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)

DISCLOSEABLE AND CONNECTED TRANSACTIONS – STRATEGIC INTEGRATION TRANSACTIONS IN RELATION TO (1) ACQUISITION OF LYNK & CO SALE SHARES BY ZEEKR; AND (2) SUBSCRIPTION OF INCREASED CAPITAL OF LYNK & CO BY ZEEKR; AND EXEMPTED CONTINUING CONNECTED TRANSACTIONS

Financial advisers to the Company

citi

浦銀國際 SPDB INTERNATIONAL

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

華富建業企業融資 QUAM CAPITAL

The Board is pleased to announce that:

DISCLOSEABLE AND CONNECTED TRANSACTIONS – STRATEGIC INTEGRATION TRANSACTIONS

(1) ACQUISITION OF LYNK & CO SALE SHARES BY ZEEKR

On 14 November 2024 (after trading hours), Geely Holding and VCI (as vendors), Zhejiang ZEEKR (an indirect wholly-owned subsidiary of ZEEKR, as purchaser) and LYNK & CO (as target company) entered into the LYNK & CO Equity Transfer Agreement, pursuant to which (i) Geely Holding conditionally agreed to sell and Zhejiang ZEEKR conditionally agreed to purchase 20% of the equity interests in LYNK & CO held by Geely Holding as at the date of this announcement for a consideration of RMB3,600,000,000 together with interest accrued during the Locked Box Period, and (ii) VCI conditionally agreed to sell and Zhejiang ZEEKR conditionally agreed to purchase 30% of the equity interests in LYNK & CO held by VCI as at the date of this announcement for a consideration of RMB5,400,000,000 together with interest accrued during the Locked Box Period.

Immediately after completion of the LYNK & CO Acquisition but before the LYNK & CO Capital Injection, LYNK & CO will be owned as to 50% by Ningbo Geely and 50% by Zhejiang ZEEKR.

(2) SUBSCRIPTION OF INCREASED CAPITAL OF LYNK & CO BY ZEEKR

On 14 November 2024 (after trading hours), LYNK & CO (as issuer), Zhejiang ZEEKR (as subscriber) and Ningbo Geely (as the other shareholder of LYNK & CO) also entered into the LYNK & CO Capital Injection Agreement, pursuant to which LYNK & CO conditionally agreed to issue and sell and Zhejiang ZEEKR conditionally agreed to subscribe and purchase from LYNK & CO the LYNK & CO Increased Registered Capital for a consideration of RMB367,346,940.

Immediately after completion of the LYNK & CO Acquisition and the LYNK & CO Capital Injection, LYNK & CO will be owned as to 49% by Ningbo Geely and 51% by Zhejiang ZEEKR. LYNK & CO will become (i) an indirect non wholly-owned subsidiary of ZEEKR; and (ii) an indirect non wholly-owned subsidiary of the Company, and the financial results of LYNK & CO will be consolidated into the consolidated financial statements of the ZEEKR Group and the Group, respectively.

EXEMPTED CONTINUING CONNECTED TRANSACTIONS

To further enhance the driving technology system for new energy vehicles of the Group, the Company, ECARX (Hubei), Zhejiang HUANFU and Hangzhou Langge on 14 November 2024 (after trading hours), entered into the Components Procurement and R&D Services Agreement, 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.

The aggregated annual caps under the Components Procurement and R&D Services Agreement are RMB6,387.281 million, RMB6,430.855 million and RMB6,489.889 million for the three years ending 31 December 2027, respectively.

IMPLICATIONS UNDER THE LISTING RULES

Discloseable and Connected Transactions

Each of (i) the LYNK & CO Acquisition; and (ii) the LYNK & CO Capital Injection constitutes a notifiable transaction under Chapter 14 of the Listing Rules. Given that the LYNK & CO Acquisition and the LYNK & CO Capital Injection are associated with each other, they are required to be aggregated pursuant to Rules 14.22 and 14.23 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the LYNK & CO Acquisition and the LYNK & CO Capital Injection, and on an aggregated basis, exceed 5% but all of which are less than 25%, the transactions contemplated under the LYNK & CO Acquisition and the LYNK & CO Capital Injection constitute discloseable transactions of the Company and are subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, Geely Holding is a substantial shareholder of the Company, and is ultimately owned by Mr. Li and his associates. Mr. Li is an executive Director and a substantial shareholder of the Company. As such, Geely Holding is a connected person of the Company under the Listing Rules.

As at the date of this announcement, ZEEKR is owned as to approximately 51.5% (on a fully-diluted basis) by the Company, and is owned as to approximately 11.3% (on a fully-diluted basis) by Geely Holding, and is therefore a connected subsidiary of the Company under the Listing Rules. Zhejiang ZEEKR is an indirect wholly-owned subsidiary of ZEEKR, and is therefore also a connected subsidiary of the Company under the Listing Rules.

As at the date of this announcement, VCI is an indirect wholly-owned subsidiary of Volvo Car AB (publ), and Volvo Car AB (publ) is an indirect non wholly-owned subsidiary of Geely Holding. As such, VCI is an associate of Geely Holding and a connected person of the Company under the Listing Rules.

As at the date of this announcement, LYNK & CO is owned as to 20% by Geely Holding and as to 30% by VCI. As such, LYNK & CO is a connected person of the Company under the Listing Rules.

Accordingly, the LYNK & CO Acquisition and the LYNK & CO Capital Injection constitute connected transactions of the Company under the Listing Rules.

Pursuant to Rule 14A.81 of the Listing Rules, the transactions contemplated under the LYNK & CO Acquisition and the LYNK & CO Capital Injection are aggregated. As one or more of the applicable percentage ratios, on an aggregated basis, in respect of the LYNK & CO Acquisition and the LYNK & CO Capital Injection, is more than 5%, the LYNK & CO Acquisition and the LYNK & CO Capital Injection are subject to the reporting, announcement, and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Mr. Li, Mr. Li Dong Hui, Daniel, Mr. Gui Sheng Yue, Ms. Wei Mei and Mr. Gan Jia Yue, each an executive Director, are considered to be interested in the LYNK & CO Acquisition and the LYNK & CO Capital Injection by virtue of their interests and/or directorships in Geely Holding, Volvo Car AB (publ) and/or ZEEKR. As a result, they have abstained from voting on the Board resolutions for approving the LYNK & CO Acquisition and the LYNK & CO Capital Injection.

Exempted Continuing Connected Transactions

As at the date of this announcement, ECARX (Hubei) is owned as to more than 30% by Mr. Li and his associate and therefore a connected person of the Company under the Listing Rules.

As at the date of this announcement, Zhejiang HUANFU is owned as to more than 30% by Mr. Li and his associate and therefore a connected person of the Company under the Listing Rules.

As at the date of this announcement, Hangzhou Langge is owned as to more than 30% by Mr. Li and his associate and therefore a connected person of the Company under the Listing Rules.

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.

Mr. Li is considered to be interested in the Exempted Continuing Connected Transactions by virtue of his interests in ECARX (Hubei), Zhejiang HUANFU and Hangzhou Langge. As a result, he has abstained from voting on the Board resolution for approving the Exempted Continuing Connected Transactions.

EGM

The EGM will be convened for the Independent Shareholders to consider, and if thought fit, approve (i) the LYNK & CO Acquisition; and (ii) the LYNK & CO Capital Injection and the respective transactions contemplated thereunder.

In accordance with the Listing Rules, Mr. Li, Mr. Li Dong Hui, Daniel, Mr. Gui Sheng Yue, Ms. Wei Mei and Mr. Gan Jia Yue, and their respective associates, will be required to abstain from voting on the resolutions to approve the LYNK & CO Acquisition and the LYNK & CO Capital Injection contemplated thereunder. In addition, Mr. An Cong Hui, the former executive Director and a director of ZEEKR, and his associates, will be required to abstain from voting on the resolutions to approve the LYNK & CO Acquisition and the LYNK & CO Capital Injection contemplated thereunder. Save as disclosed above, to the best of the knowledge, information and belief of the Directors, no other Shareholder who has a material interest in the LYNK & CO Acquisition and the LYNK & CO Capital Injection will be required to abstain from voting on the resolutions to approve the respective transactions contemplated thereunder at the EGM.

GENERAL

The Independent Board Committee has been formed to advise the Independent Shareholders with respect to (i) the LYNK & CO Acquisition; and (ii) the LYNK & CO Capital Injection, and the Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders on whether the terms of the LYNK & CO Acquisition and the LYNK & CO Capital Injection are fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

A circular containing, among other things, (i) further information about the LYNK & CO Acquisition and the LYNK & CO Capital Injection; (ii) the recommendation of the Independent Board Committee in respect of the LYNK & CO Acquisition and the LYNK & CO Capital Injection; (iii) the advice of the Independent Financial Adviser on the LYNK & CO Acquisition and the LYNK & CO Capital Injection; and (iv) other information as required under the Listing Rules together with the notice of the EGM, will be despatched to the Shareholders on or before 31 December 2024 (which is more than 15 business days after the publication of this announcement) after taking into account the time required for preparing and gathering the relevant information to be contained in the circular.

Completion of the transactions above is subject to the satisfaction of the conditions precedent under the respective agreements, and therefore, the transactions may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

INTRODUCTION

The Board is pleased to announce that on 14 November 2024 (after trading hours):

The Group entered into the following strategic integration transactions, which include:

(1) Geely Holding and VCI (as vendors), Zhejiang ZEEKR (an indirect wholly-owned subsidiary of ZEEKR, as purchaser) and LYNK & CO (as target company) entered into the LYNK & CO Equity Transfer Agreement, pursuant to which (i) Geely Holding conditionally agreed to sell and Zhejiang ZEEKR conditionally agreed to purchase 20% of the equity interests in LYNK & CO held by Geely Holding as at the date of this announcement for a consideration of RMB3,600,000,000 together with interest accrued during the Locked Box Period, and (ii) VCI conditionally agreed to sell and Zhejiang ZEEKR conditionally agreed to purchase 30% of the

equity interests in LYNK & CO held by VCI as at the date of this announcement for a consideration of RMB5,400,000,000 together with interest accrued during the Locked Box Period. Immediately after completion of the LYNK & CO Acquisition but before the LYNK & CO Capital Injection, LYNK & CO will be owned as to 50% by Ningbo Geely and 50% by Zhejiang ZEEKR; and

(2) LYNK & CO (as issuer), Zhejiang ZEEKR (as subscriber) and Ningbo Geely (as the other shareholder of LYNK & CO) entered into the LYNK & CO Capital Injection Agreement, pursuant to which LYNK & CO conditionally agreed to issue and sell and Zhejiang ZEEKR conditionally agreed to subscribe and purchase from LYNK & CO the LYNK & CO Increased Registered Capital for a consideration of RMB367,346,940. Immediately after completion of the LYNK & CO Acquisition and the LYNK & CO Capital Injection, LYNK & CO will be owned as to 49% by Ningbo Geely and 51% by Zhejiang ZEEKR. LYNK & CO will become (i) an indirect non wholly-owned subsidiary of ZEEKR; and (ii) an indirect non wholly-owned subsidiary of the Company, and the financial results of LYNK & CO will be consolidated into the consolidated financial statements of the ZEEKR Group and the Group, respectively.

In addition:

To further enhance the driving technology system for new energy vehicles of the Group, the Company, ECARX (Hubei), Zhejiang HUANFU and Hangzhou Langge, entered into the Components Procurement and R&D Services Agreement, 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.

DISCLOSEABLE AND CONNECTED TRANSACTIONS – STRATEGIC INTEGRATION TRANSACTIONS

(1) ACQUISITION OF LYNK & CO SALE SHARES BY ZEEKR

The principal terms of the LYNK & CO Equity Transfer Agreement are as follows:

Date

14 November 2024 (after trading hours)

Parties

Vendors:	Geely Holding; and
	VCI
Purchaser:	Zhejiang ZEEKR

Target Company: LYNK & CO

Subject matter

Pursuant to the LYNK & CO Equity Transfer Agreement, (i) Geely Holding conditionally agreed to sell and Zhejiang ZEEKR conditionally agreed to purchase 20% of the equity interests in LYNK & CO held by Geely Holding as at the date of this announcement for a consideration of RMB3,600,000,000 together with interest accrued during the Locked Box Period, and (ii) VCI conditionally agreed to sell and Zhejiang ZEEKR conditionally agreed to purchase 30% of the equity interests in LYNK & CO held by VCI as at the date of this announcement for a consideration of RMB5,400,000,000 together with interest accrued during the Locked Box Period.

Immediately after completion of the LYNK & CO Acquisition but before the LYNK & CO Capital Injection, LYNK & CO will be owned as to 50% by Ningbo Geely and 50% by Zhejiang ZEEKR.

Consideration

The aggregate consideration for the LYNK & CO Acquisition is RMB9,000,000,000 *plus* the interest accrued on such amount during the Locked Box Period calculated at the rate of 3.1% per annum, of which:

(i) RMB3,600,000,000 *plus* the interest accrued on such amount during the Locked Box Period calculated at the rate of 3.1% per annum, is payable by Zhejiang ZEEKR to Geely Holding; and

(ii) RMB5,400,000,000 *plus* the interest accrued on such amount during the Locked Box Period calculated at the rate of 3.1% per annum, is payable by Zhejiang ZEEKR to VCI respectively,

subject to a locked box mechanism (the "**Locked Box Mechanism**"), pursuant to which each of Geely Holding and VCI undertakes to pay to Zhejiang ZEEKR an amount in cash equal to the amount of any Leakage received by each of (i) Geely Holding and the Geely Holding Group and/or (ii) VCI and the VCI Group during the Locked Box Period. The maximum liability of each of Geely Holding and VCI shall not exceed the amount of their respective Leakage, and any claims arising out of the Locked Box Mechanism shall be made by Zhejiang ZEEKR no later than 12 months following the LYNK & CO Acquisition Closing Date.

The consideration of the LYNK & CO Acquisition was determined after arm's length negotiations among Geely Holding, VCI and Zhejiang ZEEKR. The appraised value of 100% equity interest of the LYNK & CO Group as at the Valuation Date, as determined by the Independent Valuer using the market approach, amounts to RMB18,328,000,000. Please refer to the paragraph headed "VALUATION" below for details of the methodology, assumptions and inputs and computation process of the valuation. The respective portions of the consideration to be paid by Zhejiang ZEEKR to Geely Holding and VCI represent approximately 20% and 30% respectively of the aforementioned valuation.

It is expected that the consideration of the LYNK & CO Acquisition will be funded by the internal cash reserve and external financing of the ZEEKR Group.

Payment Method and Interest

The consideration of the LYNK & CO Acquisition will be settled in the following manner:

(a) 70% of the consideration shall be paid on the LYNK & CO Acquisition Closing Date to each of Geely Holding's and VCI's designated bank accounts; and

(b) the remaining portion of the consideration (the "**Second Payment**") shall be paid within 12 months after the LYNK & CO Acquisition Closing Date to each of Geely Holding's and VCI's designated bank accounts.

Zhejiang ZEEKR shall pay, concurrently with the Second Payment, to each of Geely Holding and VCI the interest accrued on the Second Payment, which shall be calculated at a rate that is equal to the sum of (i) the one-year LPR applicable on the LYNK & CO Acquisition Closing Date and (ii) 0.5%, for the period from the day immediately after the LYNK & CO Acquisition Closing Date to the day of the Second Payment (i.e. excluding the Locked Box Period).

Conditions Precedent

Completion of the LYNK & CO Acquisition will be subject to and conditional upon the fulfillment or waiver (as the case may be) of the following conditions:

(a) the Independent Shareholders' approval in relation to the LYNK & CO Acquisition shall have been obtained, in compliance with the Listing Rules;

(b) the approval of the shareholders of Volvo Car AB (publ) in relation to the LYNK & CO Acquisition shall have been obtained, in compliance with applicable laws, the Swedish Corporate Governance Code and Nasdaq Stockholm's rulebook for issuers;

(c) there shall be no injunction, restraining order or decree of any nature of any Governmental Authority or applicable law that is in effect that restrains or prohibits the consummation of the LYNK & CO Acquisition;

(d) any applicable waiting periods, together with any extensions thereof, or any actions, non-actions, consents, approvals, waivers, or clearances from any Governmental Authority that are related or required for the completion of the LYNK & CO Acquisition shall have expired, been terminated or obtained, as applicable;

(e) the representations and warranties made by each of Geely Holding, VCI and Zhejiang ZEEKR remaining true and correct in all material respects, as at the date of the LYNK & CO Equity Transfer Agreement and the LYNK & CO Acquisition Closing Date;

(f) each of Geely Holding, VCI and Zhejiang ZEEKR shall have performed and complied in all material respects with all obligations and agreements required in the LYNK & CO Equity Transfer Agreement at or prior to the LYNK & CO Acquisition Closing Date;

(g) no material adverse effect shall have occurred since the date of the LYNK & CO Equity Transfer Agreement;

(h) evidence of the approval of the board of directors and shareholders of LYNK & CO in relation to the implementation of the LYNK & CO Acquisition, adoption of the amended articles of association of LYNK & CO, change of legal representative, director(s), supervisor(s) and/or general manager of LYNK & CO (if applicable) shall have been duly obtained and delivered to Zhejiang ZEEKR;

(i) evidence of the existing shareholders' waiver of right of first refusal in relation to the LYNK & CO Acquisition shall have been obtained and delivered to Zhejiang ZEEKR; and

(j) evidence of the filing and registration procedures with the AMR in relation to the LYNK & CO Acquisition, adoption of the amended articles of association of LYNK & CO, and change of legal representative, director(s), supervisor(s) and/or general manager of LYNK & CO shall have been obtained and delivered to Zhejiang ZEEKR.

Completion of the LYNK & CO Acquisition

Completion of the LYNK & CO Acquisition will take place within 15 Business Days after all the conditions precedent to the LYNK & CO Equity Transfer Agreement have been satisfied or waived (as the case may be), or at such other date as the parties may agree in writing.

Termination of the LYNK & CO Acquisition

The LYNK & CO Equity Transfer Agreement may be terminated:

(i) by the mutual written consent of the parties;

(ii) by Geely Holding, VCI or Zhejiang ZEEKR, by written notice to the other parties, if the completion of the LYNK & CO Acquisition has not occurred on or before the LYNK & CO Acquisition Long Stop Date;

(iii) by any party, by written notice to the other parties, if the consummation of the transactions contemplated under the LYNK & CO Equity Transfer Agreement would violate any non-appealable final Governmental Order; or

(iv) by written notice from Geely Holding, VCI, or Zhejiang ZEEKR (as the case may be), upon the occurrence of a material breach of the LYNK & CO Equity Transfer Agreement, such that the conditions precedent to the LYNK & CO Equity Transfer Agreement would not be satisfied and such breach or failure of condition is not curable, or, if curable, is not cured prior to the earlier of (i) 30 days after written notice is given by such non-breaching party to the other party(ies) regarding any breach; or (ii) the LYNK & CO Acquisition Long Stop Date.

VALUATION

VALUATION METHODOLOGY

In arriving at the appraised value of 100% equity interest in the LYNK & CO Group, the Independent Valuer has considered three generally accepted approaches, namely market approach, cost approach and income approach.

The market approach considers prices recently paid for similar assets, with adjustments made to market prices to reflect condition and utility of the appraised assets relative to the market comparatives. Assets for which there is an established secondary market may be valued by this approach. Benefits of using this approach include its simplicity, clarity, speed and the need for few or no assumptions. It also introduces objectivity in application as publicly available inputs are used. However, one has to be wary of hidden assumptions in those inputs as there are inherent assumptions about the value of those comparable assets. It is also difficult to find comparable assets. Furthermore, this approach relies exclusively on the efficient market hypothesis.

The cost approach considers the cost to reproduce or replace in new condition the assets appraised in accordance with current market prices for similar assets, with allowance for accrued depreciation or obsolescence present, whether arising from physical, functional or economic causes. The cost approach generally furnishes the most reliable indication of value for assets without a known secondary market. Despite the simplicity and transparency of this approach, it does not directly incorporate information about the economic benefits contributed by the subject assets.

The income approach is the conversion of expected periodic benefits of ownership into an indication of value. It is based on the principle that an informed buyer would pay no more for the project than an amount equal to the present worth of anticipated future benefits (income) from the same or a substantially similar project with a similar risk profile. This approach allows for the prospective valuation of future profits, and there are numerous empirical and theoretical justifications for the present value of expected future cash flows. However, this approach relies on numerous assumptions over a long time horizon, and the result may be very sensitive to certain inputs. It also presents a single scenario only.

Given the unique characteristics of the asset, there are substantial limitations for the income approach and the cost approach for valuing the LYNK & CO Group. Firstly, the income approach requires subjective assumptions to which the valuation is highly sensitive. Secondly, the cost approach does not directly incorporate information about the economic benefits contributed by the subject business.

In view of the above, the Independent Valuer has adopted the market approach for the valuation. The market approach considers prices recently paid for similar assets, with adjustments made to market prices to reflect the condition and utility of the appraised assets relative to the market comparables. Assets for which there is an established secondary market may be valued by this approach. Benefits of using this approach include its simplicity, clarity, speed and the need for few or no assumptions. It also introduces objectivity in application as publicly available inputs are used.

The market approach can be applied through two commonly used methods, namely, the guideline public company method and the comparable transaction method. The comparable transaction method utilizes information on transactions involving assets that are the same as or similar to the subject asset. However, for this particular valuation exercise, it is difficult to acquire sufficient and timely information of such transactions. Therefore, in this valuation exercise, the market value of the 100% equity interest in the LYNK & CO Group is developed through the guideline public company method.

This method requires research of comparable companies' benchmark multiples and proper selection of a suitable multiple to derive the market value of the 100% equity interest in the LYNK & CO Group. In arriving at the appraised value of the 100% equity interest in the LYNK & CO Group, the Independent Valuer has considered the following commonly used benchmark multiples:

Benchmark multiple	**Abbreviation**	**Analysis**
Price to Earnings	P/E	**Not used.** P/E is not selected as the net profits of the LYNK & CO Group had been fluctuating in recent years.
Price to Book	P/B	**Not used.** P/B is common for asset intensive industries, but it does not account for intangible assets (such as technology), company-specific competencies and advantages. P/B is not suitable.
Enterprise Value to EBITDA and/or Enterprise Value to EBIT	EV/EBITDA EV/EBIT	**Not used.** EV/EBITDA and EV/EBIT are not selected as the net EBIT and EBITDA of the LYNK & CO Group had been fluctuating in recent years.
Price to Sales	P/S	**Not used.** P/S is not selected as it does not account for the difference in capital structure between comparable companies and the LYNK & CO Group.

Benchmark multiple	Abbreviation	Analysis
Enterprise Value to Sales	EV/S	**Adopted.** EV/S is usually adopted in fast-growing companies or industries. It is selected in the valuation, as the LYNK & CO Group is in the early development stage of the electric vehicle market.

The Independent Valuer applied the enterprise value-to-sales ("**EV/S**") multiple, which is calculated using comparable companies' financial statements, to determine the market value of the LYNK & CO Group and then to take into account the market liquidity discount as the appropriate adjustment.

ASSUMPTIONS OF THE VALUATION

Major Assumptions

(i) The Independent Valuer has assumed that there will be no material change in the existing political, legal, technological, fiscal or economic conditions, which might adversely affect the business of the LYNK & CO Group;

(ii) The Independent Valuer has assumed that the operational and contractual terms stipulated in the relevant contracts and agreements will be honored;

(iii) The Independent Valuer has assumed that the facilities and systems proposed are sufficient for future expansion in order to realize the growth potential of the business and maintain a competitive edge;

(iv) The Independent Valuer has been provided with copies of the business licenses and company incorporation documents. The Independent Valuer has assumed such information to be reliable and legitimate. The Independent Valuer has relied to a considerable extent on such information provided in arriving at its opinion of value;

(v) The Independent Valuer has assumed the accuracy of the financial and operational information provided to it by the LYNK & CO Group and relied to a considerable extent on such information in arriving at its opinion of value;

(vi) The Independent Valuer has assumed the capital structure of the LYNK & CO Group will not change; and

(vii) The Independent Valuer has assumed that there are no hidden or unexpected conditions associated with the asset valued that might adversely affect the reported value. Further, the Independent Valuer assumes no responsibility for changes in market conditions after the Valuation Date.

INPUTS AND COMPUTATION PROCESS OF THE VALUATION

Formula and Parameters

In determining the price multiple, a list of comparable companies was identified. The selection criteria include the following.

(i) Companies derive most, if not all, of their revenues from the same industry of the LYNK & CO Group, i.e., over 80% revenue percentage from passenger vehicles manufacturing segment for the LYNK & CO Group in China;

(ii) Companies are searchable in Bloomberg;

(iii) Companies have been publicly listed for more than three years; and

(iv) Sufficient data, including the EV/S Multiples as at the Valuation Date, of the companies are available.

An exhaustive list of comparable companies satisfying the above criteria was obtained from Bloomberg on a best effort basis. Some key financial information of the comparable companies is listed below, as presented in millions of United States dollar ("**USD**"):

Company Name	Market Capitalization	Enterprise Value	Sales for Last Twelve-month Period	Net Operating Profit after Tax for Last Twelve-month Period
	(in USD Million)	*(in USD Million)*	*(in USD Million)*	*(in USD Million)*
Li Auto Inc.	27,215	14,334	19,703	765
BAIC Motor Corp. Ltd.	2,321	3,390	26,040	1,591
BYD Co. Ltd.	119,413	115,672	94,726	4,752
Chongqing Changan Automobile Co. Ltd.	18,369	14,283	21,388	990
Geely Automobile Holdings Ltd.	15,786	12,537	29,534	1,005
Great Wall Motor Co. Ltd.	31,200	33,282	27,207	1,512

Note: The financial information presented above is based on the latest available data of the comparable companies as of the Valuation Date from Bloomberg.

The comparable companies are of different sizes from the LYNK & CO Group. Larger companies generally have lower expected returns that translate into higher values. On the other hand, smaller companies are generally perceived as riskier in relation to business operation and financial performance, and therefore, their expected returns are higher, resulting in lower multiples. Therefore, the base multiples were adjusted to reflect the differences between the comparable companies and the LYNK & CO Group.

The Independent Valuer referred to a formula in a widely-adopted textbook "Financial Valuation – Applications and Model, 2017" by James R. Hitchner, a renowned valuation expert in the United States, for the benchmark multiple adjustments:

The adjusted EV/S Multiples were calculated using the following formula:

$$Adjusted\ EV/S\ Multiple = 1 / (\left(\frac{1}{\mathrm{M}}\right) + \theta \times \left(\frac{E}{EV}\right) \times \left(\frac{\mathrm{Sales}}{\mathrm{NOPAT}}\right))$$

where:

M	=	The EV/S Multiple without adjustment
θ	=	Required adjustment in the difference in size and profitability
E	=	Market capitalization
EV	=	Enterprise value
NOPAT	=	Net operating profit after tax

Note: Reference: Hitchner, R. (2017) Financial Valuation: Applications and Models (4th Edition)

For the parameter θ, it was used as a desired adjustment to reflect the differences between the comparable companies and the LYNK & CO Group. With reference to Cost of Capital Navigator 2023 published by Kroll, depending on the market capitalization of each comparable company, size premium differentials were adopted by the Independent Valuer to capture the size difference between the comparable companies and the LYNK & CO Group. With reference to "The Adjusted Capital Asset Pricing Model for Developing Capitalization Rates: An Extension of Previous "Build-Up" Methodologies Based Upon the Capital Asset Pricing Model" published in 1989 by Z. Christopher Mercer, specific risks were adopted by the Independent Valuer to capture the difference in profitability including net profit and net operating profit after tax (the "**NOPAT**") level, between the comparable companies and the LYNK & CO Group.

The ratio of market capitalization to enterprise value E/EV was adopted by the Independent Valuer as a weighting factor. As aforementioned, the logic behind this formula is that a pricing multiple is the reciprocal of the capitalization rate. In the case of an enterprise value multiple, the capitalization rate is driven by the weighted average cost of capital (the "**WACC**") of the valuation subject. Since the size and specific risk premium differentials "θ" are applicable only to the equity portion (for a listed company, market capitalization represents the market value of its equity) but not to the debt portion of the WACC, adjustments are only made to the equity portion of the capitalization rate in this pricing multiple adjustment formula. The ratio E/EV was used to apply an appropriate weighting on the parameter θ so that the capitalization rate was adjusted only to the extent of its equity portion. In other words, the ratio E/EV takes into account the varying capital structures among the comparable companies.

The ratio of Sales to NOPAT was used as a scale factor, which is applied in the adjustment of the EV/S multiple. It is considered that the base measure of the benefits for enterprise value is NOPAT (Hitchner, R., 2017), which is a financial measure that shows how well a company performed through its core operations net of taxes and excludes tax savings from existing debt and one-time losses or charges.

After the aforesaid adjustment on the base EV/S Multiples, the adjusted EV/S Multiples of the comparable companies are listed as below:

Company Name	**Market Capitalization** *(in USD Million)*	**EV/S Multiple**	**Size and specific risk premium differential**	**Adjusted EV/S Multiple**
Li Auto Inc.	27,215	0.73	1.75%	0.45
BAIC Motor Corp. Ltd.	2,321	0.13	1.00%	0.13
BYD Co. Ltd.	119,413	1.22	2.27%	0.78
Chongqing Changan Automobile Co. Ltd.	18,369	0.67	1.75%	0.50
Geely Automobile Holdings Ltd.	15,786	0.42	1.75%	0.33
Great Wall Motor Co. Ltd.	31,200	1.22	1.75%	0.90
			Average	**0.52**

Discount for Lack of Marketability ("DLOM")

The concept of marketability deals with the liquidity of an ownership interest, that is, how quickly and easily it can be converted to cash if the owner chooses to sell. The lack of marketability discount reflects the fact that there is no ready market for shares in privately held companies, which are typically not readily marketable compared to similar interest in public companies. Therefore, a share of stock in a privately held company is usually worth less than an otherwise comparable share in a publicly held company.

Since the LYNK & CO Group is a privately held company, the valuation adopted DLOM to adjust the result of market approach to consider the lack of marketability of the ownership interest in the LYNK & CO Group.

In this valuation exercise, the Independent Valuer has assessed the DLOM referring to Control Premium & Discount for Lack of Marketability Study Issue 3 – August 2024, a report published by MOORE. According to the report, in the period of 30 June 2024 trailing 12 months, 36 out of 354 circulars included valuation reports with the adoption of DLOM, and the average of the adopted DLOMs is 19.6%. The Independent Valuer applied the DLOM of 19.6% for the valuation of the LYNK & CO Group.

Calculation of Valuation Results

The calculation of the market value of 100% equity interest in the LYNK & CO Group as at the Valuation Date is as follows:

	Unit: RMB'000
Adjusted EV/S multiple (times)	0.52
Financial figures[1]	
Sales (2023.10-2024.9)	45,640,379
Enterprise Value	23,732,997
Financial figures[1]	
Add: Cash and cash equivalents[2]	5,418,158
Less: Borrowings	5,395,939
Less: Lease liabilities	959,111
100% Equity Interest	22,796,105
DLOM	19.6%
100% Equity Interest after DLOM (Rounded)[3]	18,328,000

Note:

1. The financial figures obtained from management accounts of the LYNK & CO Group as at the Valuation Date are prepared by the LYNK & CO Group.

2. Cash and cash in bank are included, while restricted cash is not included.

3. The valuation is on a basis without control.

The Board has discussed and reviewed the valuation methodology and assumptions used by the Independent Valuer in formulating the valuation of the LYNK & CO Group, and understands that the Independent Valuer has adopted the market approach for the valuation which was prepared with reference to the average of adjusted EV/S multiples of the exhaustive list of comparable companies operating in a similar business as the LYNK & CO Group, adjusted for the risk, market capitalization, and profitability of the LYNK & CO Group being valued. After thorough consideration, the Board is of the view that the valuation methodology and assumptions used, and the valuation results are fair and reasonable.

INFORMATION ON LYNK & CO

Principal business of LYNK & CO

LYNK & CO is a Chinese-foreign-equity joint venture company established in the PRC and is owned as to 50% by Ningbo Geely, 20% by Geely Holding and 30% by VCI as at the date of this announcement. There is no original acquisition cost of LYNK & CO as it was incorporated by and previously owned as to 50% by Zhejiang Jirun (an indirect 99% owned subsidiary of the Company), 20% by Zhejiang Haoqing Automobile Manufacturing Company Limited* (浙江豪情汽車製造有限公司) which was, at the time of establishment of LYNK & CO, an indirect wholly-owned subsidiary of Geely Holding, and 30% by VCI. LYNK & CO is principally engaged in the manufacture and sale of LYNK & CO brand vehicles. It also provides after-sales parts.

Financial Information of LYNK & CO

Set out below is the unaudited financial information of LYNK & CO for the two financial years ended 31 December 2022 and 2023, which were prepared in accordance with the HKFRS:

	For the year ended 31 December 2022 (unaudited) *RMB'000*	**For the year ended 31 December 2023 (unaudited)** *RMB'000*
Revenue	29,108,984	34,786,563
Profit/(Loss) before taxation	100,224	(1,602,631)
Profit/(Loss) after taxation	7,222	(1,104,660)

As at 30 June 2024, the total assets and the net asset value based on the unaudited financial information of LYNK & CO were approximately RMB46,000,096,000 and RMB6,696,084,000, respectively.

REASONS AND BENEFITS OF THE LYNK & CO ACQUISITION

Strategic integration and overall synergy of the Group: The Group will continue to focus on the strategic integration and synergy of its automobile business and strengthen technology research and development to enhance competitiveness and promote sustainable development. The LYNK & CO Acquisition will facilitate the optimization of the Group's shareholding structure, eliminate horizontal competition, and promote the strategic integration of business operations.

Efficient resource utilization and synergy: Through strategically integrating the resources of ZEEKR and LYNK & CO, the Group can reduce overlapping investment in various segments and strengthen the synergies in brands and products, technology, supply chain, marketing and service, and international market expansion, leveraging economies of scale to strive towards generating synergies in terms of sales volume, revenue and profit.

- In terms of brands and products, the LYNK & CO Acquisition will help the Group streamline its portfolio of new energy vehicle brands, ensuring each brand can maintain its unique and clear brand positioning, differentiated technological planning and product portfolio. ZEEKR is positioned as a global premium electric mobility 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. Geely Galaxy and China Star are positioned as mainstream vehicle brands, characterized by "practicality, quality, and safety", covering the mainstream market;

- In terms of technology, upon completion of the LYNK & CO Acquisition, the Group will give full play to and improve its technological innovation strength. The Group will improve the generalization rate of core technologies by gradually unifying the hardware and underlying software of mechanical architecture, electronic and electrical architecture, intelligent cockpit and intelligent driving, and develop differentiated operating systems on the user front according to each brand's positioning to optimize the user experience. The Group expects that deepening collaboration in the field of technology in the future will improve the efficiency of R&D investment, facilitating the effective commercialization of R&D outcomes;

- In terms of supply chain, the Group will achieve unified supplier planning by integrating the demands and resources of various brands, so as to further enhance the cost competitiveness and overall efficiency of the supply chain;

- In terms of marketing and service, the Group will promote the cooperation among brands, optimize the allocation of resources and promote the synergetic development of brands by integrating the marketing footprint and after-sales service resources of Geely Galaxy and China Star, ZEEKR and LYNK & CO; and

- In terms of international market expansion, the Group will establish regional headquarters to oversee cross-brand resource coordination within specific regions, reduce overlapping investment in infrastructure and align the international development planning of each brand.

The Group believes that the LYNK & CO Acquisition will have a positive impact on the synergetic development, improvement of innovation capability and profitability and the sustainable development of various brands, and create long-term value for the Shareholders.

Having considered the foregoing, although the LYNK & CO Acquisition is not entered into in the ordinary and usual course of business of the Group, the Board (excluding the independent non-executive Directors, whose views will be given after taking into account the advice from the Independent Financial Adviser) considers that the LYNK & CO Acquisition is on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

(2) SUBSCRIPTION OF INCREASED CAPITAL OF LYNK & CO BY ZEEKR

The principal terms of the LYNK & CO Capital Injection Agreement are as follows:

Date

14 November 2024 (after trading hours)

Parties

Issuer:	LYNK & CO
Subscriber:	Zhejiang ZEEKR
Other Shareholder:	Ningbo Geely

Subject matter

Pursuant to the LYNK & CO Capital Injection Agreement, LYNK & CO conditionally agreed to issue and sell and Zhejiang ZEEKR conditionally agreed to subscribe and purchase from LYNK & CO the LYNK & CO Increased Registered Capital for a consideration of RMB367,346,940.

Immediately after completion of the LYNK & CO Acquisition and the LYNK & CO Capital Injection, LYNK & CO will be owned as to 49% by Ningbo Geely and 51% by Zhejiang ZEEKR. LYNK & CO will become (i) an indirect non wholly-owned subsidiary of ZEEKR; and (ii) an indirect non wholly-owned subsidiary of the Company, and the financial results of LYNK & CO will be consolidated into the consolidated financial statements of the ZEEKR Group and the Group respectively.

Consideration

The consideration of the LYNK & CO Capital Injection is RMB367,346,940, payable by Zhejiang ZEEKR to LYNK & CO in cash on the LYNK & CO Capital Injection Closing Date.

The consideration of the LYNK & CO Capital Injection was determined after arm's length negotiations among LYNK & CO, Zhejiang ZEEKR and Ningbo Geely. The appraised value of 100% equity interest of the LYNK & CO Group as at the Valuation Date, as determined by the

Independent Valuer using the market approach, amounts to RMB18,328,000,000. For further information in relation to the basis upon which the consideration of the LYNK & CO Acquisition was determined, please refer to the section headed "DISCLOSEABLE AND CONNECTED TRANSACTIONS – THE STRATEGIC INTEGRATION TRANSACTIONS – (1) ACQUISITION OF LYNK & CO SALE SHARES BY ZEEKR – Consideration" above.

It is expected that the consideration of the LYNK & CO Capital Injection will be funded by the internal cash reserve of the ZEEKR Group.

Conditions Precedent

Completion of the LYNK & CO Capital Injection will be subject to and conditional upon the fulfillment or waiver (as the case may be) of the following conditions:

(a) the Independent Shareholders' approval in relation to the LYNK & CO Acquisition and LYNK & CO Capital Injection shall have been obtained, in compliance with the Listing Rules;

(b) evidence of the approval of LYNK & CO in relation to the LYNK & CO Acquisition, LYNK & CO Capital Injection, adoption of the amended articles of association of LYNK & CO, change of legal representative, director(s), supervisor(s) and/or general manager of LYNK & CO shall have been duly obtained and delivered to Zhejiang ZEEKR;

(c) evidence of the existing shareholders' waiver of right of first refusal in relation to the LYNK & CO Acquisition, and the waiver of pre-emptive right of the LYNK & CO Capital Injection shall have been obtained and delivered to Zhejiang ZEEKR;

(d) evidence of the filing and registration procedures with the AMR in relation to the LYNK & CO Sale Shares in the LYNK & CO Acquisition and the LYNK & CO Increased Registered Capital having been registered under the name of Zhejiang ZEEKR, and adoption of the amended articles of association of LYNK & CO shall have been obtained and delivered to Zhejiang ZEEKR;

(e) the closing of the LYNK & CO Acquisition shall have consummated in accordance with the terms of the LYNK & CO Equity Transfer Agreement;

(f) the representations and warranties made by each of LYNK & CO, Ningbo Geely and Zhejiang ZEEKR remaining true and correct as at the date of the LYNK & CO Capital Injection Agreement and the LYNK & CO Capital Injection Closing Date;

(g) each of LYNK & CO, Ningbo Geely and Zhejiang ZEEKR shall have performed and complied in all material respects with all obligations and agreements required in the LYNK & CO Capital Injection Agreement at or prior to the LYNK & CO Capital Injection Closing Date;

(h) no material adverse effect shall have occurred since the date of the LYNK & CO Capital Injection Agreement;

(i) the consents, approvals, orders or authorisation of, or registration, declaration or filing with, any Governmental Authority or third party required to be obtained or made by it in connection with the consummation of the LYNK & CO Capital Injection by each of LYNK & CO and Ningbo Geely shall have been obtained; and

(j) there shall be no injunction, restraining order or decree of any nature of any Governmental Authority or applicable law that is in effect that restrains or prohibits the consummation of the LYNK & CO Capital Injection;

(k) a copy of the Joint Venture Contract, duly executed by Zhejiang ZEEKR and Ningbo Geely, shall have been delivered to Zhejiang ZEEKR;

(l) a copy of the closing certificate in relation to the LYNK & CO Capital Injection in the form and substance reasonably satisfactory to Zhejiang ZEEKR shall have been delivered by LYNK & CO and Ningbo Geely to Zhejiang ZEEKR; and

(m) a copy of the closing certificate in relation to the LYNK & CO Capital Injection in the form and substance reasonably satisfactory to LYNK & CO and Ningbo Geely shall have been delivered by Zhejiang ZEEKR to LYNK & CO and Ningbo Geely.

Completion of the LYNK & CO Capital Injection

Completion of the LYNK & CO Capital Injection will take place within 15 Business Days after all the conditions precedent to the LYNK & CO Capital Injection Agreement have been satisfied or waived (as the case may be), or at such other date as the parties may agree in writing. The completion of the LYNK & CO Capital Injection shall take place immediately after the completion of the LYNK & CO Acquisition.

Termination of the LYNK & CO Capital Injection

The LYNK & CO Capital Injection Agreement may be terminated:

(i) by the mutual written consent of the parties;

(ii) by any party, by written notice to the other parties, if the LYNK & CO Equity Transfer Agreement is terminated;

(iii) by any party, by written notice to the other parties, if the completion of the LYNK & CO Capital Injection has not occurred on or before the LYNK & CO Capital Injection Long Stop Date;

(iv) by any party, by written notice to the other parties, if the consummation of the transactions contemplated under the LYNK & CO Capital Injection Agreement would violate any non-appealable final Governmental Order; or

(v) by written notice from LYNK & CO, Ningbo Geely, or Zhejiang ZEEKR (as the case may be), upon the occurrence of a breach of the LYNK & CO Capital Injection Agreement, such that the conditions precedent to the LYNK & CO Capital Injection Agreement would not be satisfied and such breach or failure of condition is not curable, or, if curable, is not cured prior to the earlier of (i) 30 days after written notice is given by such non-breaching party to the other party(ies) regarding any breach; or (ii) the LYNK & CO Capital Injection Long Stop Date.

Governance and Management of LYNK & CO

Upon completion of the LYNK & CO Acquisition and LYNK & CO Capital Injection, LYNK & CO will be owned as to 49% by Ningbo Geely and 51% by Zhejiang ZEEKR. Zhejiang ZEEKR and Ningbo Geely will enter into the Joint Venture Contract, pursuant to which the board of directors of LYNK & CO shall consist of 3 directors, with Zhejiang ZEEKR appointing 2 directors, and Ningbo Geely appointing 1 director of LYNK & CO. LYNK & CO shall have 1 supervisor to be appointed by Ningbo Geely.

Further, pursuant to the terms of the Joint Venture Contract, the chief executive officer and chief financial officer of LYNK & CO shall be nominated by Zhejiang ZEEKR and appointed by the board of directors of LYNK & CO.

REASONS AND BENEFITS OF THE LYNK & CO CAPITAL INJECTION

Upon completion of the LYNK & CO Acquisition and the LYNK & CO Capital Injection, ZEEKR will hold 51% of LYNK & CO, resulting in the consolidation of the financial results of LYNK & CO into the consolidated financial statements of the ZEEKR Group and the Group respectively.

Following the consolidation of financial statements, the financial performance of the Group will provide a clearer representation of the financial impact of LYNK & CO's business on the Group.

Through the LYNK & CO Capital Injection, LYNK & CO can further invest in new model development, value-chain channel expansion and R&D, which will solidify its position in the hybrid market and further benefit the Group.

Having considered the foregoing, although the LYNK & CO Capital Injection is not entered into in the ordinary and usual course of business of the Group, the Board (excluding the independent non-executive Directors, whose views will be given after taking into account the advice from the Independent Financial Adviser) considers that the LYNK & CO Capital Injection is on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

EXEMPTED CONTINUING CONNECTED TRANSACTIONS

Components Procurement and R&D Services Agreement

To further enhance the driving technology system for new energy vehicles of the Group, the Company, ECARX (Hubei), Zhejiang HUANFU and Hangzhou Langge on 14 November 2024, entered into the Components Procurement and R&D Services Agreement, 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.

The principal terms of the Components Procurement and R&D Services Agreement are set out below:

Date

14 November 2024 (after trading hours)

Parties

(i) The Company;

(ii) ECARX (Hubei);

(iii) Zhejiang HUANFU; and

(iv) Hangzhou Langge

Subject matter

Pursuant to the Components Procurement and R&D Services Agreement, the Group conditionally agreed to procure automobile components and R&D services from the ECARX (Hubei) Group, the Zhejiang HUANFU Group and the Hangzhou Langge Group (collectively, the "**Suppliers Group**") for the use in new energy vehicles of the Group.

Term

Starting from the effective date of the Components Procurement and R&D Services Agreement and ending on 31 December 2027.

Conditions precedent to the Components Procurement and R&D Services Agreement

The rights and obligations of the parties to the Components Procurement and R&D Services Agreement will be subject to the fulfilment (or waiver, as applicable) of the following conditions precedent:

(a) the Company having obtained the required approvals and/or third party consents (including, without limitation, the approval of the shareholders of the Company), as applicable;

(b) in respect of the transactions contemplated under the Components Procurement and R&D Services Agreement, the Company has complied with the requirements under the Listing Rules and all other requirements of the Stock Exchange (if any); and

(c) the Suppliers Group having obtained the appropriate approvals (if required) in accordance with the rules and procedures to be followed by each of them.

The parties to the Components Procurement and R&D Services Agreement shall use their best endeavours to procure the fulfilment of the above conditions precedent, provided that the parties to the agreement may from time to time agree in writing to waive any of the conditions precedent. In the event that the above conditions precedent have not been satisfied by 30 June 2025 or such other date as the parties to the agreement may agree in writing, any party shall be entitled to terminate the Components Procurement and R&D Services Agreement forthwith.

Pricing basis

Procurement of the automobile components from the Suppliers Group:

The pricing basis will be determined on normal commercial terms and on an arm's length basis, at market price (if such market price is available) or at terms no less favourable than the terms offered by the Suppliers Group to independent third parties or offered by other independent third parties to the Group. If market price is not available, the selling price of the automobile components shall be calculated on a cost-plus basis according to the cost of supplying the automobile components by the Suppliers Group (inclusive of relevant taxes) plus an agreed margin rate. The margin rate is determined through arm's length negotiations between the relevant parties and falls 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.

Procurement of R&D services from the Suppliers Group:

The pricing basis will be determined on normal commercial terms and on an arm's length basis, at market price (if such market price is available) or at terms no less favourable than the terms on which similar services are provided by the Suppliers Group to independent third parties or offered by other independent third parties to the Group. If market price is not available, the selling price of the R&D

services shall be calculated on a cost-plus basis, i.e. based on the cost of the provision of R&D services by the Suppliers Group (inclusive of relevant taxes) plus an agreed margin rate. The margin rate is determined through arm's length negotiations between the relevant parties and falls 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.

Aggregated annual caps

The table below sets out the aggregated annual caps under the Components Procurement and R&D Services Agreement.

	Annual caps for the year ending 31 December		
	2025	**2026**	**2027**
	RMB million	*RMB million*	*RMB million*
Procurement of automobile components	5,527.063	5,676.705	5,679.396
Procurement of R&D services	860.218	754.150	810.493
Total:	6,387.281	6,430.855	6,489.889

Basis of determination of the aggregated annual caps

The proposed annual caps for the procurement of the automobile components were determined with reference to (i) the projected number of units of each type of automobile components for use mainly in the Geely brand vehicles, the LYNK & CO brand vehicles, the ZEEKR brand vehicles, etc.; (ii) the projected purchase price for each type of automobile components with reference to the prevailing market price or the estimated cost of such automobile components if market prices are not available; and (iii) the margin rate which falls 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 for the sole purpose of calculating the annual cap amounts.

The proposed annual caps for the procurement of the R&D services were determined with reference to (i) projected total staff hours required for each R&D service; (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 for the period from 1 January 2025 to 31 December 2027; and (v) the margin rate which falls 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 for the sole purpose of calculating the annual cap amounts.

The increase in the proposed annual caps for the purchase of automobile components for the two years ending 31 December 2027 is due to the expected stable increase in demand for these types of automobile components for use in the Geely brand vehicles, the LYNK & CO brand vehicles and the ZEEKR brand vehicles.

The decrease in the proposed annual cap for the procurement of the R&D services for the year ending 31 December 2026 is due to the expected completion of some research projects during the year of 2025. The increase in the proposed annual cap for the procurement of the R&D services for the year ending 31 December 2027 is due to the commencement of some research projects during the year of 2026.

REASONS AND BENEFITS OF ENTERING INTO THE COMPONENTS PROCUREMENT AND R&D SERVICES AGREEMENT

By entering into the Components Procurement and R&D Services Agreement, the Company seeks to secure a stable and reliable source of automobile components and R&D support for the manufacturing of new energy vehicles by leveraging on its relationships with the Suppliers Group. Moreover, the R&D services provided by the Suppliers Group grant the Group access to global R&D resources maintained by the Suppliers Group. The Components Procurement and R&D Services Agreement will facilitate the manufacturing of the Geely brand vehicles, the ZEEKR brand vehicles, the LYNK & CO brand vehicles, etc.

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

INTERNAL CONTROL MEASURES IN RELATION TO PRICING FOR THE COMPONENTS PROCUREMENT AND R&D SERVICES AGREEMENT

For the purchase of automobile components from the Suppliers Group, the Group will (i) obtain quotation of similar products from one or two independent third-party supplier(s); or (ii) obtain price information from publicly available sources to compare the prices offered by the Suppliers Group. The Group and the Suppliers Group will negotiate the terms of such transactions to ensure that the prices properly reflect the level of market prices of the automobile components in such transactions. If there are no such market rates, the Group and the Suppliers Group will review the cost components of the automobile components on an annual basis to ensure that the prices properly reflect the level of actual costs incurred by the suppliers group in such transactions.

The Group and the Suppliers Group will determine the margin rate of automobile components with reference to the respective transfer pricing analysis report prepared by an independent certified public accountant or a similarly qualified institution. The finance manager of the Group will review the scope of automobile components on an annual basis (or more frequently if it is determined necessary) to determine whether updated transfer pricing analysis reports should be obtained for the determination of the margin rate.

For the purchase of R&D services from the Suppliers Group, the finance department of the Group will compare the scope of the services and rates with the existing similar services provided by the independent suppliers of the Group (if any). If there are no such market rates, the finance department of the Group will review the relevant cost items incurred by the Suppliers Group for the relevant R&D services performed on an annual basis (or more frequently if it is determined necessary) and ensure the accuracy of such costs.

The Group and the Suppliers Group will determine the margin rate of R&D services with reference to the respective transfer pricing analysis report prepared by an independent certified public accountant or a similarly qualified institution. The finance manager of the Group will review the scope of the R&D services on an annual basis (or more frequently if it is determined necessary) to determine whether updated transfer pricing analysis reports should be obtained for the determination of the margin rate.

The Group will implement the following measures to ensure that the annual transaction amounts under the Components Procurement and R&D Services Agreement do not exceed the proposed annual caps for the respective years: the subsidiaries of the Company will record and report the continuing connected transaction amounts to the finance manager of the Group monthly. The finance manager of the Group will then compile the statistics on the amounts of continuing connected transactions and calculate the utilisation rate of the relevant annual cap on a monthly basis. These statistics will be submitted to the management of the Group for their review. If (i) the finance manager of the Group is informed by the relevant business department of the Company's subsidiaries that there will be a significant increase in the transaction volume of continuing connected transactions 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 of the proposed annual caps at any time during the year, the Group will either restrict the sales and/or purchase volume of automobile components and R&D Services to ensure that the respective annual caps under the Components Procurement and R&D Services 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.

Having considered the foregoing, the Directors are of the view that the Company has sufficient internal control measures to ensure that the proposed annual caps under the Components Procurement and R&D Services Agreement will not be exceeded.

The internal audit department of the Group will also conduct review (which is subject to the annual review and disclosure requirements under the Listing Rules) on the continuing connected transactions of the Company at least annually (or more frequently if it is determined necessary) to confirm whether the internal control measures have been adhered to and are effective. The independent non-executive Directors will also conduct review on the continuing connected transactions annually and confirm whether the transactions have been entered into in the ordinary and usual course of business of the Group; on normal commercial terms or better; and whether the transactions 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 on the pricing terms and annual caps thereof.

INFORMATION REGARDING 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, and investment holding.

ECARX (Hubei)

ECARX (Hubei) is owned as to more than 30% by Mr. Li and his associate as at the date of this announcement. ECARX (Hubei) is principally engaged in promoting the transformation of automotive intelligence and providing one-stop advanced intelligent vehicle solutions for global automotive manufacturers.

Geely Holding

Geely Holding is principally engaged in the sales of automobiles and related parts and components wholesale and retail business. As at the date of this announcement, Geely Holding is beneficially wholly-owned by Mr. Li and his associate. Mr. Li is an executive Director and a substantial shareholder holding approximately 41% of the issued share capital of the Company. Accordingly, Geely Holding is an associate of Mr. Li and a connected person of the Company for the purpose of the Listing Rules.

Hangzhou Langge

Hangzhou Langge is owned as to more than 30% by Mr. Li and his associate as at the date of this announcement. Hangzhou Langge is principally engaged in three segments: smart driving map service, human-computer co-driving navigation and smart driving data service, providing customers with smart driving map, fusion positioning, human-computer co-driving navigation, true value data service, compliance solutions and other products and services.

LYNK & CO

LYNK & CO is a Chinese-foreign-equity joint venture company established in the PRC and is owned as to 50% by Ningbo Geely, 20% by Geely Holding and 30% by VCI as at the date of this announcement. LYNK & CO is principally engaged in the manufacture and sale of LYNK & CO brand vehicles. It also provides after-sales parts.

Ningbo Geely

Ningbo Geely is an indirect wholly-owned subsidiary of the Company as at the date of this announcement. Ningbo Geely is principally engaged in investment holding.

VCI

VCI is an indirect wholly-owned subsidiary of Volvo Car AB (publ), and Volvo Car AB (publ) is an indirect non wholly-owned subsidiary Geely Holding as at the date of this announcement. VCI is principally engaged in assisting or acting as an agent for its invested enterprises to purchase the machinery, equipment, office equipment, raw materials, components, and parts required for production. It also helps these enterprises to sell products and provide after-sales services.

ZEEKR

ZEEKR is a limited liability company incorporated in the Cayman Islands and as at the date of this announcement, ZEEKR is owned as to approximately 51.5% (on a fully-diluted basis) by the Company, and is owned as to approximately 11.3% (on a fully-diluted basis) by Geely Holding. ZEEKR is a global premium electric mobility technology brand principally engaged in the research, development, and sale of intelligent electric vehicles and related services. Operating on its Sustainable Experience Architecture (SEA), ZEEKR develops proprietary technologies including battery systems, electric motors, and supply chain solutions, while aiming to create an integrated user ecosystem centered on innovation. It focuses on the high-end premium segment of the electric vehicle market under the ZEEKR brand.

Zhejiang HUANFU

Zhejiang HUANFU is owned as to more than 30% by Mr. Li and his associate as at the date of this announcement. Zhejiang HUANFU is principally engaged in technology services, technology development, technology consulting, technology exchange, technology transfer, information system integration services, software development, information consulting services, information technology consulting services, etc.

Zhejiang ZEEKR

Zhejiang ZEEKR is an indirect wholly-owned subsidiary of ZEEKR as at the date of this announcement. Zhejiang ZEEKR is principally engaged in the sale of vehicles.

IMPLICATIONS UNDER THE LISTING RULES

Discloseable and Connected Transactions

Each of (i) the LYNK & CO Acquisition; and (ii) the LYNK & CO Capital Injection constitutes a notifiable transaction under Chapter 14 of the Listing Rules. Given that the LYNK & CO Acquisition and the LYNK & CO Capital Injection are associated with each other, they are required to be aggregated pursuant to Rules 14.22 and 14.23 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the LYNK & CO Acquisition and the LYNK & CO Capital Injection, and on an aggregated basis, exceed 5% but all of which are less than 25%, the transactions contemplated under the LYNK & CO Acquisition and the LYNK & CO Capital Injection constitute discloseable transactions of the Company and are subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, Geely Holding is a substantial shareholder of the Company, and is ultimately owned by Mr. Li and his associates. Mr. Li is an executive Director and a substantial shareholder of the Company. As such, Geely Holding is a connected person of the Company under the Listing Rules.

As at the date of this announcement, ZEEKR is owned as to approximately 51.5% (on a fully-diluted basis) by the Company, and is owned as to approximately 11.3% (on a fully-diluted basis) by Geely Holding, and is therefore a connected subsidiary of the Company under the Listing Rules. Zhejiang ZEEKR is an indirect wholly-owned subsidiary of ZEEKR, and is therefore also a connected subsidiary of the Company under the Listing Rules.

As at the date of this announcement, VCI is an indirect wholly-owned subsidiary of Volvo Car AB (publ), and Volvo Car AB (publ) is an indirect non wholly-owned subsidiary of Geely Holding. As such, VCI is an associate of Geely Holding and a connected person of the Company under the Listing Rules.

As at the date of this announcement, LYNK & CO is owned as to 20% by Geely Holding and as to 30% by VCI. As such, LYNK & CO is a connected person of the Company under the Listing Rules.

Accordingly, the LYNK & CO Acquisition and the LYNK & CO Capital Injection constitute connected transactions of the Company under the Listing Rules.

Pursuant to Rule 14A.81 of the Listing Rules, the transactions contemplated under the LYNK & CO Acquisition and the LYNK & CO Capital Injection are aggregated. As one or more of the applicable percentage ratios, on an aggregated basis, in respect of the LYNK & CO Acquisition and the LYNK & CO Capital Injection, is more than 5%, the LYNK & CO Acquisition and the LYNK & CO Capital Injection also constitute connected transactions of the Company and are subject to the reporting, announcement, and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Mr. Li, Mr. Li Dong Hui, Daniel, Mr. Gui Sheng Yue, Ms. Wei Mei and Mr. Gan Jia Yue, each an executive Director, are considered to be interested in the LYNK & CO Acquisition and the LYNK & CO Capital Injection by virtue of their interests and/or directorships in Geely Holding, Volvo Car AB (publ) and/or ZEEKR. As a result, they have abstained from voting on the Board resolutions for approving the LYNK & CO Acquisition and the LYNK & CO Capital Injection.

Exempted Continuing Connected Transactions

As at the date of this announcement, ECARX (Hubei) is owned as to more than 30% by Mr. Li and his associate and therefore a connected person of the Company under the Listing Rules.

As at the date of this announcement, Zhejiang HUANFU is owned as to more than 30% by Mr. Li and his associate and therefore a connected person of the Company under the Listing Rules.

As at the date of this announcement, Hangzhou Langge is owned as to more than 30% by Mr. Li and his associate and therefore a connected person of the Company under the Listing Rules.

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.

Mr. Li is considered to be interested in the Exempted Continuing Connected Transactions by virtue of his interests in ECARX (Hubei), Zhejiang HUANFU and Hangzhou Langge. As a result, he has abstained from voting on the Board resolution for approving the Exempted Continuing Connected Transactions.

EGM

The EGM will be convened for the Independent Shareholders to consider, and if thought fit, approve (i) the LYNK & CO Acquisition; and (ii) the LYNK & CO Capital Injection and the respective transactions contemplated thereunder.

In accordance with the Listing Rules, Mr. Li, Mr. Li Dong Hui, Daniel, Mr. Gui Sheng Yue, Ms. Wei Mei and Mr. Gan Jia Yue, and their respective associates, will be required to abstain from voting on the resolutions to approve the LYNK & CO Acquisition and the LYNK & CO Capital Injection contemplated thereunder. In addition, Mr. An Cong Hui, the former executive Director and a director of ZEEKR, and his associates, will be required to abstain from voting on the resolutions to approve the LYNK & CO Acquisition and the LYNK & CO Capital Injection contemplated thereunder. Save as disclosed above, to the best of the knowledge, information and belief of the Directors, no other Shareholder who has a material interest in the LYNK & CO Acquisition and the LYNK & CO Capital Injection will be required to abstain from voting on the resolutions to approve the respective transactions contemplated thereunder at the EGM.

GENERAL

The Independent Board Committee has been formed to advise the Independent Shareholders with respect to the LYNK & CO Acquisition and the LYNK & CO Capital Injection, and the Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders on whether the terms of the LYNK & CO Acquisition and the LYNK & CO Capital Injection are fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

A circular containing, among other things, (i) further information about the LYNK & CO Acquisition and the LYNK & CO Capital Injection; (ii) the recommendation of the Independent Board Committee in respect of the LYNK & CO Acquisition and the LYNK & CO Capital Injection; (iii) the advice of the Independent Financial Adviser on the LYNK & CO Acquisition and the LYNK & CO Capital Injection; and (iv) other information as required under the Listing Rules together with the notice of the EGM, will be despatched to the Shareholders on or before 31 December 2024 (which is more than 15 business days after the publication of this announcement) after taking into account the time required for preparing and gathering the relevant information to be contained in the circular.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms have the meanings as respectively ascribed below:

"AMR"	the State Administration for Market Regulation (市場監督管理局) of the PRC or its competent local counterparts
"Board"	the board of Directors
"Business Day"	day (excluding Saturdays, Sundays and public holidays) on which banks are open for business in Hong Kong and the PRC (as the case may be)
"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 entered into between the Company, ECARX (Hubei), Zhejiang HUANFU and Hangzhou Langge on 14 November 2024, 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

"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	directors of the Company, each a "Director"
"EBIT"	earnings before interest and tax
"EBITDA"	earnings before interest, tax, depreciation and amortization
"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 is owned as to more than 30% by Mr. Li and his associate as at the date of this announcement
"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 LYNK & CO Acquisition and the LYNK & CO Capital Injection
"Exempted Continuing Connected Transactions"	the transactions contemplated under the Components Procurement and R&D Services Agreement
"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 is ultimately beneficially wholly-owned by Mr. Li and his associate as at the date of this announcement
"Geely Holding Group"	Geely Holding and its subsidiaries, but excluding the ZEEKR Group and the VCI Group
"Governmental Authority"	any nation or government or any province or state or local or any other political subdivision thereof, or any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality or any political subdivision thereof, any court or arbitrator, any arbitration tribunal, and any self-regulatory organization or national or international stock exchange
"Governmental Order"	any applicable order, ruling, decision, verdict, decree, writ, subpoena, mandate, precept, command, directive, consent, approval, award, judgment, injunction or other similar determination or finding by, before or under the supervision of any Governmental Authority

"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 is owned as to more than 30% by Mr. Li and his associate as at the date of this announcement
"Hangzhou Langge Group"	Hangzhou Langge and its subsidiaries
"HKD" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKFRS"	the Hong Kong Financial Reporting Standards
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	the independent committee of the Board, which comprises all the independent non-executive Directors, formed for the purpose of advising the Independent Shareholders on the LYNK & CO Acquisition and the LYNK & CO Capital Injection
"Independent Financial Adviser"	Quam Capital Limited appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the LYNK & CO Acquisition and the LYNK & CO Capital Injection
"Independent Shareholders"	Shareholders other than Mr. Li, Mr. Li Dong Hui, Daniel, Mr. Gan Jia Yue, Mr. Gui Sheng Yue, Ms. Wei Mei, Mr. An Cong Hui (as the case may be), and their respective associates
"Independent Valuer"	Jones Lang LaSalle Corporate Appraisal and Advisory Limited (仲量聯行企業評估及諮詢有限公司), an independent valuer appointed by the Company to assess the fair value of the entire equity interest of the LYNK & CO Group
"Joint Venture Contract"	the joint venture contract to be entered into between Ningbo Geely and Zhejiang ZEEKR to govern certain of their rights, duties and obligations in relation to their ownership of and relationship as shareholders of LYNK & CO

"Leakage"	means any of the following, excluding any Permitted Leakage: (i) any dividend or other distribution paid by the LYNK & CO Group in favor of Geely Holding or any member of the Geely Holding Group or VCI or any member of the VCI Group (excluding members of the LYNK & CO Group); (ii) any return of capital or any payment of principal of, or interest on, any loan or other debt obligation, except for the repayment of borrowings that have been reflected in the Locked Box Accounts and have become due during the Locked Box Period pursuant to the terms of such borrowings; (iii) any LYNK & CO Group company paying or assuming liability for any fees, costs or expenses of Geely Holding and VCI in connection with the LYNK & CO Acquisition; (iv) any release or waiver of any liability owed or any claims in favor of the Geely Holding Group or the VCI Group by the LYNK & CO Group; (v) any payment of any nature (including bonuses or other compensation of any kind) by the LYNK & CO Group for the benefit of the Geely Holding Group or the VCI Group, or its senior management, officers or directors; (vi) any transfer of assets to, or liabilities assured, guaranteed, indemnified, secured or incurred by the LYNK & CO Group for the benefit of the Geely Holding Group or the VCI Group; (vii) any agreement or arrangement to give effect to any of the matters referred to in paragraphs (i) to (vi) above; and (viii) any tax paid or payable by the LYNK & CO Group as a result of any of the matters referred to in (i) to (vi) above; in each case net of: any amount in respect of value-added tax which is recoverable as input tax by a LYNK & CO Group company; and with respect to such LYNK & CO Group company, any relief that arises or is available in connection with (i) to (viii) above
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Locked Box Accounts"	the unaudited consolidated financial statements of the LYNK & CO Group as of 30 September 2024
"Locked Box Period"	the period commencing from 1 October 2024 and ending on and including the LYNK & CO Acquisition Closing Date
"LPR"	the RMB Loan Prime Rate announced by the National Interbank Funding Center (全國銀行間同業拆借中心), which is a sub-institution affiliated with the People's Bank of China

"LYNK & CO"	領克汽車科技有限公司 (LYNK & CO Automotive Technology Co., Ltd.*), a Chinese-foreign-equity joint venture company established in the PRC, which is owned as to 50%, 20% and 30% by Ningbo Geely, Geely Holding and VCI respectively as at the date of this announcement
"LYNK & CO Acquisition"	the acquisition of the LYNK & CO Sale Shares by Zhejiang ZEEKR pursuant to the LYNK & CO Equity Transfer Agreement
"LYNK & CO Acquisition Closing Date"	the completion date of the LYNK & CO Acquisition
"LYNK & CO Acquisition Long Stop Date"	12 months after the date of the LYNK & CO Equity Transfer Agreement, or such date as may be agreed by Geely Holding, VCI, Zhejiang ZEEKR and LYNK & CO
"LYNK & CO Capital Injection"	the subscription of the LYNK & CO Increased Registered Capital by Zhejiang ZEEKR pursuant to the LYNK & CO Capital Injection Agreement
"LYNK & CO Capital Injection Agreement"	the capital injection agreement entered into between LYNK & CO, Zhejiang ZEEKR and Ningbo Geely on 14 November 2024, pursuant to which LYNK & CO conditionally agreed to issue and sell and Zhejiang ZEEKR conditionally agreed to subscribe and purchase from LYNK & CO the LYNK & CO Increased Registered Capital
"LYNK & CO Capital Injection Closing Date"	the completion date of the LYNK & CO Capital Injection
"LYNK & CO Capital Injection Long Stop Date"	12 months after the execution of the LYNK & CO Capital Injection Agreement, or such date as may be agreed by Zhejiang ZEEKR, Ningbo Geely and LYNK & CO
"LYNK & CO Equity Transfer Agreement"	the equity transfer agreement entered into between Geely Holding, VCI, Zhejiang ZEEKR and LYNK & CO on 14 November 2024, pursuant to which Geely Holding and VCI conditionally agreed to sell and Zhejiang ZEEKR conditionally agreed to purchase the LYNK & CO Sale Shares
"LYNK & CO Group"	LYNK & CO and its subsidiaries
"LYNK & CO Increased Registered Capital"	the newly increased registered capital of RMB153,061,225 of LYNK & CO, which is to be subscribed and purchased pursuant to the LYNK & CO Capital Injection Agreement

"LYNK & CO Sale Shares"	20% and 30% of the issued and paid-up equity interests in LYNK & CO, which are owned by Geely Holding (corresponding to the registered capital of RMB1,500,000,000 of LYNK & CO) and VCI (corresponding to the registered capital of RMB2,250,000,000 of LYNK & CO) respectively as at the date of this announcement
"Mr. Li"	Mr. Li Shu Fu, an executive Director and a substantial shareholder holding approximately 41% of the total issued share capital of the Company as at the date of this announcement
"NEV(s)"	new energy vehicle(s)
"Ningbo Geely"	寧波吉利汽車實業有限公司 (Ningbo Geely Automobile Industry Company Limited*), a limited liability company established in the PRC, which is indirect wholly-owned by the Company as at the date of this announcement
"NYSE"	the New York Stock Exchange
"percentage ratio(s)"	has the meaning ascribed to it under Rule 14.07 of the Listing Rules
"Permitted Leakage"	means (a) any payments made (or to be made) by the LYNK & CO Group which have been specifically accrued or provided for in the Locked Box Accounts; (b) any payments made (or to be made) by the LYNK & CO Group pursuant to existing agreements, provided that any such payments are made or arise in the ordinary course of business and consistent with past practice on an arm's length basis and reasonably necessary for its operation; (c) any payments in respect of salaries, directors' fees, pension contributions, expenses or bonuses made to, or in respect of services provided by, employees, workers, directors, officers or consultants of the LYNK & CO Group which are made (or to be made) in the ordinary course of business and in accordance with the terms of the related employment or service contract; (d) any other payment, accrual, transfer of assets or assumption of liability by the LYNK & CO Group which Zhejiang ZEEKR has expressly approved in writing; and (e) any tax payable by the LYNK & CO Group as a consequence of any of the matters referred to in (a) to (d)
"PRC"	the People's Republic of China, but for the purposes of this announcement only, excludes Hong Kong, Macau Special Administrative Region and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC

"R&D"	research and development
"Share(s)"	ordinary share(s) of HK$0.02 each in the share capital of the Company
"Shareholder(s)"	the holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Valuation Date"	30 September 2024
"VCI"	沃爾沃汽車(中國)投資有限公司 (Volvo Cars (China) Investment Co., Ltd.*), a limited liability company established in the PRC, which is an indirect wholly-owned subsidiary of Volvo Car AB (publ) as at the date of this announcement
"VCI Group"	VCI and its subsidiaries
"Volvo Car AB (publ)"	Volvo Car AB (publ), a limited liability company incorporated under the laws of Sweden (XSTO: VOLCAR B), which is an indirect non wholly-owned subsidiary of Geely Holding as at the date of this announcement
"ZEEKR"	ZEEKR Intelligent Technology Holding Limited (NYSE: ZK), a limited liability company incorporated in the Cayman Islands, which is an indirect non wholly-owned subsidiary of the Company as at the date of this announcement
"ZEEKR Group"	ZEEKR together with its subsidiaries
"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 is owned as to more than 30% by Mr. Li and his associate as at the date of this announcement
"Zhejiang HUANFU Group"	Zhejiang HUANFU and its subsidiaries
"Zhejiang Jirun"	浙江吉潤汽車有限公司 (Zhejiang Jirun Automobile Company Limited*), a limited liability company established in the PRC, which is an indirect 99% owned subsidiary of the Company as at the date of this announcement

"Zhejiang ZEEKR"	浙江極氪智能科技有限公司(Zhejiang ZEEKR Intelligent Technology Company Limited*), a limited liability company established in the PRC, which is an indirect wholly-owned subsidiary of ZEEKR as at the date of this announcement
"%"	per cent

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

Hong Kong, 14 November 2024

As at the date of this announcement, 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), Ms. Wei Mei, Mr. Gan Jia Yue and Mr. Mao Jian Ming, Moosa; and the independent non-executive directors of the Company are Mr. An Qing Heng, Mr. Wang Yang, Ms. Gao Jie, Ms. Yu Li Ping, Jennifer and Mr. Zhu Han Song.

* *For identification purposes only*