support services under the R&D Services and Technology Licensing Agreement are conducted at arms' length basis and within the ordinary course of business of the Company,

we are of the view that the terms of and the R&D Services and Technology Licensing Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and they are in the interests of the Company and the Shareholders as a whole.

2.4 *Fairness and reasonableness of the Technology Provision Annual Caps and the Technology Procurement Annual Caps*

Historical transaction amounts

The table below sets out (i) the historical transaction amounts for FY2024 and the nine months ended 30 September 2025; and (ii) the announced annual caps for the R&D services and technology licensing fees receivable and payable by the Group pursuant to the Existing R&D Services and Technology Licensing Agreement for FY2024, FY2025 and FY2026 and their respective utilisation rates.

	Historical transaction amount for the year ended 31 December 2024 RMB million (Audited)	Historical transaction amount for the nine months ended 30 September 2025 RMB million (Unaudited)	Announced annual caps for the year ended/ending 31 December		
			2024 RMB million	2025 RMB million	2026 RMB million
Services and licensing fees receivable for the R&D services and technology licensing provided by the Group	8,844.2	6,143.8	12,601.4 70.2%	9,845.7 62.4% ^(Note)	8,243.8
Utilisation rate of annual caps					
Services and licensing fees payable for the R&D services and technology licensing	1,843.0	1,857.3	1,891.3 97.5%	2,413.1 77.0% ^(Note)	2,468.7
Utilisation rate of annual caps					

Note: The utilisation rate of the annual cap for FY2025 was calculated by dividing the historical transaction amount for the nine months ended 30 September 2025 by the announced annual cap for the full financial year ending 31 December 2025.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Proposed annual caps

The table below sets out the proposed annual caps of the R&D services and licensing fees receivable by the Group (the “**Technology Provision Annual Caps**”) and payable by the Group (the “**Technology Procurement Annual Caps**”) under the R&D Services and Technology Licensing Agreement for the three years ending 31 December 2027.

	Proposed annual caps for the year ending		
	31 December		
	2025	2026	2027
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Technology Provision Annual Caps	10,873.3	12,466.9	13,543.7
Technology Procurement Annual Caps	6,012.2	4,904.5	5,347.5

As stated in the Letter from the Board, the Technology Provision Annual Caps and the Technology Procurement Annual Caps were determined with reference to: (i) projected total staff hours required for each R&D and technology support project; (ii) projected hourly cost for the R&D staff, based on historical cost or current market hourly wages; (iii) other relevant costs incurred for the R&D and technology support projects; (iv) estimated stage of completion of the R&D and technology support projects during the period from 1 January 2025 to 31 December 2027; (v) the range of margin rates as stated in the R&D Services Pricing Analysis Report, applied over the estimated cost; (vi) projected unit sales of vehicles utilising the relevant technologies licensed from/to the Group; (vii) the range of licensing fee rates as stated in the Licensing Fees Pricing Analysis Report for relevant technologies; and (viii) the estimated average platform rate for relevant technology licensed from/to the Group for the manufacturing of Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles. The aforementioned margin rate, licensing fee rate and estimated platform rate are used solely for the purpose of calculating the proposed annual caps and should not be regarded as fixed rates for transactions throughout the term of the R&D Services and Technology Licensing Agreement.

In assessing the fairness and reasonableness of the Technology Provision Annual Caps and the Technology Procurement Annual Caps, we have reviewed and discussed with the Company with regards to the underlying calculations. We have obtained and reviewed (a) the list of technical projects of the Related Party Service Recipients which are expected to require technology support from the Group; (b) the list of technical projects of the Group which are expected to require technology support from the Related Party R&D Service Providers during the term of the R&D Services and Technology Licensing Agreement; and (c) the R&D Services Pricing Analysis Report and the Licensing Fees Pricing Analysis Report prepared by the Independent CPA. We note that the Technology Provision Annual Caps and the Technology Procurement Annual Caps include R&D services fees and include the licensing fees only when the transaction uses the relevant technology. The R&D services fees were mainly determined with reference to (i) the estimated total staff hours required for each of the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

projects; (ii) the estimated cost in the provision of technology support for each of the projects that include staff costs and other service costs; (iii) the range of margin rates with reference to the R&D Services Pricing Analysis Report; and (iv) the estimated progress of each of the projects during the term of the R&D Services and Technology Licensing Agreement. The licensing fees were mainly determined with reference to (i) the projected unit sales of vehicles utilising relevant technology licensed from/to the Group; (ii) the range of licensing fee rates with reference to the Licensing Fees Pricing Analysis Report; and (iii) the estimated average platform rate for relevant technology licensed from/to the Group for manufacturing of Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles.

From our review of the aforesaid documents and discussion with management of the Company, we have taken into consideration the following in assessing the fairness and reasonableness of the Technology Provision Annual Cap and the Technology Procurement Annual Caps:

Technology Provision Annual Caps:

- *FY2024 vs FY2025:* We note that the Technology Provision Annual Caps for FY2025 (i) increases by approximately 10% as compared to the existing annual cap under the Existing R&D Services and Technology Licensing Agreement; and (ii) represents an increase of approximately 23% and 33% as compared to the historical transaction amount for FY2024 and the annualised transaction amount for the nine months ended 30 September 2025, respectively. The increase in FY2025 annual cap is attributable to the projected increase in demand for R&D and related services in the second half of FY2025 in light of the Company's accumulated R&D effort and capabilities. We consider the increase to be reasonable as the actual average monthly transaction amount for the three months ended 30 September 2025 increased by more than 70% when compared to that for the six months ended 30 June 2025, which reflects an increasing trend of actual transaction amount for the second half of FY2025.
- *FY2025 vs FY2026 vs FY2027:* The Technology Provision Annual Caps for FY2026 and FY2027 further increase by approximately 15% and 9%, respectively, on a year-on-year basis. We understand from the management of the Company that such increase was mainly attributable to the new technical projects expected to commence in FY2026, which contribute approximately 31% and 20% to the Technology Provision Annual Caps for FY2026 and FY2027, respectively.

Technology Procurement Annual Caps:

- *FY2024 vs FY2025:* We note that the Technology Procurement Annual Caps for FY2025 represents an increase of approximately 226% and 143% as compared to the historical transaction amount for FY2024 and the annualised transaction amount for the nine months ended 30 September 2025, respectively, mainly attributable to the increase in expected demand for R&D and technology support projects relating to the development of Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles for the second half of FY2025 resulting from the inclusion of additional contracting parties to the R&D Services and Technology Licensing Agreement. We

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

consider the increase to be reasonable as the actual average monthly transaction amount for the three months ended 30 September 2025 increased by more than 170% when compared to that for the six months ended 30 June 2025, which reflects an increasing trend of actual transaction amount for the second half of FY2025.

- *FY2025 vs FY2026 vs FY2027:* The Technology Procurement Annual Cap for FY2026 is expected to decrease by 18% as compared to FY2025, primarily due to (i) exclusion of ZEEKR assuming the privatisation of ZEEKR by the Group to be completed by the end of 2025; and (ii) reduced number of technical projects as some of the R&D and technology support projects relating to certain Geely brand vehicles, ZEEKR brand vehicles and LYNK & CO brand vehicles are expected to be completed gradually in 2026. The Technology Procurement Annual Cap remains relatively stable for FY2027 as compared to FY2026.

Our view

Taking into consideration that the Technology Provision Annual Caps and the Technology Procurement Annual Caps include R&D services fees which are determined with reference to the cost of each technical project, which includes the total R&D staff costs mainly based on the estimated staff hours and the staff hourly rate according to historical cost or current market wages, plus a margin with reference to the R&D Services Pricing Analysis Report, and include the licensing fees only when the transaction uses the relevant technology and are determined with reference to the projected unit sales of vehicles utilising relevant technology and a licensing fee rate with reference to the Licensing Fees Pricing Analysis Report and the estimated platform rate, we concur with the Directors' view that it is fair and reasonable and in the interests of both the Company and the Shareholders to set the Technology Provision Annual Caps and the Technology Procurement Annual Caps at the proposed levels. However, as the proposed Technology Provision Annual Caps and the Technology Procurement Annual Caps relate to future events and are based upon assumptions that may or may not remain valid for the whole period up to 31 December 2027, we express no opinion as to how closely the transactions contemplated under the R&D Services and Technology Licensing Agreement shall correspond to the Technology Provision Annual Caps and the Technology Procurement Annual Caps respectively.

3. Requirements by the Listing Rules regarding the Continuing Connected Transactions

Pursuant to Rules 14A.55 to 14A.59 of the Listing Rules, the Continuing Connected Transactions are subject to the following annual review requirements:

- (a) Each year the independent non-executive Directors must review the Continuing Connected Transactions and confirm in the annual report and accounts that they have been entered into:
 - in the ordinary and usual course of business of the Group;
 - on normal commercial terms or better; and

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- according to the relevant agreement governing them on terms that are fair and reasonable and in the interests of the Group and the Shareholders as a whole.
- (b) Each year the auditors of the Company must provide a letter to the Board confirming whether anything has come to their attention that causes them to believe that the Continuing Connected Transactions:
- has not been approved by the Board;
 - were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision of goods or services by the Group;
 - were not entered into, in all material respects, in accordance with the terms of the respective agreements of each of the Continuing Connected Transactions; and
 - have exceeded the respective annual caps.
- (c) The Company must allow, and ensure that the relevant counter parties to the Continuing Connected Transactions allow, the Company's auditors sufficient access to their records for the purpose of reporting on the Continuing Connected Transactions.
- (d) The Company must promptly notify the Stock Exchange and publish an announcement in accordance with the Listing Rules if the independent non-executive Directors and/or the auditors of the Company cannot confirm the matters set out in paragraphs (a) and/or (b) above, respectively.

In light of the reporting requirements attached to the Continuing Connected Transactions, in particular, (i) the restriction of transaction value by way of the annual caps; and (ii) the ongoing review by the independent non-executive Directors and the auditors of the Company on the terms of the CBUs and CKDs Procurement Cooperation Agreement, and the R&D Services and Technology Licensing Agreement and the annual caps under each of the above respective agreements not being exceeded, we are of the view that appropriate measures will be in place to govern the conduct of the Continuing Connected Transactions and safeguard the interests of the Company and the Shareholders as a whole.

CONCLUSION AND RECOMMENDATION

Based on our analysis and work done set out above, we consider that:

- (a) the entering into of the CBUs and CKDs Procurement Cooperation Agreement, and R&D Services and Technology Licensing Agreement (collectively, the “**Agreements**”) and the Continuing Connected Transactions contemplated thereunder are in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole and the terms thereof are on normal commercial terms or better and fair and reasonable; and

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (b) the proposed annual caps under each of the above respective agreements (which include the CBUs and CKDs Procurement Annual Caps, the Technology Provision Annual Caps, and the Technology Procurement Annual Caps (collectively, the “**Annual Caps**”)) in respect of the Continuing Connected Transactions are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

We advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM in relation to the Agreements and the transactions contemplated thereunder (including the Annual Caps).

Yours faithfully,
For and on behalf of
Ballas Capital Limited
Alex Lau **Michelle Tse**
Managing Director *Director*

Note: Mr. Alex Lau has been a responsible officer of Type 6 (advising on corporate finance) regulated activity since 2003 and Miss Michelle Tse has been a licensed representative of Type 6 (advising on corporate finance) regulated activity from 2010 to 2015 and since 2019.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

a) Directors' and chief executives' interests and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were required to be and are recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix 10 to the Listing Rules were as follows:

(i) Director's and chief executive's interests and short positions in the shares of the Company

Shares

Name of Director	Nature of interests	Number or attributable number of shares		Approximate percentage or attributable percentage of shareholding (%)
		Long position	Short position	
Mr. Li (<i>Note 1</i>)	Interest in controlled corporations	4,145,918,000	–	40.97
Mr. Li	Personal	23,140,000	–	0.23
Mr. Li Dong Hui, Daniel	Personal	5,853,000	–	0.06
Mr. Gui Sheng Yue	Personal	18,707,000	–	0.18
Mr. Gan Jia Yue	Personal	4,371,800	–	0.04

Note:

1. Proper Glory Holding Inc. (“**Proper Glory**”) and its concert parties in aggregate hold securities’ interest of 4,145,918,000 shares (excluding those held directly by Mr. Li), representing approximately 40.97% of the issued share capital of the Company as at the Latest Practicable Date. Proper Glory is a private company incorporated in the British Virgin Islands and is owned as to 68% by Geely Holding and as to 31.89% by Geely Group Limited.

(ii) ***Director’s and chief executive’s interests and short positions in the derivatives of the Company***

Share Options

Name of Director	Nature of interests	Number or attributable number of shares		Approximate percentage or attributable percentage of shareholding (%)
		Long position	Short position	
Mr. Gui Sheng Yue	Personal	13,500,000 (<i>Note 1</i>)	–	0.13
Mr. Gui Sheng Yue	Personal	15,000,000 (<i>Note 2</i>)	–	0.15
Mr. Li Dong Hui, Daniel	Personal	14,000,000 (<i>Note 1</i>)	–	0.14
Mr. Li Dong Hui, Daniel	Personal	9,000,000 (<i>Note 2</i>)	–	0.09
Mr. Gan Jia Yue	Personal	8,000,000 (<i>Note 1</i>)	–	0.08
Mr. Gan Jia Yue	Personal	15,000,000 (<i>Note 2</i>)	–	0.15
Mr. Mao Jian Ming, Moosa	Personal	3,000,000 (<i>Note 3</i>)	–	0.03

Note:

1. The interest relates to share options granted by the Company to the Directors on 15 January 2021. The share options are exercisable at a subscription price of HK\$32.70 per Share during the period from 15 January 2023 to 14 January 2028. The percentage of shareholding is calculated on the basis that: (i) all options are fully exercised; and (ii) the total issued share capital of the Company at the time of exercise remains the same as that as at the Latest Practicable Date.
2. The interest relates to share options granted by the Company to the Directors on 22 November 2023. The share options are exercisable at a subscription price of HK\$9.56 per Share during the period from 22 November 2024 to 21 November 2031. The percentage of shareholding is calculated on the basis that: (i) all options are fully exercised; and (ii) the total issued share capital of the Company at the time of exercise remains the same as that as at the Latest Practicable Date.
3. The interest relates to share options granted by the Company to the Director on 17 July 2024. The share options are exercisable at a subscription price of HK\$9.56 per Share during the period from 17 July 2025 to 16 July 2032. The percentage of shareholding is calculated on the basis that: (i) all options are fully exercised; and (ii) the total issued share capital of the Company at the time of exercise remains the same as that as at the Latest Practicable Date.

(iii) *Interests and short positions in the securities of the associated corporations of the Company*

Name of Director	Name of the associated corporations	Number or attributable number of shares		(%)
		Long position	Short position	
Mr. Li	Proper Glory	998,929 (Note 1)	–	99.89
Mr. Li	Geely Group Limited	50,000	–	100
Mr. Li	Geely Holding	RMB938,021,000 (Note 2)	–	91.07
Mr. Li	Zhejiang Geely	RMB2,859,000,000 (Note 3)	–	100
Mr. Li	Geely Automobile Group	RMB900,000,000 (Note 4)	–	100
Mr. Li	Zhejiang Maple	RMB240,000,000 (Note 5)	–	100
Mr. Li	Zhejiang Jirun	US\$7,900,000 (Note 6)	–	1
Mr. Li	ZEEKR	RMB282,000,000 (Note 7)	–	10.61
Mr. Li Dong Hui, Daniel	ZEEKR	RMB20,000,000 (Note 8)	–	0.75
Mr. Gui Sheng Yue	ZEEKR	RMB10,000,000 (Note 9)	–	0.38
Mr. Gan Jia Yue	ZEEKR	RMB4,350,000 (Note 10)	–	0.16

Notes:

1. Proper Glory is a limited liability company incorporated in the British Virgin Islands and is owned as to 68% by Geely Holding and as to 31.89% by Geely Group Limited. Geely Group Limited is a limited liability company incorporated in the British Virgin Islands and is beneficially wholly-owned by Mr. Li. Geely Holding is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li and his associate.
2. Geely Holding is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li and his associate.
3. Zhejiang Geely is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li and his associate.
4. Geely Automobile Group is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li and his associate.
5. Zhejiang Maple is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li and his associate.
6. Zhejiang Jirun is a limited liability company established in the PRC and is 1% owned by Zhejiang Geely.
7. ZEEKR is a limited liability company incorporated in the Cayman Islands and is beneficially 10.61% owned by Mr. Li and his associate.
8. ZEEKR is a limited liability company incorporated in the Cayman Islands and is beneficially 0.75% owned by Mr. Li Dong Hui, Daniel, an executive Director, and his associate.
9. ZEEKR is a limited liability company incorporated in the Cayman Islands and is beneficially 0.38% owned by Mr. Gui Sheng Yue, an executive Director, and his associate.

10. ZEEKR is a limited liability company incorporated in the Cayman Islands and is beneficially 0.16% owned by Mr. Gan Jia Yue, an executive Director, and his associate.

b) Interests and short positions in Shares and underlying Shares of other persons

As at the Latest Practicable Date, according to the register of interests maintained by the Company pursuant to section 336 of the SFO and so far as is known to the directors or the chief executives of the Company, the persons, other than the directors or the chief executives of the Company, who had interests or a short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of divisions 2 and 3 of Part XV of the SFO, or who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company and any other members of the Group and the amount of each of such persons' interests in such securities, together with any options in respect of such capital, were as follows:

(i) Substantial Shareholders (as defined in the SFO)

Name	Nature of interests	Number of shares held Long position	Approximate percentage or attributable percentage of shareholding (%)
Proper Glory (Note 1)	Beneficial owner	2,542,535,000	25.13
Geely Holding (Note 1)	Interest in controlled corporation	3,688,103,000	36.45
	Beneficial owner	261,318,000	2.58
Geely Group Limited (Note 1)	Beneficial owner	196,497,000	1.94
Zhejiang Geely (Note 2)	Beneficial owner	20,154,000	0.20
Geely Automobile Group (Note 3)	Interest in controlled corporation	20,154,000	0.20
	Beneficial owner	776,408,000	7.67

Notes:

1. Proper Glory is a limited liability company incorporated in the British Virgin Islands and is owned as to 68% by Geely Holding and as to 31.89% by Geely Group Limited. Geely Group Limited is a limited liability company incorporated in the British Virgin Islands and is beneficially wholly owned by Mr. Li. Geely Holding is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li and his associate.
2. Zhejiang Geely is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li and his associate.
3. Geely Automobile Group is a limited liability company established in the PRC and is beneficially wholly-owned by Mr. Li and his associate.

Mr. Li is a director of each of Proper Glory, Geely Holding, Geely Automobile Group and Geely Group Limited. Mr. Li Dong Hui, Daniel is a director of each of Geely Holding, Zhejiang Geely and Geely Automobile Group. Mr. Gan Jia Yue is a director of Zhejiang Geely and Geely Automobile Group.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executives of the Company are not aware of any other person (other than the Directors and the chief executives of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company and of any other member of the Group.

3. FURTHER INFORMATION CONCERNING DIRECTORS

a) Directors' service agreements

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

b) Competing interests

The Group is principally engaged in the research, production, marketing and sales of vehicles and related automobile components in the PRC. Geely Holding, which is ultimately owned by Mr. Li and his associate, has signed agreements or been in negotiations with local governments in the PRC and other entities to set up production plants for the manufacturing and distribution of Geely Holding-branded vehicles. The potential production and distribution of Geely Holding-branded vehicles by Geely Holding will constitute competing businesses (the “**Competing Businesses**”) to those currently engaged by the Group. Mr. Li undertook to the Company (the “**Undertaking**”) on 20 November 2008 that upon being notified of any decision

by the Company pursuant to a resolution approved by a majority of the independent non-executive Directors, he will, and will procure his associates (other than the Group) to, sell to the Group all of the Competing Businesses and related assets, subject to compliance with applicable requirements of the Listing Rules and other applicable laws and regulations upon terms to be mutually agreed as fair and reasonable. In addition, it is required that Mr. Li informs the Group of all potential Competing Businesses carried out by him or his associates.

In August 2010, Geely Holding completed the acquisition of Volvo, which manufactures Volvo cars, a range of family sedans, wagons and sport utility cars, and has 2,500 dealerships in 100 markets (the “**Volvo Acquisition**”). Although the Group is not a party to the Volvo Acquisition nor in any discussions with Geely Holding to cooperate with Geely Holding in relation to the Volvo Acquisition, Geely Holding provided an irrevocable undertaking to the Company on 27 March 2010 to the effect that upon being notified of any decision by the Company pursuant to a resolution approved by a majority of the independent non-executive Directors, Geely Holding will, and will procure its associates (other than the Group) to sell to the Group all or any part of the businesses and related assets of the Volvo Acquisition, and such transfer will be subject to the terms and conditions being fair and reasonable, and being in compliance with applicable requirements of the Listing Rules, other applicable laws and regulations and other necessary approvals and consents on terms to be mutually agreed.

On 10 February 2020, the Company announced that the management of the Company was in preliminary discussions with the management of Volvo Car AB (publ) regarding a possible restructuring through a combination of the businesses of the two companies into a strong global group that could realise synergies in cost structure and new technology development to face the challenges in the future.

On 24 February 2021, the Company announced that it would carry out a series of business combination and collaboration in respect of powertrain, electrification, autonomous driving and operational collaboration with Volvo Car AB (publ) (a company which is indirectly non wholly-owned by Geely Holding and is the parent company of the Volvo Car Group (as defined in the announcement of the Company dated 24 February 2021) maintaining their respective existing independent corporate structures. The Board (including the independent non-executive Directors) is of the view that, through such business combination and collaboration, the major potential competition between the parties has been mitigated. Also, the letter of undertaking made by Geely Holding has now been fully reflected and fulfilled. For details, please refer to the announcement of the Company published on 24 February 2021.

Despite the fact that the Geely Holding Group is principally engaged in similar business activities as the Group, their respective product offerings do not overlap due to different market positioning and target customer base of each brand (see below for details), as such, the Competing Businesses of the Geely Holding Group can be defined and delineated from the business of the Group by different product offerings (i.e. high-end versus economy automobiles) and brand names.

Horizontal competition between the Group and Geely Holding together with corporations controlled by it

The Group's passenger vehicle products include three major brands, namely, Geely, ZEEKR and LYNK & CO. Except for the Group and its subsidiaries, Geely Holding controls the principal businesses of research and development, production and sales of passenger vehicles, and the major passenger vehicle brands include Volvo, Lotus, Polestar, LEVC, LIVAN, smart, and Zhidou. There is no horizontal competition that casts material and adverse impact on the Group between the Group and other corporations such as those passenger vehicle brands controlled by Geely Holding and other enterprises (other than the controlling shareholders) controlled by the actual controller. Details are as follows: The Group owns three major brands: Geely, ZEEKR and LYNK & CO. Geely-branded vehicles are mainly sold in the PRC, and exported to developing countries such as Asia, Eastern Europe and the Middle East. Geely brand vehicles are positioned as economical passenger vehicles, and Geely Brand includes two major product series, namely China Star series and Galaxy series. Among them, China Star series is focused on the fuel vehicle market, and the Galaxy series is positioned as a mass market for mid-to-high-end new energy vehicles. The ZEEKR brand is a new luxury smart pure electric vehicle brand of the Group. ZEEKR is positioned as a global premium electric vehicle technology brand, characterized by "premium, excellence, and technology", covering the high-end premium market. LYNK & CO is positioned as a global high-end new energy vehicle brand, characterized by "trendiness, sportiness, and personality", covering the mid-to-high-end market.

(1) Volvo

Volvo is a luxurious global manufacture corporation based in Northern Europe, with a high-end brand image worldwide for high income group. Brand positioning: personalized, sustainable, safe, and people-oriented. Volvo's sales regions cover Europe, China, the United States and other major global automobile markets.

Due to the significant differences between the Group and Volvo in terms of product positioning, selling prices and other aspects, CBUs of the Group and Volvo target at different consumer groups. As for the automobile products, in general, consumers' decision over purchasing different brands of vehicle would largely be affected by the group they belong to. For consumers, switching between different groups would be relatively difficult and longer period of time would be needed since it usually requires certain accumulation of financial foundation and changes in their awareness, concepts, etc. over consumption. Therefore, the Group is different from Volvo in terms of the consumer group; the manufacture business operated by each party does not constitute a competitive relationship, and the possibility of mutually or unilaterally transferring business opportunities is small.

Having a history of nearly a century, Volvo brand has long been reputed as the "safest vehicle", shaping a high-end brand image throughout the world. The high-end image and product reputation of Volvo, being a corporation which, together with the Group, is controlled by Geely Holding, play an active and positive role in enhancing the brand

image and market recognition of the Group and are beneficial to the enhancement of market awareness of the Group. Also, the Group and Volvo, both being a manufacture corporation focusing on passenger vehicle as its main product, create certain synergy effects in the research and development of related technology of CBUs and prospective technology. Leveraging the synergies in research and development with Volvo, the Group has the opportunity to learn and acquire Volvo's technology accumulated over the years, which in turn will help promote the enhancement of the Company's technological capability.

Other brands that are controlled by Geely Holding

(2) Lotus

Lotus is a manufacture brand under Lotus Advance Technologies Sdn. Bhd., which is controlled by Geely Holding. As at the Latest Practicable Date, Geely Holding indirectly held 51% equity interests in Lotus Advance Technologies Sdn. Bhd. and controlled it.

Lotus is a well-known manufacturer of sports car and racing car. Its passenger vehicle products are mainly high-performance sports cars and racing cars, which display significant difference from the economic passenger vehicles of the Group in terms of product positioning. Since the target consumer groups of Lotus and the Group are mainly different, the manufacture business operated by each party does not constitute a competitive relationship, and the possibility of mutually or unilaterally transferring business opportunities is small.

Although the Group is not a party to the Lotus acquisition, to protect the interests of the Group, Geely Holding provided an irrevocable undertaking to the Company in November 2017 to the effect that upon being notified of any decision by the Company pursuant to a resolution resolved by a majority of the independent non-executive Directors, Geely Holding will, and will procure its associates (other than the Group) to transfer to the Group all or any part of the equity/businesses and related assets of the Lotus acquisition, and such transfer will be subject to the terms and conditions being fair and reasonable, and being in compliance with applicable requirements of the Listing Rules, other applicable laws and regulations and other necessary approvals and consents on terms to be mutually agreed.

(3) Polestar

Polestar is a manufacture brand under Polestar Automotive Holding UK PLC. Polestar Automotive Holding UK PLC was owned as to more than 80% by Mr. Li and his associate as at the Latest Practicable Date.

The positioning of Polestar is high-performance electric vehicle. Polestar adheres the concept of "technology-oriented", enjoys the technical engineering synergy advantages of Volvo Cars, with worldwide sales network. Polestar redefines luxury in the age of

sustainability with design, driving experience, and eco-friendly, high-tech minimalism. Significant difference is shown with the products of the Group in terms of the target consumers group.

(4) *LEVC*

LEVC is a manufacture brand of Geely Holding. LEVC is positioned as the VAN series of electrified models. As at the Latest Practicable Date, LEVC had launched three models of TX, VN5 Vans, and the L380 pure electric MPV. The TX and VN5 Vans are mainly targeted at the European and other international markets, while the L380 pure electric MPV is mainly aimed at the global market. The customer bases and pricing of these models are different from the Group's major brands, namely Geely, ZEEKR and LYNK & CO.

(5) *LIVAN*

LIVAN is an electric mobility brand focusing on battery swapping business models. LIVAN Automobile was jointly established by the Group and Qianli Technology. As at the Latest Practicable Date, LIVAN Automobile was owned as to 55% by Qianli Technology and 45% by Geely Qizheng, which is ultimately and beneficially wholly-owned by Mr. Li and his associate. The vision of LIVAN is to create a new pattern of battery swapping in the new energy era.

The goal is to shape the perception of intergenerational advantage, to advocate the lifestyle of battery swapping, and to create new value and changes for the industry. LIVAN positions itself as popularizing convenient commute with battery swapping. LIVAN has released a number of battery swapping models, which not only focus on the operation market, but also provide more choices for consumers. The business-end and customer-end drive the business growth at the same time. LIVAN has obvious differentiations with the Group's major brands, namely Geely, ZEEKR and LYNK & CO, regarding product positioning, targeted market segment and business operation models.

(6) *smart*

smart is a vehicle brand of the joint venture company established by Geely Holding Group and third parties. With more than 25 years of brand awareness, the tonality of the brand mainly emphasizes light luxury, fashionable interest and intelligence, highlighting internal and external style design, personalized use function and experience and aiming at the targeted user group that pursues light luxury/fashionable interest/technological experience. The pricing of the first model of smart and the price range of other brands formed a strong complementary relationship. In terms of sales market, smart naturally has the advantage of centering on two major markets, China and Europe. Especially, the brand recognition is stronger in the European market than that of other brands. smart targets the middle-class customers who prefer smaller size vehicles which are more

applicable for individual use. There are clear differences between smart and the Group's major brands, namely Geely, ZEEKR and LYNK & CO, in terms of targeted market, targeted customers and management team.

(7) *Zhidou*

Zhidou is a manufacturing brand under a joint venture company established by Nanjing Zhidou New Energy Automotive Company Limited and third parties. From the beginning, Zhidou has focused on the new energy micro-mobility sector. Zhidou has operated in the micro-electric vehicle segment, committed to providing users with small yet beautiful mobility solutions. Zhidou Caihong is the first new energy micro-electric vehicle launched after Zhidou's brand renewal, aiming to meet the needs of young users for environmentally-friendly, convenient, and economical travel.

This model, with its outstanding design and performance, satisfies consumers' demand for personalized and differentiated mobility, becoming a representative work of the Zhidou brand. Zhidou continues to focus on the micro-vehicle market, building an industry-leading micro-mobility platform. In terms of product positioning and target market segmentation, Zhidou differs significantly from the Group's major brands, namely Geely, ZEEKR and LYNK & CO.

Businesses controlled by the controlling shareholder, such as Lotus, Polestar, LEVC, smart, and Zhidou differ significantly from the Group in terms of product positioning, target consumer groups, etc., such that no competitive relationship is constituted with the Group, and the possibility of mutually or unilaterally transferring business opportunities is small.

No horizontal competition was found between the Group and other enterprises (other than the controlling shareholders) controlled by the actual controller

Save as disclosed above, as at the Latest Practicable Date, neither Mr. Li nor his associate engaged in the research and development, production or sales of passenger vehicle business which is the same or similar to that of the Group, and no horizontal competition was found between them and the Group.

Saved as disclosed above, as at the Latest Practicable Date, none of the Directors nor any of their respective associates had any business or interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

c) Directors' interests in assets, contracts or arrangements

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any asset which had been, since 31 December 2024, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of or leased to any member of the Group or are proposed to be acquired or disposed of or leased to any member of the Group.

CBUs and CKDs Manufacturing Services Agreement (the CBU and CKD manufacturing services agreement between the Company, Geely Holding and smart has an effective term from 31 March 2025 to 31 December 2027)

Pursuant to the CBU and CKD manufacturing services agreement dated 31 March 2025 entered into between the Company, Geely Holding and smart, the Group agreed to provide the CBU and CKD manufacturing services to the Geely Holding Group and the smart Group with the largest annual cap being RMB2,807.6 million for the three years ending 31 December 2027. As the applicable percentage ratios of the proposed annual caps under the CBU and CKD manufacturing services agreement on an annual basis are over 0.1% but less than 5%, the transactions contemplated under the CBU and CKD manufacturing services agreement are subject to the reporting, annual review, and announcement requirements, but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

CBUs Sales Agreement and Supplemental CBU Sales Agreement both between the Company and Geely Holding (the CBU sales agreement has an effective term from 1 January 2025 to 31 December 2027 and the supplemental CBU sales agreement has an effective term from 31 March 2025 to 31 December 2027)

Pursuant to the CBU sales agreement dated 15 August 2024 and supplemental CBU sales agreement entered into between Geely Holding and the Company on 31 March 2025, the Group agreed to sell to the Geely Holding Group the CBU and related after-sales parts and accessories manufactured by the Group with the largest annual cap being RMB1,528.9 million for the three years ending 31 December 2027. As the applicable percentage ratios of the proposed annual caps under the supplemental CBU sales agreement on an annual basis are over 0.1% but less than 5%, the transactions contemplated under the supplemental CBU sales agreement are subject to the reporting, annual review, and announcement requirements, but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Components Procurement and R&D Services Agreement (the components procurement and R&D services agreement between the Company, ECARX (Hubei), Zhejiang HUANFU and Hangzhou Langge has a term starting from the effective date of the agreement and ending on 31 December 2027)

Pursuant to the components procurement and R&D services agreement dated 14 November 2024, the Group agreed to procure automobile components and R&D services from the ECARX (Hubei) Group, the Zhejiang HUANFU Group and the Hangzhou Langge Group for the use in new energy vehicles of the Group. The largest annual cap is RMB6,489.889 million for the three years ending 31 December 2027.

As one or more of the applicable percentage ratios in respect of the aggregated annual caps for the components procurement and R&D services agreement exceeds 0.1% but all of which are less than 5% on an annual basis, the transactions contemplated thereunder are subject to the reporting, annual review, announcement requirements but are exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Integrated Services Framework Agreement (the integrated services framework agreement among VCI (as defined in the announcement of the Company dated 21 October 2024), LIVAN Automobile and Farizon Technology has a term starting from the effective date of the agreement and ending on 31 December 2026)

Pursuant to the integrated services framework agreement dated 21 October 2024, the Group has agreed to provide the Integrated Services to the VCI Group (as defined in the announcement of the Company dated 21 October 2024), the LIVAN Automobile Group and the Farizon Technology Group with the largest annual cap being RMB127.413 million for the three years ending 31 December 2026.

As one or more of the applicable percentage ratios in respect of the annual caps for the integrated services framework agreement exceeds 0.1% but are less than 5% on an annual basis, the entering into of the integrated services framework agreement and the transactions contemplated thereunder are subject to the reporting, annual review, and announcement requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Services Agreement (the services agreement between the Company and Geely Holding has an effective term from 1 January 2025 to 31 December 2027)

Pursuant to the services agreement dated 15 August 2024, (i) the Group agreed to sell CKDs to the Geely Holding Group with the largest annual cap being RMB219,964.5 million for the three years ending 31 December 2027; and (ii) the Group agreed to purchase CBUs from the Geely Holding Group with the largest annual cap being RMB227,138.5 million for the three years ending 31 December 2027.

As one or more of the applicable percentage ratios of the annual caps for the services agreement exceed 5% on an annual basis, the transactions contemplated thereunder are subject to the reporting, annual review, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Shareholders' meeting in respect of the services agreement was held on 10 October 2024 and the services agreement was duly approved by the then independent Shareholders.

Under the services agreement, the Geely Holding Group agreed to carry out the final assembly of the CKDs purchased from the Group, facilitate payment of the PRC consumption tax, and subsequently sell the CBUs assembled from those CKDs back to the Group for distribution to end customers.

Automobile Components Sales and Purchase Agreement (the automobile components sales and purchase agreement among the Company, Geely Holding, LYNK & CO, ZEEKR, LEVC, Geely Technology, YoeNing Technology, InfiMotion and Geely Sunwoda has a term starting from the effective date of the agreement and ending on 31 December 2026)

Pursuant to the automobile components sales and purchase agreement dated 15 August 2024, the Group (i) agreed to sell automobile components to the Geely Holding Group, the LYNK & CO Group, the ZEEKR Group, and the LEVC Group with the largest annual cap being RMB26,956 million for the three years ending 31 December 2026; and (ii) agreed to purchase automobile components from the Geely Holding Group, the LYNK & CO Group, the ZEEKR Group, the YoeNing Technology Group, the Geely Technology Group, the InfiMotion Group and the Geely Sunwoda Group with the largest annual cap being RMB40,245.7 million for the three years ending 31 December 2026.

As one or more of the applicable percentage ratios of the annual caps for the automobile components sales and purchase agreement exceed 5% on an annual basis, the transactions contemplated thereunder are subject to the reporting, annual review, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Shareholders' meeting in respect of the automobile components sales and purchase agreement was held on 10 October 2024 and the automobile components sales and purchase agreement was duly approved by the then independent Shareholders.

Operation Services Agreement (the operation services agreement among the Company, Geely Holding, LYNK & CO, ZEEKR, Geely Technology, Aurobay Technology, Geely Changxing, Lotus Technology, JIDU, smart, Tianjin Chunqing, Farizon Technology, Commercial Vehicle, LIVAN Automobile and YoeNing Technology has a term starting from the completion date of its conditions precedent and ending on 31 December 2026)

Pursuant to the operation services agreement dated 15 August 2024, the Group agreed to (i) provide to the Geely Holding and Related Party Groups (as defined in the circular of the Company dated 24 September 2024) operation services that mainly include, but are not limited to, IT, logistics and warehousing services, supplier quality engineering services, procurement services, back-office support services (including but not limited to accounting services, human resources services, etc.), testing and trial production services, and other services with the largest annual cap being RMB10,083.2 million for the three years ending 31 December 2026; and (ii) procure from the Geely Holding Group, the LYNK & CO Group, the ZEEKR Group, the Geely Technology Group, the Aurobay Technology Group and the Geely Changxing Group operation services that mainly include, but are not limited to, business travel services, IT, back-office support services (including but not limited to marketing and publicity services, legal services, etc.), charging rights services, testing and trial production services, and other services with the largest annual cap being RMB3,503 million for the three years ending 31 December 2026.

As one or more of the applicable percentage ratios of the annual caps for the operation services agreement exceed 5% on an annual basis, the transactions contemplated thereunder are subject to the reporting, annual review, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Shareholders' meeting in respect of the operation services agreement was held on 10 October 2024 and the operation services agreement was duly approved by the then independent Shareholders.

The powertrain purchase agreement among the Company, Aurobay Technology, and Geely Changxing (the powertrain purchase agreement has an effective term from 31 May 2024 to 31 December 2026)

Pursuant to the powertrain purchase agreement dated 11 July 2023, the Group agreed to purchase engines, transmissions and relevant after-sales parts and other products from the Aurobay Technology Group and Geely Changxing Group with the largest annual cap being RMB25,846.6 million for the three years ending 31 December 2026.

As one or more of the applicable percentage ratios of the proposed annual caps under the powertrain purchase agreement exceed 5% on an annual basis, the proposed annual caps under the powertrain purchase agreement are subject to the reporting, annual review, announcement and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Shareholders' meeting in respect of the powertrain purchase agreement was held on 22 September 2023 and the powertrain purchase agreement was duly approved by the then independent Shareholders.

Volvo finance cooperation agreements among Genius AFC (as defined in the announcement of the Company dated 15 August 2024), VCDC (as defined in the announcement of the Company dated 15 August 2024) and VCIC (as defined in the announcement of the Company dated 15 August 2024) (the Volvo finance cooperation agreements have an effective term from 1 January 2025 to 31 December 2027)

- Volvo wholesale facility agreements between Genius AFC and Volvo Dealers (the Volvo wholesale facility agreements have an effective term from 1 January 2025 to 31 December 2027)

Pursuant to the Volvo finance cooperation agreements dated 15 August 2024, Genius AFC agreed to enter into the Volvo wholesale facility agreements with the Volvo Dealers, pursuant to which Genius AFC will provide wholesale financing to such Volvo Dealers to facilitate their purchase of Volvo brand vehicles, with the largest annual cap being RMB2,128.8 million for the three years ending 31 December 2027.

- Volvo retail loan cooperation agreements between Genius AFC and Volvo Dealers (the Volvo retail loan cooperation agreements have an effective term from 1 January 2025 to 31 December 2027)

Pursuant to the Volvo finance cooperation agreements dated 15 August 2024, Genius AFC agreed to enter into the Volvo retail loan cooperation agreements with Volvo Dealers pursuant to which the Volvo Dealers shall recommend the retail consumers to use Genius AFC for obtaining vehicle loans to finance their purchase of Volvo brand vehicles with the largest annual cap being RMB803 million for the three years ending 31 December 2027.

As the applicable percentage ratios of the continuing connected transactions contemplated under the Volvo finance cooperation agreements are over 0.1% but less than 5% on an annual basis, the Volvo finance cooperation agreements are subject to the reporting, annual review and announcement requirements, but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

LIVAN financing arrangements – LIVAN finance cooperation agreement between Genius AFC and LIVAN Sales with an effective term from its effective date to 31 December 2026

Pursuant to the LIVAN finance cooperation agreement dated 15 August 2024, Genius AFC agreed to provide vehicle financing services to LIVAN retail customers to assist them with purchasing LIVAN brand vehicles, auto accessories and services. The largest annual cap under the LIVAN finance cooperation agreement is approximately RMB220 million for the three years ending 31 December 2026.

As the applicable percentage ratios for the proposed annual caps of the continuing connected transactions contemplated under the LIVAN finance cooperation agreement are over 0.1% but less than 5% on an annual basis, the LIVAN finance cooperation agreement is subject to the reporting, annual review and announcement requirements, but is exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Zhidou (as defined in the announcement of the Company dated 15 August 2024) financing arrangements – Zhidou finance cooperation agreement between Genius AFC and Zhidou Sales with an effective term from its effective date to 31 December 2027

Pursuant to the Zhidou finance cooperation agreement dated 15 August 2024, Genius AFC agreed to provide vehicle financing services to Zhidou retail customers to assist them with purchasing Zhidou brand vehicles, auto accessories and services. The largest annual cap under the Zhidou finance cooperation agreement is approximately RMB316.1 million for the three years ending 31 December 2027.

As the applicable percentage ratios for the proposed annual caps of the continuing connected transactions contemplated under the Zhidou finance cooperation agreement are over 0.1% but less than 5% on an annual basis, the Zhidou finance cooperation agreement is subject to the reporting, annual review and announcement requirements, but is exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

CBUs and CKDs procurement cooperation agreement between the Company and Geely Holding (the CBU and CKDs procurement cooperation agreement has an effective term from 1 January 2024 to 31 December 2026)

Pursuant to the CBU and CKD procurement cooperation agreement dated 15 September 2023, the Group agreed to purchase the CBU and CKD that are mainly used for the ZEEKR brand vehicles from the Geely Holding Group with the largest annual cap being RMB154,897.7 million for the three years ending 31 December 2026.

As the applicable percentage ratios of the continuing connected transactions contemplated under the CBU and CKD procurement cooperation agreement are higher than 5% on an annual basis, the CBU and CKD procurement cooperation agreement is subject to the reporting, annual review, announcement and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Shareholders' meeting in respect of the CBU and CKD procurement cooperation agreement was held on 27 November 2023 and the CBU and CKD procurement cooperation agreement was duly approved by the then independent Shareholders.

R&D services and technology licensing agreement among the Company, Geely Holding, LYNK & CO, ZEEKR, Lotus Technology, Polestar AB, Polestar China, JIDU, LEVC and smart (the R&D services and technology licensing agreement has an effective term from 1 January 2024 to 31 December 2026)

Pursuant to the R&D services and technology licensing agreement dated 15 September 2023, (i) the Group agreed to provide to the Geely Holding and Related Party Groups (as defined in the circular of the Company dated 8 November 2023), the R&D and related technological support services, including the R&D for automobiles and key automobile parts, technical verification and testing, technical consultation services, technical support services, technology licensing, etc., with the largest annual cap being RMB12,601.4 million for the three years ending 31 December 2026; and (ii) the Group agreed to the Geely Holding Group and the ZEEKR Group the R&D and related technological support services, including the R&D of the NEV technologies and intelligent drive technologies, technical verification and testing, technical consultation services, technical support services and technology licensing, etc., with the largest annual cap being RMB2,468.7 million for the three years ending 31 December 2026.

As the applicable percentage ratios of the continuing connected transactions contemplated under the R&D services and technology licensing agreement are more than 5% on an annual basis, the R&D services and technology licensing agreement is subject to the reporting, annual review, announcement and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Shareholders' meeting in respect of the R&D services and technology licensing agreement was held on 27 November 2023 and the R&D services and technology licensing agreement was duly approved by the then independent Shareholders.

Automobile financing arrangements with effective terms from 1 January 2024 to 31 December 2026 ZEEKR financing arrangements – ZEEKR finance cooperation agreement between Genius AFC and ZEEKR with an effective term from 1 January 2024 to 31 December 2026

Pursuant to the ZEEKR finance cooperation agreement dated 15 September 2023, Genius AFC agreed to provide vehicle financing services to the ZEEKR Dealers (as defined in the circular of the Company dated 8 November 2023) and ZEEKR retail customers, including (i) wholesale financing to the ZEEKR Dealers to assist them purchasing ZEEKR brand vehicles, auto accessories and services; and (ii) retail financing to the ZEEKR retail customers to assist them with purchasing ZEEKR brand vehicles, auto accessories and services. The largest annual cap for the ZEEKR wholesale financing arrangements is RMB10.0 million for the three years ending 31 December 2026. The largest annual cap for the ZEEKR retail financing arrangements is RMB10,322.9 million for the three years ending 31 December 2026.

Automobile financing arrangements with effective terms from 1 January 2024 to 31 December 2026 LYNK & CO financing arrangements – LYNK & CO finance cooperation agreement between Genius AFC and LYNK & CO Sales with an effective term from 1 January 2024 to 31 December 2026

Pursuant to the LYNK & CO finance cooperation agreement dated 15 September 2023, Genius AFC agreed to provide vehicle financing services to the LYNK & CO Dealers (as defined in the circular of the Company dated 8 November 2023) and LYNK & CO retail customers, including (i) wholesale financing to the LYNK & CO Dealers to assist them purchasing LYNK & CO brand vehicles, auto accessories and services; and (ii) retail financing to the LYNK & CO retail customers to assist them with purchasing LYNK & CO brand vehicles, auto accessories and services. The largest annual cap for the LYNK & CO wholesale financing arrangements is RMB509.8 million for the three years ending 31 December 2026. The largest annual cap for the LYNK & CO retail financing arrangements is RMB6,149.4 million for the three years ending 31 December 2026.

Geely Holding financing arrangements – Geely Holding finance cooperation agreement between Genius AFC and Geely Holding with an effective term from 1 January 2024 to 31 December 2026

Pursuant to the Geely Holding finance cooperation agreement dated 15 September 2023, Genius AFC agreed to provide vehicle financing services to the Geely Holding Dealers (as defined in the circular of the Company dated 8 November 2023) and Geely Holding retail customers, including (i) wholesale financing to the Geely Holding Dealers to assist them purchasing Geely Holding-owned brand vehicles, auto accessories and services; and (ii) retail financing to the Geely Holding retail customers to assist them with purchasing (a) Geely brand vehicles, auto accessories or services from the Connected Geely Dealers (as defined in the circular of the Company dated 8 November 2023); or (b) Geely Holding-owned brand vehicles, auto accessories or services from the Geely Holding Dealers or other sellers. The largest annual cap for the Geely Holding wholesale financing arrangements is RMB142.5 million for the three years ending 31 December 2026. The largest annual cap for the Geely Holding retail financing arrangements is RMB1,307.1 million for the three years ending 31 December 2026.

smart financing arrangements – smart finance cooperation agreement between Genius AFC and smart Sales with an effective term from 1 January 2024 to 31 December 2026

Pursuant to the smart finance cooperation agreement dated 15 September 2023, Genius AFC agreed to provide vehicle financing services to the smart retail customers to assist them with purchasing smart brand vehicles, auto accessories and services. The largest annual cap for the smart wholesale financing arrangements is RMB455.0 million for the three years ending 31 December 2026. The largest annual cap for the smart retail financing arrangements is RMB4,141.2 million for the three years ending 31 December 2026.

Lotus financing arrangements – Lotus finance cooperation agreement between Genius AFC and Lotus Sales with an effective term from 1 January 2024 to 31 December 2026

Pursuant to the Lotus finance cooperation agreement dated 15 September 2023, Genius AFC agreed to provide vehicle financing services to the Lotus retail customers to assist them with purchasing Lotus brand vehicles, auto accessories and services. The largest annual cap for the Lotus wholesale financing arrangements is RMB22.0 million for the three years ending 31 December 2026. The largest annual cap for the Lotus retail financing arrangements is RMB1,814.3 million for the three years ending 31 December 2026.

As one or more of the applicable percentage ratios for the proposed annual caps of the continuing connected transactions contemplated under the automobile financing arrangements, exceed(s) 5% on an aggregated and annual basis, the continuing connected transactions contemplated under the automobile financing arrangements are subject to the reporting, annual review, announcement and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Shareholders' meeting in respect of the automobile financing arrangements was held on 27 November 2023 and the automobile financing arrangements were duly approved by the then independent Shareholders.

CBU's procurement agreement between the Company and ZEEKR (the CBU's procurement agreement has an effective term from 7 February 2024 to 31 December 2026)

Pursuant to the CBU's procurement agreement dated 7 February 2024, the Group agreed to purchase CBUs and related after-sales parts and accessories from the ZEEKR Group for the onward sale to Mexico with the largest annual cap being RMB3,128.8 million for the three years ending 31 December 2026.

As the applicable percentage ratios of the continuing connected transactions contemplated under the CBU's procurement agreement are over 0.1% but less than 5% on an annual basis, the CBU's procurement agreement is subject to the reporting, annual review and announcement requirements, but is exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

CKDs and automobile components sales agreement between the Company and Geely Holding (the CKDs and automobile components sales agreement has an effective term from 28 April 2023 to 31 December 2025)

Pursuant to the CKDs and automobile components sales agreement dated 12 December 2022, the Group agreed to sell CKDs and automobile components in relation to vehicle models including smart brand vehicles to the Geely Holding Group with the largest annual cap being RMB34,109.6 million for the three years ending 31 December 2025.

As the applicable percentage ratios of the continuing connected transactions contemplated under the CKDs and automobile components sales agreement are higher than 5% on an annual basis, the CKDs and automobile components sales agreement is subject to the reporting, annual review, announcement and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Shareholders' meeting in respect of the CKDs and automobile components sales agreement was held on 28 April 2023 and the CKDs and automobile components sales agreement was duly approved by the then independent Shareholders.

Save as disclosed in this circular, as at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement which was subsisting as at the date of this circular and was significant in relation to the business of the Group.

d) Director's Service Contracts

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

4. LITIGATION

As at the Latest Practicable Date, the Company was not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against the Company.

5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024, the date to which the latest published audited accounts of the Company have been made up.

6. QUALIFICATION OF EXPERT

The following is the qualification of the expert or professional adviser who has given opinion or advice contained in this circular:

Name	Qualification
Ballas Capital Limited	a licensed corporation under the SFO to carry out Type 6 (advising on corporate finance) regulated activities

As at the Latest Practicable Date, Ballas Capital Limited:

- a) did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group;
- b) did not have any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group, or was proposed to be acquired or disposed of by or leased to any member of the Group, since 31 December 2024, the date to which the latest audited financial statements of the Group was made up; and
- c) had given and had not withdrawn its written consent to the issue of this circular with the inclusion of its letter and reference to its name in the form and context in which it appears.

7. GENERAL

- a) The registered office of the Company is situated at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The head office and principal place of business of the Company in Hong Kong is situated at Room 2301, 23rd Floor, Great Eagle Centre, 23 Harbour Road, Wan Chai, Hong Kong.
- b) The company secretary of the Company is Mr. Cheung Chung Yan, David, a fellow member of the Association of Chartered Certified Accountants.
- c) The share registrar and transfer office of the Company in Hong Kong is Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong.
- d) The English text of this circular shall prevail over the Chinese text in case of inconsistency.

8. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://geelyauto.com.hk>) from the date of this circular up to and including the date of the EGM on Thursday, 18 December 2025:

- a) the CBUs and CKDs Procurement Cooperation Agreement; and
- b) the R&D Services and Technology Licensing Agreement.

NOTICE OF EGM



吉利汽車控股有限公司

GEELY AUTOMOBILE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock codes: 175 (HKD counter) and 80175 (RMB counter)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Geely Automobile Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) will be held at Room 2302, 23rd Floor, Great Eagle Centre, 23 Harbour Road, Wan Chai, Hong Kong on Thursday, 18 December 2025 at 4:30 p.m. or at any adjustment thereof for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

1. “**THAT:**

- a. the conditional agreement dated 24 September 2025 (the “**CBUs and CKDs Procurement Cooperation Agreement**”) entered into between the Company, 浙江吉利控股集團有限公司 (Zhejiang Geely Holding Group Company Limited*) (“**Geely Holding**” together with its subsidiaries, the “**Geely Holding Group**”), 浙江遠程新能源商用車集團有限公司 (Zhejiang Farizon New Energy Commercial Vehicles Group Co., Ltd.*) (“**Farizon Commercial Vehicles**” together with its subsidiaries, the “**Farizon Commercial Vehicles Group**”) and 山東吉利新能源商用車有限公司 (Shandong Geely New Energy Commercial Vehicle Co., Ltd.*) (“**Shandong Geely New Energy**” together with its subsidiaries, the “**Shandong Geely New Energy Group**”), a copy of which is tabled at the meeting and marked “**A**” and initialed by the chairman of the meeting for identification purpose, pursuant to which, the Group agreed to purchase the CBUs and CKDs from the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group and the Geely Holding Group, be and is hereby approved, ratified and confirmed;
- b. the annual caps in respect of the purchase of CBUs and CKDs by the Group under the CBUs and CKDs Procurement Cooperation Agreement for each of the three financial years ending 31 December 2027 be and hereby approved; and
- c. any one director of the Company, or any two directors of the Company if the affixation of the common seal is necessary, be and is/are hereby authorized for and on behalf of the Company to execute all such other documents, instruments and agreements and to do all such acts or things deemed by him/her to be incidental to, ancillary to or in connection with the matters and transactions contemplated under the CBUs and CKDs Procurement Cooperation Agreement.”

NOTICE OF EGM

2. “THAT:

- a. the conditional agreement dated 24 September 2025 (the “**R&D Services and Technology Licensing Agreement**”) entered into between the Company, Geely Holding, ZEEKR Intelligent Technology Holding Limited (“**ZEEKR**” together with its subsidiaries, the “**ZEEKR Group**”), 威睿電動汽車技術(寧波)有限公司 (Viridi E-Mobility Technology (Ningbo) Co., Ltd.*) (“**Viridi**” together with its subsidiaries, the “**Viridi Group**”), 武漢路特斯科技有限公司 (Wuhan Lotus Technology Company Limited*) (“**Lotus Technology**” together with its subsidiaries, the “**Lotus Technology Group**”), Polestar Performance AB (“**Polestar AB**”), 極星汽車銷售有限公司 (Polestar Automotive China Distribution Co., Ltd.*) (“**Polestar China**”) (Polestar AB and its subsidiaries, as well as Polestar China and its subsidiaries, the “**Polestar Group**”), 浙江翼真新能源汽車有限公司 (Zhejiang LEVC New Energy Automobile Co., Ltd.*) (“**LEVC**” together with its subsidiaries, the “**LEVC Group**”), 智馬達汽車有限公司 (smart Automobile Co., Ltd.*) (“**smart**” together with its subsidiaries, the “**smart Group**”), ECARX Holdings Inc. (“**ECARX**” together with its subsidiaries, the “**ECARX Group**”), Aurobay Holding (SG) PTE. LTD. (“**Aurobay**” together with its subsidiaries, the “**Aurobay Group**”), 重慶睿藍汽車科技有限公司 (Chongqing LIVAN Automobile Technology Co., Ltd.*) (“**LIVAN Automobile**” together with its subsidiaries, the “**LIVAN Automobile Group**”), 浙江耀寧科技集團有限公司 (Zhejiang YoeNing Technology Group Co., Ltd.*) (“**YoeNing Technology**” together with its subsidiaries, the “**YoeNing Technology Group**”), 無錫星驅科技有限公司 (Wuxi InfiMotion Technology Co., Ltd.*) (“**InfiMotion**” together with its subsidiaries, the “**InfiMotion Group**”), 浙江吉曜通行能源科技有限公司 (Zhejiang Jiyao Pass Energy Technology Co., Ltd.*) (“**Jiyao**” together with its subsidiaries, the “**Jiyao Group**”), 浙江醇氫生態科技有限公司 (Zhejiang Chunqing Ecological Technology Co., Ltd.*) (“**Chunqing Ecological**” together with its subsidiaries, the “**Chunqing Ecological Group**”), 遠程商用車科技有限公司 (Farizon Commercial Vehicle Technology Co., Ltd.*) (“**Farizon Technology**” together with its subsidiaries, the “**Farizon Technology Group**”), Farizon Commercial Vehicles, Shandong Geely New Energy and 曹操出行有限公司 (CaoCao Inc.*) (“**CaoCao**” together with its subsidiaries, the “**CaoCao Group**”), a copy of which is tabled at the meeting and marked “**B**” and initialed by the chairman of the meeting for identification purpose, pursuant to which, (i) the Group agreed to provide R&D and related technological support services to the Geely Holding Group, the ZEEKR Group, the Viridi Group, the Lotus Technology Group, the Polestar Group, the LEVC Group, the smart Group, the Aurobay Group, the LIVAN Automobile Group, the YoeNing Technology Group, the InfiMotion Group, the Jiyao Group, the Chunqing Ecological Group, the Farizon Technology Group, the Farizon Commercial Vehicles Group, the Shandong Geely New Energy Group and the CaoCao Group, including R&D for automobiles and key auto parts, technical verification and testing, technical consultancy, technical support services, technology licensing, etc.; and (ii) the Group agreed to procure from the Geely Holding Group, the ZEEKR Group, the Viridi Group, the LEVC Group, the ECARX Group, the Aurobay Group, the LIVAN Automobile Group, the YoeNing Technology Group, the InfiMotion Group, the Jiyao Group and the CaoCao Group R&D and related technological support services, including R&D of the NEV technologies and intelligent driver assistance technologies, technical verification and testing, technical consultancy services, technical support services, technology licensing, etc., be and is hereby approved, ratified and confirmed;

NOTICE OF EGM

- b. the annual caps in respect of the provision and procurement of R&D and related technological support services by the Group under the R&D Services and Technology Licensing Agreement for each of the three financial years ending 31 December 2027 be and hereby approved; and
- c. any one director of the Company, or any two directors of the Company if the affixation of the common seal is necessary, be and is/are hereby authorized for and on behalf of the Company to execute all such other documents, instruments and agreements and to do all such acts or things deemed by him/her to be incidental to, ancillary to or in connection with the matters and transactions contemplated under the R&D Services and Technology Licensing Agreement.”

By order of the Board
Geely Automobile Holdings Limited
David C.Y. Cheung
Company Secretary

Hong Kong, 28 November 2025

Notes:

- (1) In order to establish entitlements to attend and vote at the EGM, all transfers of shares of the Company, accompanied by the relevant share certificates must be lodged for registration with the Company’s Hong Kong share registrar and transfer office, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, no later than 4:00 p.m. on 12 December 2025 (being the record date of the EGM).
- (2) Any shareholder of the Company (the “**Shareholder**”) entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a Shareholder.
- (3) In order to be valid, a proxy form in the prescribed form together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power of authority, must be deposited at the Company’s Hong Kong share registrar and transfer office, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong not less than 48 hours before the time fixed for holding the EGM or any adjournment thereof.
- (4) In case of joint shareholdings, the vote of the senior joint Shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint Shareholder(s) and for this purposes seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding.
- (5) If there is Typhoon Signal No. 8 or above, a “black” rainstorm warning and/or extreme conditions caused by a super typhoon in force in Hong Kong at any time after 1:00 p.m. on the date of the forthcoming extraordinary general meeting, the meeting will be postponed. The Company will publish an announcement on the websites of the Company at (<http://www.geelyauto.com.hk>) and the Stock Exchange at (<http://www.hkexnews.hk>) to notify Shareholders of the date, time and venue of the rescheduled meeting.

As at the date of this notice, the executive directors of the Company are Mr. Li Shu Fu (Chairman), Mr. Li Dong Hui, Daniel (Vice Chairman), Mr. Gui Sheng Yue (Chief Executive Officer), Mr. Gan Jia Yue and Mr. Mao Jian Ming, Moosa; and the independent non-executive directors of the Company are Ms. Gao Jie, Ms. Yu Li Ping, Jennifer, Mr. Zhu Han Song and Ms. Tseng Chin I.