
DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following words and expressions shall have the following meanings.

“Acquisition”	the acquisition of our Group by PCM China in November 2010
“Acquisition Debt”	US\$316 million debt incurred in connection with the Acquisition
“affiliate(s)”	any person(s) or entity(ies) that directly or indirectly controls, is controlled by, or is under direct or indirect common control with, another person(s) or entity(ies)
“AMM 4100 Series Index”	an American Metal Market index that shows the long-term trend in the total cost of steel
“Application Form(s)”	WHITE application form(s), YELLOW application form(s) and GREEN application form(s) or where the context so requires, any of them, which is used in relation to the Hong Kong Public Offering
“Articles of Association” or “Articles”	the articles of association of the Company that were conditionally adopted on June 15, 2013, which will take effect upon the listing of the Shares on the Hong Kong Stock Exchange, as amended from time to time
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit and Compliance Committee”	the audit and compliance committee of the Board
“Australia”	the Commonwealth of Australia
“AVIC”	中國航空工業集團公司 (Aviation Industry Corporation of China*), a state-owned limited liability company established in the PRC on November 6, 2008, one of our Controlling Shareholders
“AVIC Auto”	中國航空汽車工業控股有限公司 (AVIC Automobile Industry Holding Co., Ltd.*), a limited liability company established in the PRC on November 7, 1985, which is wholly-owned by AVIC, one of our Controlling Shareholders

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<i>“Beijing E-Town”</i>	北京亦莊國際投資發展有限公司 (Beijing E-Town International Investment & Development Co. Ltd.), a limited company established in the PRC on February 6, 2009 and controlled by the Municipal Government of Beijing, which owns 49% of PCM China, one of our Controlling Shareholders
<i>“Beijing Municipal Government”</i>	北京市人民政府 (the People’s Government of Beijing Municipality in the PRC)
<i>“Board of Directors” or “Board”</i>	the Board of Directors of the Company
<i>“Brazil”</i>	the Federative Republic of Brazil
<i>“Business Day”</i>	a day (other than a Saturday, Sunday or public holiday in Hong Kong) on which banks in Hong Kong are open generally for normal banking business to the public
<i>“CAGR”</i>	compound annual growth rate
<i>“Capitalization Issue”</i>	the issue of 1,679,999,999 Shares upon capitalization of certain sums standing to the credit of the share premium account of our Company referred to in the section headed “Share Capital” in this Prospectus
<i>“Cayman Companies Law”</i>	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
<i>“Cayman Islands”</i>	the Cayman Islands, a British Overseas Territory
<i>“CCASS”</i>	the Central Clearing and Settlement System established and operated by HKSCC
<i>“CCASS Clearing Participant”</i>	a person admitted to participate in CCASS as a direct clearing participant or general clearing participant
<i>“CCASS Custodian Participant”</i>	a person admitted to participate in CCASS as a custodian participant
<i>“CCASS Investor Participant”</i>	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
<i>“CCASS Participant”</i>	a CCASS Clearing Participant or a CCASS Custodian Participant or a CCASS Investor Participant

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“China” or “PRC”	中華人民共和國 (People’s Republic of China) and, for the purpose of this Prospectus and for geographical reference only and except where the context requires, references in this Prospectus to “China” and the “PRC” do not apply to Taiwan, the Macau Special Administrative Region and Hong Kong
“Chrysler”	Chrysler Group LLC and its affiliates, an Independent Third Party
“Companies Ordinance”	the Companies Ordinance of Hong Kong (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”	Nexteer Automotive Group Limited, a company incorporated on August 21, 2012 as an exempted company with limited liability under the laws of the Cayman Islands
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“connected transaction(s)”	has the meaning ascribed thereto in the Listing Rules
“Controlling Shareholder(s)”	has the meaning ascribed thereto in the Listing Rules and, unless the context requires otherwise, refers to AVIC, AVIC Auto, PCM China and Nexteer Hong Kong
“CSRC”	中國證券監督管理委員會 (China Securities Regulatory Commission), a regulatory body responsible for the supervision and regulation of the securities markets in the PRC
“Director(s)”	director(s) of our Company or any of them
“EIT Law”	中華人民共和國企業所得稅法 (the PRC Enterprise Income Tax Law) passed by the National People’s Congress of the PRC (中華人民共和國全國人民代表大會) on March 16, 2007 and effective on January 1, 2008, as amended, supplemented and otherwise modified from time to time
“EU”	the European Union
“Fiat”	Fiat Group and its affiliates, an Independent Third Party
“Ford”	Ford Motor Company and its affiliates, an Independent Third Party
“France”	the French Republic

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“Germany”	the Federal Republic of Germany
“GFA”	gross floor area
“Global Offering”	the Hong Kong Public Offering and the International Offering
“GM”	General Motors Company and its affiliates, an Independent Third Party
“Green Application Form(s)”	the application form(s) to be completed by the White Form eIPO Service Provider, Computershare Hong Kong Investor Services Limited, designated by the Company
“Group,” “our Group,” “we” or “us”	our Company and, except where the context otherwise requires, all of its subsidiaries or where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries were engaged in and which were subsequently assumed by it
“High-tech Certificate”	High and New Technology Enterprise Certificate issued by SAT or its local counterpart
“HK\$” or “Hong Kong dollar(s)” or “HK dollars”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“Honda”	Honda Motor Co., Inc. and its affiliates, an Independent Third Party
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Offer Shares”	the 72,000,000 Shares being offered by us for subscription pursuant to the Hong Kong Public Offering, subject to adjustment as described in the section headed “Structure of the Global Offering” in this Prospectus
“Hong Kong Public Offering”	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong
“Hong Kong Share Registrar”	Computershare Hong Kong Investor Services Limited

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<i>“Hong Kong Stock Exchange”</i>	The Stock Exchange of Hong Kong Limited
<i>“Hong Kong Underwriters”</i>	the underwriters listed in the section headed “Underwriting — Hong Kong Underwriters” in this Prospectus, being the underwriters of the Hong Kong Public Offering
<i>“Hong Kong Underwriting Agreement”</i>	the underwriting agreement dated September 23, 2013 relating to the Hong Kong Public Offering entered into by the Company, AVIC Auto, PCM China, Nexteer Hong Kong, BOCI Asia Limited, J.P. Morgan Securities (Far East) Limited, J.P. Morgan Securities (Asia Pacific) Limited and the Hong Kong Underwriters, as further described under the section headed “Underwriting” of this Prospectus
<i>“Hyundai”</i>	Hyundai Motor Company and its affiliates, an Independent Third Party
<i>“IAS”</i>	the International Accounting Standards
<i>“IASB”</i>	the International Accounting Standards Board
<i>“IATF”</i>	the International Automotive Task Force
<i>“IFRS”</i>	the International Financial Reporting Standards, which include standards and interpretations promulgated by IASB and IAS and interpretations issued by the International Accounting Standards Committee
<i>“Independent Third Party(ies)”</i>	party(ies) not connected with (within the meaning of the Listing Rules) any of the Directors, chief executive or substantial shareholders of our Company, its subsidiaries or any of their respective associates
<i>“India”</i>	the Republic of India
<i>“International Offer Shares”</i>	the 648,000,000 new Shares initially being offered by us for subscription and purchase at the Offer Price under the International Offering, subject to adjustment and the Over-allotment Option, as further described in the section headed “Structure of the Global Offering” in this Prospectus
<i>“International Offering”</i>	the conditional offering by the International Underwriters of the International Offer Shares with institutional and professional investors and other investors, as described in the section headed “Structure of the Global Offering” in this Prospectus

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<i>“International Underwriters”</i>	the underwriters of the International Offering who are expected to enter into the International Underwriting Agreement to underwrite the International Offering
<i>“International Underwriting Agreement”</i>	the underwriting agreement expected to be entered into on or around September 27, 2013 by the Company, AVIC Auto, PCM China, Nexteer Hong Kong, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners and the International Underwriters in respect of the International Offering, as further described in the section headed “Underwriting” in this Prospectus
<i>“IPSOS”</i>	Ipsos Business Consultancy, a global independent market research company
<i>“Italy”</i>	the Italian Republic
<i>“Joint Bookrunners”</i>	in respect of the Hong Kong Public Offering, BOCI Asia Limited and J.P. Morgan Securities (Asia Pacific) Limited, and in respect of the International Offering, BOCI Asia Limited and J.P. Morgan Securities plc
<i>“Joint Global Coordinators”</i>	BOCI Asia Limited and J.P. Morgan Securities (Asia Pacific) Limited
<i>“Joint Lead Managers”</i>	in respect of the Hong Kong Public Offering, BOCI Asia Limited, J.P. Morgan Securities (Asia Pacific) Limited and Guotai Junan Securities (Hong Kong) Limited, and in respect of the International Offering, BOCI Asia Limited, J.P. Morgan Securities plc and Mizuho Securities Asia Limited
<i>“Joint Sponsors”</i>	BOCI Asia Limited and J.P. Morgan Securities (Far East) Limited
<i>“km”</i>	kilometers
<i>“KRW”</i>	South Korean won, the lawful currency of South Korea
<i>“Latest Practicable Date”</i>	September 16, 2013 being the latest practicable date prior to the printing of this Prospectus for the purpose of ascertaining information contained in this Prospectus

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<i>“Lingyun Industrial”</i>	凌雲工業股份有限公司 (Lingyun Industrial Corporation Limited*), a limited liability company established in the PRC on April 10, 1995, which owns a 40% interest in each of Nexteer Zhuozhou and Nexteer Wuhu. Save for being a shareholder of Nexteer Zhuozhou and Nexteer Wuhu, it is an Independent Third Party. The principal shareholder of Lingyun Industrial is Northern Lingyun Industrial Group Co., Ltd. (北方凌雲工業集團有限公司, formerly known as Hebei Lingyun Industrial Group Co., Ltd. 河北凌雲工業集團有限公司)
<i>“Listing”</i>	the listing of the Shares on the Main Board of the Hong Kong Stock Exchange
<i>“Listing Committee”</i>	the Listing Committee of the Hong Kong Stock Exchange
<i>“Listing Date”</i>	the date, expected to be on Monday, October 7, 2013 on which dealings in our Shares are expected to first commence on the Hong Kong Stock Exchange
<i>“Listing Rules”</i>	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
<i>“Main Board”</i>	the Main Board of the Hong Kong Stock Exchange
<i>“Memorandum of Association” or “Memorandum”</i>	the memorandum of association of our Company
<i>“Mexico”</i>	the United Mexican States
<i>“MIIT”</i>	中華人民共和國工業和信息化部 (Ministry of Industry and Information Technology of the PRC) or its competent local branches
<i>“MOFCOM”</i>	中華人民共和國商務部 (Ministry of Commerce of the PRC) or its competent local branches
<i>“NDRC”</i>	中華人民共和國國家發展和改革委員會 (National Development and Reform Commission of the PRC) or its competent local branches
<i>“Nexteer Automotive”</i>	Nexteer Automotive Corporation, a company incorporated in Delaware, the U.S. on January 2, 2008, which is an indirect wholly-owned subsidiary of our Company

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<i>“Nexteer Beijing”</i>	耐世特(北京)技術有限公司 (Nexteer (Beijing) Technology Co., Ltd.*), a limited company established in the PRC on November 24, 2010, which is a wholly-owned subsidiary of PCM China (one of our Controlling Shareholders)
<i>“Nexteer Hong Kong”</i>	Nexteer Automotive (Hong Kong) Holdings Limited (耐世特汽車系統(香港)控股有限公司), a company incorporated in Hong Kong on August 10, 2012, which is wholly-owned by PCM China. It will directly hold 70% of the issued share capital of our Company immediately upon the completion of the Global Offering (assuming the Over-allotment Option is not exercised), and is one of our Controlling Shareholders
<i>“Nexteer Suzhou”</i>	耐世特汽車系統(蘇州)有限公司 (Nexteer Automotive (Suzhou) Co., Ltd.*), a limited company established in the PRC on January 24, 2007, which is an indirect wholly-owned subsidiary of our Company
<i>“Nexteer Wuhu”</i>	耐世特凌雲驅動系統(蕪湖)有限公司 (Nexteer Lingyun Driveline (Wuhu) Co., Ltd.*), a limited company established in the PRC on December 22, 2006, which is an indirect non-wholly-owned subsidiary of our Company
<i>“Nexteer Zhuozhou”</i>	耐世特凌雲驅動系統(涿州)有限公司 (Nexteer Lingyun Driveline (Zhuozhou) Co., Ltd.*), a limited company established in the PRC on October 6, 1995, which is an indirect non-wholly-owned subsidiary of our Company
<i>“Nissan”</i>	Nissan Motor Co., Ltd. and its affiliates, an Independent Third Party
<i>“Non-Competition Undertaking”</i>	a non-competition undertaking dated June 15, 2013 given by AVIC, AVIC Auto, PCM China and Nexteer Hong Kong in favor of our Company, details of which are disclosed in the section headed “Relationship with our Controlling Shareholders” in this Prospectus
<i>“NSC”</i>	Nexteer Strategy Council, the top strategy and policy making body in our Group, comprising our Group’s core management team. It is also a consultative leadership group, with members representing their key functional responsibilities and departments
<i>“OFAC”</i>	The Office of Foreign Assets Control of the U.S. Department of the Treasury

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<i>“Offer Price”</i>	the final Hong Kong dollar price per Offer Share (exclusive of brokerage, SFC transaction levy and Hong Kong Stock Exchange trading fee) at which the Offer Shares are to be subscribed for and issued, or purchased and sold pursuant to the section headed “Structure of the Global Offering” in this Prospectus
<i>“Offer Shares”</i>	the Hong Kong Offer Shares and the International Offer Shares including, where relevant, any additional Shares issued pursuant to the exercise of the Over-allotment Option
<i>“Over-allotment Option”</i>	the option expected to be granted by the Company to the International Underwriters exercisable by the Joint Global Coordinators under the International Underwriting Agreement pursuant to which the Company may be required by the International Underwriters to issue up to 108,000,000 additional Shares, representing 15% of the Offer Shares initially offered under the Global Offering, at the Offer Price, to, among other things, cover over-allocations in the International Offering, if any
<i>“PBOC”</i>	中國人民銀行 (the People’s Bank of China), the central bank of China
<i>“PCM China”</i>	太平洋世紀(北京)汽車零部件有限公司 (Pacific Century Motors, Inc.*), a limited liability company established in the PRC on September 10, 2010, which is owned as to 49% by Beijing E-Town and 51% by AVIC Auto, and is one of our Controlling Shareholders
<i>“PCM (Singapore) Steering”</i>	PCM (Singapore) Steering Holding Pte. Limited, a company incorporated in Singapore on November 4, 2010, which is a direct wholly-owned subsidiary of our Company
<i>“PCM Systems”</i>	太平洋世紀汽車系統有限公司 (PCM Systems Co., Ltd.*), a limited liability company established in the PRC on January 8, 2003. PCM Systems is directly wholly-owned by 安徽盛威貿易有限公司 (Anhui Shengwei Trading Company Limited*), an Independent Third Party
<i>“PCM (US) Steering”</i>	PCM (US) Steering Holding Inc., a company incorporated in Delaware, United States on November 8, 2010, which is a direct wholly-owned subsidiary of our Company

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<i>“People’s Congress”</i>	人民代表大會, the PRC’s legislative apparatus, including the National People’s Congress of the PRC and all the local people’s congresses (including provincial, municipal and other regional or local people’s congresses) as the context may require, or any of them
<i>“Poland”</i>	the Republic of Poland
<i>“PRC government” or the “State”</i>	the government of the PRC, including all governmental subdivisions (including provincial, municipal and other regional or local government entities)
<i>“PRC Legal Advisor”</i>	Jia Yuan Law Offices, PRC legal advisor to the Company
<i>“Predecessor” or “our Predecessor”</i>	GM Global Steering Holdings, LLC
<i>“Price Determination Agreement”</i>	the agreement to be entered into among our Company and the Joint Global Coordinators (for itself and on behalf of the Underwriters) at or about the Price Determination Date to fix the Offer Price
<i>“Price Determination Date”</i>	the date, expected to be on or about Friday, September 27, 2013 (Hong Kong time), when the Offer Price is determined and, in any event, no later than Monday, September 30, 2013
<i>“Prospectus”</i>	this prospectus dated September 24, 2013 being issued in connection with the Hong Kong Public Offering
<i>“PSA Peugeot Citroën”</i>	PSA Peugeot Citroën and its affiliates, an Independent Third Party
<i>“Qualified Institutional Buyers” or “QIBs”</i>	qualified institutional buyers within the meaning of Rule 144A
<i>“Regulation S”</i>	Regulation S under the Securities Act
<i>“Remuneration and Nomination Committee”</i>	the remuneration and nomination committee of the Board
<i>“Renault”</i>	Renault S.A. and its affiliates, an Independent Third Party
<i>“Renminbi” or “RMB”</i>	renminbi yuan, the lawful currency of the PRC

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“ <i>Reorganization</i> ”	the reorganization arrangements undergone by our Group in preparation for the Listing as described in the section headed “Our History and Reorganization — Reorganization” in this Prospectus
“ <i>Rule 144A</i> ”	Rule 144A under the Securities Act
“ <i>SAFE</i> ”	中華人民共和國國家外匯管理局 (the State Administration of Foreign Exchange of the PRC)
“ <i>SASAC</i> ”	中華人民共和國國務院國有資產監督管理委員會 (the State-owned Assets Supervision and Administrative Commission of the State Council of the PRC)
“ <i>SAT</i> ”	中華人民共和國國家稅務總局 (the State Administration of Taxation of the PRC)
“ <i>Securities Act</i> ”	the U.S. Securities Act of 1933, as amended and the rules and regulations promulgated thereunder
“ <i>Securities and Futures Commission</i> ” or “ <i>SFC</i> ”	the Securities and Futures Commission of Hong Kong
“ <i>SFO</i> ”	the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“ <i>Shanghai GM</i> ”	上海通用汽車有限公司 (Shanghai General Motors Co., Ltd.) and its affiliates, an Independent Third Party
“ <i>Share(s)</i> ”	ordinary share(s) with nominal value of HK\$0.10 each in the share capital of our Company
“ <i>Shareholder(s)</i> ”	holder(s) of our Shares
“ <i>South Korea</i> ”	the Republic of South Korea
“ <i>sq. ft.</i> ”	square feet
“ <i>sq.m.</i> ”	square meters
“ <i>Stabilizing Manager</i> ”	BOCI Asia Limited
“ <i>Stock Borrowing Agreement</i> ”	the agreement which is expected to be entered into on or about the Price Determination Date between the Stabilizing Manager and Nexteer Hong Kong, as further described in the section headed “Structure of the Global Offering — Stock Borrowing Agreement”

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“ <i>substantial shareholder</i> ”	has the meaning ascribed thereto in the Listing Rules
“ <i>Takeovers Code</i> ”	the Hong Kong Code on Takeovers and Mergers and Share Repurchases
“ <i>Toyota</i> ”	Toyota Motor Corporation and its affiliates, an Independent Third Party
“ <i>Track Record Period</i> ”	(i) in respect of the year ended 2010, the eleven months ended November 30, 2010 and the period from November 4, 2010 to December 31, 2010; (ii) the year ended December 31, 2011; (iii) the year ended December 31, 2012; and (iv) the six months ended June 30, 2013. See “Financial Information” for further information
“ <i>Turkey</i> ”	the Republic of Turkey
“ <i>UAW</i> ”	the United Automobile, Aerospace and Agricultural Implement Workers of America
“ <i>Underwriters</i> ”	the Hong Kong Underwriters and the International Underwriters
“ <i>Underwriting Agreements</i> ”	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
“ <i>U.S.</i> ” or “ <i>United States</i> ”	the United States of America
“ <i>US\$</i> ” or “ <i>U.S. dollars</i> ”	United States dollars, the lawful currency of the United States
“ <i>Volkswagen</i> ”	the Volkswagen Group and its affiliates, an Independent Third Party
“ <i>White Form eIPO</i> ”	the application for Hong Kong Offer Shares to be issued in the applicant’s own name by submitting applications online through the designated website of White Form eIPO service at www.eipo.com.hk
“ <i>White Form eIPO Service Provider</i> ”	Computershare Hong Kong Investor Services Limited
“ <i>%</i> ”	percent

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Certain amounts and percentage figures included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

If there is any inconsistency between the Chinese names of entities or enterprises established in the PRC and their English translations, the Chinese names shall prevail. The English translation of company names in Chinese or another language which are marked with “” and the Chinese translation of company names in English which are marked with “*” is for identification purposes only. Unless otherwise specified, all relevant information in this Prospectus assumes no exercise of the Over-allotment Option.*