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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)

CONNECTED TRANSACTION
LEASE AGREEMENT

LEASE AGREEMENT

On 15 May 2026 (after trading hours), the Company and Qingling Group entered into the Lease Agreement, pursuant to which and subject to the terms and conditions set out therein, Qingling Group agreed to lease the Premises to the Company for a term of three years commencing from 1 January 2026 and ending on 31 December 2028 (both days inclusive).

LISTING RULES IMPLICATION

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. Therefore, Qingling Group is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the entering into of the Lease Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

HKFRS 16 AND RIGHT-OF-USE ASSETS

Pursuant to HKFRS 16, the Group will recognise the lease of the Premises under the Lease Agreement as 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 highest applicable percentage ratio in respect of the relevant transactions under the Lease Agreement exceeds 0.1% but is less than 5%, the entering into of the Lease Agreement is subject to the reporting and announcement requirements set out in Rules 14A.35 and 14A.49 but is exempt from the circular (including independent financial advice) and Independent Shareholders' approval requirements set out in Rule 14A.36 of the Listing Rules.

INTRODUCTION

The Board hereby announces that on 15 May 2026 (after trading hours), the Company entered into the Lease Agreement with Qingling Group in relation to the lease of the Premises for a term of three years commencing from 1 January 2026 and ending on 31 December 2028 (both days inclusive).

LEASE AGREEMENT

The principal terms of the Lease Agreement are summarised as follows:

Date	15 May 2026
Parties	(i) Qingling Group (as lessor); and (ii) the Company (as lessee)
Nature of the Transaction	Leasing of the 1st and 2nd floor of the Qingling Intelligent Connected New Energy Commercial Vehicle R&D Centre* (慶鈴智能網聯新能源商用車研發中心) (excluding the large conference room on the 1st floor), and the attached ancillary facilities, both situated on the Land, from Qingling Group to the Company
Leasable area	Approximately 7,957.6 m^2
Term	Three years, commencing from 1 January 2026 and ending on 31 December 2028, and renewable upon expiry subject to the agreement of all parties and (if necessary) the obtaining of the consent of the Stock Exchange and/or the approval of the Independent Shareholders in accordance with the requirements of the Listing Rules
Rental fee and payment method	RMB1,845,400 per year (exclusive of VAT) Each annual rental fee shall be payable by the Company on a quarterly basis in accordance with the terms of the Lease Agreement. The rental fee was determined on normal commercial terms after arm's length negotiations between the parties thereto with reference to the prevailing market rents, Qingling Group's underlying capital costs, financing expenses and applicable taxes and fees related to the Land and Premises, which shall not be higher than the market prices or on prices less favourable to the Company than those available from Independent Third Parties for leasing of comparable properties.

Utilities, maintenance and repairs	During the term of the lease, the Company shall be responsible for the payment of utilities expenses incurred within the Premises, such as water, electricity and gas, as well as routine maintenance expenses; whereas Qingling Group shall be responsible for the costs of major repairs to the Premises.
Restriction on assignment and leasing	During the term of the lease, without the prior written consent of the other party: (i) Qingling Group shall not assign, transfer or lease the whole or any part of the Premises to any third party, nor create any encumbrances or restrictive conditions, including but not limited to any guarantees or charges, over the Premises; and (ii) the Company shall not sublease or lend the whole or any part of the Premises to any third party.

REASONS FOR AND BENEFITS OF ENTERING INTO THE LEASE AGREEMENT

As disclosed in the Company's annual report for the year ended 31 December 2025, the Group will continue to promote the development of the new energy industry. The Premises will be used by the Group as an expansion of its research and development centre to support and accelerate the Group's transformation towards the new energy industry. Furthermore, as the newly rented Premises is adjacent to the Company's principal place of business in the PRC, the leasing of the Premises from Qingling Group will facilitate daily operations and administration, thereby ensuring the stability of the Group's business operations.

The Directors (including the independent non-executive Directors but excluding Mr. LIU Zhongwei, Ms. SONG Xiumin, and Ms. YAN Huarong) are of the view that the Lease Agreement was entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms after arm's length negotiations between the parties; and (iii) on terms that are fair and reasonable and in the interests of the Company and its shareholders as a whole.

As Mr. LIU Zhongwei, Ms. SONG Xiumin, and Ms. YAN Huarong hold senior management positions at Qingling Group, each of these Directors is deemed to have a material interest in the Lease Agreement and has abstained from voting on the relevant Board resolution approving the Lease Agreement and the relevant transactions contemplated thereunder. Save as disclosed above, no other Director has a material interest in the Lease Agreement that would require abstention from voting on the relevant Board resolution approving the same.

INFORMATION OF THE PARTIES

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.

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. Qingling Group is also the controlling shareholder of the Company.

INFORMATION ON THE PREMISES AND HKFRS 16

The Qingling Intelligent Connected New Energy Commercial Vehicle R&D Centre, completed at the end of 2025, is owned by Qingling Group and has a total gross floor area of approximately 15,000 m^2.

The Group will recognise the right-of-use assets in connection with the Lease Agreement in its consolidated financial statements pursuant to HKFRS 16. Under the Listing Rules, the relevant transactions are regarded as acquisitions of assets by the Group. The aggregate value of the right-of-use asset to be recognised by the Group under the Lease Agreement is estimated at approximately RMB5,441,000, representing the estimated present value of the total consideration payable by the Company to Qingling Group for the leasing of the Premises throughout the term of the Lease Agreement, and remains subject to audit and adjustment.

LISTING RULES IMPLICATIONS

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. Therefore, Qingling Group is the controlling shareholder and a connected person of the Company under Chapter 14A of the Listing Rules. The entering into of the Lease Agreement therefore constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the relevant transactions under the Lease Agreement exceeds 0.1% but is less than 5%, the entering into of the Lease Agreement is subject to the reporting and announcement requirements set out in Rules 14A.49 and 14A.35 but is exempt from the circular (including independent financial advice) and Independent Shareholders' approval requirements set out in Rule 14A.36 of the Listing Rules.

DEFINITIONS

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

"Board"	the board of Directors of the Company
"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)
"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
"Director(s)"	the director(s) of the Company
"Domestic Share(s)"	domestic share(s) of nominal value of RMB1.00 each in the ordinary share capital of the Company
"Group"	the Company and its subsidiaries from time to time
"H Share(s)"	overseas listed foreign share(s) 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
"HKFRS"	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"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"
"Land"	a parcel of land known as No. 1, Xiexing Cun, Jiulongpo District, Chongqing City, the PRC owned by Qingling Group

"Lease Agreement"	the lease agreement dated 15 May 2026 entered into between the Company (as lessee) and Qingling Group (as lessor), in respect of the leasing of the Premises for a term of three years commencing on 1 January 2026 and ending on 31 December 2028 (both days inclusive)
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"m^2"	square metre
"PRC'	the People's Republic of China
"Premises"	1st and 2nd floor of the Qingling Intelligent Connected New Energy Commercial Vehicle R&D Centre (excluding the large conference room on the 1st floor), and the attached ancillary facilities, both situated on the Land
"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
"RMB"	Renminbi, the lawful currency of the PRC
"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

"VAT"	value-added tax
"%"	per cent

By order of the Board
QINGLING MOTORS CO. LTD
SONG Xiumin
Executive Director and Company Secretary

Chongqing, the PRC, 15 May 2026

As at the date of this announcement, the Board comprises 11 Directors, of which Mr. LIU Zhongwei, Mr. KANI Takuji, Mr. KIJIMA Katsuya, Mr. NAGATA Tomoya, Mr. XU Dengke and Ms. SONG Xiumin are executive Directors, Ms. YAN Huarong is an employee Director, and Mr. YANG Xinglong, Ms. HOU Qian, Mr. LIU Tianni and Ms. CHEN Yen Yung are independent non-executive Directors.

* *For identification purposes only*