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京西重工國際有限公司

BEIJINGWEST INDUSTRIES INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2339)

CONNECTED TRANSACTION IN RESPECT OF TRANSFER OF ASSETS OWNERSHIP

On 15 July 2025 (after trading hours), BWI Poland (a wholly-owned subsidiary of the Company) entered into an Assets Ownership Transfer Agreement with BWI Indiana (a wholly-owned subsidiary of BWI BJ) pursuant to which BWI Poland agreed to purchase and BWI Indiana agreed to sell the Assets for the purpose of utilizing such Assets for producing passive dampers and SARC products at Poland plant at a total consideration of USD1,247,461 (equivalent to approximately HKD9,730,000).

As at the date of the Assets Ownership Transfer Agreement and this announcement, BWI BJ is interested as to approximately 61.75% of the issued share capital of the Company and therefore is the controlling shareholder and a connected person of the Company. As BWI Indiana is a wholly-owned subsidiary of BWI BJ, under Chapter 14A of the Listing Rules, BWI Indiana is a connected person of the Company. Accordingly, the transaction contemplated under the Assets Ownership Transfer Agreement constitutes connected transaction for the Company under the Listing Rules.

LISTING RULES IMPLICATIONS

As all applicable percentage ratios in respect of the transaction contemplated under the Assets Ownership Transfer Agreement are more than 0.1% but less than 5%, transaction contemplated under the Assets Ownership Transfer Agreement are subject to the reporting, and announcement requirements under the Listing Rules, but is exempt from the circular and shareholders' approval requirements under Chapter 14A of the Listing Rules.

THE ASSETS OWNERSHIP TRANSFER AGREEMENT

The principal terms of the Assets Ownership Transfer Agreement are set out below.

Date:	15 July 2025
Parties:	BWI Poland (as purchaser), a wholly-owned subsidiary of the Company BWI Indiana (as seller), a connected person of the Company under the Listing Rules
Subject matter:	BWI Poland will purchase the Assets, including Production Line I, Production Line II together with components, from BWI Indiana for the purpose of utilizing such Assets for producing passive dampers and SARC products at Poland plant
Consideration:	The total consideration under the Assets Ownership Transfer Agreement is USD1,247,461 (equivalent to approximately HKD9,730,000, of which (i) the consideration for Production Line I is USD350,000, (ii) the consideration for Production Line II is USD200,000, and (iii) the consideration for the components is USD697,461.
Payment Terms:	Payments for the Assets under the Assets Ownership Transfer Agreement shall be payable on the second day of the second month following the invoice date, based on normal commercial terms that are no less favourable to the Company than those available from Independent Third Parties.
Term:	The purchase of the Assets by BWI Poland from BWI Indiana shall be completed on or before 31 December 2025.

BASIS OF DETERMINATION OF THE CONSIDERATION

1. According to the Valuation Report I, the original cost of the Production Line I amounted to USD2,300,000. The consideration of the Production Line I has been arrived at after arm's length negotiations between the parties under the Assets Ownership Transfer Agreement with reference to the appraised value of USD350,000 as at the Valuation Date I as stated in the assets valuation report prepared by External Valuer, using the cost method.

2. According to the Valuation Report II, the original cost of the Production Line II amounted to USD1,700,000. The consideration of the Production Line II has been arrived at after arm's length negotiations between the parties under the Assets Ownership Transfer Agreement with reference to the appraised value of USD200,000 as at the Valuation Date II as stated in the assets valuation report prepared by External Valuer, using the cost method.

3. According to the information provided by BWI Indiana, the original cost of components amounted to USD697,461. The consideration of components has been arrived at after arm's length negotiations between the parties under the Assets Ownership Transfer Agreement with reference to the original value of USD697,461.

REASONS FOR AND BENEFITS OF THE ENTERING INTO THE ASSETS OWNERSHIP TRANSFER AGREEMENT

The Group is principally engaged in the manufacture, sale and trading of automotive parts and components, as well as provision of technical services in Europe. The Group's products are mainly utilized on premium passenger vehicles, which are manufactured by Poland plant. BWI BJ Group is principally engaged in the production and sale of vehicle parts and components in North America, the PRC and Mexico. Since 2014, the Group has been supplying auto parts and components to BWI BJ and/or its associates.

The Production Line I comprises specialised machineries and equipment designed solely for specific product assembly process. Concurrently, BWI Poland is considering upgrading its existing production line for its plant to meet the production needs of the latest designs of passive dampers. The acquisition of Production Line I will enable BWI Poland to fulfill new passive damper production demands without costly upgrades to existing lines, strengthening its competitiveness for future business opportunities.

In addition, the acquisition of Production Line II and the components will enable BWI Poland to achieve fully SARC assembly production capacity, driving revenue growth and strengthening the plant's financial performance.

Consequently, the transaction under the Assets Ownership Transfer Agreement not only enable the Group to achieve cost savings and enhance its competitiveness for future business opportunities but also pave the way for exploring new capabilities to increase revenue and strengthen the Group's financial performance.

Having taken into account of the above reasons and benefits, the Directors (including Independent Non-executive Directors) are of the view that the terms of the Assets Ownership Transfer Agreement are fair and reasonable, and the Assets Ownership Transfer Agreement is entered into on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Group and the Shareholders as a whole.

GENERAL

The Group is principally engaged in the manufacture, sale and trading of automotive parts and components, as well as provision of technical services in Europe.

As at the date of this announcement, BWI BJ, through its wholly-owned subsidiary, is interested as to approximately 61.75% of the issued share capital of the Company and therefore is the controlling shareholder and a connected person of the Company. As BWI Indiana is a wholly-owned subsidiary of BWI BJ, under Chapter 14A of the Listing Rules, BWI Indiana is a connected person of the Company. Accordingly, the transaction contemplated under the Assets Ownership Transfer Agreement constitutes a connected transaction for the Company under the Listing Rules.

BWI BJ Group is principally engaged in the production and sale of vehicle parts and components in North America, the PRC and Mexico. BWI BJ was established under the laws of the PRC with limited liability on 23 March 2009.

As at the date of this announcement, BWI BJ is held as to 84.34% by BWI Group Limited *(張家口京西智行科技集團有限公司) (formerly known as BeijingWest Smart Mobility Zhangjiakou Automotive Electronic Co., Ltd.* (京西智行張家口汽車電子有限公司)). The largest shareholder of BWI Group Limited is Zhangjiakou Industrial Investment Holding Group Co. Ltd.* (張家口產業投資控股集團有限公司) ("**Zhangjiakou Industrial Investment**") which indirectly owns a total of approximately 55.02% equity interest in BWI Group Limited. Zhangjiakou Industrial Investment is 48.13% indirectly held by Zhangjiakou Guokong Asset Management Group Co., Ltd.* (張家口國控資產管理集團有限公司) ("**Zhangjiakou Guokong**"). Zhangjiakou Guokong is a state-owned enterprise established in the PRC on 20 June 2017 which is supervised by the State-owned Assets Supervision and Administration Commission of the People's Government of Zhangjiakou Municipality (張家口市人民政府國有資產監督管理委員會). As set out on the website of Zhangjiakou Industrial Investment, its operations are primarily related to equity investment, asset management, financial services and industrial development.

At the Board meeting held to approve the Assets Ownership Transfer Agreement and the transaction contemplated thereunder, Mr. Dong Xiaojie, Mr. Liu Xihe and Mr. Xi Jianpeng, by virtue of their connection with BWI BJ and its associate, have abstained from voting on the relevant Board resolution to approve the Assets Ownership Transfer Agreement and the transaction contemplated thereunder. The remaining Directors present at the Board meeting for approving the Assets Ownership Transfer Agreement and the transaction contemplated thereunder are of the view that the terms of the Assets Ownership Transfer Agreement are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

As all applicable percentage ratios in respect of the transaction contemplated under the Assets Ownership Transfer Agreement are more than 0.1% but less than 5%, transactions contemplated under the Assets Ownership Transfer Agreement are subject to the reporting and announcement requirements under the Listing Rules, but is exempt from the circular and shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

"Assets"	collectively, the Production Line I, the Production Line II, and components for SARC production purpose
"Assets Ownership Transfer Agreement"	the assets ownership transfer agreement entered into between BWI Poland and BWI Indiana on 15 July 2025 in relation to the purchase of the Assets by BWI Poland from BWI Indiana
"associate(s)"	has the same meaning ascribed to it under the Listing Rules

"Board"	the board of Directors
"BWI BJ"	BWI (Beijing) Limited* (京西智行(北京)汽車電子科技有限公司), a company incorporated in the PRC, a controlling shareholder of the Company
"BWI BJ Group"	BWI BJ and its subsidiaries (other than the Group) from time to time
"BWI Indiana"	BWI Indiana, Inc., a company incorporated in the USA, a wholly-owned subsidiary of BWI BJ
"BWI Poland"	BWI Poland Technologies sp.z.o.o., a company incorporated in the Poland, a wholly-owned subsidiary of the Company
"Company"	BeijingWest Industries International Limited (京西重工國際有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
"connected person"	has the same meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the same meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"External Valuer"	Thompson Auctioneers, Inc., an independent valuer
"Group"	the Company and its subsidiaries
"HKD" or "HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region and Taiwan

"Production Line I"	certain production line including machineries and equipment currently used by BWI Indiana for passive dampers production purpose
"Production Line II"	certain production line including machineries and equipment currently used by BWI Indiana for SARC production purpose
"SARC"	Semi-Active Roll Control
"Shareholders"	holders of the ordinary shares of HK$0.1 each in the capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"USD"	U.S. dollars, the lawful currency of the United States
"Valuation Date I"	9 March 2025
"Valuation Date II"	6 June 2025
"Valuation Report I"	a valuation report dated 9 March 2025 issued by External Valuer
"Valuation Report II"	a valuation report dated 6 June 2025 issued by External Valuer
"%"	per cent.

* *For identification purpose only*

By Order of the Board
BeijingWest Industries International Limited
Dong Xiaojie
Chairman

15 July 2025

As at the date of this announcement, the Board comprises Mr. Dong Xiaojie (Chairman), Mr. Liu Xihe (Executive Director), Mr. Xi Jianpeng (Executive Director), Mr. Wong Foreky (Independent Non-executive Director), Mr. Lo, Gordon (Independent Non-executive Director) and Ms. Peng Fan (Independent Non-executive Director).