

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



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)

**SUPPLEMENTAL ANNOUNCEMENT
CONNECTED TRANSACTION
IN RESPECT OF TRANSFER
OF ASSETS OWNERSHIP**

Reference is made to the announcement of BeijingWest Industries International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 15 July 2025 in relation to the transfer of Assets ownership (the “**Announcement**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as defined in the Announcement.

The Company would like to provide the Shareholders and potential investors of the Company with additional information in relation to the Assets and the asset valuation reports of Production Line I and Production Line II (the “**Valuation Reports**”).

ADDITIONAL INFORMATION OF THE ASSETS

According to information provided by the management of BWI Indiana, the net book values of Production Line I, Production Line II, components for SARC production purpose were USD1,155,000, USD946,000, USD697,461 as at 30 June 2025, respectively.

According to the Valuation Reports, cost approach is the method of determining the value of the Production Line I and Production Line II, the appraisal value was determined in the following manner:

$$\text{Appraisal value} = \text{replacement cost} \times \text{comprehensive newness rate}$$

Where:

- (a) The replacement costs of the Production Line I and Production Line II are approximately USD2,300,000 and USD1,700,000 respectively which were determined with reference to the original costs of the Production Line I and Production Line II. Since the Assets are specifically designed and built for BWI Indiana’s products and are unique in nature, the External Valuer could not find any comparable sellers with similar Assets available.
- (b) The comprehensive newness rate of Production Line I and Production Line II was determined based on a combination of physical deterioration and economic obsolescence in the following manner:

$$\text{Comprehensive Newness Rate} = (1 - \text{physical deterioration}) \times (1 - \text{economic obsolescence})$$

The calculation method for physical deterioration and economic obsolescence are set out below:

$$\text{Physical deterioration} = (\text{Useful life} - \text{Remaining life}) / \text{Useful life}$$

	Useful Life (years)	Remaining Life (years)	Physical Deterioration
Production Line I	10	5	50%
Production Line II	10	6	40%

Economic obsolescence: Due to the closure of the manufacturing plant of BWI Indiana, Production Line I and Production Line II, which were custom built for BWI Indiana-specific processes, will no longer be used by BWI Indiana. Additionally, there is a lack of external demand for these specialized assets as Production Line I and Production Line II were built specifically for BWI Indiana's products. Therefore, the External Valuer has determined that the fair market value of these assets would realize a significant value reduction. The discount rate used is based on External Valuer's personal real-world experience in marketing and appraising similar specialized assets.

Economic Obsolescence

Production Line I	70%
-------------------	-----

Production Line II	80%
--------------------	-----

The comprehensive newness rates for Production Line I and II are approximately 15% and 12%, respectively.

Save as disclosed above, all other information set out in the Announcement remains unchanged.

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

2 September 2025

As at the date of this announcement, the Board comprises Mr. Dong Xiaojie (Chairman), Mr. Liu Xihe (Executive Director), Dr. 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).