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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)

MAJOR AND CONNECTED TRANSACTION

ACQUISITION OF APPROXIMATELY 30.43% EQUITY INTERESTS IN IEC

THE ACQUISITION

On 20 March 2026, the Company, Qingling Group, Isuzu and IEC entered into a targeted capital reduction agreement, which reduced the targeted share capital of IEC held by Isuzu by USD3,955,972. Pursuant to which the entire registered share capital of IEC was reduced from USD324,260,000 to USD320,304,028, and the consideration of the capital reduction was RMB26,484,338.95. Following the capital reduction, the share contribution ratios of IEC changed from 50.61%, 30.06% and 19.33% contributed by Isuzu, Qingling Group and the Company respectively to 50%, 30.43% and 19.57%. As at the date of this announcement, IEC is owned as to 50% by Isuzu, 30.43% by Qingling Group and 19.57% by the Company, respectively.

The Board hereby announces that on 9 October 2026 (after trading hours), the Company (as the Transferee) and Qingling Group (as the Transferor) entered into the Share Transfer Agreement, pursuant to which and subject to the terms and conditions set out therein, Qingling Group conditionally agreed to sell and the Company conditionally agreed to acquire approximately 30.43% of the entire issued share capital of IEC held by Qingling Group at a consideration of approximately RMB659,870,026.65.

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 Share Transfer Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As all the applicable percentage ratios in respect of the Share Transfer Agreement and the proposed transactions thereunder exceed 5%, the entering into of the Share Transfer Agreement is subject to the announcement, the circular, the annual reporting and the requirements to obtain Independent Shareholders' approval set out in Chapter 14A of the Listing Rules.

As one of the applicable percentage ratios in respect of the Share Transfer Agreement and the transactions contemplated thereunder exceeds 25% but all of them are less than 100%, the Acquisition constitutes a major transaction of the Company set out in Chapter 14 of the Listing Rules and is subject to the notification, announcement, circular and Shareholders' approval requirements set out in Chapter 14 of the Listing Rules.

GENERAL

The EGM will be convened by the Company to seek the Independent Shareholders' approval for the Acquisition.

The Independent Board Committee has been formed to advise the Independent Shareholders as to, among others, whether the terms of the Share Transfer Agreement and the transactions contemplated thereunder 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 relevant resolution(s) to be proposed at the EGM, having taken into account the recommendations of the Independent Financial Adviser.

Rainbow Capital (HK) Limited has been appointed by the Company as its independent financial adviser and will give recommendations to the Independent Board Committee and the Independent Shareholders on, among others, whether the terms of the Share Transfer Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and advise the Independent Shareholders on how to vote on the relevant resolution(s) to be proposed at the EGM.

In accordance with the Listing Rules, the Company will despatch a circular to the Shareholders as soon as practicable containing, among other things, further details of the major and connected transaction, a letter from the Independent Board Committee and a letter of advice from the Independent Financial Adviser, together with the notice of the EGM. As additional time is required to prepare and finalise the aforesaid information to be included in the circular, it is expected that the Company will despatch the circular on or before 15 November 2026.

INTRODUCTION

On 20 March 2026, the Company, Qingling Group, Isuzu and IEC entered into a targeted capital reduction agreement, which reduced the targeted share capital of IEC held by Isuzu by USD3,955,972. Pursuant to which the entire registered share capital of IEC reduced from USD324,260,000 to USD320,304,028, and the consideration of the capital reduction was RMB26,484,338.95. Following the capital reduction, the share contribution ratios of IEC changed from 50.61%, 30.06% and 19.33% contributed by Isuzu, Qingling Group and the Company respectively to 50%, 30.43% and 19.57%. As at the date of this announcement, IEC is owned as to 50% by Isuzu, 30.43% by Qingling Group and 19.57% by the Company, respectively.

The Board hereby announces that on 9 October 2026 (after trading hours), the Company (as the Transferee) and Qingling Group (as the Transferor) entered into the Share Transfer Agreement, pursuant to which and subject to the terms and conditions set out therein, Qingling Group conditionally agreed to sell and the Company conditionally agreed to acquire the approximately 30.43% of the entire issued share capital of IEC held by Qingling Group at a consideration of approximately RMB659,870,026.65.

SHARE TRANSFER AGREEMENT

The principal terms of the Share Transfer Agreement are summarized below:

Date:	9 October 2026 (after trading hours)
Parties:	(i) the Transferee, being the Company (ii) the Transferor, being Qingling Group
Target Shares:	The Transferor has conditionally agreed to sell, and the Transferee has conditionally agreed to acquire approximately 30.43% of the equity interests in IEC (the “ Target Company ”) held by the Transferor (the “ Target Shares ”), subject to the terms and conditions of the Share Transfer Agreement.
Consideration:	Pursuant to the Share Transfer Agreement, the transfer price shall be approximately RMB659,870,026.65, which includes all the shareholders’ interests attributable to the Target Shares (excluding profit distribution during the Transitional Period).
Basis of Consideration:	The Consideration was determined after arm’s length negotiations between the Transferor and the Transferee with reference to the appraised market value of the shareholders’ interests of entire issued share capital of the Target Company on the Valuation Benchmark Date, which was appraised by the Independent Valuer. The Board understands that, after considering all commonly adopted valuation approaches in the market (namely, market approach, income approach and asset-based approach), the asset-based approach was finally adopted by the Independent Valuer for the valuation of the shareholders’ interests of entire issued share capital of the Target Company. Pursuant to the Share Transfer Agreement, the Consideration was calculated based on the net asset value of the Target Company as at the Valuation Benchmark Date, after deducting the distributed profits for the financial year of 2025 and safety reserve, in accordance with the proportion of shares held by the Transferor.

Payment of Consideration: The Consideration (net of corresponding taxes) shall be paid by the Transferee to the bank account designated by the Transferor within 60 working days upon the Share Transfer Agreement becoming effective and satisfaction of the following conditions:

1. All equity change registration procedures in respect of the Target Shares have been completed with the market regulatory authorities and the foreign investment change report as required by the department of commerce of the Target Shares have been completed; and
2. All relevant tax and banking procedures in respect of the payment of the Consideration have been fully completed.

If the above conditions cannot be satisfied within 60 working days after the Share Transfer Agreement takes effect due to delays in completing formalities by the Transferee or the Target Company, or delays in formalities with relevant administrative authorities and banks, the Transferee shall promptly notify the Transferor of such cause and use all reasonable endeavors to complete the relevant formalities. In such circumstances, the Transferee shall pay the consideration within three days from the date of completion of all delayed formalities.

The Group currently expects to finance the consideration of the Acquisition by way of utilizing the Group's internal resources and external financing.

The Transitional Period: The Transitional Period shall commence on 1 July 2026 and end on the effective date of the Share Transfer Agreement.

Any increase or decrease in the value of the Target Shares arising from the operating results during the Transitional Period shall be borne by the Transferee.

Conditions Precedent: Pursuant to the Share Transfer Agreement, Completion is subject to the following Conditions Precedent being fulfilled:

1. the Acquisition and the Share Transfer Agreement have been approved by the boards of directors of the Transferee and the Transferor;

2. the Acquisition and the Share Transfer Agreement have been approved by the Independent Shareholders of the Transferee at the general meeting of the Transferee; and
3. all necessary consents, filings and approvals for the Acquisition have been obtained from or made with the relevant PRC government agencies or regulators (including the Stock Exchange), and there have been no orders, rules or decisions made, promulgated or adopted by any PRC government agencies or regulators (including the Stock Exchange) to forbid or restrict the Acquisition.

The above Conditions Precedent shall not be capable of being waived.

Completion:

Upon satisfaction of the Conditions Precedent, the Transferee and the Transferor shall complete the Completion on the date of completion of the relevant industrial and commercial change registration formalities for the Acquisition (or such other date as agreed by both parties) (the “**Completion Date**”), and carry out the handover of assets, liabilities, business, qualifications, personnel, contracts and all other rights and obligations on the Completion Date.

Following the Completion, the Transferee and the Transferor shall complete filing, reporting, deregistration and other procedures with competent authorities including commerce, state-owned assets, taxation and other authorities in connection with the Acquisition.

Immediately following the Completion, IEC will be owned as to 50.00% by the Company and 50.00% by Isuzu. Following the Completion, the Company and Isuzu proposed to enter into a joint venture agreement setting out the status and management of IEC, as well as the rights and obligations of the respective joint venture parties, and/or make corresponding amendments to the articles of association of IEC (if needed).

INFORMATION ON THE TARGET COMPANY

IEC is a sino-foreign equity joint venture company established in the PRC with limited liability and is principally engaged in the manufacturing and sales of vehicle-used engines and their relevant parts. As at the date of this announcement, the 19.57%, 30.43% and 50.00% equity interests in IEC are held by the Company, Qingling Group and Isuzu respectively.

FINANCIAL INFORMATION OF THE TARGET COMPANY

The audited profit of IEC before and after taxation for the two years ended 31 December 2024 and 31 December 2025 is set out below:

	For the year ended 31 December	
	2024	2025
	<i>approx.</i>	<i>approx.</i>
	<i>RMB'000</i>	<i>RMB'000</i>
Profit before taxation	32,001	36,673
Profit after taxation	<u>28,597</u>	<u>33,297</u>

The unaudited net asset value of IEC as at 30 June 2026 was approximately RMB2,175.288 million.

VALUATION REPORT

Pursuant to the Valuation Report, the fair value of the approximately 30.43% equity interests in IEC as at the Valuation Benchmark Date assessed in the Valuation Report was determined by reference to the asset-based approach. The scope of assessment covered all assets and liabilities declared by IEC.

VALUATION METHOD

The Independent Valuer analyzed the applicability of three fundamental valuation approaches, namely the market approach, income approach and asset-based approach, and selected the appropriate valuation method.

(1) Market Approach

The market approach refers to the general term for valuation approaches that determine the value of a valuation target based on the market price of the comparable reference objects by comparing the valuation target with comparable reference objects. The market approach adopted in valuation of enterprise value refers to the method to determine the value of a valuation target by comparing it to comparable listed companies or comparable transaction cases. Asset valuation professionals should consider the applicability of the market approach based on the adequacy and reliability of the operational and financial information obtained on comparable enterprises and the number of comparable enterprises that can be collected. The two commonly used specific methods in the valuation of enterprise value under the market approach are the comparison method of listed companies and the comparison method of transaction cases.

(2) Income Approach

The income approach refers to the collective assessment methods used to determine the value of a valuation target by capitalizing or discounting its expected return. The income approach in the enterprise value valuation refers to the method of appraising the value of the valuation target by capitalizing or discounting the expected return. Asset valuation professionals should properly consider the applicability of the income approach in light of the nature of the valued enterprise, the size of the assets, the history of operations, the predictability of future earnings and the adequacy of the valuation information obtained. The income approach for enterprise value valuation mainly includes the dividend discount model and the discounted cash flow model.

(3) Asset-based Approach

Asset-based approach refers to the approach of evaluating the value of various assets and liabilities on and off the balance sheet of the valuation target based on the balance sheet of the valuation target on the Valuation Benchmark Date to determine its value. The asset-based approach is adopted for enterprise value valuation, and the value of each asset shall be obtained by selecting appropriate specific valuation methods according to its specific condition. The selected valuation methods may differ from those used when such asset is valued as an individual asset valuation target, and consideration shall be given to its contribution to enterprise value.

VALUATION METHOD SELECTION

As IEC's principal sales and procurement activities are connected transactions, its major customers are its shareholders, the premises for production and operation and certain key equipment are leased from connected parties, and transaction pricing is determined through negotiation among shareholders. IEC has no substantive pricing power and lacks independent market-based pricing capability. The historical income level cannot reflect the profitability under market-based operation and can hardly serve as a reliable basis for future income projection. The risks associated with future income cannot be reasonably estimated, so the income approach is not appropriate for the valuation.

Subject to objective constraints, the Independent Valuer was unable to obtain sufficient comparable data on listed companies and transaction cases similar to IEC. The comparative conditions required for the market approach valuation were not satisfied, so the market approach could not be adopted for the valuation.

As the asset list of IEC is readily available and the replacement value of relevant assets can be obtained through market surveys, the asset-based approach is appropriate for the valuation.

Having analyzed the applicability of valuation methods in light of the valuation purpose set out in the Valuation Report, the inherent characteristics of the valued entity and relevant information collected, the Independent Valuer adopted the asset-based approach to value the entire issued share capital of IEC.

Pursuant to the Valuation Report, the fair market value of the approximately 30.43% equity interests in IEC as at the Valuation Benchmark Date is estimated to be approximately RMB669,594,957.05.

VALUATION ASSUMPTIONS

The assumptions used by the Independent Valuer in the Valuation Report include:

(I) General Assumptions

1. The information and data provided by the entrusting party and the valued entity, upon which the valuation conclusion in the Valuation Report is based, are credible and accurate.
2. The valued entity continues to operate as a going concern, and its rights of legal possession, use and disposal of assets, and enjoying profit from such assets are not infringed; unless otherwise stated, the Company is assumed to be in full compliance with all relevant laws and regulations.

(II) Assumptions of Valuation Environment

1. There is no material change in the laws, regulations and policy environment of the region where the valuation target is located as compared with the situation on the Valuation Benchmark Date.
2. There is no material change in the social environment, international politics and economic environment of the place where the valuation target is located as compared with the situation on the Valuation Benchmark Date.
3. There is no material change to laws, regulations and policies relating to finance, industry, resource utilization, energy and environmental protection.
4. There is no material change in the interest rate, exchange rate and price level in relation to the valuation target as compared with the situation on the Valuation Benchmark Date.

(III) Assumptions of Open Trading Conditions

The buyers and sellers with voluntary trading intentions have reasonable background knowledge of the assets entrusted for valuation, the market, and relevant factors which could affect the value of the assets entrusted for valuation. Relevant parties will autonomously and independently decide their transaction behaviors without any external pressure or intimidation.

1. Public bidding, auction and listing for trading of the valuation target are implemented according to the principle of fairness. The intentional buyers make rational offers and participate in bidding in an equal and independent manner.
2. None of the obligee, principal and other interested parties and their connected persons in relation to the transaction corresponding to the valuation purpose enjoys priority over the valuation target; nor do they interfere with the transaction price of the valuation target.

(IV) Other Assumptions

1. The equipment under valuation will continue to be used at the same location for its original purpose.
2. As on the Valuation Benchmark Date, the assets of the valued enterprise are in normal operating condition. There is no indication that the valued enterprise's going concern will be affected by national laws and regulations, market conditions or force majeure. Accordingly, the valuation assumes that the enterprise is a going concern.
3. The valuation scope is based on the range of assets provided by the entrusting party. Any potential contingent assets or contingent liabilities have not been considered in the valuation.
4. No significant changes in related interest rates, exchange rates, tax bases and tax rates and policy-imposed levies.
5. No force majeure or other unforeseeable factors will exert a material impact on the realization of the assessed value.

The asset valuation assumptions are closely related to the valuation conclusion. Different premises and assumptions, different conditions of the appraised assets and different operating status of the enterprise will lead to differences in the current value of assets and liabilities, replacement cost expenditure and so on, which may result in different valuation conclusions. The Independent Valuer considers that the above valuation assumptions are reasonable and necessary as at the Valuation Benchmark Date and serve as the basis for arriving at the valuation conclusion. If the above assumptions are not valid as at the Valuation Benchmark Date or undergo material changes in the future, the valuation conclusion may not be realized. In accordance with asset valuation requirements, the Independent Valuer confirms that such assumptions hold true as at the Valuation Benchmark Date. Where material changes occur in the future economic environment, the valuation institution and the Independent Valuer shall not be liable for different valuation conclusions derived from changes in the assumptions.

INFORMATION ABOUT THE PARTIES

Information on the Company and the Transferee

The Company is a sino-foreign joint venture joint stock limited company incorporated in the PRC and is principally engaged in the production of road motor vehicles, sale of automobiles and new-energy vehicles, as well as the research and development, manufacture and sale of automobile parts and components. It also carries out ancillary businesses including technical services, import and export of goods and technologies, and maintenance and servicing of motor vehicles.

TRANSFEROR

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.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SHARE TRANSFER AGREEMENT

IEC is an enterprise specialized in the production and sale of high-technology and high-quality Isuzu diesel and petrol engines as well as core components. Its machining production lines have an annual capacity of 141,000 sets, and the annual capacity for engine assembly stands at 100,000 units. IEC has introduced 35 production lines for machining, heat treatment, assembly and testing from Japan, the United Kingdom, the United States and other countries, supported by more than 500 sets of advanced equipment. IEC continuously introduces cutting-edge products, manufacturing processes and management technologies of Isuzu, has accumulated experience in

the manufacturing and technical management of nearly 1 million engines of Isuzu, and formed a professional technical and management team. It has successively obtained quality system certifications including ISO9001, TS16949, IATF16949:2016 and Isuzu engineering audit. IEC has been recognized as a high and new technology enterprise, an enterprise technology centre and a sample enterprise under the PRC's foreign trade export leading index, and enjoys a sound market reputation for product quality. The products of IEC serve both domestic and international markets, and its core 5C components are resold in bulk to Isuzu. In the domestic market, IEC supplies engine assemblies with power ranging from 95 horsepower to 380 horsepower and meeting emission standards of National VI and above for high-quality Isuzu commercial vehicles manufactured by Qingling, and also provides high-quality engine assemblies for high value-added modified vehicles and construction machinery. In the international market, IEC has been admitted into Isuzu's global procurement system and continuously exports engine assemblies and core machined components to Isuzu in bulk.

In 2025, IEC recorded operating income of RMB881.4086 million and net profit of RMB32.594 million. Building on the introduction, digestion and absorption of Isuzu's engine assembly and component technologies, IEC keeps carrying out re-innovation, vigorously promotes the localized development of engine assemblies and localization of components, and achieves localized research and development and supporting supply in the PRC. At present, the engine assemblies of IEC's 4J/4K/4H series have achieved localized development with a component localization rate of 100%; the 6H/6U/6W engine assemblies have achieved 100% localized development in the PRC with a localization rate of over 70%, driving the advancement of material and manufacturing technologies for supporting domestic components.

Upon completion of the Acquisition, the Company will hold a 50% equity interest in IEC and exercise joint control over IEC together with Isuzu. The Acquisition will help the Company strengthen its control over IEC, facilitate synergistic integration between both parties in respect of technology research and development, resource allocation and market development, continuously enhance the overall R&D capability and core competitiveness, and drive the high-quality development of the Group.

IEC has been deeply engaged in the commercial vehicle engine sector for many years with a solid operating foundation, low asset-liability ratio, sufficient monetary funds, healthy cash flow, strong risk resistance capability, sound profitability and stable market supporting base. Upon completion of the Acquisition, the Company may recognize corresponding investment income in proportion to its shareholding, which will help optimize the Company's financial position and boost its operating results.

FINANCIAL IMPACT OF THE ACQUISITION

Upon completion of the Acquisition, the Company and Isuzu will each hold a 50.00% equity interest in IEC and exercise joint control over IEC in the form of a joint venture. The financial results of IEC will be accounted for by the Company using the equity method and will not be consolidated into the financial statements of the Group.

For the above reasons, the Directors (excluding the independent non-executive Directors, who will provide their views upon receipt of the advice from the Independent Financial Adviser) consider that the transaction contemplated under the Share Transfer Agreement is fair and reasonable, entered into on normal commercial terms and in the overall interests of the Company and its Shareholders.

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 Share Transfer Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As all the applicable percentage ratios in respect of the Share Transfer Agreement and the proposed transactions thereunder exceed 5%, the entering into of the Share Transfer Agreement is subject to the announcement, the circular, the annual reporting and the requirements to obtain Independent Shareholders' approval under Chapter 14A of the Listing Rules.

As one of the applicable percentage ratios in respect of the Share Transfer Agreement and the transactions contemplated thereunder exceeds 25% but all of them are less than 100%, such transaction constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The EGM will be convened by the Company to seek the Independent Shareholders' approval for the Acquisition.

The Independent Board Committee has been formed and will advise the Independent Shareholders as to, among others, whether the terms of the Share Transfer Agreement and the transactions contemplated thereunder 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 relevant resolution(s) to be proposed at the EGM, having taken into account the recommendations of the Independent Financial Adviser.

Rainbow Capital (HK) Limited has been appointed by the Company as its Independent Financial Adviser and will give recommendations to the Independent Board Committee and the Independent Shareholders on, among others, whether the terms of the Share Transfer Agreement and the transactions contemplated thereunder 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 relevant resolution(s) to be proposed at the EGM.

In accordance with the Listing Rules, the Company will despatch a circular to the Shareholders as soon as practicable containing, among other things, further details of the major and connected transaction, a letter from the Independent Board Committee and a letter of advice from the Independent Financial Adviser, together with the notice of the EGM. As additional time is required to prepare and finalise the aforesaid information to be included in the circular, it is expected that the Company will despatch the circular on or before 15 November 2026.

Shareholders and potential investors of the Company should note that Completion is subject to a number of Conditions Precedent which may or may not be fulfilled. As the Acquisition may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

“Acquisition”	the Company’s acquisition of approximately 30.43% equity interests in IEC from Qingling Group
“Board”	the board of Directors
“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)
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Share Transfer Agreement
“Conditions Precedent”	has the meaning under “Conditions Precedent” in this announcement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	has the meaning under “Consideration” in this announcement
“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
“EGM”	an extraordinary general meeting of the Company to be convened to consider, among other things, the ordinary resolution(s) to be proposed to approve the Acquisition
“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
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“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 19.57%, 30.43% and 50.00% 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. YANG Xinglong, Ms. HOU Qian, Mr. LIU Tianni and Ms. CHEN Yen Yung) established for the purpose of reviewing the major and connected transaction
“Independent Financial Adviser”	Rainbow Capital (HK) Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Cap. 571), being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the major and connected transaction
“Independent Shareholders”	Shareholders other than the connected person(s) who is/are interested in the relevant transactions
“Independent Third Parties”	third parties independent of and not connected with the Company and its connected persons
“Independent Valuer”	重慶華康資產評估土地房地產估價有限責任公司 (Chongqing Huakang Asset & Land & Real Estate Valuation Co., Ltd.)
“Isuzu”	Isuzu Motors Limited, a company incorporated in Japan and listed on the Tokyo Stock Exchange and a substantial shareholder of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules

“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 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 Transfer Agreement”	the share transfer agreement entered into by the Company and Qingling Group on 9 October 2026
“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
“Transferee”	the transferee under the Share Transfer Agreement
“Transferor”	the transferor under the Share Transfer Agreement
“Transitional Period”	the transitional period under the Share Transfer Agreement
“USD”	United States dollars, the lawful currency of the United States of America
“Valuation Benchmark Date”	the valuation benchmark date of the Valuation Report, being 30 June 2026

“Valuation Report”

the valuation report dated 24 September 2026 issued by 重慶華康資產評估土地房地產估價有限責任公司 (Chongqing Huakang Asset & Land & Real Estate Valuation Co., Ltd.) regarding the total Shareholders’ equity of IEC

“%”

per cent

By order of the Board
QINGLING MOTORS CO LTD
SONG Xiumin

Executive Director and Company Secretary

Chongqing, the PRC, 9 October 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*