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

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

(Stock Code: 01316)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2014

HIGHLIGHTS

- Revenue increased by approximately 24.8% to US$2,978.1 million (2013: US$2,386.8 million)
- Gross profit increased by approximately 23.7% to US$420.0 million (2013: US$339.4 million)
- Profit attributable to equity holders of the Company increased by approximately 47.8% to US$161.4 million (2013: US$109.2 million)
- Maintained strong backlog of booked business at approximately US$9.0 billion

The board of directors (the **Board**) of Nexteer Automotive Group Limited (the **Company**) announces that the consolidated results of the Company and its subsidiaries (the **Group**) for the year ended December 31, 2014, together with the comparative figures for 2013, are as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended December 31, 2014

	Notes	For the year ended December 31, 2014 US$'000	2013 US$'000
Revenue	2	**2,978,068**	2,386,823
Cost of sales	3	**(2,558,070)**	(2,047,417)
Gross profit		**419,998**	339,406
Engineering and product development costs	3	**(80,070)**	(73,297)
Selling and distribution expenses	3	**(8,280)**	(8,493)
Administrative expenses	3	**(89,165)**	(80,808)
Other losses, net	4	**(5,587)**	(3,780)
Operating profit		**236,896**	173,028
Finance income	5	**1,912**	1,277
Finance costs	5	**(23,495)**	(23,047)
Finance costs, net		**(21,583)**	(21,770)
Share of loss of a joint venture		**(717)**	–
Profit before income tax		**214,596**	151,258
Income tax expense	6	**(51,339)**	(40,337)
Profit for the year		**163,257**	110,921
Attributable to:			
Equity holders of the Company		**161,398**	109,191
Non-controlling interests		**1,859**	1,730
		163,257	110,921
Earnings per share for profit attributable to equity holders of the Company for the year (expressed in US$ per share)			
– Basic and diluted	7	**$0.06**	$0.06
Dividend	8	**32,280**	21,838

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended December 31, 2014

	For the year ended December 31, 2014 US$'000	2013 US$'000
Profit for the year	**163,257**	110,921
Other comprehensive (loss)/income		
Items that will not be reclassified to profit or loss		
Actuarial (losses)/gains on defined benefit plans, net of tax of US$794,000 (2013: (US$477,000))	**(1,797)**	1,453
Items that may be reclassified subsequently to profit or loss		
Exchange differences	**(23,717)**	1,698
Cash flow hedge	**(56)**	–
	(25,570)	3,151
Total comprehensive income for the year	**137,687**	114,072
Attributable to:		
Equity holders of the Company	**136,330**	111,907
Non-controlling interests	**1,357**	2,165
	137,687	114,072

CONSOLIDATED STATEMENT OF BALANCE SHEET
As at December 31, 2014

	Notes	As at December 31, 2014 US$'000	2013 US$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**625,924**	562,540
Land use rights		**689**	732
Intangible assets		**343,827**	271,358
Deferred income tax assets		**29,908**	23,320
Other receivables and prepayments		**10,410**	8,021
Investment in a joint venture		**5,645**	–
		1,016,403	865,971
Current assets			
Inventories		**226,049**	185,323
Trade receivables	*9*	**525,225**	363,932
Other receivables and prepayments		**93,291**	71,565
Derivative financial instruments		**–**	462
Restricted bank deposits		**772**	3,816
Cash and cash equivalents		**380,173**	314,120
		1,225,510	939,218
Total assets		**2,241,913**	1,805,189

CONSOLIDATED STATEMENT OF BALANCE SHEET *(Continued)*
As at December 31, 2014

	Note	As at December 31, 2014 US$'000	2013 US$'000
EQUITY			
Capital and reserves attributable to equity holders			
Share capital		**32,222**	32,222
Other reserves		**318,114**	361,799
Retained earnings		**333,283**	173,682
		683,619	567,703
Non-controlling interests		**24,400**	23,043
Total equity		**708,019**	590,746
LIABILITIES			
Non-current liabilities			
Borrowings		**634,012**	458,377
Retirement benefits and compensations		**29,960**	25,614
Deferred income tax liabilities		**42,696**	28,347
Derivative financial instruments		**543**	–
Provisions		**54,458**	42,423
Deferred revenue		**82,452**	65,232
Other payables and accruals		**7,908**	2,904
		852,029	622,897
Current liabilities			
Trade payables	*10*	**438,975**	336,476
Other payables and accruals		**77,341**	72,308
Current income tax liabilities		**14,072**	19,083
Retirement benefits and compensations		**2,757**	2,116
Derivative financial instruments		**3,484**	–
Provisions		**26,013**	18,494
Deferred revenue		**22,253**	13,430
Borrowings		**96,970**	129,639
		681,865	591,546
Total liabilities		**1,533,894**	1,214,443
Total equity and liabilities		**2,241,913**	1,805,189
Net current assets		**543,645**	347,672
Total assets less current liabilities		**1,560,048**	1,213,643

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2014

	Attributable to equity holders of the Company								Non-controlling interests	
	Share capital	Share premium	Merger reserve	Share-based compensation reserve	Exchange reserve	Hedging reserve	Retained earnings	Sub-total		Total
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Balance at January 1, 2013	–	–	113,000	–	(5,107)	–	63,038	170,931	20,878	191,809
Comprehensive income										
Profit for the year	–	–	–	–	–	–	109,191	109,191	1,730	110,921
Other comprehensive income										
Exchange differences	–	–	–	–	1,263	–	–	1,263	435	1,698
Actuarial gains on defined benefit plans, net of tax	–	–	–	–	–	–	1,453	1,453	–	1,453
Total other comprehensive income	–	–	–	–	1,263	–	1,453	2,716	435	3,151
Total comprehensive income	–	–	–	–	1,263	–	110,644	111,907	2,165	114,072
Transactions with owners										
Capitalisation issue	21,672	(21,672)	–	–	–	–	–	–	–	–
Issuance of new shares	10,550	284,857	–	–	–	–	–	295,407	–	295,407
Share issuance cost	–	(10,542)	–	–	–	–	–	(10,542)	–	(10,542)
	32,222	252,643	–	–	–	–	–	284,865	–	284,865
Balance at December 31, 2013	32,222	252,643	113,000	–	(3,844)	–	173,682	567,703	23,043	590,746
Comprehensive income										
Profit for the year	**–**	**–**	**–**	**–**	**–**	**–**	**161,398**	**161,398**	**1,859**	**163,257**
Other comprehensive loss										
Exchange differences	**–**	**–**	**–**	**–**	**(23,215)**	**–**	**–**	**(23,215)**	**(502)**	**(23,717)**
Actuarial losses on defined benefit plans, net of tax	**–**	**–**	**–**	**–**	**–**	**–**	**(1,797)**	**(1,797)**	**–**	**(1,797)**
Cash flow hedge	**–**	**–**	**–**	**–**	**–**	**(56)**	**–**	**(56)**	**–**	**(56)**
Total other comprehensive loss	**–**	**–**	**–**	**–**	**(23,215)**	**(56)**	**(1,797)**	**(25,068)**	**(502)**	**(25,570)**
Total comprehensive (loss)/income	**–**	**–**	**–**	**–**	**(23,215)**	**(56)**	**159,601**	**136,330**	**1,357**	**137,687**
Transactions with owners										
Value of employee services provided under share option scheme	**–**	**–**	**–**	**1,240**	**–**	**–**	**–**	**1,240**	**–**	**1,240**
Dividends paid to shareholders	**–**	**(21,654)**	**–**	**–**	**–**	**–**	**–**	**(21,654)**	**–**	**(21,654)**
	–	**(21,654)**	**–**	**1,240**	**–**	**–**	**–**	**(20,414)**	**–**	**(20,414)**
Balance at December 31, 2014	**32,222**	**230,989**	**113,000**	**1,240**	**(27,059)**	**(56)**	**333,283**	**683,619**	**24,400**	**708,019**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2014

1 GENERAL INFORMATION

Nexteer Automotive Group Limited (the **Company**) was incorporated in the Cayman Islands on August 21, 2012 as an exempted company with limited liability under Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. The Company, together with its subsidiaries (collectively referred to as the **Group**), are principally engaged in the design and manufacture of steering and driveline systems and components for automobile manufacturers and other automotive-related companies. The Group's primary operations are in the United States of America (**USA** or **US**), Mexico, Poland and the People's Republic of China (**China**) and it is structured to supply its customers globally. The principal markets for the Group's products are North America, Europe and China.

The Company's directors regard Aviation Industry Corporation of China (**AVIC**), a company established in China, as being the ultimate holding company of the Company.

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since October 7, 2013 (the **Listing Date**).

Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (**IFRS**) issued by the International Accounting Standards Board (**IASB**). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of derivative financial instruments at fair value through profit or loss.

These consolidated financial statements are prepared in accordance with the applicable requirements of the predecessor Companies Ordinance (Cap. 32) for this financial year and the comparative period.

These financial statements are presented in thousands of US dollars (**US$'000**), unless otherwise stated. These financial statements have been approved for issue by the Board of Directors on March 11, 2015.

New/revised standards, amendments to standards and interpretations

(a) New and amended standards adopted by the Group

The following standards have been adopted by the Group for the first time for the financial year beginning on January 1, 2014:

- Amendment to IAS 32 "Financial instruments: Presentation on asset and liability offsetting" is to the application guidance in IAS 32 "Financial instruments: Presentation" and clarifies some of the requirements for offsetting financial assets and financial liabilities on the balance sheet.

- Amendment to IAS 36 "Impairment of assets" addresses the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

- Amendment to IAS 39 "Financial Instruments: Recognition and measurement" on the novation of derivatives and the continuation of hedge accounting. This amendment considers legislative changes to 'over-the-counter' derivatives and the establishment of central counterparties. Under IAS 39 novation of derivatives to central counterparties would result in discontinuance of hedge accounting. The amendment provides relief from discontinuing hedge accounting when novation of a hedging instrument meets specified criteria. The Group has applied the amendment and there has been no significant impact on the Group financial statements as a result.

- IFRIC 21 "Levies" is an interpretation on the accounting for levies imposed by governments. IFRIC 21 is an interpretation of IAS 37 "Provisions, contingent liabilities and contingent assets". IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

(b) New and amended standards and interpretations not yet adopted

Certain new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2014 and have not been applied in these financial statements.

- Amendment to IAS 19 regarding defined benefit plans: employee contributions (effective for annual periods beginning on or after July 1, 2014) applies to contributions from employees or third parties to defined benefit plans. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period. The amendment allows contributions that are linked to service, and do not vary with the length of employee service, to be deducted from the cost of benefits earned in the period that the service is provided. Contributions that are linked to service, and vary according to the length of employee service, must be spread over the service period using the same attribution method that is applied to the benefits.

- IFRS 14 "Regulatory deferral accounts" (effective for annual periods beginning on or after January 1, 2016) describes regulatory deferral account balances as amounts of expense or income that would not be recognised as assets or liabilities in accordance with other standards, but that qualify to be deferred in accordance with IFRS 14 because the amount is included, or is expected to be included, by the rate regulator in establishing the price(s) that an entity can charge to customers for rate-regulated goods or services.

- Amendment to IFRS 11 on accounting for acquisitions of interests in joint operations (effective for annual periods beginning on or after January 1, 2016) requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a 'business' as defined in IFRS 3 Business combinations.

- Amendments to lAS 16 and lAS 38 on clarification of acceptable methods of depreciation and amortisation (effective for annual periods beginning on or after January 1, 2016) clarify when a method of depreciation or amortisation based on revenue may be appropriate. The amendment to lAS 16 clarifies that depreciation of an item of property, plant and equipment based on revenue generated by using the asset is not appropriate. The amendment to IAS 38 establishes a rebuttable presumption that amortisation of an intangible asset based on revenue generated by using the asset is inappropriate.

- Amendments to IFRS 10 and lAS 28 on sale or contribution of assets between an investor and its associate or joint venture (effective for annual periods beginning on or after January 1, 2016) address an inconsistency between IFRS 10 and lAS 28 in the sale and contribution of assets between an investor and its associate or joint venture. A full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if those assets are in a subsidiary.

- Amendment to IAS 27 on equity method in separate financial statements (effective for annual periods beginning on or after January 1, 2016) allows entities to use equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.

- Amendments to IAS 1 for the disclosure initiative (effective for annual periods beginning on or after January 1, 2016) clarify guidance in IAS1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.

- IFRS 15, "Revenue from contracts with customers" (effective from annual periods beginning on or after January 1, 2017) deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 "Revenue" and IAS 11 "Construction Contracts" and related interpretations.

- IFRS 9 "Financial instruments" (effective for annual periods beginning on or after January 1, 2018) addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than in the income statement, unless this creates an accounting mismatch.

The Group is assessing the impact of these changes.

2 SEGMENT INFORMATION

The Group's segment information is presented on the basis of internal reports that are regularly reviewed by the Group's Chief Executive Officer (the **CEO**), in order to allocate resources to the segments and assess their performance. For each of the Group's reportable segments, the Group's CEO reviews internal management reports on a quarterly basis, at a minimum.

The Group classifies its businesses into four reportable segments: North America, Europe, China and Rest of World. All of the Group's operating segments typically offer the same driveline and steering products. The "Others" category represents parent company activities of the Company and its directly held subsidiaries PCM (US) Steering Holding Inc. and PCM (Singapore) Steering Holding Pte. Limited.

The key performance indicators that the Group monitors to manage segment operations are:

- Adjusted EBITDA, which represents operating income before interest, taxes, depreciation and amortisation and share of loss of a joint venture.

- Net working capital (**NWC**), which represents inventory and trade receivables net of trade payables. This measures the Group's net investment in operating assets for each segment. NWC includes trade payables and receivables between related companies.

Information about reportable segments and reconciliations of reportable segment revenues is as follows:

	North America	**China**	**Europe**	**Rest of World**[(1)]	**Others**	**Total**
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
For the year ended December 31, 2014						
Total revenue	**2,082,418**	**475,349**	**380,305**	**119,352**	**–**	**3,057,424**
Inter-segment revenue	**(40,443)**	**(7,257)**	**(17,114)**	**(14,542)**	**–**	**(79,356)**
Revenue from external customers	**2,041,975**	**468,092**	**363,191**	**104,810**	**–**	**2,978,068**
Adjusted EBITDA	**232,176**	**72,431**	**43,253**	**1,217**	**6,640**	**355,717**
NWC	**200,367**	**88,597**	**13,021**	**14,590**	**(4,276)**	**312,299**
For the year ended December 31, 2013						
Total revenue	1,731,075	269,876	326,521	140,249	–	2,467,721
Inter-segment revenue	(34,275)	(8,096)	(23,526)	(15,001)	–	(80,898)
Revenue from external customers	1,696,800	261,780	302,995	125,248	–	2,386,823
Adjusted EBITDA	185,027	22,484	42,374	(9,276)	6,115	246,724
NWC	161,821	12,599	41,866	(3,716)	209	212,779

Note:

(1) Includes Brazil, India, Korea and Australia.

The 2013 segment EBITDA was adjusted to conform with current year presentation.

Revenue between segments are carried out at arm's length. The revenue from external parties reported to the Group's CEO is measured in a manner consistent with that in the income statement.

Reconciliations of reportable segment net income to those as determined under IFRS are as follows:

	For the year ended December 31, 2014 US$'000	2013 US$'000
Adjusted EBITDA from reportable segments	**355,717**	246,724
Depreciation and amortisation expenses	**(118,821)**	(73,696)
Finance costs, net	**(21,583)**	(21,770)
Share of loss of a joint venture	**(717)**	–
Profit before income tax	**214,596**	151,258

In presenting information on the basis of geography, segment revenue is based on the geographical location of subsidiaries and segment assets are based on geographical location of the assets.

Adjusted EBITDA includes a non-cash component for deferred revenue amortisation. For the year ended December 31, 2014, the North America segment and China segment recognised US$15,758,000 (2013: US$6,484,000) and US$1,317,000 (2013: US$890,000).

The geographic distribution of revenue for the years ended December 31, 2014 and 2013 is as follows:

	For the year ended December 31, 2014 US$'000	2013 US$'000
North America	**2,041,975**	1,696,800
Europe:		
Poland	**357,336**	297,591
Rest of Europe	**5,855**	5,404
China	**468,092**	261,780
Rest of world	**104,810**	125,248
	2,978,068	2,386,823

The geographic distribution of non-current assets excluding deferred income tax assets as at December 31, 2014 and 2013 respectively is as follows:

	As at December 31, 2014 US$'000	2013 US$'000
North America	**729,801**	603,319
Europe:		
Poland	**87,109**	100,181
Rest of Europe	**2,819**	2,874
China	**151,831**	118,665
Rest of world	**14,935**	17,612
	986,495	842,651

Distribution of revenue between product lines for the years ended December 31, 2014 and 2013 is as follows:

	For the year ended December 31, 2014		For the year ended December 31, 2013	
	US$'000	***%***	*US$'000*	*%*
Steering				
Electric Power Steering (**EPS**)	**1,668,140**	**56.0**	1,084,612	45.4
Hydraulic Power Steering (**HPS**)	**183,054**	**6.1**	319,928	13.4
Column and Intermediate Shafts (**CIS**)	**583,082**	**19.6**	512,539	21.5
Driveline	**543,792**	**18.3**	469,744	19.7
	2,978,068	**100**	2,386,823	100

Revenues from customers amounting to 10 percent or more of the Group's revenue are as follows and reported in all segments:

	For the year ended December 31,	
	2014	2013
	US$'000	*US$'000*
General Motors Group and its affiliates	**1,604,536**	1,284,360
Customer A	**501,362**	261,795
Customer B	**303,798**	242,062
	2,409,696	1,788,217

3 EXPENSE BY NATURE

	For the year ended December 31,	
	2014	2013
	US$'000	*US$'000*
Raw materials used	**1,724,202**	1,368,452
Changes in inventories of finished goods and work-in-progress	**6,827**	(3,794)
Employee benefit costs	**449,902**	400,470
Temporary labour costs	**75,343**	68,281
Restructuring costs	**(253)**	(382)
Supplies and tools	**153,176**	145,232
Depreciation on property, plant and equipment	**80,258**	56,909
Amortisation on		
– land use rights	**25**	26
– intangible assets	**38,538**	16,761
Impairment charges/(reversal of provisions) on		
– inventories	**3,897**	2,944
– receivables *(note 9)*	**(125)**	(94)
Utilities	**38,270**	34,988
Transportation expenses	**11,357**	8,475
Operating lease expenses	**12,343**	12,188
Warranty expenses	**37,178**	15,002
Auditors' remuneration	**2,239**	2,647
Listing expenses	**–**	3,349
Others	**102,408**	78,561
Total cost of sales, engineering and product development costs, selling and distribution, and administrative expenses	**2,735,585**	2,210,015

For the year ended December 31, 2013, a classification error related to expense categories has been corrected in the figures above.

4 OTHER LOSSES, NET

	For the year ended December 31,	
	2014	2013
	US$'000	*US$'000*
Foreign exchange losses	**201**	2,675
Loss on disposal of property, plant and equipment	**678**	1,534
Fair value losses/(gains) on derivative financial instruments	**4,433**	(462)
Others	**275**	33
	5,587	3,780

5 FINANCE COSTS, NET

	For the year ended December 31,	
	2014	2013
	US$'000	*US$'000*
Finance income		
Interest on bank deposits	**1,912**	1,277
Finance costs		
Interest expense on bank borrowings		
– Wholly repayable within 5 years	**6,851**	10,573
– Not wholly repayable within 5 years	**17,643**	18,210
Interest on notes		
– Not wholly repayable within 5 years	**1,836**	–
	26,330	28,783
Interest on finance leases	**60**	67
Realised losses on interest rate swap	**56**	–
Other finance costs	**1,709**	1,442
	28,155	30,292
Less: amount capitalised in qualifying assets	**(4,660)**	(7,245)
	23,495	23,047
Finance costs, net	**21,583**	21,770

6 INCOME TAX EXPENSE

	For the year ended December 31,	
	2014	2013
	US$'000	*US$'000*
Current income tax	**48,024**	21,808
Deferred income tax	**3,315**	18,529
	51,339	40,337

Taxation on the Group's profits has been calculated on the estimated assessable profits for the years at the statutory rates of 35%, 25% and 19% in US, China and Poland, respectively, from where the Group's profits were mainly generated.

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the combined entities as follows:

	For the year ended December 31,	
	2014	2013
	US$'000	*US$'000*
Profit before income tax	**214,596**	151,258
Tax calculated at rates applicable to profits in respective countries	**63,440**	50,388
Expenses not deductible for tax purposes	**4,589**	5,078
Non-taxable income	**(7,042)**	(4,893)
Tax credits *(note (i))*	**(6,881)**	(11,658)
Preferential rates due to tax holidays *(note (ii))*	**(9,423)**	(8,597)
Tax losses and deductible temporary differences for which no deferred tax was recognised	**3,454**	2,715
US state and withholding taxes	**3,604**	5,642
Others	**(402)**	1,662
Tax charge	**51,339**	40,337

Notes:

(i) Mainly represents tax benefits granted for research and experimentation activities in the US. In addition, the US legislation allowing the recognition of the research credit for 2012 was not enacted until January 2, 2013. Therefore, the tax benefit for the research credit for both 2012 and 2013 are recognised in 2013.

(ii) Derived mainly from profits subject to preferential tax rate in China through 2015 for high-technology enterprises and income tax exemption up to 2026 for the Group's investment in Special Economic Zones in Poland according to the relevant Polish tax rules.

7 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	For the year ended December 31,	
	2014	2013
Profit attributable to the equity holders of the Company (US$'000)	**161,398**	109,191
Weighted average number of ordinary shares in issue (thousands)	**2,497,804**	1,867,329
Basic earnings per share (in US$)	**0.06**	0.06

In determining the number of ordinary shares in issue for the year ended December 31, 2013, the 1,679,999,999 shares issued and allotted through capitalisation of the share premium account of the Company on October 4, 2013, had been regarded as if these shares were in issue since January 1, 2013.

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Diluted earnings per share is the same as basic earnings per share because all of the Company's potential ordinary shares are anti-dilutive.

	For the year ended December 31,	
	2014	2013
Diluted earnings per share (in US$)	**0.06**	0.06

8 DIVIDENDS

	For the year ended December 31,	
	2014	2013
	US$'000	*US$'000*
Final dividend, proposed of US$0.013 (2013: US$0.0087) per share	**32,280**	21,838

This final dividend was proposed by the directors at a meeting held on the date of approval of these financial statements, which is not reflected as a dividend payable in these financial statements. The dividend would be paid out of the share premium account of the Company for the year ending December 31, 2015.

9 TRADE RECEIVABLES

	As at December 31,	
	2014	2013
	US$'000	*US$'000*
Trade receivables, gross	**527,848**	366,836
Less: provision for impairment	**(2,623)**	(2,904)
	525,225	363,932

Credit terms range primarily from 30–90 days after the invoice date depending on the customer and the geographical region. Ageing analysis of trade receivables based on credit terms is as follows:

	As at December 31,	
	2014	2013
	US$'000	*US$'000*
Not overdue	**489,286**	344,212
Overdue up to 30 days	**26,182**	11,606
Overdue 30 to 60 days	**8,512**	6,267
Overdue 60 to 90 days	**2,295**	1,608
Overdue over 90 days	**1,573**	3,143
	527,848	366,836

Trade receivables of US$35,939,000 were past due but not impaired as at December 31, 2014 (December 31, 2013: US$19,720,000). These relate mainly to a number of customers for whom there is no history of default. The ageing analysis of these past due but not impaired receivables is as follows:

	As at December 31,	
	2014	2013
	US$'000	*US$'000*
Overdue up to 30 days	**26,182**	11,606
Overdue 30 to 60 days	**8,512**	6,267
Overdue 60 to 90 days	**1,245**	1,608
Overdue over 90 days	**–**	239
	35,939	19,720

The provision for impairment of receivables includes estimates and assessments of individual receivables based on the creditworthiness of the respective customer, current economic developments, and the analysis of historical losses on receivables. The creditworthiness of a customer is assessed on their payment history and ability to make repayments and customer credit rating from third party rating agencies.

Trade receivables of US$2,623,000 were impaired as at December 31, 2014 on which full provision was made (2013: US$2,904,000). These individually impaired receivables are relatively long overdue.

Movement on the provision for impairment of trade receivables is as follows:

	For the year ended December 31,	
	2014	2013
	US$'000	*US$'000*
As at January 1	**2,904**	2,944
Reversal of provision	**(125)**	(94)
Exchange differences	**(156)**	54
As at December 31	**2,623**	2,904

The carrying amounts of trade receivables pledged as collateral were US$268,768,000 as at December 31, 2014 (December 31, 2013: US$302,791,000).

10 TRADE PAYABLES

Ageing analysis of trade payables based on credit terms is as follows:

	As at December 31,	
	2014	2013
	US$'000	*US$'000*
Not overdue	**407,308**	313,553
Overdue up to 30 days	**15,895**	9,506
Overdue 30 to 60 days	**5,875**	4,725
Overdue 60 to 90 days	**2,784**	2,968
Overdue over 90 days	**7,113**	5,724
	438,975	336,476

11 SUBSEQUENT EVENT

In February 2015, the Company detected contingent warranty related risks which we deem probable of occurrence. In the event, the related customers require product replacement the associated costs of the financial liability are estimated to be US$6,000,000 based upon an internal analysis, however that estimate could change based upon resolution with the customer. The potential cost associated with the parts subject to replacement which were produced and delivered in 2014 are immaterial to the consolidated financial statements as of and for the year ended December 31, 2014.

BUSINESS REVIEW

GLOBAL AUTOMOTIVE MARKET

The growing global automotive market continues to drive demand in steering and driveline systems. Global light vehicle production increased by 3.4% from 84.47 million units in 2013 to 87.37 million units in 2014, achieving a new record high in this segment. Driven by continued increasing demand for vehicle ownership, China light vehicle production was at 22.98 million units in 2014, up 8.7% or 1.83 million units over the 21.15 million units produced in 2013. North America recorded the fourth consecutive year of growth in 2014 with 17.02 million units, an increase of 5.2% or 0.8 million units over the 16.18 million level achieved in 2013. Europe production remained stable in 2014 at 20.14 million units, an increase of 4.2% over 2013 levels of 19.33 million units.

FINANCIAL REVIEW

Financial Summary

Consistent with our business plan, the Group was successful in driving significant improvements to its financial condition in 2014. The initial public offering and listing of our shares in 2013 on the Main Board of The Stock Exchange of Hong Kong Limited (**Hong Kong Stock Exchange**) provided incremental liquidity for use in capital spending for new programs, additional research and development expenditures, and working capital. In 2014, the issuance of senior notes (**Notes**) and the refinancing of the North American borrowings further solidifies our capital structure providing strong liquidity and capital for growth. The Company's strong top line growth and focus on operational efficiency coupled with a strong automotive market, continues to drive earnings accretion.

Operating Environment

The Group's profit attributable to equity holders of the Company for the year ended December 31, 2014 was US$161.4 million (2013: US$109.2 million), or 5.4% of total revenue. The increase in profit of 47.8% compared to the year ended December 31, 2013 was driven by the following:

- An increase in revenue from new program launches related to previously booked business
- Strong automobile industry production resulting in higher demand for our products
- Continued rotation of our portfolio to Electric Power Steering
- Enterprise focus on cost and operational efficiency

Revenue

The Group's revenue for the year ended December 31, 2014 was US$2,978.1 million, a 24.8% increase from the previous year of US$2,386.8 million. The Company continues to focus on diversification from a customer, geographic and vehicle segment perspective.

Revenue by Geographical Segments

For the year ended December 31, 2014, the Group experienced an increase in revenue in North America, China, and the Europe segments. This increase was partially offset by a decline in revenue in the Rest of World segment. Revenue growth was driven by strong global automotive demand as well as new program launches from previously booked business. The following table sets forth revenue by geographic segments for the years indicated:

	For the year ended December 31, 2014		For the year ended December 31, 2013	
	US$'000	*%*	*US$'000*	*%*
North America	**2,041,975**	**68.6**	1,696,800	71.1
China	**468,092**	**15.7**	261,780	11.0
Europe	**363,191**	**12.2**	302,995	12.7
Rest of World	**104,810**	**3.5**	125,248	5.2
Total	**2,978,068**	**100**	2,386,823	100

The change in revenue by geographical segments is primarily due to the following:

- The North America segment experienced an increase in revenue to US$2,042.0 million for the year ended December 31, 2014 from US$1,696.8 million for the year ended December 31, 2013. The segment generated additional revenue from increased customer demand consistent with the improved automotive market and full year revenue from a key North American customer program launched in 2013.

- The China segment experienced a 78.8% increase in revenue for the year ended December 31, 2014 compared to the year ended December 31, 2013. The increase of US$206.3 million to US$468.1 million for the year ended December 31, 2014 is primarily driven by full year revenue from key programs launched in the second half of 2013, as well as the additional successful launches of new programs in 2014.

- The Europe segment experienced an increase in revenue of US$60.2 million to US$363.2 million for the year ended December 31, 2014 from US$303.0 million for the year ended December 31, 2013. The Europe segment benefited from increased revenue from new customer programs launched late in 2013 and the continued ramp up of those programs in 2014.

- The Rest of World segment, which consists of our operating entities in Brazil, India, Korea, and Australia, experienced a decrease in revenue of 16.3% or US$20.4 million to US$104.8 million for the year ended December 31, 2014.

  The Rest of World segment was impacted primarily by the lower automobile production in Brazil.

Revenue by Products

The following table sets forth the Group's revenue by product lines for the years indicated:

	For the year ended December 31, 2014		For the year ended December 31, 2013	
	US$'000	***%***	*US$'000*	*%*
Steering				
EPS	**1,668,140**	**56.0**	1,084,612	45.4
HPS	**183,054**	**6.1**	319,928	13.4
CIS	**583,082**	**19.6**	512,539	21.5
Driveline	**543,792**	**18.3**	469,744	19.7
	2,978,068	**100**	2,386,823	100

Steering revenue increase was driven by the continued launch of new product programs focused on electric power steering as well as strong industry demand.

Cost of Sales

The Group's cost of sales for the year ended December 31, 2014 was US$2,558.1 million, an increase of US$510.7 million from US$2,047.4 million for the year ended December 31, 2013. The Group's cost of sales for the year ended December 31, 2014 primarily included raw material costs of US$1,724.2 million, manufacturing expense of US$770.0 million, as well as other costs of sales of US$63.9 million.

With a continued focus on operational excellence, the Company realised cost efficiencies in raw material and manufacturing. However, increased warranty provisions and amortisation of capitalised product development costs partially offset the effect of these efficiencies. Also, cost of sales increased for the year ended December 31, 2014 compared to December 31, 2013, consistent with increased revenue related to new programs launched and increased unit volumes.

Engineering and Product Development Costs

For the year ended December 31, 2014, the Group's engineering and product development costs charged to the consolidated income statement was US$80.1 million, representing 2.7% of revenue, an increase of US$6.8 million from US$73.3 million or 3.1% of revenue for the year ended December 31, 2013. The decrease in engineering and product development costs as a percentage of revenue is attributable to efficiency of scale with increased revenue growth. The absolute increase in engineering and product development costs includes additional global headcount as the Company continues its strong focus on engineering and product development.

Amortisation of capitalised product development costs recorded as cost of sales amounted to US$38.3 million for the year ended December 31, 2014, an increase of US$21.5 million from US$16.8 million for the year ended December 31, 2013. We expect amortisation expense to continue to increase in future years as several programs that are currently in development will be launched.

Administrative Expenses

The Group's administrative expenses for the year ended December 31, 2014 were US$89.2 million, an increase of US$8.4 million, or 10.4% compared to the year ended December 31, 2013. The increase was primarily due to increased support aligned to our strategy of continued growth. The Group has maintained cost efficiency with scale as administrative expense as a percentage of revenue has decreased from 3.4% as of December 31, 2013 to 3.0% as of December 31, 2014.

Finance Costs

Finance costs, net, consist of interest income and expense reduced by interest capitalised on qualifying assets and product development. For the year ended December 31, 2014, the Group's net finance costs were US$21.6 million which is a decrease of US$0.2 million from US$21.8 million for the year ended December 31, 2013. Included in finance costs, net, were US$4.7 million of interest capitalised for the year ended December 31, 2014 compared to US$7.2 million for the year ended December 31, 2013.

Income Tax Expense

For the year ended December 31, 2014, the Group's income tax expense was US$51.3 million representing 23.9% of the Group's profit before income tax, an increase of US$11.0 million from US$40.3 million or 26.6% of profit before tax for the year ended December 31, 2013. The increase is primarily the result of additional income tax expense on the incremental US$63.3 million of profit before tax for the year ended December 31, 2014. The change in the mix of income generated by US and non-US operations favorably impacted the effective tax rate for the year ended December 31, 2014 in addition to the benefit realised from varying incentives and credits available in both domestic and foreign jurisdictions.

Gross Profit and Gross Profit Margin

The Group's gross profit for the year ended December 31, 2014 was US$420.0 million (2013: US$339.4 million). Our gross profit margin for the year ended December 31, 2014 was 14.1%, a 0.1% decrease from 14.2% for the year ended December 31, 2013. The increase in the gross profit was attributed to increased revenue from continued rotation to EPS and cost improvement initiatives. This was partially offset by increased warranty provision and amortisation of capitalised product development costs.

Profit for the Year

The Group's profit attributable to equity holders of the Company for the year ended December 31, 2014 was US$161.4 million (2013: US$109.2 million).

Provisions

As at December 31, 2014, the Group has provisions of US$80.5 million (2013: US$60.9 million) in relation to restructuring, legal disputes, environmental liabilities, warranties and decommissioning. Included within the December 31, 2013 warranty provision is an amount of US$8.3 million for a product recall by one of our customers relating to component parts supplied by the Group that were manufactured by one of the Group's suppliers. The Group settled this provision with the customer for US$13.0 million of which US$3.0 million remained in the provision as of December 31, 2014.

Liquidity and Capital Resources

Cash Flows

Our business requires a significant amount of working capital, which is primarily used to finance the purchase of raw materials, capital spending for customer programs, and engineering and product development costs. We have historically met our working capital and other capital requirements principally from cash provided by operations and loans from banks.

In November 2014, the Company successfully completed its first public bond offering of Notes of US$250.0 million. The Company received net proceeds of US$245.5 million. The Notes bear interest at a fixed rate of 5.875% per annum and mature on November 15, 2021. Interest is paid semi-annually on May 15 and November 15 of each year beginning in 2015. Additionally, in the second half of 2014, the Group completed a restructuring of its North America debt facility which increased the facility size from US$275.0 million to US$325.0 million, an extension of the maturity from February 1, 2016 to August 14, 2019, and a decrease in interest rates of approximately 1.0% to 1.75% based upon facility usage. The issuance of these Notes and the restructuring of the debt facility provides the Company with a capital structure to fund future growth.

The completion of the bond offering executed a key strategy of adding competitively fixed rate debt into the capital structure, as well as being the primary driver in reducing the ratio of floating to fixed rate debt to 60% from 100% as at December 31, 2014 and 2013, respectively.

The following table sets forth a condensed statement of cash flows for the Group for the years indicated:

	For the year ended December 31, 2014 ***US$'000***	For the year ended December 31, 2013 *US$'000*
Cash generated from/(used) in:		
Operating activities	**254,066**	222,915
Investing activities	**(275,704)**	(277,408)
Financing activities	**90,509**	304,640
Total increase in cash	**68,871**	250,147

Cash Flows Generated from Operating Activities

For the year ended December 31, 2014, the Group's cash generated from operating activities was US$254.1 million (2013: US$222.9 million). The increase was a result of improved earnings.

Cash Flows Used in Investing Activities

The Group's cash flows used in investing activities primarily reflect capital spending for customer programs. Our capital expenditures include cash expenditures for the purchases of machinery, equipment and tooling and investment in product development.

In 2014, the Company invested US$6.4 million in a 50% controlled joint venture in Chongqing, China to manufacture and sell steering products.

The following table sets forth the cash used in investing activities within the Group for the years indicated:

	For the year ended December 31, 2014 ***US$'000***	For the year ended December 31, 2013 *US$'000*
Purchase of property, plant and equipment	**(172,482)**	(184,476)
Addition of intangible assets	**(106,602)**	(102,914)
Proceeds from sale of property, plant and equipment	**6,759**	13,490
Change in restricted bank deposits	**2,983**	(3,508)
Investment in a joint venture	**(6,362)**	–
Total cash used in investing activities	**(275,704)**	(277,408)

Cash Flows Generated from Financing Activities

The Group's net cash generated from financing activities was US$90.5 million for the year ended December 31, 2014, which was mainly attributable to the net impact of proceeds realised from the issuance of Notes in November 2014 of US$250.0 million, offset by net repayments of borrowings of US$107.0 million, finance costs paid of US$26.3 million, Notes issuance fees of US$4.5 million, and dividends paid of US$21.7 million.

Indebtedness

As of December 31, 2014, the Group's total indebtedness was US$731.0 million (2013: US$588.0 million).

The following table sets forth the balances of short and long-term borrowing obligations within the Group for the years indicated:

	December 31, 2014	December 31, 2013
	US$'000	*US$'000*
Current borrowings	**96,586**	129,245
Non-current borrowings	**633,700**	457,632
Finance lease obligations	**696**	1,139
Total borrowings	**730,982**	588,016

The table below sets forth the maturity profile of borrowings within the Group for the years indicated:

	For the year ended December 31, 2014	For the year ended December 31, 2013
	US$'000	*US$'000*
Within 1 year	**96,970**	129,639
Between 1 and 2 years	**74,233**	89,942
Between 2 and 5 years	**252,733**	240,171
Over 5 years	**307,046**	128,264
Total borrowings	**730,982**	588,016

The major factors driving the US$176.1 million increase in non-current borrowings was the issuance of the US$250.0 million Notes during 2014, offset by approximately US$82.0 million repayment on the outstanding long-term borrowings.

Pledge of Assets

The Group has several secured borrowings at specific subsidiaries. The assets securing the borrowings differ by site and include accounts receivable, inventory, property, plant and equipment, the equity interests of certain subsidiaries and intellectual property. For the year ended December 31, 2014, the Group had approximately US$890.9 million (2013: US$814.7 million) of total assets pledged as collateral.

Exposure to Currency Rate Fluctuations and Related Hedges

The Group actively limits its foreign currency exposure through naturally matching its purchase of materials and sale of finished goods in the same currencies. The Group monitors its remaining foreign currency exposure regularly to reduce the risk of foreign currency fluctuations in its operations. The Group currently hedges its Peso to USD risk by participating in a hedging program that includes forward foreign exchange contracts. The notional principal amount of the outstanding contracts at December 31, 2014 was US$64.8 million (2013: US$26.4 million).

Gearing Ratio

The Group monitors capital on the basis of the debt ratio. The ratio is calculated as total borrowings divided by total equity at the end of the respective year.

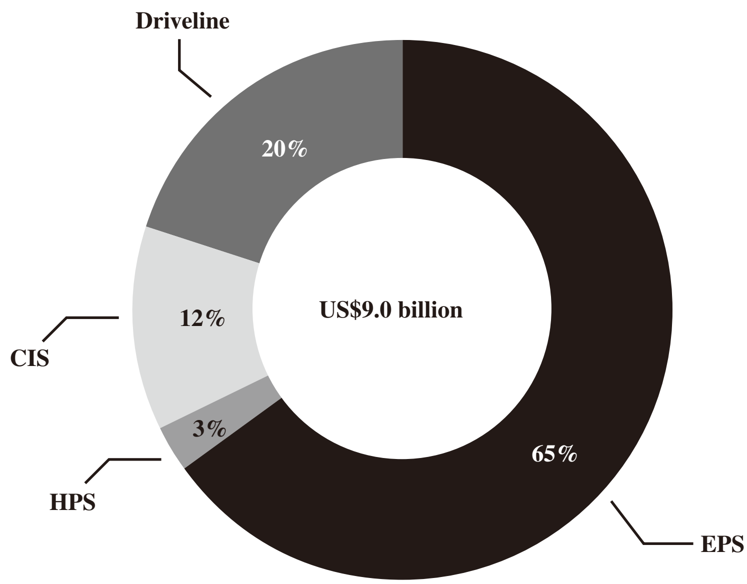
The gearing ratio increased 3.7% from 99.5% as of December 31, 2013 to 103.2% as of December 31, 2014. The ratio remained relatively consistent with 2013 due to improved profits and issuance of Notes in November 2014.

FUTURE PROSPECTS

We begin to derive revenue under a new business contract at start of production, which is generally 24 to 30 months from the date of contract award. As of December 31, 2014, we have secured new contracts for a number of customer programs which are expected to begin production after 2014. As of December 31, 2014, we estimate the value of all booked business under contracts that have been awarded, but which have not yet begun production, amounts to be approximately US$9.0 billion over the production lifetime of the relevant vehicle programs (the **Booked Business Amount**). The Booked Business Amount is based on estimated lifetime volume of the programs derived from both indicative production arrangements provided by the applicable original equipment manufacturer customers and information provided by third-party industry sources. In calculating the Booked Business Amount, we also assume that the relevant contracts will be performed in accordance with their terms. Any modification or suspension of the contracts related to the booked business by the Group's customers may have a substantial and immediate effect on the value of the booked business. The value of booked business is not a measure defined by IFRS, and our methodology for determining the Booked Business Amount may not be comparable to the methodology used by other companies in determining the value of their booked business.

While we believe that our current Booked Business Amount is a relevant financial metric, we must emphasise that the information set out in this section in relation to the booked business and the Booked Business Amount shall not constitute any forecast or prediction of the profits of the Group and the actual value may differ to the estimated Booked Business Amount due to various factors beyond the Group's control.

Cumulative Booked Business:



Confirmed Business Backlog for Future reference

59% of Backlog is Non-GM Business

EMPLOYEES AND REMUNERATION POLICY

As of December 31, 2014, the Group had over 11,000 full-time equivalents of which 9,780 are direct employees of the Group. The Group's remuneration policies are formulated based on the performance of individual employees and the Company's performance and are reviewed regularly. Our full time employees participate in various employee benefit plans including retirement benefits, extended disability benefits and workers' compensation. In addition, we have adopted employee incentive plans designed to attract, retain and incentivise employees with a view to encouraging the participants to commit to enhancing value for us and our Shareholders as a whole. For example, we have a retention program that includes individual development plans, merit wage adjustments and promotions.

We offer training programs to our employees which are designed to develop the skills that we need to meet our enterprise goals and customer requirements and to meet certain training requirements such as mandated customer or regulatory requirements and contractual obligations.

USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

In October 2013, the shares of the Company were listed on the Main Board of the Hong Kong Stock Exchange and raised net proceeds of approximately US$273.0 million. As at December 31, 2014, the Company has used the full amount of US$273.0 million from such proceeds in accordance with the section headed "Future Plans and Use of Proceeds" of the prospectus of the Company dated September 24, 2013.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

For the year ended December 31, 2014, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance. The Company recognises that sound corporate governance practices are fundamental to our effective and transparent operation and to our ability to protect the rights of the Shareholders and enhance shareholder value.

The Company has adopted its own Internal Control and Corporate Governance Policies, which are based on the principles, provisions and practices set out in the Corporate Governance Code (in effect from time to time, the **CG Code**) contained in Appendix 14 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (**Listing Rules**).

Except as expressly described below, the Company complied with all applicable code provisions set out in the CG Code throughout the year ended December 31, 2014.

Chairman and Chief Executive

A.2.1 – Mr. Guibin ZHAO, our chairman also acts as the CEO of the Company which constitutes a deviation from Code Provision A.2.1 of the CG Code. The Board believes that this structure does not impair the balance of power and authority between the Board and the management of the Company or the Group, given that: (i) decisions made by our Board requires approval by at least a majority of our Directors and that our Board includes three Independent Non-Executive Directors out of a total of eight Directors, which is more than the Listing Rules requirement of one-third, and we believe there is sufficient check and balance in the Board; (ii) Mr. ZHAO and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that each Director, including Mr. ZHAO, acts for the benefit and in the best interests of the Group and will make decisions for our Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of the Group. Moreover, the overall strategic, financial and operational policies of the Group are made collectively after thorough discussion at both Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of chairman and CEO necessary.

The Company periodically reviews its corporate governance practices with reference to the latest development of corporate governance.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the model code for Securities Transactions by Directors of Listed Issuer as set out in Appendix 10 of the Listing Rules (**Model Code**) as the Company's code of conduct regarding securities transactions by the Directors of the Company. Having made specific enquiry of all Directors of the Company, all Directors have confirmed that they complied with the required standards set out in the Model Code for the year ended December 31, 2014.

AUDIT AND COMPLIANCE COMMITTEE

The Board established an Audit and Compliance Committee on June 15, 2013 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C.3 and paragraph D.3 of the CG Code as set out in Appendix 14 to the Listing Rules. The Audit and Compliance Committee consists of three members, comprising Kevin Cheng WEI, Hing Lun TSANG and Daen LU. All members of the Audit and Compliance Committee are Non-Executive Directors, among whom Hing Lun TSANG and Kevin Cheng WEI are Independent Non-Executive Directors. The chairman of the Audit and Compliance Committee is Mr. WEI, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit and Compliance Committee include, without limitation, assisting our Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of the Group, overseeing the audit process and performing other duties and responsibilities as assigned by the Board.

The Audit and Compliance Committee has met with the external auditor of the Group to review the accounting principles and practices adopted by the Company, the Group's 2014 annual results and the annual financial statements of the Group for the year ended December 31, 2014.

FINAL DIVIDEND

The Board recommends the payment of a final dividend of US$32.3 million or US$0.013 per share of the Company for the year ended December 31, 2014 subject to the approval of the Shareholders at the forthcoming annual general meeting of the Company (the **AGM**).

CLOSURE OF REGISTER OF MEMBERS

The AGM of the Company is scheduled to be held on June 4, 2015. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from June 2, 2015 to June 4, 2015, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on June 1, 2015.

The dividend is payable on June 22, 2015 and the record date for entitlement to the proposed final dividend is June 12, 2015. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from June 10, 2015 to June 12, 2015, both days inclusive, during which no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited (address as per above) for registration no later than 4:30 p.m. on June 9, 2015.

ANNUAL GENERAL MEETING

The AGM of the Company will be held on June 4, 2015. Notice of AGM together with the Company's Annual Report will be published and dispatched in the manner as required by the Listing Rules in due course.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Board, the Company has maintained the public float as required by the Listing Rules up to the date of this Announcement.

By order of the Board
Nexteer Automotive Group Limited
Guibin ZHAO
Chairman

Hong Kong, March 11, 2015

As of the date of this announcement, the Company's executive directors are Mr. Guibin ZHAO, Mr. Michael Paul RICHARDSON and Mr. Yi FAN, the non-executive directors are Mr. Daen LU and Mr. Xiaobo WANG, and the independent non-executive directors are Mr. Hing Lun TSANG, Mr. Jianjun LIU and Mr. Kevin Cheng WEI.