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慶鈴汽車股份有限公司

QINGLING MOTORS CO. LTD

(a Sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 1122)

ANNOUNCEMENT CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS

Reference is made to the announcements of the Company respectively dated 28 May 2008, 23 December 2010, 17 December 2013, 26 March 2014, 21 August 2014, 12 December 2014, 18 March 2016, 27 April 2016, 12 August 2016, 22 December 2016, 26 November 2019, 26 March 2021, 31 March 2021, 30 December 2021, 30 December 2022, 13 March 2024, 12 April 2024, 13 May 2024, 31 December 2024 and 19 August 2025 in relation to the Existing Continuing Connected Transactions, the Existing Isuzu Technology Transaction, the Existing Technology Licence Transactions and the Existing Trademark Licensing Transactions entered into by the Group.

It is expected that the Group will from time to time continue to enter into transactions of nature similar to the Existing Continuing Connected Transactions after the expiry of the agreements to which the Existing Continuing Connected Transactions relate. Accordingly, the Group now seeks to renew the aforesaid relevant agreements and enter into new agreements on substantially the same terms and has entered into the following agreements with Qingling Group and/or its subsidiaries, the Qingling Autoparts Companies, the Bosch JV Company, Qingling Moulds and Isuzu which constitute continuing connected transactions or connected transactions (as the case may be) under Chapter 14A of the Listing Rules:

(i) With Qingling Group and/or its subsidiaries:

- (1) the New Chassis Supply Agreement dated 30 December 2025 entered into between the Company and Qingling Group (for itself and on behalf of its subsidiary – Qingling Zhuanyong) relating to the supply of automobile chassis and related components by the Company to Qingling Group and/or Qingling Zhuanyong, details of which are set out in the section headed “THE NEW CHASSIS SUPPLY AGREEMENT”;

- (2) the New Parts Supply Agreements all dated 30 December 2025 entered into between the Company on the one part and Qingling Group (for itself and on behalf of its subsidiaries – Qingling Zhuanyong Brake, Qingling Zhuanyong and Qingling Zhuanyong Chassis), CQACL, CQCC, CQFC, CQAC, CQNHK and CQPC, respectively on the other, relating to the supply of certain automobile parts by the Qingling Group Companies and their relevant subsidiaries (where applicable) to the Company, the provision of certain consolidated services by the Company to CQFC and the leasing of certain machineries from the Company to CQAC, details of which are set out in the section headed “THE NEW PARTS SUPPLY AGREEMENTS”;
- (3) the New Qingling Zhuanyong Moulds Supply Agreement dated 30 December 2025 entered into between Qingling Moulds and Qingling Zhuanyong Brake relating to the supply of moulds and related products and provision of maintenance and processing services by Qingling Zhuanyong Brake to Qingling Moulds, details of which are set out in the section headed “THE NEW QINGLING ZHUANYONG MOULDS SUPPLY AGREEMENT”;
- (4) the New Qingling Group Moulds Supply Agreement dated 30 December 2025 entered into amongst Qingling Moulds, the Qingling Group Companies and IEC relating to the supply of moulds and related products and/or provision of maintenance and processing services by Qingling Moulds to the Qingling Group Companies and IEC, details of which are set out in the section headed “THE NEW QINGLING GROUP MOULDS SUPPLY AGREEMENT”;
- (5) the New Warehouse Leasing Agreement dated 30 December 2025 entered into between Qingling Group (for itself and on behalf of its subsidiary – Qingling Zhuanyong) and the Company relating to the leasing of the Warehouses, land and other premises from Qingling Group and/or Qingling Zhuanyong to the company, details of which are set out in the section headed “THE NEW WAREHOUSE LEASING AGREEMENT”;
- (6) the New Machinery Leasing Agreement dated 30 December 2025 entered into between CQFC and the Company relating to the leasing of certain equipment for processing of forging and casting parts from CQFC to the Company, details of which are set out in the section headed “THE NEW MACHINERY LEASING AGREEMENT”;
- (7) the New Qingling Group Equipment Lease dated 30 December 2025 entered into between Qingling Group and the Company relating to, among others, the leasing of the Leased Equipment (Qingling Group) from Qingling Group to the Company, details of which are set out in the section headed “THE NEW QINGLING GROUP EQUIPMENT LEASE”; and
- (8) the New Qingling Group Consolidated Services Agreement dated 30 December 2025 entered into between the Company and CQAC, CQACL, CQPC and CQNHK relating to provision of consolidated services by the Company to CQAC, CQACL, CQPC and CQNHK, details of which are set out in the section headed “THE NEW QINGLING GROUP CONSOLIDATED SERVICES AGREEMENT”.

(ii) With the Qingling Autoparts Companies:

- (9) the New Autoparts and Materials Agreement dated 30 December 2025 entered into amongst the Company and the Qingling Autoparts Companies relating to the supply of scrap material, semi-finished auto parts and crafting materials by the Company to the Qingling Autoparts Companies, details of which are set out in the section headed “THE NEW AUTOPARTS AND MATERIALS AGREEMENT”.

(iii) With the Bosch JV Company:

- (10) the New Hydrogen-powered Modules Supply Agreement dated 30 December 2025 entered into between the Bosch JV Company and the Company relating to the supply of hydrogen-powered modules by the Bosch JV Company to the Company, details of which are set out in the section headed “THE NEW HYDROGEN-POWERED MODULES SUPPLY AGREEMENT”; and
- (11) the New Bosch Sales Agreement dated 30 December 2025 entered into between the Company and the Bosch JV Company relating to sales of gearbox assemblies by the Company to the Bosch JV Company, details of which are set out in the section headed “THE NEW BOSCH SALES AGREEMENT”.

(iv) With Qingling Moulds:

- (12) the New Qingling Moulds Supply Agreement dated 30 December 2025 entered into between Qingling Moulds and the Company relating to the supply of moulds and related products and provision of maintenance and processing services by Qingling Moulds to the Company; and the supply of raw materials and provision of processing services and consolidated services by the Company to Qingling Moulds, details of which are set out in the section headed “THE NEW QINGLING MOULDS SUPPLY AGREEMENT”; and
- (13) the New Qingling Moulds Lease dated 30 December 2025 entered into between the Company and Qingling Moulds relating to the leasing of the Land (Qingling Moulds) from the Company to Qingling Moulds, details of which are set out in the section headed “THE NEW QINGLING MOULDS LEASE”.

(v) With Isuzu:

- (14) the New Isuzu Supply Agreement dated 30 December 2025 entered into between Isuzu and the Company relating to the supply of automobile parts and components by Isuzu to the Company, details of which are set out in the section headed “THE NEW ISUZU SUPPLY AGREEMENT”; and
- (15) the New Company Supply Agreement dated 30 December 2025 entered into between Isuzu and the Company relating to the supply of vehicles, accessory sets and other automobile parts and components by the Company to Isuzu and/or its wholly owned subsidiary, details of which are set out in the section headed “THE NEW COMPANY SUPPLY AGREEMENT”.

The Company will also continue the transactions contemplated under each of the existing Trademark Licensing Agreements, the 700P3X Series Technology Transfer Agreement and the Technology Licence Agreements with Isuzu, which constitute continuing connected transactions under Chapter 14A of the Listing Rules:

(vi) The Trademark Licensing Agreements, 700P3X Series Technology Transfer Agreement and Technology Licence Agreements with Isuzu:

- (16) (a) the 600P, 100P and TF/UC Agreement dated 26 March 2021 entered into between Isuzu and the Company relating to the granting of a non-transferrable right by Isuzu to the Company to use certain trademarks and emblems of Isuzu in the sale of the 600P, 100P and TF/UC series vehicles produced by the Company, details of which are set out in the section headed “THE TRADEMARK LICENSING AGREEMENTS”;
 - (b) the 3XCAB Agreement dated 23 June 2016 entered into between Isuzu and the Company relating to the provision of technology and technical know-how, staff training and technical assistance and the permission to use certain trademarks and emblems of Isuzu by Isuzu to the Company, details of which are set out in the section headed “THE TRADEMARK LICENSING AGREEMENTS”; and
 - (c) the RGQ Agreement dated 13 March 2024 entered into between the Company and Isuzu relating to Isuzu licensing and authorising the Company to use its trademarks for the purpose of manufacturing and sales of the RGQ carrying vehicles in the PRC, details of which are set out in the section headed “THE TRADEMARK LICENSING AGREEMENTS”.
- (17) the 700P3X Series Technology Transfer Agreement dated 23 May 2008 entered into between Isuzu and the Company relating to the provision of technology and technical know-how for the production of 700P3X series vehicles and related parts and components by Isuzu to the Company, details of which are set out in the section headed “THE 700P3X SERIES TECHNOLOGY TRANSFER AGREEMENT”;
- (18) (a) the CYH Technology Licence Agreement dated 27 April 2016 entered into between the Company and Isuzu relating to the provision of technology and technical know-how in relation to CYH vehicles by Isuzu to the Company in the PRC on a non-exclusive basis, details of which are set out in the section headed “THE TECHNOLOGY LICENCE AGREEMENTS”;

- (b) the CYZ Technology Licence Agreement dated 27 April 2016 entered into between the Company and Isuzu relating to the provision of technology and technical know-how in relation to CYZ vehicles by Isuzu to the Company in the PRC on an non-exclusive basis, details of which are set out in the section headed “THE TECHNOLOGY LICENCE AGREEMENTS”; and
- (c) the EXR/EXZ Technology Licence Agreement dated 27 April 2016 entered into between the Company and Isuzu relating to the provision of technology and technical know-how in relation to EXR/EXZ vehicles by Isuzu to the Company in the PRC on an non-exclusive basis, details of which are set out in the section headed “THE TECHNOLOGY LICENCE AGREEMENTS”.

The Group seeks to renew the agreements in respect of the relevant Existing Continuing Connected Transactions on substantially the same terms and enter into new agreements with each of IEC and the Sales JV Company and has entered into the following agreements, which constitute continuing connected transactions under Chapter 14A of the Listing Rules:

(vii) With IEC:

- (19) the New Supply Agreement dated 30 December 2025 entered into between the Company and IEC relating to the supply of engine parts and raw materials by the Company to IEC; and the supply of engines and their parts by IEC to the Company, details of which are set out in the section headed “THE NEW SUPPLY AGREEMENT”;
- (20) the New Equipment Lease dated 30 December 2025 entered into between the Company and IEC relating to the leasing of the Leased Equipment (IEC) from the Company to IEC, details of which are set out in the section headed “THE NEW EQUIPMENT LEASE”;
- (21) the New Factory Lease dated 30 December 2025 entered into between the Company and IEC relating to the leasing of the Leased Land and the Factory Premises from the Company to IEC, details of which are set out in the section headed “THE NEW FACTORY LEASE”; and
- (22) the New Consolidated Services Agreement dated 30 December 2025 entered into between the Company and IEC relating to the provision of certain services by the Company to IEC, details of which are set out in the section headed “THE NEW CONSOLIDATED SERVICES AGREEMENT”.

(viii) With the Sales JV Company:

- (23) the New Sales JV Supply Agreement dated 30 December 2025 entered into between the Company and the Sales JV Company relating to the supply of automobiles and their parts by the Company to the Sales JV Company, details of which are set out in the section headed “THE NEW SALES JV SUPPLY AGREEMENT”; and
- (24) the New Xipeng Warehouse Leasing Agreement dated 30 December 2025 entered into between the Company and the Sales JV Company relating to leasing of the independent warehouse in Xipeng Town to the Company for use, details of which are set out in the section headed “THE NEW XIPENG WAREHOUSE LEASING AGREEMENT”.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Qingling Group is the controlling shareholder of the Company holding approximately 50.10% of the entire issued share capital of the Company and given that CQCC, CQFC, CQACL, CQAC, CQPC, CQNHK, Qingling Zhuanyong Chassis, Qingling Zhuanyong Brake, Qingling Zhuanyong and the Bosch JV Company are owned as to 75%, 75%, 72.43%, 80%, 75.15%, 55.8%, 100%, 100%, 100% and 40%, respectively, by Qingling Group, they are associates of Qingling Group. Therefore, Qingling Group, CQCC, CQFC, CQACL, CQAC, CQPC, CQNHK, Qingling Zhuanyong Chassis, Qingling Zhuanyong Brake, Qingling Zhuanyong and the Bosch JV Company are all connected persons of the Company under Chapter 14A of the Listing Rules.

As at the date of this announcement, Isuzu is a substantial shareholder of the Company holding approximately 20% of the entire issued share capital of the Company and is a connected person of the Company under Chapter 14A of the Listing Rules. Qingling Moulds is owned as to 50.56% and 49.44% by the Company and Isuzu, respectively. As Qingling Moulds is a non-wholly owned subsidiary of the Company and Isuzu is a substantial shareholder of the Company and is entitled to exercise, or control the exercise of, more than 10% of the voting power at any general meeting of Qingling Moulds, Qingling Moulds is a connected subsidiary and therefore a connected person of the Company under Chapter 14A of the Listing Rules.

Accordingly, the entering into of each of the New Chassis Supply Agreement, the New Parts Supply Agreements, the New Qingling Zhuanyong Moulds Supply Agreement, the New Qingling Group Moulds Supply Agreement, the New Warehouse Leasing Agreement, the New Machinery Leasing Agreement, the New Qingling Group Equipment Lease, the New Qingling Group Consolidated Services Agreement, the New Autoparts and Materials Agreement, the New Hydrogen-powered Modules Supply Agreement, the New Bosch Sales Agreement, the New Qingling Moulds Supply Agreement, the New Qingling Moulds Lease, the New Isuzu Supply Agreement and the New Company Supply Agreement constitute continuing connected transactions or connected transactions (as the case may be) of the Company under Chapter 14A of the Listing Rules. Whereas, the continuing of the transactions under the Trademark Licensing Agreements, the 700P3X Series Technology Transfer Agreement and the Technology Licence Agreements also constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As illustrated above, Qingling Group is the controlling shareholder of the Company, and Isuzu is a substantial shareholder of the Company, each of Qingling Group and Isuzu is therefore a connected person of the Company under Chapter 14A of the Listing Rules. The Sales JV Company is owned as to 50% and 50% by the Company and Isuzu, respectively, and IEC is owned as to 50.61%, 30.06% and 19.33% by Isuzu, Qingling Group and the Company, respectively. Consequently, each of IEC and the Sales JV Company is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the entering into of each of (i) the New Supply Agreement, the New Equipment Lease, the New Factory Lease and the New Consolidated Services Agreement with IEC; and (ii) the New Sales JV Supply Agreement and the New Xipeng Warehouse Leasing Agreement with the Sales JV Company constitute continuing connected transactions or connected transactions (as the case may be) of the Company under Chapter 14A of the Listing Rules.

The continuing connected transactions contemplated under the CCT Agreements can be further classified into the following categories based on the requirements to be complied with under Chapter 14A of the Listing Rules:

Non-exempt continuing connected transactions

As the applicable percentage ratios in respect of the proposed annual caps for the continuing connected transactions under the following agreements will be, on an annual basis, more than 5%, such continuing connected transactions are subject to reporting and announcement requirements set out in Rules 14A.49 and 14A.35, the annual review requirements set out in Rules 14A.55 to 14A.59 and also the Independent Shareholders' approval requirements set out in Rule 14A.36, of the Listing Rules:

- (i) the New Chassis Supply Agreement;
- (ii) the New Parts Supply Agreements, when aggregated with one another in accordance with Rules 14A.81 to 14A.83 of the Listing Rules;
- (iii) the New Qingling Zhuanyong Moulds Supply Agreement, when aggregated with the New Parts Supply Agreements in accordance with Rules 14A.81 to 14A.83 of the Listing Rules;
- (iv) the New Autoparts and Materials Agreement;
- (v) the New Hydrogen-powered Modules Supply Agreement;
- (vi) the New Bosch Sales Agreement; and
- (vii) the New Supply Agreement.

Continuing connected transactions exempt from the Independent Shareholders' approval requirements

As the applicable percentage ratios in respect of the annual caps for the continuing connected transactions under the following agreements will be, on an annual basis, more than 0.1% but less than 5%, such continuing connected transactions are subject to the reporting and announcement requirements set out in Rules 14A.49 and 14A.35 and the annual review requirements set out in Rules 14A.55 to 14A.59 but are exempt from the Independent Shareholders' approval requirements set out in Rule 14A.36, of the Listing Rules:

- (i) the New Qingling Group Moulds Supply Agreement;
- (ii) the New Qingling Group Equipment Lease;
- (iii) the New Qingling Moulds Supply Agreement;
- (iv) the New Isuzu Supply Agreement;
- (v) the Trademark Licensing Agreements;
- (vi) the 700P3X Series Technology Transfer Agreement and the Technology Licence Agreements, when aggregated in accordance with Rules 14A.81 to 14A.83 of the Listing Rules;
- (vii) the New Equipment Lease;
- (viii) the New Consolidated Services Agreement;
- (ix) the New Factory Lease;
- (x) the New Sales JV Supply Agreement;
- (xi) the New Company Supply Agreement; and
- (xii) the New Qingling Group Consolidated Services Agreement.

Continuing connected transactions exempt from the reporting and announcement, annual review and Independent Shareholders' approval requirements

As the applicable percentage ratios in respect of the annual caps for the continuing connected transactions under the following agreements will be, on an annual basis, less than 0.1%, such continuing connected transactions are exempt from the reporting and announcement requirements set out in Rules 14A.49 and 14A.35, the annual review requirements set out in Rules 14A.55 to 14A.59 and the Independent Shareholders' approval requirements set out in Rules 14A.36, of the Listing Rules:

- (i) the New Qingling Moulds Lease.

HKFRS 16 and right-of-use assets

In respect of the New Warehouse Leasing Agreement, the New Machinery Leasing Agreement, the New Qingling Group Equipment Lease and the New Xipeng Warehouse Leasing Agreement, pursuant to HKFRS 16, as a result of the entering into of the New Warehouse Leasing Agreement, the New Machinery Leasing Agreement, the New Qingling Group Equipment Lease and the New Xipeng Warehouse Leasing Agreement, the Group shall recognise relevant values of right-of-use assets in its consolidated financial statements, and the relevant transactions contemplated thereunder will be regarded as acquisitions of assets by the Group in accordance with Rule 14.04(1)(a) of the Listing Rules.

As the applicable percentage ratios in respect of the transactions contemplated under each of the New Warehouse Leasing Agreement, the New Machinery Leasing Agreement, the New Qingling Group Equipment Lease and the New Xipeng Warehouse Leasing Agreement will be more than 0.1% but less than 5%, such connected transactions are subject to the reporting and announcement requirements set out in Rules 14A.49 and 14A.35 but are exempt from the Independent Shareholders' approval requirements set out in Rule 14A.36, of the Listing Rules.

As the applicable percentage ratios in respect of the relevant transactions under each of the New Warehouse Leasing Agreement, the New Machinery Leasing Agreement, the New Qingling Group Equipment Lease and the New Xipeng Warehouse Leasing Agreement based on the respective estimated values of the right-of-use assets (whether on an aggregated basis or a standalone basis) to be recognised by the Group thereunder pursuant to HKFRS 16 are less than 5%, the relevant transactions thereunder do not constitute notifiable transactions of the Company, and are therefore not subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

GENERAL

The Company will convene the EGM to seek the approval of the Independent Shareholders in relation to the Non-exempt Continuing Connected Transactions.

The Independent Board Committee has been formed to advise the Independent Shareholders as to whether the terms of the Non-exempt Continuing Connected Transactions and their respective proposed annual caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders on how to vote on the resolutions to be proposed at the EGM, taking into account the recommendations of the Independent Financial Adviser.

Halcyon Capital Limited has been appointed by the Company as its independent financial adviser to give recommendations to the Independent Board Committee and the Independent Shareholders as to, among other things, whether the terms of the Non-exempt Continuing Connected Transactions and their respective proposed annual caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders on how to vote on the resolutions to be proposed at the EGM.

A circular containing, among other things, further details of the Non-exempt Continuing Connected Transactions, a letter from the Independent Board Committee and a letter of advice from the Independent Financial Adviser, together with the notice of the EGM, will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules. As additional time is required to prepare and finalise the aforesaid information to be included in the circular, the circular is expected to be despatched by the Company on or before 13 March 2026.

Qingling Group and its associates will be required to abstain from voting on those relevant ordinary resolutions approving the New Chassis Supply Agreement, the New Parts Supply Agreements, the New Qingling Zhuanyong Moulds Supply Agreement, the New Autoparts and Materials Agreement, the New Hydrogen-powered Modules Supply Agreement, the New Bosch Sales Agreement and the New Supply Agreement and their respective proposed annual caps.

Isuzu and its associates will be required to abstain from voting on those relevant ordinary resolutions approving the New Parts Supply Agreements and the New Supply Agreement and their respective proposed annual caps.

Prior to the obtaining of the approval from the Independent Shareholders, the Company will continue to enter into the Non-exempt Continuing Connected Transactions for the period from 1 January 2026 to the date of the EGM. However, the Directors expect that the amount for the transactions thereunder will not exceed the de minimis threshold for the applicable percentage ratios, and will therefore be exempt from the circular (including independent financial advice) and Independent Shareholders' approval requirements pursuant to Rule 14A.76(2)(a) of the Listing Rules. The Company will take necessary steps to ensure compliance with all applicable requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

The Group has continued to carry on the Existing Continuing Connected Transactions, the Existing Isuzu Technology Transaction, the Existing Technology Licence Transactions and the Existing Trademark Licensing Transactions, as announced on 28 May 2008, 23 December 2010, 17 December 2013, 26 March 2014, 21 August 2014, 12 December 2014, 18 March 2016, 27 April 2016, 12 August 2016, 22 December 2016, 26 November 2019, 26 March 2021, 31 March 2021, 30 December 2021, 30 December 2022, 13 March 2024, 12 April 2024, 13 May 2024, 31 December 2024 and 19 August 2025, respectively, which include transactions under the following agreements:

- (i) the Chassis Supply Agreement which will expire on 31 December 2025;
- (ii) the Parts Supply Agreements which will expire on 31 December 2025;
- (iii) the QM Moulds Supply Agreement which will expire on 31 December 2025;
- (iv) the Qingling Group Moulds Supply Agreement which will expire on 31 December 2025;
- (v) the Warehouse Leasing Agreement which will expire on 31 December 2025;
- (vi) the Machinery Leasing Agreement which will expire on 31 December 2025;
- (vii) the Qingling Group Equipment Lease which will expire on 31 December 2025;
- (viii) the Autoparts and Materials Agreement which will expire on 31 December 2025;
- (ix) the Hydrogen-powered Modules Supply Agreement which will expire on 31 December 2025;
- (x) the Qingling Moulds Supply Agreement which will expire on 31 December 2025;
- (xi) the Qingling Moulds Lease which will expire on 31 December 2025;
- (xii) the Isuzu Supply Agreement which will expire on 31 December 2025;
- (xiii) the Company Supply Agreement which will expire on 31 December 2025;
- (xiv) the 600P, 100P and TF/UC Agreement;
- (xv) the 3XCAB Agreement;
- (xvi) the 700P3X Series Technology Transfer Agreement;
- (xvii) the CYH Technology Licence Agreement;
- (xviii) the CYZ Technology Licence Agreement;
- (xix) the EXR/EXZ Technology Licence Agreement;

- (xx) the Supply Agreement which will expire on 31 December 2025;
- (xxi) the Equipment Lease which will expire on 31 December 2025;
- (xxii) the Factory Lease which will expire on 31 December 2025;
- (xxiii) the Consolidated Services Agreement which will expire on 31 December 2025;
- (xxiv) the Sales JV Supply Agreement which will expire on 31 December 2025;
- (xxv) Bosch Sales Agreement which will expire on 31 December 2025; and
- (xxvi) RGQ Agreement.

Details of the Existing Continuing Connected Transactions, the Existing Isuzu Technology Transaction, the Existing Technology Licence Transactions and the Existing Trademark Licensing Transactions are more particularly set out in the announcements dated 28 May 2008, 23 December 2010, 17 December 2013, 26 March 2014, 21 August 2014, 12 December 2014, 18 March 2016, 27 April 2016, 12 August 2016, 22 December 2016, 26 November 2019, 26 March 2021, 31 March 2021, 30 December 2021, 30 December 2022, 13 March 2024, 12 April 2024, 13 May 2024, 31 December 2024 and 19 August 2025, respectively.

It is expected that the Group will from time to time continue to enter into transactions of nature similar to the Existing Continuing Connected Transactions after the expiry of such agreements to which the Existing Continuing Connected Transactions relate. Accordingly, the Group now seeks to renew the aforesaid relevant agreements on substantially the same terms and has entered into the agreements numbered (1) to (8) below with Qingling Group and/or its subsidiaries, the agreement numbered (9) below with the Qingling Autoparts Companies, the agreements numbered (10) to (11) below with the Bosch JV Company, the agreements numbered (12) to (13) below with Qingling Moulds and the agreements numbered (14) to (15) below with Isuzu.

The Company also expects to continue the transactions with Isuzu under the Trademark Licensing Agreements numbered (16(a) to (c)) below, the 700P3X Series Technology Transfer Agreement numbered (17) below and the Technology Licence Agreements numbered (18(a) to (c)) below.

The Group seeks to renew in respect of the Existing Continuing Connected Transactions on substantially the same terms or enter into the agreements with each of IEC and the Sales JV Company enter into new agreements, and has entered into the agreements numbered (19) to (22) below with IEC and the agreements numbered (23) to (24) below with the Sales JV Company.

All the above transactions under the CCT Agreements and the CT Agreements constitute continuing connected transactions or connected transactions (as the case may be) of the Company under Chapter 14A of the Listing Rules.

Principal terms and details of each of the CCT Agreements and the CT Agreements are summarised below:

I. CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS WITH THE QINGLING GROUP AND/OR ITS SUBSIDIARIES

1. THE NEW CHASSIS SUPPLY AGREEMENT

Date	:	30 December 2025
Parties	:	(i) Qingling Group (for itself and on behalf of its wholly owned subsidiary – Qingling Zhuanyong); and (ii) the Company
Term	:	Subject to and conditional upon the obtaining of the approval by the Independent Shareholders at the EGM, from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Nature of the transaction	:	Supply of automobile chassis (including but not limited to the 100P chassis, 700P chassis, F-series chassis, 600P chassis, and TF pick-up truck chassis) and related components for modified vehicles by the Company to Qingling Group and/or Qingling Zhuanyong
Price determination	:	With reference to the market prices of the automobile chassis and related components after arm's length negotiations between the parties thereto
Payment term	:	A credit term of 3 to 6 months after sales

The New Chassis Supply Agreement is a master agreement which sets out the principles upon which detailed terms in relation to the supply of automobile chassis and related components by the Company to Qingling Group and/or Qingling Zhuanyong are to be determined.

Pursuant to the New Chassis Supply Agreement, the Company will enter into separate definitive agreement(s) with Qingling Group from time to time to provide for detailed terms of each single transaction in accordance with the principles set out in the New Chassis Supply Agreement. Such detailed terms include but not limited to prices, payment and settlement terms, quantity, standard of quality, inspection, product liability, liability for compensation and other terms and conditions in relation to the supply of automobile chassis and related components.

The Company and Qingling Group agree that such agreement(s) shall be on normal commercial terms or, if there is no sufficient comparable transactions to assess whether they are on normal commercial terms, on terms that are fair and reasonable to the Company. Qingling Group and/or Qingling Zhuanyong also undertake that the terms offered to the Company shall be no less favourable than those offered to Independent Third Parties by Qingling Group in the market where Qingling Group operates.

Should Qingling Group cease to be a connected person of the Company and the transactions under the New Chassis Supply Agreement cease to be a continuing connected transaction of the Company, the Company may terminate the New Chassis Supply Agreement upon giving written notice to Qingling Group.

Historical transaction amounts

The actual amounts received by the Company in respect of the transactions under the Chassis Supply Agreement for the relevant period or years and the corresponding annual caps are as follows:

	Actual amount incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
Chassis Supply Agreement	105,830,000	204,270,000	79,050,000	357,760,000	384,610,000	474,640,000

None of the actual amounts received for the two years ended 31 December 2024 above exceeded their respective annual caps for the corresponding years. It is expected that the actual amount received for the year ending 31 December 2025 will not exceed the annual cap for the corresponding year.

Basis of consideration

The consideration under the New Chassis Supply Agreement is determined after arm's length negotiations between the parties thereto with reference to the market prices of the automobile chassis and related components. In determining the market prices of the automobile chassis and the relevant parts, the Company will make reference to the prices of the automobile chassis and the relevant parts with similar specifications, technology and quality requirements in the automobile market.

The profit margin level of automobile chassis and related components to be supplied by the Company to Qingling Group and/or Qingling Zhuanyong adopted under the New Chassis Supply Agreement is consistent with the profit margin level of the same type of products sold by the Company to Independent Third Parties.

Proposed annual caps

The table below sets out the proposed annual caps for the transactions contemplated under the New Chassis Supply Agreement for the relevant years:

	Proposed annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
New Chassis Supply Agreement	275,490,000	393,560,000	432,920,000

The Company will seek approval from the Independent Shareholders in respect of the entering into of the New Chassis Supply Agreement and the transactions contemplated thereunder as well as the aforesaid proposed annual caps.

Basis of proposed annual caps

The aforesaid proposed annual caps for the transactions contemplated under the New Chassis Supply Agreement are set by the Board with reference to the actual amounts received by the Company in respect of the transactions contemplated under the Chassis Supply Agreement and the anticipated market demand in relation to automobile chassis and related components to be supplied by the Company for the term under the New Chassis Supply Agreement.

Reasons for entering into the New Chassis Supply Agreement

The Company has been selling chassis to vehicle refitting manufacturers. In order to increase the market sales volume and the market share of the Company, Qingling Group purchases chassis from the Company to manufacture modified vehicles (including but not limited to automobiles for transportation and cold-storage vehicles), so as to meet the customised requirements for vehicles from customers, and in turn enhance the sales of chassis of the Company. Therefore, the parties entered into the New Chassis Supply Agreement.

The Directors (excluding the independent non-executive Directors who will form their view after taking into account recommendations of the Independent Financial Adviser) are of the view that the terms (including the consideration) of the New Chassis Supply Agreement are fair and reasonable and on normal commercial terms, and that the relevant transactions will be conducted in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

2. THE NEW PARTS SUPPLY AGREEMENTS

a. THE NEW QINGLING GROUP AGREEMENT

Date	:	30 December 2025
Parties	:	(i) Qingling Group (for itself and on behalf of its wholly owned subsidiaries – Qingling Zhuanyong, Qingling Zhuanyong Brake and Qingling Zhuanyong Chassis); and (ii) the Company
Term	:	Subject to and conditional upon the obtaining of the approval by the Independent Shareholders at the EGM, from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Nature of the transaction	:	Supply of automobile parts including but not limited to stamping components, compartments, machining components and other parts and components by Qingling Group, Qingling Zhuanyong, Qingling Zhuanyong Brake and Qingling Zhuanyong Chassis to the Company
Price determination	:	Currently at prices based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% determined with reference to the following pricing policy: (i) at prices not higher than market prices; or (ii) if no comparable market prices, at prices based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% as agreed by the parties thereto In any event, on terms no less favourable than those offered by Qingling Group to Independent Third Parties
Payment term	:	Monthly settlement, payment within one month after receipt of the invoice

b. THE NEW CQACL AGREEMENT

Date	:	30 December 2025
Parties	:	(i) CQACL; and (ii) the Company
Term	:	Subject to and conditional upon the obtaining of the approval by the Independent Shareholders at the EGM, from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Nature of the transaction	:	Supply of automobile parts including but not limited to cast aluminium parts and other relevant parts and components by CQACL to the Company
Price determination	:	Currently at prices based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% determined with reference to the following pricing policy: (i) at prices not higher than market prices; or (ii) if no comparable market prices, at prices based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% as agreed by the parties thereto In any event, on terms no less favourable than those offered by CQACL to Independent Third Parties
Payment term	:	Monthly settlement, payment within one month after receipt of the invoice

c. THE NEW CQCC AGREEMENT

Date	: 30 December 2025
Parties	: (i) CQCC; and (ii) the Company
Term	: Subject to and conditional upon the obtaining of the approval by the Independent Shareholders at the EGM, from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Nature of the transaction	: Supply of automobile parts including but not limited to cast parts of engine cylinder blocks, cylinder heads and main bearing covers and other parts and components by CQCC to the Company
Price determination	: Currently at prices based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% determined with reference to the following pricing policy: (i) at prices not higher than market prices; or (ii) if no comparable market prices, at prices based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% as agreed by the parties thereto In any event, on terms no less favourable than those offered by CQCC to Independent Third Parties
Payment term	: Monthly settlement, payment within one month after receipt of the invoice

d. THE NEW CQFC AGREEMENT

Date	: 30 December 2025
Parties	: (i) CQFC; and (ii) the Company
Term	: Subject to and conditional upon the obtaining of the approval by the Independent Shareholders at the EGM, from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Nature of the transaction	: (a) Supply of automobile parts including but not limited to raw casts of engine crankshafts and connecting rods and other parts and components by CQFC to the Company; and (b) Provision of consolidated services by the Company to CQFC including but not limited to: (i) water, electricity and gas supply services; (ii) equipment repair technical services (including the Three Warranties); (iii) medical and hygiene services; (iv) telephone services; and (v) canteen and security services
Price determination	: (a) With respect to supply of automobile parts: Currently at prices based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% determined with reference to the following pricing policy: (i) at prices not higher than market prices; or

- (ii) if no comparable market prices, at prices based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% as agreed by the parties thereto

In any event, on terms no less favourable than those offered by CQFC to Independent Third Parties

- (b) With respect to provision of consolidated services:

At prices based on actual costs incurred plus taxes payable

Payment term : Monthly settlement, payment within one month after receipt of the invoice

With respect to the provision of consolidated services by the Company to CQFC, should CQFC cease to be a connected person of the Company and the consolidated services transactions under the New CQFC Agreement cease to be a continuing connected transaction of the Company, the Company may terminate the provision of consolidated services to CQFC upon giving written notice to CQFC.

e. THE NEW CQAC AGREEMENT

Date	: 30 December 2025
Parties	: (i) CQAC; and (ii) the Company
Term	: Subject to and conditional upon the obtaining of the approval by the Independent Shareholders at the EGM, from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Nature of the transaction	: (a) Supply of automobile parts including but not limited to front and rear motor vehicle axles and other parts and components by CQAC to the Company; and (b) Leasing of leased machineries from the Company to CQAC for production and testing of front and rear motor vehicle axles to be provided by CQAC to the Company
Price determination	: (a) With respect to supply of automobile parts: Currently at prices not higher than market prices determined with reference to the following pricing policy: (i) at prices not higher than market prices; or (ii) if no comparable market prices, at prices based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% as agreed by the parties thereto In any event, on terms no less favourable than those offered by CQAC to Independent Third Parties

- (b) With respect to leasing of machineries:

Rents for the leasing of machineries are as follows:

- (i) RMB382,686 (exclusive of VAT) (from 1 January 2026 to 31 December 2026);
- (ii) RMB382,686 (exclusive of VAT) (from 1 January 2027 to 31 December 2027); and
- (iii) RMB382,686 (exclusive of VAT) (from 1 January 2028 to 31 December 2028)

Rents payable are determined based on normal commercial terms through arm's length negotiations between the parties which are on terms no less favourable than those offered by the Company to Independent Third Parties

Payment term

- : (a) With respect to supply of automobile parts:

Monthly settlement, payment within one month after receipt of the invoice

- (b) With respect to leasing of machineries:

Payment on a monthly basis before the expiry of the following month

f. THE NEW CQNHK AGREEMENT

Date	: 30 December 2025
Parties	: (i) CQNHK; and (ii) the Company
Term	: Subject to and conditional upon the obtaining of the approval by the Independent Shareholders at the EGM, from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Nature of the transaction	: Supply of automobile parts including but not limited to motor vehicle seats and other parts and components by CQNHK to the Company
Price determination	: Currently at prices not higher than market prices determined with reference to the following pricing policy: (i) at prices not higher than market prices; or (ii) if no comparable market prices, at prices based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% as agreed by the parties thereto In any event, on terms no less favourable than those offered by CQNHK to Independent Third Parties
Payment term	: Monthly settlement, payment within one month after receipt of the invoice

g. THE NEW CQPC AGREEMENT

Date	: 30 December 2025
Parties	: (i) CQPC; and (ii) the Company
Term	: Subject to and conditional upon the obtaining of the approval by the Independent Shareholders at the EGM, from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Nature of the transaction	: Supply of automobile parts including but not limited to plastic parts and other parts and components by CQPC to the Company
Price determination	: Currently at prices not higher than market prices determined with reference to the following pricing policy: (i) at prices not higher than market prices; or (ii) if no comparable market prices, at prices based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% as agreed by the parties thereto In any event, on terms no less favourable than those offered by CQPC to Independent Third Parties
Payment term	: Monthly settlement, payment within one month after receipt of the invoice

Each of the New Parts Supply Agreements is a master agreement which sets out the principles upon which further detailed terms in relation to the supply of automobile parts and/or provision of services may be determined between the Company on one hand, and the relevant Qingling Group Companies on the other hand.

Pursuant to each of the New Parts Supply Agreements, the Company may enter into separate definitive agreement(s) with each of the relevant Qingling Group Companies from time to time to provide for detailed terms of each single transaction in accordance with the principles set out in the relevant New Parts Supply Agreement. Such detailed terms include, but without limitation, product type, specification, quantity, delivery and/or payment terms and other terms and conditions in relation to the provision of products and/or services.

Historical transaction amounts

The following table sets out the historical transaction amounts for each of the Parts Supply Agreements, together with their respective annual caps, for the relevant period or years:

	Actual amounts incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
Qingling Group Agreement	149,740,000	112,260,000	71,960,000	285,790,000	369,150,000	479,790,000
CQACL Agreement	8,860,000	14,770,000	43,000,000	14,360,000	16,280,000	76,800,000
CQCC Agreement	9,950,000	9,090,000	11,860,000	30,650,000	36,190,000	45,160,000
CQFC Agreement	19,330,000	20,150,000	20,300,000	45,140,000	49,400,000	60,570,000
CQAC Agreement	261,360,000	318,520,000	254,770,000	690,370,000	842,070,000	1,080,900,000
CQNHK Agreement	39,240,000	47,190,000	36,400,000	100,230,000	121,610,000	153,830,000
CQPC Agreement	45,520,000	64,900,000	49,690,000	161,140,000	200,290,000	256,400,000

None of the transaction amounts for the two years ended 31 December 2024 exceeded their respective annual caps for the corresponding years. It is expected that above the actual amounts incurred for the year ending 31 December 2025 will not exceed their respective annual caps for the corresponding year.

Projected transaction amounts

The Directors project that the annual transaction amounts under each of the New Parts Supply Agreements for the three years ending 31 December 2028 will not exceed the amounts set out below:

	Projected maximum annual transaction amounts (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
New Qingling Group Agreement	282,560,000	404,000,000	448,650,000
New CQACL Agreement	110,780,000	132,870,000	161,810,000
New CQCC Agreement	14,670,000	18,530,000	21,880,000
New CQFC Agreement			
(a) Supply of automobile parts by CQFC to the Company	46,510,000	64,230,000	73,070,000
(b) Provision of consolidated services by the Company to CQFC	2,900,000	3,330,000	3,830,000
New CQAC Agreement			
(a) Supply of automobile parts by CQAC to the Company	802,690,000	1,176,350,000	1,334,620,000
(b) Leasing of machineries from the Company to CQAC	390,000	390,000	390,000
New CQNHK Agreement	99,790,000	149,250,000	166,470,000
New CQPC Agreement	160,490,000	227,640,000	250,530,000
Aggregate amount	<u>1,520,780,000</u>	<u>2,176,590,000</u>	<u>2,461,250,000</u>

Basis of consideration

The considerations payable by the Company under the New Parts Supply Agreements are determined:

- (i) after arm's length negotiations between the parties thereto; and
- (ii) with reference to, among other things, the statistics on the economic efficiency indicators for the automotive industry published by the National Bureau of Statistics of China (the “**Economic Efficiency Indicators for the Automotive Industry from the NBS**”), according to which the average profit margin of the automobile industry in the PRC was 4.34% in 2024.

The above average profit margin of 4.34% for the automobile industry in the PRC in 2024 as quoted from the Economic Efficiency Indicators for the Automotive Industry from the NBS is an average level and the actual profit margin will vary from transaction to transaction depending on the nature, prevailing market prices, technology specifications, quality standards of the parts and the supply-demand relationship in the market. In addition to the statistics published in the China Automotive Industry Yearbook, the Company and Qingling Group have also taken reference from the historical transaction prices of automobile parts in determining the maximum profit margin level. Furthermore, the profit margin of certain automobile parts are relatively higher as those automobile parts involve complex technologies and it is relatively difficult to implement quality control. As such, the Company and the Qingling Group Companies agree to set the maximum profit margin for supplying automobile parts under the New Parts Supply Agreements at 8%, while the actual profit margin will be determined based on the nature, functionality, technology and quality standard of different automobile parts.

Currently, the Company is the only enterprise in the PRC engaging in the manufacturing of commercial vehicles under the brand name of Isuzu, and the Company and the Qingling Group Companies are responsible for assembling certain parts of vehicles based on the product drawings, technology specifications, and quality standards given or confirmed by Isuzu under its guidance. In the event that an Independent Third Party is not authorised by Isuzu or the Company, it will not be able to produce the relevant automobile parts which meet the quality standards of Isuzu. Since no authorisation is given to Independent Third Parties in the market for the production of most of the automobile parts to be supplied by the Qingling Group Companies to the Company under the New Parts Supply Agreements for assembling Isuzu commercial vehicles, no comparable market price is available for those automobile parts, which include, among others, cylinder blocks, cylinder heads, rod castings of engines, specified axles for Isuzu 100P\600P\700P\F light-, medium-, and heavy-duty trucks.

On the other hand, comparable market prices are available for a few of the automobile parts to be supplied under the New Parts Supply Agreements, such as engine oil pans. As such, the Company will determine the market prices of those automobile parts based on the prices of automobile parts with similar specifications, technology and quality requirements etc. in the automotive parts market.

If there is no comparable market price, the considerations in respect of the corresponding automobile parts to be supplied under the New Parts Supply Agreements will be determined with reference to the actual or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8%, which is the maximum consideration payable by the Company under the New Parts Supply Agreements. The actual consideration payable by the Company under the New Parts Supply Agreements will be determined with reference to the prevailing market conditions and in any event on terms no less favourable to the Company than those offered by the Qingling Group Companies to Independent Third Parties.

Proposed annual caps

The table below sets out the proposed annual caps in aggregate for the transactions contemplated under the New Parts Supply Agreements for the relevant years:

	Proposed aggregate annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
New Parts Supply Agreements	1,520,780,000	2,176,590,000	2,461,250,000

The Company will seek approval from the Independent Shareholders in respect of the entering into of the New Parts Supply Agreements and the respective transactions contemplated thereunder as well as the aforesaid proposed aggregate annual caps.

Basis of proposed annual caps

The aforesaid proposed aggregate annual caps are ascertained with reference to (i) the historical sales volume; (ii) the projected sales volume for the three years ending 31 December 2028; (iii) the expected increase in the number of new vehicles of new models or different specifications to be launched and made available for sale by the Company; and (iv) the projected maximum annual transaction amounts set out in the subparagraph headed “Projected transaction amounts” above.

Reasons for entering into the New Parts Supply Agreements

As the Company mainly produces various types of vehicles and components under the brand of Isuzu, the Company has to, from time to time, in the course of its business, purchase (i) stamping components, compartments and other parts and components; (ii) cast aluminum parts and other parts and components; (iii) cast parts of engine cylinder blocks, cylinder heads and main bearing covers and other parts and components; (iv) raw casts of engine crankshafts and connecting rods and other parts and components; (v) front and rear motor vehicle axles and other parts and components; (vi) motor vehicle seats and other parts and components; and (vii) plastic parts and other parts and components. Since the principal businesses of Qingling Group, CQACL, CQCC, CQFC, CQAC, CQNHK and CQPC include the production and retail of products mentioned in items (i) to (vii) above, respectively, and the Qingling Group Companies produce such products which meet the quality standards of Isuzu and are willing to produce such products in accordance with the specifications of the Company, the Company entered into the New Parts Supply Agreement to purchase the said products from the relevant Qingling Group Companies (as the case may be).

As the Company mainly manufactures automobiles under the brand of Isuzu, the Company's specifications for all automobile parts must conform with Isuzu's standards. Each of the Qingling Group Companies has already obtained from Isuzu the technical know-how and specific equipment for production of automobile parts in conformity with Isuzu's standards, hence they are capable of manufacturing the said automobile parts based on the specifications and quality standards of Isuzu. The Directors believe that other suppliers do not possess such technical know-how and specific equipment that Isuzu has, and that even if other suppliers may manufacture automobile parts compatible with the same specifications, the quality of those products may not conform with the standards of Isuzu. Therefore, in view of the fact that the Group does not require automobile parts other than those supplied by the Qingling Group Companies, the Company is of the view that it would not be necessary to look for other sources of supply.

Further, CQFC requires various supporting services such as repair and maintenance services for the machineries and other auxiliary and utility-related services to carry out its regular operations. The Directors believe that provision of those services as set out in the New CQFC Agreement by the Company to CQFC would facilitate the operation of the Group and minimise the costs of the Group in setting up crews to provide repair and maintenance services and other related services. Also, CQAC requires certain machineries for its production and inspection of vehicle axles. Such vehicle axles will then be provided by CQAC to the Company. The Directors believe that the leasing of leased machineries from the Company to CQAC as set out in the New CQAC Agreement would utilise the Group's resources fully and centralise management of the Group.

The Directors (excluding the independent non-executive Directors who will form their view after taking into account recommendations of the Independent Financial Adviser) are of the view that the terms (including the consideration) of the New Parts Supply Agreements are fair and reasonable and on normal commercial terms, and that the relevant transactions will be conducted in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

3. THE NEW QINGLING ZHUANYONG MOULDS SUPPLY AGREEMENT

Date	:	30 December 2025
Parties	:	(i) Qingling Zhuanyong Brake; and (ii) Qingling Moulds
Term	:	Subject to and conditional upon the obtaining of the approval by the Independent Shareholders at the EGM, from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Nature of the transaction	:	Supply of moulds and related products and provision of maintenance and processing services by Qingling Zhuanyong Brake to Qingling Moulds
Price determination	:	Currently at prices not higher than market prices determined with reference to the following pricing policy: (i) at prices not higher than market prices; or (ii) if no comparable market prices, at prices based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% as agreed by the parties thereto In any event, on terms no less favourable than those offered by Qingling Zhuanyong Brake to Independent Third Parties
Payment term	:	Monthly settlement, payment within one month after receipt of the invoice

The New Qingling Zhuanyong Moulds Supply Agreement is a master agreement which sets out the principles upon which detailed terms in relation to the provision of products and/or services are to be determined between Qingling Moulds on one hand, and Qingling Zhuanyong Brake on the other hand.

Pursuant to the New Qingling Zhuanyong Moulds Supply Agreement, Qingling Moulds may enter into separate definitive agreement(s) with Qingling Zhuanyong Brake from time to time to provide for detailed terms of each single transaction in accordance with the principles set out in the New Qingling Zhuanyong Moulds Supply Agreement. Such detailed terms include, but without limitation, product type, specification, quantity, delivery and/or scope of service, service liability and standard of quality and other terms and conditions in relation to the provision of products and/or services.

The transactions contemplated under the New Qingling Zhuanyong Moulds Supply Agreement relate to the supply of moulds and related products and/or provision of maintenance and processing services by Qingling Zhuanyong Brake, a wholly owned subsidiary of Qingling Group, to Qingling Moulds, a subsidiary owned as to 50.56% by the Company, whereas the transactions contemplated under the New Parts Supply Agreements relate to the supply of automobile parts by the Qingling Group Companies (including but not limited to Qingling Zhuanyong) to the Company. As the New Qingling Zhuanyong Moulds Supply Agreement and the New Parts Supply Agreements were entered into between Qingling Group and its subsidiaries (including but not limited to Qingling Zhuanyong and Qingling Zhuanyong Brake) on one hand and the Group on the other hand while some of the parts and products to be supplied by Qingling Zhuanyong and Qingling Zhuanyong Brake under the New Parts Supply Agreements and the New Qingling Zhuanyong Moulds Supply Agreement may be of similar nature, the transactions contemplated under the New Qingling Zhuanyong Moulds Supply Agreement will be aggregated with the transactions contemplated under the New Parts Supply Agreements in accordance with Rules 14A.81 to 14A.83 of the Listing Rules.

Basis of consideration

The actual consideration payable by Qingling Moulds under the New Qingling Zhuanyong Moulds Supply Agreement will be determined with reference to the prevailing market conditions and in any event, on terms no less favourable to Qingling Moulds than those offered by Qingling Zhuanyong Brake to Independent Third Parties.

If there are no sufficient comparable transactions with respect to the supply of moulds and related products and provision of maintenance and processing services by Qingling Zhuanyong Brake to Qingling Moulds, the consideration payable by Qingling Moulds under the New Qingling Zhuanyong Moulds Supply Agreement will be determined with reference to the actual or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8%. For further details regarding the basis of determining the maximum consideration payable, please refer to the subparagraph headed “Basis of consideration” under the section headed “THE NEW PARTS SUPPLY AGREEMENTS”.

Historical transaction amounts

The following table sets out the historical transaction amounts for the QM Moulds Supply Agreement, together with their respective annual caps, for the relevant period or years:

	Actual amount incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
The QM Moulds Supply Agreement	220,000	0	0	30,000,000	30,000,000	30,000,000

Proposed annual caps

The table below sets out the proposed annual caps for the transactions contemplated under the New Qingling Zhuanyong Moulds Supply Agreement for the relevant years:

	Proposed annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
New Qingling Zhuanyong Moulds Supply Agreement	3,000,000	5,000,000	8,000,000

The Company will seek approval from the Independent Shareholders in respect of the entering into of the New Qingling Zhuanyong Moulds Supply Agreement and the transactions contemplated thereunder as well as the aforesaid proposed annual caps.

Basis of proposed annual caps

The aforesaid proposed annual caps are determined based on the estimated amounts of moulds and related products and the estimated value of the maintenance and processing services required by Qingling Moulds for the production of an estimated number of moulds and related products for the three years ending 31 December 2028.

Reasons for entering into the New Qingling Zhuanyong Moulds Supply Agreement

As the Company mainly produces various types of vehicles and components under the brand of Isuzu, it may, from time to time, in the course of its business, purchase moulds and related products that meet the quality standards required by Isuzu from Qingling Moulds. In this connection, Qingling Moulds may also require moulds and related products that meet the quality standards of Isuzu as well as various supporting services such as maintenance and processing services to carry out its regular operations. Given that Qingling Zhuanyong Brake (i) manufactures moulds and related products that are of high quality and fulfill the quality standards as so require and (ii) provides maintenance and processing services, Qingling Moulds wishes to purchase moulds and related products and obtain maintenance and processing services from Qingling Zhuanyong Brake through entering into the New Qingling Zhuanyong Moulds Supply Agreement, which would in turn facilitate the operation of the Group and minimise the costs of the Group in sourcing and acquiring similar products and/or services from Independent Third Parties.

The Directors (excluding the independent non-executive Directors who will form their view after taking into account recommendations of the Independent Financial Adviser) are of the view that the terms (including the consideration) of the New Qingling Zhuanyong Moulds Supply Agreement are fair and reasonable and on normal commercial terms, and that the relevant transactions will be conducted in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

4. THE NEW QINGLING GROUP MOULDS SUPPLY AGREEMENT

Date	:	30 December 2025
Parties	:	(i) Qingling Moulds; (ii) Qingling Group; (iii) CQCC; (iv) CQFC; (v) CQPC; (vi) CQACL; (vii) CQNHK; (viii) IEC; and (ix) CQAC

Term	:	From 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Nature of the transaction	:	Supply of moulds and related products and/or provision of maintenance and processing services by Qingling Moulds to Qingling Group, CQCC, CQFC, CQPC, CQACL, CQNHK, IEC and CQAC
Price determination	:	As there are no sufficient comparable transactions, the consideration is determined with reference to reasonable costs incurred plus a profit margin of not more than 8%.

The New Qingling Group Moulds Supply Agreement is a master agreement which sets out the principles upon which detailed terms in relation to the provision of products and/or services are to be determined between Qingling Moulds on one hand, and the Qingling Group Companies and IEC on the other hand.

Pursuant to the New Qingling Group Moulds Supply Agreement, Qingling Moulds will enter into separate definitive agreement(s) with the relevant Qingling Group Companies and IEC from time to time to provide for detailed terms of each single transaction in accordance with the principles set out in the New Qingling Group Moulds Supply Agreement. Such detailed terms include, but without limitation, prices, payment and settlement terms, quantities, standard of quality, delivery and inspection of products (where applicable) and other terms and conditions in relation to the provision of products and/or services.

The Qingling Group Companies and IEC agree that such detailed terms shall be on normal commercial terms or, if there are no sufficient comparable transactions to assess whether they are on normal commercial terms, on terms fair and reasonable to Qingling Moulds. Qingling Group, CQCC, CQFC, CQPC, CQACL, CQNHK, IEC and CQAC also undertake that the terms offered to Qingling Moulds shall be no less favourable than those offered by them to Independent Third Parties.

The transactions contemplated under the New Qingling Group Moulds Supply Agreement relate to the supply of moulds and related products and/or the provision of maintenance and processing services by Qingling Moulds, a subsidiary owned as to 50.56% by the Company, to the Qingling Group Companies and IEC whereas the transactions contemplated under the New Parts Supply Agreements relate to the supply of automobile parts by the Qingling Group Companies to the Company. Therefore, the transactions contemplated under the New Qingling Group Moulds Supply Agreement will not be aggregated with the transactions contemplated under the New Parts Supply Agreements and, accordingly, Rules 14A.81 and 14A.83 of the Listing Rules will not apply.

Historical transaction amounts

The historical transaction amounts in respect of the Qingling Group Moulds Supply Agreement for the relevant period or years and the corresponding annual caps are as follows:

	Actual amount incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
Qingling Group Moulds Supply Agreement	0	0	0	1,680,000	1,860,000	2,040,000

The actual amount received for the two years ended 31 December 2024 above was RMB0. It is expected that the actual amount received for the year ending 31 December 2025 will not exceed the annual cap for the corresponding year.

Basis of consideration

The consideration payable by the Qingling Group Companies and IEC to Qingling Moulds under the New Qingling Group Moulds Supply Agreement is to be determined after arm's length negotiations between the parties thereto, with reference to, among other things, the average profit margin of 4.34% for China's automotive industry in 2024 as stated in the Economic Efficiency Indicators for the Automotive Industry from the NBS and on terms no less favourable to Qingling Moulds than those offered by the Qingling Group Companies and IEC to Independent Third Parties.

Annual caps

The table below sets out the annual caps for the transactions contemplated under the New Qingling Group Moulds Supply Agreement for the relevant years:

	Annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
New Qingling Group Moulds Supply Agreement	27,310,000	37,350,000	47,400,000

Basis of annual caps

The aforesaid annual caps for the transactions contemplated under the New Qingling Group Moulds Supply Agreement are determined based on the estimated amounts of moulds and related products and the estimated value of the maintenance and processing services required by the Qingling Group Companies and IEC for the production of an estimated number of different types of automobile parts and components for the three years ending 31 December 2028.

Reasons for entering into the New Qingling Group Moulds Supply Agreement

The products manufactured by the Qingling Group Companies and IEC are required to meet the standards required by Isuzu. As the moulds and related products manufactured by Qingling Moulds are of high quality and fulfill the technology standards so required, the Qingling Group Companies and IEC wish to continue purchasing moulds and related products and/or obtaining maintenance and processing services from Qingling Moulds through entering into the New Qingling Group Moulds Supply Agreement. In addition, the Company believes that by entering into the New Qingling Group Moulds Supply Agreement, it will enhance the sales of moulds and related products and services of the Group.

The Directors (including the independent non-executive Directors) are of the view that the terms (including the pricing) of the New Qingling Group Moulds Supply Agreement are fair and reasonable and on normal commercial terms, and that the relevant transactions will be conducted in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

5. THE NEW WAREHOUSE LEASING AGREEMENT

Date	: 30 December 2025
Parties	: (i) Qingling Group (for itself and on behalf of its wholly-owned subsidiary – Qingling Zhuanyong); and (ii) the Company
Nature of the transaction	: Leasing of the following Warehouses, portions of the Land, premises located on the Land as well as vacant apartments from Qingling Group and/or Qingling Zhuanyong to the Company: (i) the Warehouses, including an open-air warehouse with a usable area of approximately 25,833.51m ² and an indoor warehouse with a usable area of approximately 50,000m ² ; (ii) a portion of the Land with a usable area of approximately 20,697m ² , for use as an inspection, testing and operation site for autoparts; (iii) a portion of the Land with a usable area of approximately 19,880.4m ² , for use as a storage site of autoparts and raw materials; (iv) the premises for the cultural and educational center with a leasable area of approximately 4,784.28m ² ; (v) a portion of the Land with a leasable area of approximately 22,507.7m ² owned by Qingling Zhuanyong, which is located on the east side of CQFC; and (vi) a total of 28 vacant apartments situated at No. 311, Xiexing Cun, Jiulongpo District, Chongqing, the PRC owned by Qingling Zhuanyong with an aggregate usable area of 1,297.6m ² and for use as as staff dormitory.

Term	: Subject to completion of all relevant approval procedures and/or other procedures in accordance with the applicable laws, rules and regulations (including but not limited to the Listing Rules) (if necessary), from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Consideration and payment method	<p>: The annual rents for the Warehouses in item (i), the inspection, testing and operation site in item (ii) and the storage site in item (iii) all under the subparagraph headed “Nature of the transaction” above are RMB5,840,330.58 (exclusive of VAT), RMB960,614.52 (exclusive of VAT) and RMB922,713.48 (exclusive of VAT), respectively.</p> <p>The annual rents for the premises for the cultural and educational center in item (iv) and the relevant portion of the Land in item (v) all under the subparagraph headed “Nature of the transaction” above are RMB830,000.00 (exclusive of VAT) and RMB1,028,923.81 (exclusive of VAT), respectively.</p> <p>The annual rents for a total of 28 vacant apartments in item (vi) under the subparagraph headed “Nature of the transaction” above are RMB144,000.00 (exclusive of VAT).</p> <p>The aggregate amount of annual rents for all of the above is RMB9,726,582.39 (exclusive of VAT).</p> <p>The aforesaid annual rents shall be payable by the Company on an annual or quarterly basis (as the case may be) in accordance with their respective terms under the New Warehouse Leasing Agreement.</p>
Restriction on assignment and leasing	: During the term of the lease, Qingling Group and/or Qingling Zhuanyong shall not assign or lease all or any part of the relevant portions of the Land, premises and the vacant apartments as mentioned in the subparagraph headed “Nature of the transaction” above to any third parties without the prior written consent of the Company.

Pursuant to the New Warehouse Leasing Agreement, Qingling Group and/or Qingling Zhuanyong may enter into separate agreement(s) with the Company from time to time to provide for detailed terms in relation to the leasing of the Warehouses, the relevant portions of the Land, the premises, the vacant apartments and the testing centers from Qingling Group and/or Qingling Zhuanyong to the Company in accordance with the principles set out in the New Warehouse Leasing Agreement.

Historical transaction amounts

The table below sets forth the actual amounts paid by the Company under the Warehouse Leasing Agreement during the relevant period or years for the land and premises leased to the Company thereunder including but not limited to those land and premises under the New Warehouse Leasing Agreement set out in items (i) to (vi) under the subparagraph headed “Nature of the transaction” above) and the corresponding annual caps:

	Actual amounts incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
Warehouse Leasing Agreement	10,190,000	10,190,000	7,640,000	10,200,000	10,200,000	10,200,000

The actual amounts incurred for the two years ended 31 December 2024 had not exceeded the respective annual caps for the relevant years. It is expected that the aggregate amount for the year ending 31 December 2025 will not exceed the relevant annual cap for the corresponding year.

Basis of consideration

The aforesaid consideration payable by the Company under the New Warehouse Leasing Agreement for the leasing of the Warehouses (i.e. item (i) under the subparagraph headed “Nature of the transaction” above) is determined on normal commercial terms through arm’s length negotiations between the parties thereto and shall not be higher than the market prices or on prices less favourable to the Company than those offered by Qingling Group (for itself and on behalf of Qingling Zhuanyong) to Independent Third Parties.

The considerations payable by the Company under the New Warehouse Leasing Agreement for the leasing of the relevant portions of the land as stated in items (ii) to (iii) under the subparagraph headed “Nature of the transaction” above are determined on normal commercial terms through arm’s length negotiations between the parties thereto with reference to the prevailing market rents and the existing rents payable by the Company under the Warehouse Leasing Agreement, and shall not be higher than the market prices or on prices less favourable to the Company than those offered by Qingling Group (for itself and on behalf of Qingling Zhuanyong) to Independent Third Parties.

The considerations payable by the Company under the New Warehouse Leasing Agreement for the leasing of the premises, the relevant portion of the Land as well as those 28 vacant apartments as mentioned in items (iv) to (vi) under the subparagraph headed “Nature of the transaction” above are determined on normal commercial terms through arm’s length negotiations between the parties thereto with reference to the prevailing market rents and the existing rents payable by the Company under the Warehouse Leasing Agreement and on terms no less favourable to the Company than those offered by Independent Third Parties to the Company for leasing of comparable properties.

Right-of-use assets

The Group shall recognise the value of the right-of-use assets in connection with the New Warehouse Leasing Agreement in its consolidated financial statements in accordance with HKFRS 16, and the transactions contemplated thereunder will be regarded as acquisition of assets by the Group pursuant to the Listing Rules. The value of the right-of-use assets to be recognised by the Group under the New Warehouse Leasing Agreement is estimated to be, in aggregate, approximately RMB27,707,585.65, which is calculated based on the estimated present value of the total rental payments payable by the Company to Qingling Group (for itself and on behalf of Qingling Zhuanyong) for leasing of the said Warehouses, the relevant portions of the Land, the premises and the vacant apartments throughout the term of the New Warehouse Leasing Agreement, and is subject to audit and adjustment.

Reasons for entering into the New Warehouse Leasing Agreement

The Company requires storage capacity for imported parts, components and stock. As Qingling Group possesses free space for the required storage of the Company, and in view of the convenient location of the Warehouses from the production plants of the Company such that inventory can be stored and retrieved easily, the Group intends to continue to rent the Warehouses from Qingling Group.

Also, the Company's headquarter is located at the Land. Owing to the continuous development of the Group, additional space is required by the Group to meet its operational needs including for storage of autoparts and raw materials, for testing of autoparts for developing products by the development department, for using as storerooms and for using as staff dormitory. Accordingly, the Group intends to lease, or continue to lease, the relevant land, premises and apartments from Qingling Group and Qingling Zhuanyong. Hence, the parties thereto entered into the New Warehouse Leasing Agreement.

The Directors (including the independent non-executive Directors) are of the view that the terms (including the consideration) of the New Warehouse Leasing Agreement are fair and reasonable, and on normal commercial terms, and that relevant transactions thereunder will be conducted in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole.

6. THE NEW MACHINERY LEASING AGREEMENT

Date	: 30 December 2025
Parties	: (i) CQFC; and (ii) the Company
Nature of the transaction	: Leasing of equipment for processing of casting and forging parts from CQFC to the Company
Term	: From 1 January 2026 to 31 December 2028
Consideration and payment method	: The rent of the above-mentioned casting and forging parts processing equipment is RMB2,000,000 (exclusive of VAT) each year, which shall be settled on a quarterly basis. The Company shall pay the rent of each quarter within 30 days after the end of that quarter.

Historical transaction amounts

The actual amount paid by the Company for renting the relevant casting and forging parts processing equipment during the relevant period or years under the Machinery Leasing Agreement and the corresponding annual caps are as follows:

	Actual amount incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
Machinery Leasing Agreement	2,000,000	2,000,000	1,830,000	2,000,000	2,000,000	2,000,000

The actual amounts incurred for the two years ended 31 December 2024 had not exceeded the respective annual caps for the relevant years. It is expected that the actual amount incurred for the year ending 31 December 2025 will not exceed the annual cap for the corresponding year.

Basis of consideration

The consideration payable by the Company under the New Machinery Leasing Agreement is determined on normal commercial terms through arm's length negotiations between the parties thereto with reference to the prevailing market rents of similar equipment and the existing rent payable by the Company under the Machinery Leasing Agreement and on terms no less favourable to the Company than those offered by CQFC to Independent Third Parties.

Right-of-use assets

The Group shall recognise the value of the right-of-use assets in connection with the New Machinery Leasing Agreement in its consolidated financial statements in accordance with HKFRS 16, and the transactions contemplated thereunder will be regarded as acquisition of assets by the Group pursuant to the Listing Rules. The value of the right-of-use assets to be recognised by the Group under the New Machinery Leasing Agreement is estimated to be approximately RMB5,698,300.2, which is calculated based on the estimated present value of the total rental payments payable by the Company to CQFC for leasing of equipment for processing of casting and forging parts throughout the term of the New Machinery Leasing Agreement, and is subject to audit and adjustment.

Reasons for entering into the New Machinery Leasing Agreement

As new products of the Company are continuously being marketed and the Company's production scale expands continuously, additional demand for processing and expansion of production capacity are expected. The machineries leased to the Company pursuant to the New Machinery Leasing Agreement will become an essential element of the Company to optimise its production process.

The Directors (including the independent non-executive Directors) are of the view that the terms (including the consideration) of the New Machinery Leasing Agreement are fair and reasonable and on normal commercial terms, and that relevant transactions thereunder will be conducted in the ordinary and usual course of business of the Group and are in the interest of the Company and the Shareholders as a whole.

7. THE NEW QINGLING GROUP EQUIPMENT LEASE

Date	: 30 December 2025
Parties	: (i) Qingling Group; and (ii) the Company
Nature of the transaction	: The Company will lease the Leased Equipment (Qingling Group) from Qingling Group, namely the 110kVA electrical substation and its ancillary facilities owned by Qingling Group.
Term	: Subject to completion of all relevant approval procedures and/or other procedures in accordance with the applicable laws, rules and regulations (including but not limited to the Listing Rules) (if necessary), from 1 January 2026 to 31 December 2028
Consideration and payment method	: The rent for the Leased Equipment (Qingling Group) is RMB880,000 per annum (exclusive of VAT), which shall be settled on a quarterly basis. The Company shall pay the rent for each quarter within one month after the end of that quarter.

The above rent shall be adjusted accordingly by both parties in a timely manner if there is material variation in the value of the Leased Equipment (Qingling Group) during the term of the lease.

During the term of the lease, electricity charges incurred by the Company for using the Leased Equipment (Qingling Group) shall be borne by the Company. Given that the account for the payment of electricity charges is opened under the name of Qingling Group, Qingling Group will make advanced monthly payment of electricity charges for the electricity consumed by the Leased Equipment (Qingling Group) on behalf of the Company, which will be reimbursed by the Company. The Company shall transfer the relevant amount of the electricity charges for the preceding month to Qingling Group's designated bank account before the last day of each month.

Based on the manufacturing capacity of the Company, it is expected that the total amount of electricity charges per annum will not exceed:

- a. RMB40,000,000 per annum (exclusive of VAT) for the year 2026;
- b. RMB45,000,000 per annum (exclusive of VAT) for the year 2027; and
- c. RMB50,000,000 per annum (exclusive of VAT) for the year 2028

Exclusive right of use : The Company has exclusive right to use the Leased Equipment (Qingling Group) during the term of the lease.

Qingling Group shall not assign or lease the Leased Equipment (Qingling Group) to any third parties without the prior written consent of the Company during the term of the lease.

Upgrade and technical modification of the Leased Equipment (Qingling Group) : If the Company requires any upgrade or technical modification of all or any part of the Leased Equipment (Qingling Group) based on its operational needs, it shall notify Qingling Group in writing of the type of equipment proposed to be upgraded or modified, method, budget and other relevant information relating to such upgrade and/or technical modification. The upgrade and/or technical modification of the Leased Equipment (Qingling Group) shall be carried out after the details thereof have been agreed between the parties and the expense incurred therefrom shall be borne by Qingling Group.

Qingling Group is entitled to adjust the rent of the Leased Equipment (Qingling Group) based on the actual expenditures of such upgrade and/or technical modification. The rate and manner of such adjustment shall be negotiated by the parties.

Pursuant to the New Qingling Group Equipment Lease, Qingling Group may enter into separate definitive agreement(s) with the Company from time to time to provide for detailed terms in relation to the leasing of Leased Equipment (Qingling Group) from Qingling Group to the Company in accordance with the principles set out in the New Qingling Group Equipment Lease.

Historical transaction amounts

The actual amounts incurred by the Company under the Qingling Group Equipment Lease during the relevant period or years and the corresponding annual caps are as follows:

	Actual amounts incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
The Qingling Group Equipment Lease	30,270,000	33,370,000	31,130,000	46,580,000	53,110,000	66,170,000

The actual amounts incurred for the two years ended 31 December 2024 had not exceeded the respective annual caps for the relevant years. It is expected that the aggregate actual amount incurred for the year ending 31 December 2025 will not exceed the annual cap for the corresponding year.

Basis of consideration

The rent of the Leased Equipment (Qingling Group) payable by the Company under the New Qingling Group Equipment Lease is determined on normal commercial terms through arm's length negotiations between the parties thereto, and after considering the historical rent under the Qingling Group Equipment Lease and the market rent of the Lease Equipment (Qingling Group). The amount payable by the Company to Qingling Group for electricity charges shall be the actual amount of electricity charges incurred by the Company for the electricity consumed by the Leased Equipment (Qingling Group) during the term of the lease.

Annual caps

The Directors set the annual caps for the amounts payable by the Company for the transactions contemplated under the New Qingling Group Equipment Lease for the relevant years as follows:

	Annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
(a) Leasing of Leased Equipment (Qingling Group) from Qingling Group to the Company	880,000	880,000	880,000
(b) Transfer of relevant amount of electricity charges from the Company to Qingling Group	<u>40,000,000</u>	<u>45,000,000</u>	<u>50,000,000</u>
Aggregate amount	<u><u>40,880,000</u></u>	<u><u>45,880,000</u></u>	<u><u>50,880,000</u></u>

Basis of annual caps

The aforesaid annual caps for the New Qingling Group Equipment Lease are determined with reference to (i) the annual rent payable by the Company to Qingling Group in relation to the leasing of the Leased Equipment (Qingling Group) under the New Qingling Group Equipment Lease; and/or (ii) the expected advanced payment of electricity charges for the electricity consumed by the Leased Equipment (Qingling Group) made by Qingling Group on behalf of the Company.

Right-of-use assets

The Group shall recognise the value of the right-of-use assets under the New Qingling Group Equipment Lease in connection with the leasing of the Leased Equipment (Qingling Group) in its consolidated financial statements in accordance with HKFRS 16, and the transactions contemplated thereunder will be regarded as acquisition of assets by the Group pursuant to the Listing Rules. The value of the right-of-use asset to be recognised by the Group under the New Qingling Group Equipment Lease is estimated to be approximately RMB2,507,252.11, which is calculated based on the estimated present value of the total rental payments payable by the Company to Qingling Group for leasing of the Leased Equipment (Qingling Group) throughout the term of the New Qingling Group Equipment Lease, and is subject to audit and adjustment.

Reasons for entering into the New Qingling Group Equipment Lease

The New Qingling Group Equipment Lease has been entered into to facilitate the operation of the Group. Given that the voltage of the electricity supplied by the local electric power company cannot be directly used in the production of the Company's products, it is necessary to transform the voltage with the aid of the Leased Equipment (Qingling Group) to ensure that the electric power is suitable for the Company's use. Therefore, it is necessary and also beneficial to the operation of the Group to lease from Qingling Group the Leased Equipment (Qingling Group). The electrical substation leased from Qingling Group pursuant to the New Qingling Group Equipment Lease will become an essential element of the Company to optimise its production process.

The Directors (including the independent non-executive Directors) are of the view that the terms (including the consideration) of the New Qingling Group Equipment Lease are fair and reasonable and on normal commercial terms, and that relevant transactions thereunder will be conducted in the ordinary and usual course of business of the Group and are in the interest of the Company and the Shareholders as a whole.

8. THE NEW QINGLING GROUP CONSOLIDATED SERVICES AGREEMENT

Date	: 30 December 2025
Parties	: (i) The Company; (ii) CQAC; (iii) CQACL; (iv) CQPC; and (v) CQNHK
Term	: Subject to completion of all relevant approval procedures and/or other procedures in accordance with the applicable laws, rules and regulations (including but not limited to the Listing Rules) (if necessary) from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules.
Nature of the transaction	: The Company will provide the following services to CQAC, CQACL, CQPC and CQNHK: a. water, electricity and gas supply services; b. transportation services;

- c. equipment repair and maintenance services (including the Three Warranties);
- d. medical and hygiene services;
- e. communication services; and
- f. canteen services

Consideration and payment method	: The price for the services to be provided by the Company under the New Qingling Group Consolidated Services Agreement and any further separate service agreement(s) shall be the actual costs incurred by the Company plus taxes payable arising therefrom, and the payment of which shall be made in accordance with the terms of the New Qingling Group Consolidated Services Agreement and any further separate service agreement.
Definitive agreement(s)	: Pursuant to the terms of the New Qingling Group Consolidated Services Agreement, the parties shall from time to time enter into separate definitive agreement(s) to agree upon detailed terms for the transactions contemplated under the New Qingling Group Consolidated Services Agreement and to provide for detailed terms of each single transaction in accordance with the principles set out in the New Qingling Group Consolidated Services Agreement. Such detailed terms include but not limited to the scope of service, prices, payment and settlement terms, service liability, liability for compensation and other terms and conditions in relation to the provision of services.
Termination	: Should CQAC, CQACL, CQPC and CQNHK cease to be connected persons of the Company and the transactions under the New Qingling Group Consolidated Services Agreement cease to be a continuing connected transaction of the Company, the Company may terminate the New Qingling Group Consolidated Services Agreement upon giving written notice to the corresponding party.

Basis of consideration

The consideration payable by CQAC, CQACL, CQPC and CQNHK under the New Qingling Group Consolidated Services Agreement is determined on normal commercial terms through arm's length negotiations between the parties thereto, and on terms no less favourable to the Company than those offered by the Company to Independent Third Parties, with reference to the actual costs incurred by the Company and the taxes payable arising therefrom.

Annual caps

The table below sets out the annual caps for the transactions contemplated under the New Qingling Group Consolidated Services Agreement for the relevant years:

	Annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
The New Qingling Group Consolidated Services Agreement	<u>9,760,000</u>	<u>13,080,000</u>	<u>15,680,000</u>

There were no previous transactions relating to the provision of consolidated services by the Company to CQAC, CQACL, CQPC and CQNHK, and therefore no historical transaction amount was incurred.

Basis of annual caps

The above annual caps for the New Qingling Group Consolidated Services Agreement are determined based on the expected amounts to be received by the Company under the New Qingling Group Consolidated Services Agreement with reference to the actual amounts received by the Company from IEC under the Consolidated Services Agreement for the year 2023 to 2025.

Reasons for and benefits of entering into the New Qingling Group Consolidated Services Agreement

CQAC, CQACL, CQPC and CQNHK requires various supporting services such as repair and maintenance services for the machineries, after-sales services for its products and other auxiliary and utility related services to carry out its regular operations. The Directors believe that provision of those services as set out in the New Qingling Group Consolidated Services Agreement by the Company to CQAC, CQACL, CQPC and CQNHK would facilitate the operation of the Group and minimise the costs of the Group in setting up crews to handle repair and maintenance services, after-sales services and other related services. It would also utilise the Group's resources fully and centralise management of the Group.

The Directors (including the independent non-executive Directors) are of the view that the terms (including the consideration) of the New Qingling Group Consolidated Services Agreement are fair and reasonable and on normal commercial terms, and the relevant transactions will be conducted in the ordinary and usual course of business of the Group and are in the interest of the Company and the Shareholders as a whole.

II. CONTINUING CONNECTED TRANSACTIONS WITH THE QINGLING AUTOPARTS COMPANIES

9. THE NEW AUTOPARTS AND MATERIALS AGREEMENT

Date	: 30 December 2025
Parties	: (i) The Company; (ii) CQCC; (iii) CQFC; (iv) CQACL; (v) CQAC; (vi) CQPC; (vii) CQNHK; (viii) Qingling Zhuanyong Chassis; (ix) Qingling Zhuanyong Brake; and (x) Qingling Zhuanyong
Term	: Subject to and conditional upon the obtaining of the approval by the Independent Shareholders at the EGM, from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Nature of the transaction	: The Company will: (i) supply to CQCC scrap metal, such as scrap steel and mechanical processing iron scrap left over from the Company's manufacturing process, for further smelting, casting and manufacturing of auto parts by CQCC;

- (ii) supply to CQNHK and Qingling Zhuanyong semi-finished auto parts, including but not limited to axle housing, ring stiffner and car hood, for further production and manufacturing of auto parts by CQNHK and Qingling Zhuanyong; and
- (iii) supply to all Qingling Autoparts Companies crafting materials including but not limited to gasoline, diesel, cutting fluid, tools and equipment, and machinery spare parts, which will be sourced by the Company from suppliers which are Independent Third Parties.

Price determination

- : Detailed terms shall be made on normal commercial terms or better to the Company and on terms no less favourable than those offered by the Company to Independent Third Parties or by Independent Third Parties to the Company, of which:
 - (i) in respect of the supply of scrap metal by the Company to CQCC, the prices shall not be lower than the market price of scrap metal of the same type and the prices of such scrap metal sold by the Company to Independent Third Parties (if any). The exact price will be determined based on the public trading prices of scrap metal of the same or similar type, specifications and quality in the scrap metal trading market where the Company locates, taking into consideration trading conditions such as transportation, loading and unloading and method of payment and will be negotiated and confirmed by the Company and CQCC;
 - (ii) in respect of the supply of the semi-finished auto parts by the Company to CQNHK and Qingling Zhuanyong, the prices will be determined based on costs incurred by the Company plus a profit margin of not exceeding 8%; and
 - (iii) in respect of the supply of crafting materials by the Company to all Qingling Autoparts Companies, the prices will be determined based on the cost of sourcing such crafting materials by the Company from suppliers which are Independent Third Parties plus a profit margin of not exceeding 8%.

The New Autoparts and Materials Agreement is a master agreement which sets out the principles upon which detailed terms in relation to the supply of products are to be determined between the Company on one hand, and the Qingling Autoparts Companies on the other.

Pursuant to the New Autoparts and Materials Agreement, the Company will enter into separate definitive agreement(s) with the Qingling Autoparts Companies from time to time to provide for detailed terms of each single transaction in accordance with the principles set out in the New Autoparts and Materials Agreement. Such detailed terms include, but without limitation, price, payment and settlement terms, quantity, standard of quality, delivery and inspection of products (where applicable) and other terms and conditions in relation to the supply of products.

The Company and the Qingling Autoparts Companies agree that such detailed terms shall be on normal commercial terms or better, and so far as the Company is concerned, on terms no less favourable than those offered by the Company to Independent Third Parties or those offered by Independent Third Parties to the Company.

Historical transaction amounts

The following table sets out the historical transaction amounts for the Autoparts and Materials Agreement, together with their respective annual caps, for the relevant period or years:

	Actual amount incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
Autoparts and Materials Agreement	29,940,000	50,930,000	40,410,000	73,450,000	81,340,000	93,860,000

None of the transaction amounts for the two years ended 31 December 2024 above exceeded their respective annual caps for the corresponding years. It is expected that the actual amount incurred for the year ending 31 December 2025 will not exceed its annual cap for the corresponding year.

Basis of consideration

The consideration recoverable by the Company under the New Autoparts and Materials Agreement is set based on the pricing policies set out in the subparagraph headed “Price determination” above with reference to either the market prices or the costs of the scrap metal, semi-finished auto parts and crafting materials to be supplied, and is determined with reference to, among other things, the average profit margin of 4.34% for China’s automotive industry in 2024 as stated in the Economic Efficiency Indicators for the Automotive Industry from the NBS.

Proposed annual caps

The table below sets out the proposed annual caps for the transactions contemplated under the New Autoparts and Materials Agreement for the relevant years:

	Proposed annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
New Autoparts and Materials Agreements	204,320,000	324,730,000	357,870,000

The Company will seek approval from the Independent Shareholders in respect of the entering into of the New Autoparts and Materials Agreements and the respective transactions contemplated thereunder as well as the aforesaid proposed annual caps.

Basis of proposed annual caps

Each of the aforesaid annual caps of the New Autoparts and Materials Agreement represents an aggregate of the estimated transaction amounts in respect of the supply of (i) scrap metal; (ii) semi-finished auto parts; and (iii) crafting materials by the Company to the relevant Qingling Autoparts Companies in each relevant year.

The estimated transaction amounts in respect of the supply of scrap metal by the Company under the New Autoparts and Materials Agreement were ascertained with reference to the actual amount of the relevant scrap metal left over from the Company’s manufacturing process in 2024 and the amount of scrap metal to be produced for the three years ending 31 December 2028 based on the estimated sales volume of the Company’s products.

The estimated transaction amounts in respect of the supply of semi-finished auto parts by the Company under the New Autoparts and Materials Agreement were ascertained with reference to the estimated demand for such semi-finished auto parts for the three years ending 31 December 2028.

The estimated transaction amounts in relation to the supply of crafting materials by the Company under the New Autoparts and Materials Agreement were ascertained with reference to the purchase and consumption of crafting materials by the Qingling Autoparts Companies in 2024 and the projected increase in demand for crafting materials, in line with the anticipated growth in business of the Qingling Autoparts Companies in the three years ending 31 December 2028.

Reasons for entering into the New Autoparts and Materials Agreement

Scrap metal, such as scrap steel and mechanical processing iron scrap, has been left over from the production process of the Company, while companies which have supplied and will continue to supply auto parts to the Company, such as CQCC, has been purchasing scrap metal on market for the manufacturing of such auto parts. In view of a matching of resources, the Company entered into the New Autoparts and Materials Agreement to supply scrap metal to CQCC to enhance quality management and lower the costs of the auto parts which will in turn be supplied by CQCC to the Company.

Similarly, by leveraging the Company's mature technology know-how and to maximise the Company's existing processing capacity, the Company will manufacture and supply to CQNHK semi-finished stamping auto parts, which will be further processed into final auto parts and will in turn be supplied to the Company, thereby maintaining the quality while lowering the costs of the auto parts to be in turn supplied by CQNHK to the Company. The Company will supply to Qingling Zhuanyong semi-finished stamping auto parts for further processing into auto parts for modified cars, so as to enhance the sales of modified cars, and thereby enhancing the market share of the various types of chassis produced by the Group.

Moreover, as the Company has been sourcing crafting materials for its own consumption during the production process, the Company will also, pursuant to the New Autoparts and Materials Agreement, source appropriate crafting materials for the Qingling Autoparts Companies, taking advantage of bulk-purchasing of such materials. This practice will enable the Company to strengthen the Company's technical support and management of the crafting materials used by the Qingling Autoparts Companies for manufacturing auto parts to be supplied to the Company, and to lower the costs of products to be supplied to the Company.

The Directors (excluding the independent non-executive Directors who will form their view after taking into account recommendations of the Independent Financial Adviser) are of the view that the terms (including the pricing) of the New Autoparts and Materials Agreement are fair and reasonable and on normal commercial terms or better, and that the relevant transactions will be conducted in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

III. CONTINUING CONNECTED TRANSACTION WITH THE BOSCH JV COMPANY

10. THE NEW HYDROGEN-POWERED MODULES SUPPLY AGREEMENT

Date	: 30 December 2025
Parties	: (i) The Bosch JV Company; and (ii) the Company
Term	: Subject to and conditional upon the obtaining of the approval by the Independent Shareholders at the EGM, from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Nature of the transaction	: Supply of hydrogen-powered modules by the Bosch JV Company to the Company
Price determination	: The prices are determined based on the following pricing policy: (i) on arm's length basis; (ii) on normal commercial terms, with the selling prices arrived at after negotiations between the parties based on industry benchmark prices that reflect the quality of the relevant hydrogen-powered modules in a fair market; and (iii) in compliance with applicable laws, rules and regulations including, among others, the Listing Rules.

The New Hydrogen-powered Modules Supply Agreement is a master agreement which sets out the principles upon which further detailed terms in relation to the supply of hydrogen-powered modules may be determined between the Company on one hand, and the Bosch JV Company on the other hand.

Pursuant to the New Hydrogen-powered Modules Supply Agreement, the Company may enter into separate definitive agreement(s) with the Bosch JV Company from time to time to provide for detailed terms of each single transaction in accordance with the principles set out in the New Hydrogen-powered Modules Supply Agreement. Such detailed terms include, but without limitation, quantity, standard of quality, delivery period, payment terms and other terms and conditions in relation to the supply of hydrogen-powered modules.

The Company and the Bosch JV Company agree that terms relating to the supply of products shall be on normal commercial terms and determined through arms' length negotiations, or if there is no sufficient comparable transaction to assess whether they are on normal commercial terms, on terms that are fair and reasonable to the Company.

Historical transaction amounts

The following table sets out the historical transaction amounts for the Hydrogen-powered Modules Supply Agreement, together with their respective annual caps, for the relevant period or years:

	Actual amounts incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
			1 January			
			2025 to 30 November 2025			
Hydrogen-powered Modules Supply Agreement	112,920,000	123,200,000	24,860,000	486,360,000	495,450,000	880,800,000

The above transaction amounts for the two year ended 31 December 2024 did not exceed their respective annual caps for the relevant years. It is also expected that the actual amount incurred for the year ending 31 December 2025 will not exceed its annual cap for the corresponding year.

Basis of consideration

The consideration payable by the Company under the New Hydrogen-powered Modules Supply Agreement is determined after arm's length negotiations between the parties thereto and on terms that are fair and reasonable to the Company based on the pricing policy set out in the subparagraph headed "Price determination" above, with reference to, inter alia, industry benchmark prices of hydrogen-powered modules of similar quality.

Proposed annual caps

The table below sets out the proposed annual caps for the transactions contemplated under the New Hydrogen-powered Modules Supply Agreement for the relevant years:

	Proposed annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
New Hydrogen-powered Modules Supply Agreement	988,710,000	1,759,720,000	2,594,620,000

The Company will seek approval from the Independent Shareholders in respect of the entering into of the New Hydrogen-powered Modules Supply Agreement and the transactions contemplated thereunder as well as the aforesaid proposed annual caps.

Basis of proposed annual caps

The above proposed annual caps for the transactions contemplated under the New Hydrogen-powered Modules Supply Agreement are determined by the Board with reference to (i) the sales capacity of the Company and its subsidiaries; (ii) the expected sales volume of the hydrogen fuel cell vehicles of the Company during the term of the New Hydrogen-powered Modules Supply Agreement; and (iii) the market prices of hydrogen-powered modules and their price trends.

Reasons for entering into the New Hydrogen-powered Modules Supply Agreement

It was set out in the “New Energy Vehicles Industry Development Plan”(《新 能 源 汽 車 產 業 發 展 規 劃》) issued by the PRC government the goal that the number of hydrogen fuel cell vehicles sold should reach 2 million by 2030, while it was set out in the “Guiding Opinions for the Development of Hydrogen Fuel Cell Vehicles Industry”(《氫燃料電池汽車產業發展指導意見》) issued by the Chongqing municipal government that the number of hydrogen fuel cell vehicles used in regional public transportation, logistics and other fields should reach 1,500 by 2025. Moreover, the Jiulongpo district government of the Chongqing municipality also proposed a plan to build hydrogen energy technology industrial parks in the western part of the PRC and create a hydrogen valley. To proactively adapt to the new energy revolution and to be in line with the transformation and development of the automotive industry and seize the relevant market opportunities in the PRC, the Company wishes to purchase hydrogen-powered modules from the Bosch JV Company for assembling hydrogen fuel cell commercial vehicles. Therefore, the parties entered into the New Hydrogen-powered Modules Supply Agreement.

The Directors (excluding the independent non-executive Directors who will form their view after taking into account recommendations of the Independent Financial Adviser) are of the view that the terms (including the pricing) of the New Hydrogen-powered Modules Supply Agreement are fair and reasonable and on normal commercial terms, and that the relevant transactions will be conducted in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

11. THE NEW BOSCH SALES AGREEMENT

Date	: 30 December 2025
Parties	: (i) The Bosch JV Company; and (ii) The Company;
Term	: Subject to and conditional upon the obtaining of the approval by the Independent Shareholders at the EGM, from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules

Transaction	: Sales of gearbox sub-assemblies by the Company to the Bosch JV Company
Pricing principles	: The pricing of the products under the New Bosch Sales Agreement is determined by reference to the actual or reasonable costs incurred by the Company (including but not limited to raw material costs and assembly costs) plus a reasonable profit margin as there are no sufficient comparable transactions.

The Company and the Bosch JV Company agree that the relevant sales terms of the products (including but not limited to the pricing principles) shall be arrived at after arm's length negotiations between the parties and on normal commercial terms or, if there are no sufficient comparable transactions to assess whether they are on normal commercial terms, such terms shall be fair and reasonable so far as the Company is concerned.

The New Bosch Sales Agreement is a master agreement which sets out the principles and requirements in relation to the sales of gearbox sub-assemblies between the Company and the Bosch JV Company. Pursuant to the New Bosch Sales Agreement, the Company may enter into separate definitive agreement(s) with the Bosch JV Company from time to time to provide for detailed terms of each single transaction in accordance with the principles and requirements set out in the New Bosch Sales Agreement. Such detailed terms include, without limitation, price, payment terms, quantity, standard of quality and other terms and conditions.

Historical transaction amounts

The following table sets out the historical transaction amounts for the New Bosch Sales Agreement, together with their respective annual caps, for the relevant period or years:

	Actual amount incurred (in RMB) (Approximate)		Annual caps (in RMB)	
	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2024	For the year ending 31 December 2025
The Bosch Sales Agreement	61,940,000	109,940,000	395,000,000	850,000,000

The above transaction amounts for the year ended 31 December 2024 did not exceed the annual cap for that year. It is expected that the actual amounts incurred for the year ending 31 December 2025 will not exceed the annual caps for the corresponding year.

Basis of consideration

The pricing of the products under the New Bosch Sales Agreement is determined by reference to the actual or reasonable costs incurred by the Company (including but not limited to raw material costs and assembly costs) plus a reasonable profit margin as there are no sufficient comparable transactions. The price of the raw materials will be determined by reference to the market price of the raw materials in a sufficiently comparable market or the actual cost of raw materials purchased by the Company.

The above profit margin shall be determined after arm's length negotiations between the parties after taking into account, among other things, the sound cooperative relationship between the Company and the Bosch JV Company, the Company currently being the sole supplier of the part to the Bosch JV Company, the Company's production and assembly technology and standard of quality for commercial vehicles parts, the domestic market demand for the parts of electric drive gearboxes, and with reference to the average profit margin of new energy vehicles in the domestic market in 2024 in the range of approximately 5% to 7%.

Proposed annual caps

The table below sets out the proposed annual caps for the transactions contemplated under the New Bosch Sales Agreement for the relevant years:

	Proposed annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
The New Bosch Sales Agreement	326,470,000	668,190,000	1,120,730,000

The Company will seek approval from the Independent Shareholders in respect of the entering into of the New Bosch Sales Agreement and the transactions contemplated thereunder as well as the aforesaid proposed annual caps.

Basis of proposed annual caps

The above proposed annual caps for the transactions contemplated under the New Bosch Sales Agreement were determined by the Board with reference to, among other things, (i) the market prices of raw materials for gearbox sub-assemblies and their trend; (ii) the procurement and assembly capabilities of the Company and its subsidiaries; and (iii) the expected demand for gearbox sub-assemblies by the Bosch JV Company since the New Bosch Sales Agreement having become effective till the end of 2028.

Reasons for and benefits of entering into the New Bosch Sales Agreement

The Bosch JV Company is principally engaged in the research and development, production, sales and provision of related service of hydrogen-powered systems. The Bosch JV Company intends to manufacture products (including but not limited to electric drive gearbox) that are compatible with its hydrogen-powered systems, and has begun to identify the supply of gearbox sub-assemblies in the market that can cope with the Bosch JV Company's specifications and quality standards.

With the emergence of the new energy vehicle industry, the demand for traditional fuel vehicle gearboxes is gradually weakening, while the demand for electric drive gearboxes is gradually increasing. By virtue of the similarities between traditional fuel vehicle gearboxes and electric drive gearboxes, the Company can leverage its relatively comprehensive technology in traditional fuel vehicle gearboxes to gradually transform and upgrade its gearboxes, thereby expanding the Company's electric drive product industry.

Since late 2021, the Company has been purchasing from the Bosch JV Company hydrogen-powered modules produced by it and has established a sound cooperative relationship with the Bosch JV Company. On the one hand, the Bosch JV Company possesses strong development capabilities in hydrogen-powered systems and has a strong brand influence in the new energy vehicle market. On the other hand, the Company has technological advantages in mass production of high-quality automotive parts and has a vast supply network of raw materials for automotive parts. The cooperation between the Company and the Bosch JV Company is able to achieve complementary advantages and a win-win situation, particularly, the Company is currently the sole supplier of electric drive gearbox to the Bosch JV Company, enabling the Company to fully utilise its existing equipment and personnel technical experience to produce gearboxes that meet the quality standards of Bosch while obtaining reasonable returns.

In addition, through the cooperation with the Bosch JV Company, the Company can acquire the technology for producing electric drive gearboxes and cultivate talents in the research and development, manufacturing, sales and other aspects of electric drive gearboxes, which lays a foundation for the Company to develop electric drive products that meet the demands of the new energy vehicle industry, and seize the opportunity of the growing domestic market demand for electric drive components to maximise the profits. Accordingly, the Company has entered into the New Bosch Sales Agreement with the Bosch JV Company.

The Directors (excluding the independent non-executive Directors who will form their view after taking into account recommendations of the Independent Financial Adviser) are of the view that the terms (including the pricing) of the New Bosch Sales Agreement are fair and reasonable and on normal commercial terms, and that the relevant transactions will be conducted in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

IV. CONTINUING CONNECTED TRANSACTIONS WITH QINGLING MOULDS

12. THE NEW QINGLING MOULDS SUPPLY AGREEMENT

Date	: 30 December 2025
Parties	: (i) Qingling Moulds; and (ii) the Company
Term	: From 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Nature of the transaction	: (i) Supply of moulds and related products and provision of maintenance and processing services by Qingling Moulds to the Company; (ii) Supply of raw materials and provision of processing services by the Company to Qingling Moulds; and (iii) Provision of consolidated services including but not limited to water, electricity and gas supply services, equipment repair and maintenance services (including the Three Warranties), medical and hygiene services, communication services and canteen and hygienic services by the Company to Qingling Moulds
Price determination	: Detailed terms shall be made on normal commercial terms or, if there are no sufficient comparable transactions to assess whether they are on normal commercial terms, on terms that are fair and reasonable to the Company and no less favourable than those offered by Qingling Moulds to Independent Third Parties, of which: (i) in respect of transactions described in (i) and (ii) under the subparagraph headed “Nature of the transaction” above, as there are no sufficient comparable transactions, prices of which will be determined based on reasonable costs incurred plus a profit margin of not exceeding 8%; and

- (ii) in respect of services transactions described in (iii) under the subparagraph headed “Nature of the transaction” above, at prices based on actual costs incurred plus taxes payable.

The New Qingling Moulds Supply Agreement is a master agreement which sets out the principles upon which detailed terms in relation to the provision of products and/or services are to be determined between the Company and Qingling Moulds.

Pursuant to the New Qingling Moulds Supply Agreement, the Company will enter into separate definitive agreement(s) with Qingling Moulds from time to time to provide for detailed terms of each single transaction in accordance with the principles set out in the New Qingling Moulds Supply Agreement. Such detailed terms include, but without limitation, scope to be provided, price, payment and settlement terms, services liability, liability for compensation, quantity, standard of quality, delivery and inspection of products (where applicable) and other terms and conditions in relation to the provision of products and/or services.

The Company and Qingling Moulds agree that such detailed terms shall be on normal commercial terms or, if there are no sufficient comparable transactions to assess whether they are on normal commercial terms, on terms that are fair and reasonable to the Company. Qingling Moulds also undertakes that the terms offered to the Company shall be no less favourable than those offered by Qingling Moulds to Independent Third Parties.

With respect to the provision of consolidated services by the Company to Qingling Moulds, should Qingling Moulds cease to be a connected person of the Company and the consolidated services transactions under the New Qingling Moulds Supply Agreement cease to be a continuing connected transaction of the Company, the Company may terminate the provision of consolidated services to Qingling Moulds by giving written notice to Qingling Moulds.

Historical transaction amounts

The actual amounts paid and received by the Company pursuant to the Qingling Moulds Supply Agreement for the relevant period or years and the corresponding annual caps for each such payments are as follows:

	Actual amount incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
(a) Supply of moulds and related products and provision of maintenance and processing services by Qingling Moulds to the Company	52,190,000	66,190,000	40,940,000	81,000,000	71,000,000	71,000,000
(b) Supply of raw materials and provision of processing services by the Company to Qingling Moulds	870,000	900,000	640,000	870,000	960,000	1,060,000
(c) Provision of consolidated services by the Company to Qingling Moulds	1,360,000	1,480,000	1,850,000	1,540,000	1,690,000	1,860,000

None of the actual amounts incurred for the two years ended 31 December 2024 above exceeded their respective annual caps for the corresponding years. It is expected that the actual amounts incurred for the year ending 31 December 2025 will not exceed their respective annual caps for the corresponding year.

Basis of consideration

With respect to the supply of moulds and related products and provision of maintenance and processing services by Qingling Moulds to the Company, and the supply of raw materials and provision of processing services by the Company to Qingling Moulds, as there are no sufficient comparable transactions, the consideration payable will be determined with reference to reasonable costs incurred plus a profit margin of not more than 8%. Such profit margin shall be determined with reference to, among other things, the average profit margin of 4.34% for China's automotive industry in 2024 as stated in the Economic Efficiency Indicators for the Automotive Industry from the NBS. With respect to the provision of consolidated services by the Company to Qingling Moulds, the consideration is set at prices based on actual costs incurred plus taxes payable.

The consideration payable and receivable by the Company under the New Qingling Moulds Supply Agreement is determined after arm's length negotiations between the parties thereto and on terms no less favourable than those offered by Qingling Moulds to Independent Third Parties.

Annual caps

The table below sets out the annual caps for the transactions contemplated under the New Qingling Moulds Supply Agreement for the relevant years:

	Annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
(a) Supply of moulds and related products and provision of maintenance and processing services by Qingling Moulds to the Company	60,000,000	55,000,000	55,000,000
(b) Supply of raw materials and provision of processing services by the Company to Qingling Moulds	1,000,000	1,100,000	1,210,000
(c) Provision of consolidated services by the Company to Qingling Moulds	4,500,000	7,140,000	7,900,000

Basis of annual caps

The aforesaid annual caps of the New Qingling Moulds Supply Agreement each represents the estimated transaction amounts in each relevant year in respect of each of (a) the supply of moulds and related products and provision of maintenance and processing services by Qingling Moulds to the Company; (b) the supply of raw materials and provision of processing services by the Company to Qingling Moulds; and (c) the provision of consolidated services by the Company to Qingling Moulds.

The estimated transaction amounts in respect of the supply of moulds and related products and provision of maintenance and processing services by Qingling Moulds to the Company under the New Qingling Moulds Supply Agreement were ascertained by the Board with reference to the estimated amounts of moulds required by the Company based on the projected sales and development of new products for the three years ending 31 December 2028.

The estimated transaction amounts in respect of the supply of raw materials and provision of processing services by the Company to Qingling Moulds under the New Qingling Moulds Supply Agreement were ascertained by the Board with reference to the estimated amounts of raw materials and processing services required by Qingling Moulds for the production of its estimated number of moulds for the three years ending 31 December 2028.

The estimated transaction amounts in respect of the provision of consolidated services by the Company to Qingling Moulds under the New Qingling Moulds Supply Agreement were ascertained by the Board with reference to the estimated amounts of consolidated services required by Qingling Moulds from the Company for its operations.

Reasons for entering into the New Qingling Moulds Supply Agreement

The products manufactured by the Company must meet the standards required by Isuzu. The moulds manufactured by Qingling Moulds are of high quality and fulfill the required technology standard, and the price is lower than similar imported products. On the other hand, Qingling Moulds requires raw materials and processing services of the Company to manufacture moulds and related products. Qingling Moulds also requires various supporting services such as repair and maintenance services for the machineries, after-sales services for its products and other auxiliary and utility-related services to carry out its regular operations. The Directors believe that provision of those services as set out in the New Qingling Moulds Supply Agreement by the Company to Qingling Moulds would facilitate the operation of the Group and minimise the costs of the Group in setting up crews to provide repair and maintenance services, aftersales services and other related services. It would also utilise the Group's resources fully and centralise management of the Group. As such, the parties entered into the New Qingling Moulds Supply Agreement.

The Directors (including the independent non-executive Directors) are of the view that the terms (including the pricing) of the New Qingling Moulds Supply Agreement are fair and reasonable and on normal commercial terms, and that the relevant transactions will be conducted in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

13. THE NEW QINGLING MOULDS LEASE

Date	: 30 December 2025
Parties	: (i) The Company; and (ii) Qingling Moulds
Nature of the transaction	: Leasing of the Land (Qingling Moulds) with a usable area of 7,420m ² by Qingling Moulds from the Company for the use of Qingling Moulds as production and operation premises
Term	: Subject to completion of all relevant approval procedures and/or other procedures in accordance with the applicable laws, rules and regulations (including but not limited to the Listing Rules) (if necessary), from 1 January 2026 to 31 December 2028
Consideration and method of payment	: The rent for the Land (Qingling Moulds) is RMB3,587.35 per month (representing RMB43,048.20 per annum) (exclusive of VAT), which shall be settled on an annual basis. Qingling Moulds shall pay the rent for the preceding year to the Company in January of each year.
Exclusive right of use	: Qingling Moulds has exclusive right to use the Land (Qingling Moulds) during the term of the lease. The Company shall not assign or lease the Land (Qingling Moulds) to any third parties without the prior written consent of Qingling Moulds during the term of the lease. The Company shall permit the personnel and vehicles of Qingling Moulds to pass through its land which is adjacent to the Land (Qingling Moulds) without imposing any charges against Qingling Moulds.

Historical transaction amounts

The actual amounts paid by Qingling Moulds to the Company in respect of the leasing of the Land (Qingling Moulds) under the Qingling Moulds Lease during the relevant period or years and the corresponding annual caps are as follows:

	Actual amounts incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
Qingling Moulds Lease	40,000	40,000	0	50,000	50,000	50,000

The actual amounts incurred for the two years ended 31 December 2024 had not exceeded the respective annual caps for the relevant years. It is expected that the actual amount incurred for the year ending 31 December 2025 will not exceed the annual cap for the corresponding year.

Basis of consideration

The rent for the Land (Qingling Moulds) is determined on normal commercial terms through arm's length negotiations between the parties thereto and on terms no less favourable to the Company than those offered by the Company to Independent Third Parties with reference to the prevailing market rents and the rent paid by Qingling Moulds in previous years under the Qingling Moulds Lease.

Annual caps

The Directors set the annual caps for the amounts to be received by the Company in respect of the transactions contemplated under the New Qingling Moulds Lease for the relevant years as follows:

	Annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
New Qingling Moulds Lease	50,000	50,000	50,000

Basis of annual caps

The above annual caps for the New Qingling Moulds Lease are determined with reference to the rents payable by Qingling Moulds to the Company during the term of the New Qingling Moulds Lease.

Reasons for entering into the New Qingling Moulds Lease

The New Qingling Moulds Lease has been entered into to facilitate the operation of the Group. Since Qingling Moulds, which is owned as to 50.56% by the Company and 49.44% by Isuzu, was set up for the manufacturing and sales of moulds, it is necessary and also beneficial to the operation of the Group to allow Qingling Moulds to lease the land for manufacturing and operation. It would also utilise the Group's resources fully and centralise management of the Group.

The Directors (including the independent non-executive Directors) are of the view that the terms (including the consideration) of the New Qingling Moulds Lease are fair and reasonable and on normal commercial terms, and that relevant transactions thereunder will be conducted in the ordinary and usual course of business of the Group and are in the interest of the Company and the Shareholders as a whole.

V. CONTINUING CONNECTED TRANSACTIONS WITH ISUZU

14. THE NEW ISUZU SUPPLY AGREEMENT

Date	: 30 December 2025
Parties	: (i) Isuzu; and (ii) the Company
Term	: From 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Nature of the transaction	: Supply of automobile parts of ISUZU N Series, T Series, UC Series, F Series and other series by Isuzu to the Company
Price determination	: As there is no sufficient comparable transaction, prices shall be determined based on the actual or reasonable costs (whichever is lower) plus a profit margin of not exceeding 10%.
Payment term	: Payment on delivery

The New Isuzu Supply Agreement is a master agreement which sets out the principles upon which detailed terms in relation to the supply of products are to be determined between the Company and Isuzu.

Pursuant to the New Isuzu Supply Agreement, the Company will enter into separate definitive agreement(s) from time to time to provide for detailed terms of each single transaction in accordance with the principles set out in the New Isuzu Supply Agreement. Such detailed terms include, but without limitation, price, payment and settlement terms, quantity, standard of quality, inspection, product liability, liability for compensation and other terms and conditions in relation to the supply of products.

The Company and Isuzu agree that such detailed terms shall be on normal commercial terms or, if there are no sufficient comparable transactions to assess whether they are on normal commercial terms, on terms that are fair and reasonable to the Company. Isuzu also undertakes that the terms for products offered to the Company shall be no less favourable than those offered by Isuzu to Independent Third Parties in the market where the Company operates.

In the event that a competitor (including a potential competitor) of Isuzu holds Shares of a number equivalent to or more than that held by Isuzu or there is a change in control in Qingling Group, Isuzu may terminate the New Isuzu Supply Agreement by giving written notice to the Company.

Should Isuzu cease to be a connected person of the Company and the transactions under the New Isuzu Supply Agreement cease to be a continuing connected transaction of the Company, the Company may terminate the New Isuzu Supply Agreement upon giving written notice to Isuzu.

Historical transaction amounts

The following table sets out the historical transaction amounts in respect of the Isuzu Supply Agreement, together with their respective annual caps, for the relevant period or years:

	Actual amount incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
Isuzu Supply Agreement	35,260,000	20,460,000	28,140,000	299,710,000	431,790,000	589,140,000

None of the transaction amounts for the two years ended 31 December 2024 above exceeded their respective annual caps for the corresponding years. It is expected that the actual amount incurred for the year ending 31 December 2025 will not exceed the annual cap for the corresponding year.

Basis of consideration

As there are no sufficient comparable transactions, the consideration in respect of the New Isuzu Supply Agreement is to be determined with reference to the actual or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 10%, which refers to, among other things, the average profit margin of the automobile industry in the PRC of 4.34% in 2024 as stated in the Economic Efficiency Indicators for the Automotive Industry from the NBS. The Company noted that the maximum profit margin of 10% determined by the Company and Isuzu is slightly higher than the industry average in 2024. The Company considers that the maximum profit margin of 10% is reasonable as Isuzu has exclusive technology and quality standards designed for parts and components of commercial vehicles. The Company also considers that automobile parts and components produced by Isuzu are exclusive, and the technology and quality of its products are not available in the domestic market of the PRC. Moreover, in order to ensure that the vehicles produced and sold under the brand name of Isuzu reach the technology and performance standards as required, the Company needs to purchase relevant automobile parts and components from Isuzu.

The Company also made reference to the estimated prices of the same automobile parts and components sold by Isuzu in the domestic market of Japan to compare and determine the consideration in respect of the New Isuzu Supply Agreement. Although the market conditions in Japan and the PRC are different and a direct comparison between prices of the two might not be appropriate in usual cases, given that the automobile parts and components from Isuzu are sold to the Company exclusively in the PRC and no substitutes are available in the domestic market of the PRC, the estimated prices of the same in Japan, together with certain additional fees (such as packaging and transportation fees), can serve as references for assessing the reasonableness of the prices charged by Isuzu. Based on the above factors, the Company considers that the prices of automobile parts and components to be supplied by Isuzu under the New Isuzu Supply Agreement will be no less favourable than that of similar automobile parts and components supplied by Isuzu to Independent Third Parties in the domestic markets of Japan and the PRC (if available), and has agreed to set the maximum profit margin level to be received by Isuzu for the transactions contemplated under the New Isuzu Supply Agreement at 10% when determining the consideration.

Annual caps

The table below sets out the annual caps for the transactions contemplated under the New Isuzu Supply Agreement for the relevant years:

	Annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
New Isuzu Supply Agreement	50,650,000	54,230,000	72,700,000

Basis of annual caps

The aforesaid annual caps for the New Isuzu Supply Agreement are set by the Board with reference to (i) the historical sales volume; (ii) the projected sales volume for the term of the New Isuzu Supply Agreement, taking into account, inter alia, the overall business environment and specific growth strategies of the Company; (iii) the number of new vehicles of new models or different specifications to be launched and made available for sale by the Company; and (iv) the expected expansion of sales network through distributors in the PRC.

Reasons for entering into the New Isuzu Supply Agreement

For its business of manufacturing and selling vehicles under the brand name of Isuzu, the Company needs to purchase automobile parts and components from Isuzu from time to time, and requires Isuzu to supply technology and technical know-how in order to fulfill product standards and specifications required by Isuzu. Hence, the parties entered into the New Isuzu Supply Agreement.

The Directors (including the independent non-executive Directors) are of the view that the terms (including the pricing) of the New Isuzu Supply Agreement are fair and reasonable and on normal commercial terms, and that the relevant transactions will be conducted in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

15. THE NEW COMPANY SUPPLY AGREEMENT

Date	: 30 December 2025
Parties	: (i) Isuzu; and (ii) the Company
Term	: From 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Nature of the transaction:	: Supply of vehicles, accessory sets and other automobile parts and components, including but not limited to transmission parts such as gears, shafts and clutches, by the Company to Isuzu and/or its wholly owned subsidiary

Price determination : As there is no sufficient comparable transaction, prices shall be determined based on the actual or reasonable costs (whichever is lower) incurred plus a profit margin of not exceeding 10%

Payment term : Payment within 40 days after delivery

The New Company Supply Agreement is a master agreement which sets out the principles upon which detailed terms in relation to the supply of products are to be determined between the Company and Isuzu.

Pursuant to the New Company Supply Agreement, the Company will enter into separate definitive agreement(s) from time to time to provide for detailed terms of each single transaction in accordance with the principles set out in the New Company Supply Agreement. Such detailed terms include, but without limitation, order-making procedures, individual orders, price, payment and settlement terms, quantity, standard of quality, inspection, product liability, liability for compensation and other terms and conditions in relation to the supply of products.

The Company and Isuzu agree that such detailed terms shall be on normal commercial terms or, if there is no sufficient comparable transaction to assess whether they are on normal commercial terms, on terms that are fair and reasonable to the Company. Isuzu also undertakes that the terms offered to the Company shall be no less favourable than those offered by Isuzu to Independent Third Parties in the market where Isuzu operates.

In the event that a competitor (including a potential competitor) of Isuzu holds Shares of a number equivalent to or more than that held by Isuzu or there is a change in control in Qingling Group, Isuzu may terminate the New Company Supply Agreement upon giving written notice to the Company.

Should Isuzu cease to be a connected person of the Company and the transactions under the New Company Supply Agreement cease to be a continuing connected transaction of the Company, the Company is entitled to terminate the New Company Supply Agreement upon giving written notice to Isuzu.

Historical transaction amounts

The following table sets out the historical transaction amounts in respect of the Company Supply Agreement, together with their respective annual caps, for the relevant period or years:

	Actual amount incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
Company Supply Agreement	2,900,000	2,480,000	2,610,000	54,520,000	98,570,000	99,980,000

None of the transaction amounts for the two years ended 31 December 2024 above exceeded their respective annual caps for the corresponding years. It is expected that the actual amount incurred for the year ending 31 December 2025 will not exceed the annual cap for the corresponding year.

Basis of consideration

The prices of the vehicles, accessory sets and other automobile parts and components to be supplied by the Company to Isuzu and/or its wholly owned subsidiary, will be determined after arm's length negotiations between the parties. The Company will only supply the vehicles, accessory sets and other automobile parts and components as those supplied under the New Company Supply Agreement to (i) Isuzu and/or its wholly owned subsidiary; and (ii) qingling motors outlets for automobile maintenance and parts replacement purposes. Isuzu is the only party in the domestic market of Japan to which such accessory sets and other automobile parts and components are sold, while qingling motors outlets are the only Independent Third Parties in the PRC to which such products are sold. The prices for exporting vehicles, accessory sets and other automobile parts and components by the Company to Isuzu and/or its wholly owned subsidiary are prices offered to overseas manufacturers, while the prices for supplying the same to qingling motors outlets are domestic retail prices. Given that the locations of market and the sectors of industry (i.e. manufacturers and retailers) for the sale of such products to Isuzu together with its subsidiaries, and qingling motors outlets are different, different pricing strategies will be applied by the Company and a direct comparison between the prices of the two would be not be appropriate. As such, there is no sufficient comparable transaction for the sale of vehicles, accessory sets and other automobile parts and components under the New Company Supply Agreement.

As there is no sufficient comparable transaction, the consideration in respect of the New Company Supply Agreement will be determined with reference to the actual or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 10%, which refers to, among other things, the average profit margin of the automobile industry in the PRC of 4.34% in 2024 as stated in the Economic Efficiency Indicators for the Automotive Industry from the NBS. As the New Isuzu Supply Agreement entered into between the Company and Isuzu was negotiated on arm's length basis, when determining the consideration to be received by the Company under the New Company Supply Agreement, the Company and Isuzu have also made reference to the basis of consideration payable by the Company (i.e. to be determined with reference to a maximum profit margin level of 10%) for the transactions contemplated under the New Isuzu Supply Agreement.

The consideration payable by Isuzu under the New Company Supply Agreement is determined after arm's length negotiations between the parties thereto and on terms no less favourable to the Company than those offered by Isuzu to Independent Third Parties.

Annual caps

The table below sets out the annual caps for the transactions contemplated under the New Company Supply Agreement for the relevant years:

	Annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
New Company Supply Agreement	3,720,000	4,460,000	5,360,000

Basis of annual caps

The aforesaid annual caps for the New Company Supply Agreement are set by the Board with reference to (i) the historical sales volume; (ii) the projected sales volume for the term of the New Company Supply Agreement, taking into account, inter alia, the overall business environment and specific growth strategies; and (iii) the number of new vehicles of new models or different specifications to be launched and made available for sale by Isuzu.

Reasons for and benefits of entering into the New Company Supply Agreement

As the vehicles, accessory sets and other automobile parts and components manufactured by the Group fulfill the international standards as required by Isuzu and the prices of the Group's products are competitive, Isuzu wishes to purchase vehicles, accessory sets and other automobile parts and components from the Group. Furthermore, by supplying such vehicles, accessory sets and other automobile parts and components, the Company can access the international market, and hence the parties entered into the New Company Supply Agreement.

The Directors (including the independent non-executive Directors) are of the view that the terms (including the pricing) of the New Company Supply Agreement are fair and reasonable and on normal commercial terms, and that the relevant transactions will be conducted in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

(VI) THE TRADEMARK LICENSING AGREEMENTS, THE 700P3X SERIES TECHNOLOGY TRANSFER AGREEMENT AND THE TECHNOLOGY LICENCE AGREEMENTS WITH ISUZU

16. THE TRADEMARK LICENSING AGREEMENTS

a. THE 600P, 100P and TF/UC AGREEMENT

Date	: 26 March 2021
Parties	: (i) Isuzu; and (ii) the Company
Term	: 5 years commencing from the date of signing of the agreement and thereafter renewable automatically each year up to 5 years if neither party requests in writing, 90 days prior to its expiry, to terminate the agreement
Nature of the transaction	: Isuzu grants the Company a non-transferrable right to use the trademarks and emblems of Isuzu, “ISUZU”, for the production and sale of the 600P, 100P and TF/UC series vehicles by the Company.
Consideration	: Licence fee for each series of vehicle is as follows: (a) JPY2,000 for each 600P series vehicle sold; (b) JPY1,500 for each 100P series vehicle sold; and (c) JPY1,500 for each TF/UC series vehicle sold
Payment term	: The aggregate licence fees shall be payable by the Company for every 6-month period ending 30 September and 31 March within the contract term, after deducting the tax payable by Isuzu to the PRC government, which shall be settled by the Company in JPY within 30 days after the expiry of the respective 6-month periods.

b. THE 3XCAB AGREEMENT

Date	: 23 June 2016
Parties	: (i) Isuzu; and (ii) the Company
Term	: Effective upon the parties' signing of the agreement until the day on which Isuzu ceases to manufacture the sample cab (as defined in the 3XCAB Agreement), or the expiry date of the term as prescribed under the relevant rules or regulations of the PRC, whichever is earlier
Nature of the transaction	: Provision of technology and technical know-how, staff training and technical assistance in relation to the production of permitted cab (as defined in the 3XCAB Agreement) and the permission to use the trademarks and emblems of Isuzu, "ISUZU", by Isuzu to the Company for the assembling, production and sale of permitted vehicles (as defined in the 3XCAB Agreement) by the Company
Consideration	: With respect to the transfer of technology and provision of technical know-how: Royalties payable by the Company to Isuzu in relation to the sale of each permitted vehicle (as defined in the 3XCAB Agreement), which are calculated at 3% of the on-site added value (as defined in the 3XCAB Agreement) of each vehicle. The on-site added value is determined with reference to the wholesale price of the vehicle less the aggregate of the import price of relevant parts and components and the price of parts and components with standard specifications With respect to the use of trademark of Isuzu: Licence fee of JPY2,000 for each permitted vehicle (as defined in the 3XCAB Agreement) sold

Payment term : The aggregate amount of royalties and licence fees shall be payable by the Company for every 6-month period ending 30 September and 31 March within the contract term, which shall be settled by the Company in JPY within 30 days after the expiry of the respective 6-month periods.

c. RGQ AGREEMENT

Date : 13 March 2024

Parties : (i) the Company; and
(ii) Isuzu

Term : From the date of signing of the RGQ Agreement to 31 December 2031

Nature of the transaction : Isuzu licensed and authorised the Company to use its trademarks for the purpose of manufacturing and sales of the RGQ carrying vehicles in the PRC on a non-exclusive basis.

Consideration : The trademark licensing fee is JPY15,000 (equivalent to approximately RMB670) for each RGQ carrying vehicles.

Payment term : The trademark licensing fee shall be calculated based on the total number of the RGQ carrying vehicles sold within each six-month period ending on 30 September and 31 March during the term of the agreement, and shall be, after deducting the taxes that Isuzu should pay to the PRC government, payable by the Company to Isuzu in JPY within 30 days after the expiration of the corresponding six-month period.

Historical transaction amounts

The following table sets out the historical transaction amounts of royalties and licence fees paid by the Company for the relevant transactions contemplated under each of the 600P, 100P and TF/UC Agreement, the 3XCAB Agreement and the RGQ Agreement and the corresponding annual caps for the relevant period or years:

	Actual amount incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
The 600P, 100P and TF/UC Agreement	1,830,000	1,380,000	1,430,000	3,710,000	3,920,000	4,800,000
The 3XCAB Agreement	20,000	10,000	0	20,000	20,000	20,000
The RGQ Agreement	–	590,000	290,000	–	4,500,000	7,500,000

The actual amounts incurred for the two years ended 31 December 2024 under the Trademark Licensing Agreements had not exceeded the respective annual caps for the relevant years. It is expected that the actual amounts for the year ending 31 December 2025 will not exceed the respective annual caps for the corresponding year.

Annual caps

The Directors set the annual caps for the transactions contemplated under the Trademark Licensing Agreements for the relevant years as follows:

	Annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
The 600P, 100P and TF/UC Agreement	2,230,000	2,730,000	3,020,000
The 3XCAB Agreement	890,000	1,270,000	1,320,000
The RGQ Agreement	680,000	950,000	1,060,000

Basis of annual caps

The above annual caps for the Trademark Licensing Agreements are determined with reference to (i) the historical sales volume of the relevant series of vehicles; (ii) the projected sales volume of the relevant series of vehicles for the relevant years during the term of the Trademark Licensing Agreements; and (iii) the exchange rate of RMB to JPY at RMB1: JPY22.36.

Reasons for entering into the Trademark Licensing Agreements

“Isuzu” is a world-renowned brand of commercial vehicles. The Company has been introducing Isuzu’s products and technologies to manufacture products in compliance with the quality standards required by Isuzu, including but not limited to 600P, 100P and TF/UC series vehicles, those vehicles employing 3XCAB series cabs and RGQ carrying vehicles. The use of Isuzu’s trademark on these products could enhance their market recognition. As a result, the Company entered into the Trademark Licensing Agreements with Isuzu to obtain the right to use the trademark and emblem of Isuzu.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Trademark Licensing Agreements are fair and reasonable and on normal commercial terms, and that the relevant transactions thereunder will be conducted in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

17. THE 700P3X SERIES TECHNOLOGY TRANSFER AGREEMENT

Date	: 23 May 2008
Parties	: (i) Isuzu; and (ii) the Company
Term	: Effective upon the parties' signing of the agreement until the date on which Isuzu ceases to manufacture sample vehicles (as defined in the 700P3X Series Technology Transfer Agreement), or the expiry date of the term as prescribed under the relevant rules or regulations of the PRC, whichever is earlier
Nature of the transaction	: Provision of technology and technical know-how, staff training and technical assistance and the permission to use the trademark and the emblem of Isuzu by Isuzu to the Company for the production and sale of 700P3X series vehicles and related parts and components
Price determination	: Product development and production technical support fee (which has already been fully paid by the Company to Isuzu) plus royalties calculated at 3% of the on-site added value (as defined in the 700P3X Series Technology Transfer Agreement) of each vehicle. The on-site added value is determined with reference to the wholesale price of the vehicle less the aggregate of the import price of relevant parts and components, the price of parts and components with standard specifications and the price of engine assemblies and parts
Payment term	: The royalties shall be payable by the Company for the period ending 31 March or 30 September (whichever is earlier) within 6 months after the execution of the 700P3X Series Technology Transfer Agreement and for every six months thereafter during the contract term, which shall be settled by the Company in JPY within 30 days after the expiry of the respective periods.

Historical transaction amounts

The actual amounts of royalties paid by the Company for the relevant transactions contemplated under the 700P3X Series Technology Transfer Agreement during the relevant period or years and the corresponding annual caps are as follows:

	Actual amount incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
The 700P3X Series Technology Transfer Agreement	5,560,000	6,760,000	5,210,000	12,830,000	12,650,000	15,440,000

The actual amounts of royalties paid for the two years ended 31 December 2024 had not exceeded the respective annual caps for the relevant years. It is expected that the actual amount paid for the year ending 31 December 2025 will not exceed the annual cap for the corresponding year.

Annual caps

The Directors set the annual caps for the royalties payable by the Company for the transactions contemplated under the 700P3X Series Technology Transfer Agreement for the relevant years as follows:

	Annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
The 700P3X Series Technology Transfer Agreement	4,560,000	5,500,000	8,170,000

Basis of annual caps

The aforesaid annual caps for the 700P3X Series Technology Transfer Agreement are determined with reference to the actual amounts of royalties paid by the Company thereunder during the period from 2023 to 2025 and the anticipated production and sales amounts of the products contemplated under the 700P3X Series Technology Transfer Agreement in the coming three years ending 31 December 2028.

Reasons for entering into the 700P3X Series Technology Transfer Agreement

The Company requires the provision of technology and technical know-how by Isuzu for its business from time to time to meet the standards and requirements of Isuzu for production and sale of 700P3X series vehicles. Hence, the Company entered into the 700P3X Series Technology Transfer Agreement with Isuzu.

The Directors (including the independent non-executive Directors) are of the view that the terms of the 700P3X Series Technology Transfer Agreement are fair and reasonable and on normal commercial terms, and that relevant transactions thereunder will be conducted in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

18. THE TECHNOLOGY LICENCE AGREEMENTS

References are made to the announcements of the Company dated 27 April 2016, 26 November 2019 and 30 December 2022, respectively. The Company had paid initial fees for introducing the technology and technical know-how of CYH, CYZ and EXR/EXZ vehicles under each of the respective Technology Licence Agreements. Upon commencement of the sale of CYH, CYZ and EXR/EXZ vehicles, the Company is required to pay royalties to Isuzu based on the sale of such vehicles and the relevant transactions contemplated under the respective Technology Licence Agreements will become continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The royalties payable by the Company to Isuzu in relation to the sale of each of CYH, CYZ and EXR/EXZ vehicles under the respective Technology Licence Agreements are calculated at 3% of the on-site added value (as respectively defined in each of the Technology Licence Agreements) of each vehicle. The on-site added value is determined with reference to the wholesale price of the vehicle less the aggregate of the import price of relevant parts and components, the price of parts and components with standard specifications and the price of licensed engines. The royalties shall be payable by the Company for every 6-month period ending on 30 September or 31 March of a year during the contract term, which shall be settled by the Company in JPY within 30 days after the expiry of the respective 6-month period.

The Company has applied the product technology of Isuzu to the CYH, CYZ and EXR/EXZ vehicles and the sale of the relevant vehicles has commenced. Therefore, the maximum aggregate amount of royalties will be set in respect of each of the Technology Licence Agreements in accordance with Rule 14A.53 of the Listing Rules.

Historical transaction amounts

The actual amounts of royalties paid by the Company under the Technology Licence Agreements during the relevant period or years and the corresponding annual caps are as follows:

	Actual amount incurred (in RMB)			Annual caps (in RMB)		
	<i>(Approximate)</i>					
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
Technology Licence Agreement	1,590,000	1,950,000	1,310,000	9,820,000	15,710,000	21,790,000

The actual amounts paid by the Company for the two years ended 31 December 2024 had not exceeded the respective annual caps for the relevant years. It is expected that the actual amounts paid for the year ending 31 December 2025 will not exceed the relevant annual cap for the corresponding year.

Annual caps

The Directors set the aggregate annual caps of royalties payable by the Company to Isuzu for the transactions contemplated under the Technology Licence Agreements for the relevant years as follows:

	Aggregate annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
The Technology Licence Agreements	4,450,000	3,500,000	4,750,000

Basis of annual caps

The aforesaid aggregate annual caps for the Technology Licence Agreements are determined with reference to the actual amounts of royalties paid by the Company under the respective Technology Licence Agreements and the anticipated production and sales amounts of CYH, CYZ and EXR/EXZ vehicles during the period from 2026 to 2028 contemplated under the Technology Licence Agreements.

Reasons for and benefits of entering into the Technology Licence Agreements

The Company requires the provision of technology and technical know-how by Isuzu for its business from time to time to meet the standards and requirements of Isuzu for production of heavy-duty vehicles (such as CYH, CYZ and EXR/EXZ vehicles) and their parts and components. Hence, the Company entered into the Technology Licence Agreements with Isuzu to enhance the performance and price competitiveness of its heavy-duty vehicles, and to participate in the market competition of heavy-duty vehicles in the PRC with view to expanding its market scale.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Technology Licence Agreements are fair and reasonable and on normal commercial terms, and that relevant transactions thereunder will be conducted in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

VII. CONTINUING CONNECTED TRANSACTIONS WITH IEC

19. THE NEW SUPPLY AGREEMENT

- Date : 30 December 2025
- Parties : (i) The Company; and
(ii) IEC
- Term : Subject to and conditional upon the obtaining of the approval by the Independent Shareholders at the EGM, from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
- Nature of the transaction : (a) Supply of engine parts and raw materials required for the manufacturing of engines by the Company to IEC; and
(b) Supply of engines and their parts by IEC to the Company
- Price determination : As there is no sufficient comparable transaction, prices shall be determined based on the actual costs incurred plus a premium of not exceeding 10%. Such premium shall be finalised by both parties on the basis that it is fair and reasonable to both parties.
- Payment term : Payment of products for the preceding month shall be made by the end of each month

Pursuant to the New Supply Agreement, the parties shall enter into separate definitive agreement(s) with detailed terms in relation to the supply of products in accordance with the underlying principles under the New Supply Agreement. Such detailed terms shall include, without limitation, order-making procedure rule, orders, price, payment and settlement terms, quantity, standard of quality, inspection of products, product liability, liability for compensation and other terms and conditions in relation to the sale and purchase of specific types of products.

Should IEC cease to be a connected person of the Company and the transactions under the New Supply Agreement cease to be a continuing connected transaction of the Company, the Company is entitled to terminate the New Supply Agreement upon giving written notice to IEC.

Historical transaction amounts

The following table sets out the historical transaction amounts in respect of the supply of engine parts and raw materials by the Company to IEC, and the supply of engines and their parts by IEC to the Company under the Supply Agreement, together with their respective annual caps, for the relevant period or years:

	Actual amount incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
(a) Supply of engine parts and raw materials by the Company to IEC	256,570,000	174,860,000	181,640,000	935,790,000	1,147,960,000	1,478,380,000
(b) Supply of engines and their parts by IEC to the Company	603,790,000	638,240,000	163,380,000	1,819,140,000	2,219,230,000	2,854,940,000

None of the transaction amounts for the two years ended 31 December 2024 above exceeded their respective annual caps for the corresponding years. It is expected that the actual amounts incurred for the year ending 31 December 2025 will not exceed their respective annual caps for the corresponding year.

Basis of consideration

As there are no sufficient comparable transactions, the consideration will be determined based on the actual costs incurred plus a premium of not exceeding 10%. Such premium shall be finalised by both parties on the basis that it is fair and reasonable to both parties with reference to, among other things, the average profit margin of 4.34% for China's automotive industry in 2024 as stated in the Economic Efficiency Indicators for the Automotive Industry from the NBS.

Proposed annual caps

The proposed annual caps for the transactions contemplated under New Supply Agreement for the relevant years are as follows:

	Proposed annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
(a) Supply of engine parts and raw materials by the Company to IEC	445,200,000	530,600,000	637,000,000
(b) Supply of engines and their parts by IEC to the Company	1,103,580,000	1,343,550,000	1,613,000,000

The Company will seek approval from the Independent Shareholders in respect of the entering into of the New Supply Agreement and the transactions contemplated thereunder as well as the aforesaid proposed annual caps.

Basis of proposed annual caps

The aforesaid proposed annual caps for the New Supply Agreement each represents the estimated transaction amounts in each relevant year in respect of each of (a) the supply of engine parts and raw materials by the Company to IEC; and (b) the supply of engines and their parts by IEC to the Company, and are determined with reference to (i) the production capacity of each car model of the Group; (ii) the expected sales volume of the Company during the term of the New Supply Agreement; and (iii) the aggregate supply and demand of IEC during the term of the New Supply Agreement.

Reasons for and benefits of entering into the New Supply Agreement

To enjoy the economies of scale, the business of the Group requires certain degree of division of labour among its members, with each Group member specialising in a particular area of business, such as production of engines, marketing, provision of repair and maintenance services, testing services, etc. IEC is principally engaged in the manufacturing and sales of vehicle-used engines and their parts. The Directors believe that supply of engines and their parts by IEC to the Company and the supply of engine parts and raw materials by the Company to IEC would facilitate the operation of the Group and minimise the costs of the Group in acquiring similar products from Independent Third Parties.

The Directors (excluding the independent non-executive Directors who will form their view after taking into account recommendations of the Independent Financial Adviser) are of the view that the terms (including the pricing) of the New Supply Agreement are fair and reasonable and on normal commercial terms, and that the relevant transactions will be conducted in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

20. THE NEW EQUIPMENT LEASE

Date	:	30 December 2025
Parties	:	(i) The Company; and (ii) IEC
Nature of the transaction	:	IEC will lease the Leased Equipment (IEC) from the Company, including but not limited to engine production equipment, inspection equipment and testing equipment.
Term	:	Subject to completion of all relevant approval procedures and/or other procedures in accordance with the applicable laws, rules and regulations (including but not limited to the Listing Rules) (if necessary), from 1 January 2026 to 31 December 2027
Consideration and payment method	:	The rent of the Leased Equipment (IEC) is RMB3,733,750 per month (representing RMB44,805,000 per year) (exclusive of VAT), which shall be settled on a monthly basis. IEC shall pay the rent for the preceding month to the Company before the last day of each month.

The above rent shall be adjusted accordingly by the parties in a timely manner if there is material change in the value of the Leased Equipment (IEC) during the term of the lease.

If the production/sales volume of engines by IEC falls substantially below the target set out in IEC's annual operation plans, leading to obvious decreases in the operation utilisation rate of the Leased Equipment (IEC), the rent for the Leased Equipment (IEC) shall be adjusted corresponding to the change in operation utilisation rate of the Leased Equipment (IEC) accordingly.

Exclusive right of use	:	IEC has exclusive right to use the Leased Equipment (IEC) during the term of the lease. The Company shall not assign or lease all or any part of the Leased Equipment (IEC) to any third parties without the prior written consent of IEC during the term of the lease.
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Upgrade and technical modification of the Leased Equipment (IEC) : During the term of the lease, if IEC requires any upgrade and/or technical modification of all or any part of the Leased Equipment (IEC) based on its operational needs, it shall notify the Company in writing of the type of equipment proposed to be upgraded or modified, method, budget and other relevant information relating to such upgrade and/or modification. The upgrade and/or technical modification of the Leased Equipment (IEC) shall be carried out after the details thereof have been agreed between the parties and the cost incurred therefrom shall be borne by the Company.

Following completion of the upgrade and/or technical modification of the Leased Equipment (IEC), the Company is entitled to adjust the rent of the Leased Equipment (IEC) based on the actual expenditures of such upgrade and/or technical modification. The rate and mechanism of such adjustment shall be negotiated by the parties.

Historical transaction amounts

The actual amounts paid by IEC to the Company in respect of the leasing of the Leased Equipment (IEC) under the Equipment Lease during the relevant period or years and the corresponding annual caps are as follows:

	Actual amounts incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
Equipment Lease	21,720,000	44,810,000	41,070,000	21,720,000	44,810,000	44,810,000

The actual amounts incurred for the two years ended 31 December 2024 had not exceeded the respective annual caps for the relevant years. It is expected that the actual amount incurred for the year ending 31 December 2025 will not exceed the annual cap for the corresponding year.

Basis of consideration

The rent for the Lease Equipment (IEC) is determined on normal commercial terms through arm's length negotiations between the parties thereto as well as on terms no less favourable to the Company than those offered by the Company to Independent Third Parties, with reference to the market value of the Lease Equipment (IEC).

Annual caps

The Directors set the annual caps for the amounts to be received by the Company in respect of the transactions contemplated under the New Equipment Lease for the relevant years as follows:

	Annual caps (in RMB)	
	For the year ending 31 December 2026	For the year ending 31 December 2027
New Equipment Lease	44,810,000	44,810,000

Basis of annual caps

The above annual caps for the New Equipment Lease are determined based on the expected rents receivable by the Company under the New Equipment Lease with reference to the market value of the Leased Equipment (IEC).

Reasons for and benefits of entering into the New Equipment Lease

The New Equipment Lease has been entered into to facilitate the operation of the Group. IEC, which is owned as to 19.33% by the Company, 30.06% by Qingling Group and 50.61% by Isuzu, was set up for the purpose of engine production. Therefore, it is necessary and also beneficial to the operation of the Group to let IEC use the Leased Equipment (IEC) for production and testing of the Group's products. It would also utilise the Group's resources fully and centralise management of the Group.

The Directors (including the independent non-executive Directors) are of the view that the terms (including the consideration) of the New Equipment Lease are fair and reasonable and on normal commercial terms, and that relevant transactions thereunder will be conducted in the ordinary and usual course of business of the Group and are in the interest of the Company and the Shareholders as a whole.

21. THE NEW FACTORY LEASE

Date	:	30 December 2025
Parties	:	(i) The Company; and (ii) IEC
Nature of the transaction	:	Leasing of the following land and factory from the Company to IEC: (i) the Leased Land with a leasable area of approximately 94,831m ² ; and (ii) the Factory Premises with a leasable area of approximately 57,599m ² IEC shall use the Leased Land and the Factory Premises for its manufacturing operations only. Without the prior written consent of the Company, IEC shall not use the Leased Land and the Factory Premises for any other purposes.
Term	:	Subject to completion of all relevant approval procedures and/or other procedures in accordance with the applicable laws, rules and regulations (including but not limited to the Listing Rules) (if necessary), from 1 January 2026 to 31 December 2028
Consideration and payment method	:	The aggregate rent of the Lease Land and the Factory Premises is RMB350,793.75 per month (representing 4,209,525 per annum) (exclusive of VAT), which shall be settled on a monthly basis. IEC shall pay the rent for the preceding month to the Company before the last day of each month.
Exclusive right of use	:	IEC has exclusive right to use the Leased Land and the Factory Premises during the term of the lease. The Company shall not assign or lease the Leased Land and the Factory Premises to any third parties without the prior written consent of IEC. The Company shall permit the personnel and vehicles of IEC to pass through its land which is adjacent to the Leased Land and the Factory Premises without imposing any charges against IEC.

- Basic facilities : The Company shall continue to provide to IEC any basic facilities conditions which are necessary for the operation of IEC in the Factory Premises (including but not limited to the supply of electricity, water, gas, communication services, sewage treatment and industrial solid waste disposal services, etc) during the term of the lease.
- Upgrade and technical modification of basic facilities : During the term of the lease, if IEC requires any upgrade and/or technical modification of all or any part of the basic facilities in accordance with its operational requirements, it shall notify the Company in writing of the type of the equipment proposed to be upgraded or modified, method, budget and other relevant information relating to such upgrade or modification. Such upgrade and/or technical modification shall be carried out after the parties thereto have agreed on the details thereof, and the costs incurred therefrom shall be borne by the Company.

Following completion of the upgrade and/or technical modification, the Company is entitled to adjust the rent of the Leased Land and the Factory Premises according to the actual expenditures of such upgrade and/or technical modification. The rate and manner of such adjustment shall be negotiated by the parties.

Historical transaction amounts

The actual amounts paid by IEC to the Company in respect of leasing of the Leased Land and the Factory Premises under the Factory Lease during the relevant period or years and the corresponding annual caps are as follows:

	Actual amounts incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
Factory Lease	4,210,000	4,210,000	3,860,000	4,210,000	4,210,000	4,210,000

The actual amounts incurred for the two years ended 31 December 2024 had not exceeded the respective annual caps for the relevant years. It is expected that the actual amount incurred for the year ending 31 December 2025 will not exceed the annual cap for the corresponding year.

Basis of consideration

The rents for the Lease Land and the Factory Premises under the New Factory Lease are determined on normal commercial terms through arm's length negotiations between the parties thereto with reference to the market rent of the Leased Land and the Factory Premises and on terms no less favourable to the Company than those offered by the Company to Independent Third Parties.

Annual caps

The Directors set the annual caps for the amounts to be received by the Company in respect of the transactions contemplated under the New Factory Lease for the relevant years as follows:

	Annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
New Factory Lease	4,210,000	4,210,000	4,210,000

Basis of annual caps

The above annual caps for the New Factory Lease are determined based on the expected rents receivable by the Company under the New Factory Lease with reference to the actual amount of rents received by the Company under the Factory Lease for the year 2023 to 2025.

Reasons for and benefits of entering into the New Factory Lease

The New Factory Lease has been entered into to facilitate the operation of the Group. Since IEC, which is owned as to 19.33% by the Company, 30.06% by Qingling Group and 50.61% by Isuzu, was set up for engines production, it is necessary and also beneficial to the operation of the Group to let IEC use the Leased Land and the Factory Premises for production and testing of the Group's products. It would also utilise the Group's resources fully and centralize management of the Group.

The Directors (including the independent non-executive Directors) are of the view that the terms (including the consideration) of the New Factory Lease are fair and reasonable and on normal commercial terms, and that relevant transactions thereunder will be conducted in the ordinary and usual course of business of the Group and are in the interest of the Company and the Shareholders as a whole.

22. THE NEW CONSOLIDATED SERVICES AGREEMENT

Date	: 30 December 2025
Parties	: (i) The Company; and (ii) IEC
Nature of the transaction	: The Company will provide the following services to IEC: a. water, electricity and gas supply services; b. transportation services; c. equipment repair and maintenance services (including the Three Warranties); d. medical and hygiene services; e. communication services; and f. canteen services
Term	: Subject to completion of all relevant approval procedures and/or other procedures in accordance with the applicable laws, rules and regulations (including but not limited to the Listing Rules) (if necessary) from 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules.
Consideration and payment method	: The price for the services to be provided by the Company under the New Consolidated Services Agreement and any further separate service agreement(s) shall be the actual costs incurred by the Company plus taxes payable arising therefrom, and the payment of which shall be made in accordance with the terms of the New Consolidated Services Agreement and any further separate service agreement.

Definitive agreement(s) : Pursuant to the terms of the New Consolidated Services Agreement, the parties shall from time to time enter into separate definitive agreement(s) to agree upon detailed terms for the transactions contemplated under the New Consolidated Services Agreement and to provide for detailed terms of each single transaction in accordance with the principles set out in the New Consolidated Services Agreement. Such detailed terms include but not limited to the scope of service, prices, payment and settlement terms, service liability, liability for compensation and other terms and conditions in relation to the provision of services.

Termination : Should IEC cease to be a connected person of the Company and the transactions under the New Consolidated Services Agreement cease to be a continuing connected transaction of the Company, the Company is entitled to terminate the New Consolidated Services Agreement upon giving written notice to IEC.

Historical transaction amounts

The actual amounts paid by IEC in respect of the services provided by the Company under the Consolidated Services Agreement during the relevant period or years and the corresponding annual caps are as follows:

	Actual amounts incurred (in RMB)			Annual caps (in RMB)		
	<i>(Approximate)</i>					
	For the	For the	For the	For the	For the	For the
	year ended	year ended	period from	year ended	year ended	year ending
	31 December	31 December	1 January	31 December	31 December	31 December
	2023	2024	2025 to	2023	2024	2025
			30 November			
			2025			
Consolidated Services Agreement	1,710,000	1,790,000	2,070,000	2,890,000	3,290,000	4,120,000

The actual amounts incurred for the two years ended 31 December 2024 had not exceeded the respective annual caps for the relevant years. It is expected that the actual amount incurred for the year ending 31 December 2025 will not exceed the annual cap for the corresponding year.

Basis of consideration

The consideration payable by IEC under the New Consolidated Services Agreement is determined on normal commercial terms through arm's length negotiations between the parties thereto, and on terms no less favourable to the Company than those offered by the Company to Independent Third Parties, with reference to, among other things, the actual costs incurred in providing services under the Consolidated Services Agreement by the Company and the taxes payable arising therefrom during the period from 2023 to 2025.

Annual caps

The Directors set the annual caps for the amounts to be received by the Company in respect of the transactions contemplated under the New Consolidated Services Agreement for the relevant years as follows:

	Proposed annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
New Consolidated Services Agreement	3,130,000	3,570,000	4,470,000

Basis of annual caps

The above annual caps for the New Consolidated Services Agreement are determined based on the expected amounts to be received by the Company under the New Consolidated Services Agreement with reference to, among other things, the actual amounts received by the Company under the Consolidated Services Agreement during the period from 2023 to 2025.

Reasons for and benefits of entering into the New Consolidated Services Agreement

IEC requires various supporting services such as repair and maintenance services for the machineries, after-sales services for its products and other auxiliary and utility-related services to carry out its regular operations. The Directors believe that provision of those services as set out in the New Consolidated Services Agreement by the Company to IEC would facilitate the operation of the Group and minimise the costs of the Group in setting up crews to handle repair and maintenance services, aftersales services and other related services. It would also utilise the Group's resources fully and centralise management of the Group.

The Directors (including the independent non-executive Directors) are of the view that the terms (including the consideration) of the New Consolidated Services Agreement are fair and reasonable and on normal commercial terms, and the relevant transactions will be conducted in the ordinary and usual course of business of the Group and are in the interest of the Company and the Shareholders as a whole.

VIII. CONTINUING CONNECTED TRANSACTION WITH SALES JV COMPANY

23. THE NEW SALES JV SUPPLY AGREEMENT

- Date : 30 December 2025
- Parties : (i) The Company; and
(ii) the Sales JV Company
- Term : From 1 January 2026 to 31 December 2028, and renewable upon expiry if agreed by all parties and (if necessary) having obtained the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
- Nature of the transaction : Supply of automobiles and their parts by the company to the Sales JV Company
- Price determination : At prices not lower than market prices or, if there are no comparable market prices, at prices based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% as agreed by the parties thereto

Pursuant to the New Sales JV Supply Agreement, the parties shall enter into separate definitive agreement(s) with detailed terms in relation to the supply of products in accordance with the underlying principles under the New Sales JV Supply Agreement. Such detailed terms shall include, but not limited to, order-making procedure policy, orders, price, payment and settlement terms, quantity, standard of quality, inspection, product liability, liability for compensation and other terms and conditions in relation to the sale and purchase of specific types of products.

Should the Sales JV Company cease to be a connected person of the Company and the transactions under the New Sales JV Supply Agreement cease to be a continuing connected transaction of the Company, the Company may terminate the New Sales JV Supply Agreement upon giving written notice to the Sales JV Company.

Historical transaction amounts

The actual amounts received by the Company in respect of the transactions under the Sales JV Supply Agreement for the relevant period or years and the corresponding annual caps for each such payments are as follows:

	Actual amount incurred (in RMB) (Approximate)			Annual caps (in RMB)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the period from 1 January 2025 to 30 November 2025	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ending 31 December 2025
Sales JV Supply Agreement	82,340,000	7,220,000	14,830,000	206,580,000	168,190,000	208,910,000

None of the actual amounts incurred for the two years ended 31 December 2024 above exceeded their respective annual caps for the corresponding years. It is expected that the actual amount incurred for the year ending 31 December 2025 will not exceed the annual cap for the corresponding year.

Basis of consideration

The consideration payable by the Sales JV Company under the New Sales JV Supply Agreement is determined after arm's length negotiations between the parties thereto with reference to the market prices of the automobiles or their parts to be supplied by the Company under the New Sales JV Supply Agreement. If there are no comparable market prices, the consideration shall be determined based on the actual or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% as agreed by the parties thereto. Such profit margin shall be determined with reference to, among other things, the average profit margin of 4.34% for China's automotive industry in 2024 as stated in the Economic Efficiency Indicators for the Automotive Industry from the NBS.

Annual caps

The annual caps for the transactions contemplated under the New Sales JV Supply Agreement for the relevant years are as follows:

	Annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
New Sales JV Supply Agreement	87,820,000	89,290,000	91,250,000

Basis of annual caps

The aforesaid annual caps for the New Sales JV Supply Agreement are determined with reference to (i) the sales capacity of the Group; (ii) the expected sales volume of the Company during the term of the New Sales JV Supply Agreement; and (iii) the prices of automobiles and their parts as well as transportation costs in the market and their price trends.

Reasons for and benefits of entering into the New Sales JV Supply Agreement

To enjoy the economies of scale, the business of the Group requires certain degree of division of labour among its members, with each Group member specialising in a particular area of business, such as production of engines, marketing or provision of repair and maintenance services, testing services, etc. The Sales JV Company is principally engaged in the sales of vehicles, assemblies and repair parts and provision of after-sales services. By entering into the New Sales JV Supply Agreement with the Sales JV Company, the Group may benefit from good sales strategies, management skills and services trading ideas adopted by the Sales JV Company and to expand the market share of the Group's products.

The Directors (including the independent non-executive Directors) are of the view that the terms (including the pricing) of the New Sales JV Supply Agreement are fair and reasonable and on normal commercial terms, and that the relevant transactions will be conducted in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

24. THE NEW XIPENG WAREHOUSE LEASING AGREEMENT

Date	: 30 December 2025
Parties	: (i) The Company; and (ii) The Sales JV Company
Term	: Subject to compliance with all relevant approval procedures and/or other procedures under the Listing Rules (if applicable), from 1 January 2026 to 31 December 2028.

Subject to applicable laws, regulations and rules (including but not limited to the requirements of the Listing Rules), upon the expiration of the term of the lease, if Sales JV Company wishes to extend the term of the lease, it shall notify the Company in writing three months prior to the expiration of the term of the lease, provided that the Company may determine whether to consent to the request of the Sales JV Company for renewal at that time.

Nature of the transaction	: The Sales JV Company agreed to lease the independent warehouse located in Xipeng Town, Jiulongpo District, Chongqing, the PRC (including offices, meeting rooms, negotiation rooms, and major equipment and facilities, such as shelving, transport tools, office equipment and fire protection facilities) to the Company for use.
Consideration	: The monthly fee for the independent warehouse during the lease period is RMB108,587.71 (exclusive of tax).
Payment method	: The Company shall make payment to the Sales JV Company in the month following the issuance of the invoice by the Sales JV Company.

Basis of consideration

The consideration payable by the Company under the New Xipeng Warehouse Leasing Agreement was determined on normal commercial terms through mutual negotiation between the parties thereto, with reference to the prevailing market rent of the independent warehouse and on terms no less favourable to the Company than those offered by the Company to Independent Third Parties for comparable properties.

Annual caps

The table below sets out the annual caps for the transactions contemplated under the New Xipeng Warehouse Leasing Agreement for the relevant years:

	Annual caps (in RMB)		
	For the year ending 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028
The New Xipeng Warehouse Leasing Agreement	1,310,000	1,310,000	1,310,000

There were no previous transactions relating to the Company's leasing of an independent warehouse from the Sales JV Company, and therefore no historical transaction amount was incurred.

Basis of annual caps

The above annual caps for the transactions contemplated under the New Xipeng Warehouse Leasing Agreement were determined by the Board with reference to, among other things, the prevailing market rent of the independent warehouse and rents of comparable warehouses in the same area.

Reasons for and benefits of entering into the New Xipeng Warehouse Leasing Agreement

The Company requires space to store imported parts, components and inventory. As the Sales JV Company owns the space required by the Company and the warehouse is located near the Company's production plant, facilitating convenient access to inventory, the Group intends to lease the warehouse from the Sales JV Company. Therefore, the Company and the Sales JV Company entered into the New Xipeng Warehouse Leasing Agreement.

The Directors (including the independent non-executive Directors) are of the view that the terms (including the consideration) of the New Xipeng Warehouse Leasing Agreement are fair and reasonable and on normal commercial terms, and the relevant transactions will be conducted in the ordinary and usual course of business of the Group and are in the interest of the Company and the Shareholders as a whole.

Right-of-use assets

The Group shall recognise the value of the right-of-use assets in connection with the New Xipeng Warehouse Leasing Agreement in its consolidated financial statements in accordance with HKFRS 16, and the transactions contemplated thereunder will be regarded as acquisition of assets by the Group pursuant to the Listing Rules. The value of the right-of-use assets to be recognised by the Group under the New Xipeng Warehouse Leasing Agreement is estimated to be, in aggregate, approximately RMB3,722,509.2, which is calculated based on the estimated present value of the total rental payments payable by the Company to the Sales JV Company for leasing of the said independent warehouse throughout the term of the New Xipeng Warehouse Leasing Agreement, and is subject to audit and adjustment.

IX. CONTINUING CONNECTED TRANSACTIONS

If the aggregate annual amount of each of the transactions contemplated under the CCT Agreements is likely to exceed the respective annual caps provided in this announcement pursuant to Chapter 14A of the Listing Rules or should there be any material change to the terms of any of the CCT Agreements, the Company will take necessary steps to ensure compliance with all applicable rules under Chapter 14A of the Listing Rules.

X. INFORMATION ON THE COMPANY AND THE COUNTERPARTIES

The Company is principally engaged in the production and sales of Isuzu light, medium and heavy-duty trucks, pick-up trucks, automobile parts and accessories.

Isuzu is principally engaged in the production and sales of commercial vehicles and diesel engines.

Qingling Moulds is principally engaged in the manufacturing and sales of moulds.

Qingling Group is principally engaged in the manufacturing, sales and development of new products in relation to motor vehicles and their spare parts and accessories, and the provision of technical advisory services.

CQCC is principally engaged in the manufacturing and sales of automobile parts and components and cast parts.

CQFC is principally engaged in the manufacturing and sales of automobile parts and components and forging parts.

CQAC is principally engaged in the manufacturing and sales of motor vehicle axles and other parts and components.

CQNHK is principally engaged in the manufacturing and sales of motor vehicle seats, interior accessories and other seats.

CQPC is principally engaged in the manufacturing and sales of plastic automobile parts and other plastic parts and components.

CQACL is principally engaged in the manufacturing and sales of cast aluminum automobile parts and other cast aluminum parts and components.

Qingling Zhuanyong Chassis is principally engaged in the development, design, manufacturing, sales and providing technical services of automobile parts and components.

Qingling Zhuanyong Brake is principally engaged in the development, design, manufacturing, sales and providing services of automobile parts and components.

Qingling Zhuanyong is principally engaged in the development, design and manufacturing of various types of special vehicles, sales and providing services of automobile parts and components and providing technical services for special vehicles.

The Bosch JV Company is principally engaged in the research and development, production, sales and providing services of hydrogen-powered systems.

IEC is principally engaged in the manufacturing and sales of vehicle-used engines and their parts.

The Sales JV Company is principally engaged in the sales of vehicles, assemblies and the repair parts and providing after-sales services.

XI. IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Qingling Group is the controlling shareholder of the Company holding approximately 50.10% of the entire issued share capital of the Company and given that CQCC, CQFC, CQACL, CQAC, CQPC, CQNHK, Qingling Zhuanyong Chassis, Qingling Zhuanyong Brake, Qingling Zhuanyong and the Bosch JV Company are owned as to 75%, 75%, 72.43%, 80%, 75.15%, 55.8%, 100%, 100%, 100% and 40%, respectively, by Qingling Group, they are associates of Qingling Group. Therefore, Qingling Group, CQCC, CQFC, CQACL, CQAC, CQPC, CQNHK, Qingling Zhuanyong Chassis, Qingling Zhuanyong Brake, Qingling Zhuanyong and the Bosch JV Company are all connected persons of the Company under Chapter 14A of the Listing Rules.

As at the date of this announcement, Isuzu is a substantial shareholder of the Company holding approximately 20% of the entire issued share capital of the Company and is a connected person of the Company under Chapter 14A of the Listing Rules. Qingling Moulds is owned as to 50.56% and 49.44% by the Company and Isuzu, respectively. As Qingling Moulds is a non-wholly owned subsidiary of the Company and Isuzu is a substantial shareholder of the Company and is entitled to exercise, or control the exercise of, more than 10% of the voting power at any general meeting of Qingling Moulds, Qingling Moulds is a connected subsidiary and therefore a connected person of the Company under Chapter 14A of the Listing Rules.

Accordingly, the entering into of each of the New Chassis Supply Agreement, the New Parts Supply Agreements, the New Qingling Zhuanyong Moulds Supply Agreement, the New Qingling Group Moulds Supply Agreement, the New Warehouse Leasing Agreement, the New Machinery Leasing Agreement, the New Qingling Group Equipment Lease, the New Qingling Group Consolidated Services Agreement, the New Autoparts and Materials Agreement, the New Hydrogen-powered Modules Supply Agreement, the New Bosch Sales Agreement, the New Qingling Moulds Supply Agreement, the New Qingling Moulds Lease, the New Isuzu Supply Agreement and the New Company Supply Agreement constitute continuing connected transactions or connected transactions (as the case may be) of the Company under Chapter 14A of the Listing Rules. Whereas, the continuing of the transactions under Trademark Licensing Agreements, the 700P3X Series Technology Transfer Agreement and the Technology Licence Agreements also constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As illustrated above, Qingling Group is the controlling shareholder of the Company, and Isuzu is a substantial shareholder of the Company, each of Qingling Group and Isuzu is therefore a connected person of the Company under Chapter 14A of the Listing Rules. The Sales JV Company is owned as to 50% and 50% by the Company and Isuzu, respectively, and IEC is owned as to 50.61%, 30.06% and 19.33% by Isuzu, Qingling Group and the Company, respectively. Consequently, each of IEC and the Sales JV Company is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the entering into of each of (i) the New Supply Agreement, the New Equipment Lease, the New Factory Lease and the New Consolidated Services Agreement with IEC; and (ii) the New Sales JV Supply Agreement and the New Xipeng Warehouse Leasing Agreement with the Sales JV constitute continuing connected transactions or connected transactions (as the case may be) of the Company under Chapter 14A of the Listing Rules.

The continuing connected transactions contemplated under the CCT Agreements can be further classified into the following categories based on the requirements to be complied with under Chapter 14A of the Listing Rules:

Non-exempt continuing connected transactions

As the applicable percentage ratios in respect of the proposed annual caps for the continuing connected transactions under the following agreements will be, on an annual basis, more than 5%, such continuing connected transactions are subject to reporting and announcement requirements set out in Rules 14A.49 and 14A.35, the annual review requirements set out in Rules 14A.55 to 14A.59 and also the Independent Shareholders' approval requirements set out in Rule 14A.36, of the Listing Rules:

- (i) the New Chassis Supply Agreement;
- (ii) the New Parts Supply Agreements, when aggregated with one another in accordance with Rules 14A.81 to 14A.83 of the Listing Rules;
- (iii) the New Qingling Zhuanyong Moulds Supply Agreement, when aggregated with the New Parts Supply Agreements in accordance with Rules 14A.81 to 14A.83 of the Listing Rules;
- (iv) the New Autoparts and Materials Agreement;
- (v) the New Hydrogen-powered Modules Supply Agreement;
- (vi) the New Bosch Sales Agreement; and
- (vii) the New Supply Agreement.

Continuing connected transactions exempt from the Independent Shareholders' approval requirements

As the applicable percentage ratios in respect of the annual caps for the continuing connected transactions under the following agreements will be, on an annual basis, more than 0.1% but less than 5%, such continuing connected transactions are subject to the reporting and announcement requirements set out in Rules 14A.49 and 14A.35 and the annual review requirements set out in Rules 14A.55 to 14A.59 but are exempt from the Independent Shareholders' approval requirements set out in Rule 14A.36, of the Listing Rules:

- (i) the New Qingling Group Moulds Supply Agreement;
- (ii) the New Qingling Group Equipment Lease;
- (iii) the New Qingling Moulds Supply Agreement;
- (iv) the New Isuzu Supply Agreement;

- (v) the Trademark Licensing Agreements;
- (vi) the 700P3X Series Technology Transfer Agreement, when aggregated in accordance with Rules 14A.81 to 14A.83 of the Listing Rules;
- (vii) the New Equipment Lease;
- (viii) the New Consolidated Services Agreement;
- (ix) the New Factory Lease;
- (x) the New Sales JV Supply Agreement;
- (xi) the New Company Supply Agreement; and
- (xii) the New Qingling Group Consolidated Services Agreement.

Continuing connected transaction exempt from the reporting and announcement, annual review and Independent Shareholders' approval requirements

As the applicable percentage ratios in respect of the annual caps for the continuing connected transaction under the following agreement will be, on an annual basis, less than 0.1%, such continuing connected transaction is exempt from the reporting and announcement requirements set out in Rules 14A.49 and 14A.35, the annual review requirements set out in Rules 14A.55 to 14A.59 and the Independent Shareholders' approval requirements set out in Rules 14A.36, of the Listing Rules:

- (i) the New Qingling Moulds Lease.

HKFRS 16 and right-of-use assets

In respect of the New Warehouse Leasing Agreement, the New Machinery Leasing Agreement, the New Qingling Group Equipment Lease and the New Xipeng Warehouse Leasing Agreement, pursuant to HKFRS 16, as a result of the entering into of the New Warehouse Leasing Agreement, the New Machinery Leasing Agreement, the New Qingling Group Equipment Lease and the New Xipeng Warehouse Leasing Agreement, the Group shall recognise the values of relevant right-of-use assets in its consolidated financial statements, and the relevant transactions contemplated thereunder will be regarded as acquisitions of assets by the Group in accordance with Rule 14.04(1)(a) of the Listing Rules.

As the applicable percentage ratios in respect of the transactions contemplated under each of the New Warehouse Leasing Agreement, the New Machinery Leasing Agreement, the New Qingling Group Equipment Lease and the New Xipeng Warehouse Leasing Agreement will be more than 0.1% but less than 5%, such connected transactions are subject to the reporting and announcement requirements set out in Rules 14A.49 and 14A.35 but are exempt from the Independent Shareholders' approval requirements set out in Rule 14A.36, of the Listing Rules.

As the applicable percentage ratios in respect of the relevant transactions under each of the New Warehouse Leasing Agreement, the New Machinery Leasing Agreement, the New Qingling Group Equipment Lease and the New Xipeng Warehouse Leasing Agreement based on the respective estimated values of the right-of-use assets to be recognised by the Group thereunder pursuant to HKFRS 16, whether on an aggregated basis or a standalone basis, are less than 5%, the relevant transactions thereunder do not constitute notifiable transactions of the Company, and are therefore not subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

XII. GENERAL

The Company will convene the EGM to seek the approval of the Independent Shareholders in relation to the Non-exempt Continuing Connected Transactions. Ordinary resolutions will be proposed at the EGM to be voted by the Independent Shareholders by way of poll to approve the Non-exempt Continuing Connected Transactions and their respective proposed annual caps.

The Independent Board Committee has been formed to advise the Independent Shareholders as to whether the terms of the Non-exempt Continuing Connected Transactions and their respective proposed annual caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders on how to vote on the resolutions to be proposed at the EGM, taking into account the recommendations of the Independent Financial Adviser.

Halcyon Capital Limited has been appointed by the Company as its independent financial adviser to give recommendations to the Independent Board Committee and the Independent Shareholders as to, among other things, whether the terms of the Non-exempt Continuing Connected Transactions and their respective proposed annual caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders on how to vote on the resolutions to be proposed at the EGM.

A circular containing, among other things, further details of the Non-exempt Continuing Connected Transactions, a letter from the Independent Board Committee, a letter of advice from the Independent Financial Adviser, together with a notice of the EGM will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules. As additional time is required to prepare and finalise the aforesaid information to be included in the circular, the circular is expected to be despatched by the Company on or before 13 March 2026.

As at the date of this announcement, Qingling Group is the controlling shareholder of the Company holding approximately 50.10% of the entire issued share capital of the Company. Qingling Group also holds as to 30.06% of IEC, 40% of the Bosch JV Company, 75% of CQCC, 75% of CQFC, 80% of CQAC, 72.43% of CQACL, 75.15% of CQPC, 55.8% of CQNHK and 100% of Qingling Zhuanyong Brake. In view of the aforesaid interest held by Qingling Group in the Company, IEC, the Bosch JV Company, the relevant Qingling Group Companies and Qingling Zhuanyong Brake respectively, Qingling Group and its associates will be required to abstain from voting on ordinary resolutions to be proposed at the EGM in respect of the New Chassis Supply Agreement, the New Parts Supply Agreements, the New Qingling Zhuanyong Moulds Supply Agreement, the New Autoparts and Materials Agreement, the New Hydrogen-powered Modules Supply Agreement, the New Bosch Sales Agreement and the New Supply Agreement and their respective proposed annual caps.

As at the date of this announcement, Isuzu is a substantial shareholder of the Company holding approximately 20% of the entire issued share capital of the Company. Isuzu also holds as to 50.61% of IEC and 50% of the Sales JV Company, while Isuzu and Isuzu China (being a wholly owned subsidiary of Isuzu) together hold approximately 21.54% of CQCC, 23.20% of CQFC, 20% of CQAC, 23% of CQACL, 19% of CQPC and 5% of CQNHK. In view of the aforesaid interest held by Isuzu and/or Isuzu China in the Company, IEC and the relevant Qingling Group Companies respectively, Isuzu and its associates will be required to abstain from voting on ordinary resolutions to be proposed at the EGM in respect of the New Parts Supply Agreements and the New Supply Agreement and their respective proposed annual caps.

Mr. LUO Yuguang and Mr. XU Song, the Directors, also being directors of Qingling Group, have abstained from voting on the resolutions in relation to the transactions contemplated under the relevant CCT Agreements and the CT Agreements to which any of Qingling Group and/or its associates is a party as proposed to the Board. Mr. KIJIMA Katsuya, an executive Director, holding 3,349 shares of Isuzu, representing approximately 0.0004% of the total number of issued shares of Isuzu as at the date of this announcement, has abstained from voting on the resolutions in relation to the transactions contemplated under the relevant CCT Agreements to which any of Isuzu and/or its associates is a party as proposed to the Board. Save as disclosed above, none of the Directors has a material interest in the transactions contemplated under the CCT Agreements and the CT Agreements and therefore none of them is required to abstain from voting on the relevant Board resolutions approving the same.

Prior to the obtaining of the approval from the Independent Shareholders, the Company will continue to enter into the Non-exempt Continuing Connected Transactions for the period from 1 January 2026 to the date of the EGM. However, the Directors expect that the amount for the transactions thereunder will not exceed the de minimis threshold for the applicable percentage ratios, and will therefore be exempt from the circular (including independent financial advice) and Independent Shareholders' approval requirements pursuant to Rule 14A.76(2)(a) of the Listing Rules. The Company will take necessary steps to ensure compliance with all applicable requirements under Chapter 14A of the Listing Rules.

XIII. DEFINITIONS

“3XCAB Agreement”	the agreement dated 23 June 2016 entered into between Isuzu and the Company relating to the provision of technology and technical know-how, staff training and technical assistance and the permission to use certain trademarks and emblems of Isuzu, details of which are set out in the section headed “THE 3XCAB AGREEMENT”
“600P, 100P and TF/UC Agreement”	the agreement dated 26 March 2021 entered into between Isuzu and the Company relating to the granting of a non-transferrable right by Isuzu to the Company to use certain trademarks and emblems of Isuzu for the production and sale of certain vehicles, details of which are set out in the section headed “THE 600P, 100P AND TF/UC AGREEMENT”
“700P3X Series Technology Transfer Agreement”	the agreement dated 23 May 2008 entered into between Isuzu and the Company relating to the provision of technology and technical know-how in relation to the 700P3X Series vehicle by Isuzu to the Company, details of which are set out in the section headed “THE 700P3X SERIES TECHNOLOGY TRANSFER AGREEMENT”
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Autoparts and Materials Agreement”	the agreement dated 30 December 2022 entered into amongst the Company and the Qingling Autoparts Companies relating to the provision of scrap metal, semi-finished auto parts and raw and crafting materials by the Company to the Qingling Autoparts Companies commencing from 1 January 2023 and expiring on 31 December 2025
“Autoparts Manufacturing”	重慶慶鈴汽車配件製造有限公司 (Chongqing Qingling Autoparts Manufacturing Co., Ltd.*), a domestic company established in the PRC with limited liability, which is wholly owned by Qingling Group
“Board”	the board of Directors

“Bosch JV Company”	Bosch Hydrogen Powertrain Systems (Chongqing) Co. Ltd. (博世氫動力系統(重慶)有限公司), a company established in the PRC with limited liability, which is owned as to 40% by Qingling Group and 60% by Bosch (China) Investment Ltd. (博世(中國)投資有限公司). Bosch (China) Investment Ltd. (博世(中國)投資有限公司) is an investment company established and wholly owned by a German company, namely, Robert Bosch GmbH (德國羅伯特博世有限公司*) and is principally engaged in developing, managing and coordinating all investment and manufacturing businesses of Bosch in the PRC, all of which are Independent Third Parties
“Bosch Sales Agreement”	the agreement dated 13 May 2024 entered into between the Company and the Bosch JV Company relating to sales of gearbox assemblies by the Company to the Bosch JV Company commencing on 13 May 2024 and expiring on 31 December 2025
“CCT Agreements”	the New Chassis Supply Agreement, the New Parts Supply Agreements, the New Qingling Zhuanyong Moulds Supply Agreement, the New Qingling Group Moulds Supply Agreement, the New Qingling Group Equipment Lease, the New Qingling Group Consolidated Services Agreement, the New Autoparts and Materials Agreement, the New Hydrogen-powered Modules Supply Agreement, the New Bosch Sales Agreement, the New Qingling Moulds Supply Agreement, the New Qingling Moulds Lease, the New Isuzu Supply Agreement, the New Company Supply Agreement, the Trademark Licensing Agreements, the 700P3X Series Technology Transfer Agreement, the Technology Licence Agreements, the New Supply Agreement, the New Equipment Lease, the New Factory Lease, the New Consolidated Services Agreement and the New Sales JV Supply Agreement
“CT Agreements”	the New Warehouse Leasing Agreement, the New Machinery Leasing Agreement, the New Qingling Group Equipment Lease and the New Xipeng Warehouse Leasing Agreement
“Chassis Supply Agreement”	the agreement entered into between the Company and Qingling Group (for itself and on behalf of its subsidiary – Qingling Zhuanyong) on 30 December 2022 relating to the supply of automobile chassis and related components by the Company to Qingling Group and/or Qingling Zhuanyong commencing on 1 January 2023 and expiring on 31 December 2025

“Company”	Qingling Motors Co. Ltd, a sino-foreign joint venture joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Stock Exchange (stock code: 1122)
“Company Supply Agreement”	the agreement dated 30 December 2022 entered into between Isuzu and the Company relating to the supply of vehicles, accessory sets and other automobile parts and components by the Company to Isuzu and/or its wholly owned subsidiary commencing on 1 January 2023 and expiring on 31 December 2025
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Consolidated Services Agreement”	the agreement dated 30 December 2022 entered into between the Company and IEC relating to the provision of certain services by the Company to IEC commencing on 1 January 2023 and expiring on 31 December 2025
“CQAC”	重慶慶鈴車橋有限公司(Chongqing Qingling Axle Co. Ltd.*), a sino-foreign joint venture company established in the PRC with limited liability, which is owned as to 80%, 10%, and 10% by Qingling Group, Isuzu and Isuzu China, respectively
“CQAC Agreement”	the agreement dated 30 December 2022 entered into between CQAC and the Company relating to the supply of certain automobile parts by CQAC to the Company and the leasing of certain machineries from the Company to CQAC commencing on 1 January 2023 and expiring on 31 December 2025
“CQACL”	重慶慶鈴鍛造有限公司鑄鋁分公司(Aluminium Casting Branch of Chongqing Qingling Forging Co. Ltd.*) (formerly known as 重慶慶鈴鑄鋁有限公司(Chongqing Qingling Aluminium Casting Co. Ltd.*), a sino-foreign joint venture company established in the PRC with limited liability, which is owned as to 72.43%, 13%, 10% and 4.57% by Qingling Group, Isuzu, Isuzu China and an Independent Third Party, respectively

“CQACL Agreement”	the agreement dated 30 December 2022 entered into between CQACL and the Company relating to the supply of certain automobile parts by CQACL to the Company commencing on 1 January 2023 and expiring on 31 December 2025
“CQCC”	重慶慶鈴鍛造有限公司鑄造分公司(Casting Branch of Chongqing Qingling Forging Co. Ltd.*) (formerly known as 重慶慶鈴鑄造有限公司(Chongqing Qingling Casting Company Limited*), a sino-foreign joint venture company established in the PRC with limited liability, which is owned as to 75%, 21.54% and 3.46% by Qingling Group, Isuzu and an Independent Third Party, respectively
“CQCC Agreement”	the agreement dated 30 December 2022 entered into between CQCC (for itself and on behalf of its subsidiary – CQVPM) and the Company relating to the supply of certain automobile parts by CQCC and CQVPM to the Company commencing on 1 January 2023 and expiring on 31 December 2025
“CQFC”	重慶慶鈴鍛造有限公司(Chongqing Qingling Forging Co. Ltd.*), a sino-foreign joint venture company established in the PRC with limited liability, which is owned as to 75%, 9.18%, 14.03% and 1.8% by Qingling Group, Isuzu, Isuzu China and an Independent Third Party, respectively
“CQFC Agreement”	the agreement dated 30 December 2022 entered into between CQFC and the Company relating to the supply of certain automobile parts by CQFC to the Company and the provision of certain consolidated services by the Company to CQFC, commencing on 1 January 2023 and expiring on 31 December 2025
“CQNHK”	重慶慶鈴日發座椅有限公司(Chongqing Qingling NHK Seat Co. Ltd.*), a sino-foreign joint venture company established in the PRC with limited liability, which is owned as to 55.80%, 3%, 2%, 30% and 9.2% by Qingling Group, Isuzu, Isuzu China and two Independent Third Parties, respectively
“CQNHK Agreement”	the agreement dated 30 December 2022 entered into between CQNHK and the Company relating to the supply of certain automobile parts by CQNHK to the Company commencing on 1 January 2023 and expiring on 31 December 2025

“CQPC”	重慶慶鈴塑料有限公司(Chongqing Qingling Plastic Co. Ltd.*), a sino-foreign joint venture company established in the PRC with limited liability, which is owned as to 75.15%, 9%, 10% and 5.85% by Qingling Group, Isuzu, Isuzu China and an Independent Third Party, respectively
“CQPC Agreement”	the agreement dated 30 December 2022 entered into between CQPC and the Company relating to the supply of certain automobile parts by CQPC to the Company commencing on 1 January 2023 and expiring on 31 December 2025
“CQVPM”	重慶慶鈴車輛部品製造有限公司(Chongqing Qingling Vehicle Parts Manufacturing Co., Ltd.*), a domestic company established in the PRC with limited liability, which is wholly owned by CQCC
“CYH Technology Licence Agreement”	the agreement dated 27 April 2016 entered into between Isuzu and the Company relating to the transfer of technology and provision of technical know-how in relation to the CYH vehicles by Isuzu to the Company, details of which are set out in the announcements of the Company respectively dated 27 April 2016 and 26 November 2019
“CYZ Technology Licence Agreement”	the agreement dated 27 April 2016 entered into between Isuzu and the Company relating to the transfer of technology and provision of technical know-how in relation to the CYZ vehicles from Isuzu to the Company, details of which are set out in the announcements of the Company respectively dated 27 April 2016 and 26 November 2019
“Directors”	director(s) of the Company
“Domestic Share(s)”	domestic shares of nominal value of RMB1.00 each in the ordinary share capital of the Company
“EGM”	an extraordinary general meeting of the Company to be convened to consider, among other things, the ordinary resolutions to be proposed to approve the Non-exempt Continuing Connected Transactions and the respective proposed annual caps

“Equipment Lease”	the agreement dated 30 December 2022 entered into between the Company and IEC relating to the leasing of the Leased Equipment (IEC) from the Company to IEC commencing on 1 January 2023 and expiring on 31 December 2025
“Existing Continuing Connected Transactions”	transactions under the Chassis Supply Agreement, the Parts Supply Agreements, the QM Moulds Supply Agreement, the Qingling Group Moulds Supply Agreement, the Warehouse Leasing Agreement, the Machinery Leasing Agreement, the Qingling Group Equipment Lease, the Autoparts and Materials Agreement, the Hydrogen-powered Modules Supply Agreement, the Qingling Moulds Supply Agreement, the Qingling Moulds Lease, the Isuzu Supply Agreement, the Company Supply Agreement, the Supply Agreement, the Equipment Lease, the Factory Lease, the Consolidated Services Agreement, the Sales JV Supply Agreement and the Bosch Sales Agreement
“Existing Isuzu Technology Transaction”	the continuing connected transaction under the 700P3X Series Technology Transfer Agreement
“Existing Technology Licence Transactions”	the continuing connected transactions under the Technology Licence Agreements
“Existing Trademark Licensing Transactions”	the continuing connected transactions under the Trademark Licensing Agreements
“EXR/EXZ Technology Licence Agreement”	the agreement dated 27 April 2016 entered into between Isuzu and the Company relating to the transfer of technology and provision of technical know-how in relation to the EXR/EXZ vehicles by Isuzu to the Company, details of which are set out in the announcements of the Company respectively dated 27 April 2016 and 26 November 2019
“Factory Lease”	the agreement dated 30 December 2022 entered into between the Company and IEC relating to the leasing of the Leased Land and the Factory Premises from the Company to IEC commencing on 1 January 2023 and expiring on 31 December 2025
“Factory Premises”	the factory erected on the Leased Land with a leasable area of approximately 57,291m ²
“Group”	the Company and its subsidiaries from time to time

“H Share(s)”	overseas listed foreign shares in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Stock Exchange and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hydrogen-powered Modules Supply Agreement”	the agreement dated 30 December 2022 entered into between the Bosch JV Company and the Company relating to the supply of hydrogen-powered modules by the Bosch JV Company to the Company commencing on 1 January 2023 and expiring on 31 December 2025
“IEC”	五十鈴(中國)發動機有限公司 (Isuzu (China) Engine Co., Ltd.*) (formerly known as 慶鈴五十鈴(重慶)發動機有限公司), a sino-foreign equity joint venture company established in the PRC with limited liability, which is owned as to 19.33%, 30.06% and 50.61% by the Company, Qingling Group and Isuzu, respectively
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors (namely, Mr. LONG Tao, Mr. SONG Xiaojiang, Mr. LIU Tianni and Ms. CHEN Yen Yung) established for the purpose of reviewing the Non-exempt Continuing Connected Transactions
“Independent Financial Adviser”	Halcyon Capital Limited, a licensed corporation under the SFO to carry out Type 6 (advising on corporate finance) regulated activities, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Non-exempt Continuing Connected Transactions
“Independent Shareholders”	Shareholders other than the connected person(s) who is/are interested in the relevant transactions
“Independent Third Parties”	independent third parties which are not connected with the chief executive, directors and substantial shareholder(s) of the Company or any of its subsidiaries and their respective associates, and each of them an “Independent Third Party”

“Isuzu”	Isuzu Motors Limited, a company incorporated in Japan and listed on the Tokyo Stock Exchange and a substantial shareholder of the Company
“Isuzu China”	Isuzu (China) Holding Co., Ltd., a company established in the PRC with limited liability, which is wholly owned by Isuzu
“Isuzu Supply Agreement”	the agreement dated 30 December 2022 entered into between Isuzu and the Company relating to the supply of automobile parts and components by Isuzu to the Company commencing on 1 January 2023 and expiring on 31 December 2025
“JPY”	Japanese Yen, the lawful currency of Japan
“Keyu Autoparts”	重慶慶鈴科渝汽車配件有限公司(Chongqing Qingling Keyu Autoparts Co., Ltd.*), a domestic company established in the PRC with limited liability, which is wholly owned by Qingling Group
“Land”	the piece of land known as No. 1, Xiexing Cun, Zhongliangshan Jiulongpo District, Chongqing, the PRC
“Land (Qingling Moulds)”	a portion of the Land with an area of 7,420m ²
“Leased Land”	a portion of the Land with a leasable area of 94,831m ²
“Leased Equipment (IEC)”	the engine production equipment (including the 4J/4K Series engine common equipment), inspection equipment and testing equipment (which also includes design plans, user manuals, maintenance handbooks, maintenance records and other ancillary parts) owned by the Company
“Leased Equipment (Qingling Group)”	the 110kVA electrical substation and its ancillary facilities owned by Qingling Group
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“m ² ”	meter square

“Machinery Leasing Agreement”	the agreement dated 30 December 2022 entered into between CQFC and the Company relating to the leasing of certain machineries for processing of forging and casting parts from CQFC to the Company commencing on 1 January 2023 and expiring on 31 December 2025
“New Autoparts and Materials Agreement”	the agreement dated 30 December 2025 entered into amongst the Company and the Qingling Autoparts Companies relating to the provision of scrap metal, semi-finished auto parts and crafting materials by the Company to the Qingling Autoparts Companies, details of which are set out in the section headed “THE NEW AUTOPARTS AND MATERIALS AGREEMENT”
“New Bosch Sales Agreement”	the agreement dated 30 December 2025 entered into between the Company and the Bosch JV Company relating to sales of gearbox assemblies by the Company to the Bosch JV Company, details of which are set out in the section headed “THE NEW BOSCH SALES AGREEMENT”
“New Chassis Supply Agreement”	the agreement dated 30 December 2025 entered into between the Company and Qingling Group (for itself and on behalf of its subsidiary – Qingling Zhuanyong) relating to the supply of automobile chassis and related components by the Company to Qingling Group and/or Qingling Zhuanyong, details of which are set out in the section headed “THE NEW CHASSIS SUPPLY AGREEMENT”
“New Company Supply Agreement”	the agreement dated 30 December 2025 entered into between Isuzu and the Company relating to the supply of vehicles, accessory sets and other automobile parts and components by the Company to Isuzu and/or its wholly owned subsidiary, details of which are set out in the section headed “THE NEW COMPANY SUPPLY AGREEMENT”
“New Consolidated Services Agreement”	the agreement dated 30 December 2025 entered into between the Company and IEC relating to the provision of certain services by the Company to IEC, details of which are set out in the section headed “THE NEW CONSOLIDATED SERVICES AGREEMENT”

“New CQAC Agreement”	the agreement dated 30 December 2025 entered into between CQAC and the Company relating to the supply of certain automobile parts by CQAC to the Company, and the leasing of certain machineries from the Company to CQAC, details of which are set out in the section headed “THE NEW CQAC AGREEMENT”
“New CQACL Agreement”	the agreement dated 30 December 2025 entered into between CQACL and the Company relating to the supply of certain automobile parts by CQACL to the Company, details of which are set out in the section headed “THE NEW CQACL AGREEMENT”
“New CQCC Agreement”	the agreement dated 30 December 2025 entered into between CQCC and the Company relating to the supply of certain automobile parts by CQCC to the Company, details of which are set out in the section headed “THE NEW CQCC AGREEMENT”
“New CQFC Agreement”	the agreement dated 30 December 2025 entered into between CQFC and the Company relating to the supply of certain automobile parts by CQFC to the Company, and the provision of certain consolidated services by the Company to CQFC, details of which are set out in the section headed “THE NEW CQFC AGREEMENT”
“New CQNHK Agreement”	the agreement dated 30 December 2025 entered into between CQNHK and the Company relating to the supply of certain automobile parts by CQNHK to the Company, details of which are set out in the section headed “THE NEW CQNHK AGREEMENT”
“New CQPC Agreement”	the agreement dated 30 December 2025 entered into between CQPC and the Company relating to the supply of certain automobile parts by CQPC to the Company, details of which are set out in the section headed “THE NEW CQPC AGREEMENT”
“New Equipment Lease”	the agreement dated 30 December 2025 entered into between the Company and IEC relating to the leasing of the Leased Equipment (IEC) from the Company to IEC, details of which are set out in the section headed “THE NEW EQUIPMENT LEASE”

“New Factory Lease”	the agreement dated 30 December 2025 entered into between the Company and IEC relating to the leasing of the Leased Land and the Factory Premises from the Company to IEC, details of which are set out in the section headed “THE NEW FACTORY LEASE”
“New Hydrogen-powered Modules Supply Agreement”	the agreement dated 30 December 2025 entered into between the Bosch JV Company and the Company relating to the supply of hydrogen-powered modules by the Bosch JV Company to the Company, details of which are set out in the section headed “THE NEW HYDROGEN-POWERED MODULES SUPPLY AGREEMENT”
“New Isuzu Supply Agreement”	the agreement dated 30 December 2025 entered into between Isuzu and the Company relating to the supply of automobile parts and components by Isuzu to the Company, details of which are set out in the section headed “THE NEW ISUZU SUPPLY AGREEMENT”
“New Machinery Leasing Agreement”	the agreement dated 30 December 2025 entered into between CQFC and the Company relating to the leasing of certain machineries for processing of forging and casting parts from CQFC to the Company, details of which are set out in the section headed “THE NEW MACHINERY LEASING AGREEMENT”
“New Parts Supply Agreements”	the New Qingling Group Agreement, the New CQACL Agreement, the New CQCC Agreement, the New CQFC Agreement, the New CQAC Agreement, the New CQNHK Agreement and the New CQPC Agreement
“New Qingling Group Agreement”	the agreement dated 30 December 2025 entered into between Qingling Group (for itself and on behalf of its subsidiaries – Qingling Zhuanyong Brake, Qingling Zhuanyong and Qingling Zhuanyong Chassis) and the Company relating to the supply of certain automobile parts by Qingling Group, QM, Qingling Zhuanyong and Qingling Zhuanyong Chassis to the Company, details of which are set out in the section headed “THE NEW QINGLING GROUP AGREEMENT”

“New Qingling Group Consolidated Services Agreement”	the agreement dated 30 December 2025 entered into between the Company and CQAC, CQACL, CQPC and CQNHK relating to provision of consolidated services by the Company to CQAC, CQACL, CQPC and CQNHK, details of which are set out in the section headed “THE NEW QINGLING GROUP CONSOLIDATED SERVICES AGREEMENT”
“New Qingling Group Moulds Supply Agreement”	the agreement dated 30 December 2025 entered into amongst Qingling Moulds, the Qingling Group Companies and IEC relating to the supply of moulds and related products and/or provision of maintenance and processing services by Qingling Moulds to the Qingling Group Companies and IEC, details of which are set out in the section headed “THE NEW QINGLING GROUP MOULDS SUPPLY AGREEMENT”
“New Qingling Moulds Lease”	the agreement dated 30 December 2025 entered into between the Company and Qingling Moulds relating to the leasing of the Land (Qingling Moulds) from the Company to Qingling Moulds, details of which are set out in the section headed “THE NEW QINGLING MOULDS LEASE”
“New Qingling Moulds Supply Agreement”	the agreement dated 30 December 2025 entered into between Qingling Moulds and the Company relating to the supply of moulds and related products and provision of maintenance and processing services by Qingling Moulds to the Company, and the supply of raw materials and provision of processing services and consolidated services by the Company to Qingling Moulds, details of which are set out in the section headed “THE NEW QINGLING MOULDS SUPPLY AGREEMENT”
“New Qingling Group Equipment Lease”	the agreement dated 30 December 2025 entered into between Qingling Group and the Company relating to, among others, the leasing of the Leased Equipment (Qingling Group) from the Qingling Group to the Company, details of which are set out in the section headed “THE NEW QINGLING GROUP EQUIPMENT LEASE”

“New Qingling Zhuanyong Moulds Supply Agreement”	the agreement dated 30 December 2025 entered into between Qingling Zhuanyong Brake and Qingling Moulds relating to the supply of moulds and related products and provision of maintenance and processing services by Qingling Zhuanyong Brake to Qingling Moulds, details of which are set out in the section headed “THE NEW QINGLING ZHUANYONG MOULDS SUPPLY AGREEMENT”
“New Sales JV Supply Agreement”	the agreement dated 30 December 2025 entered into between the Company and the Sales JV Company relating to the supply of automobiles and their parts by the Company to the Sales JV Company, details of which are set out in the section headed “THE NEW SALES JV SUPPLY AGREEMENT”
“New Supply Agreement”	the agreement dated 30 December 2025 entered into between the Company and IEC relating to the supply of engine parts and raw materials by the Company to IEC, and the supply of engines and their parts by IEC to the Company, details of which are set out in the section headed “THE NEW SUPPLY AGREEMENT”
“New Warehouse Leasing Agreement”	the agreement dated 30 December 2025 entered into between Qingling Group (for itself and on behalf of its subsidiary – Qingling Zhuanyong) and the Company relating to the leasing of, among others, the Warehouses, certain parts of the Land and other premises from Qingling Group and/or Qingling Zhuanyong to the company, details of which are set out in the section headed “THE NEW WAREHOUSE LEASING AGREEMENT”
“New Xipeng Warehouse Leasing Agreement”	the agreement dated 30 December 2025 entered into between the Company and the Sales JV Company relating to leasing of the independent warehouse in Xipeng Town to the Company for use, details of which are set out in the section headed “THE NEW XIPENG WAREHOUSE LEASING AGREEMENT”
“Non-exempt Continuing Connected Transactions”	the transactions contemplated under the New Chassis Supply Agreement, the New Parts Supply Agreements, the New Qingling Zhuanyong Moulds Supply Agreement, the New Autoparts and Materials Agreement, the New Supply Agreement, the New Bosch Sales Agreement and the New Hydrogen-powered Modules Supply Agreement

“Parts Supply Agreements”	the Qingling Group Agreement, the CQACL Agreement, the CQCC Agreement, the CQFC Agreement, the CQAC Agreement, the CQNHK Agreement and the CQPC Agreement
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules, other than the profits ratio and equity capital ratio
“PRC”	the People’s Republic of China, which shall, for the purpose of this announcement, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Qingling Autoparts Companies”	CQCC, CQFC, CQACL, CQAC, CQPC, CQNHK, Qingling Zhuanyong Chassis, Qingling Zhuanyong Brake and Qingling Zhuanyong
“Qingling Group”	慶鈴汽車(集團)有限公司 (Qingling Motors (Group) Co. Ltd*), a state-owned company established in the PRC with limited liability and the controlling shareholder of the Company
“Qingling Group Agreement”	the agreement dated 30 December 2022 entered into between Qingling Group (for itself and on behalf of its subsidiaries – Qingling Zhuanyong Brake, Qingling Zhuanyong, Qingling Zhuanyong Chassis, Autoparts Manufacturing and Keyu Autoparts) and the Company relating to the supply of certain automobile parts by Qingling Group, Qingling Zhuanyong Brake, Qingling Zhuanyong, Qingling Zhuanyong Chassis, Autoparts Manufacturing and Keyu Autoparts to the Company commencing on 1 January 2023 and expiring on 31 December 2025
“Qingling Group Companies”	Qingling Group, CQCC, CQFC, CQAC, CQNHK, CQPC and CQACL and any of them a “Qingling Group Company”
“Qingling Group Equipment Lease”	the agreement dated 30 December 2022 entered into between the Company and Qingling Group relating to the leasing of the Leased Equipment (Qingling Group) from Qingling Group to the Company commencing on 1 January 2023 and expiring on 31 December 2025

“Qingling Group Moulds Supply Agreement”	the agreement dated 30 December 2022 entered into amongst Qingling Moulds, the Qingling Group Companies and IEC relating to the supply of moulds and related products and/or provision of maintenance and processing services by Qingling Moulds to the Qingling Group Companies and IEC commencing on 1 January 2023 and expiring on 31 December 2025
“Qingling Moulds”	重慶慶鈴模具有限公司 (Chongqing Qingling Moulds Co. Ltd.*), a sino-foreign joint venture company established in the PRC with limited liability, which is owned as to 50.56% and 49.44% by the Company and Isuzu, respectively
“Qingling Moulds Lease”	the agreement dated 30 December 2022 entered into between the Company and Qingling Moulds relating to the leasing of the Land (Qingling Moulds) from the Company to Qingling Moulds commencing on 1 January 2023 and expiring on 31 December 2025
“Qingling Moulds Supply Agreement”	the agreement dated 30 December 2022 entered into between Qingling Moulds and the Company relating to the supply of moulds and related products and provision of maintenance and processing services by Qingling Moulds to the Company, and the supply of raw materials and provision of processing services and consolidated services by the Company to Qingling Moulds commencing on 1 January 2023 and expiring on 31 December 2025
“Qingling Zhuanyong”	重慶慶鈴專用汽車有限公司 (Chongqing Qingling Special Vehicle Co. Ltd*)(formerly known as 重慶慶鈴汽車上裝製造有限公司 (Chongqing Qingling Automobile Manufacture and Assembly Co. Ltd.*)), a domestic company established in the PRC with limited liability, which is wholly owned by Qingling Group
“Qingling Zhuanyong Brake”	重慶慶鈴專用汽車制動器分公司 (Brake Branch of Chongqing Qingling Zhuanyong*) (formerly known as 重慶慶鈴汽車機加部品製造有限公司 (Chongqing Qingling Machinery Parts Co. Ltd.*)), a domestic company established in the PRC with limited liability, which is wholly owned by Qingling Group

“Qingling Zhuanyong Chassis”	重慶慶鈴專用汽車有限公司底盤分公司(Chassis Branch of Chongqing Qingling Special Vehicle Co. Ltd*) (formerly known as重慶慶鈴汽車底盤部品有限公司 (Chongqing Qingling Automobile Chassis Parts Co. Ltd.*)), a domestic company established in the PRC with limited liability, which is wholly owned by Qingling Group
“QM Moulds Supply Agreement”	the QM Moulds Supply Agreement entered into between Qingling Moulds and Qingling Zhuanyong Chassis dated 30 December 2022 relating to the supply of moulds and related products and provision of maintenance and processing services by Qingling Zhuanyong Chassis to Qingling Moulds
“RGQ Agreement”	the agreement entered into by the Company and Isuzu dated 13 March 2024 relating to Isuzu licensing and authorising the Company to use its trademarks for the purpose of manufacturing and sales of the licensed vehicles in the PRC, details of which are set out in the section headed “THE TRADEMARK LICENSING AGREEMENT”
“RMB”	Renminbi, the lawful currency of the PRC
“Sales JV Company”	慶鈴五十鈴(重慶)汽車銷售服務有限公司 (Qingling Isuzu (Chongqing) Automobile Sales and Service Co., Ltd*), a sino-foreign joint venture company established in the PRC with limited liability, which is owned as to 50% and 50% by the Company and Isuzu
“Sales JV Supply Agreement”	the agreement dated 30 December 2022 entered into between the Company and the Sales JV Company relating to the supply of automobiles and their parts by the Company to the Sales JV Company commencing on 1 January 2023 and expiring on 31 December 2025
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	the Domestic Shares and the H Shares
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules

“Supply Agreement”	the agreement dated 30 December 2022 entered into between the Company and IEC relating to the supply of engine parts and raw materials by the Company to IEC, and the supply of engines and their parts by IEC to the Company commencing on 1 January 2023 and expiring on 31 December 2025
“Technology Licence Agreements”	the CYH Technology Licence Agreement, the CYZ Technology Licence Agreement and the EXR/EXZ Technology Licence Agreement
“Three Warranties”	the provision of warranty services in respect of repair, replacement and refund of the Company’s products
“Trademark Licensing Agreements”	the 600P, 100P and TF/UC Agreement, the 3XCAB Agreement and the RGQ Agreement
“VAT”	value-added tax
“Warehouses”	open-air and indoor warehouses erected on the Land
“Warehouse Leasing Agreement”	the agreement dated 30 December 2022 entered into between Qingling Group and the Company relating to the leasing of the Warehouses, certain parts of the Land and other premises from Qingling Group to the Company commencing on 1 January 2023 and expiring on 31 December 2025

By Order of the Board
QINGLING MOTORS CO. LTD
LUO Yuguang
Executive Director and Chairman

Chongqing, the PRC, 30 December 2025

As at the date of this announcement, the Board comprises 11 Directors, of which Mr. LUO Yuguang, Mr. NAKAMURA Koji, Mr. KIJIMA Katsuya, Mr. TSUKUI Mikio, Mr. XU Song, Mr. LI Juxing and Mr. LI Xiaodong are executive Directors and Mr. LONG Tao, Mr. SONG Xiaojiang, Mr. LIU Tianni and Ms. CHEN Yen Yung are independent non-executive Directors.

* *For identification purposes only*